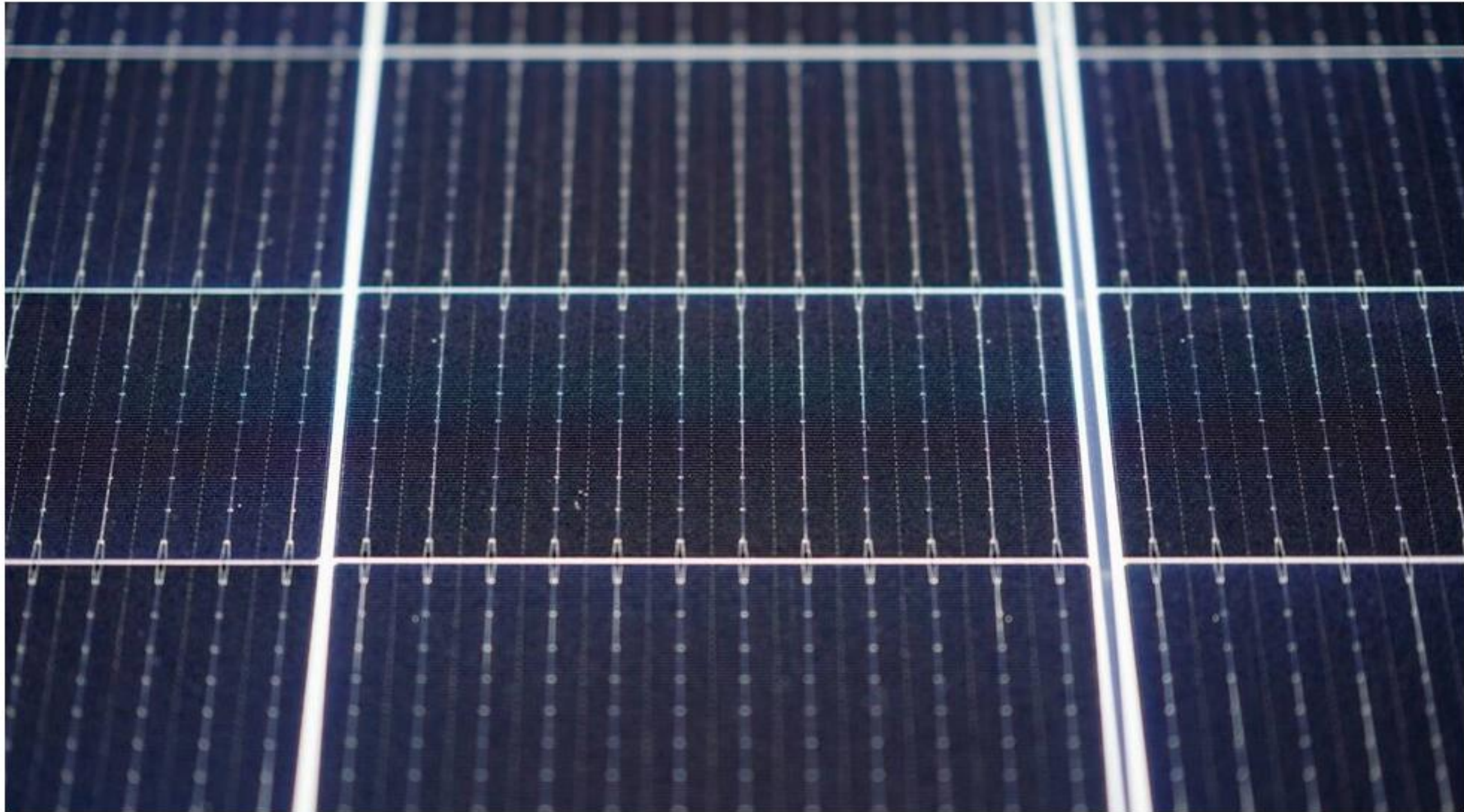


Centre clears schemes to boost semiconductor production, solar energy generation

Aiming to boost semiconductor manufacturing in India, the Centre has decided to provide uniform fiscal support of 50 per cent of the project cost for setting up of semiconductor fabrication plants. The Union Cabinet chaired by Prime Minister Narendra Modi on Wednesday approved the decision by modifying an existing scheme, 'Programme for Development of Semiconductors [...]



Solar PV manufacturers will be selected through a transparent selection process. (Representational image)

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The Union Cabinet chaired by Prime Minister [Narendra Modi](#) on Wednesday approved the decision by modifying an existing scheme, 'Programme for Development of Semiconductors and Display Manufacturing Ecosystem in India'.

Also, the Union Cabinet okayed a Rs 19,500-crore production linked incentive (PLI) scheme on 'national programme on high efficiency solar PV modules', seeking to attract Rs 94,000-crore investment in the sector.

Union Information and Broadcasting Minister Anurag Thakur told reporters that the semiconductor fabrication plants decision will encourage investments and make India self reliant in its semiconductor needs. The 50 per cent incentive is applicable to semiconductor fabrication across the technology nodes as well as for compound semiconductors, packaging and related facilities.

"A uniform fiscal support of 50 per cent of the project cost shall be provided across all technology nodes for setting up of semiconductor fabs," an official release said.

Given the niche technology and nature of compound semiconductors and advanced packaging, the modified programme shall provide fiscal support of 50 per cent of capital expenditure for setting up of compound semiconductors / silicon photonics / sensors / discrete semiconductors fabs, the release said.

"The programme has attracted many global semiconductor players for setting up fabs in India. The modified programme will expedite investments in semiconductor and display manufacturing in India," it added.

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An Advisory Committee comprising global experts from industry and academia, constituted to advise the government on India's Semiconductor Mission has unanimously recommended uniform support for all technology nodes of silicon semiconductor fabs / silicon photonics / sensors / discrete semiconductor fabs and ATMP/OSAT, which has been accepted by the government, it said.

The solar scheme under which about 65,000 MW per annum manufacturing capacity of fully and partially integrated solar PV modules will be installed aims to reduce India's import-dependence in the area of renewable energy. Thakur said about 2 lakh direct jobs will be created in the sector. "The initiative is expected to reduce import substitution of about Rs 1.37 lakh crore," he said.

Solar PV manufacturers will be selected through a transparent selection process.