Launched in 2003 the report is an independent objective assessment of business regulation across 190 economies which covers the lifecycle of a business from end to end.
Doing Business (DB) – India successively scales greater heights

Note: Data as published in respective Doing Business reports
DB 2019 | Indicator wise rank improvement over last year

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2017</th>
<th>2018</th>
<th>Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Permits</td>
<td>181</td>
<td>52</td>
<td>129</td>
</tr>
<tr>
<td>Trading Across Borders</td>
<td>146</td>
<td>80</td>
<td>66</td>
</tr>
<tr>
<td>Starting a Business</td>
<td>156</td>
<td>137</td>
<td>19</td>
</tr>
<tr>
<td>Getting Credit</td>
<td>29</td>
<td>22</td>
<td>7</td>
</tr>
<tr>
<td>Getting Electricity</td>
<td>29</td>
<td>24</td>
<td>5</td>
</tr>
<tr>
<td>Enforcing Contracts</td>
<td>164</td>
<td>163</td>
<td>1</td>
</tr>
</tbody>
</table>
India Highlights

- 23 rank improvement in current year
- Highest improvement (53 rank) in 2 years by any large country since 2011
- India recognized among top 10 Improvers for the second consecutive year
- First BRICS and South Asian country to be recognized as top improver in consecutive years
- India is now ranked 1st among South Asian countries compared to 6th rank in 2014
India improves its rank in BRICS countries from 5th (in 2014) to 3rd

53 rank improvement over 2 years

Rank improved in 6 indicators over last year

65 rank improvement over 4 years
Rank improved from **181 to 52** recording a **jump of 129 ranks**

Online single window in Delhi and Mumbai has streamlined the processes

Procedures reduced from 37 to 20 in Mumbai and from 24 to 16 in Delhi

Time reduced from 128 to 99 days in Mumbai and from 157 to 91 days in Delhi

Building quality control index improved from 12 to 14 in Mumbai and 11 to 14 in Delhi

Cost reduced from 23.3% to 5.3% (% of cost of construction)

Distance to Frontier improved from 38.80 to 73.84
Rank improved from 146 to 80 recording a jump of 66 ranks

Robust Risk Management System (RMS) has reduced inspections

e-Sanchit, now allows traders to file all documents electronically

Electronic sealing of containers enabled faster movement of goods

Distance to Frontier improved from 58.56 to 77.46
## Delhi

<table>
<thead>
<tr>
<th></th>
<th>Import</th>
<th>Export</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Documentary Compliance</td>
<td>Border Compliance</td>
</tr>
<tr>
<td></td>
<td>Time (hrs.)</td>
<td>Cost ($)</td>
</tr>
<tr>
<td>2017</td>
<td>58</td>
<td>140</td>
</tr>
<tr>
<td>2018</td>
<td>25</td>
<td>100</td>
</tr>
</tbody>
</table>

## Mumbai

<table>
<thead>
<tr>
<th></th>
<th>Import</th>
<th>Export</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Documentary Compliance</td>
<td>Border Compliance</td>
</tr>
<tr>
<td></td>
<td>Time (hrs.)</td>
<td>Cost ($)</td>
</tr>
<tr>
<td>2017</td>
<td>65</td>
<td>129</td>
</tr>
<tr>
<td>2018</td>
<td>35</td>
<td>100</td>
</tr>
</tbody>
</table>
Rank improved from 156 to 137 recording a jump of 19 ranks

Single form (SPICe) for company incorporation, PAN, TAN and DIN

No requirement of inspection for registration under Shops and Establishments Act in Mumbai

Procedures reduced from 11 to 10 in Delhi and 12 to 10 in Mumbai

Time reduced from 30 to 16 days in Delhi and 29 to 17 days in Mumbai

Distance to Frontier improved from 75.40 to 80.96

Distance to Frontier (DTF) is achievement as compared to best performing country
Rank improved from 29 to 22

Secured creditors are now given absolute priority over other claims within insolvency proceedings

Strength of legal rights index improved from 8 to 9

Distance to Frontier improved from 75 to 80
DB 2019 | Getting Electricity (#24)

Rank improved from 29 to 24

Cost to obtain an electricity connection reduced from 96.7% to 29.5% (% of income per capita)

