

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

**UNSTARRED QUESTION NO. 3928.
TO BE ANSWERED ON TUESDAY, THE 17TH MARCH, 2026.**

EASE OF DOING BUSINESS

3928. DR. PRABHA MALLIKARJUN:

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

वाणिज्य एवं उद्योग मंत्री

- (a) whether excessive and overlapping compliance requirements continue to increase costs and uncertainty for industries, particularly Micro, Small and Medium Enterprises (MSMEs), if so, the details thereof;
- (b) whether multiple inspections and reporting obligations persist despite ease-of-doing-business reforms, if so, the details thereof;
- (c) whether digital compliance platforms have effectively reduced human interface and delays, if so, the details thereof;
- (d) whether frequent regulatory changes affect long term industrial planning and investment decisions, if so, the details thereof; and
- (e) the roadmap for simplifying compliance while safeguarding labour, environmental and safety standards?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)

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

(a) & (b): The Government has been streamlining regulatory processes under the principles of **Ease of Doing Business (EoDB)** and **Reducing Compliance Burden (RCB)**, which apply across all sectors and categories of business enterprises, including MSMEs.

In this context, the Central Government supplements the efforts of the States/UTs through various programmes and policy initiatives for the overall development and promotion of MSMEs across the country. The Ministry of MSME has undertaken several initiatives to reduce the compliance burden and simplify regulatory requirements for MSMEs. Some of the key measures taken are:

- i. Introduction of revised criteria for classification of MSMEs.
- ii. Registration of MSMEs through the **Udyam Registration Portal**, which provides a simple online registration of enterprises based on self-declaration. The portal is integrated with PAN and GST databases and enables paperless MSME registration, thereby facilitating Ease of Doing Business for the MSME sector.
- iii. Launch of the **Udyam Assist Platform** on 11.01.2023 for bringing Informal Micro Enterprises (IMEs) into the formal economic framework.
- iv. Launch of the **MSME Samadhaan Portal**, which enables MSMEs to file complaints regarding delayed payments by buyers and track the status of their cases online.

- v. Launch of the **Champions Portal**, which provides e-governance support, grievance redressal, and handholding for MSMEs.
- vi. Extension of non-tax benefits for a period of three years in case of an upward change in the status of MSMEs.
- vii. Provision of special facilitation for MSMEs on the **GeM portal**, including **API integration with the Udyam MSME database for simplified seller registration through a two-step process.**

Since the inception of the Udyam Registration Portal on 01.07.2020 till 15.03.2026, around **7.92 crore MSMEs** have been registered, with a recorded employment of approximately **34.95 crore.**

Inspections and reporting are conducted in accordance with the prescribed guidelines and rules of the respective statutes regulating the sectors in which the business enterprises operate. To enhance efficiency and reduce duplication, the **Department for Promotion of Industry and Internal Trade (DPIIT)** has introduced several EoDB reforms, including **joint and combined inspections, mandatory use of standardized inspection checklists, computerized risk-based inspection systems, and provisions for self-certification or third-party certification.** These measures help minimize repetitive inspections and reporting requirements.

Out of the **36 States and Union Territories**, more than **26 have implemented DPIIT's inspection-related reforms**, resulting in improved transparency, predictability, and efficiency in inspection processes.

Further, the Government has undertaken additional measures to support MSMEs, including:

- i. Facilitation for participation of MSMEs in exhibitions, trade fairs and events organized at ITPO and other platforms.
- ii. Reduction in patent fees for MSMEs.
- iii. Provision for expedited examination of patent applications for MSMEs.

(c) to (e): Digital compliance platforms have significantly reduced human interface and delays in regulatory processes. DPIIT has been advocating the integration of **State Single Window Systems with the National Single Window System**, PAN-based unified login, online delivery of key regulatory services, time-bound service delivery, and transparent monitoring dashboards. More than **29 States and UTs** have implemented these measures, while the remaining are in the process of adopting the National Single Window System through reverse integration. This enables end-to-end online processes including applications, payments, tracking, certification, and verification.

The Government remains committed to ensuring a stable, predictable, and investor-friendly regulatory environment to promote industrial growth and investment. In this direction, several initiatives have been undertaken to rationalize and reduce regulatory compliance across Central Ministries/Departments and States/UTs. Under the Regulatory Compliance Reduction exercise, a total of **47,290 compliances** have been reduced, of which **16,109 have been simplified, 22,288 digitized, 4,623 decriminalized, and 4,270 redundant compliances eliminated.**
