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

RAJYA SABHA

UNSTARRED QUESTION NO. 694.
TO BE ANSWERED ON FRIDAY, THE 24th JULY, 2026.

PROMOTION OF STARTUPS IN FUEL-TECH AND MANUFACTURING SECTORS

694. SHRI VINOD SHRIDHAR TAWDE:

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

(a) the steps taken to promote startups in fuel-tech, manufacturing and other emerging technology sectors;

(b) whether Government has established partnerships with industry, research institutions, public sector undertakings and private entities to achieve these objectives, if so, the details thereof;

(c) the support proposed under such collaborations, including mentorship, innovation challenges, investor connect, pilot opportunities and market access; and

(d) the number of startups expected to get benefit and the mechanism to assess outcomes?

ANSWER

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

(a): The Government has undertaken various steps to promote startups in fuel-tech, manufacturing and other emerging technology sectors through a whole-of-government approach. Details of such initiatives by various Ministries and Departments are placed as **Annexure-I**.

(b) to (d): To promote partnerships, mentorship, innovation challenges, investor connect, pilot opportunities, and market access, the Government is undertaking various initiatives. Under Startup India, the Government unveiled an Action Plan comprising 19 action items across "Simplification and handholding", "Funding support and incentives", and "Industry-academia partnership and incubation".

Programs such as the States' Startup Ranking, National Startup Awards, Innovation Week, and Startup Mahakumbh support the holistic development of the startup ecosystem by enabling networking and collaboration. Market access, public procurement support, regulatory reforms, and ecosystem development programs further help startups grow and scale.

Capacity-building workshops are conducted across regions, including nonmetro cities and districts, under the States' Startup Ranking ('SRF') and TEJAS exercises to handhold States and UTs in developing regional ecosystems. The Bharat Startup Grand Challenge (BSGC) enables collaboration between startups and ecosystem stakeholders such as corporations,

government departments, incubators and foundations for problem-driven innovation challenges and offer support such as funding, mentorship, and pilot opportunities to startups. International linkages are further developed through Government-to-Government partnerships, international forums, global events, and international bridges.

The Startup India Hub portal provides stakeholders with access to resources, information, benefits, programs, and initiatives on a common digital platform, improving accessibility for entrepreneurs and startups, including those in nonmetro cities and regions.

The Government is also enabling international market access and global partnerships for Indian startups through initiatives such as Bharat Innovates 2026 and VivaTech 2026, which provided startups opportunities to showcase innovations, engage with global investors and industry leaders, build international collaborations, and expand into global markets.

Various other programs and initiatives are also undertaken by the Government such as GENESIS (Gen-Next Support for Innovative Startups) Scheme, TIDE 2.0 (Technology Incubation and Development of Entrepreneurs) Scheme, Chips to Startup (C2S) Programme, Design Linked Incentive (DLI) Scheme, Entrepreneurship Development Programmes (EDPs) and Entrepreneurship Skill Development Programmes (ESDPs), Scheme for Innovations for Defence Excellence (iDEX) and Acing Development of Innovative Technologies with iDEX (ADITI), Research, Development, and Innovation (RDI) Scheme, National Initiative for Developing and Harnessing Innovations (NIDHI), and Biotechnology Industry Research Assistance Council (BIRAC) schemes.

Further, as per the Ministry of Petroleum and Natural Gas, oil and gas Central Public Sector Enterprises (CPSEs) are also engaged with industry, research institutions, PSUs and Private entities. The collaborations provide support to startups through grant funding and equity investments, incubation and acceleration support, mentorship by domain experts and technical professionals, prototype development, pilot projects, field demonstrations and proof-of-concept deployment at operational facilities, investor connect, networking events, market access, and opportunities for procurement and adoption of innovative technologies by oil and gas CPSEs, and several other types of support wherever found suitable.

As a result of such sustained efforts by the Government under the Startup India initiative, a total of 2,40,092 entities have been recognised as startups across more than 55 industries as on 30th June 2026 including in industries like Renewable Energy, Non-Renewable Energy, Technology Hardware, and other emerging technology industries such as Artificial Intelligence, Biotechnology, Green Technology, and Robotics. The industry-wise number of entities recognized as startups in the country is placed as **Annexure-II.**

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ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 694 FOR ANSWER ON 24.07.2026.

