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100 TOP AI START-UPS IN INDIA

March 2026

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Foreword

Pari Natarajan
CEO
Zinnov

India is not catching up to a global AI wave. India is beginning to set its own terms.

For much of the last decade, the Indian tech narrative was about convergence, replicating proven playbooks, adapting global models to local conditions. That chapter is closing.

Across 3,100+ AI start-ups analyzed for this report, something qualitatively different is visible: an ecosystem that has stopped asking how do we get there, and started asking where exactly are we trying to go?

India entered the AI era with an unusual inheritance, Aadhaar, UPI, ONDC. Public rails that make new applications cheaper and faster to build here than almost anywhere else. But the DPI edge is not automatic. It requires the coordinated, whole-of-nation intent that produced cryogenic engines and 4G equipment and India Stack itself. The AI chapter demands the same.

The durable businesses are not the ones with the most compute. They are the ones with the clearest answer to who this works substantially better for, and why.

Wrapping a frontier model in a chat interface is not a company. It is arbitrage with a shelf life measured in months. The real opportunity lies in frugal, localized - models tuned to Indian languages, SME workflows, and actual compute realities. DeepSeek proved globally what India's constraints have long demanded domestically: disciplined architecture beats scale when the market is specific enough.

SIX THESES

I. **Infrastructure is the moat.** India Stack gives founders structural advantages no one replicates from outside. AI extends this — it doesn't replace it.

II. **Frugal beats large.** The winning model is not the biggest — it's the most precisely tuned to Indian languages, sectors, and realities.

III. **18–36 months to differentiate.** The application layer will commoditize fast. Proprietary data, integration, and distribution must be built now.

IV. **Coordination is not optional.** India's biggest tech wins were never market accidents. AI requires the same whole-of-nation alignment.

V. **Building for Bharat:** India's AI is going to be its AI Doctors, AI Tutors, AI Financial Advisors, AI Farmers & more.

VI. **AI-led Services:** India led in Services 1.0. No reason it cannot again lead in Services 2.0, which is 80% AI and 20% human.

The direction is clear. India's AI story will be won at the intersection of public infrastructure depth, frugal model architecture, and founders who build systems that are, by design, hard to replicate from anywhere else.

Foreword

MR Rangaswami
Founder & Chairman
Indiaspora

India is no longer an emerging player in AI, it is a proving ground for how AI will be built, deployed, and scaled for the world. The 100 start-ups in this report are not riding a wave; they are shaping the contours of a new, distinctly Indian AI playbook.

For investors, this is a moment to act with conviction, not caution. The easy bets in AI are already crowded and commoditizing fast. India's real opportunity lies deeper: in backing companies that own workflows, proprietary data, and distribution in complex, high-friction markets. The application layer may dominate today, but the outsized, enduring returns will come from those who also fund the foundational stack, compute, models, and infrastructure. This is not a short-cycle trade; it is a decade-long value creation opportunity.

For policymakers, incrementalism will not suffice. India's early advantage, built on digital public infrastructure, must now be extended into sovereign AI capabilities. That means decisive investments in compute, data access, and research, alongside regulatory clarity that enables innovation while building global trust. India has done this before. It will need to do so again, faster and at greater scale.

For the start-up community, the message is unequivocal: the bar has been raised. Thin wrappers and fast followers will not endure. The winners will be those who go deep, owning mission-critical workflows, building with India's constraints in mind, and creating solutions that are, by design, hard to replicate anywhere else. This is the time to move from pilots to production, from features to platforms, and from local success to global ambition.

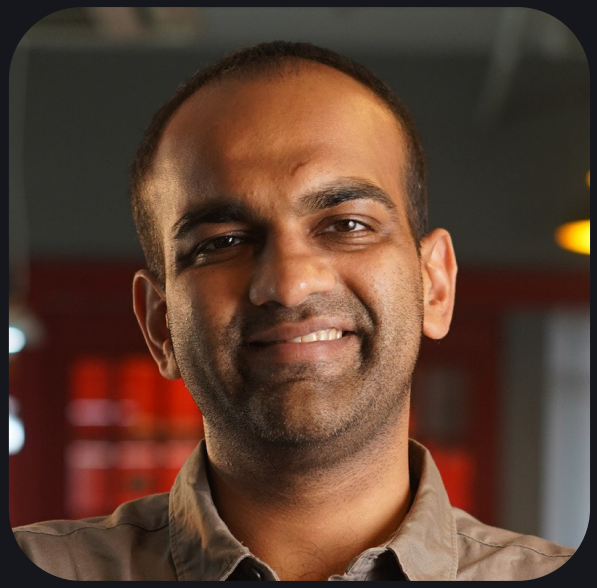
This report captures an ecosystem that has crossed the threshold from experimentation to execution. The next phase will separate the durable from the transient. With aligned capital, bold policy, and founder ambition, India is not just participating in the AI revolution, it is positioning itself to lead it.

Leadership Quote

”

At Activate, we believe India’s AI moment is being shaped by a new generation of deeply technical founders building from first principles. Through our inception investing approach, partnering with founders even before a company exists, we’re seeing early signals across three powerful themes: Consumer AI reimagining everyday experiences, AI-led services redefining how work gets done, and Sovereign AI building India’s own foundational capabilities.

India’s edge lies in its unique constraints and scale, and the most enduring companies will be those that combine world-class technology with deep local insight. We are still in the earliest innings of this transformation.



Aakrit Vaish
Founder
Activate

Executive Summary

India now ranks 3rd globally in AI capability (up from 7th in 2025), with 3,100+ AI start-ups, USD 2.9 Bn raised by top 100. The IndiaAI Mission (₹10,372 Cr), USD 200 Bn+ in commitments, and population-scale digital infrastructure (Aadhaar, UPI, DigiLocker) create a rare convergence where decisive action in 2026–27 will define India's AI trajectory for the next decade.

The USD 5–50 Mn mid-stage AI start-ups have proven product-market fit, early revenue traction, and capital-lean operations. They've moved past "will this work?" and are entering "can this scale?" This cohort is positioned beyond binary execution risk but remains pre-hypergrowth valuations, creating a high-concentration zone for strategic investment and partnership opportunities.

Early-stage start-ups spend USD 62K per employee vs USD 349K for late-stage peers. Wave 3 companies (2021–24) raise USD 6 Mn on average vs USD 45 Mn for Wave 1, yet ship faster by building on commoditized foundation models. This 5–6X efficiency gap extends runway and enables paths to profitability—transforming cost structure from operational advantage into strategic moat.

Investment flows to: (a) autonomous B2B agents with deep vertical integration (BFSI, Healthcare, Legal, Agriculture), (b) sovereign AI infrastructure (compute, models, governance), and (c) proprietary datasets.

Start-ups that build repeatable deployment playbooks, embed trust-by-design (explainability, governance), and create formalized ROI frameworks capture disproportionate market share. Companies solving the pilot-to-production gap are winning multi-year enterprise contracts despite extended sales cycles (9–18 months).

SECTION I

India's AI Landscape

India's AI market is entering a defining phase; 2026–27 is the window to build category-defining companies

INDIA'S AI TRAJECTORY

2016–2020

- India Stack (Aadhaar, UPI, eKYC, DigiLocker) built population-scale digital rails for identity, payments, and data
- Policy direction emerged early (NITI Aayog's National Strategy for AI), framing AI as public infrastructure
- AI activity remained limited; value creation concentrated in talent supply across IT Services, start-ups and GCCs

2021–2023

- GenAI momentum accelerated interest, but institutional response focused on capacity building (CoEs, datasets, skilling)
- INDIAai* evolved into a national knowledge and coordination platform, signalling intent to mainstream AI
- Enterprises and GCCs remained in pilot mode: high POC volume, limited scaled deployments, unresolved governance and liability

2024–2025

- The IndiaAI Mission (₹10,372 Cr / ~USD 1.2 Bn) marked a shift to direct state investment in compute, data platforms, start-ups, and research
- AI talent became a structural advantage, with India emerging as one of the deepest global AI talent pools
- Governance formalized via India AI Governance Guidelines 2025, embedding safety, accountability, and sandbox-led innovation

2026+

- Strategic focus shifts to AI sovereignty: building domestic compute, models, and platform capabilities
- AI integrates into digital public infrastructure and sectoral systems, moving from pilots to population-scale deployment
- Trust, safety, and localization emerge as key differentiators as enterprise AI spending scales
- India's next challenge: convert digital public infrastructure and talent advantage into globally competitive AI products and platforms

