

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 3335
TO BE ANSWERED ON: 23.03.2022

INDIA SEMI CONDUCTOR MISSION

3335. SHRI VISHNU DAYAL RAM:

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) the details of the India Semiconductor Mission;
- (b) the details regarding the schemes under the above said Mission, including the allocation for each of the schemes;
- (c) the manner in which India Semiconductor Mission will improve India's manufacturing capacity?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI RAJEEV CHANDRASEKHAR)

(a): Government is focused on its important objective of building the overall semiconductor ecosystem and ensure that, it in-turn catalyses India's rapidly expanding electronics manufacturing and innovation ecosystem. This vision of AtmaNirbharta in electronics & semiconductors was given further momentum by the Union Cabinet, chaired by the Hon'ble Prime Minister, approving the Semicon India programme with a total outlay of INR 76,000 crore for the development of semiconductor and display manufacturing ecosystem in our country. The programme aims to provide financial support to companies investing in semiconductors, display manufacturing and design ecosystem. This will serve to pave the way for India's growing presence in the global electronics value chains.

India Semiconductor Mission (ISM) has been setup as an Independent Business Division within Digital India Corporation having administrative and financial autonomy to formulate and drive India's long term strategies for developing semiconductors and display manufacturing facilities and semiconductor design ecosystem. Envisioned to be led by global experts in the Semiconductor and Display industry, ISM will serve as the nodal agency for efficient, coherent and smooth implementation of the schemes.

(b): Following four schemes have been introduced under the aforesaid programme:

- i. **Scheme for setting up of Semiconductor Fabs in India** provides fiscal support to eligible applicants for setting up of Semiconductor Fabs which is aimed at attracting large investments for setting up semiconductor wafer fabrication facilities in the country. Following fiscal support has been approved under the scheme:

- 28nm or Lower - Up to 50% of the Project Cost
 - Above 28 nm to 45nm - Up to 40% of the Project Cost
 - Above 45 nm to 65nm - Up to 30% of the Project Cost
- ii. **Scheme for setting up of Display Fabs in India** provides fiscal support to eligible applicants for setting up of Display Fabs which is aimed at attracting large investments for setting up TFT LCD / AMOLED based display fabrication facilities in the country. The Scheme provides fiscal support of up to 50% of Project Cost subject to a ceiling of INR 12,000 crore per Fab.
 - iii. **Scheme for setting up of Compound Semiconductors / Silicon Photonics / Sensors Fab and Semiconductor Assembly, Testing, Marking and Packaging (ATMP) / OSAT facilities in India:** The Scheme provides a fiscal support of 30% of the Capital Expenditure to the eligible applicants for setting up of Compound Semiconductors / Silicon Photonics (SiPh) / Sensors (including MEMS) Fab and Semiconductor ATMP / OSAT facilities in India.
 - iv. **Design Linked Incentive (DLI) Scheme** offers financial incentives, design infrastructure support across various stages of development and deployment of semiconductor design for Integrated Circuits (ICs), Chipsets, System on Chips (SoCs), Systems & IP Cores and semiconductor linked design. The scheme provides “Product Design Linked Incentive” of up to 50% of the eligible expenditure subject to a ceiling of ₹15 Crore per application and “Deployment Linked Incentive” of 6% to 4% of net sales turnover over 5 years subject to a ceiling of ₹30 Crore per application.

In addition to the above schemes, Government has also approved modernisation of Semiconductor Laboratory, Mohali as a brownfield Fab.

The total fiscal outlay of the proposed schemes is INR 76,000 crore which is fungible across different schemes.

(c): The Vision of ISM is to build a vibrant semiconductor and display design and innovation ecosystem to enable India’s emergence as a global hub for electronics manufacturing and design. India Semiconductor Mission (ISM) is of paramount importance to organize efforts for promoting semiconductors and display industry in a more structured, focused, and comprehensive manner. It will formulate a comprehensive long-term strategy for developing semiconductors & display manufacturing facilities and semiconductor design ecosystem in the country in consultation with Government ministries / departments / agencies, industry, and academia. It will facilitate the adoption of trusted electronics through secure semiconductors and display supply chain, including raw materials, specialty chemicals, gases, and manufacturing equipment. It will enable a multi-fold growth of Indian semiconductor design industry by providing requisite support in the form of Electronic Design Automation (EDA) tools, foundry services and other suitable mechanisms for early-stage startups. It will also promote and facilitate indigenous Intellectual Property (IP) generation and encourage, enable and incentivize Transfer

of Technologies (ToT). ISM will also enable collaborations and partnership programs with national and international agencies, industries and institutions for catalyzing collaborative research, commercialization and skill development.
