

BHARAT DEEPTECH REPORT 2026

FROM LAB TO LEADERSHIP



From Lab to Leadership: Building India's DeepTech Future

India is entering an important phase in its innovation journey. As technology increasingly shapes economic competitiveness, national resilience and global leadership, India has an opportunity to translate its scientific and engineering capabilities into technologies and enterprises that can be created, commercialised and scaled from India.

DeepTech sits at the heart of this opportunity. Rooted in scientific discovery and engineering breakthroughs, DeepTech follows a fundamentally different journey from conventional technology-led entrepreneurship. The path from the laboratory to the market can be long, complex and capital-intensive. Building globally competitive DeepTech enterprises therefore requires more than entrepreneurial ambition. It requires patient capital, strong research institutions, enabling policy, industry participation and investors willing to support innovation over longer horizons.

There is also a clear recognition of this imperative at the national level. The Government of India's **₹1 lakh crore Research, Development and Innovation (RDI) Fund** represents an important commitment towards strengthening private-sector research, development and innovation through long-term capital. It signals the growing alignment between India's economic ambitions and the need to invest in the technologies and innovation capabilities that will underpin them.

For the alternate capital industry, this moment brings both an opportunity and a responsibility. Venture capital and private capital can play an important role in connecting scientific and technological innovation with commercialisation and scale. But capital cannot operate in isolation. The strength of India's DeepTech ecosystem will depend on how effectively entrepreneurs, investors, limited partners, research and academic institutions, corporates and government work together.

It is against this backdrop that IVCA presents the first edition of the **IVCA Bharat DeepTech Report 2026 – From Lab to Leadership**, drawing on a **100-fund coverage** universe, including primary responses from 52 investors.

As the apex industry body for India's alternate capital ecosystem, IVCA believes it is important to bring the perspective of capital into the larger DeepTech conversation. This report is our endeavour to contribute to a more informed dialogue on India's evolving DeepTech investment landscape and to bring together perspectives that can help strengthen the ecosystem for the long term. The opportunity before India is larger than any single fund, institution, programme or stakeholder. It is about building an ecosystem capable of taking scientific and technological innovation from discovery to commercialisation, from ambition to scale, and **ultimately, from lab to leadership**.

I hope this report serves as a useful contribution to that journey and encourages deeper engagement and collaboration across India's DeepTech ecosystem.

Rajat Tandon

President

Indian Venture and Alternate Capital Association (IVCA)



India's DeepTech Landscape 2026

\$11.4B

Cumulative PE-VC investment in Indian DeepTech, 2015-2026 YTD (957 deals)

\$2.96B

2025 funding highest single year ever (189 deals); total Indian startup funding fell ~17% the same year

~46×

India-US funding gap (\$2.96B vs ~\$136B) the scale of the opportunity

4%→15%

DeepTech's rising share of India VC-PE activity, 2016 to 2025

36%

Global deepTech share of VC in 2025 up from 14% in 2016

<1%

India *GERD as % of GDP 2023-24 (~0.84%) vs US ~3.4%, China ~2.6%; structural gap with policy fixes underway

88%

Of funds actively deploying in deepTech today - IVCA Survey

75%

Funds wanting dedicated tax incentives for deepTech the top policy ask - IVCA Survey

15%

Only funds backing TRL 1-3 (basic research) the lab-stage capital gap - IVCA Survey

62%

Funds ranking exit visibility as #1 challenge directly linked to shallow growth-stage depth - IVCA Survey

93%

Funds deploying in AI/GenAI followed by SpaceTech (69%) and Defence (68%) - IVCA Survey

100

Funds covered: 52 directly surveyed + 48 leading funds data via IVCA-Venture Intelligence

Sources: IVCA-Venture Intelligence; Data: 2015-2026 YTD (as of 16 Jul 2026); IVCA DeepTech Fund Survey 2026; IDTA (Feb 2026); Celesta Capital (April 2026); Royal Academy of Engineering (Nov 2025); PIB/GoI.

*GERD: Gross Domestic Expenditure on Research and Development

Report Structure: Three Acts, One Storyline

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ACT I **IVCA DEEPTech** **ANALYSIS**

10 years of India's deeptech deal activity, told through the IVCA-Venture Intelligence DeepTech Database.

- Defining Deeptech
- How The Ecosystem Was Built
- The Global Map
- The Funding Record
- Sectoral Landscape
- Capital Stack & Landmark Deals
- Exit & Liquidity
- Investors
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- Ecosystem Milestones
- Venture Debt Landscape

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ACT II **IVCA DEEPTech** **FUND SURVEY**

The IVCA DeepTech Fund Survey 2026: 100 funds on mandates, TRL, LPs, govt capital, exits, frictions and policy asks.

- The Capital Engine
- Fund Profile & Strategy
- Risk Capital By Technology Readiness
- Conviction & Sector Focus
- Who Funds The Funds
- Exits
- Capital Meets Friction
- The Policy Agenda
- Sector Champions
- Portfolio Spotlight

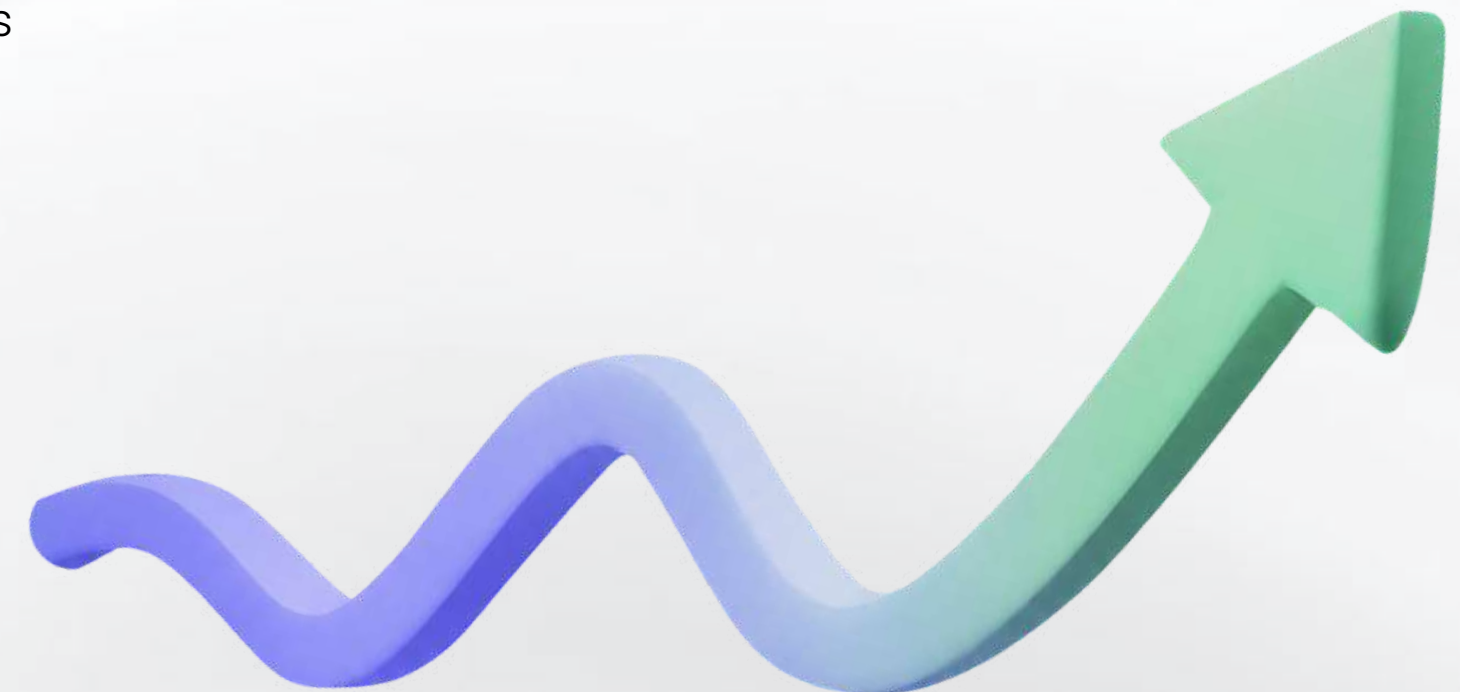
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ACT III **POLICY & ECOSYSTEM** **LANDSCAPE**

The government's policy instruments, capital pipeline frictions, and end-to-end ecosystem from lab to market.

- The State's Arsenal
- The System View
- The Ecosystem



A C T I

IVCA DEEPTTECH ANALYSIS

This section presents a comprehensive analysis of India's deeptech deal activity over the past decade. It tracks cumulative capital deployed, sector-wise distribution, geographic concentration, investor participation, and realised exits. The findings are drawn from the IVCA-Venture Intelligence DeepTech Database, covering 2015–2026 YTD

What is DeepTech

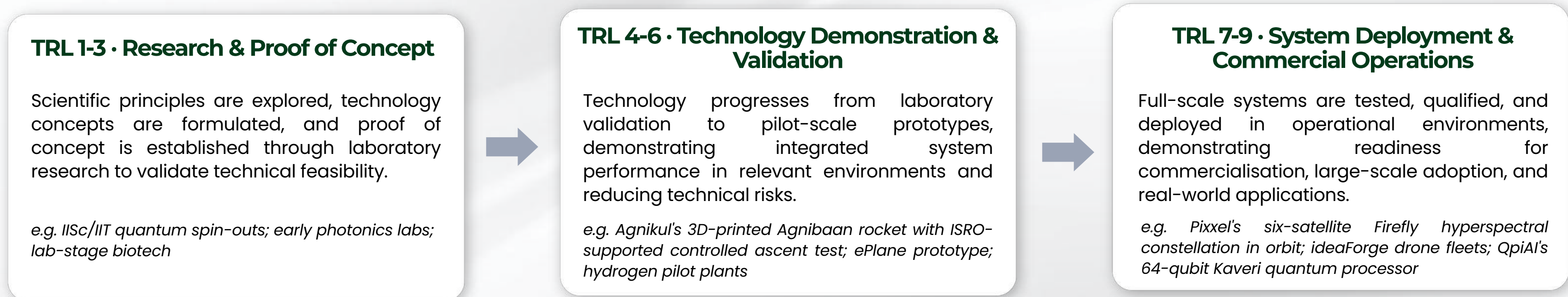
Definition

A DeepTech Startup means a Startup that is engaged in developing solutions based on new scientific or engineering knowledge or advancements, including interdisciplinary innovations, where the technology is either yet to be developed or is still under development. Such a startup is characterized by significant investment in research and development (R&D) relative to its revenue or funding, ownership or creation of novel intellectual property (IP) with a clear intent to commercialize it, and the nature of its business involving long development cycles, extended gestation periods, substantial capital and infrastructure requirements, and high levels of technical or scientific uncertainty.

The DeepTech Landscape - 10 Sectors



Technology Readiness Levels (TRL 1-9)



The Four Waves of Indian DeepTech

WAVE 1

Pre-2000

Sovereign science

ISRO, DRDO, CSIR, and the IIT/IISc network built sovereign R&D infrastructure and elite engineering talent decades before venture capital arrived. They solved for national security and self-reliance, creating India's foundational science base.

Milestones: PSLV programme · LCA Tejas · National labs network · IITs (1951 onwards)

WAVE 2

2000–2015

Engineering depth for the world

IT services and Global Capability Centres (GCCs) industrialised India's engineering talent. Today, India hosts about 7% of the world's semiconductor-domain GCCs and employs nearly 20% of the global semiconductor chip-design workforce transforming engineering from cost arbitrage to IP-led product design and strengthening India's global credibility.

Milestones: 1,000+ GCCs · Global chip-design hubs · Chandrayaan-1 (2008)

WAVE 3

2015–2022

First deeptech capital

Dedicated DeepTech VCs emerged, while iDEX (2018) and IN-SPACE (2020) unlocked defence and space innovation. Since 2016, Indian DeepTech has attracted ~US\$11.4 billion across 957 VC/PE deals, demonstrating growing private capital participation.

Milestones: iDEX 2018 · IN-SPACE 2020 · First dedicated deeptech VCs

WAVE 4

2022–now

The frontier inflection

AI, space, defence and semiconductors inflect together. RDI Scheme (₹1 lakh crore), ISM 2.0 (₹1.27 lakh crore, Jul 2026), National Quantum Mission, FoF 2.0 (₹10,000 crore), SIDBI FFS 2.0, and the SRI Fund (₹10,006 crore anchor corpus, with ₹2,000 crore top-up in Budget 2026–27) stack in the same window, culminating in the IDTA (\$1B, launched Sep 2025) and \$2.96B in 2025 deeptech funding.

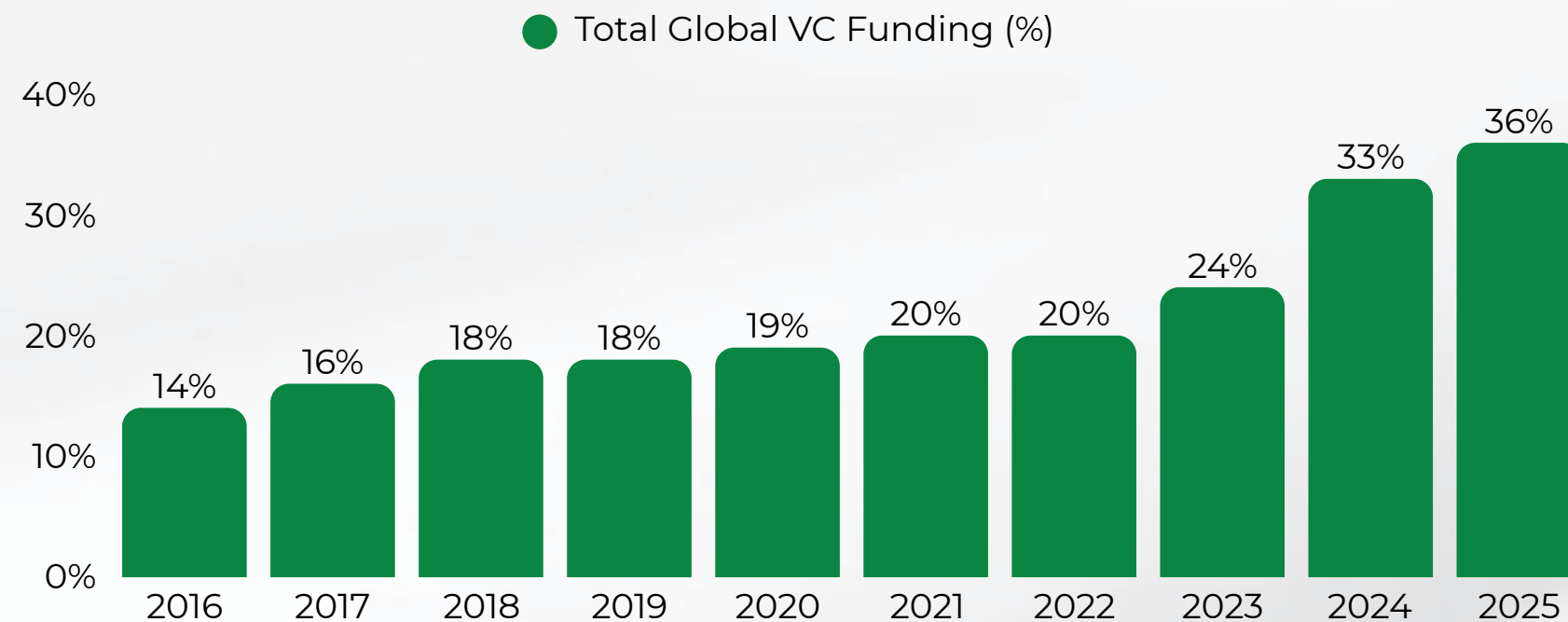
Milestones: RDI Scheme Nov 2025 · FoF 2.0 Feb 2026 · \$2.96B in 2025

The flywheel: Sovereign labs supplied science; services built talent; early VCs proved the model; policy now supplies patient capital. Each wave compounded the last. DeepTech in India is not a trend it is an inheritance being monetised.

