

अण्डमान तथा  
Andaman And



निकोबार राजपत्र  
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अण्डमान तथा निकोबार प्रशासन  
ANDAMAN & NICOBAR ADMINISTRATION  
उद्योग निदेशालय  
DIRECTORATE OF INDUSTRIES

**NOTIFICATION**

Port Blair, dated the 14<sup>th</sup> June, 2019.

No. 121/2019/F.No. 2-817/Start-up Policy/PL/IND/2018-19.— The Hon'ble Lt. Governor, Andaman & Nicobar Islands is pleased to frame a new package of incentives "**Start-Up Funding and Incentives**" for incentivizing the Start-ups of Andaman & Nicobar Islands.

**1. Name & Title of the Package of Incentives**

This package of incentives may be called "Andaman and Nicobar Islands Start-Up Funding and Incentives Scheme, 2019".

**2. Commencement & Duration of the Package of Incentives**

The Package of Incentives shall come into force with effect from date of notification and remain in force up to 31<sup>st</sup> March, 2020 unless amended or repealed.

**3. Start-up Recognition**

Under the Andaman & Nicobar Islands Innovation & Start-up Policy, 2018, the recognition process for Start-ups is through The DIPP Start-up India procedure. An entity shall be considered a start-up if:

It is incorporated as a private limited company (as defined in the Companies Act, 2013) or registered as a partnership firm (registered under the section 59 of the Partnership Act, 1932) or a limited liability partnership (under the Limited Liability Partnership Act, 2008) in India; and

- It is not older than seven years (from the date of its incorporation/ registration); however, in the case of start-ups in the biotechnology sector, the period shall be up to 10 years from the date of its incorporation / registration; and
- Its turnover for any of the financial years since incorporation/ registration has not exceeded INR 100 crores ; and
- If it 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.
- It has not formed the entity by splitting up or reconstruction of a business already inexistence and is not a subsidiary of a foreign entity.

After submitting its application on the Start-up India website, the Start-up shall receive an email response with an application reference number. The application shall be processed within 3-5 days and an adequate response shall be communicated to the applicant on the registered email.

#### **4. Application Process For Recognition**

- The entity will have to submit its application online (Annexure I).
- The Start-up India team on satisfaction will certify the registration proposal online within 3-5 days. If the application is found to be missing some details or some in case of some ambiguity, the application may be marked incomplete and an email shall be sent to the Start-up with adequate reason(s). The Start-up shall be given 30 days to revert by furnishing the required details.
- If the Start-up application is marked incomplete for more than 3 times, a cooling period of 03 months shall be applied on the application. The Start-up shall be allowed to apply again post expiry of 03 months.
- If the Start-up application is found to be complete in nature and abides by the definition of a Start-up, a certificate of recognition shall be mailed to the authorized representative of the start-up and a unique DIPP number shall be assigned to the Start-up.

#### **5. Fiscal Benefits To Recognized Start-up**

DIPP Recognized Start-up incorporated in Andaman & Nicobar Islands may apply for any of the following fiscal benefits available under Start-up Andaman & Nicobar Islands initiative:

##### **1. Monthly Allowance**

- A monthly allowance of INR 15,000 shall be provided to a recognized Start-up for a period of one year.
- The monthly allowance of INR 20,000 shall be provided to start-ups with Founder/Co-Founder as Woman/Transgender or SC/ST/SEBC/PH for a period of 01 year. In such a case, Woman/Transgender/SC/ST/SEBC/PH Founder(s) should at least have 50% equity in the Start-up entity.

##### **2. Start-up Growth Grant**

- A one-time grant of up to INR 3 lakh will be granted to start-ups to develop their products/service complying to the eligibility criteria.

##### **3. Marketing Assistance**

- Start-ups operating in the A & N Islands will be eligible for one time Marketing / Publicity assistance up to INR 3 lakh for taking their product/service to the market.
- The start-up having a revenue run rate of INR 50,000 per month over last six months shall be considered eligible to avail the marketing assistance grant.

