

CPA Australia's Asia-Pacific Small Business Survey 2025/26

19 May 2026

India results

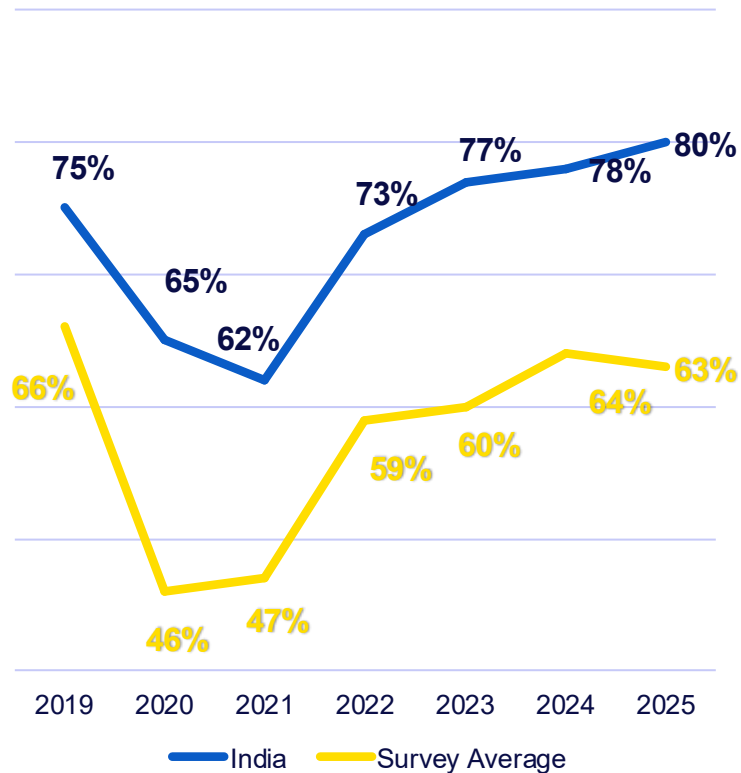


About CPA Australia's 17th annual survey of small business

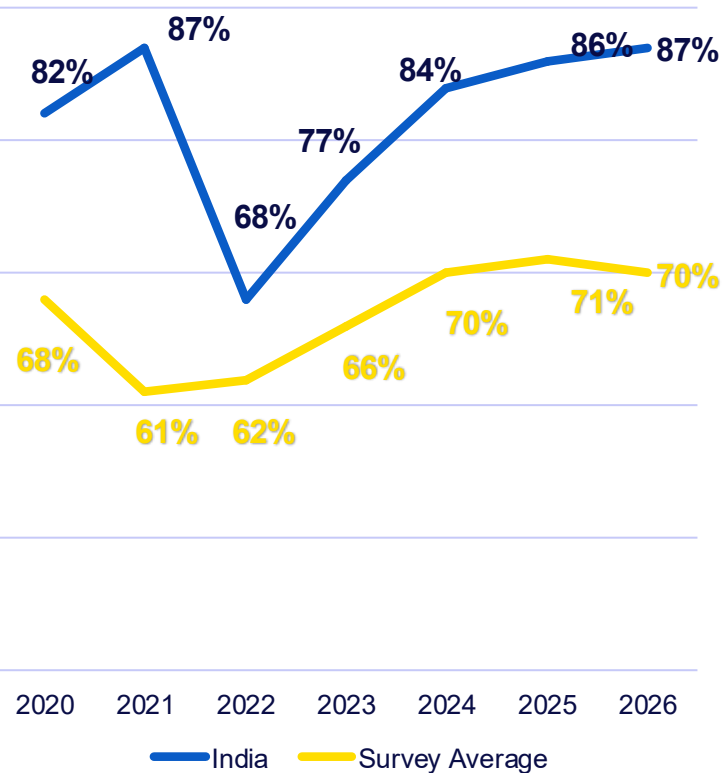
- Online survey conducted amongst a random sample of small business /senior managers from organisations with fewer than 20 employees
- The survey was conducted in November and December 2025.
- The findings for the survey come from **4,166 small businesses** in 11 markets across India, Australia, Chinese Mainland, Hong Kong, Indonesia, Malaysia, New Zealand, Philippines, Singapore, Taiwan, and Vietnam. From the commencement of the survey in 2009, we have surveyed over 50,000 small businesses across the region
- There were 513 respondents from India. They were from Delhi, Mumbai, Chennai, Bengaluru and Hyderabad
- Industries with the highest representation in India were retail trade (15%), information, media and telecommunications (11.7%), Professional, Scientific And Technical Services (11.7%) and Education And Training (10.3%).
- 56% of surveyed respondents are business owners aged under 40, ranked second highest across 11 markets, highlighting India's young entrepreneurial base.

