

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

**UNSTARRED QUESTION NO. 1829.  
TO BE ANSWERED ON TUESDAY, THE 10<sup>TH</sup> FEBRUARY, 2026.**

**STARTUP INDIA PROGRAMME**

**1829. SHRI MOHIBULLAH:**

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

**वाणिज्य एवं उद्योग मंत्री**

- (a) whether the Government has reviewed the outcomes of the Startup India programme during the last decade, such as semiconductors, artificial intelligence, batteries, defence, space and quantum computing;
- (b) if so, the key findings of such a review; and
- (c) the specific policy measures, incentives and timelines have been proposed under the next phase of Startup India to promote deep-tech entrepreneurship, strengthen domestic R&D and reduce India's dependence on foreign technology supply chains?

**ANSWER**

**वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)**

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRI JITIN PRASADA)**

**(a) to (c):** Startup India is an initiative by the Government of India that was launched on 16<sup>th</sup> January 2016, with an intent to build a strong ecosystem for nurturing innovation, startups and encouraging investments in the startup ecosystem of the country.

As per eligibility conditions prescribed under G.S.R. notification 127 (E) dated 19th February 2019, entities are recognised as 'startups' under the Startup India initiative by the Department for Promotion of Industry and Internal Trade (DPIIT). Sustained efforts by the Government under the Startup India initiative have led to an increase in the number of entities recognized as startups, and job creation. As on 31st December 2025, a total of 2,07,135 entities have been recognised as startups. These recognized startups have reported to have created over 21.9 lakh direct jobs.

Out of the total entities recognised as startups, over 14,400 startups have been recognized in sectors and industries such as Aeronautics Aerospace & Defence (including Defence Equipment and Space Technology), Artificial Intelligence (AI), and Technology Hardware (including Semiconductor) which have reported to have created more than 1.25 lakh direct jobs.

Such recognized startups have also benefitted through the three flagship Schemes of the Government under Startup India initiative, namely, Fund of Funds for Startups (FFS), Startup India Seed Fund Scheme (SISFS), and Credit Guarantee Scheme for Startups (CGSS) to provide funding opportunities and support at various stages of their business cycle.

FFS has been established to catalyze venture capital investments and 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) which in turn invest in startups. Specifically, in the Artificial Intelligence / Robotics and Space Tech sectors, supported AIFs have invested around Rs. 916.49 crore in 48 startups as on 31st December 2025.

SISFS provides financial assistance to seed stage startups through incubators. SISFS is implemented from 1st April 2021. Specifically, in the Aeronautics Aerospace & Defence (including Defence Equipment and Space Technology), Artificial Intelligence (AI), and Technology Hardware (including Semiconductor) sectors and industries, selected incubators have approved around Rs. 73.4 crore to 406 startups as on 31st December 2025.

CGSS is implemented for enabling debt funding to startups through eligible financial institutions. CGSS is operationalized by the National Credit Guarantee Trustee Company (NCGTC) Limited and has been operationalized from 1st April 2023. Specifically, in the Aerospace & Defence sector/industry 14 loans amounting to around Rs. 68.30 crore have been guaranteed for startup borrowers as on 31st December 2025.

Further, various steps are being taken to promote deep tech entrepreneurship, strengthen domestic R&D and domestic supply chains through a whole-of-government approach including in areas such as semiconductors, artificial intelligence, batteries, defence, space and quantum computing. Details of such initiatives by various Ministries and Departments are placed as **Annexure-I**.

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**ANNEXURE REFERRED TO IN REPLY TO PARTS (a) to (c) OF THE LOK SABHA UNSTARRED QUESTION NO. 1829 FOR ANSWER ON 10.02.2026.**

**Details of initiatives undertaken by various Ministries and Departments are as follows:**

1. **National Quantum Mission (NQM):** NQM is implemented by the Department of Science and Technology (DST) under which four thematic hubs have been established. These hubs focus on key areas: Quantum Computing at the Indian Institute of Science Bengaluru, Quantum Communication at the Indian Institute of Technology Madras in association with C-DoT, Quantum Sensing & Metrology at the Indian Institute of Technology Bombay, and Quantum Materials & Devices at the Indian Institute of Technology Delhi. All four Hubs are now fully functional, driving technology development, nurturing human capital, promoting entrepreneurship, strengthening Industry partnership and advancing international collaborations. These hubs are uniting academia, national laboratories, industry, and startups to translate scientific breakthroughs into deployable technologies while building critical infrastructure and skilled manpower for India's quantum ecosystem and reduce India's dependence on foreign technology supply chains.

The NQM has actively engaged with startups to foster innovation and accelerate the development of quantum technologies in India. Recognizing that quantum technologies are still in their nascent stage and require substantial investment, NQM formulated exclusive guidelines to effectively onboard and support startups in this domain. The Mission is to support an expanding pool of quantum startups, providing them with funding, access to advanced infrastructure at Thematic Hubs (T-Hubs), and mentorship opportunities through partnerships with industry and strategic sectors. Accordingly, a rolling call has been launched by the NQM to support startups in the area of Quantum Technologies.