Procedures reduced from 5 to 3 in Delhi and 5 to 4 in Mumbai

Distance to Frontier improved from 85.21 to 89.15

Distance to Frontier (DTF) is achievement as compared to best performing country
India’s performance over last 4 years
## India’s performance over the last four years

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2014</th>
<th>2016</th>
<th>Current Rank</th>
<th>Improvement in last 2 years</th>
<th>Improvement in last 4 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Permits</td>
<td>184</td>
<td>185</td>
<td>52</td>
<td>133</td>
<td>132</td>
</tr>
<tr>
<td>Getting Electricity</td>
<td>137</td>
<td>26</td>
<td>24</td>
<td>2</td>
<td>113</td>
</tr>
<tr>
<td>Trading Across Borders</td>
<td>126</td>
<td>143</td>
<td>80</td>
<td>63</td>
<td>46</td>
</tr>
<tr>
<td>Paying Taxes</td>
<td>156</td>
<td>172</td>
<td>121</td>
<td>51</td>
<td>35</td>
</tr>
<tr>
<td>Resolving Insolvency</td>
<td>137</td>
<td>136</td>
<td>108</td>
<td>28</td>
<td>29</td>
</tr>
<tr>
<td>Enforcing Contracts</td>
<td>186</td>
<td>172</td>
<td>163</td>
<td>9</td>
<td>23</td>
</tr>
<tr>
<td>Starting a Business</td>
<td>158</td>
<td>155</td>
<td>137</td>
<td>18</td>
<td>21</td>
</tr>
<tr>
<td>Getting Credit</td>
<td>36</td>
<td>44</td>
<td>22</td>
<td>22</td>
<td>14</td>
</tr>
</tbody>
</table>
India moves closer to global best practices

Distance to Frontier (DTF) is achievement as compared to best performing country.
Major reforms recognized by World Bank

- **20 reforms** (last 4 years)
- **14 reforms** (last 2 years)
- **6 reforms** (last 1 year)

- **11 reforms** (in 8 years)

Years:
- 2006
- 2014
- 2016
- 2017
- 2018
Dealing with Construction Permits

132 rank improvement over 4 years

- Implemented an **online single window system**, integrating internal and external departments, removing requirement of visiting them individually
- **Time** taken to process all approvals during the construction lifecycle has been **reduced from 185.9 to 94.8 days**
- **Deemed approvals** introduced if approvals are not granted within defined timelines
- **Risk based classification** of buildings introduced for fast-tracking building plan approval, inspection and grant of occupancy-cum-completion certificate
- Introduction of **Unified Building Bye Laws** in Delhi
- **Cost** for obtaining construction permits **reduced from 28.2% to 5.3%** (% of cost of construction)
- Procedures reduced **from 27 to 20 in Mumbai and 24 to 16 in Delhi**

Note: All references to change in rank and data are based on comparison with DBR 2015 (Data as published in respective Doing Business reports)
Rationalization of tariff to bring connections up to 150 kVA under Low Tension category, has made it simpler to obtain electricity connection.

Elimination of inspection by utility.

Process of getting a new commercial electricity connection streamlined by reducing procedures and made online.

Time taken for obtaining an electricity connection has been reduced from 105 to 55 days.

Cost to obtain electricity connection reduced from 487.7% to 29.5% (% of income per capita).

Procedures reduced from 7 to 3.5.

113 rank improvement over 4 years.

Note: All references to change in rank and data are based on comparison with DBR 2015 (Data as published in respective Doing Business reports).
**Trading Across Borders**

**46 rank improvement over 4 years**

- **Electronic self-sealing** option at factory premises reduces time associated with customs clearance
- **Robust Risk Management System** has reduced physical inspections of import consignments
- **Advance bill of entry** facility allows importers to initiate customs clearance before arrival of goods at the port, thus reducing clearance time
- **Single Window Interface for Facilitating Trade** on ICEGATE portal
- **Fourth container terminal at JNPT** provided an additional capacity of 2,400,000 TEUs
- **Introduction of e-Sanchit** enabled digital filing of documents
- **Three-tier AEO programme** enables priority treatment for customs clearance
Paying Taxes

35 rank improvement over 4 years

- Introduction of GST, a landmark reform, replaced multiple indirect taxes with a single tax
- Electronic system for payment of EPF & ESI enabling easier filings and return payment
- Reduction in administrative charges by EPFO
- Provisions related to income tax audit simplified
- Reduced corporate income tax rate for companies with turnover up to INR 250 crore
Resolving Insolvency