India in the Global DeepTech Landscape

Growth of Global DeepTech Funding

% of total global VC funding as deeptech

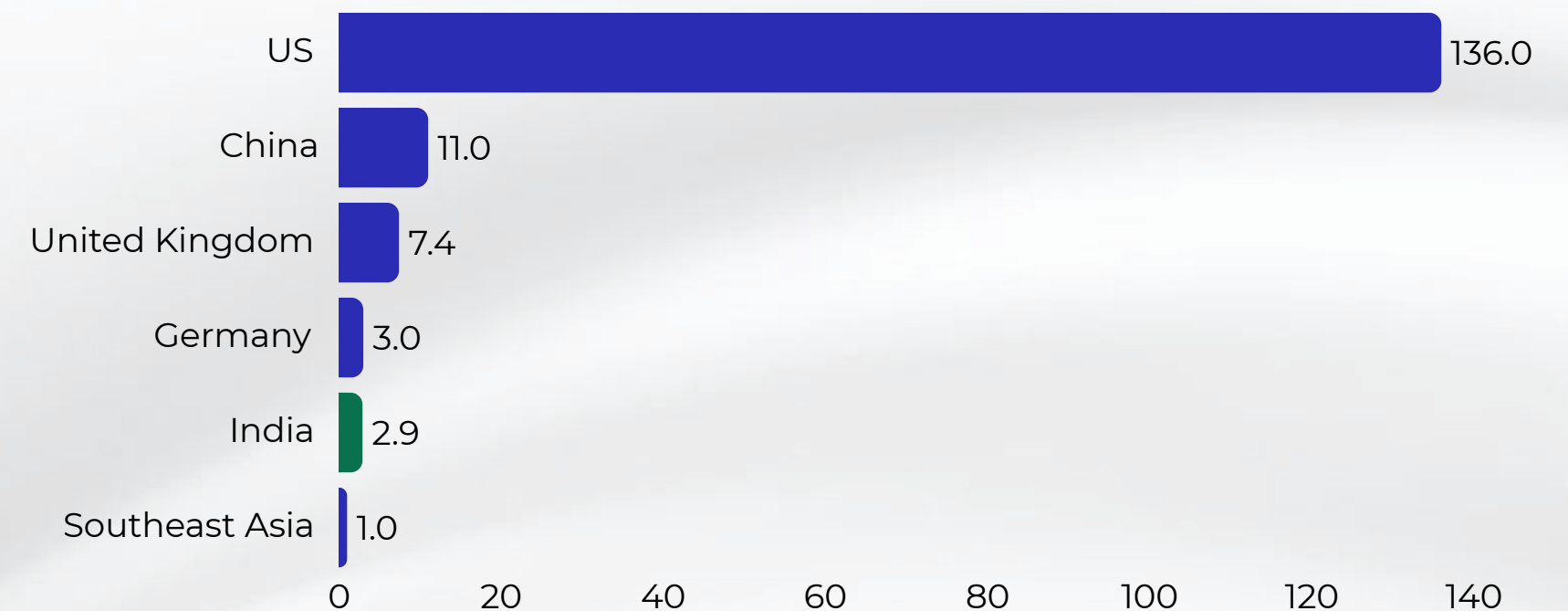


Phase 1 (2016–2022): slow growth, 14%→20%. DeepTech was niche capital chased SaaS and consumer internet; hardware and science-based startups were seen as too capital-intensive and slow.

Phase 2 (2023–2025): sharp inflection, 20%→36%, driven by three converging forces the **AI reset following ChatGPT** (AI accounted for 61% of global VC investment value in 2025), a rotation toward **physical infrastructure** (US computing-equipment investment near-doubled since 2023), and a **coordinated state push** (CHIPS Act, EU Chips Act, India's RDI Scheme, China's hard-tech funds) that now treats deep tech as strategic rather than optional.

DeepTech raised **\$177B across 2,650 rounds** globally in 2025 (+82% YoY) – **336 unicorns, \$1T+ cumulative funding.**

DeepTech VC Funding, 2025 (US\$ Bn)



Developed economies command a commanding lead in absolute deeptech capital the **US alone exceeds the rest of the world combined**, while China and the UK hold distant second and third positions. Among emerging economies, India and Southeast Asia show the strongest growth, though they remain far behind the leaders.

The **46× US-India funding gap** is closing through policy-driven co-investment, not organic market pull. India's deep tech share of domestic VC-PE activity rising from **4% to 15% since 2016** is a more telling signal than the absolute gap.

Structural Scorecard

<1%

India GERD as % of GDP
(vs ~3.4% US, ~2.6% China)

20 yrs

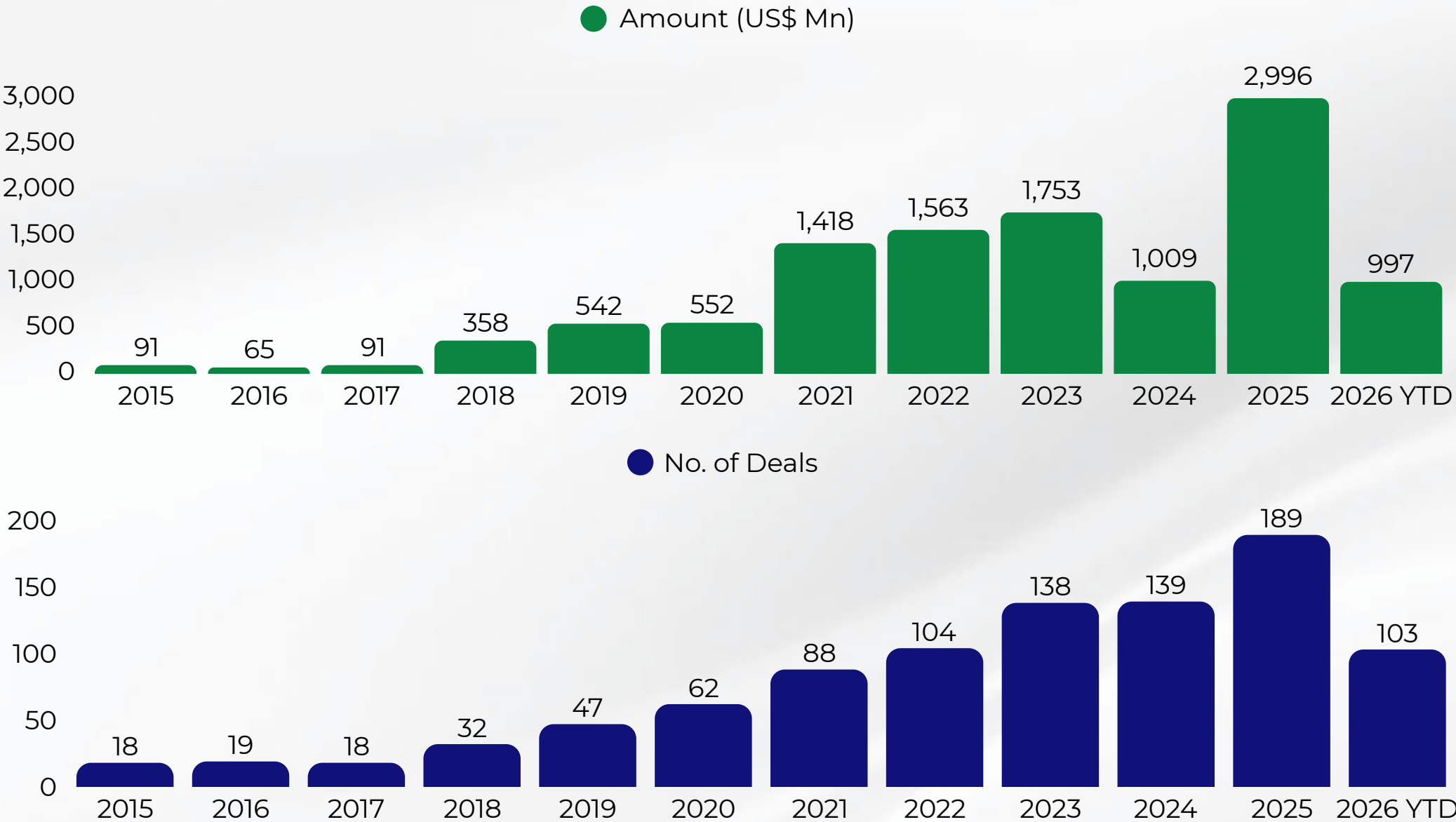
DeepTech startup-status window
(doubled from 10 Y, GoI 2026)

4%→15%

DeepTech share of India
VC-PE activity
(IDTA, 2025)

DeepTech Funding Landscape

Funding (US\$ Mn) and Deals Count, (PE-VC, 2015–2026 YTD)



\$11.4B

cumulative deeptech VC, 2015–2026 YTD (957 deals)

\$2.96B

2025: highest year ever 189 deals, nearly 3× the 2024 figure

\$997M

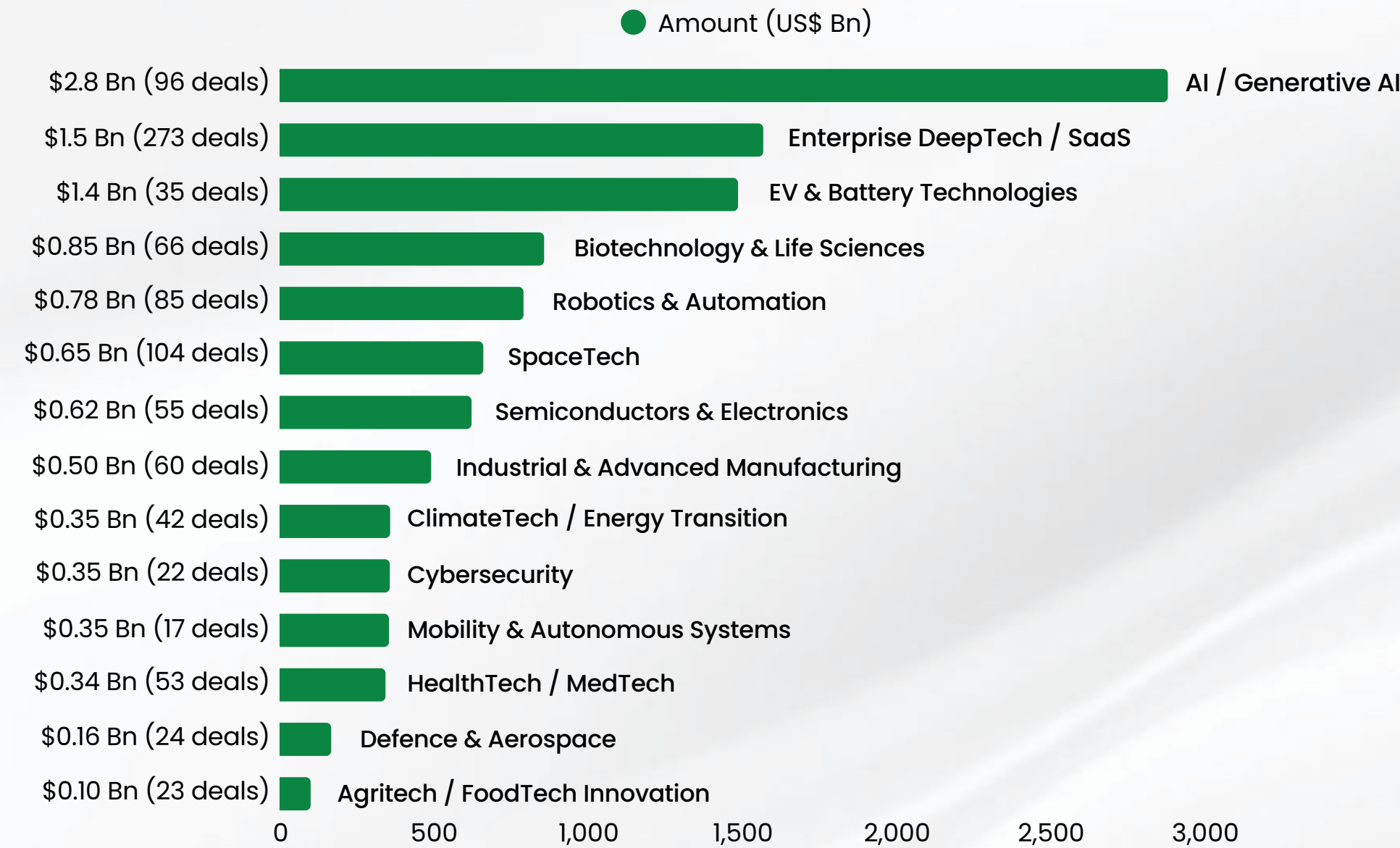
2026 YTD (103 deals) strong momentum into the new year

The 2025 story: India's overall startup funding **fell 17% in 2025** (Tracxn), yet deeptech posted its strongest year on record. Capital is rotating toward the frontier even in a tighter funding environment a structural signal, not a cyclical one.

Source: IVCA-Venture Intelligence; Data: 2015–2026 YTD (as of 16 Jul 2026)

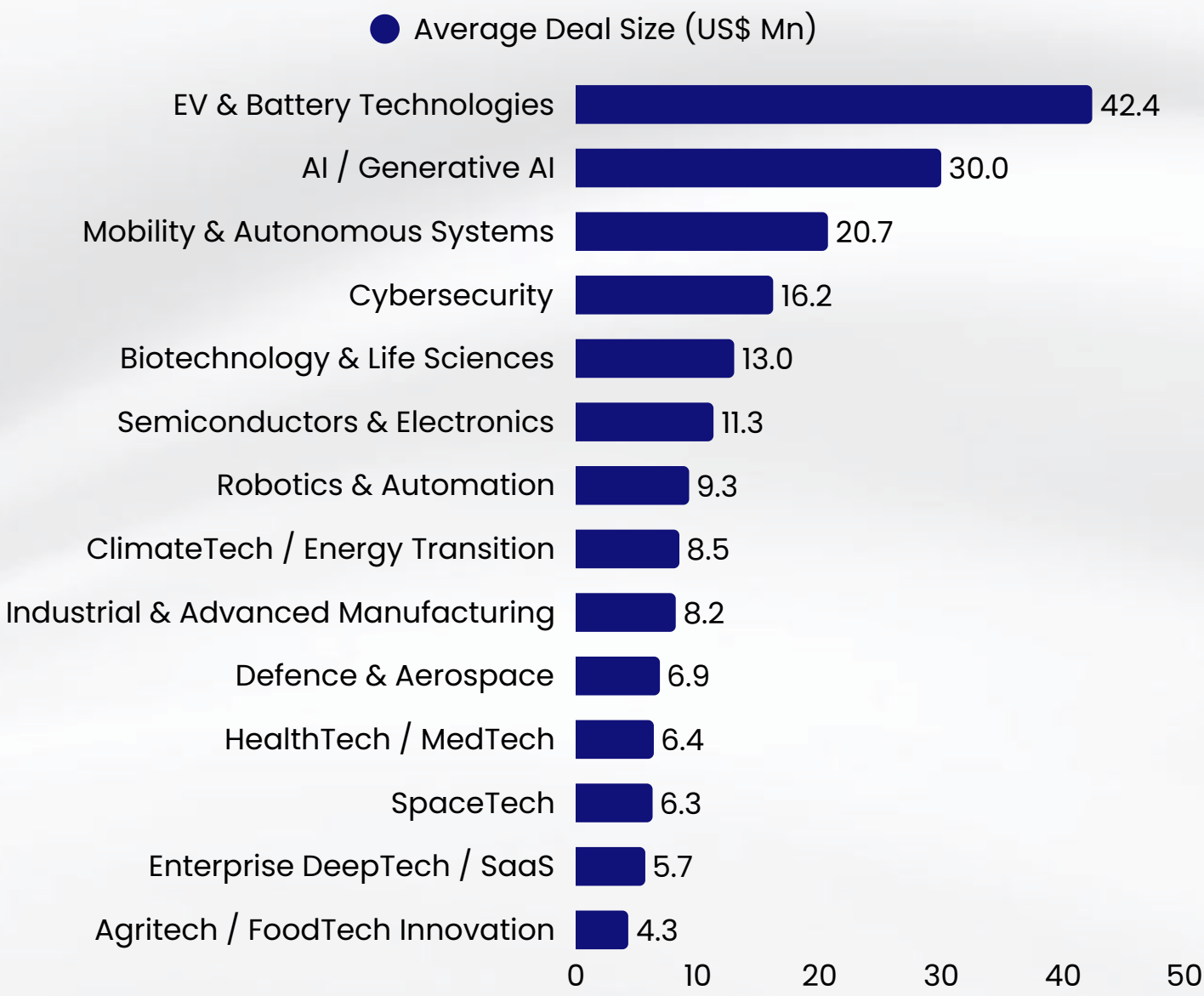
DeepTech Funding by Sector

Sector Breakdown (PE-VC, 2015–2026 YTD)



AI / Generative AI (\$2.8B) and **EV & Battery Technologies (\$1.5B)** together account for **\$4.3B**, representing nearly **40% of all deeptech funding**. However, the real story lies in the momentum – **Semiconductors (\$620M cumulative)** and **SpaceTech (\$658M cumulative)** are emerging as the fastest-growing segments in India's deeptech ecosystem, driven by policy interventions and strategic sovereign priorities.

