

(b) what is the annual import of Active Pharmaceutical Ingredients (API) required for producing these medicines especially from China;

(c) whether the issues such as delayed environmental clearances are plaguing the manufacturing sector; and

(d) if so, the details of the steps taken by Government to help the manufacturing sector in the country?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) No, Sir, as per information provided by Department of Industrial Policy and Promotion and Department of Pharmaceuticals there is no such proposal.

(b) India imports US\$ 3245.64 mn (2014-15) worth APIs from various countries like China, Germany, USA, Japan, Italy, South Korea etc. Out of total imports, China contributed about 63.6% in 2014-15. Import of Bulk Drugs is as under:-

India's imports in (USD million)					
	2010-11	2011-12	2012-13	2013-14	2014-15
Bulk Drugs	2997	3357	3189.67	3146.76	3245.64

*Source:* CMIE/DGCIS

(c) and (d) The Department of Pharmaceuticals in association with Ministry of Environment, Forest and Climate Change and Ministry of Commerce and Industry are sorting out the issue relating to the difficulties being faced by the Bulk Drug Manufacturers relating to Environment issues to give boost to manufacturing.

#### **India's ranking on Forbes list of countries for doing business**

328. SHRI A. W. RABI BERNARD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India has been ranked 97 out of 144 nations, behind Kazakhstan and Ghana on Forbes annual list of the best countries for doing business, scoring poorly on trade, monetary freedom and tackling challenges like corruption and violence;

(b) if so, the details thereof;

(c) whether India has not yet fully addressed the challenges including corruption, poverty, violence and discrimination against women and girls, ineffective power generation and distribution, ineffective enforcement of intellectual property rights, transport and agriculture infrastructure, etc.; and

(d) if so, the steps taken to address these issues?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) Yes, Sir. India has been ranked 97 out of 144 nations, behind Kazakhstan and Ghana on Forbes annual list of the best countries for doing business and other indicators. The indicators on which the ranking is done are: property rights, innovation, taxes, technology, corruption, freedom (personal, trade and monetary), red tape, investor protection and stock market performance. The data is based on reports of the following organizations: Freedom House, Heritage Foundation, Property Rights Alliance, Transparency International, World Bank Group and World Economic Forum.

(c) Government of India, with the cooperation of State Governments/UT Administrations has undertaken a number of reforms to improve India's ranking. However, India's ranking will depend on the reforms undertaken by India as well as other countries and cannot be predicted.

(d) The initiatives undertaken by Government of India on improving ease of doing business are given in the Statement-I and II, respectively.

***Statement-I***

*Initiatives on improving 'Ease of Doing Business' in India.*

The Government of India has taken up a series of measures to improve Ease of Doing Business. The emphasis has been on simplification and rationalization of the existing rules and introduction of information technology to make governance more efficient and effective. The measures taken are:

1. India was ranked 142nd in Doing Business Report, 2015. The World Bank has released Doing Business Report, 2016 on 27th October, 2015. India is ranked at 130 (against a recalculated rank of 134th for 2015). India's rank has improved in 'starting a business', 'dealing with construction permit' and 'getting electricity' indicators.
2. A report titled "Assessment of State Implementation of Business Reforms" was released on 14th September 2015. The report captures the findings of an assessment of reform implementation by States, led by DIPP, Ministry of Commerce and Industry, Government of India with support from World Bank Group and KPMG. This assessment has been conducted to take stock of reforms implemented by States from January to June 2015 based on a 98-point action plan for business reforms agreed between DIPP and State/UTs and rank them on the basis of reforms implemented.

The assessment reveals that States are at different levels of implementation on the 98-point action plan. The implementation status of each State has been converted to a percentage, and, on the basis of this the State rankings have been calculated.

Rank	State	Score
1.	Gujarat	71.14%
2.	Andhra Pradesh	70.12%
3.	Jharkhand	63.09%
4.	Chhattisgarh	62.45%
5.	Madhya Pradesh	62.00%
6.	Rajasthan	61.04%
7.	Odisha	52.12%
8.	Maharashtra	49.43%
9.	Karnataka	48.50%
10.	Uttar Pradesh	47.37%
11.	West Bengal	46.90%
12.	Tamil Nadu	44.58%
13.	Telangana	42.45%
14.	Haryana	40.66%
15.	Delhi	37.35%
16.	Punjab	36.73%
17.	Himachal Pradesh	23.95%
18.	Kerala	22.87%
19.	Goa	21.74%
20.	Puducherry	17.72%
21.	Bihar	16.41%
22.	Assam	14.84%
23.	Uttarakhand	13.36%
24.	Chandigarh	10.04%
25.	Andaman and Nicobar Islands	9.73%
26.	Tirpura	9.29%
27.	Sikkim	7.23%
28.	Mizoram	6.37%

