

GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP
LOK SABHA
UNSTARRED QUESTION NO. 1834
ANSWERED ON 31.07.2023

START-UPS SCHEME

†1834. SHRI SUBRAT PATHAK:

Will the Minister of SKILL DEVELOPMENT AND ENTREPRENEURSHIP be pleased to state:

- (a) the number of Start-ups having been sanctioned loans under Start-up scheme during the last three years;
- (b) the details of the amount allocated under the said scheme, State/UT-wise; and
- (c) the details of the industries/enterprises having been benefitted from this scheme, State/UT-wise?

ANSWER

MINISTER OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP

(SHRI DHARMENDRA PRADHAN)

(a), (b) & (c): Under Startup India initiative, to provide capital at various stages of business cycle of a startup, the Government is implementing Fund of Funds for Startups (FFS) and Startup India Seed Fund Scheme (SISFS). Both the Schemes are implemented on a Pan-India basis. The funds under both the Schemes are not directly extended to startups by the Government but through Alternative Investment Funds (AIFs) in case of FFS and through incubators in case of SISFS as per respective operational guidelines of the Schemes.

The Fund of Funds for Startups Scheme was approved and established in June 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 Scheme is operationalized by Small Industries Development Bank of India (SIDBI).

Under FFS, the Scheme does not directly invest in startups, instead provides capital to SEBI-registered Alternative Investment Funds (AIFs), known as daughter funds, who in turn invest money in growing Indian startups through equity and equity-linked instruments. SIDBI has been given the mandate of operating this Fund through selection of suitable daughter funds and overseeing the disbursement of committed capital. AIFs supported under FFS are required to invest at least 2 times of the amount committed under FFS in startups.

The year-wise details of Fund of Funds for Startups as on 30th April 2023 is placed at **Annexure-I**.

The Startup India Seed Fund Scheme has been approved for the period of 4 years starting from 2021-22 with a corpus of Rs. 945 Crore. The Scheme aims to provide financial assistance to startups for proof of concept, prototype development, product trials, market entry and commercialization. The Scheme is implemented from 1st April 2021.

Under SISFS, as per provisions of the Scheme, the Government has constituted an Experts Advisory Committee (EAC) which is responsible for the overall execution and monitoring of the SISFS. The EAC evaluates and selects incubators for allocation of funds under the Scheme. As per provisions of the Scheme, the selected incubators shortlist the startups based on certain parameters outlined in Scheme guidelines.

The year-wise details of Startup India Seed Fund Scheme as on 30th April 2023 is placed at **Annexure-II**.

Year-wise details of the amount allocated and utilized for AIFs under the Fund of Funds for Startups, as on 30th April 2023 are as under:

Calendar Year	Amount Committed to AIFs by SIDBI (in Rs. Crore)	Amount Disbursed/Drawdown to AIFs by SIDBI (in Rs. Crore)
2016	396	6
2017	435	99
2018	920	168
2019	1,372	517
2020	1,254	542
2021	1,892	843
2022	1,711	1,225
2023	1,141	531
Grand Total	9,121	3,931

Year-wise details of the amount allocated and utilized for incubators under the Startup India Seed Fund Scheme, as on 30th April 2023 are as under:

Calendar Year	Amount Approved to the Incubators (in Rs. Crore)	Amount Disbursed to the Incubators (in Rs. Crore)
2021	239.14	67.81
2022	280.88	143.82
2023	91.34	36.66
Grand Total	611.36	248.29
