

Ministry of Commerce & Industry



DPIIT Clears 187 Startups For Tax Relief Under Revised Section 80-IAC Framework

Eligibility Extended for Startups Incorporated Upto April 2030

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In a significant boost to India's startup ecosystem, the Department for Promotion of Industry and Internal Trade (DPIIT) has approved 187 startups for income tax exemption under the revamped Section 80-IAC of the Income Tax Act. Notably, the decision came during the 80th meeting of the Inter-Ministerial Board (IMB), held on 30th April 2025.

According to a spokesperson of DPIIT, the tax benefit allows eligible startups a 100% income tax deduction on profits for any three consecutive years within a ten-year window from the date of incorporation. The scheme is designed to support emerging businesses in their formative years, encouraging innovation, job creation, and wealth generation.

Of the total approvals, 75 startups were cleared during the 79th IMB meeting and 112 during 80th such meeting . With this, over 3,700 startups have now been granted exemptions since the scheme's inception.

In a key announcement during the Union Budget 2025–26, the government extended the eligibility window for startups to claim benefits under Section 80-IAC. Startups incorporated before 1st April 2030 are now eligible to apply, giving more time and opportunity to new ventures to benefit from this financial relief.

Pertinently, the revised evaluation framework introduced by DPIIT has made the application process more structured and transparent. Complete applications are now reviewed within 120 days, ensuring faster decision-making and reducing procedural delays.

Startups that were not approved in the latest round have been encouraged to reassess and refine their applications. The DPIIT has advised applicants to focus on demonstrating technological innovation, market potential, scalability, and a clear contribution to employment and economic growth.

The government's continued support underlines its commitment to fostering a robust, future-ready startup environment aligned with the vision of a self-reliant and innovation-led New India.

Further information on the tax exemption process, eligibility criteria, and application details is available on the official Startup India portal, the spokesperson added.

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