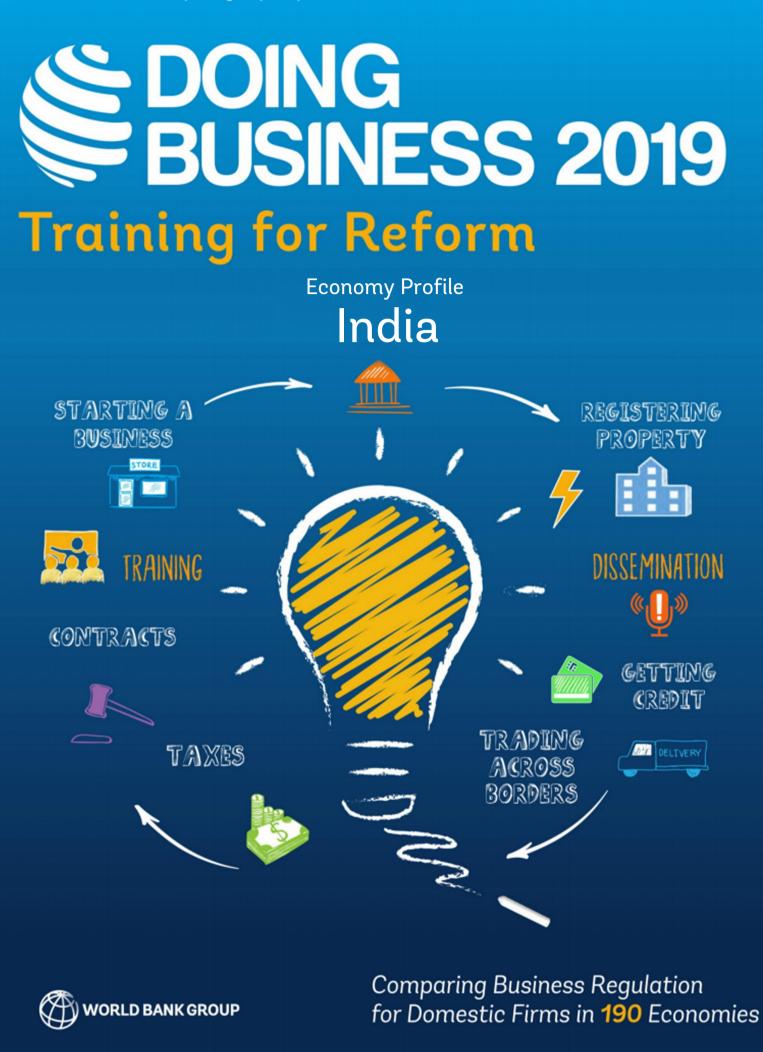
**16TH EDITION** 



#### Economy Profile of India

## Doing Business 2019 Indicators (in order of appearance in the document)

Starting a business	Procedures, time, cost and paid-in minimum capital to start a limited liability company
Dealing with construction permits	Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system
Getting electricity	Procedures, time and cost to get connected to the electrical grid, and the reliability of the electricity supply and the transparency of tariffs
Registering property	Procedures, time and cost to transfer a property and the quality of the land administration system
Getting credit	Movable collateral laws and credit information systems
Protecting minority investors	Minority shareholders' rights in related-party transactions and in corporate governance
Paying taxes	Payments, time, total tax and contribution rate for a firm to comply with all tax regulations as well as post-filing processes
Trading across borders	Time and cost to export the product of comparative advantage and import auto parts
Enforcing contracts	Time and cost to resolve a commercial dispute and the quality of judicial processes
Resolving insolvency	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency
Labor market regulation	Flexibility in employment regulation and aspects of job quality

#### About Doing Business

The *Doing Business* project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The *Doing Business* project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