##### **4. Subsidized Incubation/Co-Working**

- Start-ups which are part of the Incubators and /or Co-Working spaces in India will be eligible for subsidy benefit up to 50% of monthly rental of the incubation/co-working space.
- The subsidy is subject to a maximum of INR 5000 for a period of maximum 01 year.

##### **5. Patent Cost Reimbursement**

- The UT Administration will reimburse the cost of filing and prosecution of National or International Patent/Trademark/Copyright application of DIPP recognized start-ups operating in the region.

**6. GST Reimbursement**

- Start-ups will be eligible for annual reimbursement of state GST paid in sales of goods for any 03 years till the validity of their DIPP certificate. The reimbursement amount is subject to a maximum of INR 3 lakh per Start-up per year.

**7. Digital Technology Subsidy**

- Start-ups will be eligible for digital technology subsidy at 50% of capital expenditure for purchase of computers, related hardware, purchase of relevant software subject to a ceiling of INR 1 lakh per Start-up.

**8. Power Subsidy**

- Start-ups will be eligible for 50% Power Subsidy subject to a limit of INR 5 lakh per annum for a period of 03 years.

**6. Application Process For Availing Financial Benefit**

- 1. Eligibility Criteria:** Start-ups incorporated in A& N Islands, recognized under Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce & Industry, Government of India and having a unique DIPP number are eligible to apply for the fiscal benefits.
- 2. Online Application Form:** Once recognized, the Start-up can apply for the monetary benefits available with Start-up A & N Islands initiative by filling standard online form on the website (Annexure 1).
- 3. Screening :** The Andaman & Nicobar Innovation Team (ANInT) will review all monetary benefit application forms of the Start-ups and will undertake due diligence of the requisite documents. Post review, ANInT will share the documents with the Start-up Council within two weeks. ANInT may schedule a call or a meeting with the applicant start-up, if required. A separate notification will be issued for Andaman & Nicobar Innovation Team (ANInT).
- 4. Evaluation:** Start-up Council will further evaluate all the proposals shared by ANInT for approval of sanctioning authority. A separate notification will be issued for Start-up Council.
- 5. Disbursement of benefits :** The proposals approved by the sanctioning authority will receive the monetary benefit(s) directly in entity's bank account.

**7. Fund Release Guideline**

**1. Basic Eligibility Criteria**

All Start-ups availing the fiscal incentives under the policy must abide by the following conditions:

- a. Start-up must be incorporated in Andaman & Nicobar Islands.
- b. Start-up must be recognized under the Department of Industrial Policy & Promotion (DIPP) Start-up India initiative and must have unique DIPP number assigned.
- c. The Start-up must have a GST number registered in the Andaman & Nicobar Islands.

Start-ups must abide by all specific conditions under each incentive (if required).

**2. Monthly Allowance**

- a. Start-ups must submit the online application form (Annexure 2) to apply for the incentive.
- b. Monthly payments for the first six months shall be made directly to the eligible Start-up in their registered bank account on a monthly basis.
- c. After the completion of the first six month cycle, payments will be released based on evaluation of the utilization report submitted by the Start-up. The utilization report (Annexure 9) highlights the use of the monthly allowance in the first six months cycle with supporting documents and bills whichever applicable. The Start-up shall submit the report online to the ANInT 15 days before the completion of the first six months.
- d. Monthly payments will be made for a period of one year only.

e. Start-ups can avail this benefit only once.