India's small business confidence remains well above the Asia-Pacific average

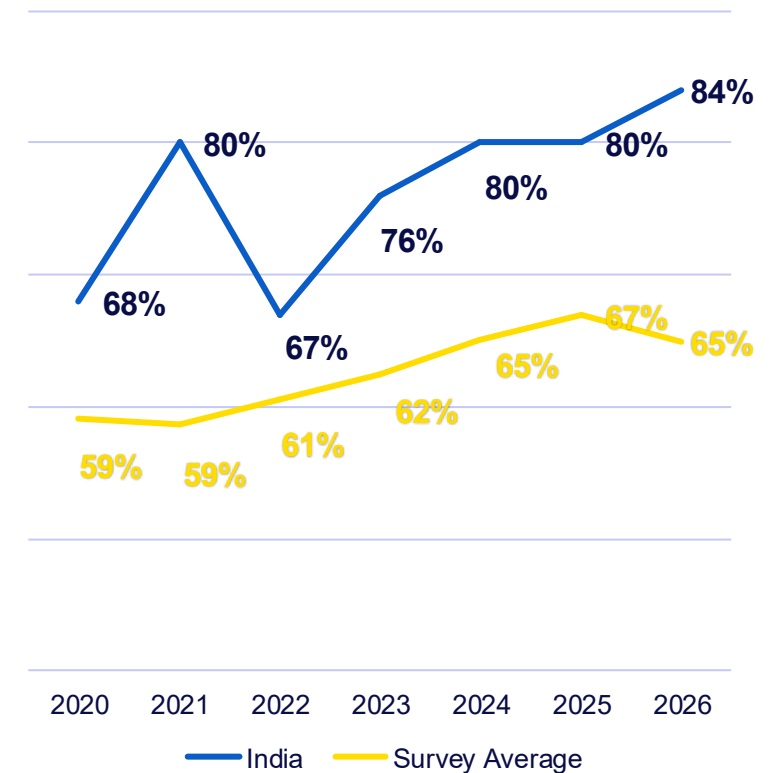
Small businesses that grew in the past 12 months



