

TRENDS IN INDIA'S ENTREPRENEURSHIP LANDSCAPE: AN INTERNATIONAL COMPARISON OF INDIA IN COMPARISON TO LOWER- MIDDLE-INCOME COUNTRIES, BRICS, AND SAARC

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Abstract

Need of the Study: The Ease of doing business index is an indicator introduced by the World Bank to measure the regulatory environment of small and medium-sized companies across the globe and how these businesses improve over time. The present study considered the starting a business parameter of this Index. This parameter is the sum of procedures, cost, time, and minimum capital required for commencement of a business. The conducive business environment enables high-quality ideas to take root, leads to more creation of jobs and better lives. So, to promote entrepreneurs required to simplify cumbersome procedures for starting a business and Government of India took various initiatives in this regard. This paper analyses whether these initiatives help in boosting India's position. If yes, then which extent.

Purpose: The main purpose is to analyse trend of India's position starting a business parameter among SAARC, BRICS, and Lower-middle-Income countries for the period 2007 to 2020.

Findings: This study used trend analysis and found that before 2018, India's ranking was greater than 155 out of 189 countries. It was improved to 137 in 2019, and 136 in 2020 respectively due to easier procedures for starting a business such as integrating the multiple application forms into a single SPICe (Simplified Performa for Incorporation Company Electronically), and improving the online application system. But still, India's position remains the same. it was lowest in BRICS, SAARC, and 43rd out of 46th lower-middle-income countries.

Practical implications: The study suggests that there is a strong need to improve this parameter through a centralized system. It will look at all the matters related to starting a business instead of getting approval from various agencies such as authorized private agencies, registrar of companies, authorized vendors, municipal corporations, department of goods and service tax, Ministry of labor etc.

Research limitation: A limitation of the study is that considered only starting a business parameter of Ease of doing business index.

Keywords: Starting a business, Ease of doing business, Business Environment

1.Introduction

‘Entrepreneurs create new businesses, and new businesses in turn create jobs’, improve productivity, reduced poverty, and strengthen competition which associated with better firm performance. High planned levels of entrepreneurship will accordingly decipher directly into high levels of economic growth. Conversely, the reality is complex and dense. On the one side, Entrepreneurship leads to rise in the informal self-employment rises while on the other side the high levels of entrepreneurship actually give push to substantial bureaucratic barriers in formally creating a new business. In this direction, the world bank found a way to reduce the barrier for starting a business by introducing ‘**Ease of doing business index**’ in the year 2003. Starting a business is the first and the foremost parameters of this index. It describe the level of ease/difficulty with which an industrialist is able to set up a new business along with a list of various procedures. As per *Doing Business Report 2020*, 178 countries have applied 722 reforms related to the starting a business indicator set, which is concerned with reducing or eliminating barriers to entry since 2004. Out of all the countries, 106 have eliminated minimum capital requirements, 80 have introduced or improved one-stop shops, and more than 160 have simplified pre-registration & registration formalities.

A fastest-developing country like India has the potential to surpass the leading countries in terms of trade and commerce. On January 16, 2016 the government of India initiated the ‘Start-up India’ program with a known objective to build a physically powerful ecosystem for nurturing innovation and start-ups in the nation that would steer sustainable economic growth and generate large scale employment opportunity. In addition, On May 12 2020, the government of India launched **Atmanirbhar Bharat Abhiyaan** or **Self-reliant India** program, with a vision of making India economically, technologically and infrastructurally self-reliant. It aimed to transform India from a passive market to an active manufacturing hub. The Indian government has adopted many reforms, such as, ‘**simplifying application forms for industrial licenses, placing license applications online, exempting several businesses from licensing requirements, extending the validity of permits, raising FDI caps in several industries, introducing a new regulatory reform law, and simplifying import-export documentation**’. As a result of this, India climbed the rankings by making it easier to starting a business from 179 in 2013 to 136 in 2019 respectively. These reforms are given in Table 1.