**3. Marketing Assistance**

- a. The Start-ups will must a proforma plan with justification online through the website (Annexure 3).
- b. If approved by the Council, 50% of the payment may be made in advance and the remaining 50% will be reimbursed to the eligible Start-up in their registered bank account.
- c. The marketing assistance grant will be a one-time payment made to the Start-up. The Start-up shall be granted a letter of approval from A & N Administration as confirmation for the disbursal of the grant. The Start-up shall bear the necessary expenditures and will claim the reimbursements from the ANInT (as per the guidelines mentioned below).
  - i. For travel purposes, the total cost shall be reimbursed up to INR 5,000 (including taxes) and the flight cost shall be reimbursed up to INR 15,000 (round trip).
  - ii. The details of anticipated expenses incurred by the Start-up while traveling participating at the event shall be submitted to the ANInT team. The assistance against these expenses shall be evaluated and approved by the Council as it deems fit.

**4. Subsidized Incubation/ Co-Working**

- a. The Start-up must submit relevant documents mentioned in the proforma (Annexure 4) alongwith the letter of incubation from the incubator/Co-working space.
- b. If approved, a one-time payment may be made directly to the eligible Start-up's registered bank account in advance.
- c. A Utilization Certificate should be submitted by the Start-up after utilization of the payments made under the Programme alongwith payment receipts within one month from the date of the payment made to the incubator.

**5. Patent Cost Reimbursement**

- a. The Start-up must submit online proforma (Annexure 5) with the details of the Intellectual Property.
- b. The Start-up will furnish the Patent/Trademark/Copyright application number alongwith the soft copy of the application form submitted while applying for the IP.
- c. The Start-up shall furnish the soft copy of the receipt of the payment made through the proforma.

**6. GST Reimbursement**

- a. The Start-up must submit relevant documents mentioned in the proforma (Annexure 6) for all expenses alongwith bank details. The proforma shall also contain the details of the GST filed in the financial year 2018-19 or later, as mentioned on the application form.
- b. Start-ups must be incorporated in Andaman & Nicobar Islands for at least 12 months before availing the benefit or must stay in A & N Islands for a period of 12 months post availing the incentive.

**7. Digital Technology Subsidy**

- a. The Start-up must submit online proforma (Annexure 7) with details of the hardware/ software purchased as mentioned on the application form.
- b. The subsidy shall be provided to eligible start-ups with a company incorporated in A & N islands for at least 12 months before availing the incentive or must stay in A & N Islands for a period of 12 months post availing the incentive.

- c. The product/software shall be billed on the name of the founder/co-founder or the director of the company.
- d. The payments made for the hardware/ software purchased should be mandatorily made in digital mode.
- e. The Start-up shall prepare autilization report (Annexure 9) stating the usage of the assets as per its validity.

#### **8. Power Subsidy**

- a. Start-ups must submit online proforma (Annexure 8) with the details of the office incorporated in A & N Islands.
- b. The power subsidy will be provided only to the Start-ups operating in A & N Islands.
- c. The Start-up will furnish the quarterly bills to ANInT for receiving a reimbursement of up to 50% subject to a ceiling of INR 5 lakh.
- d. The payments made under the programme should be mandatorily in digital mode.

#### **8. General Guidelines**

1. One Start-up may be granted more than one incentive as deemed fit by the Start-up Council.
2. The amount of monetary incentive approved shall be decided by the Start-up Council.
3. The application forms for all incentives (mentioned in the Annexure) will be uploaded on the A & N Islands Start-up initiative website.
4. The ANInT will review each Start-up every 04 months and shall submit a report to Start-up Council.
5. The Start-up incentivized under the above programs should submit balance sheet and related accounts duly certified by CA for such period to which the Start-up is being given fiscal benefits.
6. All the payments related to reimbursement/claim of incentives under the programs should be made digitally. No cash transaction will be allowed for consideration under the programme.

#### **9. Sanctioning Authority**

Hon'ble Lt. Governor, A & N Islands shall be the sanctioning authority under the Package. Hon'ble Lt. Governor may delegate the power to officers under A & N Administration.