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

1. The **Oil & Gas Central Public Sector Enterprises (CPSEs)** under the Ministry of Petroleum & Natural Gas have launched dedicated startup initiatives to promote innovation and entrepreneurship in fuel-tech, manufacturing and other emerging technology sectors. These include ONGC Startup Fund, Indian Oil Startup Initiative, HP Udgam, BPCL Project Ankur, OIL SNEH, GAIL PANKH, NRL iDEATION, Engineers India Limited Startup India Initiative (EngSUI), MRPL Startup Fund and Balmer Lawrie Startup Fund Scheme.

2. These initiatives provide **grant funding and equity support to startups working in areas such** as energy transition, natural gas, petrochemicals, green hydrogen, biofuels, renewable energy, AI/ML, IoT, robotics, drones, digital technologies, pipeline surveillance, battery and energy storage technologies, electric mobility, carbon capture, clean mobility, waste management, biotechnology, manufacturing, environmental sustainability, healthcare, logistics technology, circular economy and other emerging technology domains.

3. **Production Linked Incentive Scheme on National Programme on Advanced Chemistry Cell (ACC) Battery Storage**: The Government has approved PLI Scheme for manufacturing of ACC in the country. The scheme aims to establish a competitive domestic manufacturing ecosystem for 50 GWh of ACC batteries.

4. 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.

5. **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.

6. 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.

7. 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.

8. 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

9. 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.

10. 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.

11. 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.

12. 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.

13. **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.

14. 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.

15. To strengthen international linkages and enable global market access for Indian startups, the Government facilitated participation of startups in major international innovation platforms such as **Bharat Innovates 2026** and **VivaTech 2026**. Bharat Innovates 2026, organised in Nice, France as part of the India–France Year of Innovation, enabled Indian startups to showcase innovations, participate in over 1,350 B2B meetings, and forge more than 50 collaborations with global partners, creating opportunities for startup acceleration, research partnerships, technology commercialisation and market access. Similarly, at VivaTech 2026, where India participated as the AI Country Partner with its largest-ever delegation of over 80 deep-tech startups, Indian startups showcased innovations across emerging technology sectors and engaged with global investors, technology leaders and businesses, strengthening cross-border collaborations and expanding international market opportunities.

16. While all the steps undertaken by the Government under the Startup India initiative are inclusive and are implemented across sectors and industries, certain key initiatives to specifically encourage and support innovation in areas related to green technology include recognizing innovations with focus in sustainability as part of the National Startup Awards, and organisation of grand challenges in collaboration with the ecosystem for climate-tech, e-mobility, and carbon-neutral technologies under the Bharat Startup Grand Challenge.

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ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO PARTS (b) to (d) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 694 FOR ANSWER ON 24.07.2026.

The industry-wise details of entities recognized as startups under the Startup India initiatives are provided below:

Industry	No. of Recognised Startups
Advertising	1748
Aeronautics Aerospace & Defence	2720
Agriculture	13483
AI	7452
Airport Operations	53
Analytics	1192
Animation	235
AR VR (Augmented + Virtual Reality)	885
Architecture Interior Design	1612
Art & Photography	805
Automotive	4931
Biotechnology	1072
Chemicals	2547
Computer Vision	413
Construction	13869
Dating Matrimonial	174
Design	1364
Education	13202
Enterprise Software	3951
Events	1143
Fashion	4263
Finance Technology	6987
Food & Beverages	13540
Green Technology	4674
Healthcare & Lifesciences	22033
House-Hold Services	1817
Human Resources	5324
Indic Language Startups	673
Internet of Things	2379
IT Services	27161
Logistics	1568
Marketing	3987
Media & Entertainment	3433
Nanotechnology	295
Non- Renewable Energy	2422
Other Specialty Retailers	2493
Others	3761
Passenger Experience	59
Pets & Animals	671

Industry	No. of Recognised Startups
Professional & Commercial Services	11538
Real Estate	2688
Renewable Energy	7318
Retail	5157
Robotics	1175
Safety	659
Security Solutions	2566
Social Impact	1586
Social Network	1148
Sports	1197
Technology Hardware	7799
Telecommunication & Networking	1891
Textiles & Apparel	4491
Toys and Games	772
Transportation & Storage	3227
Travel & Tourism	4132
Waste Management	2357
Total	**2,40,092**

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