

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION**

LOK SABHA

**UNSTARRED QUESTION NO. 1065.
TO BE ANSWERED ON MONDAY, THE 17TH DECEMBER, 2018.**

WORLD BANK RANKING ON EODB

**1065. SHRI TEJ PRATAP SINGH YADAV:
SHRI PRALHAD JOSHI:
SHRI KONDA VISHWESHWAR REDDY:
SHRI S.R. VIJAYAKUMAR:
SHRI ASHOK SHANKARRAO CHAVAN:
SHRI S. RAJENDRAN:
KUNWAR HARIBANSH SINGH:
SHRI T. RADHAKRISHNAN:
SHRI SUDHEER GUPTA:
SHRI K.N. RAMACHANDRAN:**

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether India is at 77th position in the recent World Bank Ease of Doing Business (EoDB) ranking;
- (b) if so, the details thereof;
- (c) whether the Government has launched ease of doing business grand challenge;
- (d) if so, the details thereof; and
- (e) the steps taken by the government to improve the ease of doing business in the country?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री सी.आर. चौधरी)

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI C.R. CHAUDHARY)**

- (a): Yes, Madam.
- (b): The World Bank released the Doing Business Report (DBR), 2019 on 31st October, 2018. India ranks 77 among 190 countries assessed by the Doing Business Team. India has improved its rank by 23 positions over its rank of 100 in the DBR 2018 among 190 countries. The indicator wise rank of India in World Bank's DBR 2019 is as follows:

S. No.	Indicator	Rank
1.	Starting a Business	137
2.	Dealing with Construction Permits	52

3.	Getting Electricity	24
4.	Registering Property	166
5.	Getting Credit	22
6.	Protecting Minority Investors	7
7.	Paying Taxes	121
8.	Trading Across Borders	80
9.	Enforcing Contracts	163
10.	Resolving Insolvency	108

(c): Yes, Madam.

(d) & (e): The details of Ease of Doing Business Grand Challenge and the steps taken by the Government to improve the ease of doing business in the country are annexed.

ANNEXURE REFERRED TO IN REPLY TO PARTS (d) & (e) OF LOK SABHA UNSTARRED QUESTION NO.1065 FOR ANSWER ON 17TH DECEMBER, 2018

Ease of Doing Business Challenge:

Ease of Doing Business Grand Challenge was announced to plug the critical needs of Ease of Doing Business (EODB) and find methods that can re-engineer existing processes using new cutting edge technologies such as AI, ML, Blockchain, IoT etc.

Eligibility: Students, Professionals, Entrepreneurs, Startups and all Enterprises working in the space for cutting-edge technologies can participate in the Grand Challenge.

Problem Statements:-

1. To develop alternate Government processes for ease of issue of permission, license or registration by Government Departments.
2. To develop an app that allows exporters of small consignments to find and book available spaces in partially filled cargo containers nearby.
3. (Delhi): Development of a single portal for providing information to stakeholders on the land ownership details of deeds executed and encumbrances on immovable property.
4. (Mumbai): Development of a single portal for providing information to stakeholders on the land ownership details of deeds executed, and encumbrances on immovable property.
5. To develop a solution for small businesses to ease the process of filing returns of GST.
6. Prototype an internet connected device that takes readings and measurements from boilers and uploads them to a secure online register accessible to the business and inspecting departments of the State and the Central Government.
7. Prototype a freeware, open source payroll software for MSMEs that automatically produces registers and returns for EPFO, ESIC and various State labour laws.

Incentives for Winners: Top 3 teams for each of problem statements would be given following prizes:

INR 3,00,000 - I Prize

INR 2,00,000 - II Prize

INR 1,00,000 - III Prize

The top team for each problem statement will work with the relevant Nodal Team to pilot his/her solutions. On successful and satisfactory implementation of the product/service, the solution can be adopted by the Department.

Some of the steps taken by the Government to improve the Ease of Doing Business in the Country:

(a) Starting A Business:

Starting a business has been made faster by introducing a single form SPICe (Simplified Proforma for Incorporating Company electronically) and merging five different applications in it i.e. Name reservation, Company incorporation, Director Identification Number (DIN), Permanent Account Number (PAN) and the Tax Deduction/Collection Account Number (TAN), and by improving the online application system.

- Launch of a new and simplified web based service i.e. R.U.N. (Reserve Unique Name) for reserving a name. This has also removed the requirement to use a Digital Signature Certificate (DSC) during name reservation.
- The requirement to issue a physical PAN card has been eliminated. Additionally, PAN and TAN are mentioned in the Certificate of Incorporation (CoI) which is considered as a sufficient proof for PAN and TAN.
- Common registration for EPFO & ESIC is provided on Shram Suvidha Portal in Mumbai.
- Registrations under Mumbai Shops & Establishments Act are provided instantly without any physical inspection.

(b) Dealing with Construction Permits:

The process of obtaining a building permit has been streamlined and made faster and less expensive to obtain a construction permit.

- Implementing an online system that has streamlined the process of obtaining building permit at the Municipality of New Delhi and Municipality of Greater Mumbai.
- It also improved building quality control by introducing decennial liability and insurance.

(c) Getting Electricity:

- In Delhi, service line charges have been capped to INR 25,000/- in electrified areas for Low Tension loads up to 150 KW
- Time taken by the utility to carry out external connection works has been reduced.

(d) Access to credit :

Access to credit has been strengthened by amending its insolvency law. The new amendment in the Insolvency and Bankruptcy Code (Amendment) Act, 2018 establishes that secured creditors are paid first during business liquidation, and hence have priority over other claims such as labor and tax.

(e) Paying Taxes:

Paying taxes has been made easier by replacing many indirect taxes with a single indirect tax, Goods and Service Tax (GST), for the entire country.

- The previous sales taxes including the central sales tax, CENVAT, state VAT and the service tax have been merged into the GST. Unification of these taxes will reduce the cascading effect of taxes and make taxes paid on inputs creditable to a higher percentage.
- Corporate income tax has been reduced from 30% to 25% for companies with a turnover up to INR 250 crores
- Administrative charges on The Employees' Provident Funds Scheme, 1952 (EPFS) have been reduced in March 2017 from 0.85% to 0.65% of the monthly pay. The Employees' Deposit Linked Insurance (EDLI) administrative charges of 0.01% have been removed.

(f) Trading Across Borders:

The time and cost to export and import has been reduced through various initiatives, including the implementation of electronic sealing of containers, upgradation of port infrastructure and allowing electronic submission of supporting documents with digital signatures.

- Enhancement of risk-based inspections for both imports and exports, whereby only about 5% of goods are physically inspected.
- Adoption of the Advance Bill of Entry which allows importers to start the process of customs clearance before the arrival of the vessel.
- Upgrading equipment on the Nhava Sheva Port in Mumbai by adding 15 new Rubber Tyre Gantry Cranes. The Phase 1 of the Fourth Container Terminal at the Jawaharlal Nehru Port Trust, with an additional annual capacity of 2,400,000 TEUs, was completed in February 2018.
- The new container terminal, Adani CMA Mundra Terminal Private Limited has been fully operational since June 2017, with an additional annual capacity of 1,300,000 TEUs.
- Implemented in April 2018, e-Sanchit is an online application system, under the Single Window Interface for Trade (SWIFT) that allows traders to submit all supporting documents electronically with digital signatures.
