DPIIT Advances Trust-Based Governance Through Start-up Support, Regulatory Reforms and Digital Single-Window Clearances

The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, has driven a sustained shift from a permission-based to a trust-based regulatory framework.

Please find comprehensive snapshot of India's regulatory and investment reforms, showing how DPIIT is positioning trust-based governance as the backbone of economic growth.:

Key Takeaways

Start-up Ecosystem

- **2.5 lakh+ start-ups recognised** across 770+ districts, creating **25.42 lakh+ jobs**.
- **52% from non-metro cities**, **48% with women directors**.
- **Seed Fund Scheme**: ₹775.67 crore approved for 4,194 startups via 244 incubators.
- **Fund of Funds**: ₹12,623 crore committed → ₹28,254 crore invested in 1,475 startups.
- **Credit Guarantee Scheme**: 532 loans worth ₹1,662 crore, cover doubled to ₹20 crore.

Regulatory Reforms

- **63 reforms**: abolition of angel tax, harmonised capital gains, wider AIF investment access.
- **47,957 compliances reduced**: 22,290 digitised, 16,141 simplified, 5,255 decriminalised, 4,271 eliminated.
- **Jan Vishwas Acts**: 900 provisions decriminalised across 121 Acts (2023 + 2026).
- **Labour Codes**: 29 laws consolidated into 4, thresholds raised for layoffs, factories, contract labour.

Business Facilitation

- **GeM startups**: 43,260 registered, delivering 6.23 lakh orders worth ₹68,105 crore.
- **Startup policies**: expanded from 4 States/UTs in 2016 → 32 today.
- **Incubators**: 104 new across 17 States/UTs.
- **TEJAS initiative**: covers 132 districts in 27 States/UTs.

Foreign Direct Investment

- **USD 843 billion FDI inflows (2014–2026)**, up 169% from previous 12 years.
- **FY 2025-26 peak**: USD 94.53 billion.
- **Automatic route expanded to 17 sectors**: defence (74%), insurance (100%), telecom, civil aviation, satellite manufacturing, broadcasting.

Digital Single Window

- **NSWS**: 15.5 lakh+ applications, 5.7 lakh+ businesses, 8.5 lakh+ approvals.
- **3,779 services live** (327 Central, 3,452 State).
- **KYA module**: visibility of 8,000+ approvals, 2,825 integrated.
- **22-language accessibility**, auto-generation of IEMs and visa sponsorship letters.
- **Integration**: 34 States/UTs, 32 Central Ministries.

Strategic Implications

- **Trust-based governance** is shifting India from "permission-heavy" to "compliance-light."
- **Digital integration** (NSWS, PESO, MCA, GSTN) reduces friction and physical touchpoints.
- **Startup ecosystem maturity**: funding, guarantees, and policy support now cover Tier-II/III cities and women entrepreneurs.
- **FDI reforms** signal openness in sensitive sectors like defence and insurance, boosting investor confidence.
- **Labour and licensing reforms** balance flexibility with worker protection, easing business operations.

Source: Press Information Bureau

Likely Impact on Indian Plastic Industry

The DPIIT reforms will benefit India's plastic industry by easing compliance, attracting investment, and creating new opportunities in recycling, packaging innovation, and exports. With simplified approvals, reduced regulatory burden, and strong FDI inflows, plastic manufacturers can scale faster, while new waste-management rules push the sector toward higher recycled content and circular economy practices.