

'20 STATES COMPLETE EASE OF DOING BUSINESS REFORMS'

Relevant for: Indian Economy | Topic: Effects of Liberalization on the economy, changes in industrial policy and their effects on industrial growth incl. Economic Reforms

As many as 20 States have successfully completed ease of doing business reforms, the Finance Ministry said on Saturday.

States completing the reforms are eligible for additional borrowing of 0.25% of Gross State Domestic Product (GSDP).

"The number of States that have successfully completed the 'Ease of Doing Business' reforms has reached to 20. Five more States namely, Arunachal Pradesh, Chhattisgarh, Goa, Meghalaya and Tripura have completed the 'Ease of Doing Business' reforms stipulated by the Department of Expenditure," the Ministry said in a statement.

The Department of Expenditure has granted permission to these 20 States to raise additional financial resources of Rs. 39,521 crore through Open Market Borrowings.

The ease of doing business is an important indicator of the investment friendly business climate in the country. Improvements in the ease of doing business will enable faster future growth of the state economy. Therefore, the government of India, had in May 2020, decided to link grant of additional borrowing permissions to States that undertook the reforms to facilitate ease of doing business, the Ministry added.

Goa, Tripura Arunachal, Chhattisgarh and Meghalaya are the latest to comply

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