

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE**

RAJYA SABHA

**UNSTARRED QUESTION NO. 686.
TO BE ANSWERED ON FRIDAY, THE 24th JULY, 2026.**

ODISHA STARTUPS AND FUNDING MODES

686. DR. SANTRUPT MISRA:

Will the Minister of **Commerce and Industry** be pleased to state:

- (a) the number of startups and incubators supported in Odisha under the Startup India initiative;
- (b) the schemes through which startups are funded, whether by way of equity, grant or debt; and
- (c) the specific support extended to deep-technology and research-and-development-driven startups?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI JITIN PRASADA)**

- (a): As on 30th June 2026, 4,123 entities have been recognised as startups by DPIIT in the State of Odisha. Under the Startup India Seed Fund Scheme (SISFS), 10 incubators have been selected in the State. Further, 11 startups from Odisha have received investments through Alternative Investment Funds (AIFs) supported under the Fund of Funds for Startups (FFS), 166 startups have been approved for funding under SISFS, and 4 loans have been guaranteed to startup borrowers under the Credit Guarantee Scheme for Startups (CGSS).
- (b): Under the Startup India initiative, funding support is provided through the following schemes:
 - i. **Fund of Funds for Startups (FFS) and Startup India Fund of Funds 2.0:** Funding to startups through equity and equity-linked investments by SEBI-registered Alternative Investment Funds (AIFs).
 - ii. **Startup India Seed Fund Scheme (SISFS):** Seed funding in the form of grants, convertible debentures, debt or debt-linked instruments through selected incubators.
 - iii. **Credit Guarantee Scheme for Startups (CGSS):** Facilitates debt funding by providing guarantee cover to eligible financial institutions extending credit to startups.
- (c): Various steps are being taken to promote deep tech and research and development (R&D) driven startups through a whole-of-government approach. Details of such initiatives by various Ministries and Departments are placed as **Annexure-I**.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 686 FOR ANSWER ON 24.07.2026.

Details of initiatives undertaken by various Ministries and Departments are as follows:

1. The **Startup India Fund of Funds 2.0 (Startup India FoF 2.0)** has been recently operationalized with a total corpus of Rs. 10,000 crore for the purpose of mobilizing venture and growth capital for the startup ecosystem of the country. The Scheme provides capital to Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs) which in turn invest in startups. The operational guidelines introduce a structured segmentation of AIFs into deep tech-focused funds, micro venture capital funds supporting early-growth startups, funds focused on innovative and technology-led manufacturing sectors, and sector- and stage-agnostic funds to provide targeted support to startups in these segments.
2. **Introduction of a 'Deep Tech Startup' category:** The Government has expanded the scope and eligibility criteria for recognition of startups under the Startup India initiative through notification G.S.R. 108(E) dated 4 February 2026 to better reflect the evolving scale and diversity of India's startup ecosystem. A separate category has been introduced for startups working on advanced and emerging technologies with extended eligibility parameters:
 - i. Age limit: Up to 20 years from the date of incorporation or registration.
 - ii. Turnover ceiling: Up to Rs. 300 crore, recognising the longer gestation periods and capital intensity associated with deep technology ventures.
3. As per the Ministry of Electronics and Information Technology (MeitY), the '**Gen-Next Support for Innovative Startups (GENESIS)' Scheme** has been initiated in the year 2023 with the aim to strengthen the startup ecosystem in Tier-II and Tier-III cities across India.
4. The Department of Science & Technology is implementing the **National Quantum Mission (NQM)**. Under the Mission four thematic hubs have been established. These hubs focus on key areas: Quantum Computing at the Indian Institute of Science Bengaluru, Quantum Communication at the Indian Institute of Technology Madras in association with C-DoT, Quantum Sensing & Metrology at the Indian Institute of Technology Bombay, and Quantum Materials & Devices at the Indian Institute of Technology Delhi. All four Hubs are now fully functional, driving technology development, nurturing human capital, promoting entrepreneurship, strengthening Industry partnership and advancing international collaborations. These hubs are uniting academia, national laboratories, industry, and startups to translate scientific breakthroughs into deployable technologies while building critical infrastructure and skilled manpower for India's quantum ecosystem and reduce India's dependence on foreign technology supply chains.

The NQM has actively engaged with startups to foster innovation and accelerate the development of quantum technologies in India. Recognizing that quantum technologies are still in their nascent stage and require substantial investment, NQM formulated exclusive guidelines to effectively onboard and support startups in this domain. The Mission is to support an expanding pool of quantum startups, providing them with funding, access to advanced infrastructure at T-Hubs, and mentorship opportunities through partnerships with industry and strategic sectors. Accordingly, a rolling call has been launched by the NQM to support startups in the area of Quantum Technologies.