USD 126 Bn
India AI Market Opportunity by 2030

USD 1.7 Tn
India's GDP Impact by 2035

3rd
Global AI Ranking — up from 7th (2025)**

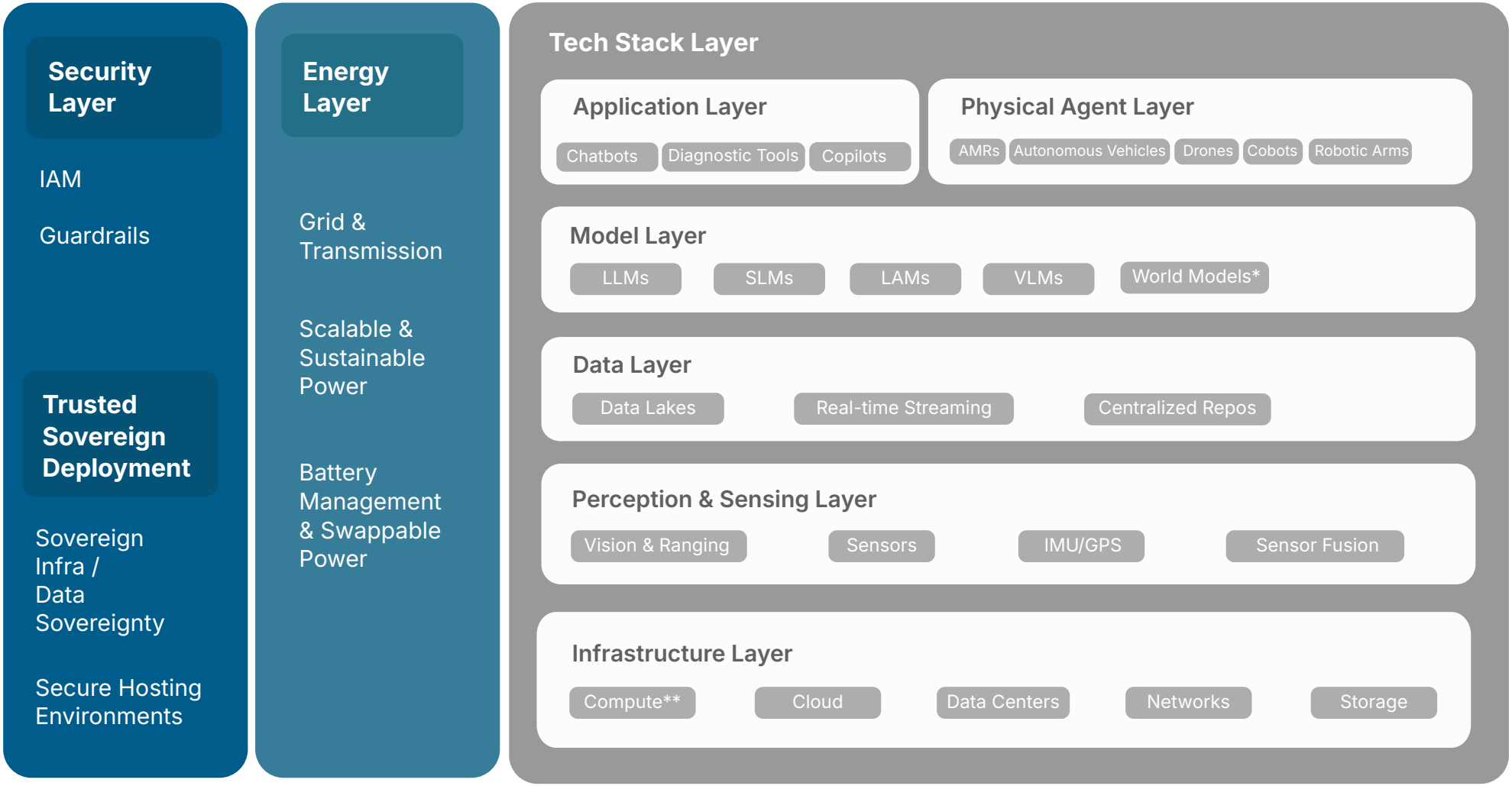
3,100+
AI Start-ups in India (as of FY2025)

*INDIAai (The National AI Portal of India) is a joint initiative of MeitY, NeGD and Nasscom, set up as a central knowledge and coordination hub for AI in India **Stanford Global AI Index

Source: Zinnov Research and Analysis, Nasscom, Inc42, Google-Inc42 Bharat AI Report 2026

India has built strong application and model capabilities, and continues to develop sovereign compute, data, and Physical agent layer

INDIA AI STACK



*World Models: AI systems that build internal representations of physical environments to enable autonomous decision-making

**Data Centers, Middleware, RTOS, SoC, 5G/V2X

Source: Zinnov Research and Analysis

Note: Sub-layers shown are illustrative and not exhaustive

Three decades of technology heritage, a decade of digital infrastructure, and accelerating capital give India an AI foundation no other market can build in time

Policy & Government

IndiaAI Mission

₹10,372 Cr funds sovereign compute, research, and skilling; removes GPU access and talent bottlenecks for startups

AI Impact Summit 2026

USD 200 Bn+ commitments signal global capital now sees India as AI product hub

Regulatory Approach

Sector-specific sandboxes allow innovation without broad regulatory risk, Fintech AI, Healthcare AI, and Agri AI can ship pilots faster than in over-regulated markets

Central and State Bodies

Coordinated AI policies (Nasscom, National Data Center Policy, Telangana/Karnataka AI policies) align state incentives with national strategy; reduces fragmentation, speeds adoption

Technology & Talent Heritage

IT SERVICES — USD 315 Bn* Industry

TCS, Infosys, Wipro, HCLTech built enterprise delivery muscle at scale; this becomes the go-to-market engine for AI productization (implementation, integration, support)

1,760+ GCCs (FY '25) — AI R&D at Scale

Global Fortune 500s already run AI model deployment, use-case development, and cross-market innovation from India; GCCs are the world's largest distributed AI lab

ACADEMIA — AI Talent Pipeline

IITs, IISc, IIMs, IIIT produce AI/ML talent at scale; 38 founders from IIT Delhi alone on Hurun India Future Unicorn Index 2025 top list; proven track record of translating research into commercial ventures

DEVELOPER BASE — 2nd Largest Globally

GitHub, Kaggle, Hugging Face communities show India's open-source depth; fuels rapid experimentation, reduces time-to-MVP* for AI start-ups

DIGITAL PUBLIC INFRA — Population-scale Rails

Aadhaar (1.4 Bn), UPI (75% of retail), DigiLocker (5 Bn+ docs), 958 Mn internet users (TRAI, 2025); no other emerging market has this level of digital identity + payments infrastructure for AI to plug into

Funding Environment

USD 643 Mn

AI Start-up Funding across 100 deals in 2025 (+4.1% YoY)

USD 20 Bn+

Hyperscaler Investment Commitments Through 2030 to Build AI-Ready, Sovereign Cloud Infrastructure

8X

India's Total Datacenter Capability Growth by 2030 (1GW in 2025 to 8GW in 2030)

WHY IT MATTERS

India's AI advantage is not one thing; it's a convergence. A USD 315 Bn* IT services industry that built the world's back office. 1,760+ GCCs running enterprise AI. An academic pipeline (IITs, IISc) producing world-class talent. Population-scale digital rails (Aadhaar, UPI) no other market has, and a government that delivered both in under a decade.

Key AI Investors: Lightspeed | Peak XV | Accel | Pi Ventures | Kalaari | Khosla | Stellaris | Blume | Blackstone | FTV Capital

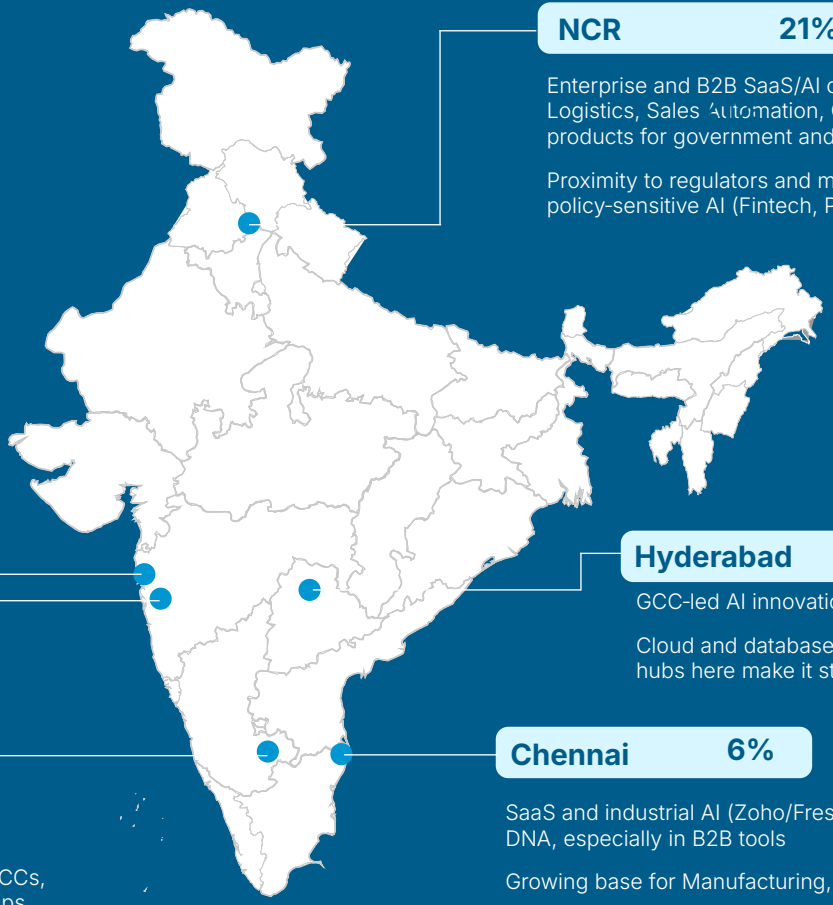
Source: Zinnov Research, India AI Mission, Tracxn, TechCrunch, *Nasscom, Zinnov GCC Landscape, India Economic Survey 2026 *MVP: minimum viable product

SECTION II

Ecosystem by Location

Bengaluru commands 28% of India's AI ecosystem, but a geography shift is already underway

Distribution of AI Start-ups in India by Location (as of 2025)



NCR 21%

Enterprise and B2B SaaS/AI corridor (Gurugram-heavy): Fintech, Logistics, Sales Automation, GovTech (start-ups building digital products for government and public-sector use)

Proximity to regulators and ministries makes it the natural lab for policy-sensitive AI (Fintech, Public Services)

Mumbai 10%

BFSI and Media AI Center: Risk, Fraud, Trading, Insurance, and AdTech/MediaTech use cases dominate

Deep access to capital markets and large banks; ideal for regulated, high-value AI products.

