

PM Modi launches the “Start-up India Seed Fund” of ₹1,000-crore



Startup India Seed Fund

Our Honourable Prime Minister Sh. Narendra Modi has recently announced the launch of a mega-fund of the Indian Start-ups- “**Start-up India Seed Fund**” to the tune of **₹1,000 crore**. The key objective behind introduction of this mega-fund is to provide assistance to the Indian start-ups and to enable the up-and-coming entrepreneurs to convert their innovative ideas into successful endeavours.

Let us now understand in detail about the Start-up India Seed Fund.

Start-up India Seed Fund

On 16th January 2021, while addressing the grand start-up meet, i.e., “*Prarambh: Start-up India International Summit*”, PM Modi Ji has conveyed his assurance to the entrepreneurs that the development of the Indian start-ups will surely result in generation of employment in the country. This will thereby improve the overall living of the Indians.

With a view to extend financial assistance in the form of initial capital to the start-up aspirants, the Prime Minister has also announced the launch of a mega-fund of ₹1,000 crore, known as the Start-up India Seed Fund. This fund will gradually lead to setting up of new start-ups in the nation and will enable their development, as said by PM Modi Ji. This summit has been held at the 5th anniversary of the Start-up India Stand up India Drive that was launched by PM Modi Ji on the same day in 2016.

Scheme for Implementation:

Modi Ji has added that the Government has already implemented the [MSME](#) “Fund of Fund” Scheme to empower the start-ups to raise equity capital. On the same lines, the government shall now enable the [Indian start-ups](#) to raise debt capital. Furthermore, the government shall assist these start-ups to raising more debt capital.

The Unicorn Club of Start-ups

The Prime Minister has stated that India is the abode to the world's 3rd largest start-up ecosystem. This has helped a large number of budding start-ups to come forward with their innovative technologies and lead the economy. Further he has said that today the Indian start-ups are not limited to big metros. Around 40% the burgeoning start-up enterprises have been initiated in the tier-II and tier-III cities.

In 2014 there were just 4 start-ups in the “**Unicorn Club**”. Here. It is important to note that a unicorn start-up is a private limited company that has a valuation above US\$1 billion. As of now, there are above 30 unicorn companies in India. As per Modi Ji's speech, 11 new start-ups have now entered into the unicorn club in the FY 2020-21.

If the Indian start-ups are given due financial assistance through various monetary avenues, the day is not far when every city of India shall have a start-up enterprise situated there.