Table 1: Govt. of India Initiatives regarding Starting a Business

<i>Sr. No</i>	<i>Starting a Business</i>	<i>Implementation agency</i>
1	SPICe+ is introduced by the Ministry of Corporate Affairs (MCA) which saves time and endeavour required for a Company Incorporation. It includes various services like Permanent Account Number (PAN), Tax Account Number (TAN), Director Identification Number (DIN), Goods and GSTN etc.	‘Registrar of Companies, Ministry of Corporate Affairs, Department of Revenue under the Ministry of Finance’.
2	SPICe+ is divided into two part: <ul style="list-style-type: none"> ☐ PartA: Name reservation for new companies ☐ PartB: Incorporation, DIN allotment, mandatory issue of PAN, TAN, EPFO, ESIC registration, Profession Tax registration (Maharashtra), Bank Account for the Company and Allotment of Goods and Service Tax 	‘Ministry of Corporate Affairs, Ministry of Labour & Employment, Deptt. of Revenue, under the Ministry of Finance’.

<i>Sr. No</i>	<i>Starting a Business</i>	<i>Implementation agency</i>
	Identification Number (GSTIN).	
3	File the SPICe+ form is following a fully online procedure that reduced the time to obtain the certificate of Incorporation from 5 days to 1 day.	

Source:<https://dpiit.gov.in/ease-doing-business-reforms>

The Government of India (GOI) has taken various initiatives in this regard. The procedures to start a business are given as follows: (Economy Profile of India 2020 by the World Bank)

- ☐ Obtaining a digital signature certificate issued by an authorised private agency takes 2 days. The associated cost is Rs 700 to Rs 2500.
- ☐ Save the company name to the Registrar of Companies under the Corporate Affairs ministry. It takes 1 to 3 days, and the cost involved is Rs 1,000.
- ☐ Prepare attested affidavit by each promoter and proposed director. It takes one day, and the cost is Rs 10 for stamp paper plus Rs 35 for certifying each affidavit.
- ☐ Introducing the SPICe (Simplified performs for incorporation of companies electronically). This form merges the various procedures for starting a business into a single integrated form, stamp duty, acquire the certificate of incorporation, PAN, DIN, and TAN to the Registrar of Companies under Ministry of Corporate Affairs takes 4 days and cost is Rs 3,000 for stamp duty of article of association, Rs 200 for memorandum of association, Rs 110 for PAN, and Rs 65 for TAN.
- ☐ Company stamp issued by authorized vendor taken one day and the cost is Rs 350 to 500.
- ☐ Opening a bank account takes three days.
- ☐ To list with the office of an inspector under municipal corporation takes seven days, and the cost is Rs 1,200 for registration fee plus three times registration fee for trade refuse charges is Rs 3600.
- ☐ The goods and services tax department takes four days to provides Goods and Service Tax (GST) registration number.
- ☐ Shram Suvidha Portal of Ministry of Labour and Employment takes one days to list with employees state insurance corporation (ESIC) and employee's provident fund organization (EPFO).
- ☐ Registering for professional tax under the sales tax department takes less than one day.

After taking such initiatives still India's ranking is 136th out of 190 countries. Therefore, this paper analysed the trend of India's position among SAARC, BRICS and Lower-middle-income countries in starting a business parameter and suggest the ways to improve India's position.

2 Literature Review

There is a growing literature on the ease of doing business. Garg and Vashishtha (2021) reviewed the existing circumstances of doing business in India by comparative examination of BRICS nations in this index. The study found that New Zealand is the top-performing country in this index and India's position was critical in four parameters. These parameters are registering property, starting a business, enforcing contracts, and paying taxes.

Jain (2020) studied the various measures taken by India's government to improve doing business ranking of India. India has streamlined the procedure of starting a business by launching the simplified proforma

for incorporating company electronically (SPICe) e-Form, integrated the MCA21 System with the central board of direct taxes (CBDT) for the issue of PAN and TAN. Allotment of director's identification number (DIN), permanent account number (PAN) and the first tax deduction account number (TAN) are considered in the incorporation process. No distinct process is required.

