

EDITION INDIA

The Indian EXPRESS

JOURNALISM OF COURAGE

Monday, Sep 02, 2024

EPAPER TODAY'S PAPER

TRENDING

Mumbai News

Delhi News

Chandigarh News

Bangalore News

Pune News

Lucknow News

Ahmedabad News

ADVERTISEMENT

News / India / Cabinet OKs `3,300-cr chip assembly plant in Gujarat

Cabinet OKs `3,300-cr chip assembly plant in Gujarat

India has ambitions to become a major chip hub on the lines of the United States, Taiwan and South Korea, and has been courting foreign companies to set up operations in the country.

Written by [Soumyarendra Barik](#) Follow

New Delhi | September 3, 2024 03:45 IST





The plant will be constructed in Sanand, Gujarat. (File Photo)

The Union Cabinet Monday cleared a semiconductor assembly and testing plant being set up by Kaynes Semicon at a cost of `3,300 crore. This is the fifth semiconductor unit, and the fourth assembly unit, to receive Cabinet approval under India's ambitious `76,000 crore chip manufacturing incentive scheme.

"The capacity of this unit will be 60 lakh chips per day... The chips produced in this unit will cater to a wide variety of applications which include segments such as industrial, automotive, electric vehicles, consumer electronics, telecom, mobile phones, etc." the Ministry of Electronics and IT (MeitY) said in a statement.

"Yet another boost to India's efforts towards becoming a hub for semiconductors... This will cater to a wide range of sectors and also give employment to several youth," Prime Minister [Narendra Modi](#) said on X.

The plant will be constructed in Sanand, Gujarat. It is understood that the plant was initially to come up in [Telangana](#), but was moved to Gujarat, after the government indicated that Sanand was coming up as a cluster for chip assembly plants. It is also learnt that the government's subsidy towards the plant will be around `1,300 crore.

India has ambitions to become a major chip hub on the lines of the United States, [Taiwan](#) and South Korea, and has been courting foreign companies to set up

world ₹11 billion being set up by Tata Electronics in partnership with Taiwan's Powerchip, and three different chip assembly plants being set up by the Tatas, US-based Micron Technology, and Murugappa Group's CG Power in partnership with Japan's Renesas.



Subscribe to receive the day's headlines from The Indian Express straight in your inbox

strugglingforexistence@gmail.com

Subscribe

Currently, there are more proposals to set up semiconductor units with the government. This includes a ₹78,000-crore fabrication plant proposed by Israel's Tower Semiconductor, and a ₹4,000-crore assembly plant by Zoho.

[Click here to join The Indian Express on WhatsApp and get latest news and updates](#)

© The Indian Express Pvt Ltd



Soumyarendra Barik

Follow



Soumyarendra Barik is Special Correspondent with The Indian Express and reports on the intersection of technology, policy and society. With over five years of ne... [Read More](#)

First uploaded on: 03-09-2024 at 03:45 IST

 **EXPRESS** Shorts