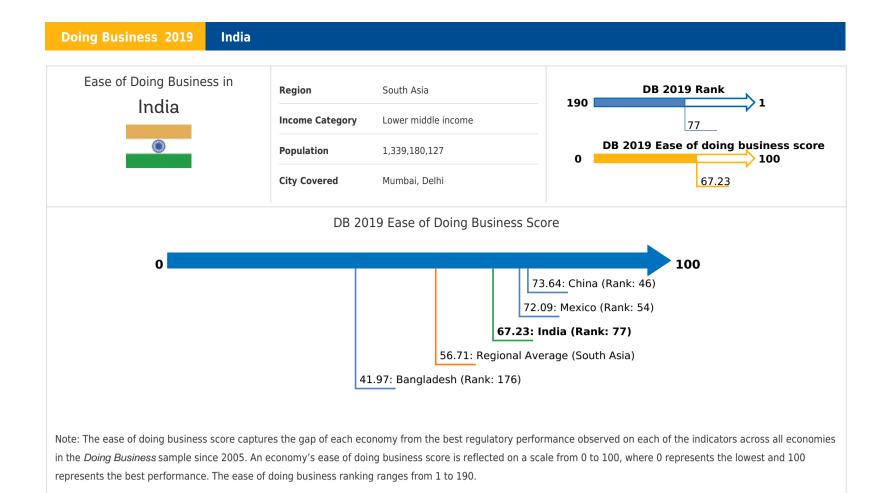
*Doing Business* captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. *Doing Business* also measures features of labor market regulation. Although *Doing Business* does not present rankings of economies on the labor market regulation indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, *Doing Business* encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

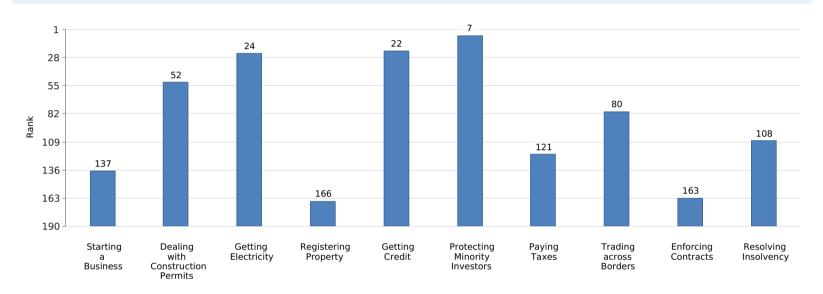
In addition, *Doing Business* offers detailed subnational reports, which exhaustively cover business regulation and reform in different cities and regions within a nation. These reports provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that *Doing Business* has ranked.

The first *Doing Business* report, published in 2003, covered 5 indicator sets and 133 economies. This year's report covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where *Doing Business* also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

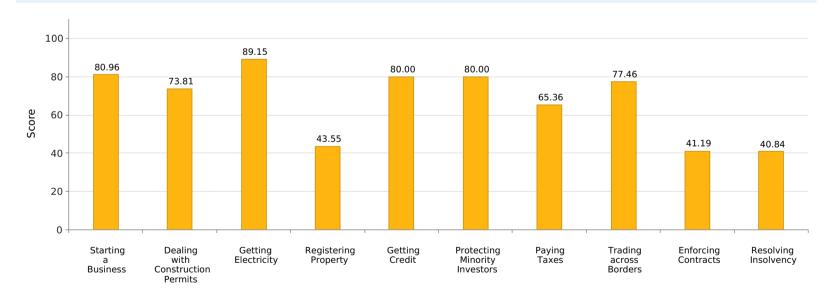
More about Doing Business (PDF, 5MB)











#### Starting a Business

This topic measures the number of procedures, time, cost and paid-in minimum capital requirement for a small- to medium-sized limited liability company to start up and formally operate in each economy's largest business city.

To make the data comparable across 190 economies, *Doing Business* uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times the income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

The most recent round of data collection for the project was completed in May 2018. See the methodology for more information.

#### What the indicators measure

#### Case study assumptions

## Procedures to legally start and formally operate a company (number)

- Preregistration (for example, name verification or reservation, notarization)
- Registration in the economy's largest business city
- Postregistration (for example, social security registration, company seal)
- Obtaining approval from spouse to start a business or to leave the home to register the company
- Obtaining any gender specific document for company registration and operation or national identification card

### Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day (2 procedures cannot start on the same day)
- Procedures fully completed online are recorded as <sup>1</sup>/<sub>2</sub> day
- Procedure is considered completed once final document is received
- No prior contact with officials

## Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- No professional fees unless services required by law or commonly used in practice

## Paid-in minimum capital (% of income per capita)

 Funds deposited in a bank or with third party before registration or up to 3 months after incorporation To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.

