

India's rank rises to 100 in World Bank's doing Business Report, 2018

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The World Bank, today released the Doing Business (DB) Report, 2018. The Department of Industrial Policy and Promotion (DIPP) is pleased to announce that India ranks 100 among 190 countries assessed by the Doing Business Team. India has leapt 30 ranks over its rank of 130 in the Doing Business Report 2017.

The DB Report is an assessment of 190 economies and covers 10 indicators which span the lifecycle of a business. The table below provides a comparison of this year's and last year's report. India has improved its rank in 6 out of 10 indicators and has moved closer to international best practices (Distance to Frontier score). The credit for this significant improvement is credited to the mantra of "Reform, Perform, Transform" given by the Prime Minister, wherein a strong leadership has provided the political will to carry out comprehensive and complex reforms, supported by a bureaucracy committed to perform. The Government has undertaken an extensive exercise of stakeholder consultations, identification of user needs, government process re-engineering to match Government rules and procedures with user expectations and streamlined them to create a more conducive business environment. An extensive exercise is also undertaken to increase awareness among users about reforms to ensure extensive use of newly created systems.

This edition of the report acknowledges India as a top improver, with an improvement of 30 ranks compared to last year's report, the highest jump in rank of any country in the DB Report, 2018. India is the only country in South Asia and BRICS economies to feature among most improved economies of the DB Report this year.

2. Major achievements in the World Bank in the Doing Business Report

The important highlights of India's performance are:

1. Resolving Insolvency -

- a. Rank improved from 136 to 103
- b. Distance to Frontier (DTF) score improved from 32.75 to 40.75
- c. Strength of insolvency framework index increased from 6 to 8.5
- d. Insolvency & Bankruptcy Code created for efficient handling of restructuring & insolvency proceedings
- e. Professional institutes set up for handling restructuring & insolvency proceedings

2. Paying Taxes -

- a. Rank improved from 172 to 119
- b. DTF score improved from 46.58 to 66.06

- c. Payments reduced from 25 to 13 in a year
- d. Time reduced from 241 to 214 hours
- e. Total tax rate reduced from 60.6% to 55.3% (% of profit)
- f. Post filing index improved from 4.3 to 49.31
- g. Enabled electronic registration, return & payment of ESI & EPF contributions

3. **Getting Credit –**

- a. Rank improved from 44 to 29
- b. DTF score improved from 65 to 75
- c. Strength of legal rights index improved from 6 to 8
- d. Credit bureau coverage increased from 21.4% to 43.5% (% of adults)
- e. Increased coverage of security interest registration under SARFAESI Act
- f. Secured creditors prioritized over Government dues for purposes of recovery

4. **Enforcing Contracts -**

- a. Rank improved from 172 to 164
- b. DTF score improved from 35.19 to 40.76
- c. Cost reduced from 39.6% to 31% (% of claim)
- d. Quality of judicial process index improved from 9 to 10.3
- e. Dedicated commercial courts established
- f. National Judicial Data Grid (NJDG) to monitor and manage court cases

5. **Protecting Minority Investors –**

- a. Rank improved from 13 to 4
- b. DTF score improved from 73.33 to 80
- c. Strength of minority investor protection index increased from 7.3 to 8
- d. Extent of conflict of interest regulation index increased from 6.7 to 7.3
- e. Extent of shareholder governance index increased from 8 to 8.7
- f. Greater transparency requirements for interested parties transactions
- g. Greater shareholder protection through action against directors & claims for

damages

6. Construction Permits -

- a. Rank improved from 185 to 181
- b. DTF score improved from 32.83 to 38.80
- c. Procedures to obtain construction permits reduced from 35.1 to 30.1
- d. Time reduced from 190.0 to 143.9 days
- e. Cost reduced from 25.9 per cent to 23.2 per cent of warehouse value

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