

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE**

RAJYA SABHA

**UNSTARRED QUESTION NO. 3861.
TO BE ANSWERED ON FRIDAY, THE 27TH MARCH, 2026.**

DPIIT RECOGNISED FRAMEWORK FOR STARTUPS

**3861. SMT. SEEMA DWIVEDI:
SHRI SADANAND MHALU SHET TANAVADE:
DR. KAVITA PATIDAR:
SHRI MITHLESH KUMAR:
SHRI BRIJ LAL:
SHRI MAYANKKUMAR NAYAK:
SHRI TEJVEER SINGH:
SHRI MANAN KUMAR MISHRA:**

Will the Minister of **Commerce and Industry** be pleased to state:

- (a) the number of Department for Promotion of Industry and Internal Trade (DPIIT)-recognised startups as on date;
- (b) whether tax and compliance relaxations have improved startup survival rates;
- (c) if so, the details thereof;
- (d) whether funding access outside Tier-1 cities has improved;
- (e) if so, the details thereof;
- (f) whether sectoral diversification beyond fintech and e-commerce is being encouraged; and
- (g) if so, the measures taken in that regard?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI JITIN PRASADA)**

- (a):** As on 31st January 2026, a total of 2,12,283 entities have been recognised as startups by the Department for Promotion of Industry and Internal Trade (DPIIT).
- (b) & (c):** The Government has undertaken several initiatives, policy measures, and reforms for startups and small businesses to avail various tax related benefits. These include profit linked deductions under Section 80-IAC of the Income Tax Act 1961, deferring Tax Deducted at Source (TDS) in respect of income pertaining to Employee Stock Option Plan (ESOP), relaxation for carry forward and set-off of loss, and relaxations on

Goods and Services Tax (GST) for entrepreneurs located within eligible incubators, amongst others. As on 31st January 2026, 4,237 recognised startups have received certificate of eligibility under Section 80-IAC. Survival of startups depends on various factors affecting their businesses. There is no study conducted by DPIIT on impact of tax and compliance relaxations on survival of startups.

The regular businesses are often measured by success or failure in a specific number of years of operation, whereas the startups are measured in particular phase of business making it difficult to put together a statistic covering success or survival rate of startups. Therefore, the information with respect to survival rate of startup is not centrally maintained by the Government.

Further, the Government has undertaken comprehensive policy reforms to enhance domestic and foreign investments and promote industrial activities across the country, such as the Business Reform Action Plan (BRAP), District Business Reforms Action Plan (D-BRAP), National Single Window System (NSWS), the Reduction of Compliance Burden (RCB), and the Jan Vishwas (Amendment of Provisions) Act, 2023.

As on 31st January 2026, a total of 2,12,283 entities have been recognised as startups by DPIIT. As per the MCA, 6,789 recognised startups are categorized as closed (i.e., dissolved/struck-off).

- (d) & (e):** Under the Startup India initiative, the Government is implementing three flagship Schemes, Fund of Funds for Startups (FFS), Startup India Seed Fund Scheme (SISFS), and Credit Guarantee Scheme for Startups (CGSS) to provide funding opportunities and support startups across sectors at various stages of their business cycle.

FFS has been established to catalyze venture capital investments and is operationalized by Small Industries Development Bank of India (SIDBI), which provides capital to Securities and Exchange Board of India (SEBI)-registered Alternative Investment Funds (AIFs), which in turn invest in startups. As on 31st January 2026, supported AIFs under the Scheme have invested Rs. 25,859.38 crore in 1,382 selected startups across 29 States/UTs from around 115 cities.

SISFS provides financial assistance to seed stage startups through incubators. SISFS is implemented from 1st April 2021. As on 31st January 2026, selected incubators under the Scheme have approved funding of Rs. 592.12 crore to 3,311 startups across 32 States/UTs from more than 345 districts.

CGSS is implemented for enabling credit access through debt funding to startups through eligible financial institutions. CGSS is operationalized by the National Credit Guarantee Trustee Company (NCGTC) Limited and has been operationalized from 1st April 2023. As on 31st January 2026, 348 loans amounting to around Rs 925.90 crore have been guaranteed to startup borrowers across 20 States/UTs from around 65 districts.

- (f) & (g):** Under the Startup India initiative, startups across sectors and industries are supported. The flagship Schemes namely, Fund of Funds for Startups (FFS), Startup India Seed Fund Scheme (SISFS) and Credit Guarantee Scheme for Startups (CGSS) support

startups at various stages of their business cycle. The Government also implements periodic exercises and programs including States' Startup Ranking, National Startup Awards, and Innovation Week which play an important role in the holistic development of the startup ecosystem. Government also encourages and support ecosystem led initiatives such as Startup Mahakumbh which serve as a vibrant platform for stakeholders to network and collaborate. Initiatives to improve market access and enable public procurement also support startups in growing and scaling up their businesses have also been undertaken. The Government has also taken various measures to enhance ease of doing business including starting up of business, raising capital, and reducing compliance burden to simplify the regulatory environment and create a conducive business environment.

Sustained efforts by the Government under the Startup India initiative have led to 2,12,283 entities being recognised as startups across more than 55 industries as on 31st January 2026. The industry-wise number of entities recognized as startups in the country is placed as **Annexure-I**.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PARTS (f) & (g) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 3861 FOR ANSWER ON 27.03.2026.

The industry-wise number of entities recognized as startups in the country as on 31st January 2026 is provided below:

Industry	No. of entities recognized as startups
Advertising	1581
Aeronautics Aerospace & Defence	2,343
Agriculture	11,891
AI	5684
Airport Operations	45
Analytics	1120
Animation	213
AR VR (Augmented + Virtual Reality)	837
Architecture Interior Design	1412
Art & Photography	728
Automotive	4483
Biotechnology	934
Chemicals	2247
Computer Vision	386
Construction	11979
Dating Matrimonial	159
Design	1233
Education	11938
Enterprise Software	3469
Events	985
Fashion	3776
Finance Technology	6247
Food & Beverages	11675
Green Technology	4264
Healthcare & Lifesciences	19517
House-Hold Services	1588
Human Resources	4736
Indic Language Startups	643
Internet of Things	2211
IT Services	23948
Logistics	1355
Marketing	3688
Media & Entertainment	3035
Nanotechnology	274
Non- Renewable Energy	2321
Other Specialty Retailers	2128
Others	3762
Passenger Experience	48
Pets & Animals	593
Professional & Commercial Services	10389
Real Estate	2324
Renewable Energy	6311

Industry	No. of entities recognized as startups
Retail	4555
Robotics	1023
Safety	591
Security Solutions	2265
Social Impact	1386
Social Network	1061
Sports	1057
Technology Hardware	6921
Telecommunication & Networking	1738
Textiles & Apparel	3933
Toys and Games	683
Transportation & Storage	2917
Travel & Tourism	3634
Waste Management	2019
Total	2,12,283