#### The business:

- Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office.

- Operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.

- The entire office space is approximately 929 square meters (10,000 square feet).

- Is 100% domestically owned and has five owners, none of whom is a legal entity; has a start-up capital of 10 times income per capita and has a turnover of at least 100 times income per capita.

- Performs general industrial or commercial activities, such as the production or sale of goods or services to the public. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It does not use heavily polluting production processes.

- Leases the commercial plant or offices and is not a proprietor of real estate and the amount of the annual lease for the office space is equivalent to the income per capita.

- Does not qualify for investment incentives or any special benefits.

- Has at least 10 and up to 50 employees one month after the commencement of operations, all of whom are domestic nationals.

- Has a company deed that is 10 pages long.

#### The owners:

- Have reached the legal age of majority. If there is no legal age of majority, they are assumed to be 30 years old.

- Are sane, competent, in good health and have no criminal record.
- Are married and the marriage is monogamous and registered with the authorities.
- Where the answer differs according to the legal system applicable to the woman or
- man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.

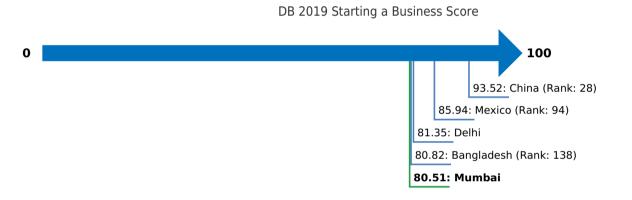
#### Starting a Business - Mumbai

#### Standardized Company

Legal form	Private Limited Company
Paid-in minimum capital requirement	INR 0
City Covered	Mumbai

Indicator	Mumbai	South Asia	OECD high income	Best Regulatory Performance
Procedure – Men (number)	10	7.6	4.9	1 (New Zealand)
Time – Men (days)	17	13.7	9.3	0.5 (New Zealand)
Cost – Men (% of income per capita)	16.8	11.0	3.1	0.0 (Slovenia)
Procedure – Women (number)	10	7.8	4.9	1 (New Zealand)
Time – Women (days)	17	13.9	9.3	0.5 (New Zealand)
Cost – Women (% of income per capita)	16.8	11.0	3.1	0.0 (Slovenia)
Paid-in min. capital (% of income per capita)	0.0	0.2	8.6	0.0 (117 Economies)

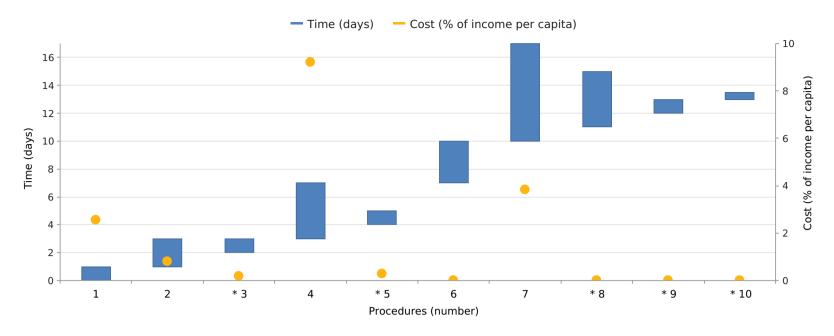
#### Figure - Starting a Business in Mumbai and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.