Capital Concentration By Sector

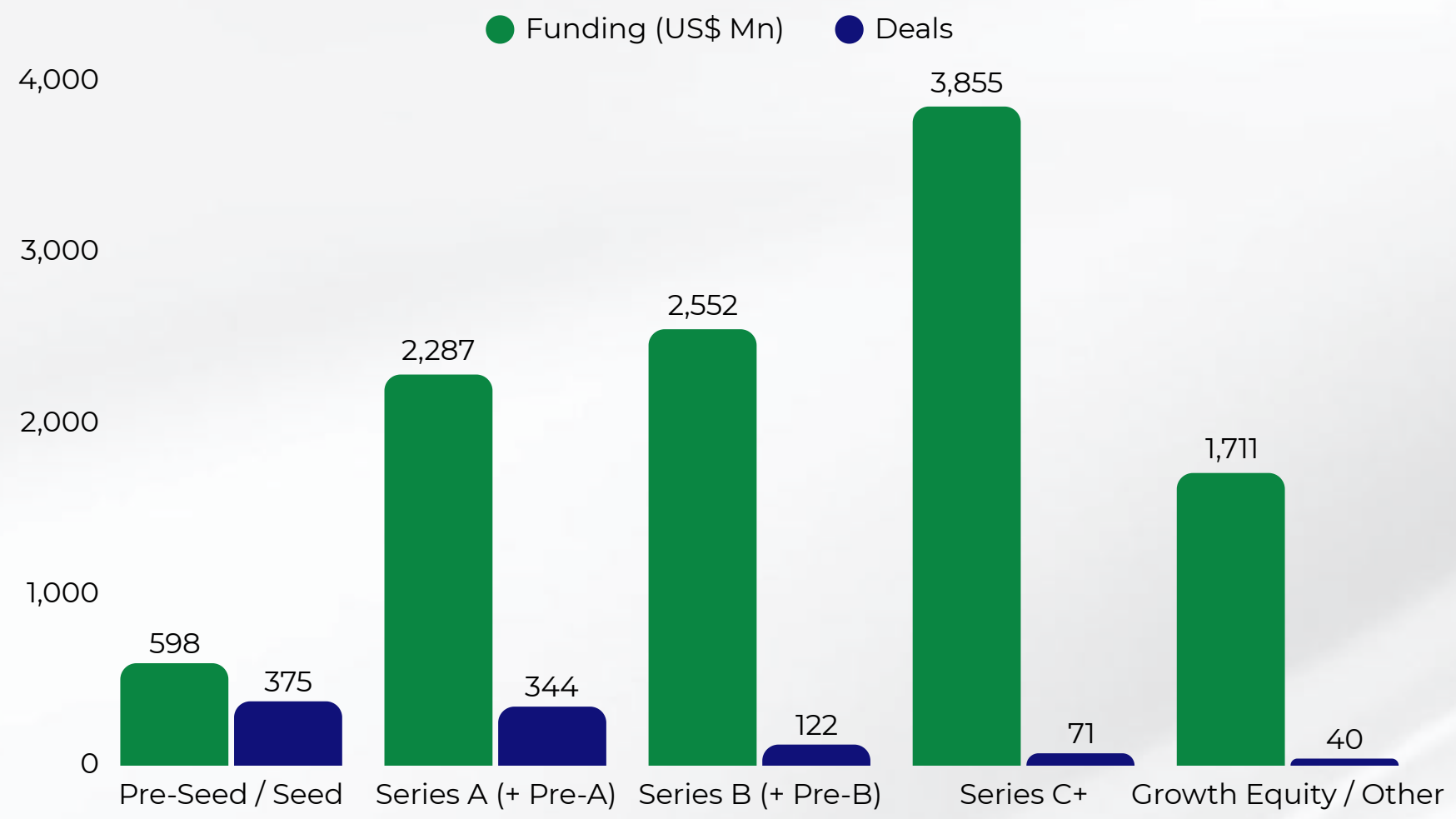


Capital concentration diverges sharply from deal volume. **EV & Battery** combines low deal volume with the largest average cheque (~\$42M), late-stage conviction. **AI/GenAI** is both large and broad, leading on capital (\$2.88B) while sustaining a high average deal size (~\$30M) across nearly 100 companies. **Enterprise DeepTech/SaaS** shows the inverse: highest deal count (273), smallest average cheque (~\$5.7M).

Source: IVCA-Venture Intelligence; Data: 2015–2026 YTD (as of 16 Jul 2026)

DeepTech Funding by Stage

Funding by Stage (PE-VC, 2015–2026 YTD)



Series C+ accounts for just **7% of deals** but **35% of dollars invested**; **average deal size rises from \$6.6M at Series A to \$54.3M at Series C+**, an eightfold increase. A small number of late-stage rounds account for the majority of capital deployed.

Deal count falls sharply between **Series A and Series B (344 to 122)**, while average **cheque size nearly triples (\$6.6M to \$20.9M)**. This is the stage at which investors commit to fewer, substantially larger positions.

Pre-Seed and Seed rounds represent 39% of all deals but only 5% of capital deployed, confirming a wide entry funnel that narrows quickly consistent with deep tech's extended, capital-intensive path from laboratory to scale.

Top 10 Deals by Value (2015–2026 YTD)

Company	Rounds	Amount (\$M)	Years	Sector
TCS HyperVault	1 round (Equity)	\$1,000.00	2025	Data Centers
Ola Electric	6 rounds (Series A–E)	\$903.10	2019–23	EV & Battery
Ather Energy	7 rounds (Series A–G)	\$436.50	2015–24	EV & Battery
Grey Orange Robotics	4 rounds (Series B–D)	\$415.00	2015–23	Robotics
Biocon Biologics	4 rounds (Series A + Equity)	\$330.90	2020–21	Biotech
Sarvam AI	3 rounds (Seed–Series B)	\$287.60	2023–26	AI / GenAI
NetraDyne	5 rounds (Series B–D + Equity)	\$287.50	2016–25	AI / Computer Vision
MedGenome	7 rounds (Series B–E + Equity)	\$229.00	2015–25	Biotech / Genomics
Battery Smart	9 rounds (Seed–Pre–Series C)	\$218.60	2020–25	EV & Battery (Infrastructure)
Atlan	6 rounds (Pre–Series A–C)	\$203.20	2019–24	B2B Software (Data Governance)

**Cumulative across multiple rounds*

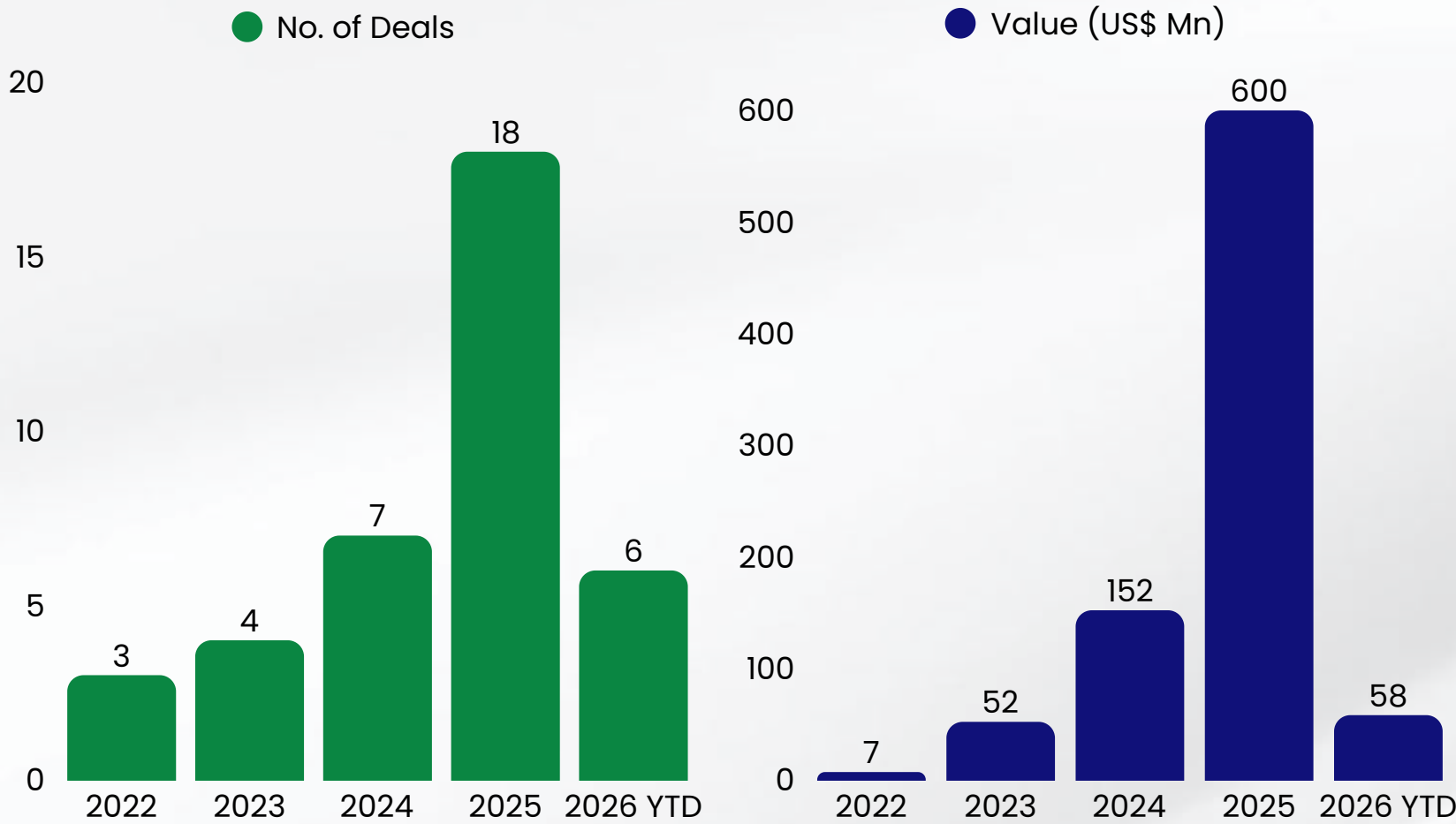
The top 10 companies account for \$4.31B, or approximately **38% of cumulative funding**. Ranking by total capital raised per company reveals a materially higher degree of concentration than a single largest round view would suggest.

EV & Battery leads by a wide margin. Ola Electric, Ather Energy, and Battery Smart together account for **\$1.56B, 36% of the top 10 total, across 22 funding rounds**, ahead of every other sector represented in the table.

Source: IVCA–Venture Intelligence; Data: 2015–2026 YTD (as of 16 Jul 2026)

DeepTech Exits Landscape

Exit Deals Count & Value (US\$ Mn) (PE-VC, 2022–2026 YTD)



2025: The Breakout Year – 18 exits worth \$600M, a 2.6x rise in deal count and ~4x rise in value over 2024 (7 exits/\$152M). The deeptech exit channel is finally opening.

Time to Exit: Median time from founding to exit is **9 years** (mean ~13 years, skewed by a few long-established companies).

Exit Routes: **Strategic Sale/M&A leads exits (32%)**, followed by **public-market sales (25%)** and **secondary sales (23%)**. India's deeptech public-market benchmarks now include **Ideaforge (2023)**, **Ola Electric (2024)**, and **Ather Energy (2025)**. Post-listing block sales by early investors in 2025 confirm that public exits offer strong liquidity, not just a viable option.

Source: IVCA–Venture Intelligence; **Data:** 2015–2026 YTD (as of 16 Jul 2026)

Top 5 Exit Deals by Value (2015–2026 YTD)

Company	Deal Type	Exit Value (\$M)	Year	Exiting Investors	Return Multiple
Ather Energy	IPO + Block Deals	~\$288	2025–26	NIIF, GIC, Tiger Global	NIIF: 2.97x, Tiger: 8.32x
Ola Electric	IPO + Block Deals	~\$118	2024–26	SoftBank, Tiger, Z47, Temasek, Alpha Wave	Tiger: 6.5x, Z47: 9.25x
Advanced Enzyme Technologies	Open Market	\$51	2024	OrbiMed	2.18x
Ideaforge	IPO + Open Market	~\$42	2023–24	Qualcomm, Celesta, IndusAge	Celesta: 7.54x, Qualcomm: 7.23x
Exotel	Secondary Sale	~\$3	2020	Blume Ventures	19.93x

Top Most Active Exiting Investors (2015–2026 YTD)

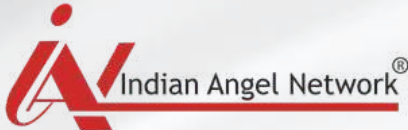
				
Maharashtra Defence and Aerospace Venture Fund 6 Exits	Tiger Global 5 Exits	National Investment and Infrastructure Fund 3 Exits	SoftBank 3 Exits	Blume Ventures 2 Exits

Secondary sales deliver the strongest returns, **averaging 16x versus roughly 5x for public market exits** – **Exotel's 19.93x** secondary exit illustrates the gap. Liquidity size and realised return diverge sharply.

Domestic investors lead on exit count, Maharashtra's fund tops the list with 6 but not on value. **Tiger Global leads both**, with **\$165.6M realised** across 5 exits, confirming global capital is capturing the largest, most concentrated payoffs.

