

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

**UNSTARRED QUESTION NO. 495.
TO BE ANSWERED ON WEDNESDAY, THE 06th DECEMBER, 2023.**

STARTUPS IN PUNJAB

495. SHRI SUSHIL KUMAR RINKU:

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

वाणिज्य एवं उद्योग मंत्री

- (a) the features of the Startups India Scheme;
- (b) the details of the funds sanctioned, allocated and utilised for startups with in Punjab during the last three years and the current year;
- (c) whether it is a fact that there has been a slowdown in the growth of startups in the country; and
- (d) if so, the details thereof?

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):** The Government with an intent to build a strong ecosystem for nurturing innovation, encouraging investments launched the Startup India initiative on 16th January 2016.

The Government unveiled an Action Plan for Startups comprising of 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”. For attaining specific objectives of the Action Plan, various programs are implemented by the Government under the Startup India initiative to recognize, develop, and empower startup ecosystem.

- (b):** The flagship Schemes, namely, Fund of Funds for Startups (FFS) and Startup India Seed Fund Scheme (SISFS) support startups at various stages of their business cycle to enable startups to graduate to a level where they are able to raise investments from angel investors or venture capitalists or seek loans from commercial banks or financial institutions.

SISFS has been established to provide financial assistance to seed stage startups through incubators. Specifically for the State of Punjab, Rs. 34.65 crore has been approved and Rs. 15.44 crore has been disbursed to 8 incubators. The incubators approved under the Scheme have shortlisted 15 recognised startups from the State of Punjab for an approved total sum of Rs. 1.10 crore during the last three years viz 2020, 2021, 2022 and the current year i.e., 2023 as on 31st October 2023.

FFS has been established to catalyze venture capital investments in Indian startup ecosystem. It is operationalized by Small Industries Development Bank of India (SIDBI), which provides capital to Securities and Exchange Board of India (SEBI)-registered Alternative Investment Funds (AIFs) who in turn invest in startups. Specifically for the State of Punjab, AIFs supported under FFS have invested Rs. 12.43 crore in startup during the last three years viz 2020, 2021, 2022 and the current year i.e., 2023 as on 31st October 2023.

(c) & (d): No Sir, there has not been a slowdown in the growth of startups. Sustained efforts by the Government under the Startup India initiative have led to an increase in the number of recognised startups from over 300 in 2016 to 1,14,902 in 2023 as on 31st October 2023.