\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

#### Details - Starting a Business in Mumbai - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<ul> <li>Obtain a digital signature certificate</li> <li><i>Agency</i> : Authorized private agency (Federal)</li> <li>The applicant must obtain a Class-II Digital Signature Certificate from a certification agency authorized by the Controller of Certification Agencies. These include private agencies like NIC, E-Mudhra, MTNL Trust line, to which company directors submit the prescribed application form along with notarized proof of identity and address.</li> <li>A Class-II Digital Signature Certificate can be obtained for either a period of 1 year or a period of 2 years, and then needs to be renewed for another 1 or 2 years upon payment of renewal fees. Each agency has its own fee structure, starting from INR 700. The cost will vary in accordance with the duration of the Digital Signature Certificate. Once the Digital Signature Certificate is obtained, the authorized personnel (directors/manager/secretary) are required to register the same with MCA for statutory e-filing.</li> </ul>	1 day	INR 700 to INR 2,500 per Digital Signature Certificate
2	<ul> <li>Reserve the company name online through "Reserve Unique Name" system (RUN)</li> <li>Agency : Registrar of Companies, Ministry of Corporate Affairs (Federal)</li> <li>The company first looks up the availability of a name on the MCA website</li> <li>(http://www.mca.gov.in/mcafoportal/showCheckCompanyName.do), and then goes on to create a new user account under the RUN link in the MCA website.</li> <li>Online service for reservation of name (RUN or "Reserve Unique Name") was introduced through the web service available on mca.gov.in. This service has replaced the Form INC-1 for name approval. The following are the fields to be entered in Web-based Application :</li> <li>Entity Type: It is required to select the applicable option, i.e. New Company (Others) / Part I Company, Producer Company, Unlimited Company, Private (OPC), IFSC Company, Section 8 Company, Nidhi Company.</li> <li>Corporate Identification Number (CIN): Only in case an Existing Company is applying for the Change in Name, it is required to enter its CIN.</li> <li>Proposed Name: A Proposed Name option required to be entered here (the form allows to provide 2 names in the form). After entering a Name, MCA has provided Auto Check Facility to check the availability of the Name, accordingly the Applicant and enter the new Optional name, in case the Entity already registered with such proposed name and again has to make Auto Check. When the MCA System provides a Green Remark, Applicant can submit the Applicant can provide the details related to the Proposed Company and activities including the Prior Approvals and TradeMark Registration Details, Resolution (for Existing Company / Foreign Subsidiary Registration).</li> <li>All applicable documents must be scanned in a single file to be attached to the Web-based Application. After providing the details in the fields and requisite attachments, Applicant can submit the Form Online with the prescribed fees. Name will be reserved only for 20 Days within which the Applicant and/or Promoters are required t</li></ul>	1-3 days	INR 1,000
≠3	Prepare and notarize affidavit by each founder and proposed director Agency : Notary	1 day, simultaneous	INR 10 (stamp paper) + INR 35 (notarizing)

Each founder and proposed director has to submit an affidavit confirming that he/she is not convicted of any offence in connection with the promotion, formation or management of any company, or has not been found guilty of any fraud or misfeasance or of any breach of duty to any company during the preceding five years and that all the documents filed with the Registrar for registration of the company contain information that is correct and complete and true to the best of his knowledge and belief. A separate notarized affidavit is required for each person.

As per the Companies Act Amendment 2017 (July 27, 2017), Section 7, the requirement for affidavit to be submitted as part of incorporation documents has been replaced with a requirement of declaration by the directors. However, in practice, companies continue submitting notarized affidavits.

for each affidavit

4

Pay stamp duties, file the SPICE form and obtain the certificate of incorporation, DIN, PAN and TAN

4 days

*Agency* : Registrar of Companies, Ministry of Corporate Affairs (Federal) Pursuant to Section 7 (1) of the Companies Act, 2013 and pursuant to Rule 10, 12, 14 and 15 of Companies (Incorporation) Rules, 2014, the following forms are required to be electronically filed on the website of the Ministry of Corporate Affairs for incorporation purposes.

It is mandatory for private limited companies to complete the incorporation process using the SPICe Form (Form INC -32). Applications for director identification number (DIN), Permanent Account Number (PAN) and a Tax deduction and Collection Account Number (TAN) have been integrated completely into the SPICe form. The particulars of maximum three directors can be mentioned in SPICe form and DIN may be allotted to maximum three proposed directors through this. If new directors are proposed for an existing company, then a separate DIN application can be submitted.

SPICe eMoA (INC-33) and SPICe eAoA (INC-34) have to be uploaded as 'Linked Forms' to SPICe (INC-32). The documents submitted for SPICe need to be digitally signed by all directors

A consolidated challan gets generated at the time of filing SPICe(INC-32) which shall contain applicable fee towards:

- (i) Form Fee(ii) MoA(iii) AoA
- (iv) PAN
- (v) TAN

Two re-submissions are permitted for the SPICe form. On approval of SPICe forms, the Certificate of Incorporation (CoI) is issued with PAN and TAN as allotted by the Income Tax Department. An electronic mail with Certificate of Incorporation(CoI) as an attachment along with PAN and TAN is also sent to the user. Finance Act, 2018 amended section 139A of the Income-tax Act, 1961 and removed the requirement of issuing PAN in the form of a laminated card.