Bhargava (2019) analysed achievements of India in the ease of doing business index of the world bank, insights various reasons why India is encounter difficulty in operate and starting a business and also discusses the various initiatives taken by the government to improve India's ranking. This paper proposed that the government should concentrate more on weak areas such as enforcing contracts, starting a business, registering property, resolving insolvency, paying taxes etc.

Gera and Purankar (2019) investigated how to do business in BRICS countries. The study used descriptive statistics and found that starting a business is most accessible in Russia among BRICS nation. China and India are placed in the second and third positions. This paper suggested reducing the days and procedures for establishing a company in India, South Africa, and Brazil.

Gaur and Padiya (2017) focused on several emerging movements, issues, and challenges in the doing business index and high spot the several improvements initiated by India's government to advance regulatory environment in India. The study found that India is undergoing several innovative modifications that helps in expand the regulatory environment in the country.

Chawla and Bhatia (2017) studied the concept and government initiative for improving doing business ranking in India. This paper highlights the importance of ease of doing business parameters on economic development and indicates the various initiatives to accomplish the same. This is a conceptual paper in the context of cross-border contracts.

Natarajan and Raza (2017) investigated the status of doing business in India, and compared India's position among SAARC countries in the doing business index. This paper recommended effective strategies for streamline the doing business in India. This paper found that the government has taken various steps for improving institutional environment through presenting online eBiz portal, removal the minimum paid-up capital requirement, simplification of application form, single-step incorporation of companies, and introducing a common seal. To make India a advanced nation is essential to follow the guidelines of the high-performer countries.

Geetha (2014) identified some of the critical challenges in making India a global manufacturing hub and recommends possible solutions to deal with land acquisition challenges, to satisfy industrial energy demand by capacity addition in the power sector, and improving the ranking in ease of doing business of India. The paper recommended that there is a need to increase investment in the economy. The authorities must work to improve the various components of doing business parameters.

There is a dearth of research in studying India's position in **SAARC, BRICS, and lower-middle-income and**. However, the position of India has been studied in various groups such as SAARC, BRICS in earlier studies like Natarajan and Raza (2017), Gera and Purankar (2019), and Garg and Vashishtha (2021). This paper studied India's position in different time frames and shows the link between government initiatives and improvement in India's ranking.

3 Methodology

This paper was used secondary data sources, and the World Bank provided data on the ease of doing business. Here, India's position is studied in various groups such as SAARC, BRICS, and lower-middle-income countries in the starting a business parameter. The South Asian Association for Regional Cooperation (SAARC) is an economic association of eight countries in South Asia. These countries are Bhutan, Afghanistan, Bangladesh, Nepal, India, Maldives, Sri Lanka, and Pakistan. BRICS is the group of five countries - Brazil, Russia, India, China, and South Africa. Lower-middle-income countries defined by the World Bank are those countries with a GNI per capita between \$1,036 and \$4,045. In doing business reports (as per the World Bank) the number of lower-middle-income countries is 46. The whole data set of the study is from 2006-07 to 2019-20. Due to some irregularities data for the year 2020-2021 is not available.

4 Results

Firstly, data is classified in groups such as BRICS, SAARC, and Lower-middle income countries to analyze India's position in the World Bank Ease of Doing Business index. After that, new ranks were assigned within the group on the basis of original ranking given by the World Bank. Based on the new ranking, the trend of India's ranking was assessed among different groups such as SAARC, BRICS, and Lower-middle-income countries.

Trend of India's position in starting a business ranking in the SAARC countries

To understand India's position in SAARC countries, countries-wise ranking in starting a business parameter is given in further Table.

Table2: Country-wise starting a business ranking by the World Bank

Year/ Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Afghanistan	17	24	22	23	25	30	28	24	24	34	42	107	49	52
Bangladesh	68	92	90	98	79	86	95	74	115	117	122	131	138	131
Bhutan	79	52	63	80	84	83	94	86	92	91	94	88	91	103
India	88	111	121	169	165	166	173	179	158	155	155	156	137	136
Maldives	31	34	38	49	85	59	63	71	50	48	65	68	71	74
Nepal	49	60	73	87	96	107	105	97	104	105	109	109	107	135
Pakistan	54	59	77	63	85	90	98	105	116	122	141	142	130	72
Sri Lanka	44	29	29	41	34	38	33	54	104	98	74	77	83	85

