



**GOVERNMENT OF KERALA**

**Abstract**

Electronics & Information Technology Department – Kerala Startup Mission – Definition for Startups by Startup India – Adopted – Government funding for merged/ acquired startups - Approved - Orders issued.

---

**ELECTRONICS & INFORMATION TECHNOLOGY (IT CELL) DEPARTMENT**  
**G.O.(Rt)No. 284/2017/ITD** Dated,Thiruvananthapuram,12/11/2017

---

Read: 1 G.O (P) No. 9/2017/ITD dated 30.06.2017.

2 Note dated 10.10.2017 from the Chief Executive Officer, Kerala Startup Mission

**ORDER**

Government of Kerala announced the IT Policy and orders were issued as per the Government Order read as 1st paper above. It contains IT Policies and sub policies of which Sub Policy 7 deals with Technology and Entrepreneurship Policy. As per the Technology Startup Policy 2014, Startups are defined as companies within three years of registration. The same is mentioned as such in the new IT Policy also. But the definition as per Startup India is as follows:

“Startup means an entity, incorporated or registered in India:

- Not prior to seven years, however for Biotechnology Startups not prior to ten years,
- With annual turnover not exceeding INR 25 crore in any preceding financial year, and
- Working towards innovation, development or improvement of products or processes or services, or if it is a scalable business model with a high potential of employment generation or wealth creation

Provided that such entity is not formed by splitting up or reconstruction of a business already in existence. Provided also that an entity shall cease to be a Startup if its turnover for the previous financial years has exceeded INR 25 crore or it has completed 7 years and for biotechnology startups 10 years from the date of incorporation/ registration. Provided further that a Startup shall be eligible for tax benefits only after it has obtained certification from the Inter-Ministerial Board, setup for such purpose.”

Government have examined the matter in view of the difference in the definition of Startups in the Policy and as per Startup India and the definition of Startup as per Startup India is adopted as such. The benefits allowed to Startups will be dealt with accordingly with effect from the date of this order.

It is also order that the benefits allowed to Startups will be extended to the startups acquired / merged / amalgamated also subject to the eligibility, if the startup

after the merger together with the mother company remains within the startup definition.

Government are further pleased to allow Kerala Startup Mission to provide space at concessional rates for a period of one year from the date of acquisition to Startups acquired by other companies with significant valuation as per clause 11.4.2.3 of the Sub Policy 7 of the IT Policy issued as per Government Order read as 1st paper above.

(By order of the Governor)

**M. SIVASANKAR**  
**SECRETARY**

To:- The Chief Executive Officer, Kerala Startup Mission  
The Principal Accountant General (A &E) Kerala, Thiruvananthapuram  
The Principal Accountant General (Audit) Kerala, Thiruvananthapuram  
The Web & New Media, Information & Public Relations Department  
Stock file / Office copy