

GOVERNMENT OF INDIA  
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 1666**  
TO BE ANSWERED ON: 30.07.2025

**CHIP-DESIGN FIRMS AND STARTUPS UNDER DLI SCHEME**

**1666. SHRI BAIJAYANT PANDA:**

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) the details of the number of chip-design firms and startups approved under the Design-Linked Incentive (DLI) Scheme since December 2021 along with the total amount sanctioned and released till date;
- (b) whether the number of approved projects and amount sanctioned have met the target outlay; (c) if so, whether the Government is planning any update in target or additional outlay of funds and if not, the reasons therefor;
- (d) the details of the number of implemented products or prototypes launched; and
- (e) the details of Challenges faced in deployment along with the steps taken by the Government to enhance Intellectual Property (IP) retention and commercialisation?

**ANSWER**

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY  
(SHRI JITIN PRASADA)

(a) to (e): The Government has approved the ‘Semicon India Programme’ with a total outlay of ₹76,000 crore for the development of a semiconductor and display manufacturing ecosystem in the country.

As part of this, the ‘Design Linked Incentive (DLI) Scheme’ has been approved with an outlay of ₹1,000 crore to support domestic companies, startups, and MSMEs in semiconductor design.

Designing and commercializing a semiconductor product involves high entry barriers, long development timelines, and global competition. To address these challenges, the DLI Scheme provides for the following:

- Design infrastructure support, such as Electronic Design Automation (EDA) tools and Intellectual Property (IP) cores, to help with early prototyping of designs.
- Financial incentive of up to 50% of eligible costs, capped at ₹15 cr/ application, for design prototyping, scaling-up, and volume production.
- Incentives of 6% to 4% of net sales turnover over five years, capped at ₹30 cr/ application, for deployment & commercialization of chip solutions.

Under DLI, since its launch in December 2021:

- 278 academic institutions (C2S) and 72 startups (DLI) have been approved for access to state-of-the-art Electronic Design Automation (EDA) tools.
- 23 firms and startups are sanctioned financial support for designing chips for various applications such as surveillance camera, energy meter, microprocessor IPs, networking applications, and more.
- Out of these, ten (10) companies have raised venture capital (VC) funding for scaling up their design prototypes for commercialization.
- Six (6) companies have successfully completed prototype tape-outs at various semiconductor foundries.

Recently, 20 chip designs from 17 academic institutions have been successfully fabricated by SCL, Mohali.

A total project outlay of ₹803.08 crore, including the cost of EDA tools, has been approved under the DLI Scheme. These projects are at various stages of semiconductor design and development. The release of funds under the scheme are linked with the achievement of defined milestones including the deployment of chips.

The DLI Scheme is implemented in close consultation with stakeholders and beneficiary companies. Any modifications needed will be done based on evolving requirements and feedback.

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