Small businesses expect to grow in the next 12 months



Small businesses expect the local economy to grow in the next 12 months



India's small business growth drivers and challenges in 2025

Top three growth drivers

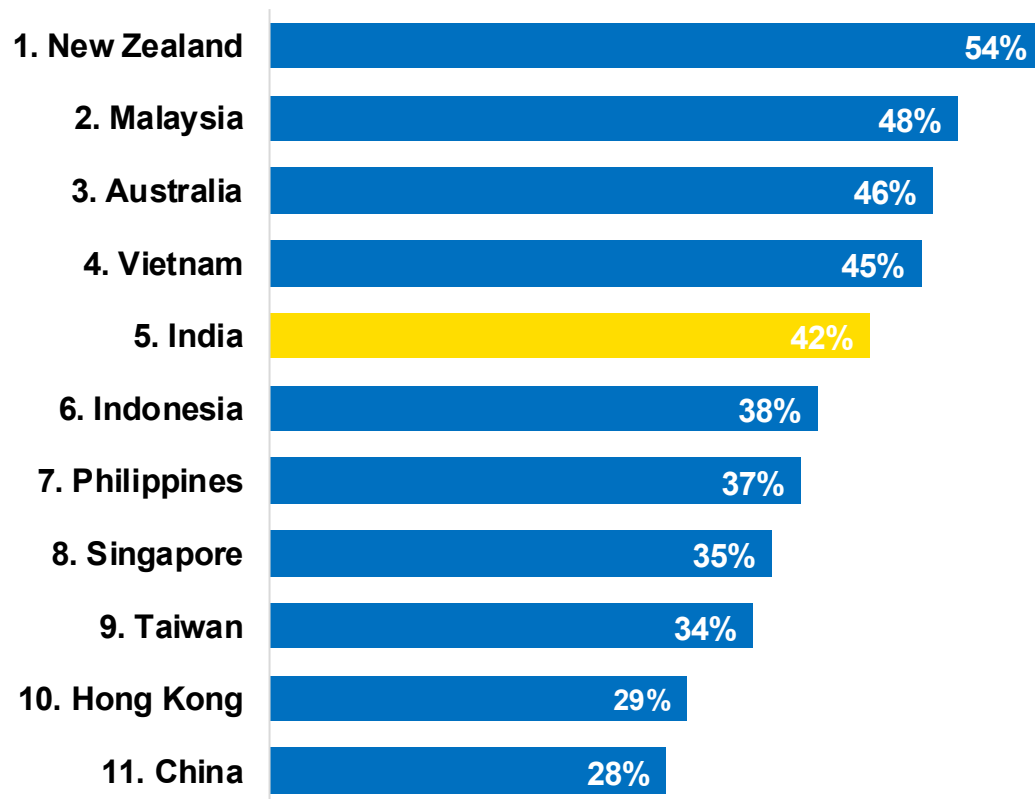


Top three challenges

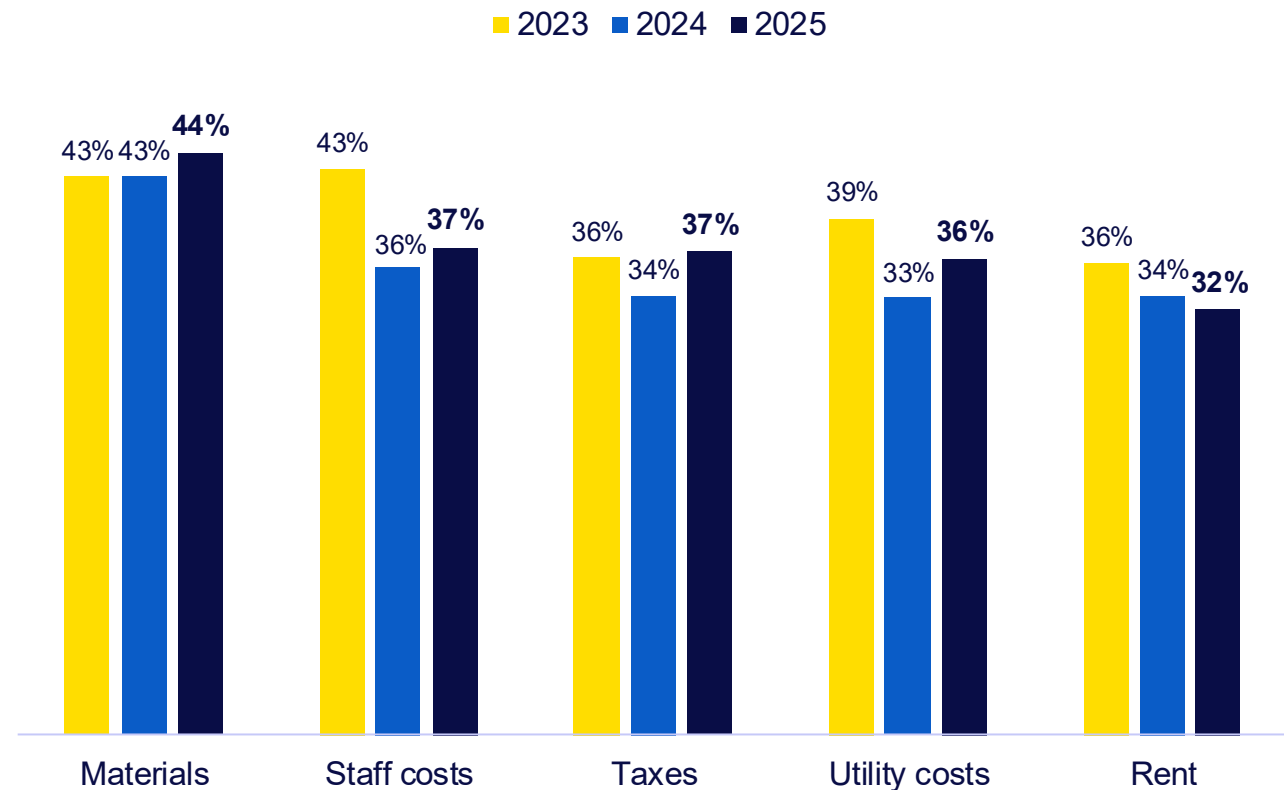


Rising costs were the main challenge for India's small businesses in 2025, with materials costs remaining the top cost concern for the second consecutive year