Pune 5%

Automotive, manufacturing, and industrial AI (robotics, quality, predictive maintenance)

Engineering and hardware-adjacent talent make it a natural physical-AI / edge-AI node

Hyderabad 8%

GCC-led AI innovation plus Pharma, Cybersecurity and Enterprise AI

Cloud and database giants' (Google, Microsoft, etc.) engineering hubs here make it strong on infra, data platforms, and tooling

Bengaluru 28%

Full-stack AI and DeepTech hub; most foundation-model and infra players anchor here

Strong overlap with cloud majors and leading GCCs, best place for frontier talent and infra partnerships

Chennai 6%

SaaS and industrial AI (Zoho/Freshworks legacy), strong product DNA, especially in B2B tools

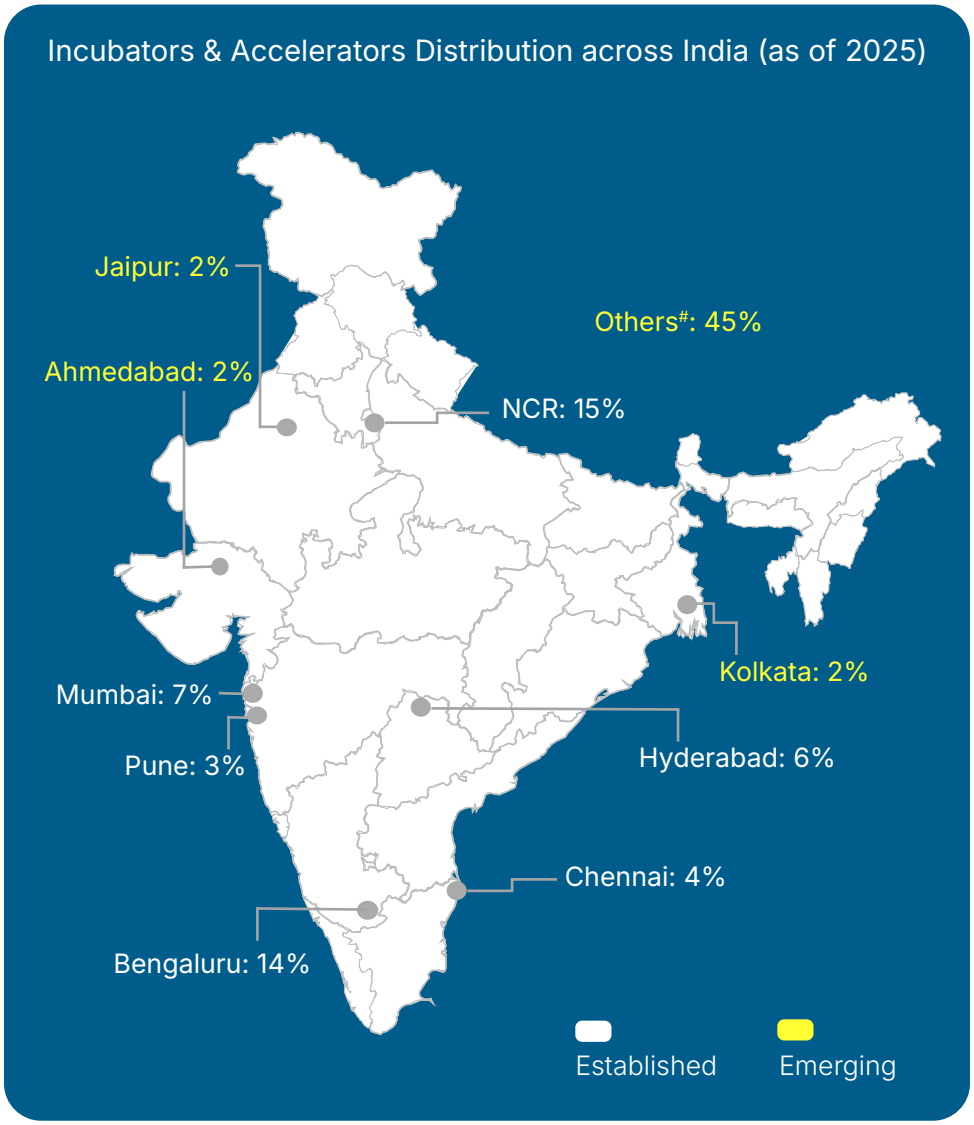
Growing base for Manufacturing, Logistics, and Supply Chain AI

Emerging Hubs* (22%): Emerging Hubs are growing rapidly in EnterpriseTech, HealthTech, and BFSI AI.

*Emerging hubs include all cities such as Ahmedabad, Coimbatore, Kochi, etc., other than the 6 cities highlighted on the India map

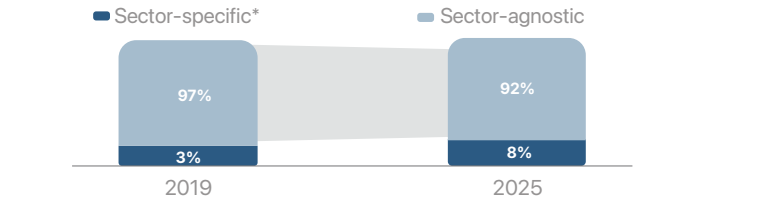
Source: Zinnov Research and Analysis, Zinnov-nasscom DeepTech Database 2025 (n=3,100+) AI start-ups with identified location

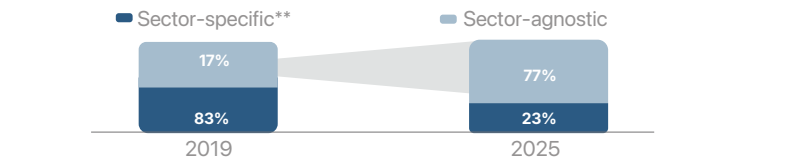
1,300+ Incubators & Accelerators across India, the deepest start-up support infrastructure in any emerging market



Academia	700+
Corporate	60+
Private	430+
Public	120+

Logos shown in the slide are for illustrative purposes only and are not exhaustive





#Others include cities such as Coimbatore, Bhubaneswar, Visakhapatnam etc.
*Sector-specific incubators include programs focused on Enterprise Tech, Climate, Mobility, Energy, Health & Life Sciences, Retail, FoodTech, Gaming, Media, AgriTech, and EdTech etc.
**Sector-specific accelerators include programs focused on Enterprise, Cybersecurity, Health & Life Sciences, Retail, AgriTech, and EdTech etc.

Source: Zinnov Research & Analysis | Zinnov Proprietary Database

India's AI hubs are becoming specialized, with capital and support aligning to each city's strengths

Investor, Incubator & Accelerator Hubs by Location

Bengaluru

IISc Research Park, Axilor, Indian Angel Network

Bengaluru attracts the single largest share of India's AI start-up funding. DeepTech and Infra AI companies raise larger rounds here; investor base understands technical risk and long commercialization timelines

NCR

Atal Innovation Mission, Nasscom 10K Start-ups, Start-up India Hub

Proximity to regulators and central government accelerates sandbox approvals and policy pilots. Enterprise AI, Fintech, and GovTech start-ups get regulatory clarity faster than in other hubs

Hyderabad

T-Hub, T-Fund, T-Works, IIIT-H CIE, AIC-CCMB

2,000+ start-ups with direct Telangana government funding and procurement access. Public-sector AI pilots move faster here compared to several other hubs

Mumbai

IIT Bombay SINE, Zone Start-ups, Jio GenNext Hub

Home to BSE and NSE, with listed equity markets now worth about USD 4.8 Tn+. VC firms here lean heavily into BFSI, MediaTech, and consumer, giving AI start-ups direct access to banks, insurers, and capital-markets clients

Chennai

IIT Madras Research Park, IITM Incubation Cell, Forge

Zoho and Freshworks legacy built a bootstrapping culture. Incubators emphasize capital efficiency and profitability over hypergrowth; investors here respect unit economics from Day 1

Pune

Venture Center (NCL), Pune IT Park, DeAsra Foundation

DeepTech and Manufacturing focus. 40+ universities feed talent into Robotics, Physical AI, and Industry 4.0 start-ups; accelerators connect directly to Automotive OEMs for pilot partnerships

Top AI VCs:

Activate, Together Fund, Neon Fund, Boundless VC, Lightspeed, Peak XV, Accel, Pi Ventures, Kalaari, Stellaris, Blume

Global participation:

Khosla Ventures, FTV Capital (USD 150 Mn Kore.ai), Blackstone (USD 600 Mn Neysa). AI Impact Summit 2026: USD 200 Bn+ commitments

Trend:

Investor focus has shifted from rapid deployment to long-term differentiation. Three categories now attract the majority of funding:
(1) autonomous B2B agents with deep vertical integration,
(2) sovereign AI infrastructure (compute, models, tooling, safety), and
(3) companies building on proprietary, hard-to-replicate datasets

Seed-stage diligence has become more rigorous; technical moats and clear paths to defensibility now matter as much as traction. Meanwhile, well-differentiated AI companies are seeing faster Series A+ rounds and larger cheque sizes, signaling investor confidence in India's ability to build category-defining AI products

Source: Zinnov Research and Analysis, T-Hub, Nasscom, IIT Research Parks, CB Insights

SECTION III

India's 100 Top AI Start-ups

India's 100 Top AI Start-ups (1/2)

Source: Zinnov Research & Analysis

India's 100 Top AI Start-ups (2/2)

Source: Zinnov Research & Analysis

India's AI ecosystem is now producing a dense cohort of well-funded, execution-ready start-ups

USD
2.9 Bn
Total Funding Raised

13,200+
Combined Headcount

82
India Headquartered

(Remaining 18 are Global HQ with Indian Founder)

