

# Indian Govt to spend \$75M on startup ecosystem development

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The Government's Department of Science and Technology (DST) [will spend Rs 500 crore](#)

(\$75.34 million) on the 'startup ecosystem' in the next few years. According to the release, the DST's budget has been upped 450% to Rs 180 crore for this.

This will primarily be under the NIDHI (National Initiative for Development and Harnessing Innovations) umbrella program, whose key stakeholders will include government departments and ministries of central and state governments, R&D institutions, mentors, financial institutions, angel investors, venture capitalists and private sectors. It has also partnered with like Intel, Lockheed Martin, Texas Instruments and Boeing for tech startups.

NIDHI has 8 components, of which the first is PRAYAS (Promoting and Accelerating Young and Aspiring Innovators & Startups) which lets innovators build prototypes of ideas with a grant of Rs 10 lakh and access to the Fabrication (Fab) Lab. The last component is the Seed Support System which gives up to Rs 1 crore per startup, implemented through tech-business incubators, which include IITs, IIMs and NITs. Each incubator is focused on a tech domain, and all incubators house over 2,000 startups over incubation space of 700,000 sq ft.

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Other highlights:

- The government will also set up 6 Centers of Excellence at places like SINE – IIT Bombay, Venture Center – NCL Pune, CIIE – IIM Ahmedabad and 14 tech-business incubators at IIT Patna and Mizoram University among others.
- Incubators which will offer Seed Support System include Startup Oasis – Jaipur, Amrita TBI – Kollam, Venture Center, NCL – Pune and Research Park in collaboration with Department of Higher Education, MHRD at IIT Gandhinagar.
- A new program called Entrepreneurs in Residence will let startups scale through accelerator programs, and entrepreneurship opportunities for women.

Recent government developments:

- In July, the government [invited](#) [Tesla](#) electric car maker Tesla Motors to open a manufacturing hub in India, offering land at major port cities to facilitate export of Tesla's cars to South East Asian countries. Transport minister Nitin Gadkari proposed joint ventures between Tesla and Indian car manufacturers to introduce electric cars in the country.
- In the same month, Startup Karnataka, the Karnataka Government's startup initiative [released](#) a "booster kit" with a host of packages ranging from cloud, internet, telephony, software, payment gateway, finance and funding etc. and funds worth Rs 385 crore or \$57 million overall.
- In April, the Telangana Government [partnered](#) [IAMAI](#) with IAMAI to set up Mobile 10X Hub, an app development program in the state's incubator.

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- In February, the Government [launched](#) an Electronics Development Fund (EDF), which would invest up to Rs 2,200 crore in electronic startups.

Also read:

- [Indian government planning to set up 100 incubation centres, 500 tinkering labs](#)
- [#Startup India Standup India: Government's plan for startups in pictures](#)
- [Govt to offer free .bharat domain with a .in domain](#)
- [Govt paid Rs 122 crore to village level entrepreneurs as commission under CSC scheme](#)

