

‘India to beat China in chip funding’

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Gandhinagar: India will pip China in bagging multi-billion-dollar semiconductor investments, the government has said. India is set to sign deals for up to 2 mega units by October-November that will manufacture the silicon fab, apart from compound fab units, it said.

Minister of state for IT & electronics, Rajeev Chandrasekhar said companies will invest because of a strong demand curve for the precious commodity and as the country emerges as a trusted partner in the electronics ecosystem.

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MINISTER OF STATE FOR IT & ELECTRONICS



wafer fab,” Chandrasekhar told **TOI**.

The minister said that with a robust demand for electronics across consumer sectors, India will be a lucrative market for semiconductor companies. “Electronics in India is now reaching a critical mass, and the target that we have set out for is \$300 billion by 2026. We are on track to achieve this... This would result in a massive need for semiconductors, which we estimate to touch \$110 billion by 2029.”

Chandrasekhar said Micron’s \$2.7-billion packa-

ging and testing unit, which is coming to Gujarat, will make more companies look at India favourably. “To have Micron — one of the world’s largest semiconductor memory companies — as the first to invest in India, is a big achievement... We are confident that many more companies will now follow Micron’s lead because they all know there is something called the first-mover advantage when coming to India.”

He also said that with India getting a favourable response from companies, its

march into the field of semiconductors may be faster than China’s with even lower investments.

“Just to give you a sense of the semiconductor intensity in electronics, China exports \$900-billion worth of electronics, but simultaneously needs to import almost \$600 billion of semiconductors. They have spent \$200 billion in the last 20 years on semiconductors and flopped. On the other hand, we are spending just \$10 billion (India’s semiconductor incentive package for investors) and we will be in a position to achieve what even bigger countries — who have spent 10 times more money — have not been able to achieve in over 20 years. We have a big opportunity, at least in semiconductors, to surge ahead of China.”