

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION**

LOK SABHA

**UNSTARRED QUESTION NO.3970.
TO BE ANSWERED ON MONDAY, THE 27TH MARCH, 2017.**

EXEMPTIONS FOR START-UPS

3970. SHRI ASADUDDIN OWAISI:

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

वाणिज्य एवं उद्योग मंत्री

- (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

**वाणिज्य एवं उद्योग राज्यमंत्री (स्वतंत्र प्रभार)(श्रीमती निर्मला सीतारमण)
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.
