

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

**UNSTARRED QUESTION NO. 2594.
TO BE ANSWERED ON TUESDAY, THE 04TH AUGUST, 2026.**

CREDIT GUARANTEE SCHEME FOR STARTUPS AND SISFS

2594. SHRI DUSHYANT SINGH:

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

वाणिज्य एवं उद्योग मंत्री

- (a) the measures taken by the Government to ensure that the benefits of the Startup India initiative, including the Credit Guarantee Scheme for Startups and the Startup India Seed Fund Scheme (SISFS), effectively reach startups in Tier-II and Tier-III cities in the country including districts such as Jhalawar-Baran in Rajasthan;
- (b) whether any specific strategies have been adopted by the Government to address challenges such as limited access to finance, mentorship and infrastructure in these regions, if so, the details thereof;
- (c) the steps being taken by the Government to promote job creation through startups in sectors beyond technology, with a view to encouraging diversified employment and sustainable economic growth; and
- (d) the manner in which the measures are being tailored to meet the specific needs of startups in smaller cities and towns and the support mechanisms in place to ensure their long-term viability and growth?

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):** Startup India initiative was launched on 16th January 2016, with an intent to build a strong ecosystem for nurturing innovation, startups and encouraging investments in the startup ecosystem of the country.

The Government is implementing the Startup India Seed Fund Scheme (SISFS) and Credit Guarantee Scheme for Startups (CGSS) under the Startup India initiative to support startups at various stages of their business cycle.

SISFS provides financial assistance to seed-stage startups through incubators. SISFS is implemented from 1st April 2021. The Experts Advisory Committee (EAC) of SISFS evaluates and selects incubators for allocation of funds. The approved incubators select startups in accordance with the guidelines. Funds under this Scheme are released to the incubators in milestone-based installments. For the purpose of seeking milestone-based installments, incubators submit detailed report on status of utilization of funds and audited expenditure. The EAC monitors the performance of the incubators and funding

to startups from time to time. The operational guidelines of the Scheme are accessible at:

<https://www.dpiit.gov.in/static/uploads/2025/07/eaf3e3bdae9f4d657117f18f6c91780a.pdf>

Specifically in the State of Rajasthan, incubators supported under the Scheme have selected 169 startups with approved funding of Rs. 27.56 crore as on 30th June 2026. Further, incubators under the Scheme have selected 1 startup each from the districts of Baran and Jhalawar, with approved funding of Rs. 15 lakh each.

CGSS is implemented to enable credit access through debt funding to startups through eligible financial institutions [Member Institutes (MIs)].

CGSS is operationalized by the National Credit Guarantee Trustee Company (NCGTC) Limited and has been operationalized from 1st April 2023. The MIs evaluate credit applications by using prudent banking judgement and due diligence in selecting commercially viable proposals and conduct the account of the borrowers with banking prudence. The MIs are governed by the financial institutions norms, monitoring and procedures as laid down by the Reserve Bank of India [in case of banks, Non-Banking Financial Companies (NBFCs) and Financial Institutions] and Securities Exchange Board of India (SEBI) [in case of Alternative Investment Funds]. The operational guidelines for CGSS are accessible at:

[https://www.ncgtc.in/en/product-details/CGSS/Credit-Guarantee-Scheme-for-Start-ups-\(CGSS\)](https://www.ncgtc.in/en/product-details/CGSS/Credit-Guarantee-Scheme-for-Start-ups-(CGSS))

Specifically, in the State of Rajasthan, 6 loans amounting to Rs 28.10 crore have been guaranteed to startup borrowers from Jaipur and Udaipur as on 30th June 2026.

Further, the selected incubators under the SISFS and the network of Member Institutes under the CGSS are spread across the country, enabling effective reach of the Schemes across Tier-II and Tier-III cities as well.