5. Through initiatives like **IndiaAI Mission**, the Government is accelerating the momentum with targeted investments and public-private partnerships. These efforts aim to strengthen India's global position and ensure responsible and inclusive leadership in AI. The Mission is structured around seven foundational pillars:
- i. IndiaAI Compute Capacity: Providing affordable access to high-end computing resources, including GPUs, for startups, MSMEs and researchers.
 - ii. IndiaAI Foundation Models: Developing indigenous large multimodal and language models trained on Indian datasets and languages to ensure sovereign capability in generative AI.
 - iii. AIKosh: Creating a unified platform of high-quality datasets from government and non-government sources for AI model development.
 - iv. IndiaAI Application Development Initiative: Supporting AI solutions for India-specific challenges in sectors such as healthcare, agriculture, climate resilience, governance and assistive technologies.
 - v. IndiaAI FutureSkills: Expanding India's AI talent pipeline through increased undergraduate, postgraduate and PhD programmes, along with Data and AI Labs in Tier-2 and Tier-3 cities.
 - vi. IndiaAI Startup Financing: Providing financial support to AI startups.
 - vii. Safe & Trusted AI: Supporting projects focused on reducing bias, protecting privacy, improving transparency and managing AI-related risks while enabling innovation.
6. The **Design Linked Incentive (DLI) Scheme** has been approved as part of the Semicon India Programme to support domestic companies, start-ups, and MSMEs for designing semiconductor IP cores, ASICs, SoCs, and semiconductor-linked designs. The DLI Scheme provides support through a three-tier framework, comprising Design Infrastructure Support with access to EDA tools, IP cores, Multi-Project Wafer (MPW) services, and prototyping facilities; a Product Design Linked Incentive offering reimbursement of up to 50% of eligible project costs, capped at ₹15 crore per application; and a Deployment Linked Incentive providing reimbursement of net sales turnover ranging from 6% to 4% over five years, capped at ₹30 crore per application.

Under the DLI Scheme, fiscal support has been approved to projects for designing chips and System on Chip (SoCs) for various applications. In addition, centralized access of advanced chip design tools has been provided to startup/ MSME companies. These companies are designing chips across various sectors which include satellite communication, drone detection, surveillance camera, power management for Internet of Things (IoT) devices, LED driver, IoT and medical applications, broadband application, smart meter, gas sensors, and general-purpose microprocessor Intellectual Property (IP) cores for edge AI etc.

7. The following initiatives have been taken by **Defence Research and Development Organisation (DRDO)** under Ministry of Defence through which private sector especially MSMEs and startups are encouraged to participate in Defence R&D by providing them with Grant-in-Aid.
- i. Technology Development Fund (DTDF) Scheme is executed by DRDO to encourage industries especially MSMEs and Startups to design and develop innovative defence technologies.
 - ii. Dare to Dream Pan India Innovation contest is a Pan India innovation contest to support startups & innovation to contribute in defence ecosystem. Through this contest, DRDO invites innovation ideas and best ideas are selected and awarded. Four versions of Dare to Dream Contest have already been successfully conducted.
 - iii. Special focus on Development of Critical and DeepTech Technologies by involving startups and academia as collaborative development.

8. Under the **Ministry of Defence the Scheme for Innovations for Defence Excellence (iDEX) and Acing Development of Innovative Technologies with iDEX (ADITI)** are fostering innovation and technology development in defence and aerospace by engaging startups.
9. The **Anusandhan National Research Foundation (ANRF)** has initiated the program, Mission for Advancement in High-impact Areas (MAHA) to address priority-driven, solution-focused research in mission-mode.
10. **IN-SPACe, Department of Space**, has taken various promotion and investment Schemes such as Preincubation Entrepreneurship, Seed Fund, Technology Adoption Fund, and Rs. 1,000 crore Venture capital fund.
11. The Government has launched the **Research Development and Innovation (RDI) Scheme** with a corpus of Rs. 1 lakh crore. RDI Scheme provides long- term financing or refinancing with long tenors at low or nil interest rates to spur private sector investment in Research and Development (R&D). The scheme has been designed to overcome the constraints and challenges in funding of private sector and seeks to provide growth and risk capital to sunrise and strategic sectors to facilitate innovation, promote adoption of technology and enhance competitiveness. The Scheme targets to de-risk private sector-led R&D and funding support to eligible technology entities including startups and Micro, Small and Medium Enterprises (MSMEs) in sunrise sectors for transformative projects at higher Technology Readiness Levels (TRL 4 and above). In case of startups, equity-based financing or loan or both cases may be considered.
12. Under **Startup India initiative**, the Government constantly undertakes various efforts, including policy, regulatory and fiscal measures, for the development and growth of startup ecosystem across sectors and industries. The Government implements periodic exercises and programs including States' Startup Ranking, National Startup Awards, Innovation Week, and TEJAS (Transforming Entrepreneurial Journeys Across States & Districts) which play an important role in the holistic development of the startup ecosystem. Government also encourages and support ecosystem led initiatives as Startup Mahakumbh which serve as a vibrant platform for stakeholders to network and collaborate. Initiatives to improve market access and enable public procurement also support startups in growing and scaling up their businesses. The Government has also taken various measures to enhance ease of doing business including starting up of business, raising capital, and reducing compliance burden to simplify the regulatory environment and create a conducive business environment.
