

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

LOK SABHA

UNSTARRED QUESTION NO: 1306

ANSWERED ON:18.07.2014

EASE OF DOING BUSINESS

POONAM MAHAJAN

(a) the position of India in world in terms of Ease of Doing Business survey conducted by the World Bank.

(b) whether the Government proposes to take steps to improve its position in this regard.

(c) if so, the details thereof.

Will the Minister of FINANCE be pleased to state:-

**ANSWER**

## MINISTER OF FINANCE (SHRI ARUN JAITLEY)

(a) The position of India in world in terms of Ease of Doing Business survey conducted by the World Bank is 134 out of 189 in the 2014 report, which is the latest published report.

(b) and (c): The government is taking a number of steps to improve the ease of doing business in India, which inter alia include the following:

#In order to improve the ranking in World Bank's Doing Business Report, Department of Industrial Policy and Promotion has taken a number of steps which include making the system of Industrial Licence (IL) and Industrial Entrepreneur Memorandum (IEM) completely on-line, delicensing large number of items under the Defence product list of compulsory licensing; extending the validity period of Industrial Licence; doing away with the requirement of affidavit from the applicants in cases of licences related to defence industry; making the process of registration with Employees' Provident Fund Organization and Employees' State Insurance on-line and real-time and implementation of eBiz programme for provision of on-line single window system. Besides, Best Practices of single-window system, land acquisition, labour law implementation, etc. have been shared with all States to provide a ready template for simplifying processes.

#The Ministry of Corporate Affairs has recently enacted the Companies Act 2013 which replaces the Companies Act, 1956. Two hundred and eighty three sections of the Companies Act, 2013 have been notified i.e. 98 sections w.e.f. 12.9.2013, one section w.e.f. 28.2.2014, 183 sections w.e.f. 1.4.2014 and one section w.e.f. 6.6.2014. Various approvals from the Government which were required under the Companies Act, 1956 have now been removed leaving such decisions to be taken by the shareholders of the Companies, thereby promoting self-regulation. In addition, the Companies Act, 2013 prescribes enhanced provisions for protecting investor. Further, the fees required for registering a small company with authorized capital upto Rs. ten lakhs and turnover upto Rs. two crore has been reduced to Rs. two thousand which was earlier Rs. twenty four thousand eight hundred.

#Further, as announced in Budget 2014-15, it is proposed to implement an 'Indian Customs Single Window Project' to facilitate trade. Under this, importers and exporters would lodge their clearance documents at a single point only. Required permissions, if any, from other regulatory agencies would be obtained online without the trader having to approach these agencies. This would reduce interface with Governmental agencies, dwell time and the cost of doing business.