

Vedanta-Foxconn Shares Details of Chip Tech Partners

Foxconn to bring in tech partners, JV will enable more licences as needed: Hebbar

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New Delhi: The Vedanta-Foxconn joint venture for manufacturing of semiconductors has shared with Centre the details of the technology partners it has onboarded so far, a senior Vedanta executive told ET.

Of the two partners, Foxconn is responsible for bringing in technology partners, and the JV will enable more licenses as needed, said Akarsh Hebbar, the managing director of the company's global display and semiconductor business.

"There will be a bunch of technology. Most of it is in Foxconn and we will start enabling more licenses as needed. We do not believe we need a third equity partner as much as we need parts. Whatever help we need from others, we will add to that," Hebbar said.

Of the two partners, Vedanta will also be taking the lead on the construction of the factory in Gujarat, he said. The company intends to start generating revenue from the semiconductor unit by 2027, Hebbar said.

With Foxconn taking the lead on bringing in technology partners, the JV has full access to a "world-class manufacturable high volume, automotive grade technology", David Reed, the chief executive officer of Vedanta-Foxconn Semiconductors Limited said.

"The intent is to reduce the risk with this technology from Foxconn. The other part of reducing the risk is Foxconn has experience with these large mega projects, bringing in building an ecosystem, not only the infrastructure, the supplier but also the social side," Reed said. The plan is to start manu-



AKARSH HEBBAR
MD, global display & semiconductor business, Vedanta



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POWERING UP



DEAL DETAILS

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facturing chips of 40 nm (nanometres) on a factory line with a capacity of 40,000 wafers per month. The pilot for the project will start with 5000 wafers per month initially, which will then be grown slowly to a maximum capacity of 40,000 wafers, Reed said, adding that the Vedanta-Foxconn combine would then start manufacturing the 28 nm (nanometres) chips.

The Vedanta-Foxconn consortium is one of the five applicants seeking government incentives under a \$10-billion package announced in December 2021 to promote domestic semiconductor manufacturing. The government is committed to footing 50% of the project cost, along with other incentives.

Vedanta, which has tied up with Foxconn to set up a semiconductor manufacturing unit in Gujarat, has announced plans to invest up to ₹66,000 crore in the semiconductor chip manufacturing plant. Overall, the Vedanta-Foxconn JV had announced it will invest ₹1.54 lakh crore, in a 63:37 ratio, to set up display and semiconductor fabrication units in Gujarat's Dholera.