Increasing costs had a major negative impact on the business

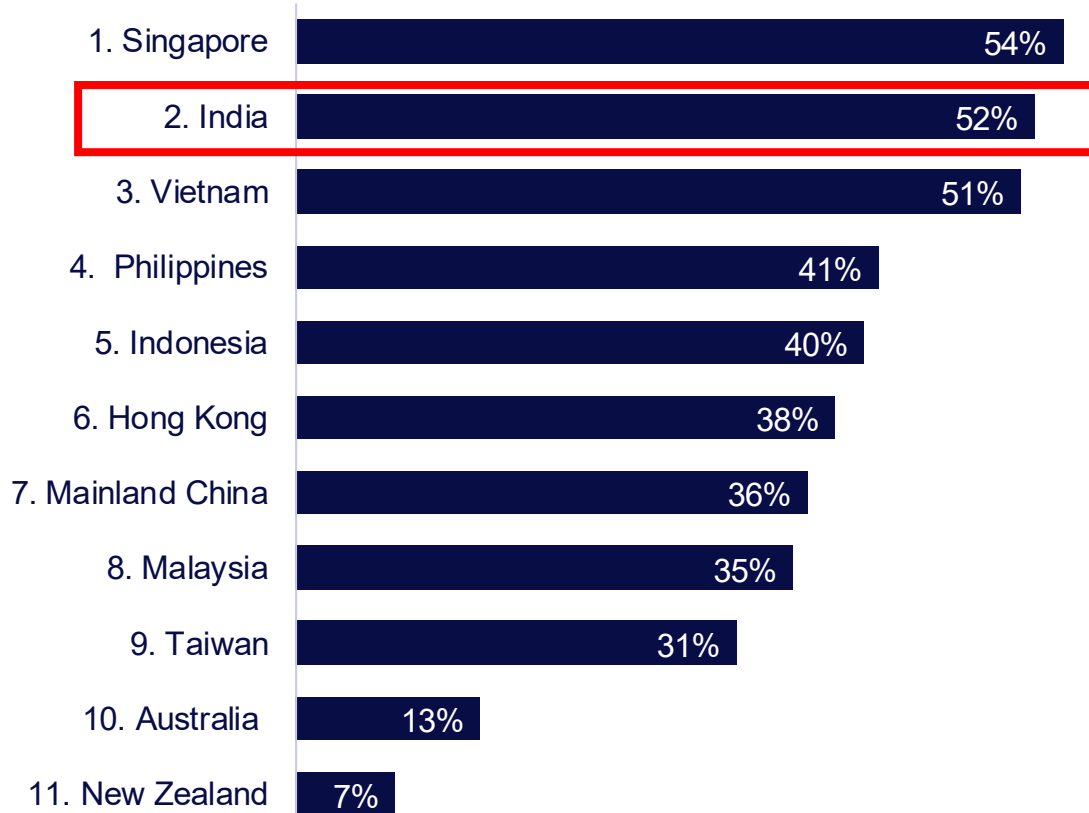


Costs most detrimental to India small businesses in the past 12 months

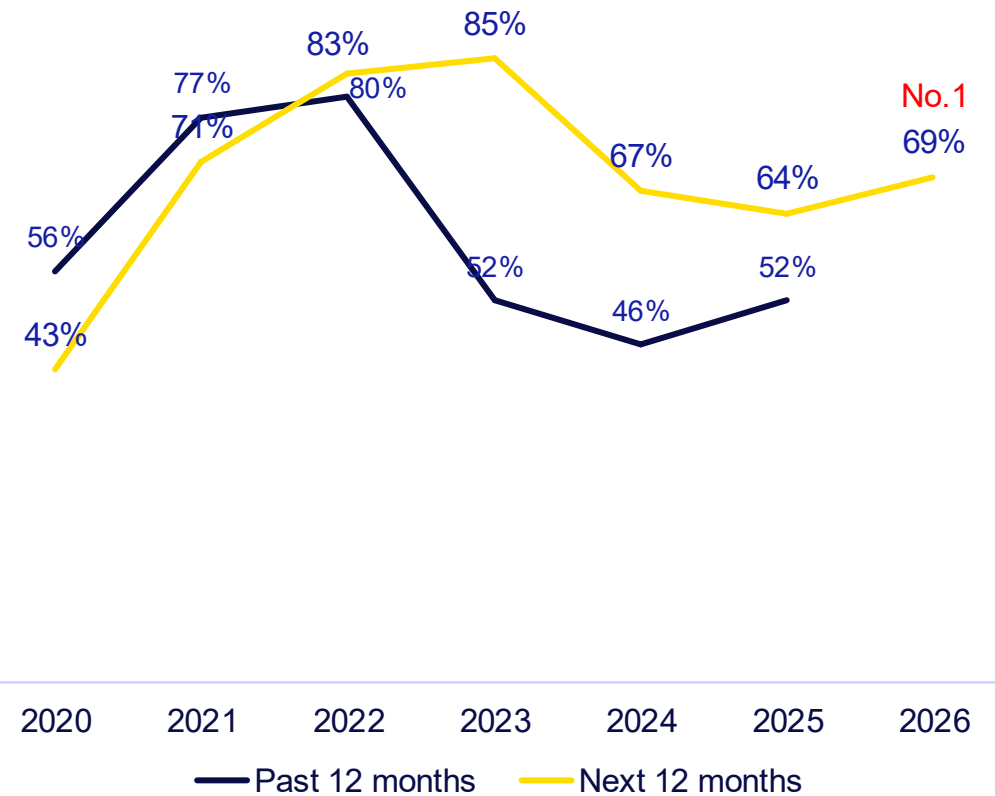


India's small businesses remain significant creators of new jobs

Actual employee growth in 2025



Employee growth in 2025 and plan for new hiring in 2026



Indian small businesses continue to be regional leaders in technology adoption, particularly in their use of digital payment platforms

Received more than 10 per cent of their revenue through digital/online/mobile payment options in 2025



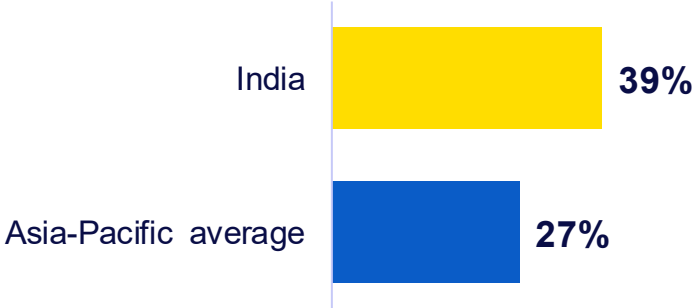
Received more than 10 per cent of their revenue from online sales in 2025