- (b): The Government is undertaking several measures to enable access to finance, mentorship and infrastructure across the country, including in Tier II and Tier III cities. Details of such measures are placed as **Annexure-I**.
- (c): Under the Startup India initiative, the Government constantly undertakes various efforts for the development and growth of startup ecosystem and to enhance job creation in the country.

As a result, a total of 2,40,092 entities have been recognised as startups by DPIIT as on 30th June 2026. These recognized startups have reportedly created over 24.62 lakh direct jobs across more than 55 varied industries which include areas beyond technology as well. The industry-wise list of direct jobs created by recognized startups (self-reported) is placed as **Annexure-II**.

- (d): The programs under the Startup India initiative are implemented on a Pan-India basis with certain specific outreach and awareness measures for Tier-II and Tier-III cities. Such measures inter-alia include capacity building and handholding, ecosystem development and international exposure programs. The details of such measures are placed as **Annexure-III**.

**ANNEXURE REFERRED TO IN REPLY TO PART (b) OF THE LOK SABHA
UNSTARRED QUESTION NO. 2594 FOR ANSWER ON 04.08.2026.**

Measures undertaken by the Government to enable access to finance, mentorship and infrastructure across the country including in Tier-II and Tier-III cities:

1. The Ministry of Skill Development and Entrepreneurship (MSDE) through its autonomous organizations, namely National Institute for Entrepreneurship and Small Business Development (NIESBUD) and Indian Institute of Entrepreneurship (IIE) has taken various initiatives to promote entrepreneurship development amongst all sections of the society. These initiatives include, Swavalambini programme, Entrepreneurship Awareness Programmes (EAP), Entrepreneurship Development Programmes (EDP), Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyaan (PMJANMAN), Entrepreneurship Development Centres (EDC) in North East Region's Educational Institutions, Dharti Aaba Janjatiya Gram Utkarshh Abhiyan (DAJGUA), Pradhan Mantri Surya Ghar Muft Bijli Yojana Scheme (PM SGMBY Scheme), and Capacity Building Programme for Fair Price Shop Owners.
2. Ministry of Micro Small & Medium Enterprises (MSME) is implementing the Entrepreneurship and Skill Development Programme (ESDP) which aims to motivate the youth/aspiring entrepreneurs to consider self-employment or entrepreneurship as one of the career options.
3. The Atal Innovation Mission (AIM) of NITI Aayog fosters innovation and entrepreneurship among India's youth through flagship programs like Atal Tinkering Labs (ATLs) and the Community Innovator Fellowship (CIF). Atal Incubation Centres (AICs) incubation facilities and Atal Community Innovation Centres (ACIC) are established under AIM to nurture innovative startup businesses and serve the unserved/underserved areas of the country with respect to the startup and innovation ecosystem. Further, programmes such as Mentor India under Atal Innovation Mission (AIM) and Women Entrepreneurship Platform, are connecting startups and aspiring entrepreneurs with mentors.
4. The Ministry of Education's Innovation Cell (MIC) and All India Council for Technical Education (AICTE) promotes innovation and entrepreneurship across educational institutions.
5. Youth-centric initiatives have been introduced by the Ministry of Youth Affairs and Sports such as setting up of the autonomous body called Mera Yuva Bharat (MY Bharat), the purpose of it, is to provide an over-arching institutional mechanism powered by technology for youth development and youth-led development through Experiential Learning Programs (ELPs), volunteering opportunities, mentorship programme, etc.
6. Under the Ministry of Defence the Scheme for Innovations for Defence Excellence (iDEX) and Acing Development of Innovative Technologies with iDEX (ADITI) are fostering innovation and technology development in defence and aerospace by engaging startups.
7. Under the Department of Science & Technology, the Research, Development, and Innovation (RDI) Scheme has been approved to incentivize private sector participation in research and development (R&D). Further, DST is implementing the National Initiative for Developing and Harnessing Innovations (NIDHI) to promote innovation and entrepreneurship among the youth. The initiative

comprises NIDHI-PRAYAS (prototype grant support), NIDHI-EIR (Entrepreneur-in-Residence fellowships), NIDHI-iTBI (Inclusive TBIs in Tier-II and Tier-III regions). The DST is also implementing the National Quantum Mission (NQM), under which four thematic hubs (T-Hubs) have been established.

