

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 2804
TO BE ANSWERED ON: 17.12.2025

INDIA'S INCENTIVE PROGRAMME

2804. SHRI EATALA RAJENDER:

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

- (a) whether India's incentive programme is one of the most generous initiatives in the world in addition to the 50 per cent incentive from the Centre and some States have provided a top-up incentive through their respective policies and therefore, 75 per cent of the cost of setting up a unit is subsidised and remaining would be committed under the India Semiconductor Mission programme and States are seeking more funds from the Union Government to take forward projects; and
- (b) if so, the details along with its present status thereof?

ANSWER

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

(a) and (b): Semiconductor is a foundational and strategically critical sector that underpins almost every aspect of modern life. Its development strategy is inspired by Prime Minister Shri Narendra Modi's vision of Atmanirbhar Bharat and Make in India, Make for the world.

Many countries including those with mature semiconductor ecosystems provide substantial financial support to semiconductor manufacturing. This ensures national and economic security, strengthens supply-chain resilience, and maintains technological leadership.

In line with this, Government introduced the Semicon India programme with an aim to develop semiconductor ecosystem ranging from talentpool, design, fabrication, assembly, testing, packing, and module manufacturing.

Details of the programme can be accessed from the website <https://www.ism.gov.in/>.

Indian Semiconductor Mission

Government has approved 10 manufacturing units including 2 fabs and 8 ATMPs/OSATs spanning across 6 states with an investment of Rs 1.6 Lakh Crore.

Under the Design Linked Incentive (DLI) Scheme, 23 companies have been supported for 24 chip and System-on-Chip (SoC) designs, with a total project value of ₹920 crore.

These designs cater to applications such as satellite communication, drones, surveillance cameras, Internet of Things (IoT) devices, LED drivers, AI devices, telecom equipment and smart meters.

Further, as infrastructure support, free design tool (EDA) access has been provided to 94 startups enabling 47 lakh hours of design tool usage.

To encourage India's young engineers, Government is also providing latest design tools (EDA) to 397 universities and start-ups. Using these tools, chip designers from more than 46 universities have designed and fabricated 56 chips at Semiconductor Laboratory (SCL), Mohali.

Training in chip design has also been provided to more than 67,000 students, and researchers so far.

In addition to the above, many states are providing fiscal support and other necessary support based on their respective state policy to the approved projects under Semicon India Programme.
