

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

**UNSTARRED QUESTION NO. 579.
TO BE ANSWERED ON WEDNESDAY, THE 06th DECEMBER, 2023.**

NATIONAL DEEP TECH STARTUP POLICY

**579. SHRI KANUMURU RAGHU RAMA KRISHNA RAJU:
SHRI KOMATI REDDY VENKAT REDDY:
SHRI MANNE SRINIVAS REDDY:**

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Government has embarked on the implementation of the National Deep Tech Startup Policy to “ensure India’s position in the global deep tech value chain”, in areas such as semiconductors and Space technology and India’s G20 meetings discussed;
- (b) if so, the details and the outcome thereof;
- (c) whether India’s success in developing an array of technological applications, such as digital payments, made it a “natural ecosystem” for deep tech, however, India needs a “fund of funds” – that is, a significant amount of private foreign capital, along with the Government funds – to finance promising start-ups that were relatively long-term and India and the U.S. were already working on this front to collaborate on deep tech; and
- (d) if so, the details and present status thereof and investments made under such policies/results yielded till now?

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):** A draft National Deep Tech Startup Policy has been prepared and placed for comments in the public domain. The link to the policy is –
<https://www.psa.gov.in/deep-tech-policy>.
- (c) & (d):** In order to provide long term financing to startups, the Fund of Funds for Startups (FFS) 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. The objectives of FFS include providing a much-needed boost to the Indian Startup ecosystem and enabling access to domestic capital to accelerate innovation driven entrepreneurship and business creation. 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 Securities and Exchange Board of India (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 FFS 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.

As on 31st October 2023, under FFS, Rs.10,229 crore has been committed to 129 AIFs and Rs. 4,382crore has been disbursed to 91 AIFs which have in turn made investments of Rs. 17,273crore in 915 startups.