Source: <https://data.worldbank.org/indicator/IC.BUS.EASE.XQ>

Table3: Country-wise starting a business new ranking within the SAARC countries

Year/ Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Afghanistan	1	1	1	1	1	1	1	1	1	1	1	4	1	1
Bangladesh	6	7	7	7	4	5	5	4	6	6	6	6	6	6
Bhutan	7	4	4	5	5	4	4	5	3	3	4	1	4	5
India	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Maldives	2	3	3	3	3	3	3	3	2	2	2	2	2	3
Nepal	4	6	5	6	7	7	7	6	5	5	5	5	5	7

Year/ Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Pakistan	5	5	6	4	6	6	6	7	7	7	7	7	7	2
Sri Lanka	3	2	2	2	2	2	2	2	4	4	3	3	3	4

Source: Self compilation of the data obtained by Doing Business Reports

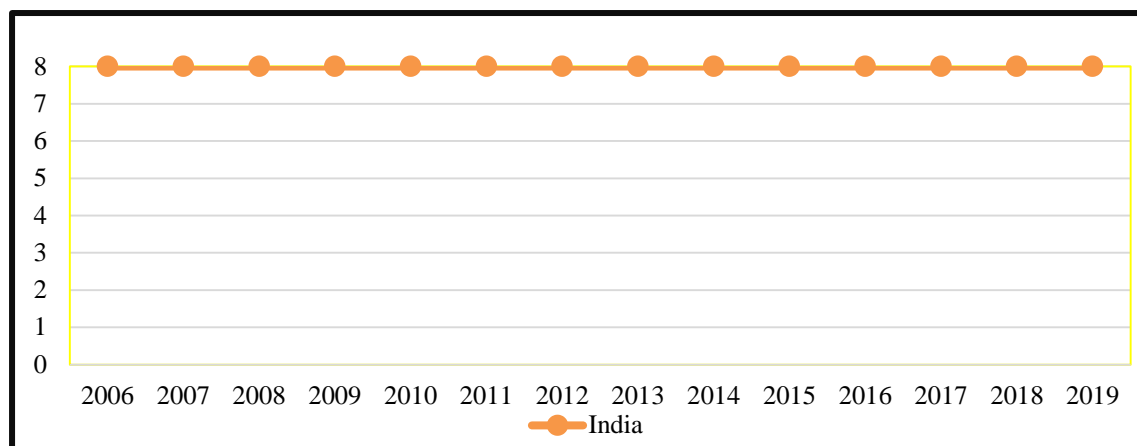


Figure1: Trend of India's position in starting a business ranking in the SAARC countries

Table 3 and Figure 1 reveals that India's position was 8th from 2006 to 2019. It was lowest among SAARC countries. Country's ranking is not only influenced by the same country's initiatives but also influenced by other countries' reforms. To improve India's position following initiatives taken by Government of India

- In 2010, India eased starting a business parameter by establishing an online VAT registration system but India's position remains the same in SAARC countries.
- In 2014, registration fees were reduced, but it was made more problematic by introducing the requirement to file a declaration before business operations can begin.
- In 2015, removing the minimum capital condition and the requirement to get a certificate to start business operations.
- In 2017, the government of India took major initiative toward easier the procedure for starting a business such as integrating the multiple applications forms (obtain PAN and TAN, record with ESIC and EPFO, register with VAT and professional tax, open bank account, register with shops and establishment act) into a single SPICe (Simplified Performa for Incorporation Company Electronically), and improving the online application system. But still, India's position remains the same.
- In 2019,SPICewas made easy by eliminating filing fees, and presenting electronic forms of articles of association and memorandum of association.

In this parameter, India's position was lowest among SAARC countries in all year.

Trend of India's position in starting a business ranking in the BRICS countries

To understand India's position in BRICS countries, countries-wise ranking in starting a business is given in further Table.

