

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

**UNSTARRED QUESTION NO. 323.
TO BE ANSWERED ON TUESDAY, THE 21ST JULY, 2026.**

STARTUP INDIA SEED FUND SCHEME

323. SHRI BRIJMOHAN AGRAWAL:

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

वाणिज्य एवं उद्योग मंत्री

- (a) the total funds allocated and utilized under the Startup India Seed Fund Scheme (SISFS) as of June 2026, including the count of operational incubators;
- (b) whether the Government is aware of implementation friction caused by the decentralized 'incubator-mediated' disbursement model, specifically the operational delays in milestone-based fund releases due to inadequate due-diligence capacity in empanelled incubators;
- (c) the data regarding SISFS fund utilization, particularly the disparity between startups in aspirational districts versus urban hubs and the operational overlap with the State's 'Seed Fund Assistance' policy, State-wise and district-wise for Chhattisgarh;
- (d) the corrective measures or capacity-building mechanisms being implemented to eliminate disbursement stagnancy and ensure equitable regional capital distribution; and
- (e) the list of all the successful startups born out of this scheme since the implementation of the scheme?

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): The Startup India Seed Fund Scheme (SISFS) was launched to enable financial assistance for eligible early-stage startups through incubators across India. As on 30th June 2026, 219 operational incubators have been selected under the Scheme with a total approved funding of Rs. 945 crore, of which Rs. 650 crore has been disbursed to the incubators.
- (b): Under the Startup India Seed Fund Scheme (SISFS), funds are released by selected incubators to startups in milestone-based instalments in accordance with the guidelines for the Scheme. To ensure timely implementation of the Scheme and disbursement of funds, an institutional mechanism comprising the Experts Advisory Committee (EAC) and Incubator Seed Management Committees (ISMCs) has been established.

The EAC oversees the implementation and monitoring of the Scheme including selection of incubators for allocation of funds, while the ISMCs evaluate eligible startups and determine the nature and quantum of seed support in accordance with the Scheme Guidelines.

Regular review meetings and webinars are also conducted with incubators to review the progress of fund disbursement, identify implementation bottlenecks and facilitate their timely resolution. Further, advisories and training modules have been shared with incubators to facilitate timely processing of funds.

Further, given the milestone-based nature of disbursement and the time required by incubators and startups to utilize sanctioned funds effectively, the Scheme has recently been provided an extension to facilitate disbursement of committed funds and to enable incubators and startups to complete approved activities.

- (c): SISFS enables financial assistance for eligible early-stage startups across State/Union Territories (UTs), cities, towns, rural areas, and aspirational districts. The State/UT-wise details of funds approved and disbursed to incubators selected under the SISFS as on 30th June 2026 are placed as **Annexure-I**. The State/UT-wise details of funds approved and disbursed to startups by selected incubators under the SISFS as on 30th June 2026 are placed as **Annexure-II**. The district-wise details of funds approved and disbursed to startups in the State of Chhattisgarh by selected incubators under the SISFS as on 30th June 2026 are placed as **Annexure-III**.

Under SISFS, eligible startups can receive up to Rs. 20 lakh as grant for validation of Proof of Concept, or prototype development, or product trials and up to Rs. 50 Lakhs of investment for market entry, commercialization, or scaling up through convertible debentures or debt or debt-linked instruments. As per the Chhattisgarh Innovation and Startup Promotion Policy 2025-2030, under Chhattisgarh Seed Fund Assistance (CGSF), eligible startups shall be provided seed funding of up to Rs. 10 lakh for the development of a Minimum Viable Product (MVP).

Further, under SISFS, the startup should not have received more than Rs 10 lakh of monetary support under any other Central or State Government scheme, and under the CGSF, the startup should not have received seed funding for the development of a Minimum Viable Product (MVP) under any other Scheme of the State or Central Government.

- (d): To strengthen implementation of the Scheme, build the capacity of incubators and facilitate timely disbursement of funds across regions, the Government has undertaken several measures.

These include capacity-building workshops and handholding support for incubators to promote effective implementation of the Scheme. Efforts are also undertaken to assist incubators and startups, particularly from non-metropolitan regions, in navigating the application process.

The Government has also developed a dedicated digital portal for end-to-end implementation of SISFS, providing a common online platform for application

processing, fund management and monitoring across the country. Benefits under the Scheme are further disseminated through various outreach and social media initiatives.

In addition, specific initiatives for regional awareness and outreach of benefits under Startup India initiative including SISFS are undertaken through the States' Startup Ranking exercise, Innovation Week and TEJAS (Transforming Entrepreneurial Journeys Across States & Districts).

