

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA  
UNSTARRED QUESTION NO.1929  
TO BE ANSWERED ON FRIDAY, 29<sup>TH</sup> DECEMBER, 2017/PAUSHA 08, 1939 (SAKA)

FUNDING FOR STARTUPS

QUESTION

1929. SHRI RAVINDRA KUMAR PANDEY

Will the Minister of Finance be pleased to state:

- (a): whether various Startups have raised capital through placement and stake sale;
- (b): if so, the details thereof?
- (c): whether there is any mechanism to ensure the justified evaluation of Startups along with the investors protection, if so, the details thereof;
- (d): if not, the reasons therefor; and
- (e): whether the Government has reviewed the said scheme, if so, the details thereof along with the outcome thereon?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PON. RADHAKRISHNAN)

(a), (b), (c), (d) & (e): Startups are not defined under the Securities and Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations"). Further, private placement by unlisted companies is not covered under the ICDR Regulations, which are applicable for equity shares and convertible securities.

There is no such information available with concerned Departments/SEBI.

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