Table4: Country-wise starting a business ranking by the World Bank

Year/ Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Brazil	115	122	127	126	128	120	121	123	167	174	175	176	140	138
China	128	135	151	151	151	151	151	158	128	136	127	93	28	27
India	88	111	121	169	165	166	173	179	158	155	155	156	137	136
Russian Federation	33	50	65	106	108	111	101	88	34	41	26	28	32	40
South Africa	57	53	47	67	75	44	53	64	61	120	131	136	134	139

Source: <https://data.worldbank.org/indicator/IC.BUS.EASE.XQ>

Table5: Country-wise starting a business new ranking within BRICS

Year/ Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Brazil	4	4	4	3	3	3	3	3	5	5	5	5	5	4
China	5	5	5	4	4	4	4	4	3	3	3	2	2	1
India	3	3	3	5	5	5	5	5	4	4	4	4	4	3
Russian Federation	1	1	2	2	2	2	2	2	1	1	1	1	1	2
South Africa	2	2	1	1	1	1	1	1	2	2	2	3	3	5

Source: Self compilation of the data obtained by Doing Business Reports

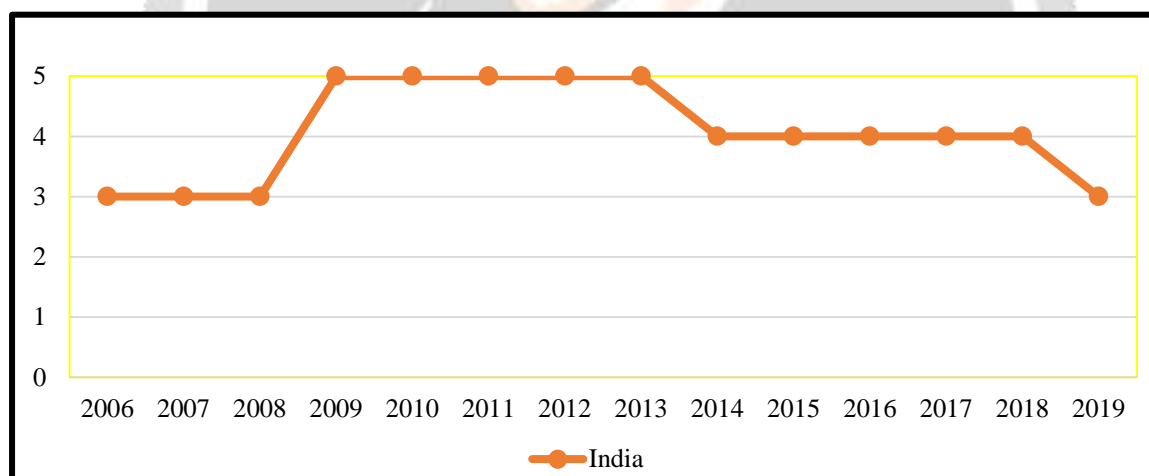
**Figure2: Trend of India's position in starting a business ranking in the BRICS countries**

Table 5 and Figure 2 revealed that India's position was 3rd from 2006 to 2008, 5th from 2009 to 2013, 4th from 2014 to 2018, and 3rd in 2019 out of 5, BRICS countries. In this parameter, India's position remains between 3rd to 5th and it was more than 3rd in all year. It means procedures for starting a business in India have more complexed than other BRICS countries. India's ranking was lagged behind China and Russian Federation.

Trend of India's position in starting a business ranking in the lower-middle-income countries

To understand India's position in lower-middle-income countries, countries-wise ranking in starting a business parameter is given in further Table.

