



PUTTING THE EASE BACK IN DOING BUSINESS

The platforms India has created will improve ease of doing business and help the nation become a developed economy.

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IN THE PAST 10 years, a slew of transformative activities in India have delivered more than improving just the business landscape. From better compliance to transparency, the aspects overlooking a business and its lifecycle have undergone a sea change. Businesses today, from inception to operations to their seizure, have a system to follow and meaningfully contribute to economic expansion and job creation.

However, the current speed of business change in the AI age demands faster resolution. What more can India do to improve the ease of doing business? The latest Economic Survey, Budget announcements, and government dossiers document that growth and India's emphasis on deregulation, underlining the government's objective of creating a more seamless and business-friendly regulatory environment.



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Global endorsements and sectoral progress

What is notable is India's commitment to improving the ease of doing business. That is increasingly getting recognition in the World Bank's Ease of Doing Business Report which saw India rise to 63 in 2020 from 142 in 2015. Understandably, one can expect the newer iteration of this report to reflect India's continued progress.

Across the industry, reducing the aspects of logistics cost has become a focussed priority. And India has made considerable progress in this regard too. On a heartening note, the World Bank's Logistics Performance Index 2023 placed India at the 38th spot out of 139 countries, a leap from 54th in 2014. So, the public investments allocated to infrastructure creation in ports, highways, railways, and roads have enhanced India's competitiveness in global trade. This not only augurs well for supply chain efficiency but also improves our readiness in a global trade shackled by concerns of tariffs.

To give credit where due, there have been countless mechanisms in the recent past that have enhanced the ease of doing business. GST, rolled out in 2017, unified the nation under a "One Nation, One Tax" framework, reducing transaction costs and simplifying tax compliance. If India could implement something as large as GST despite its challenges, what could stop us?

Similarly, the landmark Insolvency and Bankruptcy Code (IBC), enacted in 2016, has helped in the resolution of stressed assets. In 2023 alone, 273 companies underwent resolution, with recoveries totalling ₹67,000 crore—up from ₹20,860 crore in 2022. This not only boosts the confidence of banks but also assures global investors of the safety of their investments.

Another policy that finds mention is the Business Reforms Action Plan (BRAP), initiated in 2014 by the DPIIT, which ranks states and Union

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Territories based on business-friendly policy implementation. This has fostered competitive federalism and prompted administrative improvements at the state level. India has had a slew of reforms and measures that have consistently placed it forward when it comes to doing business.

Starting from the Jan Vishwas Act 2023, to the National Single Window System (NSWS), launched in 2021, to several schemes announced under trade facilitation reforms such as SWIFT, AEO, RMS, and DPD, India has steadfastly resolved to streamlining business and reducing trade costs.

Finally, initiatives for MSMEs and labour law reforms—including the MSME Samadhaan Portal and Shram Suvidha Portal—have improved transparency, grievance redressal, and accountability across sectors. To businesses, the India Industrial Land Bank (IILB) aids site selection with data on infrastructure and plot availability, while environmental reforms like PARIVESH 2.0 and the Green Credit Rules have enhanced digital governance and compliance.

Creating a predictable yet sustainable tomorrow

India's reforms agenda remains an ongoing effort—with the idea of obviating any surprises for businesses. Having no surprises creates a predictable environment and is sufficiently sustainable too. While considerable progress has been made, the path to a truly business-friendly India lies in ensuring predictability and consistency

in regulatory enforcement across all levels of government. A key expectation from industry is the reduction of discretionary powers and greater use of digital platforms to minimise human interface.

Under the aegis of several task forces, the government has empathically heard simplification measures and further integration drives. There has been an institutionalised feedback loop where industry voices across diverse sectors have been consistently heard. And these have been brainstormed too.

Continued focus on integrating state and central systems, timely dispute resolution, and simplifying compliance procedures will be crucial. Moreover, policies must remain responsive to the evolving needs of global and domestic investors, especially as India positions itself as a manufacturing and innovation hub.

Looking ahead, leveraging the next 25 years to generate employment and elevate national competitiveness is essential to realising the goal of becoming a developed nation by 2047.

India has already kick-started several measures. The approach of institutionalising feedback mechanisms and scouting for collaboration is the right method.

What India needs at this time is confidence in the platforms that have been created. This should help India not only improve the ease of doing business but also become a developed economy by 2047. ■

(Views are personal)