

Vedanta-Foxconn JV reapplies for chip unit incentives

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The Vedanta-Foxconn joint venture (JV) on Tuesday said it had re-submitted an application to get government incentives for setting up an electronic chip manufacturing plant in India.

“We have submitted the application as per the revised guidelines. We are committed to building a world-class fab in India,” Vedanta Foxconn Semiconductor said in a statement. The announcement comes a day after a media report stated that Foxconn was searching for a new partner, stepping back from the year old JV with the Anil Agarwal-led Vedanta group.

The report had mentioned

that government officials had suggested Foxconn to onboard a different partner due to concerns over Vedanta's financial stability. Its earlier application could not qualify for receiving financial incentives after it failed to get a partner with technical expertise in producing advanced semiconductor chips. In the new application for making chips under the government's \$10 billion production-linked incentive (PLI) scheme, the company has sought government incentive in the 40-nanometer (nm) chip category, instead of 28-nm proposed earlier.

The company had earlier proposed to set up a plant in Dholera, Gujarat, with an investment of around ₹1.5 trillion.