Used social media for business purpose in 2025

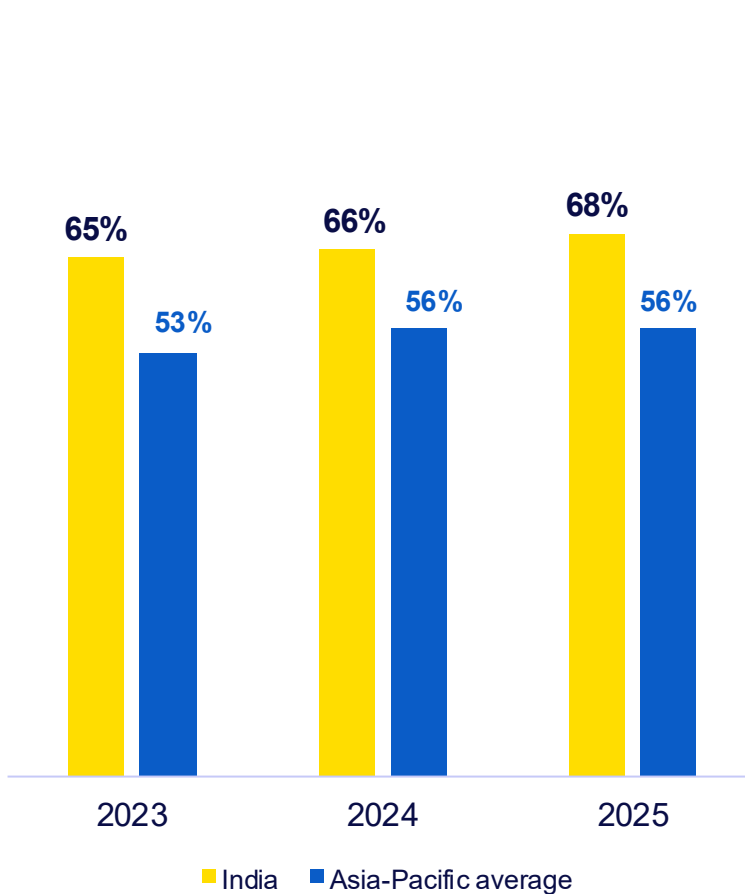


Sought advice from IT specialist in 2025

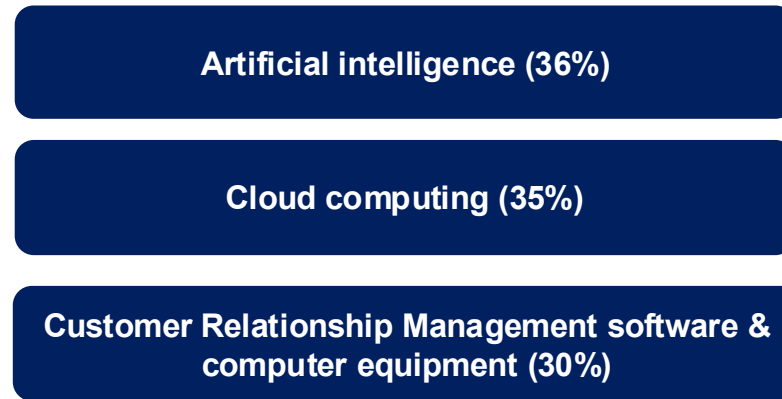


Investment in AI by Indian small businesses grew strongly in 2025, as did the use of AI for business advice

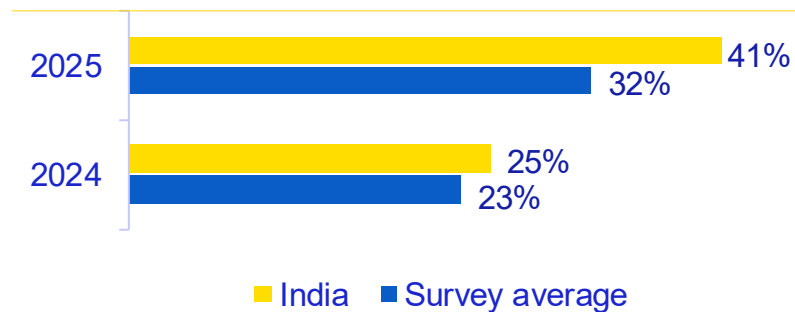
Technology investments improved profitability in the past 12 months