59
Bengaluru-based (incl. US-HQ R&D)

USD
10 Mn
Median Funding

43
Founded 2021-24 (GenAI era)

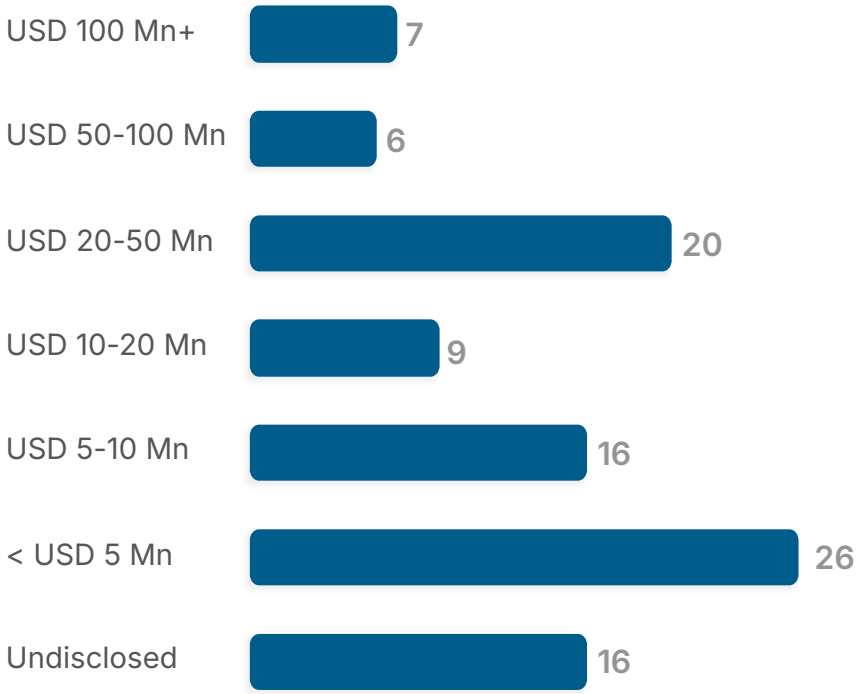
All the above insights are derived from analysis of the 100 top AI start-ups in India

The 100 Top AI start-ups represents India's highest-concentration pool of execution-ready AI start-ups, selected through a multi-source framework spanning quantitative scoring, VC validation, ecosystem analysis, and founder surveys. This list now includes both India HQ and Indian-founder global start-ups.

Source: Zinnov Research and Analysis

Within India's 100 top AI start-ups, 45 in the USD 5–50 Mn band are the core scaling cohort

Funding Distribution



Please note that financial data for 16 AI start-ups was undisclosed and not available

Capital Insights

53%
Capital concentrates at the top, but the gap is the opportunity

Just 6 companies (Neysa, Krutrim, Observe.ai, Qure.ai, Miko, Yellow.ai) hold 53% of all capital deployed. The remaining 47% is distributed across 94 companies; and within that, 45 companies in the USD 5–50 Mn 'scaling band' represent India's biggest near-term value creation zone

2X
larger rounds for US-HQ vs India-HQ

US-headquartered Indian-founder start-ups raise 2X more on average (USD 18.5 Mn vs USD 8.9 Mn), unlocking access to Silicon Valley capital. But India-HQ companies spend less per employee (USD 62K vs USD 349K for USD 50 Mn+ funded peers); India's cost advantage is a structural moat

USD 45 Mn
Wave 1 (2015–17) vs Wave 3 (2021+): capital efficiency is rising

Early AI start-ups (Wave 1) raised USD 45 Mn on average; newer start-ups (Wave 3) are raising just USD 6 Mn on average. They're building on commoditized foundation models and open-source tools, not training models from scratch

45
The scaling band is where product-market fit meets growth capital

These mid-stage companies have proven product-market fit and early revenue traction but remain capital-lean. They're past the "will this work?" phase and entering "can this scale?"

USD 62K
India's talent arbitrage creates defensible unit economics

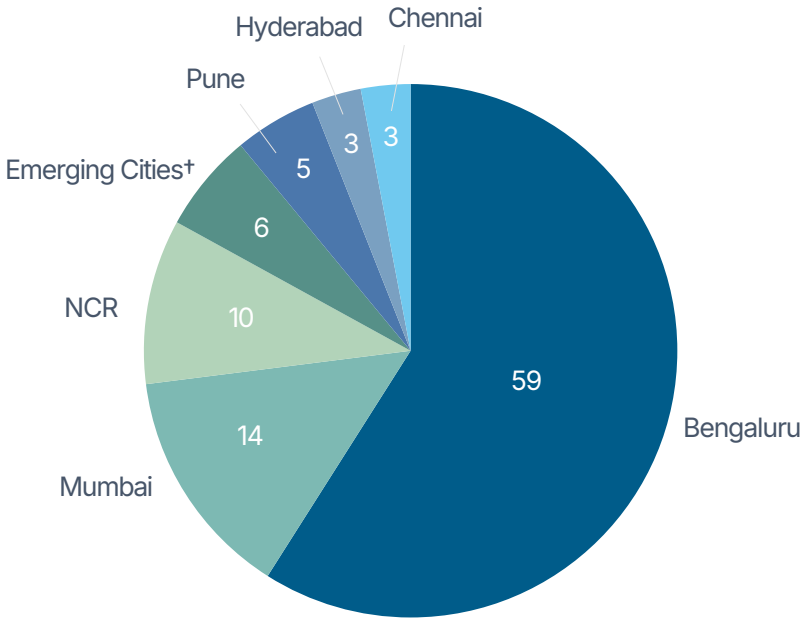
Start-ups in the sub-USD 10 Mn cohort spend just USD 62K per employee, while USD 50 Mn+ funded ones spend USD 349K. This 5–6X gap shows that early- stage Indian AI companies can build and iterate at a fraction of Silicon Valley's burn rate, extending runway and improving odds of reaching profitability before the next funding round

Source: Zinnov Research and Analysis

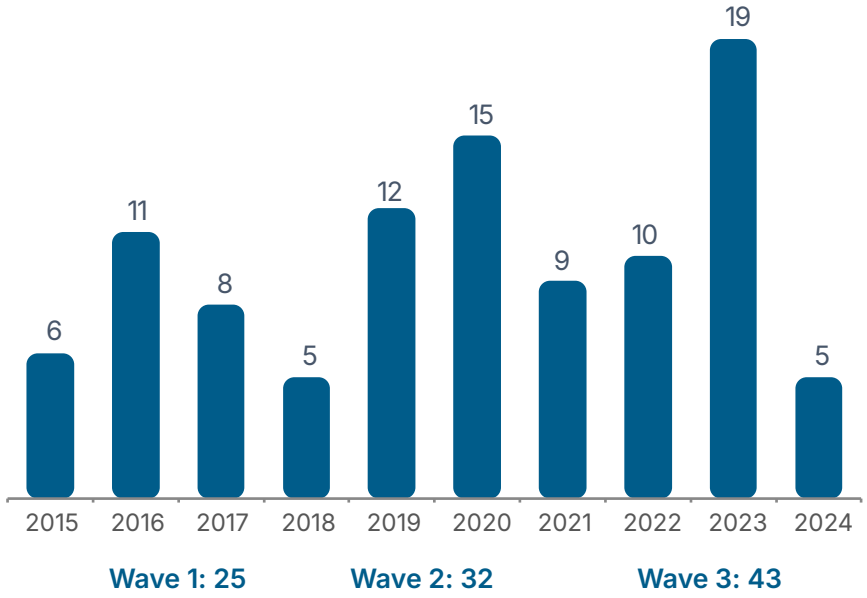
All the above insights are derived from analysis of the 100 top AI start-ups in India

Bengaluru is home to 59 of India's 100 top AI start-ups, including R&D teams of US-incorporated firms

Location Distribution



Founded Year Distribution



18 of 100 are US-incorporated in cities such as San Francisco; New York, Chicago, San Mateo, etc. but have Indian founders & majority R&D in India. Pie shows where the engineering teams sit.

†Emerging Cities: Surat, Indore, Lucknow, Thiruvananthapuram, etc.

