

India Amends 16 Acts to Simplify Compliance

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The Indian government introduced the Jan Vishwas (Amendment of Provisions) Bill, 2025, in the Lok Sabha on Monday, aiming to amend 355 provisions across 16 central Acts to enhance ease of doing business and living. The Bill, presented by Commerce and Industry Minister Piyush Goyal, has been referred to the Select Committee, which is expected to submit its report at the start of the Winter session.

The proposed amendments cover 16 Acts administered by ten ministries and departments. Of the 355 provisions, 288 focus on improving the business environment, while 67 aim to

facilitate ease of living for citizens. The legislation builds on the Jan Vishwas (Amendment of Provisions) Act, 2023, which decriminalized 183 provisions across 42 Acts.

Key Acts affected by the Bill include the Reserve Bank of India Act, Drugs and Cosmetics Act, Central Silk Board Act, Motor Vehicles Act, Road Transport Corporations Act, Apprentices Act, Agricultural and Processed Food Products Export Development Authority Act, Electricity Act, Micro, Small and Medium Enterprises Development Act, and the Legal Metrology Act.

Under the Reserve Bank of India Act, non-banking financial companies failing to produce required books, accounts, or documents, or refusing to answer regulatory questions, may face a penalty of up to Rs 1 lakh per offense. If the noncompliance continues, an additional penalty of Rs 5,000 per day will apply. This represents a reduction from the current penalty of Rs 10 lakh, with daily fines of Rs 1 lakh.

The Apprentices Act will also see changes, converting 11 offenses, such as requiring apprentices to work overtime without approval or employing them in unrelated work, into advisory or warning-based actions for the first contravention. Repeat offenses may attract fines, replacing the current Rs 1,000 penalties.

Amendments to the Motor Vehicles Act include nationwide vehicle registration, an extension of the reporting period for registration cancellation from 14 to 30 days, and license renewal effective from the date of application, even after expiry. A 30-day grace period following license expiration will also be provided.

The Bill proposes replacing imprisonment clauses for minor, technical, or procedural defaults with monetary penalties, warnings, or advisories for 76 offenses under ten Acts. Penalties will be proportionate, with escalating fines for repeated violations. Designated officers will be empowered to impose these penalties administratively, reducing the burden on courts. An automatic 10% increase in penalties every three years is also proposed to maintain deterrence without requiring further legislative action.

The government emphasizes that these reforms aim to streamline compliance, reduce bureaucratic hurdles, and encourage business activity, while maintaining accountability for more serious violations. The Jan Vishwas (Amendment of Provisions) Bill, 2025, represents a continuation of India's broader effort to modernize its regulatory framework and support both businesses and citizens through simplified, transparent rules.

