

(e) Details regarding share of agricultural exports in India's total exports, during the last three years, are as under:

(Value: In USD Million)

	2015-16	2016-17	2017-18
Total Agricultural Exports	32426.63	33283.41	38425.52
Total Exports	262291.09	275852.43	303526.16
Share of Agri Exports (%)	12.36	12.07	12.66

Source: DGCI&S

The share of agricultural export in India's total exports has grown from 12.36% to 12.66% during the last three years.

(f) Does not arise in view of (e) above.

Effect of angel tax on Indian startup ecosystem

325. SHRI RAJEEV CHANDRASEKHAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has conducted any survey to assess the adverse effects of angel tax on the Indian startup ecosystem; and

(b) what are the steps taken by Government to address the concerns of entrepreneurs and investors regarding angel tax?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY): (a) No, Sir. However, Government has continuously engaged with all stakeholders to address relevant issues.

(b) The Department issued notification number 364(E) dated 11.04.2018 for easing the norms for providing tax exemption to the Startup companies and further amended the notification by 34(E) dated 04.02.2019.

As per the notification, an entity is considered as a Startup:

(i) Upto a period of seven years from the date of incorporation/registration, if it is incorporated 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) in India. In the case of Startups in the biotechnology sector, the period shall be upto ten years from the date of its incorporation/registration.

- (ii) Turnover of the entity for any of the financial years since incorporation/registration has not exceeded ₹ 25 crore.
- (iii) Entity is 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 an entity formed by splitting up or reconstruction of an existing business shall not be considered a 'Startup'.

A Startup which is recognised by Department for Promotion of Industry and Internal Trade (DPIIT) is eligible to apply for approval for the purposes of clause (viib) of sub-Section (2) to Section 56 of the Act for the shares already issued or proposed to be issued if the following conditions are fulfilled:

- (i) Aggregate amount of paid up share capital and share premium of the startup after the proposed issue of share, if any, does not exceed ten crore rupees;
- (ii) The investor/proposed investor shall have —
 - (a) returned income of ₹ 50 lakh or more for the financial year preceding the year of investment/proposed investment; and
 - (b) net worth exceeding ₹ 2 crore or the amount of investment made/proposed to be made in the startup, whichever is higher, as on the last date of the financial year preceding the year of investment/proposed investment.

Provided that in case the approval is requested for shares already issued by the Startup, no application shall be made if assessment order has been passed by assessing officer for the relevant financial year.

The application, accompanied by the documents specified therein, shall be transmitted by DPIIT to CBDT with the necessary documents. CBDT within a period of 45 days from the date of receipt of application from Department for Promotion of Industry and Internal Trade may grant approval to the Startup for the purposes of clause (viib) of sub-Section (2) of Section 56 of the Act or decline to grant such approval.