Wave 1 (2015-17): Core AI infra and early apps

Wave 2 (2018-20): Enterprise AI

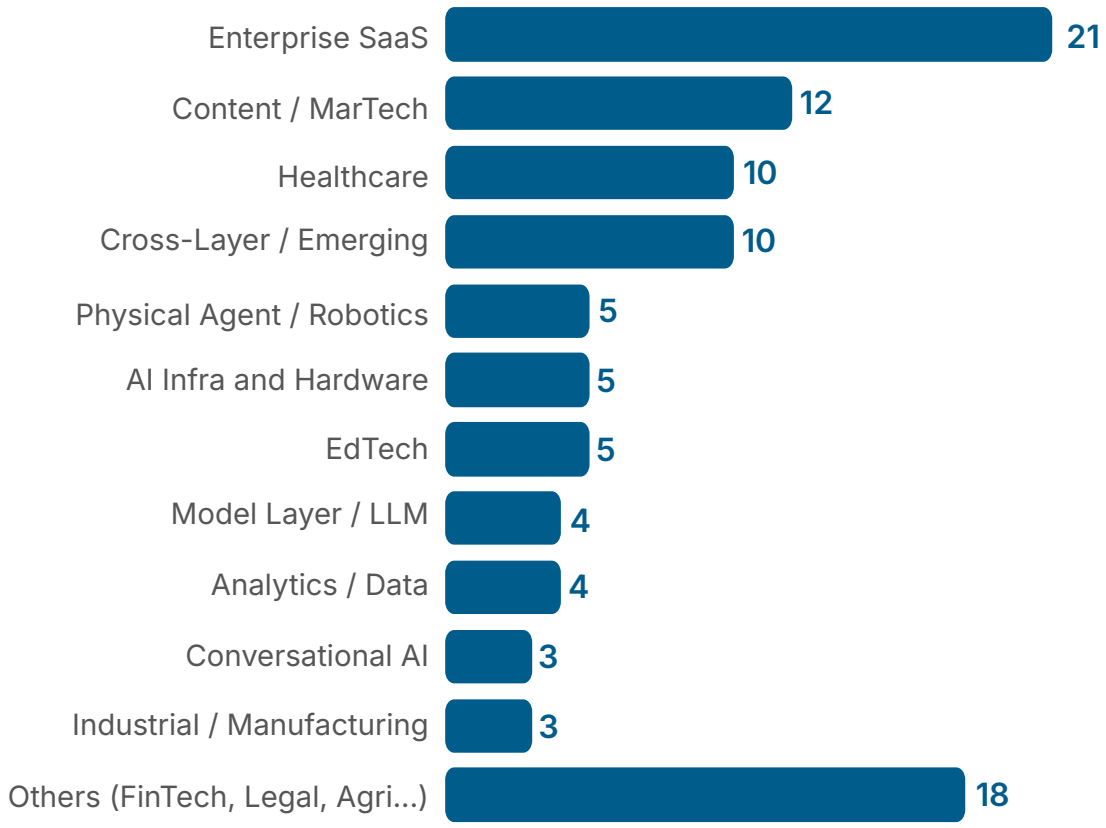
Wave 3 (2021-24): GenAI, Agentic AI and sovereign models

Source: Zinnov Research and Analysis

All the above insights are derived from analysis of the 100 top AI start-ups in India

India's top AI start-ups are concentrated at the application layer, led by Enterprise SaaS, Content/MarTech, and Healthcare

AI Stack by Vertical



Key Insights

Enterprise SaaS emerges as the most prominent cluster, with strong momentum in automation, workflow, and productivity-led AI solutions

Content and MarTech reflect India's GenAI acceleration, with start-ups such as Writesonic, Pepper Content, Gan.ai, Dashreels, and Predis.ai driving the development of AI-native content platforms

Healthcare AI is gaining global competitiveness, led by players like Qure.ai, Wysa, Dozee, and NIRAMAI, delivering impactful solutions across diagnostics and patient care

A nascent but strategic model layer ecosystem is emerging, with companies such as Sarvam AI, Krutrim, CoRover, and Gnani + Emergent advancing sovereign AI capabilities

India's embodied AI and robotics segment is evolving, with firms including Ati Motors, Peppermint, Niao, Unbox, and ANSCER ROBOTICS driving innovation at the intersection of AI and physical systems

Source: Zinnov Research and Analysis

All the above insights are derived from analysis of the 100 top AI start-ups in India

India's top AI start-ups are building lean, execution-ready teams

Talent & Growth Signals

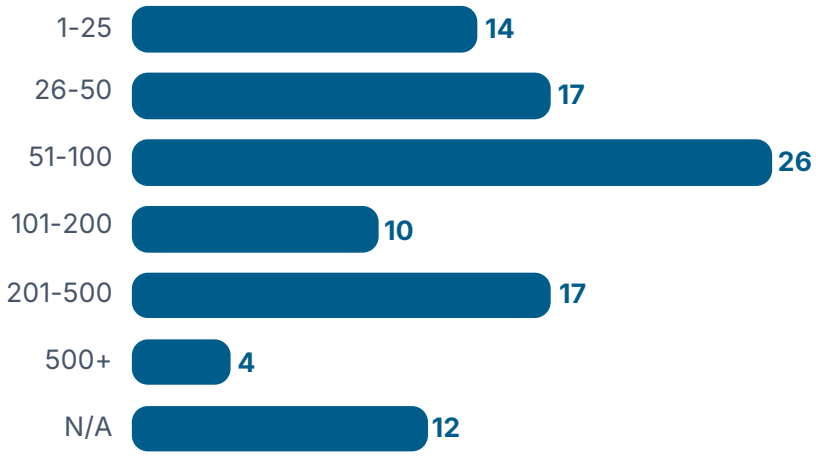
13,200+
Total AI professionals across 100 top AI start-ups

75
Median headcount per AI start-up

100+
Median headcount for USD 20 Mn+ funded start-ups

3,000+
Engineers in India at 18 Global HQ start-ups

Team Size Distribution



Please note that team size data for 12 AI start-ups was not available

Headcount by Generation

Median HC	Median HC	Median HC
314	98	81
Wave 1 (2015-17)	Wave 2 (2018-20)	Wave 3 (2021-24)

Source: Zinnov Research and Analysis

All the above insights are derived from analysis of the 100 top AI start-ups in India

Key Takeaways

01

The USD 5–50 Mn scaling band is India's highest-leverage bet, for VCs and corporates alike. 45 out of 100 top AI start-ups sit in this zone. They've cleared product-market fit, have early revenue, and are capital-lean.

For VCs: This cohort offers the best risk-adjusted returns, past the binary "will it work?" question but still pre-hypergrowth valuations

For corporates/GCCs: These are ready partners for pilots that can scale to production in 12–18 months

02

India's cost arbitrage is a structural moat, not a stopgap, and it's widening. Early-stage AI start-ups (<USD 10 Mn raised) spend USD 62K per employee vs USD 349K for USD 50 Mn+ funded peers. Wave 3 companies (2021–24) raise USD 6 Mn on average vs USD 45 Mn for Wave 1 (2015–17), yet ship faster by building on commoditized LLMs and open-source tooling

For start-ups: Capital efficiency is your competitive edge against Silicon Valley

For investors: India-HQ companies deliver better unit economics and longer runways; critical in a tighter funding climate

03

Bengaluru still dominates, but emerging hubs hold the geographic arbitrage play. 59 of 100 top AI start-ups anchor in Bengaluru, but 22% of India's AI start-up base now sits in Tier-II/III cities (Ahmedabad, Jaipur, Kochi, Coimbatore, etc.).

For VCs: The next Freshworks or Zoho is being built outside the big 6 metros at 30–40% lower burn

For start-ups: If you're not infrastructure/DeepTech, consider Hyderabad, Pune, or Chennai

For ecosystem builders: Policy and state-level AI initiatives (Telangana, Karnataka) are accelerating adoption faster than fragmented national programs

04

The "wrapper apocalypse" is real, defensibility now trumps speed. VCs have stopped funding thin OpenAI API wrappers. Investment flows to: (a) autonomous B2B agents with vertical depth, (b) sovereign AI infrastructure (compute, models, tooling), and (c) proprietary datasets

For start-ups: If your moat is "we got to market first" but your product can be cloned in a weekend, you won't raise. Build technical depth or control unique data

For corporates: The AI vendors worth partnering with are those solving your workflow end-to-end, not offering feature parity with ChatGPT

05

2026–27 is the pivot from AI services to AI products—India must act now or risk becoming a back-office again. The IndiaAI Mission (₹10,372 Cr), AI Governance Guidelines 2025, and USD 200 Bn+ global commitments at the AI Impact Summit signal that India is shifting from "AI delivery center" to "AI product hub." But 18 of the top 100 AI start-ups have already moved HQs to the US while keeping R&D in India

For policymakers: Sovereignty matters, if we don't build domestic compute, models, and governance frameworks now, India will export talent and import AI products

For VCs and start-ups: The window to build India-origin, globally competitive AI product companies is open today, but it won't stay open if we remain in "services mindset"

Source: Zinnov Research and Analysis

43 GenAI-native start-ups signal India's shift to AI-first product companies

List of AI Start-ups: Wave 3 (2021-24) - GenAI, Agentic AI and sovereign models

Agentic AI (5)	Nurix AI, Emergent, Portkey, Composio, Bolna AI
Content & Visual AI (6)	Writesonic, Dashreels, Gan.ai, Mockey, Predis.ai, Pepper Content
Voice & Conversational (5)	Smallest.ai, Arrowhead AI, Murf AI, Beatoven.ai, Rinng AI
Enterprise SaaS / AI (6)	Atomicwork, Rocketlane, Thesys, Asper.ai, SpeakX, Convin
Vertical AI (4)	RapidClaims, Seekho, Gallabox, Pre6
Infra & DevTools (4)	Simplismart, TrueFoundry, ScaleKit, Alltius
Foundation Models (2)	Sarvam AI, Krutrim
Others (11)	Kavana AI, Lexlegis, Aeos Labs, HiAstro, Spry, Wysa, etc.

THE SHIFT: Wave 3 start-ups are AI-native from day one, not legacy companies adding AI features. They build on top of foundation models (GPT, Claude, Gemini, Llama) and compete globally from India.

