

# Centre gives nod to HCL-Foxconn chip unit

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New Delhi, 14 May

The Union Cabinet on Wednesday approved the ₹3,706 crore HCL Group-Foxconn joint venture chip assembly unit in Uttar Pradesh's Jewar, Union Electronics and Information Technology Minister Ashwini Vaishnaw said.

The outsourced assembly and testing (OSAT) unit, which is expected to employ 2,000 people, will assemble up to 20,000 wafers per month with a design output capacity of 36

million units per month, the minister added.

"This plant will manufacture display driver chips for mobiles, laptops, personal computers, automobiles, and other electronic devices that need a display unit. This was a requirement for India as electronic manufacturing has risen multifold in recent years. The display driver chip is one of the key

components in the ecosystem," Vaishnaw said,

adding that the plant will use wafer-level technology to assemble chips.

This is the sixth project that has been approved by the Centre under the India Semiconductor Mission

(ISM).

The ₹76,000 crore ISM incentive plan, which aimed to kickstart semiconductor chip

manufacturing and packaging in the country, has been successful, and has seen six applications approved.

Five of these ISM-approved projects are chip packaging units while Tata Electronics is the sole chip fabrication unit so far. The Tata Group's Dholera semiconductor unit is the sole chip fabrication facility in India, which was approved by the central government on February 29 last year under the ISM.

The plant is expected to start operations by 2027 and

may employ nearly 2,000 people. The Dholera chip fabrication unit is coming up at a cost of over ₹91,000 crore.

"With an investment of ₹3,700 crore, the project brings large-scale advanced packaging and testing capabilities specifically for display driver ICs — addressing a critical gap in India's display and electronics value chain," said Ashok Chandak, president of the semiconductor policy advisory bodies, India Electronics and Semiconductor Association and SEMI India.

**THE ₹3,706  
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