Fee schedule for a company with paidup share capital between INR 500,000 and INR 1,000,000: - Electronic filing of the Memorandum of Association (eMOA): INR 4,800 (up to 1,000,000 amount is fixed INR 2,000+ INR 200 for every 10,000 or part thereof) - Electronic filing fee for filing the Articles of association (eAOA): INR 400 - Electronic filing fee for Form INC-32 SPICe: INR 500 - Stamp duty: INR 100 - Stamp duty for Articles of Association: INR 3,000 (INR 500 for every 500,000 or part thereof) - Stamp duty for Memorandum of Association: INR 200 - PAN application: INR 110 (including 18% GST) - TAN application: INR 65 (including 18% GST)

≠ 5	Make a company stamp Agency : Authorized vendor (Private) As per the amendment to the Companies Act 2013, making a company seal is no longer a legal requirement. However, making a company rubber stamp is still commonly used in practice. The stamp is normally required to be affixed by a director upon signing on behalf of the company in order to file several applications relevant to business startup. This includes but is not limited to opening a bank account, application for registration with the Employee State Insurance Corporation (ESIC) and application for a company Permanent Account Numbers (PAN).	1 day, simultaneous	INR 350-500
6	<b>Open a bank account</b> <i>Agency</i> : Bank The bank account details must be provided by the company in various post-registration applications, such as registrations with GST.	3 days	no charge
	After incorporation, company can immediately apply for bank account opening using electronically provided Col. Banks have introduced new KYC requirements, and request		

The common documents required for account opening include:

processing time for providing with bank account number.

- Certificate of Incorporation (Col)
- MoA & AoA
- · Communication address proof of company
- Registered address proof of company (if different from communication address)

for multiple ID proofs as well as address proofs, which results in a longer than usual

- Board Resolution
- ID Proof of authorized signatory
- PAN card of company (now provided in Col)

7	<ul> <li>Register with Office of Inspector, Mumbai Shops and Establishment Act Agency : Municipal Corporation of Greater Mumbai</li> <li>According to Section 7 of the Bombay Shops and Establishments Act, 1948, the establishment must be registered as follows: <ul> <li>Under Section 7(4), the employer must register the establishment in the prescribed manner within 30 days of the date on which the establishment commences its work.</li> <li>Under Section 7(1), the establishment must submit to the local shop inspector Form A and the prescribed fees for registering the establishment. Supporting documents must be attached, including a certified true copy of the company's PAN Card, TAN Allotment Letter, Certificate of Incorporation, Memorandum and Articles of Association, a list of company directors, their particulars and copies of their PAN Cards.</li> <li>Under Section 7(2), after the statement in Form A and the prescribed fees are received and the correctness of the statement is satisfactorily audited, the certificate for the registration of the establishment is issued in Form D, according to the provisions of Rule 6 of the Maharashtra Shops and Establishments Rules of 1961.</li> </ul> </li> <li>Since the amendments in the Maharashtra Shops &amp; Establishment (Amendment) Rules, 2010, the Schedule for fees for registration &amp; renewal of registration (as per Rule 5) is as follows:</li> <li>0 employees: INR 120</li> <li>1 to 5 employees: INR 720</li> <li>11 to 20 employees: INR 7,200</li> <li>21 to 50 employees: INR 4,200</li> <li>21 to 50 employees: INR 4,200</li> <li>21 to 50 employees: INR 4,200</li> <li>21 to 50 employees: INR 5,400.</li> </ul> <li>In addition, an annual fee (three times the registration and renewal fees) is charged as trade refuse charges (TRC), under the Mumbai Municipal Corporation Act, 1888.</li>	7 days, simultaneous	INR 1,200 (registration fee) + 3 times registration fee for Trade Refuse Charges (INR 3,600)
≠8	<ul> <li>Obtain Goods and Service Tax (GST) Registration Number</li> <li>Agency : Department of Goods and Services Tax, Government of Maharashtra GST Registration of a business with the tax authorities implies obtaining a unique, 15-digit Goods and Service Tax Identification Number (GSTIN) from the GST authorities so that all the operations of and the data relating to the business can be collected and correlated. Registration under the GST Act is mandatory if your aggregate annual PAN-based turnover exceeds INR 20,00,000 (Rupees Twenty Lakhs). However, in practice, for any operating business, a GST registration is done immediately after incorporation.</li> <li>To apply for a new registration, the following documents are required</li> <li>PAN card/details of business</li> <li>Valid and accessible e-mail ID and Mobile Number</li> <li>Documentary proof of constitution of business</li> <li>Decumentary proof of promoters/partners - Documentary proof of principal place of business</li> <li>Details of Authorised Signatories including photographs and proof of appointment - Details of Primary Authorised Signatory</li> <li>Business bank account details</li> <li>Valid Class II or Class III DSC of authorised signatory in case of companies and LLPs; valid Class II or Class III DSC or Aadhaar (for E-Sign option).</li> </ul>	4 days	no charge
	A maximum of 10 Promoters/Partners/Directors can be added in the form. Passport photographs need to be uploaded of all the Promoters/Partners/Directors whose details you are adding in the application form. Further, each passport photograph must be in JPEG format and not more than 100 KB.		