Source: Zinnov Research and Analysis

SECTION IV

Future Outlook & Survey Results

What 250+ AI Start-up Founders Told Us

India's AI ecosystem is application-heavy, the next phase depends on building foundation and infrastructure

INSIGHT 1

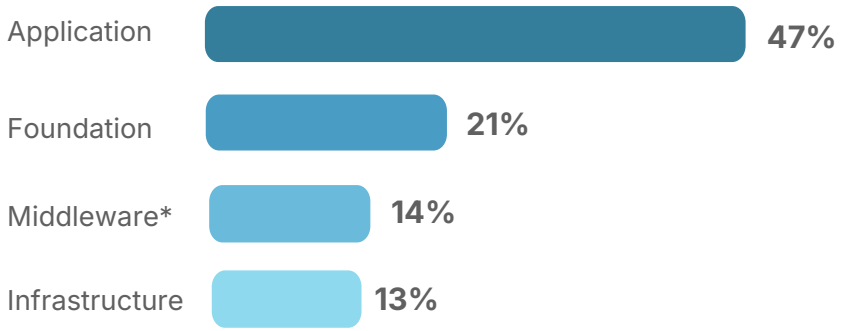
47%
Operate at Application Layer

75%
AI-native Application Products

13%
At Infrastructure Layer

52%
Impact Enterprise-wide

AI Stack Concentration



Cropin
USD 5-20 Mn | 50-200 Customers

E42.ai
USD 1-5 Mn | 50-75% International Revenue

AgentAnalytics.AI
Vector DB | Sovereign Infra

*Middleware maps to Data Layer + Perception & Sensing + parts of Cross-Layer

What this Means for you

FOUNDERS
The application layer is crowded; vertical depth + proprietary data are your only moats. To avoid becoming a thin wrapper, you need domain expertise (Healthcare workflows, Agri Intelligence, Enterprise Automation) that generalists can't replicate

VCs
Infrastructure and middleware layers = highest white-space opportunity with the steepest barriers to entry. Only 13% of top AI companies operate here, but they'rebuilding the picks-and-shovels (vector DBs, sovereign LLMs, data platforms, agenticframeworks) that application-layer companies depend on. Look for teams with deeptechnical chops and long-term business model clarity, these aren't consumer-traction plays

GOVERNMENT
The infrastructure gap is a strategic vulnerability. If India doesn't incentivize deeper-stack innovation, compute infrastructure, data platforms, sovereign AI, application-layer success will remain dependent on foreign foundation models and cloud providers. Target policy support (capital, procurement pilots, regulatory sandboxes) at Foundation, Middleware, and Infrastructure layers to build true AI sovereignty

GCCs
Partner with Application Layer start-ups for workflow wins (automation, decision support, productivity). But build internal AI capability by working with Infrastructure and Foundation Layer start-ups, this is how GCCsfuture-proof against vendor lock-in and create proprietary AI advantage rather than renting it

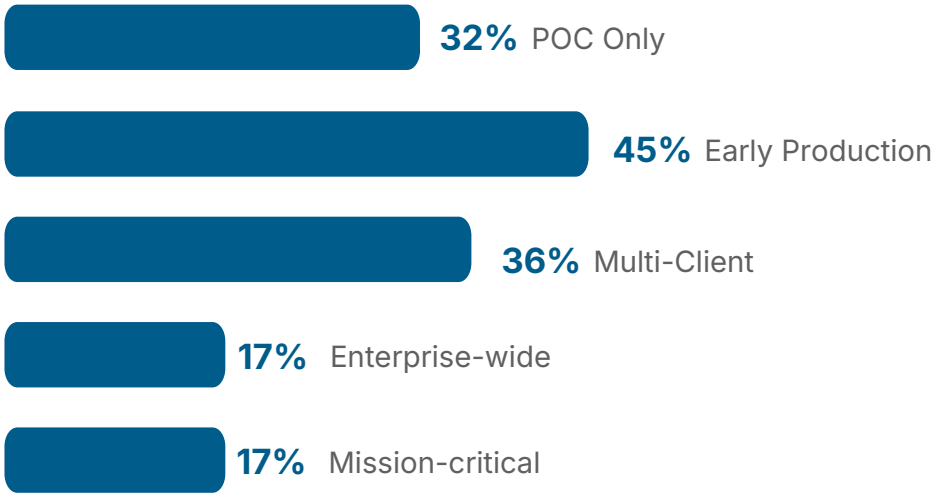
Source: Zinnov Research and Analysis

All the insights are derived from an analysis of a survey conducted across 250+ AI start-ups in India.

AI start-ups are advancing beyond pilots, though enterprise readiness continues to influence scale

INSIGHT 2

Where Start-Ups are Today



31% cite Pilot-to-Production as the #1 execution bottleneck

AiSteth
200-500 Customers

Fleetx
USD 5-20 Mn | 1 Bn+ Records

jhana AI
500+ Customers | 200%+

The Enterprise 'Triple Lock'

49%

Extended Sales Cycles

9-18 months vs 3-6 months in US. Enterprise AI procurement in India is slower due to multi-layered approvals, risk-averse CXOs, and lack of internal AI champions. Start-ups often run out of runway during the sales cycle, not after deployment

47%

Limited AI Literacy

Struggle to evaluate AI value. Most enterprise buyers don't understand ML models, confidence scores, or how to measure AI ROI. They ask "Will this replace my team?" instead of "How does this augment workflows?" Start-ups spend months educating buyers before even discussing pricing

43%

Governance Concerns

Regulatory uncertainty delays procurement. Data localization, model explainability, liability for AI decisions, Indian enterprises wait for clear compliance frameworks before committing. Without government-backed AI procurement guidelines, large deals stall in legal review

Only 29% have formalized ROI frameworks, without clear business-case templates, buyers default to "wait and see"

> We need better access to government officials. I am thinking of moving to the US.
>
> — Start-up Founder

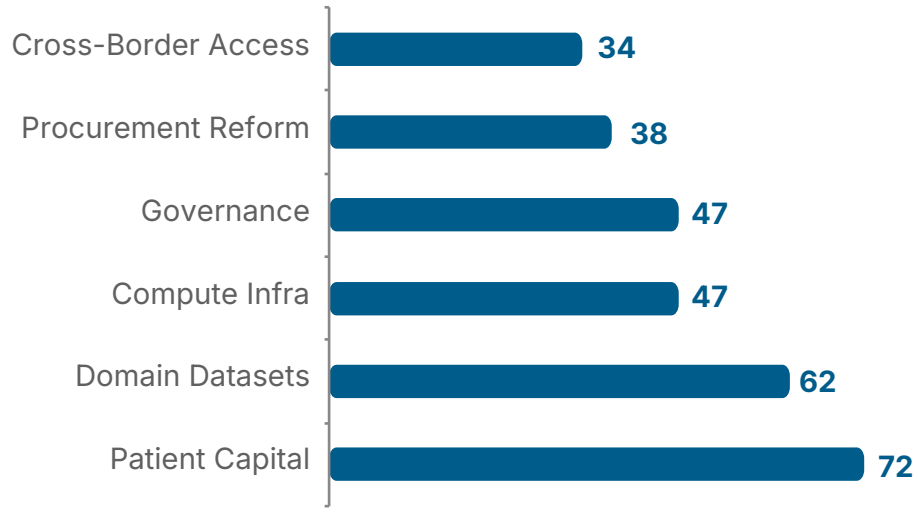
Source: Zinnov Research and Analysis

All the insights are derived from an analysis of a survey conducted across 250+ AI start-ups in India.

Patient capital and domain data are the key factors shaping the next phase of AI scale in India

INSIGHT 3

What would most Accelerate AI Scale?



The Capital Reality

56% More than half of AI start-ups are self-funded or angel-backed, meaning they lack the runway to survive 12-18 month enterprise sales cycles or invest in R&D for deep-tech moats.

47% Despite IndiaAI Mission and state-level programs, nearly half of start-ups haven't accessed government support, either because application processes are opaque, grants are too small, or programs favor established players over early-stage founders.

64% Start-ups aren't listed on AWS, Azure, or GCP marketplaces, cutting them off from enterprise buyers who procure AI tools via cloud platforms. Without marketplace presence, discoverability and trust signals (hyperscaler validation) are lost.

Action Agenda by Stakeholder

GOVERNMENT / ACCELERATORS

Fast-track IndiaAI Mission disbursements and create domain data commons

Immediate action: Publish a public dashboard showing IndiaAI Mission fund allocation, application timelines, and approval criteria.

Domain data commons: Pool anonymized datasets in agriculture (satellite + ground truth), healthcare (diagnostic scans + outcomes), and logistics (route + delivery data). Make them accessible via API to AI start-ups, not locked behind procurement pilots.

Expand sandboxes: Fast-track regulatory sandboxes in fintech AI, health-tech AI, and agri-AI. Current approval times (6-12 months) kill momentum—aim for 30-60 day decisions.

VCs / INVESTORS

Deploy patient capital (5-7yr horizons) and fund the stack, not just the app layer

Patient capital: India AI start-ups need 5-7 year capital, not 18- month Series A pressure. Structure funds for DeepTech timelines, foundation models, sovereign LLMs, and proprietary datasets take years to monetize.

Fund infrastructure: Only 13% of top AI companies operate at infra/foundation layer, yet that's where defensibility sits. Prioritize vector databases, agentic frameworks, compute platforms, and data tooling, these become the picks-and- shovels for the application layer.

Co-invest in datasets: Partner with start-ups to acquire or generate proprietary domain data (healthcare records, farm intelligence, industrial IoT). Data moats are harder to replicate than model architecture.

GCCs / ENTERPRISES

Co-invest in domain datasets, open procurement beyond pilots, and anchor customers

Co-create datasets: Don't just buy AI tools—co-invest in building proprietary datasets with start-ups. Example: GCC partners with agri-AI start-up to digitize 10M acres → both own the data, start-up builds models, GCC gets internal AI capability.

Open procurement beyond pilots: 31% cite pilot-to-production as the #1 bottleneck. Create fast-track procurement for AI start-ups that complete successful pilots, commit to 3-year contracts, not endless POCs.

Be an anchor customer: Early enterprise adoption de-risks start-ups for future buyers and investors. If you validate a start-up's AI solution at scale, you become their reference case, and gain influence over roadmap.

Source: Zinnov Research and Analysis

All the insights are derived from an analysis of a survey conducted across 250+ AI start-ups in India.

Five Forces Shaping India's Next Generation of AI Start-ups

01

FROM SaaS TO AGENTIC AI

The shift: AI agents are replacing per-seat software. Autonomous workflows, screening resumes, triaging claims, optimizing supply chains, agents execute tasks, not just assist.

