

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO.1956
ANSWERED ON TUESDAY, THE 15TH MARCH, 2016**

REGULATION ON CAPITAL RAISING BY START UP COMPANIES

QUESTION

1956. SHRI AMAR SHANKAR SABLE:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether a number of startup companies have received capital through private placements and stake sales;
- (b) if so, the details of such transactions over the last three and current year;
- (c) whether there is any regulation of such capital raising and ensuring prudent valuations of Startup companies to protect investors and the public;
- (d) whether such transactions have taken place at high valuations;
- (e) if so, the details thereof; and
- (f) if not, the reasons and implications thereof?

ANSWER

THE MINISTER OF CORPORATE AFFAIRS (SHRI ARUN JAITLEY)

- (a) to (f) The term “Start up” is neither defined in the Companies Act, 2013/1956 nor in the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. However, the number of newly registered companies along with their authorized capital for the last three years and current year upto December, 2015, is given below:

Year	Number of Newly Registered Companies	Authorized Capital (in Rs Crore)
2012-13	92383	57536.61
2013-14	98437	38873.83
2014-15	64395	31830.72
2015-16 (As on 31 st December)	60489	11985.97
