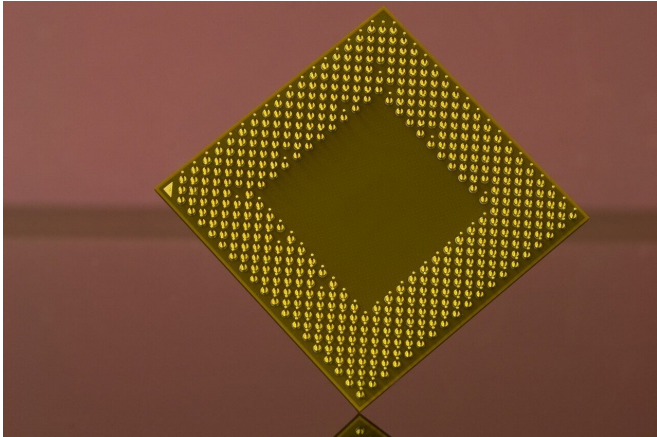


India unveils \$10.2B plan to attract semiconductor makers

15 December 2021, by Ashok Sharma



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India on Wednesday announced a \$10.2 billion plan to try to attract global chipmakers to set up shop in the country and transform it into a production hub of semiconductors.

The plan unveiled by Information Technology and Telecom Minister Ashwini Vaishnaw comes amid a severe shortage of semiconductors caused by the COVID-19 pandemic, which has led to global shortages of products that need them, including new cars.

India wants to lure countries with [economic incentives](#), including manufacturers with operations in China that might be willing to shift to India because of the ongoing trade disputes between the U.S. and China, Indian officials and [business leaders](#) have said.

He told reporters that incentives will attract companies involved in various parts of the semiconductor manufacturing process. India's government will provide [fiscal support](#) of up to 50% of project costs to eligible display and semiconductor fabricators, Vaishnaw said.

"Today's historic decision will boost the development of complete semiconductor ecosystem, ranging from design, fabrication, packaging, and testing," Vaishnaw said.

The government expects its investments supporting the semiconductor sector would help create 35,000 specialized jobs and indirect employment for 100,000 people, the Press Trust of India news agency said.

PTI said India is looking to push electronics manufacturing to \$300 billion in the coming six years from \$75 billion now with semiconductor chips a crucial part of that ecosystem.

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