



## TATA GROUP TO BUILD THE NATION'S FIRST FAB IN DHOLERA

*Taiwan's Powerchip Semiconductor Manufacturing Corporation (PSMC) will provide technology and execution support for the state-of-the-art greenfield facility in Gujarat to address the global semiconductor markets in the areas of automotive, computing, communications, and artificial intelligence*

**Mumbai, February 29, 2024:** In a significant step towards creating an indigenous ("Make in India, For the World") semiconductor ecosystem in India, Government of India has approved a proposal from Tata Electronics to build a mega semiconductor fabrication facility ("Fab") in Dholera, Gujarat in partnership with PSMC. The fab construction will begin this year with a total investment of up to INR 91,000 crores (~US\$11bn) and will generate over 20,000 direct and indirect skilled jobs in the region. With this announcement, Tata Electronics enters the global semiconductor industry.

Tata Electronics (a wholly owned subsidiary of Tata Sons Pvt. Ltd.) in partnership with Powerchip Semiconductor Manufacturing Corporation (PSMC) will build India's first AI-enabled state-of-the-art Fab. This Fab will have manufacturing capacity of up to 50,000 wafers per month and will include next generation factory automation capabilities deploying data analytics and machine learning to achieve industry-best factory efficiency. The new semiconductor Fab will manufacture chips for applications such as power management IC, display drivers, microcontrollers (MCU) and high-performance computing logic, addressing the growing demand in markets such as automotive, computing and data storage, wireless communication and artificial intelligence.

**N Chandrasekaran, Chairman, Tata Sons** had announced Tata Group's decision to build a semiconductor fab in Dholera in the 20th Vibrant Gujarat Summit in January 2024. Commenting on the planned semiconductor Fab he said, "Tata Group has a tradition of pioneering many sectors in the country, and we are confident that our entry in semiconductor fabrication will add to this legacy.

With AI-led digitization of every aspect of human existence, semiconductors will be the most critical building block. By 2030, Global semiconductor industry is expected to grow to US\$ 1 trillion and Indian semiconductor demand is expected to cross US\$110bn. India's entry in the semiconductor manufacturing will significantly de-risk global supply chains and will make India a very important player in the global semiconductor industry.

We are proud to lead India's entry into global semiconductor fabrication. This will also accelerate our progress towards providing high-technology employment opportunities for the youth of India.

Today's announcement is possible because of the enduring vision of the Government of India under the leadership of Hon'ble Prime Minister Shri Narendra Modi in defining



comprehensive central and state semiconductor policies, as well as continuous advocacy and support from Ministry of Electronics and Information Technology (MeitY), India Semiconductor Mission (ISM) and the Government of Gujarat.”

Emphasizing the significance of this strategic step, **Dr Randhir Thakur, CEO & MD, Tata Electronics** said, “This marks a beginning of a new era for India. Tata Electronics is proud to play a prominent role in strengthening the global semiconductor ecosystem. Our partnership with PSMC provides access to a broad technology portfolio in leading edge and mature nodes including 28nm, 40nm, 55nm, 90nm & 110nm and also collaboration for high volume manufacturing. We are confident that the upcoming Fab will support our ambitions of “Make in India, For the World”. We will be able to serve our global customers’ requirements for supply chain resilience and meet the growing domestic demand.”

PSMC, which is one of Taiwan’s leading pure-play foundry companies with capabilities across logic and memory technologies, will provide access to leading-edge and mature technologies. **Dr Frank Hong, Chairman, PSMC** said “The Tata group is one of the most established and well-respected names in India and globally. We are very excited to enter in partnership with Tata group, that I believe will script a new era in the global semiconductor industry. Semiconductor industry presents a large and growing opportunity, and India is uniquely placed to capture this opportunity. On one end India has a large and growing domestic demand and on the other end global customers are looking at India for supply chain resilience. There could not have been better time for India to make its entry into semiconductor manufacturing industry. This partnership has the potential to redefine the contours of global semiconductor manufacturing and we are looking forward to collaboration with Tata Electronics.”

This new initiative from Tata Electronics will bring to India a portfolio of cutting-edge semiconductor technologies, advanced skill set and talent, and a network of semiconductor manufacturing suppliers and ecosystem partners, resulting in foundational development of indigenous semiconductor ecosystem in India. With this Fab, India for the first time will be able to address the growing chip demand of domestic and global customers across automotive, computing, communications, and artificial intelligence markets. Tata Group’s multi-fab vision for Dholera is projected to create over 1,00,000 skilled jobs and establish India as one of the key supply chain partners to the global semiconductor industry.

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#### **About the Tata Group:**

Founded by Jamsetji Tata in 1868, the Tata Group is a global enterprise, headquartered in India, comprising 30 companies across ten verticals. The group operates in more than 100 countries across six continents, with a mission 'To improve the quality of life of the communities we serve globally, through long-term stakeholder value creation based on Leadership with Trust’.

Tata Sons is the principal investment holding company and promoter of Tata companies. Sixty-six percent of the equity share capital of Tata Sons is held by philanthropic trusts, which support education, health, livelihood generation and art and culture.



In 2022-23, the revenue of Tata companies, taken together, was \$150 billion (INR 12 trillion). These companies collectively employ over 1 million people.

Each Tata company or enterprise operates independently under the guidance and supervision of its own board of directors. There are 29 publicly listed Tata enterprises with a combined market capitalization of over \$350 billion as on February 2024. For more details visit [www.tata.com](http://www.tata.com)

**About Tata Electronics:**

Tata Electronics is a global player in the electronics manufacturing business with fast emerging capabilities in Electronics Manufacturing Services, Semiconductor Assembly & Test, Semiconductor Foundry, and Design Services. Founded in 2020 as a greenfield venture of the Tata group, the company aims to better serve global customers through integrated offerings across a trusted electronics and semiconductor value chain. With a fast-expanding workforce, the company presently employs over 15,000 people and has facilities in Tamil Nadu and Karnataka in India. Tata Electronics also aims to work towards creating a conscientious socio-economic footprint by employing large number of women in its workforce and providing necessary assistance to local communities in health, hygiene, and education.

**About PSMC:**

Powerchip Semiconductor Manufacturing Corporation (PSMC) provides foundry services in advanced memories, customized logic integrated circuits and discrete components with the Open Foundry operation model. From chip design and manufacturing service to equipment and production capacity sharing, PSMC establishes a close and flexible cooperation with customers according to their attributes and demands. PSMC owns two 8-inch and three 12-inch wafer fabs with 8,000 employees; with a brand new 12-inch wafer fab under construction in Taiwan.

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