

Minutes of the Twenty Ninth Inter Ministerial Board

1. The 29th meeting of the Inter Ministerial Board was held on 20.11.2018 at 4:00 PM in Room No. 162, Udyog Bhawan. The meeting was convened by Shri Atul Chaturvedi, Additional Secretary, Department of Industrial Policy and Promotion. Representatives from, 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. List of participants is enclosed at **Annexure 1**.
2. Two agenda items were taken up for consideration.
3. **Item No. 1: Two (02) cases for exemption under Section 56 of the Income Tax Act**
 - 3.1. The application of LEANKLOUD SOLUTIONS PRIVATE LIMITED, DIPP14838 was considered by the board.
 - 3.1.1. The Inter-Ministerial Board observed that section 4 of G.S.R. 364(E) notification mentions that startups shall be eligible to claim exemption under section 56 of the Income Tax act for proposed issue of shares. Startups are ineligible to claim exemptions for shares issued in the past.
 - 3.1.2. In view of the above, the concerned application of LEANKLOUD SOLUTIONS PRIVATE LIMITED is not eligible for exemption under Section 56 of the Income Tax Act as it has already raised investment on 11.04.2018.
 - 3.2. The application of INSTANT GLOBAL PAYTECH PRIVATE LIMITED, DIPP26408 was the second startup application considered by the board.
 - 3.2.1. The Board decided to further understand the business activities of the shareholders of the applicant startup and their investor. In view of the above, the concerned application of INSTANT GLOBAL PAYTECH PRIVATE LIMITED, DIPP26408, was deferred to the next meet.
4. **Item No. 2: Nineteen (19) cases for exemption under Section 80IAC of the Income Tax Act**
 - 4.1. The IMB secretariat apprised the Board about HEELIUM SPORTS PRIVATE LIMITED, DIPP7448, which has designed and developed a shoe that absorbs most of the impact energy during running, walking and standing position. The technical agency recommended that owing to the innovativeness and scalability of the product, the application may be approved for income tax exemption. The Board deliberated and accepted the recommendation of the technical agency and approved the application for income tax exemption under Section 80 IAC of the Income Tax Act.

- 4.2. The IMB secretariat apprised the Board about REVY ENVIRONMENTAL SOLUTIONS PRIVATE LIMITED, DIPP8715, which has created anaerobic granulated sludge using a consortium of various bacteria. The technical agency recommended that owing to the innovativeness, the application may be approved for income tax exemption. The Board deliberated and observed that the product offered by the startup is both innovative in nature and useful in treating waste water. The Board accepted the recommendation of the technical agency and approved the application for income tax exemption under Section 80 IAC of the Income Tax Act.
- 4.3. The IMB secretariat apprised the Board about PENTOREUM INNOVATIONS PRIVATE LIMITED, DIPP6415, which has developed cellulose nanofiber from discarded biowaste. The application was considered in a previous IMB meeting and re-evaluated based on its responses against the observations shared by the Board. The technical agency recommended that owing to the innovativeness, the application may be approved for income tax exemption. The Board deliberated and accepted the recommendation of the technical agency and approved the application for income tax exemption under Section 80 IAC of the Income Tax Act.
- 4.4. The IMB secretariat apprised the Board about OTINGA TECHNOLOGY PRIVATE LIMITED, DIPP14371, which has created an air conditioning device for motor-cyclists. The technical agency recommended that owing to the innovativeness, the application may be approved for income tax exemption. The Board deliberated and observed that though the product offered is innovative and unique, its application is questionable and the startup may require approvals from relevant authorities to sell their product. The Board decided that the startup be provided detailed observations for the same on their dashboard and be provided 30 days from the date of communication of the observations to reply or accept these observations as reasons for rejection.
- 4.5. The IMB secretariat apprised the Board about SECOURS EQUIPMENTS LLP, DIPP9296, which has designed and developed a backpack that can be used to store and serve tea. The application was considered in a previous IMB meeting and re-evaluated based on its responses against the observations shared by the Board. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board deliberated and observed that adequate differentiation was not found in regard to similar services available in the market. The Board rejected the application for income tax exemption under Section 80 IAC of the Income Tax Act.
- 4.6. The IMB secretariat apprised the Board about MINIONLABS INDIA PRIVATE LIMITED, DIPP11922, which designs and develops IOT enabled electricity meters to monitor the consumption of electricity. The application was considered in a previous IMB meeting and was re-evaluated based on its responses against the observations shared by the Board. The technical agency evaluated the case and did not recommend it for income tax exemption.

The Board rejected the application for income tax exemption under Section 80 IAC of the Income Tax Act.