The first step to the registration process is the application and verification of PAN number, and the subsequent issue of a Temporary Registration Number (TRN). The applicant then needs to submit an application in Part B of FORM GST REG-01, duly signed, along with documents specified.

The application is forwarded to the proper officer who examines it and the accompanying documents and if found to be in order, approve the grant of registration to the applicant within three working days from the date of submission of application. The certificate of registration in FORM GST REG-06 showing the principal place of business and additional place(s) of business is then made available to the applicant on the Common Portal and a GSTIN is assigned in the following format:

- two characters for the State code;

- ten characters for the PAN or the Tax Deduction and Collection Account Number;

- two characters for the entity code; and

- one checksum character.

≠9	Register with the Employees' Provident Fund Organization (EPFO) and the Employees' State Insurance Corporation (ESIC) Agency : Shram Suvidha Portal of Ministry of Labour and Employment The Employees Provident Fund Organization (EPFO) is a statutory organization under the Ministry of Labor and Employment. The Employees Provident Funds & Miscellaneous Provisions Act, 1952 applies to an establishment, employing 20 or more persons and engaged in any of the 183 Industries and Classes of business establishments, throughout India excluding the State of Jammu and Kashmir. Furthermore, new companies are required to register with the Employees' State Insurance Corporation (ESIC). On April 30, 2017, an online registration was introduced the Shram Suvidha Portal combining the EPFO and ESIC registrations into one. However, it was not a preferred method for the majority since paper copies had still to be filed after the online registration. In April 1, 2018, the electronic registration process was further enhanced and it became the only option to register for ESIC and EPFO. EPFO & ESIC registration is now done on the same Shram Suvidha portal (https://registration.shramsuvidha.gov.in) and in one application. However, the website was reported to be quite slow and with numerous glitches during the registration process – fields not accepting information, the screen timing out, etc. As a result, although registration is done electronically, it can take a long time in practice.	1 day, simultaneous	no charge
≠ 10	<ul> <li>Register for Profession Tax</li> <li>Agency : Sales Tax Department, Government of Maharashtra</li> <li>Professional Tax in Maharashtra is levied under Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975. It is levied on Company, Firm, Proprietary Concern, Hindu Undivided Family (HUF), Society, Club, Association of Persons, Corporation or any other corporate body in Maharashtra.</li> <li>Professional Tax in Maharashtra for Organisations: An employer organization is required to get registered under the Profession Tax Act and obtain a Registration Certificate under which the payment in respect of taxes deducted from employees' salaries can be made. Also as a firm, the organization is required to obtain Enrollment Certificate and pay Profession tax on its behalf.</li> <li>Delays in obtaining Enrollment or Registration Certificate are penalized at the rate of Rs. 2/- (Rupees Two) per Day. In case a false information regarding enrollment is provided, then the Penalty is 3 times of tax amount. The interest for non-payment / delayed payment of profession tax is 1.25% per month and the Maharashtra state authority can also impose a penalty of 10% of the amount of tax not paid/short paid/delayed.</li> <li>There are 2 types of Profession Tax payers:</li> <li>a) Profession Tax Registration Certificate (PTEC) : Any person engaged in Profession, Trade and Callings and falling under one or the other of the classes mentioned in the second column of Schedule I shall obtained PTEC</li> <li>b) Profession Tax Registration Certificate (PTRC) : Every employer who has employed even a single employee whose salary is above the prescribed limit for deducting Profession Tax shall obtain PTRC.</li> <li>All new companies must be first obtain a Profession Tax Registration Certificate. And</li> </ul>	Less than one day (online procedure)	no charge

