GOVERNMENT OF INDIA
MINISTRY OF SCIENCE AND TECHNOLOGY
DEPARTMENT OF SCIENCE AND TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 1712
ANSWERED ON 29/07/2026

LOW-INTEREST, LONG-TERM LOANS/FINANCIAL GRANTS UNDER RDI SCHEME

1712. SHRI YADUVEER WADIYAR:

Will the Minister of SCIENCE AND TECHNOLOGY be pleased to state:

(a) the details of total quantum of capital actually disbursed in the form of low-interest long-term loans or financial grants under the newly implemented Research, Development and Innovation (RDI) Scheme since its launch;

(b) the details of distinct vetting mechanisms and risk-assessment frameworks utilized by the Government to evaluate deep-tech and biotechnology startup proposals and to ensure that high-risk, high-reward innovations are not filtered out by traditional risk-averse commercial lending criteria; and

(c) the details of specific execution roadmap established to distribute these commercial innovation funds equitably to tier-2 and tier-3 regional entrepreneurship hubs instead of allowing capital consolidation in mature metropolitan startup corridors?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF SCIENCE AND TECHNOLOGY AND EARTH SCIENCES
(DR. JITENDRA SINGH)

(a) The Union Cabinet approved the ₹1 lakh crore Research, Development and Innovation (RDI) Scheme on 1 July 2025 with a total outlay of ₹1 lakh crore over six years to incentivise private sector participation in research and development. The Scheme was formally launched by the Hon'ble Prime Minister on 3 November 2025.

Since the launch of the Scheme, financial assistance of ₹1,000 crore each has been sanctioned to two Focused Research Organisations (FROs), namely the Technology Development Board (TDB) and the Biotechnology Industry Research Assistance Council (BIRAC), aggregating to ₹2,000 crore. Of this, ₹500 crore has been disbursed to TDB in March 2026 for onward financing of eligible technology entities.

TDB has, so far, approved 22 projects with a total project cost of ₹4,744 crore, involving RDI Fund support of ₹2,192 crore. BIRAC has shortlisted 8 projects involving ₹390.35 crore for support under the RDI Scheme.

The RDI Scheme does not provide financial grants. Financial assistance under the Scheme is extended primarily through long-term, low-interest loans, equity and equity-linked instruments, in accordance with the approved Scheme framework.

(b) The Research, Development and Innovation (RDI) Scheme has adopted a specialized evaluation and risk-assessment framework that is distinct from conventional commercial lending practices. Applications are evaluated by an empowered Investment Committee comprising senior domain experts, technologists and investment professionals, in accordance with the criteria prescribed in the Scheme's Implementation Guidelines.

The assessment considers factors such as the degree of technological innovation, Technology Readiness Level (TRL), commercialisation potential, market opportunity, capability of the management team, project implementation plan and expected strategic impact, rather than relying solely on conventional lending parameters such as collateral or risk-averse commercial lending criteria. The Scheme is specifically designed to support high-risk, high-impact and transformative innovations. Accordingly, it focuses on technologies with the potential for significant technological advancement and commercialisation, rather than routine research and development or incremental improvements.

(c) The Research, Development and Innovation (RDI) Scheme does not earmark funds for specific States, cities or regions. It is a pan-India initiative designed to provide equitable access to financing for eligible technology entities across the country, including those located in Tier-2 and Tier-3 cities, through a transparent, merit-based evaluation process.

Participation under the Scheme has been invited from all regions of the country and is not restricted to established metropolitan startup hubs. The Scheme is implemented through multiple Second-Level Fund Managers (SLFMs), with eligible proposals being evaluated on the basis of the criteria prescribed in the Implementation Guidelines, without any regional preference. This approach is intended to ensure broad-based access to financing for meritorious technology-driven innovations across the country.

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