What's driving it: 70% of vendors will refactor pricing by 2028, outcome-based, not seat-based 40% of enterprise apps will embed agents by end of 2026

Why it matters: SaaS margins collapse when one AI agent replaces 10 seats. Start-ups must rethink value capture, charge for outcomes (tasks completed, decisions made) not logins.

USD 52 Bn
Agentic AI market by 2030

02

VERTICAL DEPTH WINS

The shift: Horizontal AI wrappers are dying. Winners own narrow, high-stakes workflows in BFSI, Healthcare, Legal, Agriculture. 86% of Indian AI funding at application layer targets domain-specific models + proprietary data, not generic LLMs.

What's driving it: Compounding moats = vertical workflow knowledge + proprietary datasets + regulatory compliance built-in.

Why it matters: Generic "ChatGPT for X" won't survive. Start-ups need domain expertise (e.g., Cropin's 100 Mn+ acres, jhana's 16 Mn judgments, Fleetx's 1 Bn logistics records) that can't be replicated by foundation model vendors.

86%
of Indian AI funding at application layer

03

SOVEREIGN AI BECOMES REAL

The shift: IndiaAI Mission, Sarvam's sovereign LLM (30 Bn and 105 Bn parameters), Krutrim's 13-language Kruti. SLMs trained on local data for regulated sectors. Data never leaves national borders.

What's driving it: Regulatory pressure (data localization, explainability) + security requirements (defense, BFSI, gov-tech) + cost (running local models cheaper than API calls to US providers).

Why it matters: Enterprises adopting AI in banking, healthcare, and gov-tech demand on-premise, air-gapped deployment. Sovereign AI isn't ideology—it's procurement criteria.

₹10K Cr
IndiaAI Mission (potentially doubling)

04

PILOTS TO PRODUCTION

The shift: The pilot phase is over; 47% of enterprises currently have running AI use cases. The race is now for enterprise-wide deployment, and Indian start-ups who win distribution in 2026–27 will own the accounts for the next decade.

What's driving it: Enterprises are done experimenting. They want vendors who can scale across departments, integrate with existing systems, and demonstrate ROI in months, not years.

Why it matters: Start-ups stuck in "pilot purgatory" will lose to competitors who've built repeatable deployment playbooks. Speed to production = competitive moat.

47%
of enterprises have already deployed AI use cases

05

TRUST AS THE NEW MOAT

The shift: EU AI Act enforces Aug 2026. Start-ups building trust-by-design (explainability, auditability, governance) will leapfrog in regulated markets. IDC: 26% of G2000 will face AI-related lawsuits by 2030.

What's driving it: Liability concerns + regulatory enforcement + reputational risk. Buyers now ask: "Can you explain why your model made this decision?" and "Who's liable if it's wrong?"

Why it matters: Trust isn't a "nice-to-have"—it's table stakes for BFSI, healthcare, and gov-tech. Start-ups that embed compliance, explainability, and audit trails into product architecture win regulated enterprise deals.

40%
of G2000 roles will involve AI agents

Source: Zinnov Research and Analysis, Inc42 Bharat AI Report 2026, Bessemer State of AI 2025, Gartner, IDC

Investor Perspective: The VC View on India's AI Start-up Ecosystem

India's AI opportunity is not about models, it is about owning workflows, distribution, and data at scale.

01 AI-led Services

AI-native IT services replacing legacy outsourcing

Outcome-based, agent-driven delivery

India's fastest path to USD 100 Mn – USD 1 Bn AI companies

02 Consumer AI

Voice-first, mobile-native experiences

Mass-market use cases (education, finance, commerce)

Distribution + engagement drive monetization over time

03 India-Specific AI Stack

Multilingual, voice-first AI for 1 Bn+ users

Efficient, low-cost models over frontier scale

Sovereign infra + distribution advantage

Across categories, the winners will be: Workflow owners → Distribution-first → Data compounding

India won't build the next OpenAI.
India will build the AI operating layer for the Global South.

Source: Activate

SECTION V

Appendix

Glossary, Definitions, Abbreviations & Authors

Methodology

THIS REPORT HAS BEEN CO-DEVELOPED BY INDIASPORA AND ZINNOV THROUGH A COMPREHENSIVE STUDY TO UNDERSTAND THE AI START-UP LANDSCAPE IN INDIA

Stage 1 : Data Aggregation

Database Creation

- Zinnov proprietary database
- CB insights
- Crunchbase
- Draup
- Results from Zinnov-Indiaspora AI Start-up Survey 2026

Primary Research

250+ Survey respondents and Interviews with industry participants (founders, investors, enablers etc.)

Secondary Research & Reports

- Start-up Indiahub, Crunchbase, LinkedIn, TechCrunch, Inc42, The Ken, CBInsights, Financial Express, Forbes, Livemint, YourStory, etc.
- Inc42 x Google — Bharat AI Start-ups Report 2026
- Stanford HAI — AI Index Report 2025
- Activate Signal — India's Top 75 AI Start-ups
- Nasscom-Zinnov India Startup Report titled "Momentum to Maturity: India's Start-up Ecosystem at a Strategic Inflection Point"

Stage 2: Filtering & Scoring

Eligibility Filtering

- Applied Nasscom-Zinnov start-up definition
- Filtered out pre-2015 companies
- Filtered universe narrowed to eligible AI-native and AI-enabled start-ups only

AI Execution Readiness Index (AERI)

- Proprietary 5-pillar, 21-parameter scoring framework weighted to 100 points
- Pillars: Market Validation, AI Depth, Talent Strength, Ecosystem Leverage, and Deployment Maturity

Multi-Source Validation

- Each startup cross-referenced across multiple independent sources — proprietary databases, secondary research, expert reports, investor inputs, and primary survey
- Source overlap tracked to ensure broad-based validation

Stage 3 : Classification & Analysis

AI Stack Layer Mapping

- Each startup classified across defined AI stack layers - spanning Hardware, Foundation Models, Infrastructure, and vertical Application layers
- Stack taxonomy aligned with industry-standard frameworks for consistency and benchmarking

Data Enrichment & Validation

- Companies with incomplete data enriched through targeted secondary research across funding, headcount, and stage parameters
- Multi-source cross-validation applied to ensure no single-source dependency in the final selection

100 Top Selection & Archetype Identification

- Final cohort selected through a combination of quantitative scoring, expert-curated signals, and investor validation
- Emerging startup archetypes identified across the landscape - foundation model builders, vertical workflow owners, infrastructure enablers, and Bharat-scale deployers

Source: Zinnov Research & Analysis

Definition of a Tech Start-up

Tech Start-up: An entity working towards innovation, development, deployment, and commercialization of new products, processes, or services driven by technology or intellectual property

Age:
10 years

Active technology product / platform companies incepted in the last 10 years (in 2015 or later)

Origin:
India

Founders of Indian origin, with HQ or core product development in India

Differentiator:
Innovation

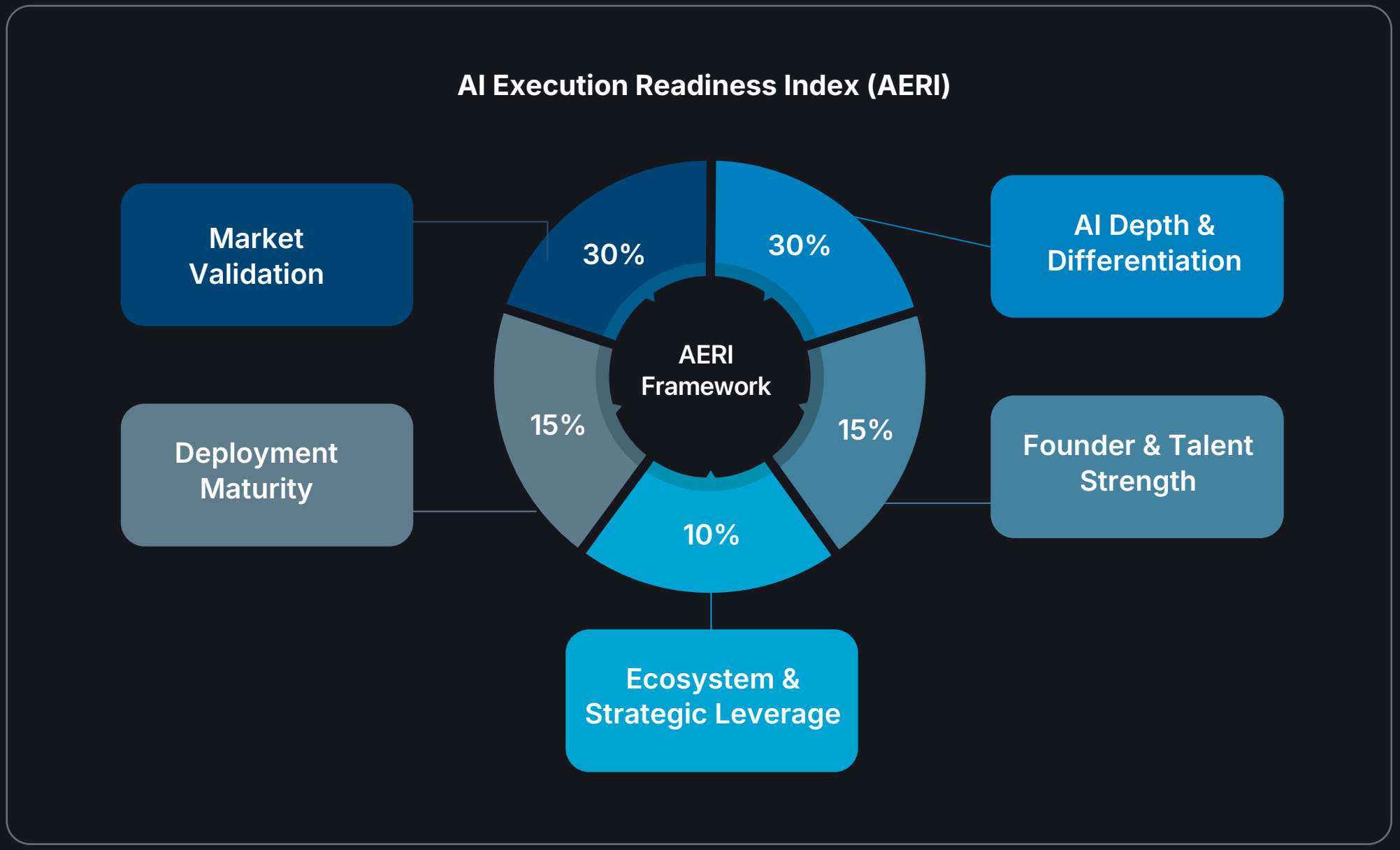
Innovation in technology, business process or business model being executed at speed

