

## **GOVERNMENT OF INDIA INVITES EXPRESSION OF INTEREST FOR SETTING UP OF SEMICONDUCTOR FABS**

The Empowered Committee set up by the Government of India invites a preliminary Expression of Interest from potential technology providers and investors for setting up of semiconductor fabs in India

**WHO CAN RESPOND : Technology providers and investors (Foreign and Indian).**

### **BACKGROUND:**

#### **HUGE DEMAND :**

India with over 1.2 billion population, nearly half of them in the age-group 20-49 years, is one of the fastest growing electronics markets globally. The demand for electronics hardware is currently about USD 45 Billion and is expected to cross USD 400 Billion by 2020. This translates to nearly USD 50 Bn in semiconductor demand.

#### **FAVOURABLE POLICY FRAMEWORK:**

100% FDI is permitted under automatic route in semiconductor fabs. Government of India is in the process of developing a policy framework to provide preference for domestically produced electronics goods in Government/ Government influenced procurement. Apart from attractive financial and fiscal incentives for capital investment in the projects, Government of India will also provide assistance for setting up of world-class infrastructure for the semiconductor fabs and its eco-system units

#### **GOVERNMENT PROCUREMENT OF ELECTRONICS:**

Government of India is enabling multi-billion dollar investments in programmes which are major consumers of electronic goods like country-wide roll out of 3G, Wimax and 4G; broadband to over 6,00,000 villages, National Knowledge Network with 100 GB connectivity for over 20,000 colleges and research institutions, National eGovernance Programme involving 250,000 Common Service Centers, National Mission to provide computers to over 100,000 schools, digitization of television broadcast network with over 70 Million households and others.

#### **TALENT BASE AND R&D HUB:**

India has the third largest base of scientific and technical manpower base with nearly 400 universities and 20,000 colleges. India produces over 200,000 engineering graduates annually. India has become a leading destination for R&D for a number of multi-nationals and other companies.

#### **SEMICONDUCTOR CHIP DESIGN ECO-SYSTEM:**

The semiconductor design industry in India, consisting of VLSI design, board/hardware design and embedded software development, was estimated at USD 6.5 billion in 2009 and is expected to reach USD 10.6 billion in 2012. Nearly 2000 chips are being designed each year and more than 20,000 engineers are being engaged in various aspects of chip designing and verification.

#### **EMPOWERED COMMITTEE TO DEAL WITH POTENTIAL INVESTORS:**

Government has set up a very High Level Empowered Committee for identifying technology and investors interested in setting up of semiconductor fabs in the country. The Committee has been mandated to assess and recommend the quantum of Government support in physical/financial terms for translating the interest into semiconductor fabs. The Committee has also been mandated to exercise oversight over the implementation of the course of action approved by the Government.

#### **TIME LIMIT:**

The responses to this call for EOI may be sent within 4 weeks of this advertisement.

#### **INFORMATION REQUESTED:**

Brief profile of the investor/consortium of investors, technology experience including technology tie-ups in this sector, Salient features of technology proposed, product mix proposed, manufacturing capacity reports and approximate quantum of investment involved.

For more information visit website [www.mit.gov.in](http://www.mit.gov.in). The responses to this call for EOI or requests for any additional information may be sent to the contact below

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