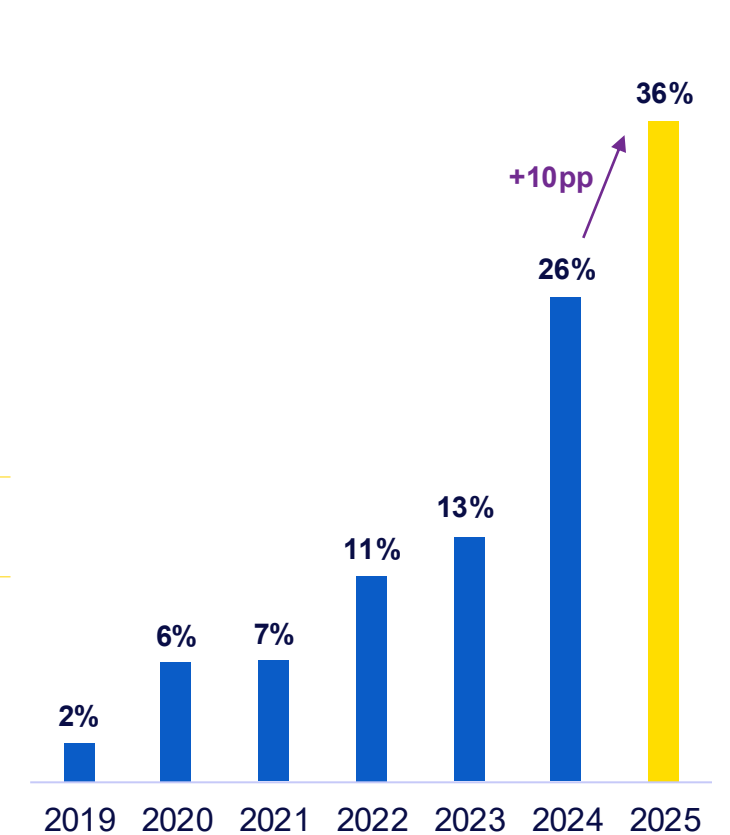
Top 3 technologies that received the most investment in 2025 by Indian small businesses