#### **10. Recall of Incentives**

The Hon'ble Lt. Governor, A & N Islands may recall the incentive disbursed under the package in respect of a unit under any of the following circumstances:

- a. In case there is a breach of any condition of the package/undertaking given by the unit.
- b. In case the unit has obtained subsidy by mis-representation of facts or by furnishing false information.
- c. In case the Start-up is found closed within 02 years from the release of the incentives except in case the Start-up stopped working for a brief period extending not more than 06 months due to reasons beyond its control.
- d. In case if the beneficiary is found ineligible due to reasons, whatsoever, the Department will have the liberty to consider recall of incentive in full or part thereof.

#### **11. Power of Interpretation**

Power of Interpretation of any clause under the package shall lie with the A & N Administration.

#### **12. Power of Relaxation**

Power of Relaxation of any clause under the package shall lie with the Administrator, A & N Administration.

**13. Arbitration**

In the event of any dispute or difference arising out of the package or any of the claims therein, the same shall be referred to a sole Arbitrator appointed by Hon'ble Lt. Governor and the provision of the Arbitration and Conciliation Act, 1996 shall be applicable. The decision of the Arbitration shall be final and binding on both the parties and the proceeding of the Arbitrator shall be held at Port Blair.

**Admiral D.K. Joshi**  
**PVSM, AVSM, YSM, NM, VSM (Retd.)**  
**Lt. Governor (Administrator),**  
**Andaman & Nicobar Islands.**

By order and in the name of the Lt. Governor,  
Andaman & Nicobar Islands.

Sd./-  
**(Ajit Anand)**  
**Director of Industries**

**ANNEXURE**

**Annexure 1 (Start-up Recognition Form)**

<b>Start-up Recognition</b>	
<b>BASIC DETAILS</b>	<b>DETAILS</b>
Nature of Entity	
Industry	
Sector	
Categories	
Reference Number	
Certificate of Recognition Number	
Registration / Incorporation Number	
Name of the Entity	
Registration/ Incorporation Date	
PAN	
Full Address (Office)	
<b>ADDRESS</b>	<b>DETAILS</b>
Address Line 1	
Address Line 2	
Address Line 3	
City	
State	
District	
Sub District	
Pin Code	
<b>AUTHORIZED REPRESENTATIVE DETAILS</b>	<b>DETAILS</b>
Name of Authorized Representative	
Designation of Authorized Representative	
Mobile No. of Authorized Representative	
Email ID of Authorized Representative	
Director(s)/ Partner(s) Details	
Number of Directors / Partners	
<b>INFORMATION REQUIRED</b>	<b>DETAILS</b>
Current Number of employees (including founders)	
What is the current stage of development of your product / service ?	
Has your start up applied for any IPR (Intellectual Property Right) ?	
Is the Start-up creating an innovative product / service/process or improving an existing product/ service/ process ?	
Is the Start-up creating a scalable business model with high potential of employment generation or wealth creation ?	
Please submit a brief note supporting the options chosen above for innovation, improvement and scalability - 250 words maximum.	

Start-up Activities	
Please mention any awards / recognition received by the entity	
Awards / Recognition Document	
What is the problem the Start-up is solving ?	
How does your Start-up propose to solve this problem ?	
What is the uniqueness of your solution ?	
How does your Start-up generate revenue ?	
<b>ADDITIONAL DETAILS</b>	<b>DETAILS</b>
Registration / Incorporation Certificate	
Additional Document to support your application	

**Annexure 2 (Monthly Allowance)**

Sl. No.	FIELDS	DETAILS
1.	Signed Shareholder Agreement and covering letter duly certified by a registered Chartered Accountant/Statutory Auditor authorizing the funding.	
2.	Enclose copies of Annual Report, Balance Sheets and Profit and Loss Accounts duly certified by a registered Chartered Accountant / Statutory Auditor.	
3.	Utilization Report	
4.	Bank Name	
5.	Account Name	
6.	Account Number	
7.	IFSC Code	
8.	Branch Address	
9.	GST Number etc.	

