

Challenges in ease of doing business

What is the issue?

\n\n

\n

- India moves up in the ease of doing business index, click [here](#) to know more about EDB.

\n

- The challenges before India in terms of business doing remains formidable

\n

\n\n

What are the commitments of India in business doing?

\n\n

\n

- Finance ministry has reiterated to achieve the commitment to pursue more business reforms.

\n

- India has set its target of entering the top 50 in the World Bank's index.

\n

- Specific steps to cut red tape had been taken, with the Bank recognising India as one of the top 10 countries that have made improvement over the past year.

\n

- The introduction of the new insolvency and bankruptcy resolution process in line with sooner debt recovery.

\n

- Simplifications in the payment of statutory dues such as provident fund contributions and corporate taxes and easier access to credit spurred India's latest ranking.

\n

- It is also notable that India is now the fourth best placed in the world for minority investors, well ahead of several developed nations.

\n

- By these commitments India is shifting from the ease of doing corruption to the ease of doing business.

\n

\n\n

What are the challenges before India?

\n\n

- \n
 - There are various areas where the Index still rates India poorly among 190 countries.
- \n
 - The quality and pace of course correction on the GST in the coming months is uncertain and will determine if India can hold its 100th position or move up further.
- \n
 - The implementation efficiency of Insolvency and bankruptcy code is yet to be proved.
- \n
 - The enforcement of contracts in India now takes longer than it did 15 years ago.
- \n
 - The procedures to start a business or secure a construction permit remain cumbersome.
- \n
 - As the country's largest urban agglomerations, Mumbai and Delhi cannot host the kind of large factories that India needs to generate adequate employment.
- \n
 - The procedural reforms so far taken as not been reached the entire hinterland.
- \n
 - No major legislative changes had been bought in the areas of Land acquisition
- \n
 - Foreign investors often take their signal from the mood of domestic businesses the GST challenges faced by domestic traders are yet to be addressed.

\n\n

\n\n

Source: The Hindu

\n



SHANKAR
IAS PARLIAMENT
Information is Empowering