

## **India jumps to 63rd position in World Bank's ease of doing business rankings**

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India is placed at 63rd position among the 190 countries in the World Bank's 'Ease of Doing Business 2020' report, 14 places higher than the last time.

The country has improved its performance in six of the ten parameters used for ranking. The improved parameters include starting a business, dealing with construction permits, trading across borders, resolving insolvency, paying taxes and getting electricity.

Though, the performance in areas like getting credit, protecting minor investors and enforcing contracts was same as last year and there was downfall in registration of properties criteria.

The study was carried out in New Delhi and Mumbai, although Bengaluru and Kolkata were speculated to be included this time.

Prime Minister Narendra Modi had set the target for India to break into the top 50 ranking this year but India will have to wait for another year to achieve the target.

"Those economies that score well in doing business tend to benefit from higher levels of entrepreneurial activity and lower levels of corruption," the World Bank report said.

The advancement of neighbouring economies provides a push for regulatory change along with the economic reason.

According to the report, India abolished filing fees for the SPICE company incorporation form, electronic memorandum of association and articles of association making it easier to start a business. The process was updated, leading to reduction in the time and cost of obtaining construction permits and improved building quality control by strengthening professional certificate requirements.

Trading across the borders is made easier by enabling post-clearance audits, a single electronic platform integrated for trade stakeholders, upgradation of port infrastructures and enhancement of the electronic submission of documents.

Reorganisation proceedings are promoted in order to resolve the insolvency. The report added, India also made resolving insolvency more tough by not permitting dissenting creditors to get as much under reorganisation as they would receive in liquidation.

The top ten economies that have seen the improvement, including India, Saudi Arabia, Jordan, Togo, Bahrain, Tajikistan, Pakistan, Kuwait, China and Nigeria, implemented one-fifth of all the reforms recorded worldwide in 2018-19, the report said.

According to the report, 'Doing Business' analyses regulation in 12 areas of business activity in 190 economies that encourages efficiency and supports freedom to do business. The parameters that are not included in the ranking process are regulation on employing workers and contracting with the government.