8. The Anusandhan National Research Foundation (ANRF) has initiated the program, Mission for Advancement in Highimpact Areas (MAHA) to address priority-driven, solution-focused research in mission-mode.
9. The Department of Biotechnology (DBT) has established biotechnology incubation and pre-incubation centres across States & Union Territories (UTs) under the BioNEST (Bioincubators Nurturing Entrepreneurship for Scaling Technologies) and EYUVA (Encouraging Youth for Undertaking Innovative Research Activities) schemes.
10. Ministry of Electronics and Information Technology (MeitY) is undertaking initiatives such as GENESIS (Gen-Next Support for Innovative Startups) Scheme, TIDE 2.0 (Technology Incubation and Development of Entrepreneurs) Scheme, and IndiaAI Mission to promote the startup ecosystem.
11. Under the Ministry of Rural Development, the Deendayal Antyodaya Yojana- National Rural Livelihoods Mission (DAY-NRLM) through Start-up Village Entrepreneurship Programme (SVEP) supports Self-Help Groups (SHGs) and their family members to set-up small enterprises in the nonfarm livelihoods sector.
12. The Department of Agriculture & Farmers' Welfare (DA&FW), Government of India is implementing "Innovation and Agri-Entrepreneurship Development" programme under Rashtriya Krishi Vikas Yojana (RKVY) from 2018-19 onwards with an objective to promote innovation and agri-entrepreneurship by providing financial support and nurturing an incubation ecosystem in the country.
13. The Government is undertaking taking various measures under the Startup India initiative. The flagship Schemes namely, Fund of Funds for Startups (FFS), Startup India Fund of Funds 2.0, Startup India Seed Fund Scheme (SISFS) and Credit Guarantee Scheme for Startups (CGSS) support startups across sectors at various stages of their business cycle. The Government also implements periodic exercises and programs including States' Startup Ranking, National Startup Awards, Innovation Week, and TEJAS (Transforming Entrepreneurial Journeys Across States & Districts) which play an important role in the holistic development of the startup ecosystem including non-metro and rural startup ecosystems. The Government also encourages and supports ecosystem led initiatives such 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. 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. Activities to encourage corporates to support startups by way of mentorship, access to infrastructure, sharing resources and knowledge, assistance in market linkages, and investor connect are also undertaken.
14. To strengthen international linkages and enable global market access for Indian startups, the Government facilitated participation of startups in major international innovation platforms such as Bharat Innovates 2026 and VivaTech

2026. Bharat Innovates 2026, organised in Nice, France as part of the India–France Year of Innovation, enabled Indian startups to showcase innovations, participate in over 1,350 B2B meetings, and forge more than 50 collaborations with global partners, creating opportunities for startup acceleration, research partnerships, technology commercialisation and market access. Similarly, at VivaTech 2026, where India participated as the AI Country Partner with its largest-ever delegation of over 80 deep-tech startups, Indian startups showcased innovations across emerging technology sectors and engaged with global investors, technology leaders and businesses, strengthening cross-border collaborations and expanding international market opportunities.

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE LOK SABHA UNSTARRED QUESTION NO. 2594 FOR ANSWER ON 04.08.2026.