2. **IndiaAI Mission:** Through initiatives like the IndiaAI Mission under the Ministry of Electronics and Information Technology (MeitY), the Government is accelerating the momentum with targeted investments and public-private partnerships. These efforts aim to strengthen India's global position and ensure responsible and inclusive leadership in AI. The Mission is structured around seven foundational pillars:
  - i. **IndiaAI Compute Capacity:** Providing affordable access to high-end computing resources, including GPUs, for startups, MSMEs and researchers
  - ii. **IndiaAI Foundation Models:** Developing indigenous large multimodal and language models trained on Indian datasets and languages to ensure sovereign capability in generative AI
  - iii. **AIKosh:** Creating a unified platform of high-quality datasets from government and non-government sources for AI model development

- iv. IndiaAI Application Development Initiative: Supporting AI solutions for India-specific challenges in sectors such as healthcare, agriculture, climate resilience, governance and assistive technologies
  - v. IndiaAI FutureSkills: Expanding India's AI talent pipeline through increased undergraduate, postgraduate and PhD programmes, along with Data and AI Labs in Tier-2 and Tier-3 cities
  - vi. IndiaAI Startup Financing: Providing financial support to AI startups
  - vii. Safe & Trusted AI: Supporting projects focused on reducing bias, protecting privacy, improving transparency and managing AI-related risks while enabling innovation
3. **Design Linked Incentive (DLI) Scheme:** The DLI Scheme has been approved as part of the Semicon India Programme to support domestic companies, start-ups, and MSMEs for designing semiconductor IP cores, ASICs, SoCs, and semiconductor-linked designs. The DLI Scheme provides support through a three-tier framework, comprising Design Infrastructure Support with access to EDA tools, IP cores, MPW services, and prototyping facilities; a Product Design Linked Incentive offering reimbursement of up to 50% of eligible project costs, capped at Rs. 15 crore per application; and a Deployment Linked Incentive providing reimbursement of net sales turnover ranging from 6% to 4% over five years, capped at Rs. 30 crore per application.

Under the DLI Scheme, fiscal support has been approved to 24 projects for designing chips and System on Chip (SoCs) for various applications. In addition, centralized access of advanced chip design tools has been provided to 100+ startup/ MSME companies. These companies are designing chips across various sectors which include satellite communication, drone detection, surveillance camera, power management for Internet of Things (IoT) devices, LED driver, IoT and medical applications, broadband application, smart meter, gas sensors, and general-purpose microprocessor Intellectual Property (IP) cores for edge AI etc. While these startups are at various stages of design, development, and prototyping, 16 design tape-outs have been carried out, 7 chips have been fabricated on advanced nodes (including 12 nm), 10 patents have been filed, and over 140 reusable core IPs have been developed.

4. **Initiatives undertaken by the Defence Research and Development Organisation (DRDO):** The following initiatives have been taken by DRDO under Ministry of Defence through which private sector especially MSMEs and Startups are encouraged to participate in Defence R&D by providing them with Grant-in-Aid. This Scheme aims to indigenize production of Defence equipment thereby reducing India's dependence on defence imports:
- i. Technology Development Fund (TDF) Scheme Technology Development Fund Scheme is a Programme of MoD ( Ministry of Defence) executed by DRDO under Make in India initiatives. The Government has approved TDF

Scheme to encourage industries especially MSMEs and Startups to design and develop innovation Defence technologies.

- ii. **Dare to Dream Pan India Innovation contest** Dare to Dream is a Pan India Innovation Contest to support Startups & Innovation to contribute in Defence ecosystem. Through this contest, DRDO invites innovation ideas and best ideas are selected and awarded. Four versions of Dare to Dream Contest have already been successfully conducted.
  - iii. **Special focus on Development of Critical and DeepTech Technologies** by involving startups and academia as collaborative development.
5. **Innovations for Defence Excellence (iDEX) and Acing Development of Innovative Technologies with iDEX (ADITI)**: Under the Ministry of Defence, iDEX and ADITI Schemes are fostering innovation and technology development in defence and aerospace by engaging startups.
  6. **Anusandhan National Research Foundation (ANRF)**: ANRF has initiated the program, Mission for Advancement in High-impact Areas (MAHA) to address priority-driven, solution-focused research in mission-mode.
  7. **IN-SPACE, Department of Space**: Department of Space has undertaken various promotion and investment Schemes such as Preincubation Entrepreneurship, Seed Fund, Technology Adoption Fund, and Rs. 1,000 crore Venture capital fund.
  8. **Production Linked Incentive Scheme on National Programme on Advanced Chemistry Cell (ACC) Battery Storage**: The Government has approved PLI Scheme for manufacturing of ACC in the country with a budgetary outlay of Rs.18,100 crore. The scheme aims to establish a competitive domestic manufacturing ecosystem for 50 GWh of ACC batteries.
  9. **Startup India initiative**: Under **Startup India initiative**, the Government constantly undertakes various efforts, including policy, regulatory and fiscal measures, for the development and growth of startup ecosystem across sectors and industries. The Government implements periodic exercises and programs including States' Startup Ranking, National Startup Awards, and Innovation Week which play an important role in the holistic development of the startup ecosystem. Government also encourages and support ecosystem led initiatives as Startup Mahakumbh which serve as a vibrant platform for stakeholders to network and collaborate. Initiatives to improve market access and enable public procurement also support startups in growing and scaling up their businesses have also been undertaken. The Government has also taken various measures to enhance ease of doing business including starting up of business, raising capital, and reducing compliance burden to simplify the regulatory environment and create a conducive business environment.

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