

**PROPOSED RELAXATION OF NORMS FOR START UPS**

**Annexure A**

**Relaxation of prior turnover & prior experience qualifying criteria:**

The relaxed eligibility and qualification criteria for MSE Start-up firms as against existing guidelines are proposed as below:

<b>Sr.No</b>	<b>Eligibility criteria</b>	<b>Existing</b>	<b>Proposed relaxation by 50%</b>
1	Period for commencement of business from the date of incorporation/registration of entity.	-	Upto 5 years *
2	Experience in execution of PO amount of one successfully completed contract for similar scope of work should not be less than --%.(Weightage)	80%	40%
3	Experience in execution of PO amount of two successfully completed contract for similar scope of work should not be less than --%.(Weightage)	50%	25%
4	Experience in execution of PO amount of three successfully completed contract for similar scope of work should not be less than --%.(Weightage)	40%	20%
5	Annual Turnover of the firm	30% of estimated cost	i) Upto 2 years Exempted. ii) Beyond 2 years upto 5 years—15% on cumulative basis.

**Note:** i) However, GSL will provide guidance to start-up MSEs in obtaining approvals from Class and technical know-how by providing the technical specification/drawings.

ii)\* As per MSME Circular dt.17.02.2016, an entity will cease to be “Startup” upon expiry of 5 years or if its turnover exceeds Rs.25 crore.