

Govt clears ₹22k cr Micron investment for chip project

First Fab Unit By US Major May Be Announced During PM Visit

TIMES NEWS NETWORK

New Delhi: Ahead of PM Narendra Modi's visit to the US, the Union Cabinet cleared an over Rs 22,000-crore (\$2.7-billion) investment by American chipmaker Micron for setting up a semiconductor unit in the country.

Micron is among the top semiconductor companies in

MODI in AMERICA

the world, and plans to set up a semiconductor testing and packaging unit — one of the critical jobs in the process of chip manufacturing — within the country. The decision is expected to be announced while Modi is in the US, with the PM scheduled to meet Micron CEO Sanjay Mehrotra. The facility is expected to generate over 5,000 jobs.

“Micron's proposal has been cleared by the Union Cabinet and we expect that the decision will not only help strengthen India's bid for setting up a wholistic semiconductor ecosystem in the co-

5K JOBS IN TESTING, PACKAGING UNIT

➤ It is learnt that **Gujarat remains front-runner** for bagging Micron's **\$2.7-billion** semiconductor project

➤ Micron unit is expected to **create around 5,000 jobs**

➤ At present, no unit in India manufactures semiconductor chips. This has led the government to announce a **Rs 76,000-crore incentive package in December 2021** to

attract companies

➤ India has been **wooing top global semiconductor makers**, such as TSMC, GlobalFoundries, Intel and Samsung to invest in the country. There has not been much success yet

➤ India aims to develop **100 semiconductor design startups by the end of next year** to boost ecosystem for technology



Musk to brief PM on Tesla's India plans

Tesla CEO Elon Musk will brief PM Narendra Modi on plans to set up a manufacturing base in India, a source said. The meeting, the first at a high level to discuss the expansion, will



take place on Tuesday during Modi's state visit to the US, said the source. Musk will discuss investment plans and outlook with Modi, the source said. Tesla and a government spokesperson did not respond to queries. REUTERS

untry, but will also help attract new players to look at the country favourably,” said a source. While there is no confirmation yet on where Micron's unit will be located, it is believed that Gujarat remains a front-runner for bag-

ging the coveted project.

India is one of the world's top electronics and automobile producers and an equally big consumer. It has long been feeling the absence of a semiconductor ecosystem within the country. This comes

at a time when there is a global clamour to attract semiconductor investments, especially as Taiwan — one of the key manufacturers of chips — faces tensions in its relations with China.

Currently, no unit in India manufactures semiconductor chips, and this had prompted the government to announce a Rs 76,000-crore incentive package in December 2021 for attracting companies.

The incentive plan had not resulted in immediate success, although there had been a joint proposal by Vedanta and Taiwanese contract manufacturer Foxconn. The proposal has failed to materialise so far as the two companies have not been able to get a technology partner.

India has been also wooing top global semiconductor makers such as TSMC, GlobalFoundries, Intel, and Samsung to invest in the country. Most of the companies are already in an expansion mode across continents and, while believing in the long-term potential of India as a business market, have adopted a wait-and-watch stance.