Most Active DeepTech Investors

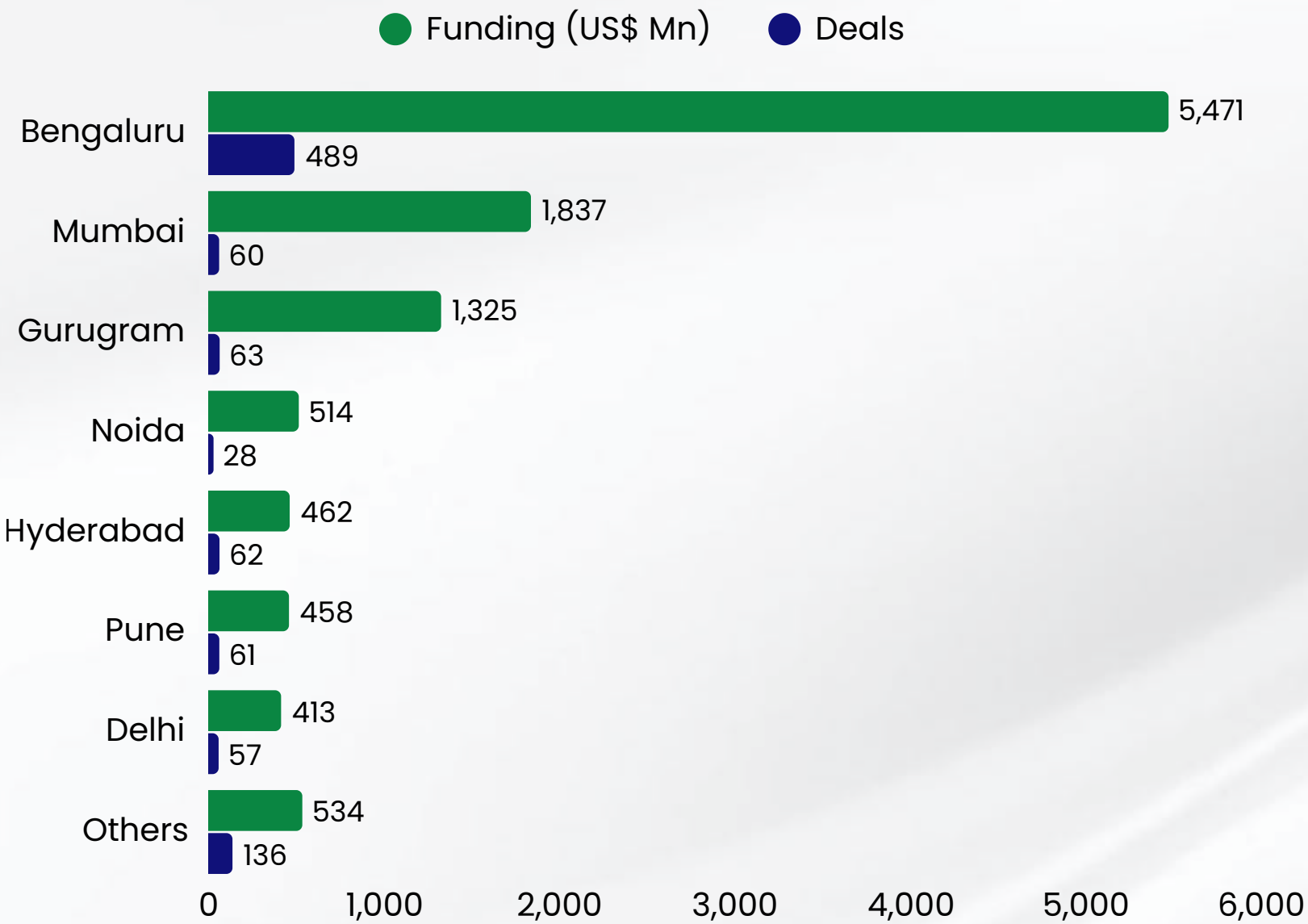
By Deal Count (2015-2026 YTD)

	Blume Ventures Grey Orange Robotics, Battery Smart, Exotel, Pixxel, Ultrahuman	51 deals		Speciale Invest AgniKul Cosmos, ePlane Company, GalaxEye, CynLr, QNu Labs	50 deals
	Accel India Credgenics, Haber Water, SigTuple, Scimplify, Detect Tech	48 deals		Chiratae Ventures Miko, HealthPlix, SigTuple, AgniKul Cosmos, Skye Air	46 deals
	Info Edge Attentive, Unbox Robotics, Pantherun, String Bio, ePlane Company	42 deals		Peak XV Partners Sarvam AI, Atlan, MedGenome, Digantara, Mad Street Den	41 deals
	3one4 Capital Exponent Energy, Scimplify, Unbox Robotics, Bugworks Research, Smallest AI	39 deals		IAN Fund Dhruva Space, Pandorum Technologies, Astrome Technologies, Skye Air, Morphing Machines	36 deals
	YourNest Venture Capital Exponent Energy, Miko, QpiAI, EthereumX, CRON Systems	31 deals		Pi Ventures AgniKul Cosmos, SigTuple, immunitoAI, LightSpeed Photonics, Pranos Fusion	26 deals
	Endiya Partners SigTuple, Scrut Automation, Eystem, Alphaics, Myelin Foundry	26 deals		Unicorn India Ventures Netrasemi, Vervesemi, Probus, TakeMe2Space, BonV Aero	22 deals

Key Insight: The **top 3** investors – Blume Ventures, Speciale Invest, and Accel India have together deployed into **149 deals**, nearly **16% of all deeptech deals** tracked since 2015. This concentration shows that deeptech investing in India is still in its early innings, with a handful of funds carrying the weight

DeepTech Funding by City

Deals & Funding by City (PE-VC, 2015–2026 YTD)



Bengaluru accounts for 51% of all deals and **50% of all funding** the deepest tech cluster in Asia outside China. The next four largest hubs by deal count – **Mumbai, Gurugram, Hyderabad and Pune** together account for **26% of deals**, with average deal sizes ranging from **\$7.4M to \$30.6M**, reflecting a mix of early and growth-stage capital rather than one uniform pattern.

Beyond The Metros: The Frontier is Widening

City	Deals	Funding	Why it matters
Ahmedabad	17 deals	\$96M	Fastest-growing non-metro; 10 deals in 2025–26 YTD alone (\$80M) – ISM fab activity and drone manufacturing
Bhubaneswar	7 deals	\$12M	IIT-Bhubaneswar anchor; defence electronics and agri-robotics cluster forming
Kochi	9 deals	\$18M	Kerala's deep tech hub; marine tech, health diagnostics, biotech
Kolkata	7 deals	\$47M	Advanced materials and industrial automation; IIT-Kharagpur proximity
Thiruvananthapuram	4 deals	\$14M	Space corridor – VSSC/ISRO campus; Kerala's spacetech ecosystem
Kanpur	3 deals	\$13M	IIT-Kanpur (NQM T-Hub); quantum and advanced materials early stage

Ahmedabad is the clearest emerging deeptech node – **10 deals worth \$80M in 2025–26 YTD alone**, up from just 7 deals (\$16M) in all prior years. The ISM semiconductor fab pipeline and drone manufacturing activity are driving this shift. The cluster-to-lab pattern holds: where IITs and national labs are located, funded startups follow within a decade.

Source: IVCA-Venture Intelligence; Data: 2015–2026 YTD (as of 16 Jul 2026)

Key Milestones in India's DeepTech Ecosystem

Landmark Timeline

2022

Space privatisation lifts off; fabless exit proves IP value

Skyroot's Vikram-S, India's first privately developed rocket launch; Steradian's radar IP acquired by Renesas (first fabless exit)

2023

Indian deep tech's public-market benchmark

ideaForge's oversubscribed IPO - 106x subscription

2024-25

Indigenous hardware and quantum computing milestones achieved

Agnikul flies world's first single-piece 3D-printed rocket engine; QpiAI unveils 25-qubit Indus & 64-qubit Kaveri processors

Feb 2026

Growth-stage capital validates deeptech thesis; public markets open

Neysa turns unicorn on \$1.2B Blackstone-led round; Fractal Analytics lists on mainboard

May 2026

Space and semiconductor manufacturing at commercial scale

Skyroot's \$60M financing round; India's first private space unicorn; Tata & Three semiconductor facilities (Micron ATMP, Kaynes Semicon, CG Semi) enter commercial production

Standout DeepTech Companies 2026

Skyroot

SpaceTech

India's first private space unicorn

Agnikul

SpaceTech

World's first single-piece 3D-printed rocket engine

Pixxel

SpaceTech

Hyperspectral satellite constellation in orbit

QpiAI

Quantum

64-qubit Kaveri quantum processor

Sarvam AI

AI / GenAI

Sovereign LLM \$234M Series B

Neysa

AI / GenAI

AI unicorn - \$1.2B capital raise enabled by Blackstone-led financing

ideaForge

Defence

Pioneer drone IPO 106x subscription

Exponent Energy

Energy

15-minute EV charging technology

India's deeptech ecosystem has moved from early proof points to genuine commercial validation. Within this period: the first private orbital-class rocket launch, the first fabless semiconductor exit, an oversubscribed public listing in defence technology, a 64-qubit quantum processor, a \$1.2B AI infrastructure unicorn round, and the country's first space-tech unicorn alongside semiconductor fabs entering production on Indian soil.

Venture Debt in India's DeepTech Sector

Key Insights

61

venture debt deals in Indian
deeptech, 2018–2026 YTD

\$544M

total debt deployed

\$8.9M

average deal size

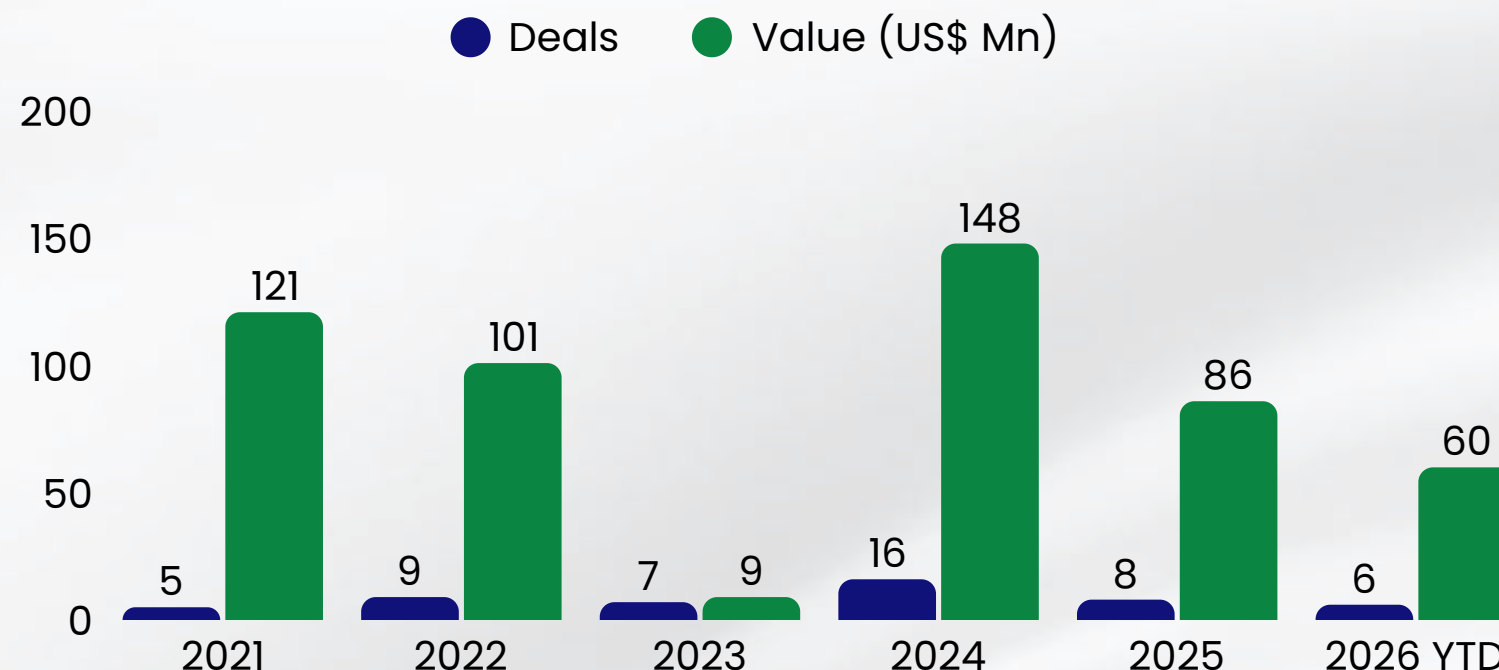
\$4.8M

median deal size

14 deals / \$146M

in 2025–26 YTD

Sector Momentum (2021–26 YTD)



- **2024 was the breakout year – 16 deals worth \$148M**, the highest count ever. 2025–26 is already at 14 deals and **\$145M** with months remaining. The pipeline is accelerating.
- **Notable dip in 2023 (\$9M, 7 deals)**: value was low despite deal count holding up – most 2023 deals were small-ticket specialist VD rounds. The large structured debt came back strong in 2024.

Most Active Investors



What's Getting Funded

EV leads by value (41%, \$224M) driven by Ola Electric and Ather Energy. But the more important 2026 signal is the new entrants: **Drones (\$53M, 8 deals), SpaceTech (Skyroot \$10.6M), and Semiconductors (Cyient \$20M)** all accessed debt capital for the first time frontier sectors crossing the creditworthiness threshold as government contracts create predictable receivables.

Leading by City

Bengaluru captures the most: 27 of 59 deals (\$338M, 62% of value). Gurugram is second by **deal count (12 deals, \$53M)** but **Pune leads among non-metro cities** by value (\$54M from Ecozen Solutions alone a climate-agritech company). This matters: debt is beginning to reach non-metro deeptech, not just metro startup ecosystem.

A C T II

IVCA DEEPTECH FUND SURVEY

This section is based on primary investor-side data: 52 investors surveyed directly by IVCA on mandates, portfolios, LP bases, and policy priorities. This is supplemented by IVCA–Venture Intelligence data on 48 additional active funds, bringing the total fund coverage to 100.

Survey of DeepTech Funds

52

Funds Directly Surveyed
IVCA DeepTech Fund Survey 2026, data collected May, June and July 2026.

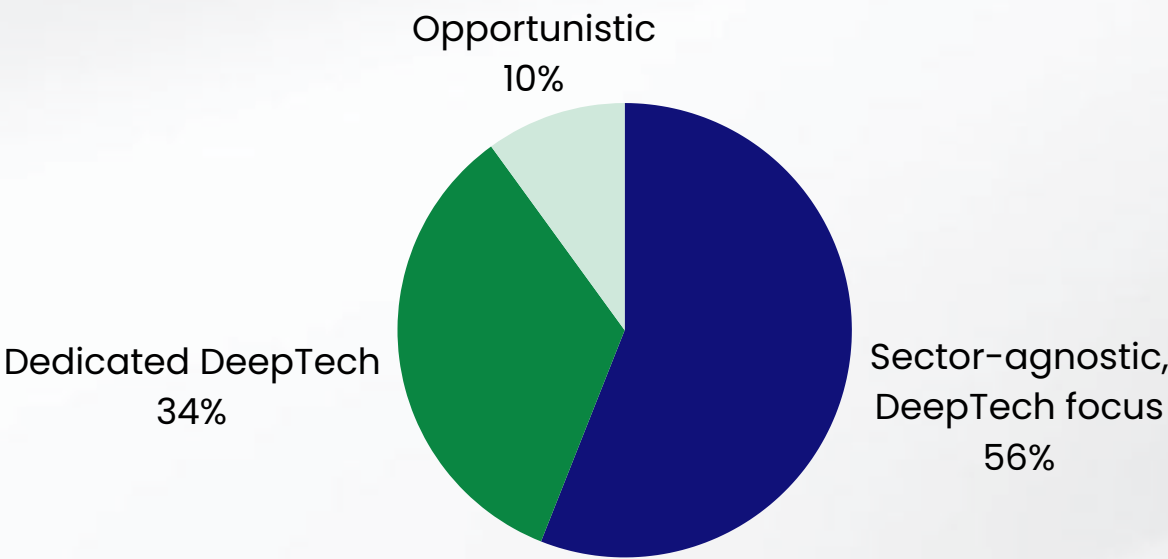
48

Additional Leading Funds
Sourced from the IVCA-Venture Intelligence Fund Database.