- (e): The regular businesses are often measured by success or failure in a specific number of years of operation, whereas the startups are measured in particular phase of business making it difficult to put together a statistic covering success or survival rate of startups. Therefore, the information with respect to survival rate of startup is not centrally maintained by the Government.

However, the total number of startups selected and the total number of startups that are categorized as closed (i.e., dissolved/struck-off) as per the Ministry of Corporate Affairs (MCA) data [basis data shared on 10th July 2026], under the Startup India Seed Fund Scheme (SISFS) are as follows:

No. of startups selected for support under the Scheme as on 30th June 2026	No. of startups supported under the Scheme which are categorized as closed (i.e., dissolved/struck-off) as per the MCA.
4,245	31

ANNEXURE-I**ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE LOK SABHA UNSTARRED QUESTION NO. 323 FOR ANSWER ON 21.07.2026.**

The State/UT-wise details of funding approved and disbursed to selected incubators under the SISFS as on 30th June 2026 are as under:

State/UT	Funds approved to selected incubators (in Rs. crore)	Funds disbursed to selected incubators (in Rs. crore)
Andhra Pradesh	29.40	21.63
Assam	12.60	5.04
Bihar	18.90	12.28
Chhattisgarh	3.15	2.78
Delhi	51.45	32.64
Goa	15.54	13.52
Gujarat	81.38	55.14
Haryana	21.00	17.76
Himachal Pradesh	13.65	9.42
Jammu & Kashmir	5.25	2.10
Jharkhand	4.20	2.84
Karnataka	104.48	69.94
Kerala	18.90	16.09
Madhya Pradesh	26.25	18.93
Maharashtra	120.75	78.62
Mizoram	4.20	1.99
Nagaland	7.35	3.57
Odisha	39.38	25.00
Puducherry	8.40	8.35
Punjab	44.10	29.80
Rajasthan	54.60	38.29
Sikkim	3.15	3.06
Tamil Nadu	96.34	65.04
Telangana	71.35	54.57
Uttar Pradesh	68.25	46.97
Uttarakhand	13.65	8.61
West Bengal	7.35	6.02

ANNEXURE-II**ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE LOK SABHA UNSTARRED QUESTION NO. 323 FOR ANSWER ON 21.07.2026.**

The State/UT-wise details of funding approved and disbursed to startups by selected incubators under the SISFS as on 30th June 2026 are as under:

State/UT	Funds approved to startups by selected incubators (in Rs. crore)	Fundsdisbursed to Startups by selected incubators (in Rs. crore)
Andaman and Nicobar Islands	0.04	0.04
Andhra Pradesh	13.97	9.77
Arunachal Pradesh	0.30	0.30
Assam	7.48	5.57
Bihar	10.26	7.36
Chandigarh	3.24	2.89
Chhattisgarh	3.90	1.96
Delhi	50.58	35.58
Goa	4.36	2.81
Gujarat	51.69	34.68
Haryana	34.72	25.25
Himachal Pradesh	4.22	2.01
Jammu and Kashmir	3.96	1.97
Jharkhand	3.95	3.19
Karnataka	104.87	79.08
Kerala	17.34	12.44
Madhya Pradesh	22.57	16.54
Maharashtra	117.32	89.86
Manipur	1.10	0.30
Meghalaya	0.34	0.27
Mizoram	1.80	1.11
Nagaland	5.07	3.83
Odisha	18.98	11.95
Puducherry	1.21	0.90
Punjab	14.23	6.36
Rajasthan	27.56	19.62
Sikkim	0.20	0.15
Tamil Nadu	69.16	51.48
Telangana	50.55	38.99
Uttar Pradesh	47.04	32.42
Uttarakhand	5.29	3.07
West Bengal	9.09	7.24

ANNEXURE-III**ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE LOK SABHA UNSTARRED QUESTION NO. 323 FOR ANSWER ON 21.07.2026.**

The district-wise details of funding approved and disbursed to startups in the State of Chhattisgarh by selected incubators under the SISFS as on 30th June 2026 are as under:

District	Funds approved to startups by selected incubators (in Rs. crore)	Funds disbursed to startups by selected incubators (in Rs. crore)
Bilaspur	0.25	0.09
Durg	1.62	0.92
Korea	0.12	0.00
Raigarh	0.16	0.00
Raipur	1.69	0.95
Rajnandgaon	0.06	0.00
Total	3.9	1.96
