

# Deep tech startup policy likely to get Cabinet nod soon

MUKESH JAGOTA  
New Delhi, June 24

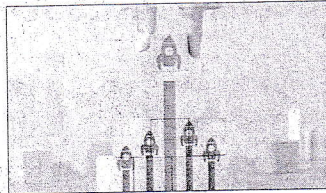
The National Deep Tech Startup Policy (NDTSP), aimed at giving a boost to early-stage technologies and their commercialisation, would go to the Cabinet soon for approval, a senior official said, adding that the final draft of the policy is ready.

The draft has been cleared after a meeting with the Empowered Technology Group (ETG) headed by the principal scientific advisor to the government of India earlier this month.

The ETG was formed in 2020 to lay down, coordinate and oversee procurement and induction of technologies, research and development in technologies that require large outlays, and advise on the government's technology development programmes. "The National Deep Tech Startup Policy will be an umbrella scheme and using its guidelines, ministries can frame schemes for the startups working on cutting-edge technology in sectors they administer," the official who did not wish to be named said.

The policy as such will not have a budget or funding plan but will have ideas to promote startups working on new technologies, he added. The policy could be announced in the coming Union Budget.

The policy will set the benchmark for identifying a deep tech startup and list the support they could be provided. According to the draft of the policy, deep tech startups are early stage startups based on scientific and engineering advancements that are yet to be developed for any commercial applications. Unlike other startups that are differentiated on the basis of business models and can be replicated, deep tech startups



## TECH OF FUTURE

There are more than 10,000 deep tech startups in India and 98% of them are funded by international sources

■ The draft policy talks of a new dedicated deep tech capital guidance fund which should pool investments from govt and private sources

■ The National Deep Tech Startup Policy will not have a budget or funding plan as such

are differentiated by technology.

By the nature of functions the deep tech startups take longer to mature and need large doses of capital. The draft policy talks of a new dedicated deep tech capital guidance fund which should pool investments from the government and private sources. The tenure of such funding should be longer looking at the longer gestation period of deep tech startups. It also recommends differentiated treatment of deep tech startups and reducing their costs by allowing them exemptions or reduced customs tariffs on imported equipment, machinery and raw materials. There are more than 10,000 deep tech startups in the country and 98% of them are funded by international sources.