GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3970
ANSWERED ON:27.03.2017
Exemptions for Start-ups
Owaisi Shri Asaduddin

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the number of foreign companies that have applied for establishing start-up including the number of companies which have sought mandatory exemption from 30% local sourcing in the country during each of the last three years and the current year, company-wise;

(b) whether it is fact that the Ministry has sent a proposal to the Ministry of Finance to raise tax holiday from three years to seven years for start-ups the said response of the Ministry of Finance thereto; and

(c) the other steps taken/being taken by the Government including exemption from 30% local sourcing for foreign start-ups to boost investment in start-ups?

Answer

???????? ??? ?????? ??????????? (????????? ??????)(??????? ??????? ???????)
THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)

(a): Only companies incorporated in India are permitted to register under Startup India.

(b): Department of Industrial Policy and Promotion, Ministry of Commerce and Industry sent a proposal to Department of Revenue, Ministry of Finance to extend tax exemption to Startups for 3 consecutive years in a block of 7 years (against the earlier provision of 3 years in a block of 5 years) under Section 80-IAC of Income-tax Act. This has been included in the proposals under the Union Budget for the year 2017-18.

(c): The Government of India has not taken any steps specifically for foreign startups.

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