Rank	State	Score
29.	Jammu and Kashmir	5.93%
30.	Meghalaya	4.38%
31.	Nagaland	3.41%
32.	Arunachal Pradesh	1.23%

Source: Assessment of State Implementation of Business Reforms, September 2015 published by DIPP

3. Process of applying for Industrial License (IL) and Industrial Entrepreneur Memorandum (IEM) has been made online and this service is now available to entrepreneurs on 24x7 basis at the eBiz website. This had led to ease of filing applications and online payment of service charges.
4. 20 services are integrated with the eBiz portal which will function as a single window portal for obtaining clearances from various Governments and Government agencies. These services are given in Annexure A.
5. Notification has been issued on 12.03.2015 by DGFT to limit number of documents required for export and import to three.
6. Ministry of Corporate Affairs has introduced an integrated process of incorporation of a company, wherein applicants can apply for Director's Identification Number (DIN) and company name availability simultaneous to incorporation application [Form INC-29].
7. The Companies (Amendment) Act, 2015 has been passed to remove requirements of minimum paid-up capital and common seal for companies. It also simplifies a number of other regulatory requirements.
8. A comparative study of practices followed by the States for grant of clearance and ensuring compliances was conducted through M/s Accenture Services (P) Ltd. and six best practices were identified. These were circulated among all the States for peer evaluation and adoption. The study has also identified important bottlenecks faced by industries and important steps required to improve the business environment in States.
9. Application forms for Industrial Licence (IL) and Industrial Entrepreneur Memorandum (IEM) have been simplified.
10. *Vide* Press Note 3 (2014), Defence products' list for industrial licensing has been issued, wherein large number of parts/components, castings/forgings etc. have been excluded from the purview of industrial licensing. Similarly dual use items, having military as well as civilian application (unless classified as defence item) will also not require Industrial License from defence angle.

For these items only an Industrial Entrepreneur Memorandum (IEM) has to be filed.

11. *Vide* Press Note 5 (2014), initial validity period of Industrial License has been increased to three years from two years. This will give enough time to licensees to procure land and obtain the necessary clearances/approvals from authorities.
12. MHA has stipulated that it will grant security clearance on Industrial Licence Applications within 12 weeks. In matters other than Explosives and FIPB cases, security clearances are valid for three years unless there is a change in composition of management or shareholding.
13. Partial commencement of production is being treated as commencement of production of all the items included in the license. This has obviated the hardship of licensees to get their Industrial License extended even though they have started production.
14. To facilitate investors and to reply to their queries, Frequently Asked Questions (FAQs) by applicants for grant of industrial license have been developed and uploaded on DIPP website.
15. *Vide* Press Note 4 (2014), the NIC Code NIC 2008 has been adopted, which is the advanced version of industrial classification. This code will allow Indian businesses to be part of globally recognized and accepted classification that facilitate smooth approvals/registration.
16. *Vide* Press Note 6 (2014), the 'Security Manual for Licensed Defence Industry' has been issued. This has obviated the requirement of affidavit from applicants. Earlier, an affidavit signed before Judicial Magistrate was required from the applicant to confirm that they will comply with the safety and security guidelines/procedures laid down by the Ministry of Defence and Ministry of Home Affairs in Government of India. The applicants were facing difficulties in obtaining such affidavit and this was severely delaying the issue of License even after approval of Licensing Committee.
17. A checklist with specific timelines has been developed for processing all applications filed by foreign investors in cases relating to Retail/NRI/EoU foreign investments. This has been placed on the DIPP website.
18. An Investor Facilitation Cell has been created in 'Invest India' to guide, assist and handhold investors during the entire life-cycle of the business.
19. SEZ Units allowed removing goods for repair, replacement, testing, calibration, quality testing and research and development on self-attestation.

