

# Work begins on 3 semiconductor projects worth ₹1.25 trillion

PM inaugurates the chip-making plants virtually, says India achieving milestones in Industry 4.0

ASHUTOSH MISHRA  
Dholera, 13 March

The first made-in-India chips will roll out from the Tata Electronics plant at Dholera, in Gujarat towards the end of 2026, said Union Minister for Railways, Communications, Electronics and Information Technology Ashwini Vaishnav, at the groundbreaking ceremony of Tata Electronics and CG Power's chip plant on Wednesday.

"The first chip from Dholera will be out in December 2026. The chip from Micron's plant will be out by December 2024. India will be among the top five chip ecosystems in the world by 2029," said Vaishnav at the event.

Prime Minister Narendra Modi laid the foundation of three semiconductor plants virtually. These projects, constructed at a total cost of ₹1.25 trillion, are poised to elevate India into a global semiconductor hub, as stated by Modi. These projects were cleared by the Union Cabinet last month as part of India's Rs 76,000 crore capital expenditure incentive scheme for the semiconductor sector.

"The 21st century is electronically driven and it can't be imagined without semiconductor chips. During the first three industrial revolutions, India was lagging due to various reasons, but the country is moving with confidence towards achieving milestones in Industry 4.0," he further said.

These plants are a crucial step being taken by India to make its entry into the global semiconductor map. Other than these three plants, US-based Micron too is setting up a packaging plant in Sanand worth \$2.75 billion.

The three chip plants include the first semiconductor plant by Tata Electronics in collaboration with Taiwan's PSMC, CG Power in partnership with Renesas Electricals Corporation, Japan, and Stars Microelectronics of Thailand at Sanand and Tata Semiconductor Assembly and Test (TSAT) plant in Morigaon, Assam.

"These three semiconductor facilities will drive economic growth and foster innovation in the country," said the PM.



Gujarat CM Bhupendra Patel (left) with Tata Sons Chairman N Chandrasekaran, in Dholera, on Wednesday

PHOTO: PTI

## Will create 72,000 jobs through chip plants: Chandrasekaran

The two semiconductor facilities to be set up by Tata Electronics are expected to create around 70,000 - 72,000 jobs in the coming years, Tata group Chairperson N Chandrasekaran said on Wednesday. Speaking on the sidelines of the groundbreaking ceremony of the group's semiconductor project in Dholera, he said, "We are looking at 50,000 jobs in Gujarat, and at least 20,000 to 22,000 jobs in Assam and it will take time." Chandrasekaran further added, "We will further expand as we cross the early milestones. The most important thing is to produce and create the facility which is world class."

The commercial production in Assam facility will start in late 2025 or early 2026, he added. "With cybersecurity becoming a common threat, self sufficiency in semiconductors has become a must and a matter of national security."

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Tata Electronics' Dholera plant will produce 50,000 wafers per month and create employment opportunities for 50,000, both directly and indirectly. The plant will see a total investment of ₹91,000 crore, with the Centre contributing 50 per cent of the capex.

Meanwhile, the Sanand OSAT facility will be set up by CG Power and Industrial Solutions Limited under the Modified Scheme for Semiconductor Assembly, Testing, Marking and Packaging (ATMP), with a total investment of ₹7,500 crore.

The plant will have a capacity for 15 million chips per day and will cater to sectors such as consumer, industrial, automotive, and power applications.

The other OSAT unit by Tata Electronics in Morigaon, will be developed with an investment of ₹27,000 crore and will create employment opportunity of 20,000-22,000. "The plant will cater to electric vehicles, automotive, mobile phones, power devices," said Vaishnav.

"India will soon have a capacity of producing 1.8 lakh wafers per month with the approval of Israel's Tower Semiconductor proposal and the modernisation of government-owned Semiconductor Lab Mohali," said Union Minister Rajeev Chandrasekhar on Wednesday.

## Tata Electronics bets big on Singapore-based Silicon Box

SURAJEET DAS GUPTA

New Delhi, 13 March

Tata Electronics is making India's first semiconductor fabrication plant in Dholera, Gujarat, but perhaps less well-known is the fact that it invested in Singapore-based semiconductor startup Silicon Box on January 9.

It was one of the companies which participated in Silicon Box's series B fund raise valued at \$200 million which has helped it become a unicorn.

Tata Electronics spokesperson declined to comment.

Silicon Box specialises in chiplet technology which is considered an advance over traditional chip making. Its investors include UMC, Japanese electronics group TDK, Lam Research, Praesidium Capital, and Grandfull Convergence Fund.

According to Crunchbase, the company has raised over \$407.6 million till now through four founding rounds

and has 15 investors.

Earlier this week, Silicon Box announced that it will be investing \$3.6 billion in setting up a semiconductor assembly and test facility in Italy to make chips for AI, electric vehicles, and high performance computing.

The Italian government will provide it with support and the news coincides with Italy walking out of the Chinese Belt & Road Agreement. Italy's efforts to woo Intel to the country have failed. The plant is expected to generate 1600 direct jobs and many other indirect ones.

Silicon Box was founded in 2021 by the couple — Dr Sehat Sutardja and Weili Dai — that founded the Marvell Technology Group. The CEO, Han Byung Joon, was formerly CEO of STATS ChipPAC. Dr Sutardja and Han collectively have 800 patents under their names in a collaboration spanning 20 years.