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Govt interacts with over 450 Indian startups on recent collapse of Silicon Valley Bank

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Rajeev Chandrasekhar assured the startups that they could approach Ministry of Electronics and Information Technology (MeiTY) Startup Hub for any problems/issues that they were facing



Union Minister of State for Skill Development & Entrepreneurship and Electronics & IT Rajeev Chandrasekhar interacted with over 450 startups, owned/co-owned by Indians, Venture Capitalists (VCs), Industry leaders & others stakeholders on the collapse of Silicon Valley Bank (SVB) through video conferencing recently.

The Minister said the Indian banking system was robust and suggested that they could explore using it, “Indian banking system is most stable & robust and you must explore it as part of your organisational framework. While startups have a natural incentive to use banks like SVB, we must figure out a way to use the Indian banking system without changing your business model.”

This consultation was part of the government’s approach to address the situation and offer any assistance to members of India’s innovation and startup ecosystem who had financial holdings in SVB. Startups like Zoth.Io, Hatica.Io and VCs and financial service providers like Blume VC and Mirae Asset were part of the meet.

Some of the concerns that were shared by the attendees included transfer of their US Dollar deposits to India and to US-based branches of Indian banks, among other issues.

Chandrasekhar said, “We will explore the option of whether any credit lines can be made available in US dollar or Indian rupees. We will also try to see if more credit products like in the US, can be made available to you and make it easier for them to move from SVB to any other Indian Bank in the US.”