

**MINISTRY OF COMMERCE AND INDUSTRY**  
**(Department for Promotion of Industry and Internal Trade)**  
**NOTIFICATION**

New Delhi, the 4th February, 2026

**G.S.R. 108(E).**— This notification is being issued in supersession of the Gazette Notification No. G.S.R. 127(E) dated February 19, 2019.

**Definitions**

1. In this notification, —

a. ‘Startup’ means an entity which—

- i. is incorporated or registered in India as a private limited company (as defined in the Companies Act, 2013) or registered as a partnership firm (registered under section 59 of the Partnership Act, 1932) or a limited liability partnership (under the Limited Liability Partnership Act, 2008) or a Multi-State Cooperative Society registered with the Central Registrar of Cooperative Societies (under the Multi-State Cooperative Societies Act, 2002) or a Cooperative Society registered under any State or Union Territory Cooperative Societies Act with the respective Registrar of Cooperative Societies in India;
- ii. is within a period of ten years from the date of its incorporation or registration;
- iii. has a turnover for any of the financial years since incorporation or registration not exceeding two hundred crore rupees; and
- iv. is working towards innovation, development or improvement of products or processes or services, or is a scalable business model with a high potential of employment generation or wealth creation.

**Provided that**, in the case of an entity recognised as a ‘**Deep Tech Startup**’ under this notification:

(a) the period specified in clause (ii) shall be up to twenty years from the date of its incorporation or registration; and

(b) the turnover limit specified in clause (iii) shall be three hundred crore rupees for any of the financial years since incorporation or registration.

**Provided further that**, an entity formed by splitting up or reconstruction of an existing business shall not be considered a Startup.

**Explanation-**

For the purposes of this notification, an entity shall cease to be a Startup on completion of ten years from the date of its incorporation or registration, or if its turnover for any previous year exceeds two hundred crore rupees.

**Provided that**, in the case of an entity recognised as a Deep Tech Startup under this notification, such entity shall cease to be a Deep Tech Startup on completion of twenty years from the date of its incorporation or registration, or if its turnover for any previous year exceeds three hundred crore rupees.

b. “Act” means the Income-tax Act, 1961<sup>[1]</sup>;

c. “Board” means the Inter-Ministerial Board of Certification comprising of the following members:

- i. Joint Secretary, Department for Promotion of Industry and Internal Trade, Convener

- ii. Representative of Department of Biotechnology, Member
- iii. Representative of Department of Science & Technology, Member

The strength and composition of the Board may be amended, with the approval of Secretary, DPIIT.

- d. “Central Registrar” shall have the meaning as assigned to it in clause (d) of Section 3 of The Multi-State Cooperative Societies Act, 2002;
- e. “cooperative society” shall be registered under any State/Union Territory Cooperatives Acts with the respective Registrar of Cooperative Societies in India;
- f. “limited liability partnership” shall have the meaning as assigned to it in clause (n) of sub-section(1) of Section 2 of the Limited Liability Partnership Act, 2008;
- g. “multi-state cooperative society” shall be registered with the Central Registrar of Cooperative Societies under the Multi-State Cooperative Societies Act, 2002;
- h. “partnership firm” shall have the meaning as assigned to it in Section 4 of the Partnership Act, 1932;
- i. “private limited company” shall have the meaning as assigned to it under the Companies Act, 2013;
- j. “State/Union Territory Cooperatives Acts” shall refer to any Acts relating to cooperative societies enacted from time to time by a State or Union Territory;
- k. “turnover” shall have the meaning as assigned to it in clause (91) Section 2 of the Companies Act, 2013;
- l. All references to “Forms” in this notification shall be construed as references to the forms set out in Appendix-I hereto;
- m. “DPIIT” means Department for Promotion of Industry and Internal Trade.
- n. A ‘Deep Tech Startup’ means a ‘Startup’ that has the following attributes, in addition to the criteria detailed in para (1)(a):
  - i. It is working on producing a solution based on new knowledge/advancements within a scientific or engineering discipline or multiple disciplines, which is yet to be developed or is in the process of being developed;
  - ii. It has a high percentage of expenditure on research and development (R&D) activities as a percentage of revenue/funding;
  - iii. It owns or is in the process of creating significant novel intellectual property (IP) and taking steps to commercialize the same; and
  - iv. It is facing extended development timelines, long gestation periods, high capital and infrastructure requirements, and carrying large technical or scientific uncertainty.

**Provided that**, for the purposes of this notification, a ‘Deep Tech Startup’ shall be deemed to be a ‘Startup’, and references to a ‘Startup’ shall include a ‘Deep Tech Startup’, unless otherwise stated.

**Provided further that**, the determination of whether an entity satisfies the attributes of a ‘Deep Tech Startup’ shall be made in accordance with such framework, parameters, and guidelines as may be issued by the Department, and based on the documents and information furnished by the applicant in the manner specified by the Department.