100

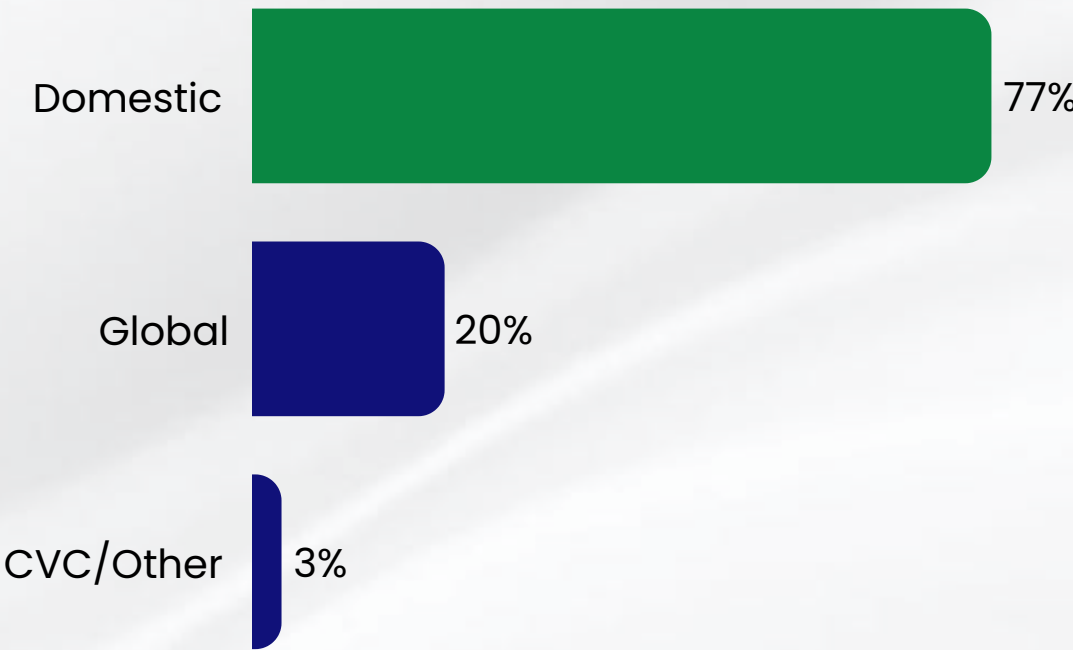
Total Unique Funds
Represented in this report.

Investment Mandate



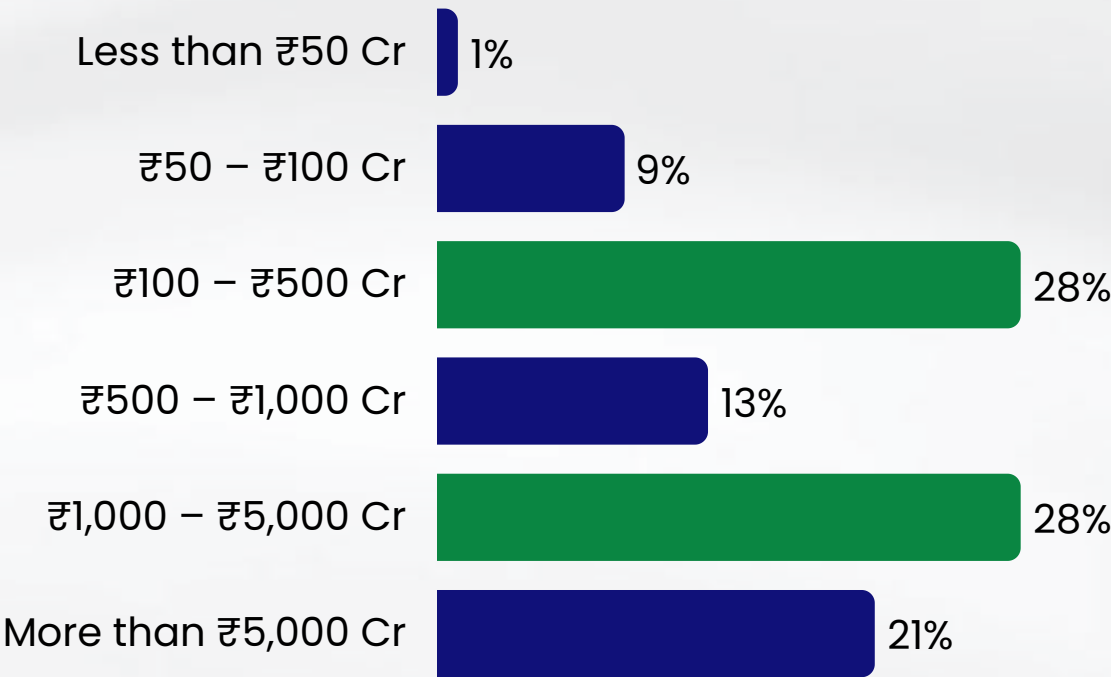
56% of funds are sector-agnostic with a deeptech focus – deeptech is no longer a niche allocation. Only **34%** are **dedicated deeptech funds**, indicating room for more specialised capital vehicles.

Fund Type



77% of funds are domestic – India's deeptech capital is overwhelmingly homegrown. This is both a strength (domestic LPs understand local risk) and a constraint (limited exposure to global best practices and cross-border capital).

AUM Distribution

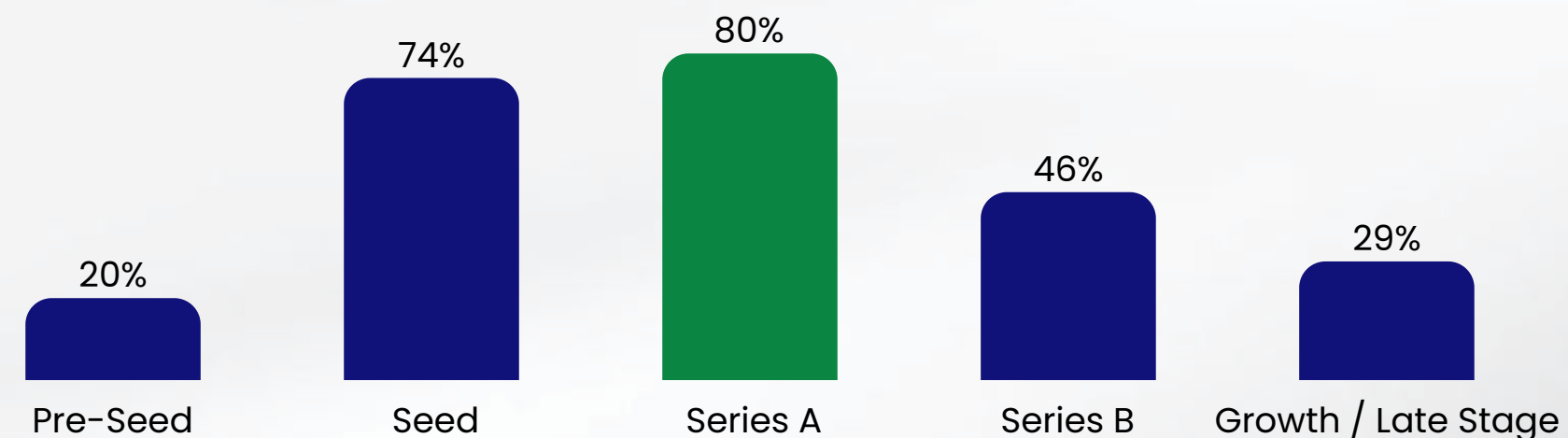


AUM distribution is polarised – **62% of funds manage ₹500 Cr+**, while only **10% manage below ₹100 Cr**. India's deeptech capital is concentrated in larger, established funds, creating a gap for emerging managers.

Source: IVCA DeepTech Fund Survey 2026 (n=52) + Venture Intelligence Fund Data (n=48 leading funds). Total: 100 funds.(Multi-Select)

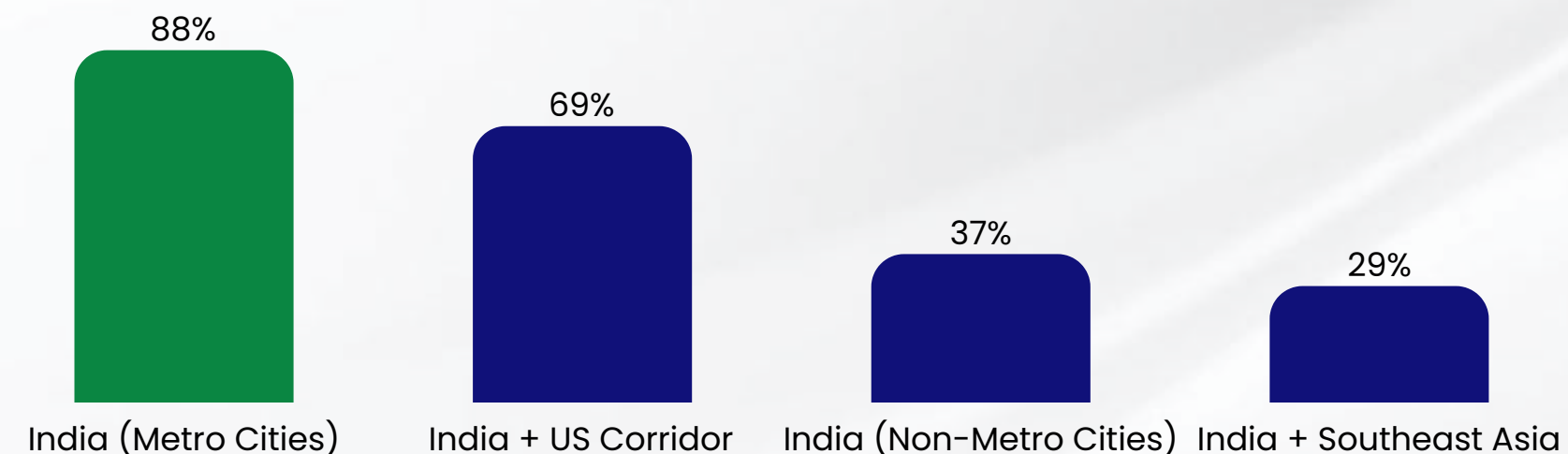
Early-Stage Focused, Metro-Anchored, Longer Time Horizons

Investment Stage Focus



The steep drop from **Seed (74%) to Series B (46%)** a **34% point decline** confirms the '**Series B/C gap**' as the single biggest structural challenge in India's deeptech capital stack.

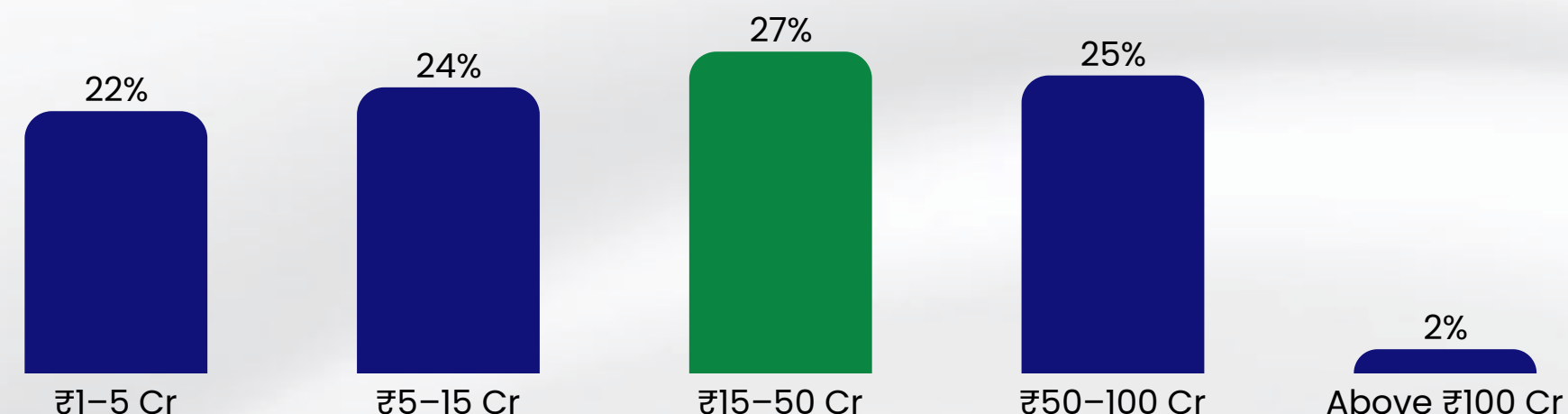
Geographies Covered



India Metro (88%) and US corridor (69%) dominate but **non-metro cities (37%)** are growing, proving that deeptech capital is spreading beyond the top cities.

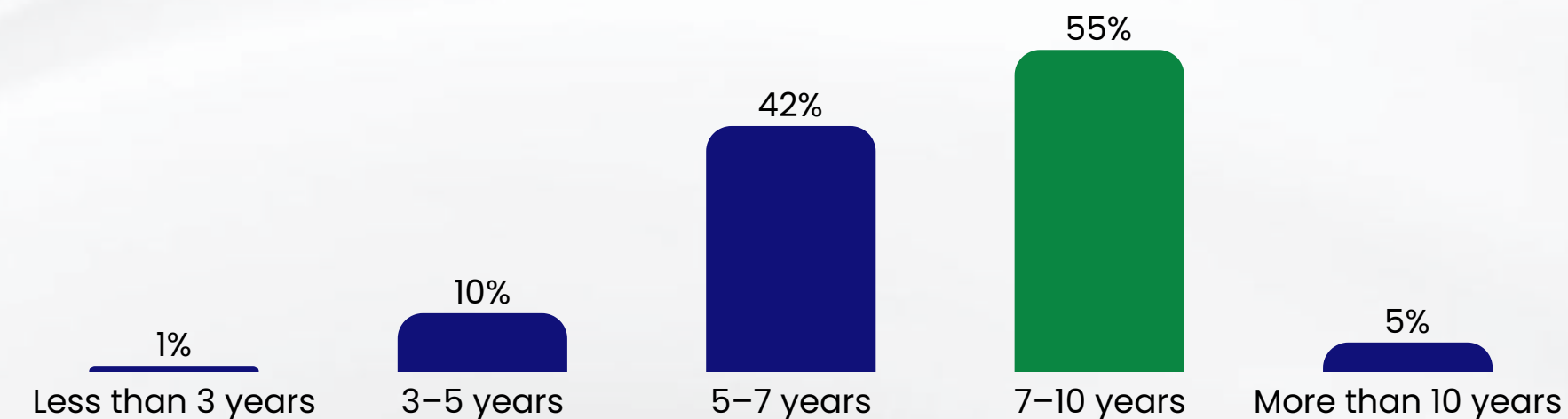
Source: IVCA DeepTech Fund Survey 2026 (n=52) + Venture Intelligence Fund Data (n=48 leading funds). Total: 100 funds. (Multi-Select)

Ticket Size



Ticket sizes are **evenly distributed across ₹1-100 Cr**, but only **2% of funds can write cheques above ₹100 Cr** confirming the shortage of large growth-stage capital for deeptech companies scaling beyond Series B.

