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3 How India can contribute to electronic chip making in a big way? Explain.

The electronic chip is the heart of any electronic devices contributing a major share in the Bill of materials. India has ambitious target to gain market share in the chip business

Chip industry in India

India's chip market is estimated to reach $300 billion by 2026. India has 20% of electronic chip design engineers which has significant advantage in the long term.

Chips are finding their ways in mobiles wearables and industrial segment which generate 80% of the revenue. Yet majority of the semiconductors and chip needs are fulfilled by imports.

Contribution to chip industry

India can greatly benefit from the

USA - Creating Helpful Incentives to Produce semiconductors CHIPS act which has allocated $52 billion to produce chips.

Industries are pursuing China plus one strategy to diversify their manufacturing and their preferred choice: Foxconn - India as their preferred choice: Foxconn - Vedanta and IGSS Singapore started operations here.

Schemes such as the ₹76,000 crore production linked incentive scheme for development of semiconductor and display manufacturing electronics system and Design Linked Incentive scheme to strengthen the chip design and provide financial and infra-structural support.

Future

The intellectual property rights provision must be chalked out wisely with suitable technology transfers which can create India as chip hub in near future.