

Government notifies amended forex rules for startups

By Kirtika Suneja, ETtech • Last Updated: Nov 22, 2024, 06:57:00 AM IST



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India has notified the amended Foreign Exchange Management Regulations 2024, to simplify authorised dealers to allow opening of foreign currency bank accounts of recognised start-ups. The amendments were made after the definition of [startups](#) was changed to include entities up to 10 years from five earlier from the date of incorporation with a higher turnover threshold of Rs 100 crore as against Rs 25 crore earlier.

There are around 1.5 lakh startups registered with the Department for Promotion of Industry and Internal Trade ([DPIIT](#)).

“The recent amendment to FEM (Foreign Currency Accounts by a Person Resident in India) Regulations is in line with the effort to harmonise the definition of startup as per the latest notification issued by DPIIT,” said Mayank Arora, Regulatory Director, Nangia Andersen India.