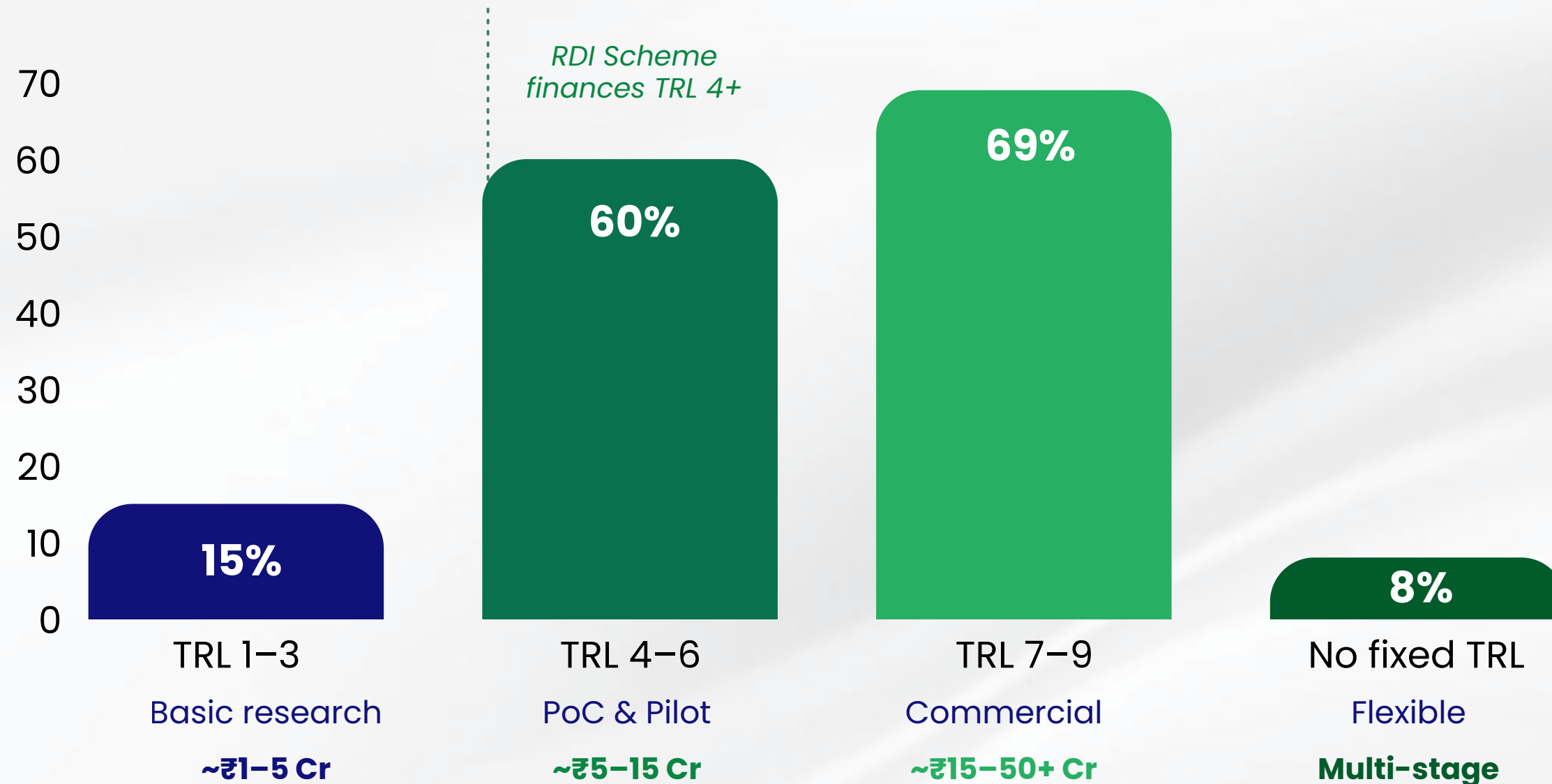
Investment Horizon



55% of funds now operate with **7-10 year horizons**, but **42% still run 5-7 year** fund lives a structural mismatch against deeptech's 7-12 year gestation, which the government acknowledged by extending the startup-status window to 20 years in 2026.

TRL Gap in DeepTech Funding

TRL Distribution of Surveyed Funds



The Valley Of Death

Gap 1: The Pilot Gap:

Just 15% of funds are willing to back lab-stage (TRL 1-3) companies. This is the thinnest point in the funding stack too early for commercial capital, and past the point where most public grants apply, leaving a narrow band where genuinely promising science struggles to find its first cheque.

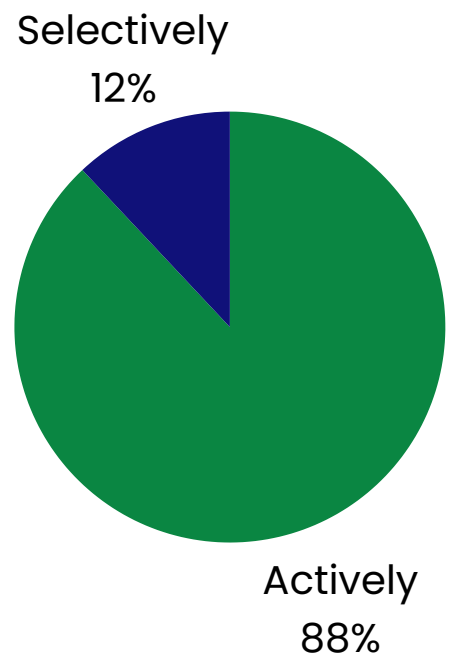
Gap 2: The Growth Gap:

Even companies that reach TRL 9 fully commercial, proven at scale report difficulty raising ₹100+ Cr domestic growth rounds. This confirms that India's often-cited 'Series B/C gap' is not simply a capital-stage problem; it recurs at the technology-maturity level too, meaning scale alone doesn't solve it.

Key insight: 60% of funds operate at TRL 4-6, yet only 15% back TRL 1-3 and 69% reach TRL 7-9. Capital concentrates heavily around commercialisation, leaving structural gaps at both the earliest and latest stages of the technology curve. The RDI Scheme's ₹1 lakh crore corpus, designed to co-finance from TRL 4 upward, is aimed squarely at the point where private fund risk and government patient capital need to meet though the shortage of growth-stage capital at TRL 7-9 remains a separate, unresolved problem.

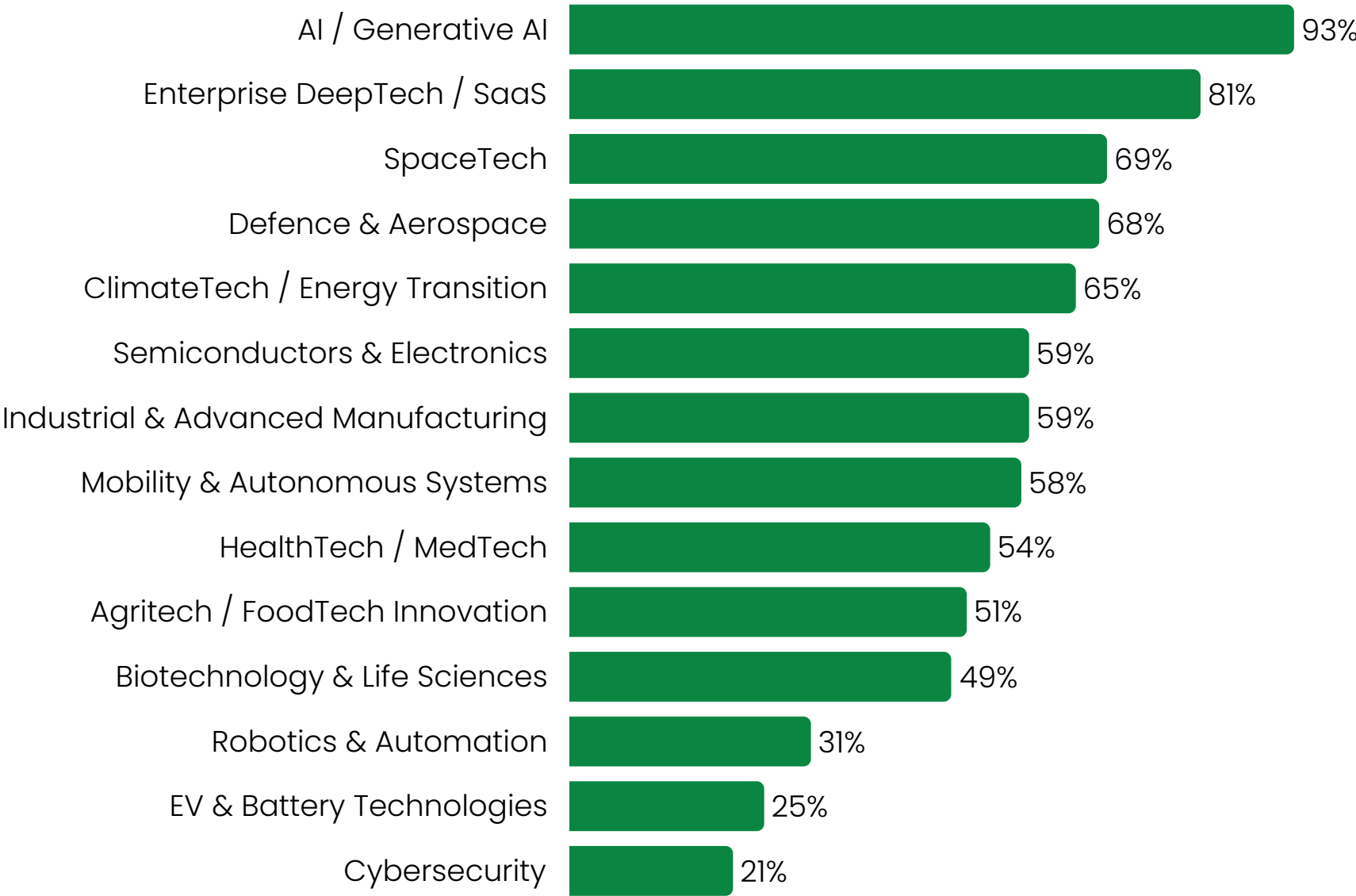
Sector Conviction Across DeepTech Funds

Actively Deploying



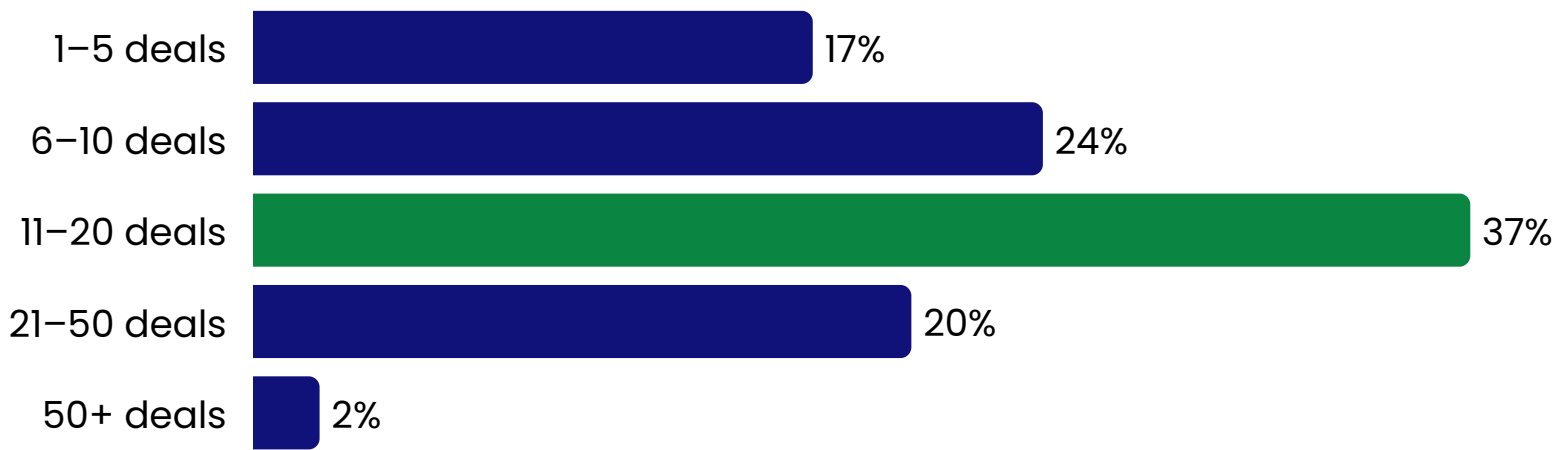
Nearly 9 in 10 funds are actively deploying conviction is high, though selective deployment among the remainder signals continued caution on quality and terms.

Sectors Invested In



India's sector allocation broadly mirrors global deeptech priorities. **AI (93%) leads across the board, while SpaceTech (69%) and Defence (68%)** are gaining ground quickly, tracking a global backdrop of \$12.4B in space tech and roughly \$49B in defence tech funding in 2025. ClimateTech (65%) aligns with global sustainability flows, while Cybersecurity (21%) lags well behind global levels a clear area of relative under-allocation for Indian funds.

Portfolio Depth

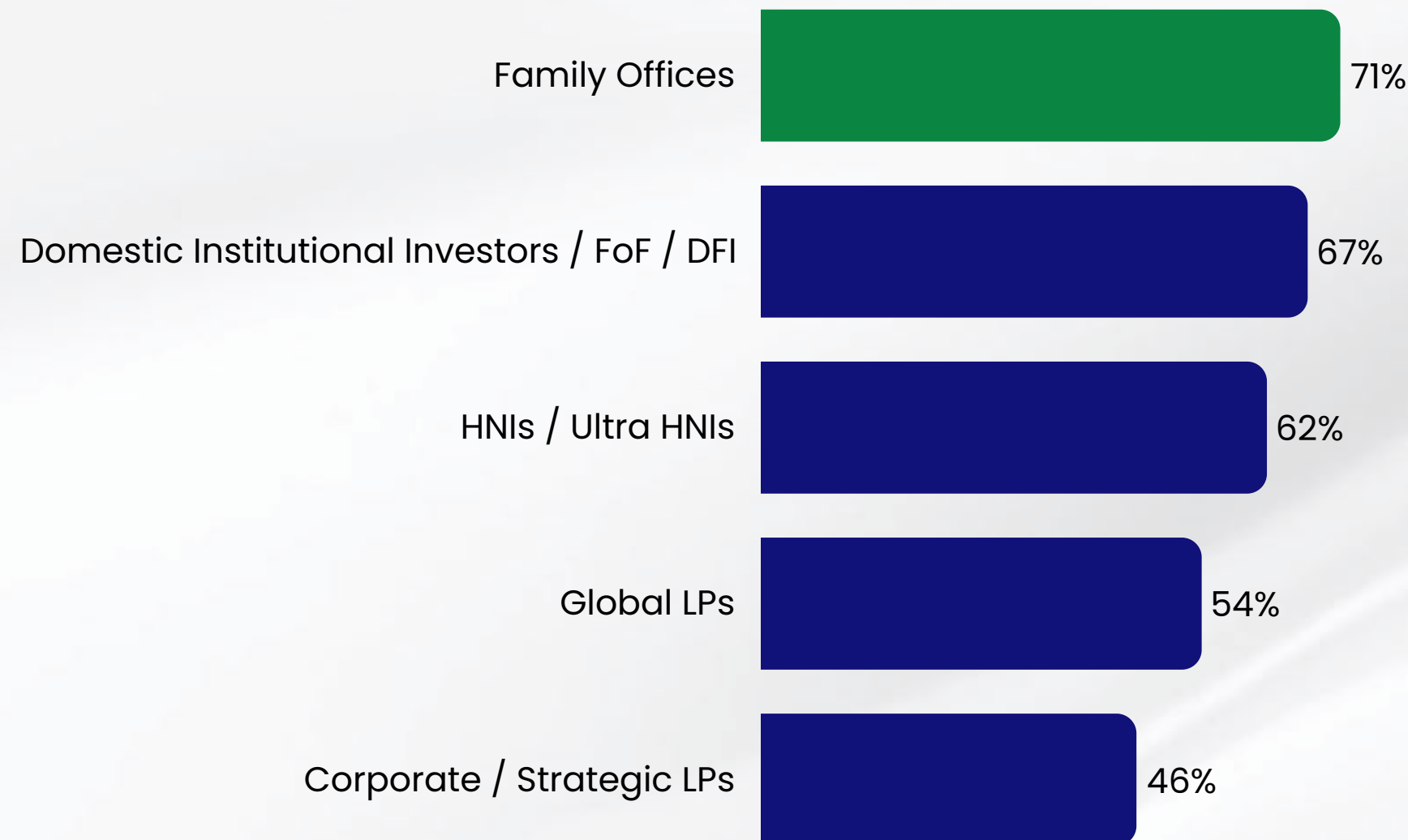


37% of funds hold 11–20 deeptech investments, and **only 2% have built portfolios of 50+ deals**, the ecosystem remains in its portfolio-building phase, with most funds yet to reach scale.

Source: IVCA DeepTech Fund Survey 2026 (n=52) + Venture Intelligence Fund Data (n=48 leading funds). Total: 100 funds.(Multi-Select)

Family Offices and Domestic Institutions Lead the LP Base

Primary LP Base



Domestic Anchor

The combination of **71% family offices, 67% domestic institutions, and 62% HNIs** confirms India's deep tech ecosystem is predominantly powered by domestic capital. Over **85% of funds have at least one domestic LP source** a structural advantage that provides stability, patient capital, and reduces exposure to global capital-flow volatility.

Global Bridge

54% of funds now have global LPs already past the halfway mark. The India-US corridor is the primary channel for cross-border capital, facilitating global best practices, co-investment opportunities, and access to larger growth-stage rounds.