- 4.7. The IMB secretariat apprised the Board about BEABLE HEALTH PRIVATE LIMITED, DIPP15600, which has created an interactive arm training device enabling the user to train the affected arm. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board deliberated and decided that the startup be provided detailed observations for the same on their dashboard and provided 30 days from the date of communication of the observations to reply.
- 4.8. The IMB secretariat apprised the Board about KEEPSAKE AUTOMATION LLP, DIPP15746, which provides tailor made solutions in the field of robotic welding systems, manipulators and fixtures. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board deliberated and observed that adequate scalability and differentiation needs to be proved in regard to other services already available in the market. The startup shall be provided detailed observations for the same on their dashboard and provided 30 days from the date of communication of the observations to reply or accept these observations as reasons for rejection.
- 4.9. The IMB secretariat apprised the Board about TREEMARK SOLUTIONS PRIVATE LIMITED, DIPP2715, which has developed a device to help women determine their fertile window by measuring the physiological parameters like body temperature, heart rate, cervical fluid, cervix position etc. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board rejected the application for income tax exemption under Section 80 IAC of the Income Tax Act.
- 4.10. The IMB secretariat apprised the Board about SAROTAM INDUSTRIAL GOODS RETAIL DISTRIBUTION PRIVATE LIMITED, DIPP15866, which has established supplier solution for a retail distribution of industrial goods like steel, aluminum, electrodes, small tools & equipment and hardware products. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board deliberated and observed that adequate differentiation was not found in regard to similar services available in the market. The Board deliberated and decided that the startup be provided detailed observations for the same on their dashboard and provided 30 days from the date of communication of the observations to reply or accept these observations as reasons for rejection.
- 4.11. The IMB secretariat apprised the Board about BOLTENE SOLUTIONS PRIVATE LIMITED, DIPP17255, which offers LED lightings and smart lighting solutions to save upto 75% of electric energy. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board deliberated and decided that the startup be provided detailed observations for the same on their dashboard and provided 30 days from the date of communication of the observations to reply or accept these observations as reasons for rejection.

- 4.12. The IMB secretariat apprised the Board about FINTECH IT SOLLUTIONS LLP, DIPP3916, which has developed a software "Evenbooks" that serves as a GST Return and accounting system. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board rejected the application for income tax exemption under Section 80 IAC of the Income Tax Act.
- 4.13. The IMB secretariat apprised the Board about BHORZVAN MOTORS PRIVATE LIMITED, DIPP4809, which has developed traction motors, universal motor controllers and battery management system for electric vehicles. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board rejected the application for income tax exemption under Section 80 IAC of the Income Tax Act.
- 4.14. The IMB secretariat apprised the Board about TECHHEAD SOFTWARE SOLUTIONS PRIVATE LIMITED, DIPP 22425, which is offering Digital Marketing solutions and Information Technology Enabled Services in different sectors like Telecom, BFSI, Healthcare, Manufacturing etc. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board deliberated and decided that the startup be provided detailed observations for the same on their dashboard and provided 30 days from the date of communication of the observations to reply or accept these observations as reasons for rejection.
- 4.15. The IMB secretariat apprised the Board about GREEN SS WATER TANK LLP, DIPP 4432, which has developed stainless-steel based water tank that provide auto clean facility through its outlets situated at the bottom. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board rejected the application for income tax exemption under Section 80 IAC of the Income Tax Act.
- 4.16. The IMB secretariat apprised the Board about DHEEYANTRA RESEARCH LABS PRIVATE LIMITED, DIPP4493, which is providing an AI platform for Indian local language communication for IoT devices, robots and mobiles. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board rejected the application for income tax exemption under Section 80 IAC of the Income Tax Act.
- 4.17. The IMB secretariat apprised the Board about BIONIC HOPE PRIVATE LIMITED, DIPP4704, which is in process of developing a prosthetic limb equipped with sense of touch. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board rejected the application for income tax exemption under Section 80 IAC of the Income Tax Act.

- 4.18. The IMB secretariat apprised the Board about BRI INNOVATIONS PRIVATE LIMITED, DIPP8050, which has created products in 9 different categories like lifestyle, consumer appliances, stationary, toys, engineering products etc. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board deliberated and decided that the startup be provided detailed observations for the same on their dashboard and provided 30 days from the date of communication of the observations to reply or accept these observations as reasons for rejection.
- 4.19. The IMB secretariat apprised the Board about ALTHION TECH INNOVATIONS PRIVATE LIMITED, DIPP8320, which has developed a water purification technology in collaboration with CSIR Indian Institute of Chemical Technology. The technical agency evaluated the case and did not recommend it for income tax exemption. The Board deliberated and decided that the startup be provided detailed observations for the same on their dashboard and provided 30 days from the date of communication of the observations to reply or accept these observations as reasons for rejection.

The meeting ended with a vote of thanks.

Annexure 1

List of Participants in the 29th Inter Ministerial Board of Certification

1. Shri Atul Chaturvedi, Additional Secretary, Department of Industrial Policy and Promotion
2. Shri Anil Agrawal, Joint Secretary, Department of Industrial Policy and Promotion
3. Smt Shruti Singh, Director, Department of Industrial Policy and Promotion
4. Dr. Ajai K. Garg, Scientist F, Ministry of Electronics & IT (MeitY)
5. Shri Rahul Sinha, General Manager, Reserve Bank of India (RBI)
6. Smt Deepshikha Sharma, OSD, Central Board of Direct Taxes (CBDT)
7. Shri Vinay Sheel Gautam, Under Secretary, Central Board of Direct Taxes (CBDT)
8. Shri Sridhar Parmarathi, Joint Director, Ministry of Corporate Affairs (MCA)
9. Shri Naveen Sharma, Deputy General Manager, Securities and Exchange Board of India (SEBI)
10. Dr. Sanjeev Majumdar, Manager, National Research Development Corporation (NRDC)
11. Members of the IMB Secretariat