No. 14(1)/2016-BE-I(Vol. II) Government of India Ministry of Commerce and Industry Department of Industrial Policy and Promotion Startup India Section

Udyog Bhawan, New Delhi Dated 19th July, 2017

OFFICE MEMORANDUM

Subject:- Recognition under Startup India Program

The undersigned is directed to convey that in order to facilitate the Startup ecosystem, this Department has been organizing extensive consultations with stakeholders. Accordingly, the definition of Startup (under Startup India initiative) was amended on 23rd May 2017 where an entity shall be considered as a Startup up to seven years from the date of its incorporation/registration (from earlier 5 years). However, in the case of Startups in the Biotechnology sector, the period shall be up to ten years from the date of incorporation/registration. In order to promote entrepreneurship in the country, the definition of a Startup has also been broadened to include scalability of business model along with a high potential of employment generation or wealth creation.

- 2. To further simplify the process of recognition of a Startup, the requirement of Letter of Recommendation as mentioned in the notification G.S.R. 180(E) dated 17th February, 2016 from an incubator or industry association has also been done away with wide notification G.S.R. 501 (E) dated 23rd May, 2017 both for the purpose of recognition as well as availing certificate of eligibility for obtaining tax benefits.
- 3. In view of the above changes, Letter of Recommendation from eligible organizations viz. incubators recognized by Government, partner industry associations etc. is not required anymore for the purpose of Startup recognition under Startup India program. The change may kindly be noted and your continued participation in the Startup India initiative is sought.
- 4. This issues with the approval of JS concerned.

(Rajeev Kandpal)

Director

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