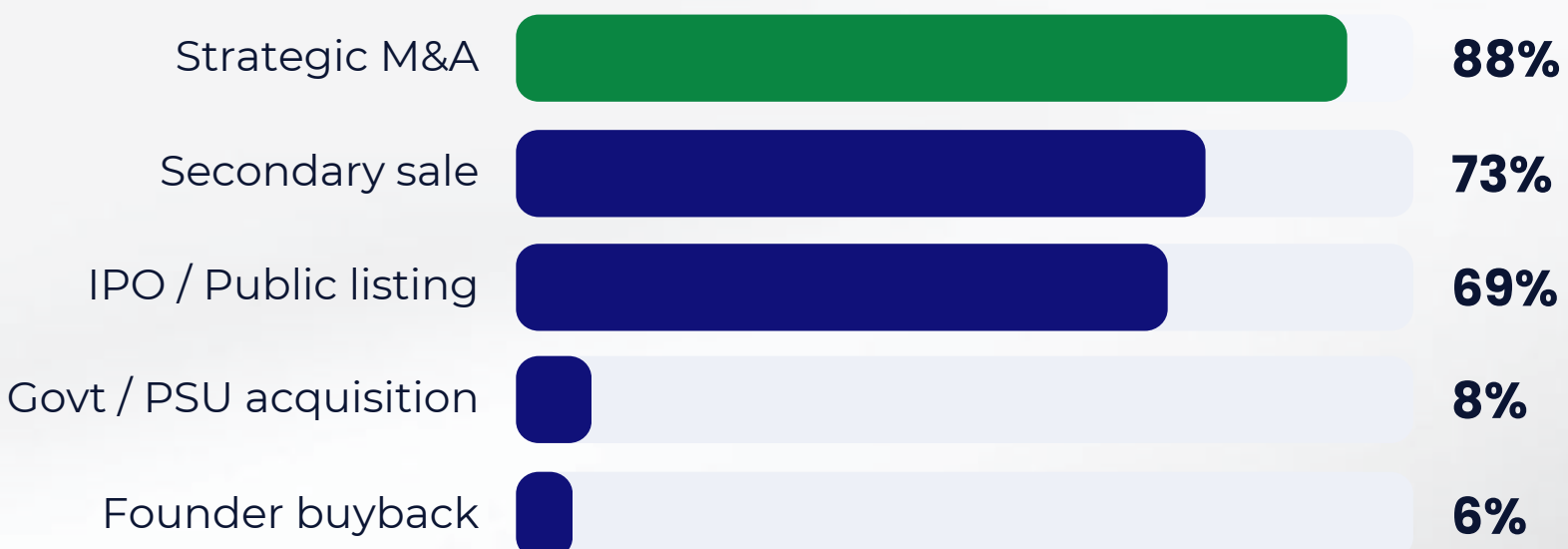
Corporate Engagement Is Rising

46% of funds now have a corporate or strategic LP nearly half the market, a much stronger signal than a peripheral allocation theme. Large enterprises increasingly treat deep tech as strategic, not experimental. Global LPs at 54% still leave room to grow relative to India's potential: global private markets hold record dry powder, with defence, space, and AI identified as strategic priorities worldwide.

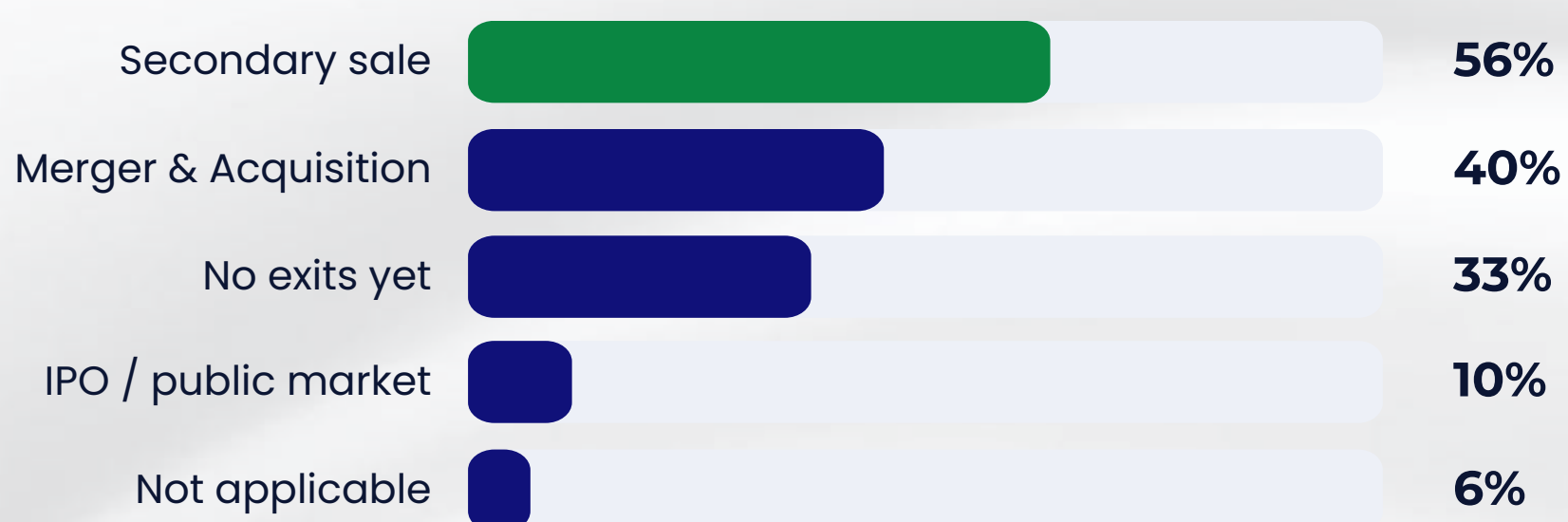
India's LP base is structurally distinct among emerging markets. Unlike many peer economies that depend heavily on foreign capital, India's ecosystem is anchored by domestic institutions, family offices, and HNIs providing stability, patience, and long-term commitment. The rising participation of corporate and global LPs signals a maturing ecosystem where deep tech is increasingly recognised as a core allocation theme, not a peripheral asset class.

Exit Preferences and Outcomes

Preferred Exit Routes



Exit Types Achieved



56%

have completed a secondary sale - the most frequently achieved exit route, typically alongside other exit types rather than as the sole outcome

33%

report no deeptech exits to date, indicating the asset class remains largely in its pre-harvest phase

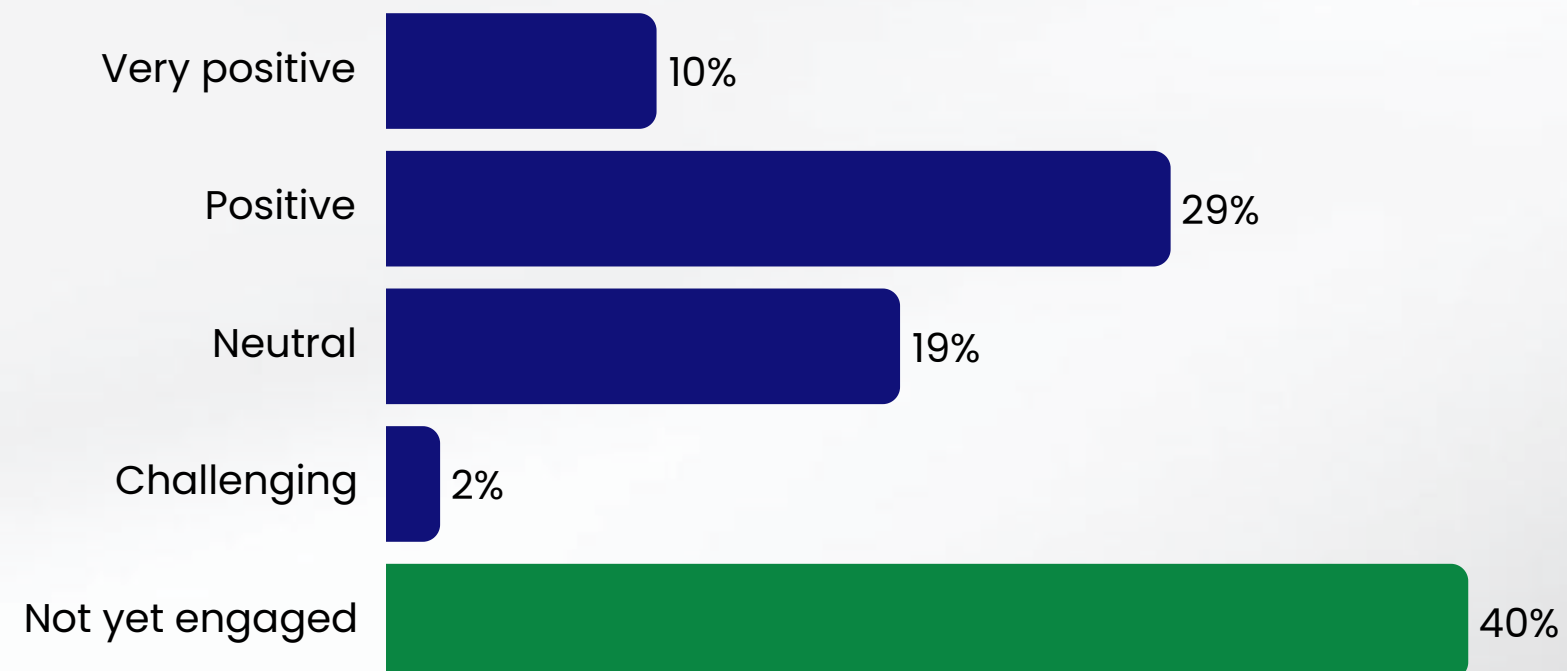
10%

have achieved an IPO exit, with ideaForge and Ather Energy establishing the public-market route as viable

The clearest divide in this data is between what funds prefer and what they have actually achieved. **Strategic M&A** is the **top preference at 88%**, yet only 40% of funds have completed one. The gap is widest for public listings: 69% of funds favour an IPO route, but only 10% have realised one to date. Secondary sales, by contrast, show the smallest gap between preference and outcome a signal that they are functioning less as a first-choice exit and more as the market's most reliably available one.

Government Co-Investment and Fund Challenges

Experience with Government Co-Investment

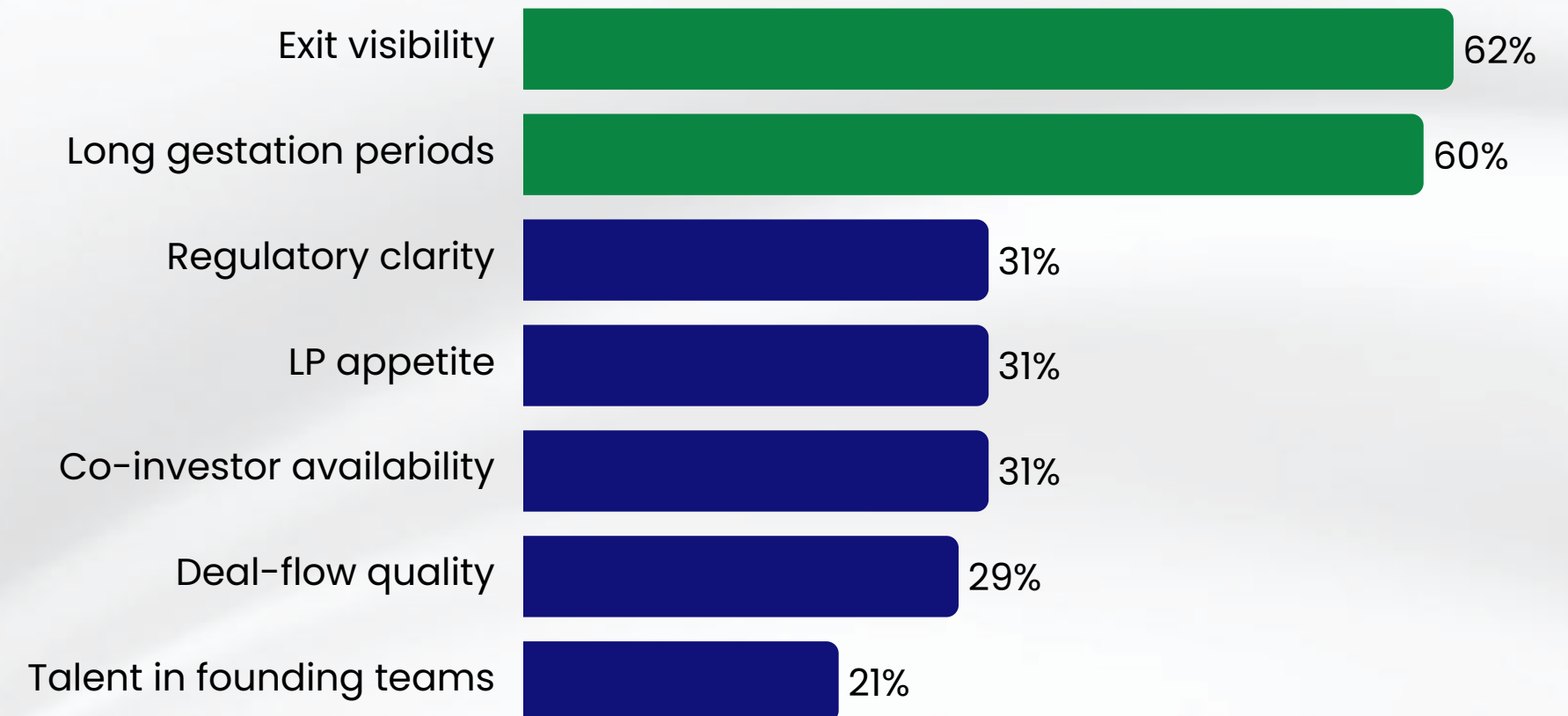


65% of funds that have engaged rate the experience positive or very positive a distribution challenge, not a design failure.

Schemes Cited by Funds



Biggest Challenges (Multi-Select)



Exit visibility (62%) and long gestation periods (60%) dominate as the top challenges, reflecting a structural mismatch between fund lifecycles and deeptech timelines a mismatch that holds regardless of stage: early- and growth-stage funds rank the same two constraints highest, just in reversed order.

Beyond these top-ranked challenges, funds also cite the **Series B/C capital gap**, limited corporate participation, regulatory delays, and insufficient follow-on capital as binding constraints.

Five Policy Asks from Surveyed Funds

- | | | |
|----|---|-----|
| 01 | Dedicated tax incentives for deeptech funds
Capital-gains rollover into deep tech AIFs; incentives to pass through both equity and debt funds. | 75% |
| 02 | Public procurement mandates with payment discipline
Preferential access for deeptech startups; lower bank-guarantee thresholds; technical (not price) evaluation; strict PSU payment timelines. | 69% |
| 03 | Easier co-investment structures with government bodies
Fund-cycle-aligned timelines; a single window across SIDBI/FoF 2.0, TDB, BIRAC and state platforms. | 57% |
| 04 | Longer fund-life allowances (12–15 years)
Matching the science clock consistent with the government’s own 20-year startup-status extension in 2026. | 53% |
| 05 | Simplified cross-border IP ownership rules
Clean structures for India-created IP serving global markets protecting the India+US corridor | 53% |

Additional asks: Enable CSR pools to invest in deeptech startups and funds • Allocation of government capital to funds with a deep tech track record • Ensure timely PSU payments to startups for delivered projects • Simplify regulations for smaller funds

Indian Funds, Indian Bets: Seeding DeepTech Champions

SpaceTech		AI, Cybersecurity & Enterprise Tech		Defence & Advanced Aerospace			
     		      		      			
Robotics & Industrial Automation		ClimateTech, EV& Advanced Materials		Semiconductors & Deep Electronics		Biotechnology & Life Sciences	
     		      		     		     	

India's deeptech ecosystem has moved from **"lab to launch"** to **"lab to unicorn."** Across space, AI, semiconductors, defence, robotics, EV, and biotech, the pipeline is no longer a promise it is delivering.

Source: IVCA DeepTech Fund Survey 2026 (n=52) + Venture Intelligence Fund Data (n=48 leading funds). Total: 100 funds.