29 rank improvement over 4 years

1. Introduction of reorganization as a resolution mechanism through enactment of a new Insolvency and Bankruptcy Code

2. Introduced a time bound reorganization procedure for corporate debtors and facilitated continuation of the debtor’s business during insolvency proceedings

3. Professional institutions established resulting in effective handling of Restructuring and Insolvency Proceedings
Starting a Business

21 rank improvement over 4 years

Single form SPICe for five services
i.e. Name reservation, Company Incorporation, DIN, PAN, TAN

Eliminated the requirement of minimum capital requirement

Eliminated the requirement of physical PAN card with PAN and TAN mentioned on the certificate of incorporation

Simple and easier process through common registration for EPF and ESI

Faster registration under Goods and Service Tax

Real time registration under Shops and Establishments Act without any inspection

Fees reduced for incorporation of companies with authorized capital up to INR10 Lakhs
How did this dramatic change happen?
DIPP spearheaded Ease of Doing Business initiative in the country (1/2)

Prepared **reform action plan** based on **global best practices**, with support of World Bank’s expert team.

**Identification** of nodal Departments and constitution of Task Force.

**Sensitized Departments** and worked with them for reform implementation.

**Communication Plan:** Dissemination of reforms to users and other stakeholders, to generate awareness.

**Feedback:** Regular feedback to identify implementation gaps and corrective measures.
DIPP spearheaded Ease of Doing Business initiative in the country (2/2)

Monitoring:
Regular review of reforms and removing bottlenecks in implementation

Support from Apex Level:
Periodic review by Prime Minister’s Office and Cabinet Secretariat

Pan-India coverage of reforms:
Implementation of reform action plans for States

Effective dialog with DB team:
Indian delegation visited World Bank multiple times to explain the reforms implemented and understand areas of improvement
Regular feedback sought by DIPP to understand on-ground implementation of reforms

Engaged **expert agencies** to receive regular industry feedback on reforms

Consulted **stakeholders frequently** to understand the gaps in reform implementation

Conducted **focused group discussions** and one-to-one meetings with users

Created WhatsApp groups to share reforms and **address concerns of users**

Ran Twitter Polls and conducted live Twitter chat sessions to gauge user perception

Identified **corrective measures** based on feedback received
Transformative Measures

Legislative and Regulatory Changes

- GST, IBC and Commercial Courts Act
- Amendment of Arbitration and Conciliation Act and Companies Act, Development Control Regulations

Trust & Verify

- Risk based profiling and approvals for Construction Permits & Trading Across Border
- Introduction of third-party and self-certification
- Notarized affidavits replaced by e-undertakings

Government Process Reengineering

- Common Application Form for Construction Permits
- Joint inspections for obtaining construction permits
- Introduction of provision for deemed approvals in Construction Permits and Starting a Business
- Direct Port Delivery/Entry for faster custom clearance
- Adoption of single form for 5 services – SPICe

Reduction in Fees

- Zero fee for registration under Shops and Establishments Act
- Cost of obtaining Construction Permits reduced
- Cost of getting electricity connection reduced
Technology driven Governance eliminates personal interface

- Single Window Interface for Facilitating Trade on ICEGATE portal
- e-Sanchit enabling digital filing of documents
- **Mandatory use of e-payment, e-invoice and e-delivery** by all maritime stakeholders (through Port Community System)
- Online registration under GST
- Electronic system for payment of social security contributions enabling easier return payment and filing
- Online registration under Shops and Establishments Act in Mumbai and Delhi
- **Online single window** for all construction related approvals
- Color coded zonal maps of various agencies made available online to determine NoC requirement for plots
Way Forward - 2019

1. **Paying Taxes:** GST implementation has been acknowledged, only partial impact has been taken into account, but improvement is expected to be factored next year.

2. **Resolving Insolvency:** Increased usage will lead to recognition; the indicator will improve as more insolvent companies opt for reorganization plans instead of liquidation.

3. **Enforcing Contracts:** Faster resolution of commercial disputes through dedicated commercial courts.

4. **Registering Property:** Digitization of land records and maps and transparency on encumbrances will ease the process of registering property.

Thank you