

Minutes of the Twenty Sixth Inter Ministerial Board of Certification

The twenty sixth meeting of the IMB was held on 27.04.2018 and was convened by the Additional Secretary, Department of Industrial Policy and Promotion, Shri Atul Chaturvedi. Representatives from Department of Biotechnology, Ministry of Electronics and Information Technology, Ministry of Corporate Affairs, Central Board of Direct Taxes, Reserve Bank of India and Securities and Exchange Board of India were present. Members of the IMB Secretariat were also present. The list of participants is enclosed (Annexure 1).

Pursuant to Government of India notification number G.S.R. 364 (E) dated 11.04.2018, the Board deliberated and finalized the Standard Operating Procedure (SOP) to be incorporated for the IMB process. The finalized SOP is enclosed (Annexure 2).

It was decided that each ministry shall assign a nodal officer who shall be responsible to evaluate the applications and attend the IMB meeting to be held on the first Tuesday of every month.

Annexure 1

List of Participants in the 26th Inter Ministerial Board of Certification

1. Shri Atul Chaturvedi, Additional Secretary, Department of Industrial Policy and Promotion
2. Smt. Shruti Singh, Deputy Secretary, Department of Industrial Policy and Promotion
3. Dr. A. K. Garg, Ministry of Electronics & IT (MeitY)
4. Sh. Anurag Kumar, Ministry of Electronics & IT (MeitY)
5. Dr. Kakali Dev Dasgupta, Department of Biotechnology (DBT)
6. Smt. Ira Gupta, Reserve Bank of India (RBI)
7. Shri Naveen Sharma, Securities and Exchange Board of India (SEBI)
8. Smt. Deepshikha Sharma, Central Board of Direct Taxes (CBDT)
9. Shri Sajeevan CV, Ministry of Corporate Affairs (MCA)
10. Dr. Sanjeev Kumar Majumdar, National Research Development Corporation
11. Smt. R. Sujatha, Technology Information, Forecasting and Assessment Council
12. Members of the IMB Secretariat

Annexure 2

**Government of India
Ministry of Commerce & Industry
Department of Industrial Policy & Promotion**

27th of April 2018

**Standard Operating Procedure (SOP)
for Processing Tax Exemption Applications to Inter-Ministerial Board**

- 1 All applications of Startups for Income Tax exemption under Section 80IAC and Section 56 of the Income Tax Act would be received online through their dashboard on the Startup India website.
- 2 Only the applications of those Startups which are recognized by DIPP with a valid Certificate of Recognition would be examined for Income Tax exemption under Section 80IAC and Section 56 of the Income Tax Act.
- 3 Upon submission the applications shall be scrutinized for document completion immediately within 3 working days. Applications with incomplete documents shall be notified within this time limit, asking the applicants to provide the required documents.
- 4 All applications once scrutinized in 3 working days and found complete with all required documents should be evaluated within 10 working days.
- 5 All these applications once found complete as mentioned at point 4 above should also be made visible online to all IMB members and the applicant. Each IMB member would be given password protected access to all such applications and would also be receiving an email alert to enable them to view these applications and submit their comments. All such comments should be submitted online by IMB members within 10 working days. If no comments are received by IMB members, then it shall be presumed that they have no objections for placing these applications before the IMB for consideration.
- 6 In case a clarification is required from the applicant by the technical evaluation team or an IMB member, the IMB Secretariat at DIPP shall seek clarification from the applicant. Applications shall be scrutinized again and comments shall be updated within one week of receipt of clarification. In case the response is not received from the Startup in 30 days, a reminder mail shall be sent requesting a reply within 7 working days. Failure to do so shall result in the case being closed. The applicant may re-apply afresh with clarifications.
- 7 The IMB shall meet on the first Tuesday of every month at 3pm to consider all complete applications received till 5th of the previous month. IMB can also meet more than once a month if required in interest of quick disposal of pending cases.
- 8 The decision of IMB shall be communicated to the Startup via the online dashboard and email.
 - 8.1 In case the application is recommended for tax benefit, the same shall be communicated to the startup via email along with the Certificate of Eligibility for 80IAC or 56 as the case may be.
 - 8.2 In case the application is not recommended for tax benefits a reason for the same shall be communicated to the startup. The applicant has the option to respond to the reasons cited and re-apply after providing adequate information/justification. The information provided by repeat

applicants shall be re-scrutinized within one week and presented to the IMB for a final decision. The decision shall be communicated to the startup via email and the online dashboard, which shall be final.

- 8.3 In case further clarifications are required, the IMB Secretariat shall communicate the same to the applicant. Once clarifications have been submitted by the applicant, the case shall be presented again to the IMB for consideration.
- 9 Applications for Section 80IAC can be submitted only once by a Startup. Whereas, multiple applications for Section 56 can be submitted until the cumulative amount of paid up share capital and share premium of the Startup across applications reaches Rs. 10 Crores.
- 10 Minutes of the IMB meeting with the list of Startups and decision on tax exemption shall be uploaded on the Startup India website every month.