**Annexure 3 (Marketing Assistance)**

Sl. No.	FIELDS	DETAILS
1.	Signed Shareholder Agreement and covering letter duly certified by a registered Chartered Accountant/ Statutory Auditor authorizing the funding.	
2.	Enclose copies of Annual Report , Balance Sheets and Profit and Loss Accounts duly certified by a registered Chartered Accountant / Statutory Auditor.	
3.	Bank Name	
4.	Account Name	
5.	Account Number	
6.	IFSC Code	
7.	Branch Address	
8.	GST Number	



MARKETING						
Sl. No.	Media Type	Publisher	Duration/Time Frame	Amount	Objective	Remarks
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
<b>Total</b>						

EVENTS							
Sl. No.	Exhibition Name	Location	Stall Requirements	Dates	Amount	Objectives	Remarks
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
<b>Total</b>							

TRAVELLER DETAILS		
Sl. No.	Name	Designation
1.		
2.		

- 1) **Media Type** : Digital, Print, TV, Radio, Out of Home, Others.
- 2) **Duration/ Time Frame** : eg. Number of days etc.
- 3) **Amount** : Total amount for that media type.
- 4) **Objective** : Objective of participating at the event.
- 5) **Exhibition Name** : Name of the Conference / Exhibition / Seminar.
- 6) **Location** : City & Country.
- 7) **Stall requirements** : Yes / No
- 8) **Dates** : Duration of the event
- 9) **Traveller Details**

**Annexure 4 (Subsidized Incubation)**

Sl. No.	FIELDS	DETAILS
1.	Name of Incubator / Co - Working Space	
2.	Location of Incubator / Co - Working Space	
3.	Dates & Duration of Incubation	
4.	Letter from Incubator	
5.	Bank Name	
6.	Account Name	
7.	Account Number	
8.	IFSC Code of the Bank	
9.	Branch Address	
10.	GST Number	

**Note:** Letter from Incubator shall state the admission of the Start-up into that incubator, the duration of incubation and fees for the incubator.

**Annexure 5 (Patent Reimbursement)**

Sl. No.	FIELDS	DETAILS
1.	Application No. - Patent and /or Trademark and / or Copyright	
2.	Receipt	
3.	IP Application Form	
4.	Bank Name	
5.	Account Name	
6.	Account Number	
7.	IFSC Code of the Bank	
8.	Branch Address	
9.	GST Number	

**Annexure 6 (GST Reimbursement)**

Sl. No.	FIELDS	DETAILS
1.	Incorporation Certificate	
2.	Signed Shareholder Agreement and covering letter duly certified by a registered Chartered Accountant / Statutory Auditor authorizing the funding.	
3.	Enclose copies of Annual Report, Balance Sheets and Profit and Loss Accounts duly certified by a registered Chartered Accountant / Statutory Auditor.	
4.	Memorandum of Association/ Board Resolution	
5.	GST Number	
6.	Proof of GST Filing	
7.	GST Amount (Amount of claiming exemption)	
8.	Bank Name	
9.	Account Name	
10.	Account Number	
11.	IFSC Code of the Bank	
12.	Branch Address	



Certified that I have satisfied myself that the conditions on which grants were received have been duly fulfilled/are being fulfilled and that I have exercised following checks to see that the money has been utilized for the purpose for which it was sanctioned:

- i) The main accounts and other subsidiary accounts and registers (including assets registers) are maintained as prescribed in the relevant Act/Rules/Standing Instructions (mention the Act/Rules) and have been duly audited by designed auditors. The figures depicted above tally with the audited figures mentioned in financial statements/accounts.
- ii) To the best of our knowledge and belief, no transactions have been entered that are in violation of relevant Act/Rules/Standing Instructions and policy guidelines.
- iii) The expenditure of the funds was in the proportion authorized as per policy guidelines and terms and conditions.

**Start-up Name:**

**Founder(s) Name:**

**Founder(s) Phone:**

**Founder(s) Email:**