Government Revises Startup Recognition Framework to Strengthen Startup India Action Plan

Support for Innovation, Deep Tech and Cooperative-Led Enterprises Strengthened

Revised Startup Framework Raises Turnover Eligibility Limit to ₹200 Crore

For Deep Tech Startups, age limit increased to 20 years and turnover limit increased to ₹300 crore

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The Government has revised the startup recognition framework to further strengthen the Startup India Action Plan and advance the Prime Minister's vision of positioning India as a global innovation powerhouse, a manufacturing-led economy, and a hub for emerging technologies. As Startup India enters its second decade, the revised framework seeks to provide a more predictable, inclusive and future-ready policy environment for founders, while facilitating the flow of long-term patient capital into high-technology and research-intensive sectors.

Key revisions to the startup recognition criteria are as follows:

Enhanced turnover threshold for startup recognition:

Keeping in view the evolving startup ecosystem and the need to support enterprises at different stages of their business lifecycle, the turnover limit for recognition as a startup has been increased from ₹100 crore to ₹200 crore.

Introduction of a dedicated category for Deep Tech Startups:

A new sub-category of "Deep Tech Startup" has been introduced for entities working on cutting-edge and breakthrough technologies. The core attributes of Deep Tech Startups have been finalised through consultations with line Ministries, Departments and ecosystem stakeholders to ensure clarity, consistency and objective identification. In recognition of the long gestation periods, high research and development intensity, and capital-intensive nature of deep technology enterprises, the eligibility criteria for this category have been expanded, with the age limit extended from 10 years to 20 years from the date of incorporation or registration, and the turnover limit enhanced to ₹300 crore.

Inclusion of cooperative societies as eligible entities:

To promote innovation-driven growth at the grassroots level in agriculture, allied sectors, rural industries and community-based enterprises, startup recognition eligibility has been extended to cooperative entities. Accordingly, Multi-State Cooperative Societies registered under the Multi-State Cooperative Societies Act, 2002, as well as Cooperative Societies registered under State and Union Territory Cooperative Acts, are now eligible for startup recognition, subject to fulfilment of other applicable criteria.

The revised framework follows extensive consultations with stakeholders across the startup ecosystem, as well as with various Ministries and Departments. The updated criteria are expected to expand access to startup benefits for research- and innovation-driven enterprises, provide targeted support to deep tech ventures requiring extended development timelines, enable cooperatives to drive innovation in agriculture and rural development, and further strengthen India's position as a global hub for high-technology and knowledge-intensive entrepreneurship.

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