### Recognition

- 2. The process of recognition of an eligible entity as Startup shall be as under: —

- i. An entity shall make the application specified on the portal set-up by DPIIT. The application shall be accompanied by—
  - a. a copy of Certificate of Incorporation or Registration, as the case may be, and
  - b. a write-up about the nature of business highlighting how it is working towards innovation, development or improvement of products or processes or services, or its scalability in terms of employment generation or wealth creation.
  - c. in the case of entities applying to be recognised as ‘Deep Tech Startup’, the entity must provide documents and information as may be specified in the online application portal which demonstrate that the entity meets the attributes specified under point (n) under the ‘Explanation’ section of this notification.
- ii. The DPIIT may, after calling for such documents or information and making such enquiries, as it may deem fit, —
  - a. recognise the eligible entity as ‘Startup’, including as a ‘Deep Tech Startup’ as applicable; or
  - b. reject the application by providing reasons.

**Certification for the purposes of section 80-IAC of the Act<sup>[2]</sup>**

3. A Startup, including a Deep Tech Startup being a private limited company or limited liability partnership, which fulfils the conditions specified in sub-clause (i) and sub-clause (ii) of the Explanation to section 80-IAC of the Act, may, for obtaining a certificate for the purposes of section 80-IAC of the Act, make an application in Form-1 along with documents specified therein to the Board and the Board may, after calling for such documents or information and making such enquires, as it may deem fit, —
  - i. grant the certificate referred to in sub-clause (c) of clause (ii) of the Explanation to section 80-IAC of the Act; or
  - ii. reject the application by providing reasons.

A Startup shall make the application specified on the portal set-up by DPIIT.

**Conditions**

4. Startup, including a Deep Tech Startup, shall deploy its funds primarily towards its core business activities, innovation, research, scaling, or operational requirements, and shall not engage in activities or investments of the nature specified below, except in the ordinary course of its business.
5. Startup, including a Deep Tech Startup, shall not, during the period of recognition, invest in any of the following assets or activities, other than where such investment is integral to its core business operations—
  - i. building or land appurtenant thereto, being a residential house, other than that used by the Startup for its own business purposes or held as stock-in-trade;
  - ii. land or building, or both, not being a residential house, other than that occupied by the Startup for its business or held as stock-in-trade in the ordinary course of business;
  - iii. loans and advances, except where the lending of money is a substantial part of the Startup’s business or such advances are made in the ordinary course of business;
  - iv. capital contributions to other entities, except where such contribution is directly related to the Startup’s business or strategic objectives;

- v. investment in shares and securities, except where such investments are incidental to treasury operations or form part of the Startup's core business;
- vi. motor vehicles, aircraft, yachts or other modes of transport of high value, except where such assets are used for operational, leasing, hiring or stock-in-trade purposes;
- vii. jewellery or other luxury assets, except where held as stock-in-trade in the ordinary course of business;
- viii. any other asset or activity of a speculative or non-productive nature, as may be notified by the Central Government.

**Revocation**

6. (1) In case it is found that any certificate referred to para 3 has been obtained on the basis of false information, the Board reserves the right to revoke such certificate or approval.  
(2) Where the certificate or approval has been revoked under sub-para (1), such certificate or approval shall be deemed never to have been issued or granted by the Board.

**Relaxations and Modifications**

7. The Central Government may, in special circumstances, relax or modify the applicability of one or more conditions of this definition for classes of startups or individual cases, as it may deem fit.

**Effect**

8. This notification shall come into effect on the date of its publication in the Official Gazette.

[F. No. P-38015/19/2025-STARTUP INDIA]

SANJIV, Jt. Secy.

**APPENDIX-I****Form-1****Application for certificate for the purposes of section 80-IAC of the Income-tax Act, 1961**

1. Name of the Startup
2. Date of incorporation/ registration of Startup
3. Incorporation no./ registration no.
4. Address and business location
5. Nature of business
6. Contact details of Startup (Phone No. and Email)
7. Income Tax Permanent Account No.
8. Existing/ proposed activities
9. Copy of Memorandum of Association, LLP/partnership Deed, Board Resolution/ registration details
10. Annual audited accounts of the startup for the last three financial years (if applicable)
11. Supporting documents demonstrating Innovation, Wealth Creation, and Employment Generation

(Enclose relevant supporting documents such as product/service descriptions, IPR filings, user or revenue growth metrics, awards and recognitions, funding details, employment data, or any other material demonstrating the startup's innovation, scalability, and potential for economic impact, along with any declarations or statements as specified.)

**Declaration**

I/ We hereby certify that the above information furnished by me is true and no relevant information has been concealed.

For (Name of the Startup)

(Name of the authorised signatory) Designation

Place: \_\_\_\_\_

Date: \_\_\_\_\_

<sup>[1]</sup> From 1<sup>st</sup> April 2026, the provisions of Income-tax Act, 2025 (notified on 21st August, 2025) will come into effect <https://egazette.gov.in/WriteReadData/2025/265620.pdf>

<sup>[2]</sup> From 1<sup>st</sup> April 2026, the provisions under Income-tax Act, 2025 (notified on 21st August, 2025) will come into effect <https://egazette.gov.in/WriteReadData/2025/265620.pdf>