GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 479
TO BE ANSWERED ON: 22.07.2026

PROJECTS APPROVED UNDER DLI SCHEME

479. DR. SHASHI THAROOR:

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

(a) the number of projects approved under the Design Linked Incentive (DLI) Scheme that have progressed to tape-out, successful fabrication and deployment in electronic products, respectively along with the sector-wise details thereof;
(b) whether the Government has undertaken any assessment of the challenges faced by DLI-supported companies in progressing from tape-out to fabrication and from fabrication to deployment and if so, the findings thereof along with the details of steps taken or proposed to be taken;
(c) the number of applicants that have become eligible for incentives and the number that have received disbursements under the Product Design Linked Incentive and Deployment Linked Incentive components along with the amount sanctioned and disbursed under each component; and
(d) whether the Government proposes to strengthen post-design support under the DLI Scheme including testing, certification, manufacturing partnerships and market access to facilitate deployment of indigenous semiconductor designs and if so, the details thereof?

ANSWER

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

(a) to (d): **Semiconductor industry:**
Semiconductor is a foundational industry. Semiconductor chips are now integral part of the electronic goods such as mobile phones, computers, household appliances, vehicles, railway equipment, drones, aeroplanes, etc.

India's semiconductor policy:
Successive Governments in India made multiple efforts since 1960s to set up semiconductor industry. However, these efforts did not materialise.

Semicon India program:
In 2022, Government launched Semicon India program. It was based on Prime Minister Narendra Modi's vision of Atmanirbhar Bharat and Make in India. Clear policy proposals and steadfast execution of the Semicon India program have resulted in initial success.

Design Linked Incentive (DLI) Scheme:

Chip design is one of the most important parts of the semiconductor value chain. Recognising the potential of Indian chip engineers, Government has been promoting semiconductor design ecosystem in India.

Under the DLI scheme launched as part of the Semicon India Program, Government is supporting domestic companies, startups and Micro, Small and Medium Enterprises (MSMEs) engaged in semiconductor chip design.
Support is granted in following manner:

(i) Access to free Electronic design automation (EDA) tools.
(ii) Financial incentive up to Rs 15 Cr for chip design and up to Rs 30 Cr for deployment.
(iii) Post design support including support for IP core, prototyping and tape-out.

The **ChipIN Centre** has been established at C-DAC, Bengaluru as a centralized national facility to strengthen the semiconductor design ecosystem and provide end-to-end post-design support. The other details of support at ChipIN Centre are available at https://c2s.gov.in/chipin.jsp

Results of DLI Scheme:

- 105 fabless chip design companies have been provided centralized access to advanced EDA tools, cumulatively consuming 87 lakh hours of EDA tools usage.
- Out of these, 24 projects from start-ups/ MSMEs have been approved for the Product Design Linked Incentive (P-DLI) to develop semiconductor chips.
- The approved projects address critical sectors such as video surveillance, drone detection, energy metering, microprocessors, satellite communications, Light Emitting Diode (LED) drivers, broadband and Internet of Things (IoT) System-on-Chips (SoCs).
- An investment of more than ₹900 crore, including the cost of EDA tools, has been committed for the approved projects.
- The beneficiary companies have collectively raised more than ₹900 crore in venture capital funding to scale up and commercialize their semiconductor products. This shows the confidence of industry and investors.
- So far, 25 chip designs have been successfully taped out across multiple foundries, including advanced technology nodes such as 12 nm at TSMC.
- The approved projects are at various stages of design, fabrication, prototyping and validation. The release of incentives under the Scheme is linked to the achievement of predefined milestones, including successful design, tape-out and deployment of semiconductor chips.

Government regularly engages with beneficiary companies, industry associations and other stakeholders to assess implementation challenges under the Scheme. The key identified include access to seed capital and venture funding, advance chip design tools, specialized trainings, access to semiconductor foundries, packaging and post-silicon validation facilities.
To address these challenges and build on the successful implementation of the first phase, the Union Cabinet has approved Semicon 2.0 on 15.07.2026 with a fiscal outlay of ₹1,27,500 crore. Semicon 2.0 adopts a holistic approach to strengthen the entire semiconductor value chain and shall further accelerate the development of a robust and resilient semiconductor ecosystem in the country. The programme focuses on six strategic pillars: Design; Machines and Materials; Setting up more Fabs; Strengthening the ATMP/OSAT Industry; Research & Development (R&D); and Talent Development.

To facilitate the design of complex semiconductor chips, the programme provides enhanced capital support for startups and MSMEs, along with introduction of fiscal support for domestic companies other than startups and MSMEs. It also enables the participation of companies owned and controlled by Overseas Citizens of India (OCIs), in order to leverage their global expertise and experience to strengthen India's semiconductor ecosystem.

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