Most-Cited Companies and Women Founder Representation

12 Most-Cited Portfolio Companies

Survey (n=100)

Company	Sector	Mentions	Company	Sector	Mentions
Agnikul Cosmos	SpaceTech - Launch Vehicles	8 funds	Detect Tech	AI - Defence & Surveillance	6 funds
Unbox Robotics	Robotics - Warehouse Automation	7 funds	CynLr	Robotics - Visual Object Intelligence	5 funds
Pantherun	Semiconductors - Next-Gen Chip	7 funds	SigTuple	HealthTech - AI Diagnostics	5 funds
Bellatrix Aerospace	SpaceTech - In-Space Propulsion	6 funds	LightSpeed Photonics	Semiconductors - Photonics	5 funds
ePlane Company	Aviation - eVTOL	6 funds	Dhruva Space	SpaceTech - Satellite Solutions	5 funds
GalaxEye	SpaceTech - Multi-Sensor Imaging	6 funds	Exponent Energy	EV - Rapid Charging	4 funds

SpaceTech leads with 4 companies (**33% of the list**), followed by **Robotics** and **Semiconductors** at **2 companies each (17%)**. Defence appears just once, via Detect Tech. **Speciale Invest, Growx Ventures, Info Edge, and Java Capital** are tied as the most active backers each has invested in 4 of the 12 companies.

Women Founders: The Pipeline Reality

Survey (n=52)

Representation	% of Funds
Up to 25%	75%
26% – 50%	13%
More than 75%	2%
Negligible / Nil / Not yet deployed	10%

75% of funds report women founders in 25% or less of their DeepTech portfolio; only 2% report majority women-founded portfolios.

Just **15% of funds** report women-founder representation above 25% across their entire portfolio.

Source: IVCA DeepTech Fund Survey 2026 (n=52) + Venture Intelligence Fund Data (n=48 leading funds). Total: 100 funds.

A C T III

POLICY & ECOSYSTEM LANDSCAPE

This section examines the policy and institutional architecture underpinning India's deeptech ecosystem, covering government capital instruments, structural friction points across the capital pipeline, and the end-to-end ecosystem model from lab to market.

Government Capital Instruments



RDI Scheme ₹1,00,000 Cr TRL 4+ projects via ANRF TRL 4+ projects via ANRF SPF → SLFMs (TDB, BIRAC, AIFs, DFIs, NBFCs); ₹20,000 Cr in FY25–26; up to 50% of project cost at ~3–4% over 12–15 years SPF → SLFMs (TDB, BIRAC, AIFs); ₹20,000 Cr FY25–26	SIDBI FFS / FoF 2.0 ₹10,000 Cr 161 AIFs under FFS 1.0 (₹10,000 Cr); Feb 2026 Cabinet approval; DeepTech & manufacturing focus; private VC-led	India Semiconductor Mission ~₹1.64L Cr 12–13 projects, 7 states; Three facilities – Micron ATMP, Kaynes Semicon, CG Semi have commenced commercial production; 12 manufacturing projects approved; ISM 2.0 (₹1.25L Cr proposed) focused on equipment, materials, indigenous IP	Semicon PLI ₹76,000 Cr ₹65,000 Cr committed to date; funds the ISM project pipeline	DLI Scheme ₹430 Cr VC 24 chip-design startups supported; fabless chip design, RISC-V, edge-AI hardware
Space Policy + IN-SPACe ₹1,000 Cr fund ₹10–60 Cr per startup; 400+ space startups; ₹500 Cr Tech Adoption Fund for government procurement	iDEX / ADITI ₹750 Cr 13+ DISC editions; 500+ problem statements; 400+ signed contracts; ADITI 4.0 live (25 problem statements; ₹25 Cr grants per project)	National Quantum Mission ₹6,004 Cr 4 T-Hubs; 17 startups NQM-backed (up from 8 initially); Track 1: ₹5 Cr (seed), Track 2: ₹25 Cr (scale-up)	IndiaAI Mission ₹10,300 Cr+ In March 2024; for development of the overall AI ecosystem in the country.	BIRAC Multiple instruments RDI SLFM; ₹2,000 Cr BIRAC-RDI Fund; BIG (₹50L grants, 1,000+ innovations); SEED (₹45 Cr, 153 startups); LEAP (₹40 Cr, 62 startups); AcE Fund (₹30 Cr per daughter fund)
Technology Development Board (TDB) Multiple instruments RDI SLFM; 100+ proposals received in first call; direct soft loans, equity support, grant matching for indigenous technology commercialisation	Self-Reliant India (SRI) Fund ₹12,006 Cr Managed via NVCFL/SBI Ventures; Mother/Daughter Fund structure blending government and private capital into MSME and deep-manufacturing enterprises; ₹2,000 Cr top-up for micro-enterprise capital	NITI Aayog BioEconomy Growth Fund ₹50,000 Cr (proposed, 2026–2035) Embedded within the RDI Scheme; targets the lab-to-manufacturing "valley of death" in biomanufacturing, advanced therapeutics, synthetic biology, diagnostics	ANRF / NRF Governs RDI Scheme Oversees the RDI Scheme's Special Purpose Fund; board composition flagged in survey write-ins	20-yr Startup Status Rule change Doubled from 10 to 20 years in 2026; revenue thresholds also revised

65% of funds that have engaged government co-investment schemes rate the experience positive or very positive. The constraint is interface speed: scheme timelines do not align with fund cycles, and 40% of funds have never engaged any government capital vehicle.

Five Interfaces Where Capital Meets Friction

Interface

The Friction

Action (Illustrative)

LAB → FOUNDER

Technology transfer from publicly funded research remains structurally weak. Only **15% of surveyed funds** back companies at **TRL 1-3**, indicating that lab-stage IP is not reaching venture capital in investable form. The transition from scientific discovery to commercial venture is where most innovations are lost.



Expand translational funding mechanisms that bridge research and venture-ready prototypes. Strengthen incubator networks at institutions including **THSTI, BIRAC, and IITs** to provide structured pathways from laboratory to company formation. Establish standardised frameworks for IP licensing and spin-out creation from public research institutions.

FOUNDER → VC

29% of funds cite deal-flow quality as a top challenge the ability to distinguish genuine IP from software-layer companies claiming a deep tech label remains a persistent friction. The signal-to-noise ratio in the market makes it difficult to identify truly defensible technology.



Develop standardised TRL validation frameworks at fund entry to create a common language between founders and investors. Emerging models at **IIT Madras, IIT Roorkee and IIT Bombay** incubation cells are building shared diligence capacity this approach should be scaled. Sector-specific technical advisory panels can strengthen evaluation of deep tech propositions.

VC → LP

42% of funds operate on **5-7 year investment horizons** against 7-12 year deep tech gestation cycles. Institutional LP capital from endowments, insurance, and pension sources the deepest patient capital pools globally is only beginning to enter India's deep tech funding stack. Closing this gap is the single largest lever for scaling the asset class.



The **first NPS Fund of Funds** allocation to venture capital launched after this survey closed marking the first pension-capital unlock. **Tax incentives for deeptech AIFs and FFS 2.0 deployment** can accelerate institutional participation. **Continuation fund structures** that enable longer holding periods for deeptech assets should be explored.

STARTUP → CUSTOMER

69% of funds cite public procurement mandates as a top policy ask. Portfolio companies report delayed government payments, price-based procurement that disadvantages deeptech, and bank guarantee thresholds that are prohibitive for early-stage ventures. Government entities represent the largest buyer segment, and current procurement design leaves meaningful room to better serve deep tech qualification.



TDB, IN-SPACE, and BIRAC already drive toward technical, not price-only, evaluation this model should be expanded. **Dedicated procurement windows** for deeptech startups are required, alongside reduced bank guarantee thresholds and net worth requirements. Global exports and a clearer government demand pipeline represent the next unlock.

STARTUP → EXIT

62% of funds rank exit visibility as the joint #1 challenge the highest-ranked single issue in the survey. Secondaries currently account for 56% of all achieved exits. The IPO route exists (10% of funds have achieved it) but requires a deeper growth-stage capital layer to access. The Series B/C gap remains the binding constraint.



Globally, exits increasingly flow through **M&A and public listings** once growth-stage capital exists; **Ather Energy, ideaForge, Ola Electric and Steradian Semiconductors** have demonstrated this path. Government dry powder through **RDI and FFS 2.0** should widen the exit pipeline, though the Series B/C gap remains the larger challenge. **Developing domestic secondaries markets** and continuation fund structures would provide intermediate liquidity.

India's deeptech ecosystem now has the policy infrastructure to match its capital ambition. The next phase requires moving from scheme approval to scheme utilisation - faster deployment, clearer pathways, and tighter coordination between government, funds, and corporate buyers.

The DeepTech Ecosystem: Lab to Market

DeepTech

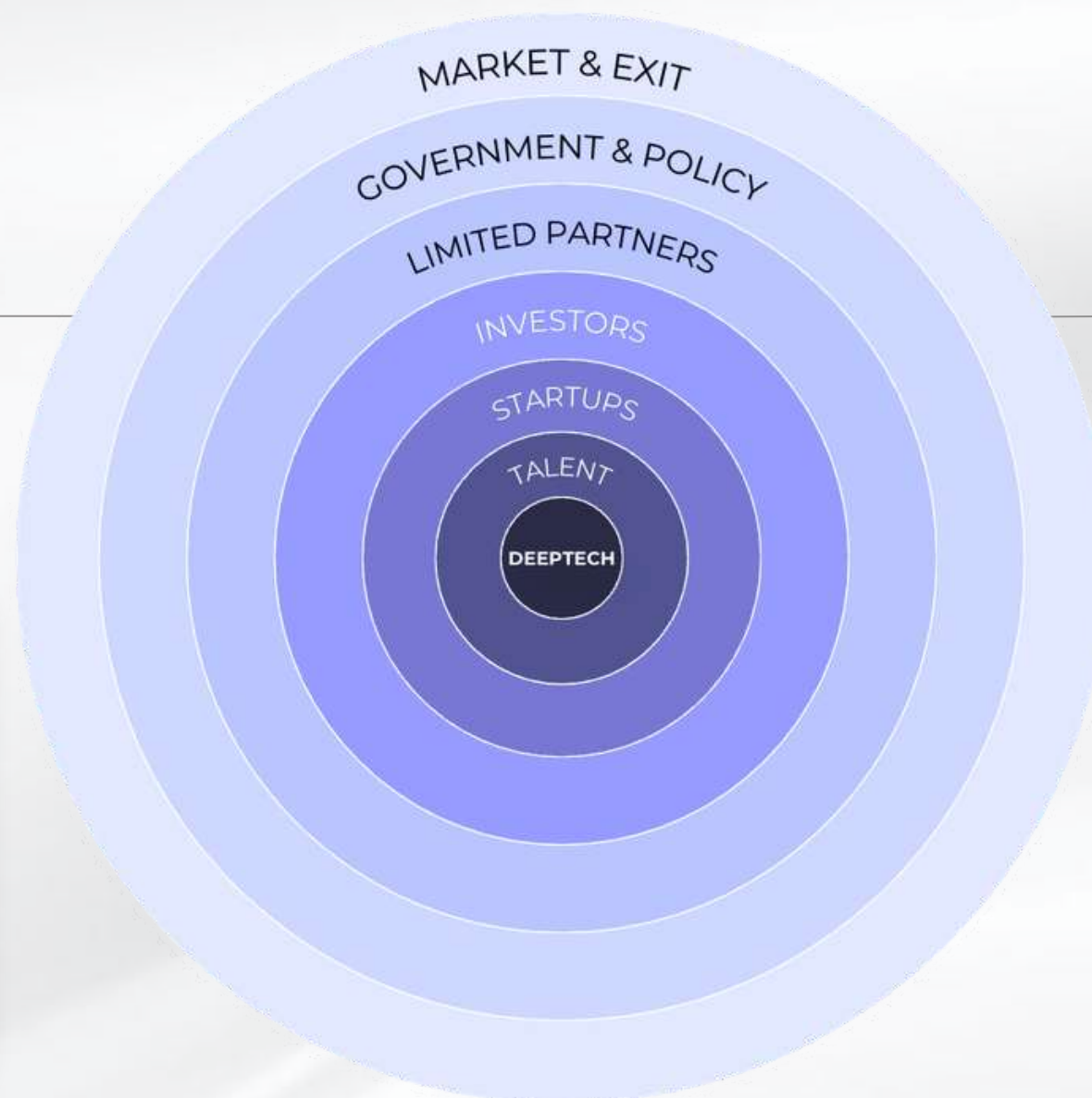
The core scientific or engineering breakthrough itself the invention prior to any commercial packaging. It is distinguished from conventional innovation by the nature of its underlying risk: the central question is whether the technology can be made to work, not whether a market for it already exists.

Startups

Individuals who translate scientific or engineering work into a viable commercial enterprise, frequently transitioning out of academic or research environments to do so. Their task is to carry proprietary technology from the laboratory into a structure capable of attracting institutional capital.

Limited Partners

The providers of capital that ultimately fund the investment community, spanning domestic institutions, family offices, corporates, and international investors. Their participation determines both the scale and the patience of capital available to the ecosystem.



Talent

Researchers, doctoral scholars, and engineers who possess the depth of technical understanding required to advance frontier science. This talent base typically originates from premier research institutions, national laboratories, and increasingly from professionals returning with international R&D experience.

Investors

The venture capital ecosystem willing to underwrite the distinct risk profile of deep tech, comprising both specialist investors with dedicated technical diligence capability and generalist funds that engage with the sector more selectively. Their role is to provide risk capital at the stage when commercial viability remains unproven.

Government & Policy

The regulatory and institutional architecture that enables the ecosystem to function, extending beyond individual funding schemes to the underlying legal, tax, and procedural frameworks. This orbit also shapes the ecosystem indirectly through its role as an early customer and standard-setter.

Market & Exit

The corporates, public markets, and strategic acquirers through which value created at the centre of the ecosystem is ultimately realised. This orbit represents the point at which invested capital and accumulated technical progress convert into a measurable financial outcome.

About this Report

About IVCA

Established in 1993, the IVCA is a non-profit organization that serves as a prominent apex industry body dedicated to promoting the alternate capital industry and nurturing a thriving investment environment in India. IVCA is resolutely committed to advocating for regulatory interventions and facilitating constructive dialogues with the Government of India, policymakers, and regulators to enhance the investment landscape. IVCA represents over 490 members with a combined AUM exceeding US\$ 350 billion. We regularly engage with over 30 ministries and regulators in India to create a favorable environment and ease of doing business for the fund management industry, ensuring that more alternate capital flows to funds, sectors, and startups across the country.

Methodology & Data Coverage

Primary data: IVCA DeepTech Fund Landscape Survey 2026 — 52 institutional investors surveyed directly.

Supplementary data: 48 additional leading funds sourced via Venture Intelligence's PE-VC database, bringing total coverage to 100 funds.

Secondary data: Venture Intelligence PE-VC DeepTech Database.

Acknowledgments

IVCA extends its sincere appreciation to the 52 funds that participated in the DeepTech Fund Landscape Survey 2026. This report has been made possible by their candour and willingness to share primary data on mandates, portfolios, challenges, and policy priorities.

IVCA also thanks Venture Intelligence for their data support.

Glossary

TRL: Technology Readiness Level (1–9) · AIF: Alternative Investment Fund · FoF: Fund of Funds · RDI Scheme: Research, Development & Innovation Scheme · ANRF: Anusandhan National Research Foundation · SLFM: Second-Level Fund Manager · SPF: Special Purpose Fund · ISM: India Semiconductor Mission · PLI: Production Linked Incentive · NQM: National Quantum Mission · BIRAC: Biotechnology Industry Research Assistance Council · iDEX: Innovations for Defence Excellence · ADITI: Acing Development of Innovative Technologies with iDEX · DLI Scheme: Design Linked Incentive Scheme · DPIIT: Department for Promotion of Industry and Internal Trade · GCC: Global Capability Centre · NDTSP: National Deep Tech Startup Policy · NVCFL: National Venture Capital Fund for Software and IT · VI: Venture Intelligence.

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