

# FAQs on Startup India

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For Startups

S.No	Question	Response
1.	What qualifies as a “Startup” for the purpose of Government schemes?	<p>An entity shall be considered as a Startup:</p> <ul style="list-style-type: none"><li>• Upto a period of ten years from the date of incorporation/ registration, if it is incorporated as a private limited company (as defined in the Companies Act, 2013) or registered as a partnership firm (registered under section 59 of the Partnership Act, 1932) or a limited liability partnership (under the Limited Liability Partnership Act, 2008) in India.</li><li>• Turnover of the entity for any of the financial years since incorporation/ registration has not exceeded one hundred crore rupees.</li><li>• Entity is working towards innovation, development or improvement of products or processes or services, or if it is a scalable business model with a high potential of employment generation or wealth creation. Provided that an entity formed by splitting up or reconstruction of an existing business shall</li></ul>

		<p>not be considered a 'Startup'.</p> <p>Provided that such entity is not formed by splitting up, or reconstruction, of a business already in existence.</p> <p>An entity shall cease to be a Startup on completion of ten years from the date of its incorporation/ registration or if its turnover for any previous year exceeds one hundred crore rupees.</p> <p>For additional information, refer notification <a href="#">G.S.R. 34(E) dated January 16, 2019.</a></p>
2.	How does a Startup obtain benefits under various Government schemes including the ones announced in the Action Plan on January 16, 2016?	<p>For availing various benefits (except tax and IPR related benefits), an entity would be required to be recognized as a Startup by applying on <a href="#">Startup India portal / Mobile App</a> .</p> <p>In order to obtain tax and IPR related benefits, a Startup shall be required to be certified as an eligible business from the Inter-Ministerial Board of Certification.</p>
3.	For how long would recognition as a "Startup" be valid?	An entity shall cease to be a Startup on completion of ten years from the date of its incorporation/ registration or if its turnover for any previous year exceeds one hundred crore rupees.
4.	Can an existing entity register itself as a "Startup" on the Startup India Portal and Mobile App?	Yes, an existing entity that meets the criteria as indicated in response to Question 1 can visit the <a href="#">Startup India portal</a> and Mobile App and get itself recognized for various benefits.
5.	What is the timeframe for obtaining certificate of recognition as a "Startup" in case an entity already exists?	The process of registration in such cases shall be real time and the certificate of recognition would be issued immediately upon successful submission of the application.
6.	An entity is yet to be registered/incorporated.Can I visit the Startup India Portal and Mobile App to	<p>There are two options available in such cases.</p> <p>3. Option 1: An entity can register itself through</p>

	register/incorporate my entity as either a Private Limited Company or Registered Partnership Firm or Limited Liability Partnership ?	<p>MCA or Registrar of Firms using the existing processes and subsequently register itself on the Startup India portal and mobile app as a “Startup” to avail the benefits.</p> <p>4. Option 2: An entity can register itself through the <a href="#">Startup India portal</a> and mobile app using a seamless process. This facility would be made available in the second phase of the Startup India portal and mobile app launch .</p>
7.	What documents would qualify as a supporting document to the application to register as a “Startup”?	<ul style="list-style-type: none"> <li>• The application shall be accompanied by <ul style="list-style-type: none"> <li>○ a copy of Certificate of Incorporation or Registration, as the case may be, and</li> <li>○ a write-up about the nature of business highlighting how it is working towards innovation, development or improvement of products or processes or services, or its scalability in terms of employment generation or wealth creation.</li> </ul> </li> </ul>
8.	Do I need to print an application form and submit the physical copy of the same to complete the process of Startup registration?	No. The application has to be submitted online only.

9.	Once my registration is successful, would I obtain a certificate for it? If Yes, would I be able to download the certificate?	Yes. On successful registration, you would be able to download a system generated verifiable certificate of recognition.
10.	If during the Registration process, an applicant marks the response to “Do you want to avail Tax and IPR benefits” as “No”, would I be allowed to change the response to “Yes” later?	Yes. In such cases, option to opt for such benefits may be indicated at a later stage as well. Once a user opts for availing the benefits, his/ her application would be evaluated by the Inter-Ministerial Board. Once certified by the Board, the benefits may be availed.
11.	If an entity does not have a PAN. Would I be allowed to register my entity as a “Startup”?	Yes. An entity without a PAN can be registered as a Startup. However, it is advised that a valid PAN of the entity is provided at the time of registration, as each entity is separately taxable person.
12.	Can I provide two mobile numbers in the registration form?	It is advised that only one mobile number of the authorized representative of the entity is provided at the time of registration. The portal and the mobile app would be sending an OTP on the mobile number provided for the user to complete authentication and registration process.
13.	What will be the constitution of the Inter-Ministerial Board?	Inter-Ministerial Board of Certification comprising of the following members: (i) Joint Secretary, Department of Promotion of Industry and Internal Trade, Convener (ii) Representative of Department of Biotechnology, Member (iii) Representative of Department of Science & Technology, Member
14.	What is the timeframe for obtaining certification of Inter - Ministerial Board for availing tax benefits in case an entity already exists?	The Inter- Ministerial Board meeting typical takes place once a month. The cases in the meeting are processed in a serial order. The communication regarding the decision is sent to the registered email address of the startup.

For Funding Bodies providing Support to Startups

#	Question	Response
1.	Which are the bodies and agencies that fall under the category of “Funding Bodies”?	<p>As per the notification no. G.S.R 180(E) dated February 17, 2016, Alternate Investment Funds, Venture Capital Funds, Angel Fund and Seed Funds registered with SEBI will be eligible for providing support to entities in which not less than 20 percent equity is taken up by such funds.</p> <p><a href="#">The list SEBI registered funds</a>( VCFs and AIFs) has been published on Startup India portal</p>
2.	What are the aspects that need to be reviewed before issuing support?	<p>A funding agency is required to validate if the entity under review is working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property if it aims to develop and commercialize :</p> <ol style="list-style-type: none"> <li>5. A new product or service or process; OR</li> <li>6. A significantly improved existing product or service or process that will create or add value for customers or workflow.</li> </ol> <p>The following activities are not considered as a valid case for issuing support :</p> <ol style="list-style-type: none"> <li>7. Products or services or processes which do not have potential for commercialization; OR</li> <li>8. Undifferentiated products or services or processes; OR</li> <li>9. Products or services or processes with no or limited incremental</li> </ol>

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