Industry-wise details of direct jobs created by entities recognised as startups by DPIIT as of 30th June 2026 (self-reported):

S. No.	Industry	Number of direct jobs created
1.	Advertising	16,913
2.	Aeronautics Aerospace & Defence	21,402
3.	Agriculture	119,311
4.	AI	54,149
5.	Airport Operations	1,403
6.	Analytics	12,187
7.	Animation	2,674
8.	AR VR (Augmented + Virtual Reality)	7,360
9.	Architecture Interior Design	15,675
10.	Art & Photography	6,378
11.	Automotive	56,467
12.	Biotechnology	6,517
13.	Chemicals	26,015
14.	Computer Vision	3,434
15.	Construction	149,325
16.	Dating Matrimonial	1,046
17.	Design	12,820
18.	Education	123,930
19.	Enterprise Software	35,241
20.	Events	8,889
21.	Fashion	37,454
22.	Finance Technology	81,139
23.	Food & Beverages	151,875
24.	Green Technology	38,498
25.	Healthcare & Lifesciences	212,510
26.	House-Hold Services	25,377
27.	Human Resources	116,124
28.	Indic Language Startups	4,714
29.	Internet of Things	18,825
30.	IT Services	292,226
31.	Logistics	18,583
32.	Marketing	38,668
33.	Media & Entertainment	29,606
34.	Nanotechnology	2,322
35.	Non- Renewable Energy	15,498
36.	Other Specialty Retailers	23,699
37.	Others	28,382
38.	Passenger Experience	403
39.	Pets & Animals	4,620
40.	Professional & Commercial Services	133,486
41.	Real Estate	23,711
42.	Renewable Energy	67,131
43.	Retail	50,291
44.	Robotics	8,633

45.	Safety	12,286
46.	Security Solutions	48,635
47.	Social Impact	15,386
48.	Social Network	6,402
49.	Sports	10,088
50.	Technology Hardware	76,067
51.	Telecommunication & Networking	21,813
52.	Textiles & Apparel	59,332
53.	Toys and Games	6,870
54.	Transportation & Storage	39,856
55.	Travel & Tourism	38,126
56.	Waste Management	22,817
TOTAL		24,62,589

ANNEXURE REFERRED TO IN REPLY TO PART (d) OF THE LOK SABHA UNSTARRED QUESTION NO. 2594 FOR ANSWER ON 04.08.2026.

The details of various measures being undertaken to ensure that the benefits of the Startup India initiative are effectively reaching startups across the country:

1. Capacity Building and Handholding

Capacity building workshops are undertaken throughout the year across regions including non-metro cities under the States' Startup Ranking ('SRF') exercise to promote and handhold States and UTs in developing regional ecosystems. Monitoring, capacity development, and handholding sessions are also conducted specifically for incubators beyond metro cities and regions.

2. Outreach and Awareness

Outreach and awareness activities for startups are organized across the country including in areas beyond metropolitan cities. These activities include encouraging entrepreneurs from non-metropolitan cities and enabling opportunities for funding, incubation, mentorship and business linkages in collaboration with State/UT administrations. Various startup showcases are also organised where startups pitch their business proposals to investors and participate in capacity building activities. The programs implemented under the Startup India initiative are also propagated through various social media platforms.

3. Ecosystem Development Events and Programs

Various national ecosystem development events and programs are held such as the Startup Mahakumbh, which fosters innovation and entrepreneurship by bringing the ecosystem together from various parts of the country; ASCEND (Accelerating Startup Caliber & Entrepreneurial Drive) sensitization workshops on startups and entrepreneurship are conducted across North Eastern States to support upcoming entrepreneurs from the region; and the Startup India Innovation week is held around the National Startup Day i.e., 16th January, to celebrate entrepreneurship and promote innovation with stakeholders from across India. Further, the TEJAS (Transforming Entrepreneurial Journeys Across States & Districts) initiative seeks to strengthen district-level startup ecosystems.

4. International Exposure and Linkages

International linkages are developed through international Government to Government partnerships, participation in international forums, hosting of global events, and international bridges with different countries that aid in promoting cross collaboration.

5. Encouraging Ecosystem Collaboration

The Government launched the Startup India Hub portal for stakeholders of the entrepreneurial ecosystem in India to discover resources, information, and various benefits under the Startup India initiative on a common digital platform. This portal enables various programs and initiatives to be accessed digitally, improving accessibility for entrepreneurs and startups even from non-metro cities and regions.
