

STARTUP INDIA REGISTRATION CHECKLIST



What is a Startup?

It's a newly established Company, generally small, which is started by one or more people. The main purpose behind a startup is to grow faster & provide something to fulfill the market gap in any industry. There are no fixed parameters set for a startup, as they are totally independent to some level. Startups initiate with a product concept & strive to grow at pace. It's not vital that all Startups make a profit during their initial stage.

Objectives of Startup India

Following are the objectives of Startup India Movement:

- Enhanced Infrastructure, including incubation centers;
- IPR facilitation;
- A goal to increase the funding opportunities;
- Provide an extensive networking database for the entrepreneurs & other stakeholders in the startup ecosystem;
- The better regulatory environment including the tax benefits, easier compliance improved establishing a Company, fastest mechanism & more.

Benefits of Startup India Registration

- **Easy Access of Funds:** Rs. 10,000 crores fund is set-up by the Indian Government to provide funds to the startups as Venture Capital. The Government is also giving guarantees to the lenders to encourage banks & other financial institutions to provide Venture Capital.
- **Tax Savings for Investors:** Individual investing their capital gains in the venture funds set-up by the Government will get exemption from Capital Gains and this will help all the Startups to attract more investors.
- **Income Tax Exemption:** Eligible startups can be exempted from paying Income Tax for 3 Consecutive F.Y. (Financial Years) out of their first 10 years since Incorporation.
- **Easily apply for Government Tenders:** Startups in India can easily apply for Government Tenders and they are exempted from the prior experience or turnover criteria applicable for normal companies answering to Government Tenders.
- **Rebate in Trademark & Patent Filing:** Startups working under Startup India Registration Scheme will get 50% rebate on Trademark Filing and 80% rebate on Patent filing.
- **Easy Winding Up:** The process of winding up of Company becomes very easy & it takes 90 days to wind up under IBC, 2016.

Eligibility Criteria for the Registration

1. The Startup India Registration Certificate or DPIIT Certificate of Recognition is provided for the company which is registered as an LLP, Private Limited Company, or a registered Partnership Firm.
2. To get the Registration Certificate, the firm should have an annual turnover of less than Rs. 100 crores for any of the previous Financial Year.
3. The entity or company should be working towards improvement/development of a product, service, or process.
4. The entity or company should have a scalable business model with high potential for the creation of wealth & employment. The company or firm should have the capability to generate employment or create wealth.
5. The period of Company's operations or existence shouldn't exceed 10 years from the date of formation.
6. To get Startup India Registration Certificate or DPIIT Certificate of Recognition, the company shouldn't have been registered by splitting up/recreating an already existing entity.
7. Applicants shouldn't have defaulted with any financial institution in the past.

Documents required for Startup India Registration

1. Certificate of Incorporation
2. Companies P.A.N. Card
3. Director's Aadhar & P.A.N. card
4. Passport-size photograph of the directors
5. Website or companies profile deck (if available)
6. Photo & video of products/services
7. Authorization Letter
8. Brief write-up on how the business is working towards:
 - Innovation in the industry
 - High potential for wealth creation
 - High potential for employment generation

Other certificates, if available

- G.S.T. registration
- MSME registration
- Trademark registration
- Copyrights registration

FAQ's

Q. Who can register with startup India?

A. An entity incorporated as a Private Limited Company, Partnership Firm or a Limited Liability Partnership can register themselves under the startup India scheme. The annual turnover of these business entities should not exceed Rs.100 crores, and they should have been in existence for up to ten years from the date of its incorporation/ registration. Such an entity should be working towards innovation, development or improvement of products or services or processes.

Q. What are the benefits of signing up with startup India?

A. There are a number of benefits startups receive under the Startup India Initiative. Nevertheless, in order to avail of these benefits, an entity is needed to be recognised by the DPIIT as a startup.

Startups are allowed to self certify their compliance with six labour laws and three environment laws. This is allowed for a total period of five years from the date of incorporation/registration of the entity. Startups are allowed a three-year tax exemption and the best intellectual property services and resources solely built to help startups protect and commercialise their IPRs.