Table6: Country-wise starting a business ranking by the World Bank

Year/ Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Angola	170	173	156	165	164	167	171	178	174	141	144	134	139	146
Bangladesh	68	92	90	98	79	86	95	74	115	117	122	131	138	131
Bhutan	79	52	63	80	84	83	94	86	92	91	94	88	91	103
Bolivia	149	157	165	167	166	169	174	180	171	178	177	179	178	175
Cabo Verde	144	156	163	136	120	131	129	66	78	75	100	98	116	121
Cambodia	159	162	169	173	170	171	175	184	184	180	180	183	185	187
Cameroon	152	160	171	174	131	128	125	132	133	137	149	122	92	104
Comoros	136	145	160	168	168	172	168	163	173	163	161	166	164	158
Congo, Rep.	171	154	157	166	176	175	180	182	170	177	178	177	179	179
Cote D'Ivoire	154	155	167	172	172	170	176	115	44	46	50	44	26	29
Djibouti	157	165	173	177	175	179	185	127	163	171	172	115	96	123
Egypt, Arab Rep.	165	55	41	24	18	21	26	50	73	73	39	103	109	90
El Salvador	123	130	103	121	129	136	139	148	121	125	129	140	147	148
Ghana	145	138	137	135	99	104	112	128	96	102	110	110	108	116
Honduras	138	135	146	144	145	150	155	162	138	150	148	150	154	170
India	88	111	121	169	165	166	173	179	158	155	155	156	137	136
Indonesia	161	168	171	161	155	155	166	175	155	173	151	144	134	140
Kenya	111	112	109	124	125	132	126	134	143	151	116	117	126	129
Kiribati	72	86	111	119	123	141	145	156	122	142	140	147	149	149
Kyrgyz Rep	41	49	31	14	14	17	15	12	9	35	30	29	35	42
Lao PDR	73	78	92	89	93	89	81	85	154	153	160	164	180	181
Lesotho	113	126	125	131	140	144	79	89	108	112	117	119	119	84
Mauritania	164	167	143	149	152	159	160	173	164	70	80	43	46	49
Micronesia	39	46	60	79	92	102	104	106	151	162	167	170	170	174
Moldova	84	81	89	77	94	88	92	81	35	26	44	23	14	13
Mongolia	55	62	59	78	86	97	39	25	42	36	36	59	87	100
Morocco	47	51	62	76	82	93	56	39	54	43	40	35	34	43
Myanmar								189	189	160	146	155	152	70
Nicaragua	62	70	85	95	97	130	131	123	120	123	128	138	144	145
Nigeria	118	80	91	108	110	116	119	122	129	139	138	130	120	105
Pakistan	54	59	77	63	85	90	98	105	116	122	141	142	130	72
Papua New Guinea	69	76	92	104	81	84	91	101	130	138	130	129	143	142
Philippines	108	144	155	162	156	158	161	170	161	165	171	173	166	171
Sao Tome & Principe	122	126	136	140	177	105	100	98	23	31	35	148	148	150
Senegal	150	159	95	102	101	93	102	110	90	85	90	63	64	60
Solomon Islands	76	85	99	111	112	110	75	82	93	95	97	94	98	110
Sudan	82	95	107	118	121	126	122	131	139	146	156	159	156	157
Timor Leste	160	140	150	150	167	157	147	154	96	104	145	151	68	68
Tunisia	59	68	37	47	48	56	66	70	100	103	103	100	63	19
Ukraine	101	109	128	134	118	112	50	47	76	30	20	52	56	61
Uzbekistan	70	54	70	92	106	96	90	21	65	42	25	11	12	8

Year/ Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Vanuatu	65	73	94	110	107	114	116	126	137	147	126	128	132	137
Vietnam	97	97	108	116	100	103	108	109	125	119	121	123	104	115
West Bank and Gaza	173	166	166	176	173	177	179	143	162	170	169	169	171	173
Zambia	67	82	71	94	57	69	74	45	68	78	105	101	102	117
Zimbabwe	137	143	164	145	143	144	143	150	180	182	183	180	176	167

Source: <https://data.worldbank.org/indicator/IC.BUS.EASE.XQ>

Table7: Country-wise starting a business new ranking within lower-middle-income countries

