

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

**LOK SABHA**

**UNSTARRED QUESTION NO. 2508.  
TO BE ANSWERED ON WEDNESDAY, THE 21<sup>ST</sup> DECEMBER, 2022.**

**STARTUP INDIA SCHEME**

**2508. SHRI RAJIV PRATAP RUDY:**

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

**वाणिज्य एवं उद्योग मंत्री**

- (a) the details and number of startup proposals received by the Government under the startup India scheme and the number of entrepreneurs given financial assistance under this scheme in the last three years, State/UT-wise;
- (b) the details and the number of startups that have been given financial assistance under the Startup India scheme;
- (c) whether the bureaucratic procedure prescribed for scrutinizing funding proposals is a big hindrance for the success of the said scheme and if so, the details thereof; and
- (d) the details of the measures taken by the Government to review the above said procedure to help more startups get approvals?

**ANSWER**

**वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सोम प्रकाश)**

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRI SOM PARKASH)**

- (a) & (b):** The Government with an intent to build a strong ecosystem for nurturing innovation, startups and encouraging private investments in startup ecosystem of the country launched Startup India initiative on 16th January 2016.

In order to meet the objectives of the initiative, the Government unveiled an Action Plan for Startup India that laid the foundation of Government support, schemes and incentives envisaged to create a vibrant startup ecosystem in the country. The Action Plan comprises of 19 action items spanning across areas such as “Simplification and handholding”, “Funding support and incentives” and “Industry-academia partnership and incubation”.

Under Startup India Initiative, entities are recognized by the Department for Promotion of Industry and Internal Trade (DPIIT) as startups as per eligibility conditions prescribed under G.S.R. notification 127 (E) dated 19th February 2019. 84,012 entities have been recognised as startups from across the country by the DPIIT as on 30th November 2022.

Under the Startup India initiative, Fund of Funds for Startups (FFS) Scheme, Startup India Seed Fund Scheme (SISFS) and Credit Guarantee Scheme for Startups (CGSS) are implemented to provide capital at various stages of business cycle of a startup.

The Fund of Funds for Startups (FFS) Scheme was approved and established in 2016 with a corpus of Rs 10,000 crore, with contribution spread over the 14th and 15th Finance Commission cycle based on progress of implementation, to provide much-needed boost to the Indian startup ecosystem and enable access to domestic capital. The FFS does not directly invest into startups. It invests into SEBI-registered Alternative Investment Funds (AIFs), who in turn make investments into startups.

Rs. 7,528 crore has been committed to 93 AIFs under FFS as on 30 th November 2022. These AIFs in turn have committed investments in 773 startups. State-wise and year-wise details of startups supported under FFS in the last three years are placed at **Annexure-I**.

The Startup India Seed Fund Scheme (SISFS) aims to provide financial assistance to startups for proof of concept, prototype development, product trials, market entry and commercialization. This would enable these startups to graduate to a level where they will be able to raise investments from angel investors or venture capitalists or seek loans from commercial banks or financial institutions. The funds under the Scheme are released to startups through approved incubators. Rs. 945 crore has been allocated under the Scheme for period of 4 years starting from 2021-22. The funds are released to startups through approved Incubators.

Rs. 455.25 crore has been approved to 126 incubators and as the Scheme was launched in the Financial Year 2021-22, about 650 startup applications have been approved by these incubators for financial assistance as on 30th November 2022. State-wise and year-wise details of startups supported under SISFS is placed at **Annexure II**.

The Government has also established the Credit Guarantee Scheme for Startups for providing credit guarantees to loans extended to DPIIT recognized startups by Scheduled Commercial Banks, Non-Banking Financial Companies (NBFCs) and Venture Debt Funds (VDFs) under SEBI registered AIFs. CGSS is aimed at providing credit guarantee up to a specified limit against loans extended by Member Institutions (MIs) to finance eligible borrowers viz. DPIIT recognised startups. The Scheme has been notified in the current financial year only i.e. FY 2022-23 and is implemented on a pilot basis.

**(c) & (d):** No Sir. The Schemes mentioned in response to parts (a) & (b), as above, have well defined guidelines and institutional framework which include eligibility criteria, selection process, and evaluation committees comprising of subject matter experts from the ecosystem, and monitoring and review mechanisms.

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**ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF THE LOK SABHA UNSTARRED QUESTION NO. 2508 FOR ANSWER ON 21.12.2022.**

**A) Year-wise distribution of startups supported during last 3 financial years under FFS as on 30<sup>th</sup> November 2022 is as under:**

<b>Financial Year</b>	<b>No. of Startups</b>
FY 2019-20	120
FY 2020-21	86
FY 2021-22	156
FY 2022-23 (up to 30 <sup>th</sup> November 2022)	191

**B) State-wise distribution of startups supported under FFS as on 30<sup>th</sup> November 2022 is as under**

<b>S.No</b>	<b>Name of State/UT</b>	<b>No. of Startups</b>
1	Karnataka	235
2	Maharashtra	173
3	Delhi	136
4	Haryana	60
5	Tamil Nadu	28
6	Telangana	20
7	Uttar Pradesh	20
8	Madhya Pradesh	16
9	Gujarat	15
10	Assam	14
11	Kerala	14
12	Rajasthan	13
13	West Bengal	10
14	Manipur	6
15	Bihar	3
16	Odisha	2
17	Andhra Pradesh	1
18	Arunachal Pradesh	1
19	Chandigarh	1
20	Chhatisgarh	1
21	Pondicherry	1
22	Punjab	1
23	Tripura	1
24	Uttarakhand	1
	<b>Total</b>	<b>773</b>

**ANNEXURE-II**

**ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF THE LOK SABHA UNSTARRED QUESTION NO. 2508 FOR ANSWER ON 21.12.2022.**

**A) Year-wise list of startups supported under SISFS (Scheme made operational in FY 2021-22) as on 30<sup>th</sup> November 2022 is as under:**

<b>Financial Year</b>	<b>Number of Startups Selected on the Portal</b>
FY 2021-22	304
FY 2022-23 (up to 30 <sup>th</sup> November 2022)	352

**B) State-wise distribution of startups supported under SISFS as on 30<sup>th</sup> November 2022 is as under**

<b>State/ UT Name</b>	<b>Number of Startups Selected as per the SISFS Portal</b>
Andhra Pradesh	8
Arunachal Pradesh	1
Assam	7
Bihar	12
Chandigarh	4
Chhattisgarh	3
Delhi	32
Goa	12
Gujarat	49
Haryana	29
Himachal Pradesh	3
Jammu and Kashmir	1
Jharkhand	3
Karnataka	126
Kerala	22
Madhya Pradesh	34
Maharashtra	104
Manipur	2
Meghalaya	1
Odisha	13
Puducherry	4
Punjab	4
Rajasthan	18
Sikkim	2
Tamil Nadu	51
Telangana	46
Uttar Pradesh	44
Uttarakhand	5
West Bengal	16
<b>Grand Total</b>	<b>656</b>

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