

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

**UNSTARRED QUESTION NO. 112.
TO BE ANSWERED ON WEDNESDAY, THE 2ND FEBRUARY, 2022.**

INVESTMENT IN STARTUPS

**112. SHRIMATI POONAM MAHAJAN:
MS. RAMYA HARIDAS:**

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Union Government would set aside Rs.1000 crore for investment in Indian startups;
- (b) if so, the details on the manner in which entrepreneurs can access this fund;
- (c) whether there would be any specific criteria, with regard to sector, type and scale of business, for access to this fund;
- (d) whether it is a fact that the Union Government plans to keep track of the manner in which funds taken from this account are utilized by startups; and
- (e) if so, the details thereof and if not, the reasons therefor?

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) to (e): The Government does not invest directly in startups. Fund of Funds for Startups (FFS) Scheme and Startup India Seed Fund Scheme (SISFS) are operational to provide capital at various stages of business cycle of a startup.

Under the Fund of Funds for Startups Scheme (FFS), a corpus of Rs. 10,000 crore has been sanctioned, spread over 14th and 15th Finance Commission cycles. The Scheme is operated and managed by Small Industries Development Bank of India (SIDBI). The Scheme does not directly provide financial assistance to startups, instead supports SEBI-registered Alternative Investment Funds (AIFs), who in turn invest money in growing Indian startups through equity and equity-linked instruments.

Under the Startup India Seed Fund Scheme (SISFS), Rs. 945 crore has been sanctioned for period of 4 years starting from 2021-22. The funds are released to Startups through approved Incubators.