Q. What kind of business structure should I choose for my startup?

A. The most preferred business structures for a startup are Private Limited companies and LLPs. A Private Limited company is legally recognized and generally favoured by investors. However, it has stricter compliance and may have a higher cost of incorporation.

Whereas incorporation cost is lower for LLPs and they tend to have relaxed compliance in comparison to the Private Limited Companies. In addition to that, LLPs have limited liabilities and are equally recognised by investors and all over the world.

Q. What can I do to attract investors to a start-up?

A. To attract investors, not only do you need a stellar product with a scalable model, but you also need visibility. Make sure that your product receives healthy engagement and traction. You'll need to register your startup on startup India and proactively seek out investors. Make sure you are able to effectively communicate your business idea to the investor and the sustainability of your business model.

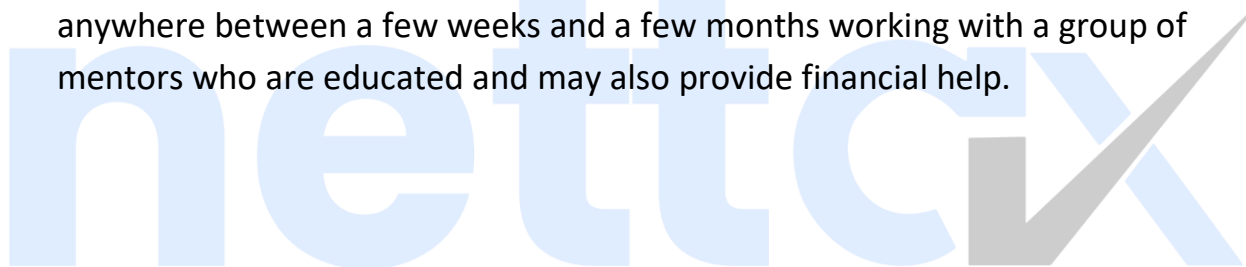
Q. Can a foreign company register under the Startup India hub?

A. Any entity that has at least one registered office in India can register itself on the hub, since the location preferences, for the time being, are only created for Indian states. However, soon the government hopes to start registrations for stakeholders from the global ecosystem too.

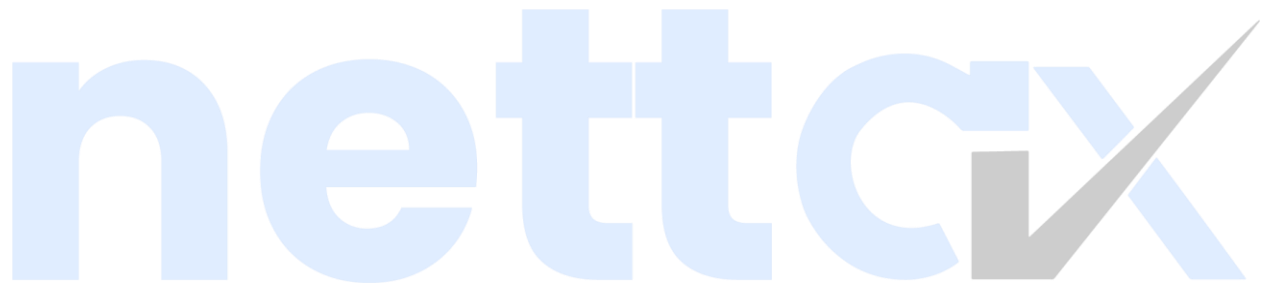
Q. What is the difference between an accelerator and an incubator?

A. Startup incubators are typically institutions that help entrepreneurs by developing their business, especially in the initial stages. The incubation function is usually carried out by institutions that have experience in the business and the tech world.

Startup accelerators support early-stage, growth-driven companies. These programmes usually have a timeframe in which individual companies spend anywhere between a few weeks and a few months working with a group of mentors who are educated and may also provide financial help.



**Good Luck
For Your Business**



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