PROMOTING EASE OF DOING BUSINESS

1389. SHRI RAMDAS C. TADAS:
SHRI CHANDRA PRAKASH JOSHI:
SHRI RAVI KISHAN:
SHRI SANGAM LAL GUPTA:

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

(a) the works carried out by the Government during each of the last five years in respect of the initiative for ease of doing business;

(b) whether there is any system under which the Government has arranged a single window for business;

(c) if so, the details thereof;

(d) whether the Government has made any arrangement for providing loans to businessmen at short notice; and

(e) if so, the details thereof?

ANSWER

THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)

(a): Department for Promotion of Industry and Internal Trade (DPIIT), in coordination with Central Ministries/Departments, States and Union Territories (UTs), has spearheaded various reforms to improve the business climate in the country. A summary of initiatives taken in this regard is given in Annexure.

(b) & (c): Yes, Sir. The State Reforms Action Plan prepared by Department for Promotion of Industry and Internal Trade (DPIIT) requires States and UTs to have a Single Window System across various Departments with the following features:

i. Allow online submission of application without the need to submit physical copies of the application.
ii. Eliminate physical touch-point for document submission and verification.

iii. Allow applicant to track status of application online.

iv. Ensure the applicant receives an SMS/e-mail notification as and when the application is submitted and/or query is raised and/or application is approved/rejected.

v. Mandate that all queries/clarifications related to investors’ application are sought in one go and within 7 days of receipt of the application.

Under the assessment exercise of States/UTs for the year 2017-18, 21 States/UTs have designed and implemented online Single Window System.

(d) & (e): Contactless digital lending has been initiated through PSBloansin59minutes.com which provides online in-principle approval for loans to Micro, Small and Medium Enterprises (MSMEs) and for housing and personal loans. Further, online bill discounting for MSMEs has been enabled on a competitive basis through the Trade Receivables electronic Discounting System (TReDS) platform.
Ease of Doing Business Initiatives at State and District Level
State Reform Action Plan

2014:- The Department for Promotion of Industry and Internal Trade (DPIIT) has in consultation with the State Governments started a comprehensive reform exercise in States and UTs in December, 2014. The aim of this exercise is to create a conducive business environment by streamlining regulatory structures and creating an investor-friendly business climate by cutting down red tape.

2015:- A 285 point BRAP 2015 was finalized and shared with States/UTs. The World Bank also partnered with DPIIT in this reform plan and to give the exercise momentum, conducted 18 workshops to help Departments concerned across States/UTs understand the essence of the reforms better. States were evaluated on implementation of these reforms and first ever ranking of States/UTs on Ease of Doing Business was released in September, 2015. The findings of the evaluation were compiled in a report titled “Assessment of State implementation of Business Reforms”.

2016:- In 2016, DPIIT, in consultation with all States/UTs, released a 340-point action plan which included recommendations on 58 regulatory processes, policies and process spread across 10 reform areas spanning the lifecycle of a typical business. The States were requested to implement the reforms action plan and submit their responses for evaluation. The final ranking of States/UTs was released on 31st October, 2016 with a national implementation average of 48.93%, which was higher than national average of 32% in 2015. The reform exercise in 2016 saw larger participation and 12 States achieving greater than 90% implementation score.

2017-18:- In 2017, the reform exercise featured 372 action points with additions like Central Inspection system, online systems for acquiring trade license, registrations under Legal Metrology Act, 2009, and registration of Partnership Firms & Societies. DPIIT undertook numerous initiatives for the reform such as:

- Unique handholding method introduced where States with high score were partnered with low scoring States/UTs. West Bengal merits a special mention for its effort for conducting a 3-day workshop for Nagaland
- Priority reforms identified for States with a low implementation score
- 8 workshops conducted in partnership with The World Bank to address queries posed by States/UTs

The assessment for the year 2017-18 was released jointly by DPIIT and the World Bank on 10th July, 2018. 18 States recorded implementation score of 80% and above
these states account for majority of the total area and GDP of the country. The respective position of the States is given in the table below:

<table>
<thead>
<tr>
<th>Top achievers (above 95%)</th>
<th>Achievers (90-95%)</th>
<th>Fast movers (80-90%)</th>
<th>Aspirers (below 80%)</th>
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<tbody>
<tr>
<td>Rank State</td>
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<td>1  Andhra Pradesh</td>
<td>10  West Bengal</td>
<td>16  Himachal Pradesh</td>
<td>19  Goa</td>
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<td>2  Telangana</td>
<td>11  Uttarakhand</td>
<td>17  Assam</td>
<td>20  Punjab</td>
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<td>3  Haryana</td>
<td>12  Uttar Pradesh</td>
<td>18  Bihar</td>
<td>21  Kerala</td>
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<td>4  Jharkhand</td>
<td>13  Maharashtra</td>
<td>22  Jammu &amp; Kashmir</td>
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<td>5  Gujarat</td>
<td>14  Odisha</td>
<td>23  Delhi</td>
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<td>6  Chhattisgarh</td>
<td>15  Tamil Nadu</td>
<td>24  Daman &amp; Diu</td>
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<td>7  Madhya Pradesh</td>
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<td>25  Tripura</td>
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<td>8  Karnataka</td>
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<td>26  Dadra &amp; Nagar Haveli</td>
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<td>9  Rajasthan</td>
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<td>27  Puducherry</td>
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<td>10 West Bengal</td>
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<td>28  Nagaland</td>
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<td>30  Mizoram</td>
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<td>13 Maharashtra</td>
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<td>31  Andaman &amp; Nicobar Islands</td>
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<td>32  Manipur</td>
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<td>33  Sikkim</td>
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<td>34  Arunachal Pradesh</td>
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<td>17 Assam</td>
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<td>35  Lakshadweep</td>
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<td>18 Bihar</td>
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<td>34  Meghalaya</td>
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Some important achievements under this reform exercise were as follows:

- **19 States** have designed an **Information Wizard** providing information for all approvals, licenses, registrations timelines, procedure to establish business/industrial unit (pre-establishment & pre-operation)
- **21 States/UTs** have designed and implemented online **Single Window System**
- **21 States/UTs** have implemented a **GIS system** to provide details about the land earmarked for industrial use across the State
- **23 States/UTs** have reduced the number of **documents** required for **Obtaining Electricity** connection to only 2
- **18 States/UTs** have brought all compliance inspections conducted by Labour, Factories, Boilers Departments and Pollution Control Boards under Central Inspection Framework
• **29 States/ UTs** have notified a list of white category industries exempted from taking pollution clearances.

2019: An 80 point action plan for the year 2019 was shared on **11th October 2018** with States and UTs for implementation of reforms by **14th August, 2019**.

An important change introduced in the action plan for the year 2019 is that the assessment is based only on the feedback received from users and industries.

**DPIIT has undertaken a number of Capacity building initiatives:**

**Union Territory Workshops and Regional Workshops:** Various workshops have been organised by DPIIT to discuss both the state and district-level reform plans related issues and clarifications.

- **7 workshops** conducted in Union Territories (Dadra & Nagar Haveli, Delhi, Chandigarh, Daman & Diu, Puducherry, Andaman & Nicobar Islands, Lakshadweep)
- **5 Regional Workshops** conducted in Lucknow (North Region), Kolkata (East Region), Mumbai (West Region), Bengaluru (South Region) and Guwahati (North-East Region).

**District Reform Action Plan**

DPIIT has also prepared a 218 point District Reform Plan which is spread across 8 areas: Starting a Business for Construction, Urban Local Body Services, Paying Taxes, Land Reform Enabler, Land Administration and Property Registration Enablers, Obtaining Approval, Miscellaneous and Grievance Redressal/ Paperless Courts and Law & Order.

A suggested questionnaire for the feedback for States/UTs has also been prepared by DPIIT and shared with the States. States/UTs have been encouraged to participate in this reform and take onus to conduct the feedback exercise in Districts.

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