

Budget 2022-23: Industry experts hail reduced compliances, digitisation, Ease of Doing Business 2.0

Synopsis

Sitharaman said the new phase of Ease of Doing Business would be guided by the active involvement of the states, digitisation of manual processes and interventions, integration of the central and state-level systems through IT bridges.



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As Finance Minister [Nirmala Sitharaman](#) tabled the Union Budget 2022-23 on Tuesday, some of the proposals were focused on Ease of Doing Business, including the upcoming launch of its next phase. Initial reactions towards the announcement have been positive.

Sitharaman highlighted that in recent years, more than 25,000 [compliances](#) were reduced and 1,486 Union laws repealed. "This is the result of our government's strong commitment for minimum government & maximum governance, our trust in the public, and ease of doing business," she said.

The minister said the government would launch Ease of Business 2.0 and Ease of Living. Sitharaman said the new phase of Ease of Doing Business would be guided by the active involvement of the states, [digitisation](#) of manual processes and

interventions, integration of the central and state-level systems through IT bridges, a single point access for all citizen-centric services, and standardisation and removal of overlapping compliances.

Rishi Agarwal, CEO, [TeamLease Regetech Pvt Ltd](#), was happy to see that a number of compliances have been done away with. "There's a lot of redundancy, overlap and duplication in doing a business. It was good to see that the finance minister acknowledged the overlapping in compliances. I personally feel that 25 to 30% of India's compliance issues suffer because of overlapping," he said.

He also lauded the efforts towards digitisation as it would help to simplify manual processes. "This will help reduce time to get clearances for land and construction and for affordable housing. The FM also spoke about going paperless and alluded to digitisation in many areas, which is definitely going to improve ease of doing business."

Agarwal pointed out that tax litigation also got some respite as citizens can now correct mistakes in tax filings even after two years to avoid unwarranted litigation. This initiative of decriminalising would help in ease of doing business internationally, said the CEO.

Sitharaman had said the [Ease of Doing Business 2.0](#) would follow the ideals of a "trust-based governance". Agarwal said he expects it to enable a hostile-free environment between the government and enterprises. "As humans, enterprises will be given a chance to do the right thing instead of being put under suspicion."

If you create a trust-based enabling environment and give them enough empowerment, it will certainly help with the ease of doing business," he added. Other stakeholders called this a modern and progressive concept.

Nisha Taneja, Professor and Lead International Trade, Investment and External Relations, [ICRIER](#), said the trust-based governance would make the government act in the best interests of society and enterprises. At the same time, she also said that a lot of challenges continue to remain for MSMEs.

"The cost of compliance continues to remain high ever after many regulatory changes."

While she praised the Budget's focus on digitisation as more nuanced data would help the sector. "We need to know where we are on the digitisation scale and, hence, what is the extent of digitisation that is being undertaken," she added.