Year/ Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Angola	43	45	34	36	35	38	38	41	43	28	29	26	29	32
Bangladesh	10	19	13	14	5	7	15	10	19	20	21	25	28	26
Bhutan	16	4	7	9	8	5	14	14	13	14	12	10	12	16
Bolivia	33	37	39	38	37	39	40	43	41	44	43	44	43	43
Cabo Verde	31	36	37	28	23	26	27	8	11	11	14	12	20	23
Cambodia	38	40	42	42	40	41	41	45	45	45	45	46	46	46
Cameroon	35	39	43	43	28	24	25	29	27	25	33	20	13	17
Comoros	28	33	36	39	39	42	37	37	42	38	38	39	38	37
Congo, Rep.	44	34	35	37	44	43	44	44	40	43	44	43	44	44
Cote D'Ivoire	36	35	41	41	41	40	42	22	5	11	9	6	3	4
Djibouti	37	41	45	45	43	45	45	26	38	41	42	17	14	24
Egypt, Arab Rep.	42	6	3	2	2	2	2	7	9	10	6	15	19	14
El Salvador	27	27	20	23	27	28	29	32	22	24	24	28	32	33
Ghana	32	29	29	27	15	17	21	27	15	16	17	16	18	21
Honduras	30	28	31	30	31	32	33	36	29	32	32	33	36	39
India	19	23	25	40	36	37	39	42	35	35	35	36	27	27
Indonesia	40	44	44	34	33	33	36	40	34	42	34	30	26	29
Kenya	23	24	23	24	26	27	26	30	31	33	18	18	23	25
Kiribati	13	18	24	22	25	29	31	35	23	29	27	31	34	34
Kyrgyz Rep.	2	2	1	1	1	1	1	1	1	4	3	3	5	5
Lao PDR	14	13	15	10	12	9	10	13	33	34	37	38	45	45
Lesotho	24	25	26	25	29	30	9	15	18	19	19	19	21	13
Mauritania	41	43	30	32	32	36	34	39	39	9	10	5	6	7
Micronesia	1	1	5	8	11	15	19	19	32	37	39	41	40	42
Moldova	18	15	12	6	13	8	13	11	3	1	8	2	2	2
Mongolia	5	8	4	7	10	14	3	3	4	5	5	8	11	15
Morocco	3	3	6	5	7	11	5	4	6	7	7	4	4	6
Myanmar									46	36	31	35	35	11
Nicaragua	7	10	11	13	14	25	28	24	21	23	23	27	31	31
Nigeria	25	14	14	17	20	22	23	23	25	27	26	24	22	18
Pakistan	4	7	10	4	9	10	16	18	20	22	28	29	24	12
Papua New Guinea	11	12	16	16	6	6	12	17	26	26	25	23	30	30
Philippines	22	32	33	35	34	35	35	38	36	39	41	42	39	40

Year/ Country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Sao Tome & Principe	26	26	28	29	45	18	17	16	2	3	3	32	33	35
Senegal	34	38	18	15	17	11	18	21	12	13	11	9	9	8
Solomon Islands	15	17	19	19	21	19	8	12	14	15	13	11	15	19
Sudan	17	20	21	21	24	23	24	28	30	30	36	37	37	36
Timor Leste	39	30	32	33	38	34	32	34	16	18	30	34	10	10
Tunisia	6	9	2	3	3	3	6	9	17	17	15	13	8	3
Ukraine	21	22	27	26	22	20	4	6	10	2	1	7	7	9
Uzbekistan	12	5	8	11	18	13	11	2	7	6	2	1	1	1
Vanuatu	8	11	17	18	19	21	22	25	28	31	22	22	25	28
Vietnam	20	21	22	20	16	16	20	20	24	21	20	21	17	20
West Bank and Gaza	45	42	40	44	42	44	43	31	37	40	40	40	41	41
Zambia	9	16	9	12	4	4	7	5	8	12	16	14	16	22
Zimbabwe	29	31	38	31	30	31	30	33	44	46	46	45	42	38

