# L&T Semicon plans a $10 bn chip bet

## Move only after it has visibility of hitting $1 bn annual sales of fabless semicon products designed by the firm

**SURAJEET DAS GUPTA**
New Delhi, 23 January

L&T Semiconductor Technologies (LTSCT), a fully owned subsidiary of Larsen & Toubro, has put together a plan to invest over $10 billion in a silicon fabrication (fab) plant after it gains clear visibility by 2026-27 of hitting at least a $1 billion per annum revenue run rate by selling its own designed and patented chips and semiconductor products (manufactured by third parties) in both the Indian and global markets.

Speaking to *Business Standard*, Sandeep Kumar, chief executive officer of the company, said: "We have decided not to follow the foundry path like Taiwan Semiconductor Manufacturing Company (TSMC) and make chips for others; instead, we want to go down the product path. A fab plant will require an investment of over $10 billion. Even with subsidies, it will mean an investment of $1 billion."

However, Kumar says that to recover this capital, the plant that will manufacture the chips designed by them must operate at 95 per cent capacity. This would require generating revenues of $1 billion per annum from product sales. "We will have visibility on our revenues by 2026-27 and then decide on building the plant by 2031."

The company has also explored the potential of setting up compound fab plants powered by like gallium nitride, GaN. Kumar says: "These plants cost around $1.5 billion, so you should have visibility of $150 million per annum in revenues. But at the moment, there is an oversupply in the market, which will constrain us if we are unable to take advantage of this situation."

The one-year-old company is currently focusing on designing and selling its semiconductor products, with a focus on some key areas: like radio frequency, and sensors—backed by an initial investment of $300 million.

Kumar explains: "We are not competing with Nvidia or Advanced Micro Devices but are entering segments where there is less competition, and it is not dominated by just one or two players. Instead, there are already 30 players, and there are niche areas where we can go in and compete."

He also points out that the technology nodes required in these segments are not as aggressive, and the cost of development is lower. Of course, he notes, even the unit volume and revenue per product are smaller.

Kumar also mentions that the company is not entering large markets—like mobile and personal computers—where there are already established players offering semiconductors. It is focusing on the energy and telecommunications sectors and products designed by the company will be launched mid this year.

Currently, the company is manufacturing the chips it designs at third-party global foundries.

However, Kumar says that they will give contracts to companies like Tata and various Outsourced Semiconductor Assembly and Test players once they begin commercial production in the country.

### THE WAY AHEAD

- Design, own the patent, and sell semiconductor products, initially following a 'fabless' model
- Target both the global and Indian markets, focusing on segments where market consolidation among a few big players has not yet occurred
- The one-year-old company is currently focusing on designing and selling its semiconductor products
- Will not follow the foundry model like TSMC but a product-led model, with the fab manufacturing their products rather than for third parties

# Airtel, Jio comply with voice-only mandate

## Trai called for affordable plans for users who rely on calling and SMS, without needing data services

**SUBHAYAN CHAKRABORTY**
New Delhi, 23 January

Bharti Airtel and Reliance Jio have introduced a series of voice-only plans to comply with new Telecom Regulatory Authority of India (Trai) guidelines mandating affordable plans for users who rely on calling and short message service (SMS), without needing mobile data.

Airtel has revised the cost of the year-long voice plan to ₹1,959, down from ₹1,999, and that of the 84-day voice plan to ₹499, down from ₹569. The two plans offer 900 and 3,600 SMSes, respectively. Additionally, Airtel Rewards include an Apollo 24/7 Circle membership for 3 months and free hello tunes.

Jio has launched an 84-day plan costing ₹458 with unlimited voice calling, free national roaming, 1,000 free SMSes, and access to Jio Cinema, and its TV apps, but no mobile data benefits. It also announced a similar annual plan for ₹1,958 with 3,600 free SMSes and other complimentary benefits.

The telco removed two plans, priced at ₹1,899 and ₹479. These offered 24GB data and 336-day validity, and 6GB of data with a validity of 84 days, respectively.

On December 26 last year, Trai mandated separate Special Tariff Vouchers (STV) for voice and SMS to give consumers an option to pay for the services they require in general. The regulator argued it would provide benefits to the elderly, and those living in rural areas.

It also increased the cap on the validity period for STV and combo vouchers from the earlier 90 days to 365 days. The vouchers are usually more affordable than regular plans and are favoured by budget-conscious consumers.

According to Trai, an estimated 150 million people in India still use basic mobile services. Many of these users don't need data services but are forced to buy expensive plans that bundle data along with calls and SMS.

### WHAT'S IN THE PLAN

**AIRTEL**

**Annual voice plan:** ₹1,959 with 3,600 free SMSes

**84-day voice plan:** ₹499 with 900 free SMSes

- Additionally, Airtel Rewards include an Apollo 24/7 Circle membership for 3 months

**JIO**

**Annual voice plan:** ₹1,958 with 3,600 free SMSes, and other complimentary benefits

**84-day voice plan:** ₹458 with unlimited voice calling, free roaming, 1,000 free SMSes, and access to Jio Cinema, and its TV apps

### Regulator clarifies on 90-day SIM disconnection reports

Trai clarified on Tuesday it had not announced new rules ordering the suspension of connections that have not been used for 90 days, as was reported in the media. According to the Telecom Consumer Protection Regulations (TCPR) 6th amendment, prepaid mobile connections cannot be deactivated for non-usage within 90 days, provided the consumer maintains a minimum balance of ₹20 or less in their account. This amendment, introduced 11 years ago, ensures automatic number retention for inactive connections as long as the required balance is maintained, Trai said.

SUBHAYAN CHAKRABORTY

# Lilavati Hospital to invest ₹800 cr in cancer care unit

**ANJALI SINGH**
Mumbai, 23 January

Lilavati hospital will set up a 300-bed cancer care institute in Bandra with an investment of ₹800 crore. Abutting Lilavati hospital, this institute will open in two years on a 350,000-square feet of land, which is being subsidised by the government.

It is expected to create 5,000-6,000 jobs, which will include roles for over 400 specialised doctors, healthcare professionals, and support staff.

Prashant Mehta, Permanent Trustee of Lilavati Hospital said, "The government will subsidise healthcare projects to support the city, and we are ensuring that all healthcare initiatives receive the necessary assistance. There is immense support because everyone recognises that cancer care is the need of the hour, and people are eager to contribute to this cause for the city of Mumbai."

The investment for the institute will be funded through a mix of donations and bank debt.

The institute aims to provide access to the latest technologies, advanced treatments, and global best practices in oncology. It will also introduce AI-driven diagnostic tools to improve early detection and patient outcomes.

Lilavati Hospital has also signed a Memorandum of Understanding (MOU) with the US' Mayo Clinic to launch a Nursing Excellence Program in the Cancer Care Institute.

Under this program 130 nurses will be trained, as this collaboration aims to enhance the skills and knowledge of the nursing staff through specialised training and development. This program will cover areas such as Nursing Excellence education, Nursing Quality and Patient Experience, and Patient and Staff Safety. Nurses completing the program will receive a certificate of excellence from the Mayo Clinic.

# Ather Energy introduces multi-language dashboard

**ANJALI SINGH**
Mumbai, 23 January

Indian electric two-wheeler manufacturer Ather Energy has introduced a multi-language dashboard interface for its scooter Rizta.

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