

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

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**UNSTARRED QUESTION NO. 1659.
TO BE ANSWERED ON FRIDAY, THE 13TH FEBRUARY, 2026.**

POLICIES TO STRENGTHEN DOMESTIC BUSINESS INFRASTRUCTURE

1659. SHRI S.R. SIVALINGAM:

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

- (a) whether Government has examined the impact of business infrastructure, regulatory frameworks and Ease of Doing Business factors on the decisions of entrepreneurs and investors to relocate abroad;
- (b) if so, the details of initiatives and policy frameworks introduced by Government to strengthen domestic business infrastructure, promote industry-friendly reforms and create supportive ecosystems for entrepreneurship and investment; and
- (c) the steps taken by Government to align industrial growth with social development strategies, thereby enhancing India's global competitiveness and attractiveness for high networth business contributors?

ANSWER

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

- (a) to (c): No such exercise has been undertaken in DPIIT, however initiatives under the Ease of Doing Business framework such as the Business Reform Action Plan (BRAP), the Reduction of Compliance Burden (RCB), and the Jan Vishwas Act have a multiplier effect which continues to expand as reforms are progressively undertaken over the years. The wide spectrum of reforms being implemented makes it a challenging exercise to measure their precise impact, particularly on the focused target groups. Some of the major industry-friendly reforms or policy initiatives being undertaken by the Government of India to strengthen EoDB framework are as follows:

BRAP 2024 marked a major expansion, integrating reforms like RCB, decriminalisation of minor offences, and the World Bank's B-READY initiative. It was one of the most extensive assessments yet, with feedback from over one lakh entrepreneurs out of 5.8 lakh stakeholders reached. Results showed strong reform momentum: more than 70% of reform points were implemented by over 30 States/UTs. Key achievements included integration of 31 State portals with the National Single Window System (NSWS), unified inspection systems in 33 States/UTs, GIS-based land mapping, automated plot allotment, and online land-use conversion. Plug-and-play industrial infrastructure and the PM Gati Shakti framework further strengthened the ecosystem.

District Business Reforms Action Plan (D-BRAP): It was conceptualized to take reforms to the district level, focusing on five pillars: time-bound digital service delivery, transparent inspections, stronger District Industries Centers, startup promotion, and infrastructure readiness through geo-tagged land inventories. This aims to improve last-mile governance and support MSMEs.

National Single Window System (NSWS): As part of the Government's efforts to align industrial growth with social development objectives and enhance India's global competitiveness. NSWS has been established as a one-stop digital platform for Government-to-Business approvals. Currently, 32 Central Ministries/Departments and 33 States/UTs are integrated, offering access to 300+ Central and 3000+ State approvals. It's **Know Your Approvals (KYA)** module covers 699 Central and 7,435 State approvals, helping businesses identify required clearances.

NSWS also operationalizes key services like FDI approvals, aquaculture registration, hallmarking, startup registration, and Industrial Entrepreneur Memorandum (IEM) approvals. Additionally, the **Production Investment Business Registration Module** enables fully digital, paperless processes, including generating sponsorship letters for foreign professionals under the e-Production Investment Visa (e-B-4 Visa).

The Jan Vishwas (Amendment of Provisions) Act, 2023: It was passed in both Houses of the Parliament (Lok Sabha on 27th July 2023, Rajya Sabha on 02nd August 2023) and received President's Assent on 11th August 2023. The Act decriminalizes 183 provisions under 42 Acts administered by 19 Ministries/Departments.

The Act employs various approaches to decriminalization, including the removal of both imprisonment and fines, conversion of imprisonment and/or fine into penalties, and the introduction of compounding of offenses in certain cases. DPIIT on recommendations of the Joint Parliamentary Committee initiated the process of further identifying minor criminal provisions to be compiled for another common amendment bill.

The Jan Vishwas (Amendments of Provisions) Bill, 2025 was approved by the Union Cabinet on 12.08.2025 and was subsequently laid before the Lok Sabha on 18 August 2025. Thereafter, the Bill was referred to the Select Committee constituted under the Chairmanship of Shri Tejasvi Surya.

This exercise builds on the success of the Jan Vishwas (Amendment of Provisions) Act, 2023 by expanding the reform agenda to cover 16 Central Acts administered by 10 Ministries/Departments. A total of 355 provisions is proposed to be amended out of which, 288 provisions decriminalized to foster Ease of Doing Business, and 67 provisions proposed to be amended to facilitate Ease of Living.