20. Process of applying for Environment and Forests clearances has been made online through Ministry of Environment and Forests and Climate Change's portals <http://environmentclearance.nic.in/> and <http://forestsclearance.nic.in/>.
21. Requirement for Environment Assessment Report is required for industrial shed, school, college, hostel for education institution above 20,000 square meters of build-up area up to 150,000 square meters of build-up area.
22. The issue of time taken in registration with Employees Provident Fund Organization (EPFO) and Employees State Insurance Corporation (ESIC) was taken up with the Ministry of Labour and Employment, Director General, ESIC and Central Provident Fund Commissioner. Both the processes have been automated and ESIC registration number is being provided on a real-time basis.
23. An order facilitating revival and rehabilitation of MSMEs through banker's committee has been issued by Ministry of MSME.
24. A unified portal for registration of Units for LIN, reporting of inspection, submission of returns and grievance redressal has been launched by Ministry of Labour and Employment.
25. DIPP has requested all Secretaries of Government of India and Chief Secretaries of the States/UTs to simplify and rationalize the regulatory environment. In order to improve the regulatory business environment they have been requested to take the following measures on priority: (a) All returns should be filed on-line through a unified form; (b) A check-list of required compliances should be placed on Department's web portal; (c) All registers required to be maintained by the business should be replaced with a single electronic register; (d) No inspection should be undertaken without the approval of the Head of the Department; and (e) For all non-risk, non-hazardous businesses a system of self-certification should be introduced.
26. Registration process of VAT and Professional Tax has been merged into a single process with single ID on 1st January, 2015 by the Government of Maharashtra.
27. Registration for VAT in Delhi has been made online. TIN allotment is done real-time and business can start immediately on receipt of TIN number.
28. The time required for giving a new electric connection in Mumbai has been reduced to 21 days from 67 days. The number of procedures involved has been cut down to 3 from existing 7.
29. Simplified procedure for new electric connection in Delhi with reduced procedures and time.

30. Municipal Corporation of Delhi has launched online application process for grant of construction permits for residential and industrial buildings on 16th March, 2015 and commercial buildings in May, 2015.

***Statement-II****List of 20 Central Government Services (Integrated)*

Sl. No.	Ministry/Dept. Name	Service Name
1.	Ministry of Corporate Affairs	Name Availability
2.	Ministry of Corporate Affairs	Director Identification Number
3.	Ministry of Corporate Affairs	Certificate of Incorporation
4.	Ministry of Corporate Affairs	Commencement of Business
5.	Central Board of Direct Taxes	Issue of Permanent Account Number (PAN)
6.	Central Board of Direct Taxes	Issue of Tax Deduction Account Number (TAN)
7.	Reserve Bank of India	Advanced Foreign Remittance (AFR)
8.	Reserve Bank of India	Foreign Collaboration-General Permission Route (FC-GPR)
9.	Employees' Provident Fund Organization	Employer Registration
10.	Employee's State Insurance Corporation	Employer Registration
11.	Petroleum and Explosives Safety Organization	Issue of Explosive License
12.	Directorate General of Foreign Trade	Importer Exporter Code License
13.	Department of Industrial Policy and Promotion	Industrial License
14.	Department of Industrial Policy and Promotion	Industrial Entrepreneur Memorandum
15.	Department of Heavy Industry (DHI)	Issue of Custom Duty Concession Certificate to Entrepreneurs under Project Import Scheme
16.	Central Board of Direct Taxes (CBDT)	Changes or Correction in PAN Data
17.	Reserve Bank of India	Foreign Currency-Transfer of Shares

Sl. No.	Ministry/Dept. Name	Service Name
18.	Ministry of Labour and Employment (MoL&E)	Registration under the Contract Labour Act, 1970
19.	Ministry of Labour and Employment (MoL&E)	Registration under the Building and Other Construction workers Act, 1996
20.	Ministry of Labour and Employment (MoL&E)	Registration under the Inter-State Migrant Workmen Act, 1979

#### Allocation of funds for CEZs in Tamil Nadu

329. DR. V. MAITREYAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government envisages the Coastal Economic Zones (CEZs) as spatial-economic regions around major and minor ports;

(b) if so, the details thereof and the proposals for the major and minor ports in Tamil Nadu;

(c) the total amount allocated or to be allocated for the CEZs and the employment to be generated in the next three years in Tamil Nadu; and

(d) the various steps taken by the Union Government to develop CEZ infrastructure in Tamil Nadu?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) The Sagarmala Programme conceptualized by the Government envisages Coastal Economic Zones (CEZs) as spatial-economic regions around and integrally linked to a group of major and minor ports. Three Coastal Economic Zones have been identified for Tamil Nadu and the details are as under:

CEZ	Major/Minor Ports Covered
CEZ 1	VoCPT (Tuticorin), Enayam (proposed new port)
CEZ 2	Cuddalore/Sirkazhi (proposed new port)
CEZ 3	Chennai, Ennore, Katupalli

(c) The total estimated investment in basic infrastructure and land for all the proposed three CEZs in Tamil Nadu would be approximately ₹ 35,000 crore and expected to generate 8-10 lakh direct jobs in the next 10 years.