Source: Self compilation of the data obtained by Doing Business Reports

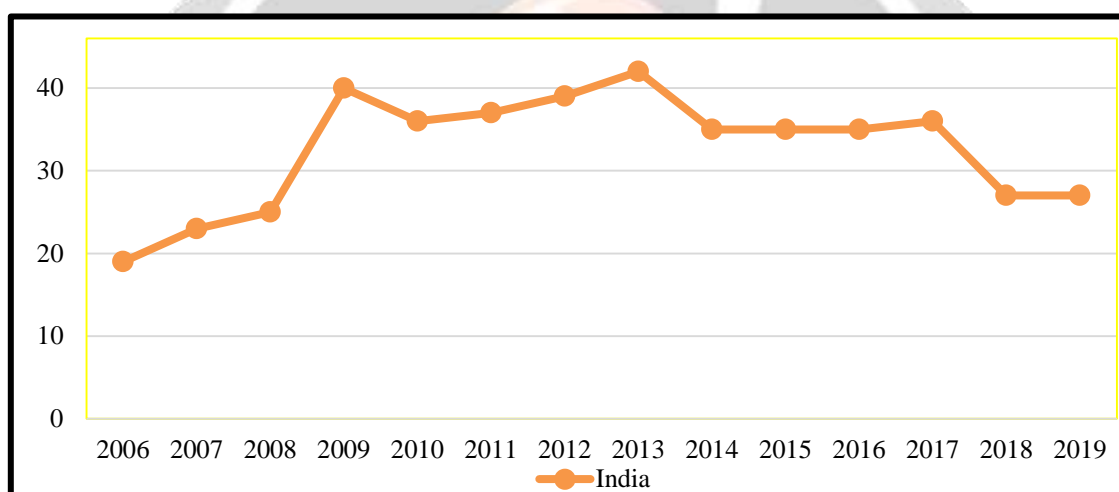


Figure3: Trend of India's position in starting a business ranking in the lower-middle-income countries

Table 7 and Figure 3 reveals that India's position was 19th in 2006, 23rd in 2007, 25th in 2008, 40th in 2009, 36th in 2010, 37th in 2011, 39th in 2012, 42nd in 2013, 35th from 2014 to 2016, 36th in 2017, 27th in 2018 & 2019 out of 46th lower-middle-income countries. India's position remains close to 35th in all years but it improved to 27th in 2018 and 2019. This year the government of India, integrates multiple application forms for starting a business into a single performa which is Simplified Performa for Incorporation Company Electronically.

5 Conclusion and Recommendations

It is concluded that India's position was not good in this parameter. It was 8th out of 8, SAARC countries. It was 4th out of 5 BRICS countries. It was 43rd out of 46 countries. In overall, there is a strong need to improve this parameter because India's position was lowest in all groups instead of various initiatives taken by Government of India. To improve this parameter is required to frame a centralized system. It will look at all the matters related to starting a business instead of getting approval from various agencies such as authorized private

agencies, registrar of companies, authorized vendors, municipal corporations, department of goods and service tax, Ministry of labor etc. This process is more time and cost consuming, there is a need to frame the single centralized system.



Table 8: Good and Not Good performer in starting a business parameter (SAARC)

Sr. No.	Good Performer (SAARC)	Good Performer (BRICS)	Good Performer (Lower-middle-income)	Not Good Performer (India)	India's Position
1	Afghanistan In 2006 Procedure:3 Time:8 Cost:67.4 (% of income per capital) Minimum capital:0	Russian Federation In 2006 Procedure:7 Time:28 Cost:2.7 (% of income per capital) Minimum capital:3.4 (% of income per capital)	Micronesia In 2006 Procedure:7 Time:17 Cost:135.9 (% of income per capital) Minimum capital: 0	India (2006-2019) In 2006 Procedure:11 Time:35 Cost:73.7 (% of income per capital) Minimum capital:0	There is a need to reduce the time and cost to improve India's position.
2	Afghanistan In 2019 Procedure:4 Time:8 Cost:6.8 (% of income per capital) Minimum capital:0	China In 2019 Procedure:4 Time:8.6 Cost:1.1 (% of income per capital) Minimum capital:0	Uzbekistan In 2019 Procedure:3 Time:3 Cost:2.2 (% of income per capital) Minimum capital:0	India In 2019 Procedure:10 Time:17.5 Cost:7.3 (% of income per capital) Minimum capital:0	Govt. of India taken number of initiatives such as launched SPICE (Simplified Performa for incorporation company electronically) for starting a business which include incorporate a company, obtain PAN and TAN, record with ESIC and EPFO, record with VAT and record with Shops, open Bank account, and Establishment Act. But still India's position is not good in this parameter.

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