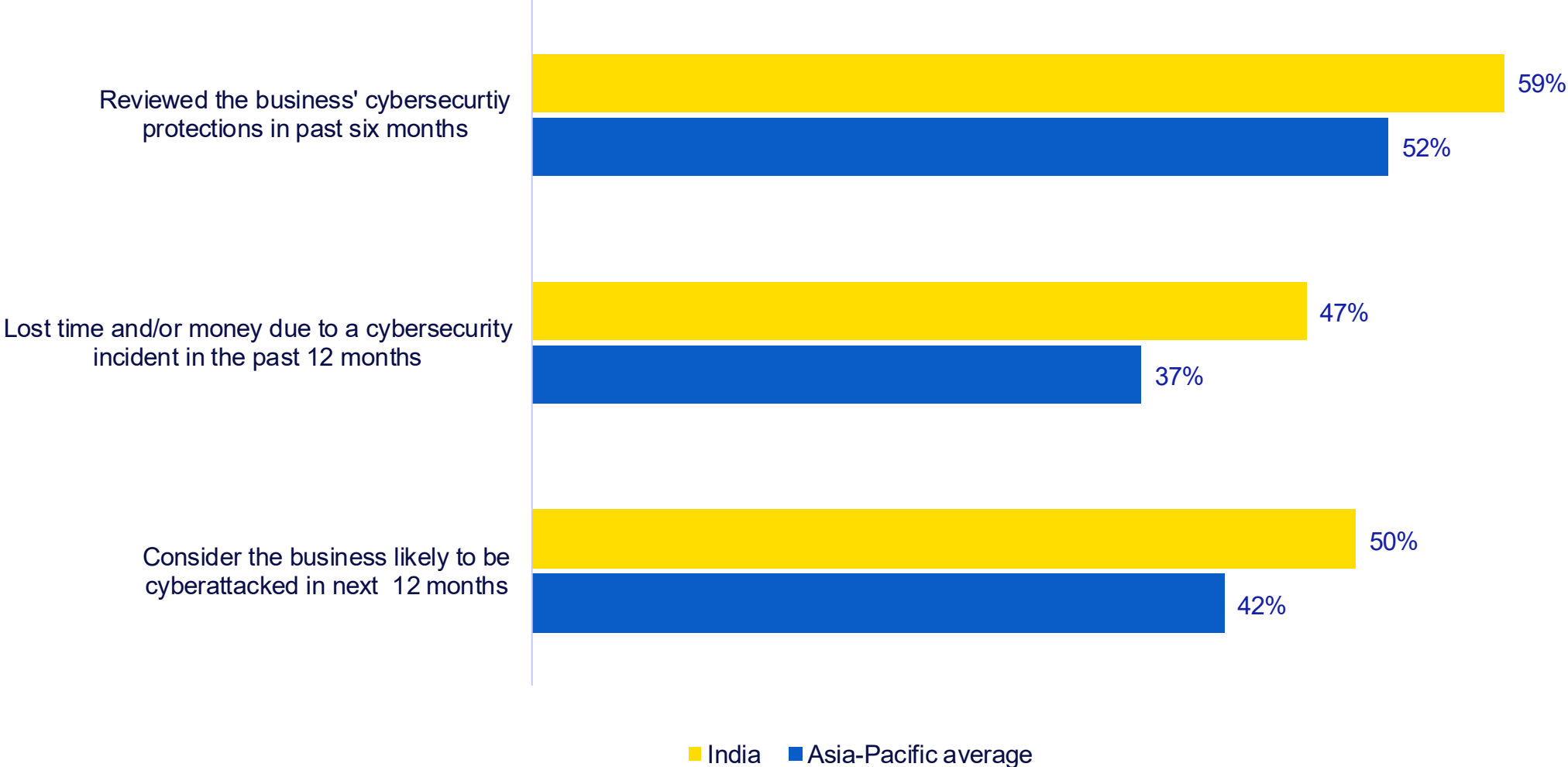
Sought business advice from AI



Indian small businesses that invested heavily into AI in the past 12 months

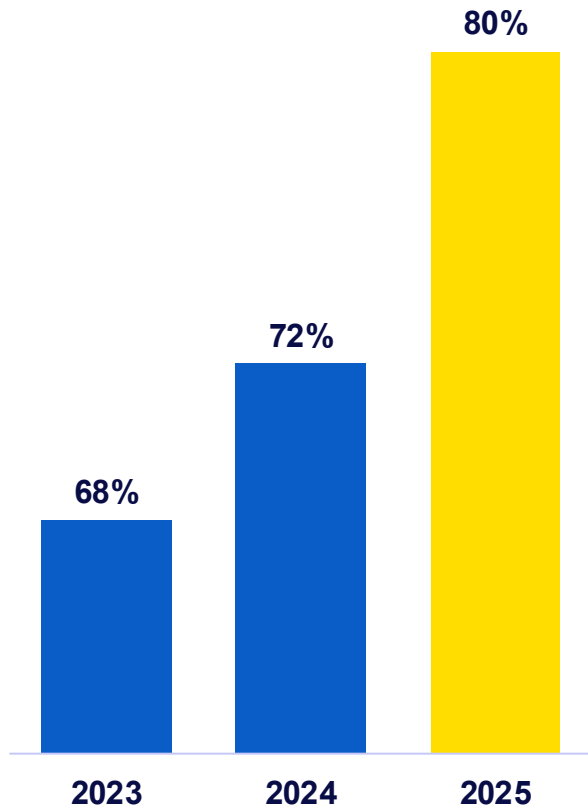


With nearly half of India's small businesses losing time or money to a cyber incident in 2025, greater emphasis on cybersecurity is needed

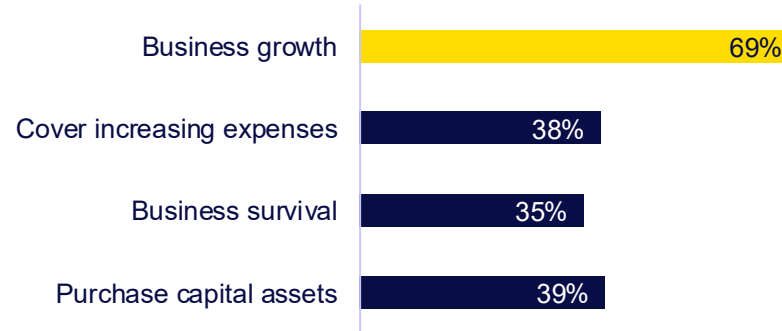


In 2025, demand for external finance among Indian small businesses was strong, primarily to support growth, with more businesses reporting easy to access funding

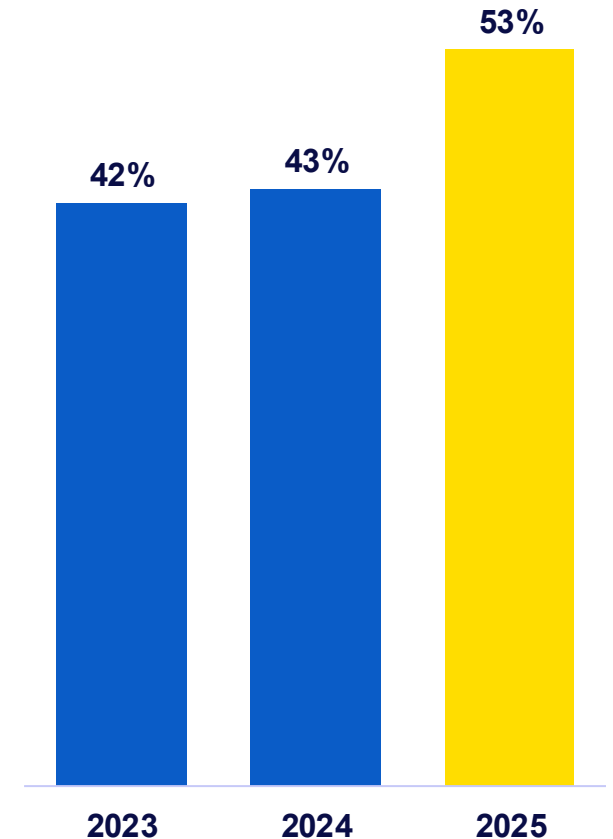
Indian small businesses that required external finance in the past 12 months