Stage:
Protype +

The start-up must have at least a prototype or MVP; Idea-stage Start-ups not considered

Source: Zinnov Research & Analysis

The Execution Filter: Identifying India's Top 100 AI Start-ups Built to Scale



Source: Zinnov Research & Analysis

Abbreviations

ABDM	Ayushman Bharat Digital Mission
AERI	AI Execution Readiness Index
AgriTech	Agriculture Technology
AI	Artificial Intelligence
AIIMS	All India Institute of Medical Sciences
AMR	Autonomous Mobile Robot
API	Application Programming Interface
AUV	Autonomous Underwater Vehicle
B2B	Business to Business
B2C	Business to Consumer
BFSI	Banking, Financial Services & Insurance
CAC	Customer Acquisition Cost
CAGR	Compound Annual Growth Rate
CII	Confederation of Indian Industry
CPG	Consumer Packaged Goods
DeepTech	Deep Technology
DPI	Digital Public Infrastructure
DPIIT	Department for Promotion of Industry and Internal Trade
IMU	Inertial Measurement Unit
IoT	Internet of Things
IPO	Initial Public Offering
LLM	Large Language Model
ML	Machine Learning
MLOps	Machine Learning Operations
MVP	Minimum Viable Product
MW	Megawatt
NLP	Natural Language Processing
PE	Private Equity
EdTech	Education Technology
EPS	Earnings Per Share
FDA	Food and Drug Administration
FinTech	Financial Technology
FMCG	Fast-Moving Consumer Goods
FY	Financial Year
GCC	Global Capability Center
GenAI	Generative Artificial Intelligence
GPS	Global Positioning System
GPT	Generative Pre-trained Transformer
GPU	Graphics Processing Unit
GW	Gigawatt
HC	Headcount
HealthTech	Health Technology
HQ	Headquarters
HRTech	Human Resources Technology
IAM	Identity and Access Management
IDC	International Data Corporation
IIIT	International Institute of Information Technology
IIM	Indian Institute of Management
IISc	Indian Institute of Science
IIT	Indian Institute of Technology
R&D	Research and Development
RTOS	Real-Time Operating System
SaaS	Software as a Service
VC	Venture Capital

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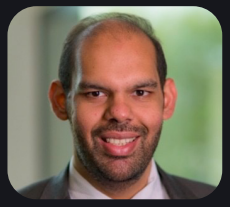

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Aakrit Vaish has been India's AI sherpa for the past decade and currently runs Activate, India's premier venture capital firm for AI companies. The firm works with technical founders to co-create companies and invest USD 500k – USD 3 Mn at inception. Previously, Aakrit built India's largest AI company Haptik (exited to Reliance Jio), and then spent a year as a full-time Advisor to the Government of India on the National AI Mission. He has been the country's leading AI angel investor, with 100+ startup investments and is also the Co-Chair of the Tech Entrepreneurs Association of Mumbai (TEAM), a non-profit he co-founded to advance the startup tech ecosystem of the city. In 2023, Aakrit was named as a World Economic Forum Young Global Leader (YGL).

Pratyush Choudhury is the Co-Founder of Activate, India's premier venture capital firm for AI-native companies - investing, incubating and accelerating the best AI start-ups being built in and for India. Previously, he was Principal at Together Fund, where he led investments in breakout generative AI companies including Composio, Emergent Labs and Rocket.new. He started his career as a Solutions Architect at AWS, becoming one of the youngest globally to publish customer-facing AI solutions. Pratyush built and runs India's largest Generative AI community (15,000+ members), which convenes discussions with global AI leaders from OpenAI, Groq, MIT, Microsoft, and more. He is the first student in IIT BHU's history to receive five consecutive Institute Honors, graduating with an Integrated Master's in Biomedical Engineering and AI.

Nitika Goel is the Chief Marketing and Strategy Officer at Zinnov, leading the firm's global go-to-market, brand, PR, and growth agenda. A strategist at heart, she works at the intersection of customer insight, market dynamics, and ecosystem influence, helping Fortune 500 enterprises and high-growth firms unlock scalable, outcomes-driven growth. As Zinnov's Chief Liaison Officer, she engages with governments, policymakers, and industry bodies on technology, talent, and innovation agendas, shaping policies that drive ecosystem transformation. A prolific thought leader, Nitika bridges insight and execution to deliver enterprise-wide impact.

Adnan Furniturewalla is an Associate Director at Zinnov, leading marketing, brand, and thought leadership across the firm's global consulting business. He plays a key role in shaping Zinnov's voice on globalization, GCCs, and enterprise transformation. Known for blending storytelling with strategy, he drives high-impact narratives, flagship reports, and ecosystem engagement. He is also a strong advocate for inclusive workplaces and authentic representation across organizations.

Animesh Jain is a Manager at Zinnov, specializing in strategy, market intelligence, and thought leadership across Global Capability Centers, digital ecosystems, and emerging business themes. With 10+ years of consulting experience, he has led flagship reports including the India GCC Landscape and Mid-Market GCC studies, while also driving broader research on enterprise transformation, ecosystems, and policy. He works closely with Fortune 500 clients, industry bodies, and government stakeholders.

Founded in 2002, Zinnov is a leading global management consulting and strategy advisory firm, with a presence in 10 global locations including New York, Seattle, Santa Clara, Houston, Paris, Gurgaon, Bangalore, Hyderabad, and Pune. In the last 24 years, Zinnov has worked closely with Global Enterprises and Fortune 2000 companies across their value creation journeys and helped them develop actionable insights - across revenue, talent, innovation, scale, and optimization. With core expertise in Product Engineering, Digital Transformation, Innovation, and Outsourcing Advisory, Zinnov enables companies to develop and optimize a global engineering footprint through center setups, and technology and functional Centers of Excellence (COEs), portfolio optimization, partnerships, and real-time data and insights - through its unique GCC Accelerator Platform (GAP) offering.

This multi-lever approach helps Zinnov's customers be a part of an immersive and highly networked model, enabling them to achieve higher R&D efficiencies, innovation, and productivity. The company's expertise also extends to advising global PE firms in asset shortlisting and target evaluation, due diligence, and value creation, especially for their portfolio companies through a globalization lens.

With its team of experienced consultants, subject matter experts, and research professionals, Zinnov works with global industry bodies to identify business and technology trends, and also serves clients from across multiple industry verticals including Enterprise Software, BFSI, Healthcare, Automotive, Retail, and Telecom in the US, Europe, Japan, and India across their digital transformation and innovation journeys.

For more information, drop us a note at info@zinnov.com or visit http://zinnov.com

INDIASPORA

Indiaspora is a nonprofit network of global Indian-origin leaders across business, politics, academia, arts, and social impact. Founded in 2012 and headquartered in San Francisco, it connects the ~32 Mn-strong global Indian diaspora and mobilizes it as a force for meaningful social change.

The organization convenes senior leaders through annual forums and summits, produces research on Indian-origin influence in global business and philanthropy, and curates networks of Fortune 500 executives and major philanthropists to drive collaboration and giving at scale.

Indiaspora has positioned itself as the Davos for the Indian diaspora: a high-trust platform where influence, capital, and purpose converge. As India's economic and geopolitical weight grows, so does the diaspora's ambition. Indiaspora is expanding active chapters across the US, UK, India, Singapore, Canada, Australia, and the UAE to reflect that shift.

For leaders at the intersection of global business, emerging technology, and social impact, Indiaspora offers both a credible platform and a high-density network, one increasingly relevant to conversations on AI, policy, and the next generation of Indian-origin leadership worldwide.

Activate

Activate is a new-age venture capital firm built on the belief that AI will have a bigger impact in India than anywhere else in the world.. Our mission is to activate the AI ecosystem in India across talent, research, and capital, enabling exceptional technical founders to build the future of the country. We partner with teams before a company or even a deck exists, working closely to battle-test ideas, shape products, and invest USD 500k-USD 3 million as the first institutional check at inception. Founders tap into Activate's LPs and advisors across the India–US corridor, including leading AI researchers, unicorn founders, and experienced operators across domains. Beyond capital, we run Asia's largest generative AI community with 15,000+ practitioners and produce Signal, India's premier media platform showcasing the country's emerging voice in AI.

Activate is founded and run by Aakrit Vaish, who built Haptik into one of India's first AI companies (acquired by Reliance Jio) and has been India's leading AI Angel. He was also an Advisor to the IndiaAI Mission helping architect the country's sovereign LLM policy. Co-Founded by Pratyush Choudhury, who was part of the team that invested in Composio, Emergent, Rocket.new from India


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INDIASPORA

Activate