PM Gati Shakti National Master Plan (PMGS NMP): Launched in October 2021, it a transformative approach for planning and development of infrastructure in the country. The Network Planning Group (NPG), constituted under the PMGS-NMP framework, evaluates the critical infrastructure projects of the Central Government to ensure integrated planning, multimodality, inter-modality, synchronization of efforts, last mile connectivity, comprehensive development in and around the project location, data-driven decision makings, etc., at the planning stage. As on date, 352 infrastructure projects with total estimated cost of ₹ 16.10 Lakh Crore have been evaluated through

the NPG mechanism. Out of these 352 projects, 201 projects have been sanctioned - out of which, 167 projects are under implementation.

Startup India: Launched on 16th January 2016, it is an initiative by the Government of India, to build a strong ecosystem for nurturing innovation, startups and encouraging investments in the startup ecosystem of the country. Under 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.

SISFS provides financial assistance to seed stage startups through incubators. SISFS is implemented from 1st April 2021. CGSS is implemented for enabling collateral free loans 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.

National Industrial Corridor Development Programme (NICDP): Government of India is developing various Industrial Corridor Projects as part of National Industrial Corridor Development Programme (NICDP) which is aimed at development of greenfield industrial areas/region/nodes in India which can compete with the best manufacturing and investment destinations in the world. Till date Government of India has approved the development of 20 projects under National Industrial Corridor Development Programme (NICDP). Industrial parks have emerged as a principal vehicle for accelerating the country's industry and innovation agenda. Developed in partnership with state governments and the private sector, these parks are reinforcing India's industrial base by promoting investment, progress-driven development, and economic ascendancy. They stimulate employment generation while also encouraging sustainable development. There are currently 306 plug-and-play industrial parks in India, and an additional 20 plug-and-play industrial parks and smart cities are being developed under the National Industrial Corridor Development Corporation (NICDC). AURIC (Shendra-Bidkin Industrial Area) in Chhatrapati Sambhajinagar, Maharashtra recently marked its sixth anniversary, celebrating a journey of industrial progress, global investments, and sustainable growth. It is one of India's first Greenfield Industrial Smart Cities developed under the National Industrial Corridor Development Programme (NICDP). The region is supported by multi-modal connectivity, including the Samruddhi Mahamarg, proposed Sambhajinagar-Pune Greenfield Expressway, Jalna Dry Port, and proximity to Aurangabad Airport and major rail links. These connectivity initiatives, aligned with PM GatiShakti, enhance logistics efficiency and make AURIC a competitive investment hub.

Goods and Services Tax (GST) GST 2.0 has simplified and rationalised the rate structure across various industries. The reduction in tax burden on essential goods, services, and emerging sectors is expected to lower the cost of living, improve affordability, and stimulate house hold consumption demand. At the same time, a simplified two-rate structure, is expected to reduce transaction costs, ease compliance, and encourage small businesses to enter the formal sector, thereby supporting greater formalisation, and widening the tax base.

Lowering rates across sectors, including e-commerce, essential health services, and basic consumer items, is expected to enhance trade competitiveness and support domestic manufacturing. These measures collectively are likely to boost GDP growth by stimulating consumption, encouraging investment, and promoting job creation. Recent trends in high-frequency indicators such as higher e-way bill generation, improved 'Purchasing Managers Index' (PMI) readings for manufacturing and services, record festive-season automobile sales, robust UPI transactions, and increased tractor sales, indicate strengthening economic momentum in September-December 2025 following the GST reforms .Furthermore, as per the NABARD Rural Economic Conditions and Sentiments Survey(November 2025), 79.2% of rural households reported increased consumption expenditure in the last one year, the highest among all bi-monthly rounds in FY 2025-26 so far.

Aligned with the Viksit Bharat 2047 vision, GST 2.0 also strengthens India's position as a global manufacturing and investment destination. Through rate reductions across key sectors, the GST 2.0 reform is expected to provide a strong stimulus to domestic industry and investment. Lower GST on cement and construction materials is expected to reduce project costs and accelerate the construction of real estate and infrastructure. The cut from 28% to 18% on small cars, two-wheelers and auto-parts is expected to boost demand and strengthen India's automotive manufacturing base. Reduced GST of 0% on life-saving drugs and 5% on medical devices is likely to improve healthcare access while encouraging domestic production. Similarly, the shift to a 5% GST on toys, handicrafts and man-made fibres is expected to support labour-intensive MSMEs and expand export potential, thereby collectively reinforcing India's growth and investment momentum under the reformed GST regime.