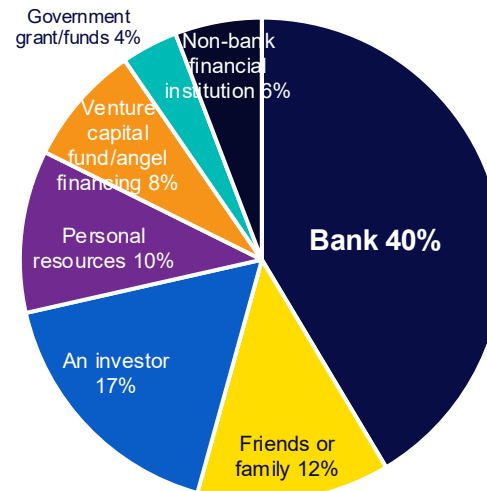
Reason Indian small businesses sourced external finance in 2025



Indian small businesses that found it easy or very easy to access external finance in the past 12 months

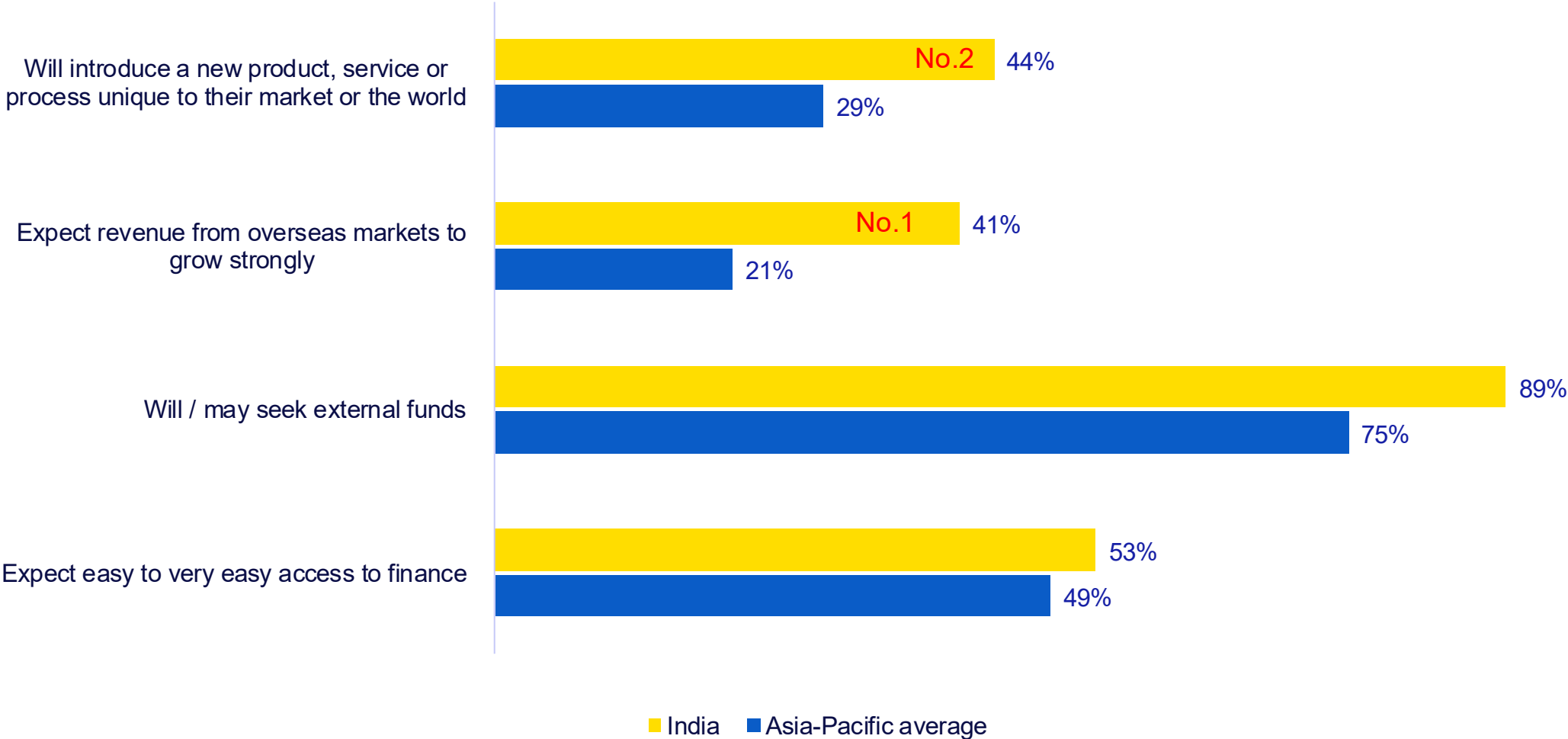


The main source of external funds for Indians small businesses in 2025



Indian small businesses remain highly innovative

Planned activities for 2026



Recommendations to Indian small businesses

- Cost management and cashflow control
- Risk management especially trade and manufacture sector
- Strengthening cyber defences and data protection awareness
- Leverage digital tools and AI to improve productivity and optimise profitability
- Leverage on newly signed Free Trade Agreements to expand new overseas markets