then proceed to enroll all employees for a Profession Tax Registration Certificate for any of the employees who have never been employed (for employees who have been previously enrolled, there is no need to re-enroll).

**⇉**Takes place simultaneously with previous procedure.



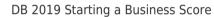
#### Starting a Business - Delhi

Standardized	Company
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Legal form	Private Limited Company
Paid-in minimum capital requirement	INR 0
City Covered	Delhi

Indicator	Delhi	South Asia	OECD high income	Best Regulatory Performance
Procedure – Men (number)	10	7.6	4.9	1 (New Zealand)
Time – Men (days)	16	13.7	9.3	0.5 (New Zealand)
Cost – Men (% of income per capita)	12.2	11.0	3.1	0.0 (Slovenia)
Procedure – Women (number)	10	7.8	4.9	1 (New Zealand)
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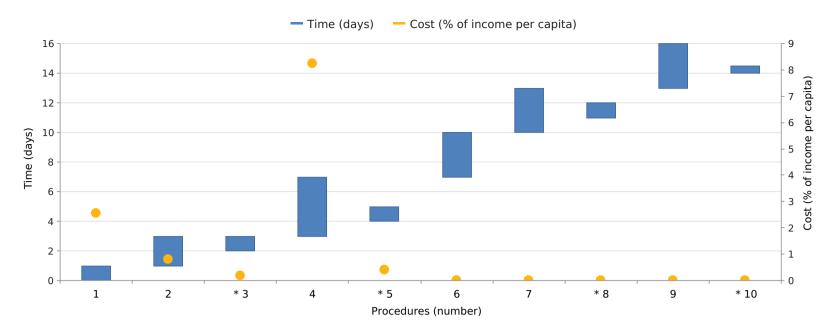




Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.







\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

#### Details - Starting a Business in Delhi - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<ul> <li>Obtain digital signature certificate online from private agency authorized by the Ministry of Corporate Affairs (National)</li> <li>Agency : Certified private agencies</li> <li>The applicant must obtain a Class-II Digital Signature Certificate from a certification agency authorized by the Controller of Certification Agencies. These include private agencies like NIC, E-Mudhra, MTNL Trust line, to which company directors submit the prescribed application form along with notarized proof of identity and address.</li> <li>A Class-II Digital Signature Certificate can be obtained for either a period of 1 year or a period of 2 years, and then needs to be renewed for another 1-2 years upon payment of renewal fees. Each agency has its own fee structure, starting from INR 700. The cost will vary in accordance with the duration of the Digital Signature Certificate. Once the Digital Signature Certificate is obtained, the authorized personnel (directors/manager/secretary) are required to register the same with MCA for statutory e-filing.</li> </ul>	1 day	INR 700 to INR 2,500 per Digital Signature Certificate
2	<ul> <li>Reserve the company name online through "Reserve Unique Name" system (RUN)</li> <li>Agency: Registrar of Companies (ROC)</li> <li>The company first looks up the availability of a name on the MCA website (http://www.mca.gov.in/mcafoportal/showCheckCompanyName.do), and then goes on to create a new user account under the RUN Ink in the MCA website.</li> <li>Online service for reservation of name (RUN or "Reserve Unique Name") was introduced through the web service available on mca.gov.in. This service has replaced the Form INC-1 for name approval. The following are the fields to be entered in Web-based Application: <ul> <li>Entity Type: It is required to select the applicable option, i.e. New Company (Others) / Part I Company, Producer Company, Unlimited Company, Private (OPC), IFSC Company, Section 8 Company, Nichi Company.</li> <li>Corporate Identification Number (CIN): Only in case an Existing Company is applying for the Change in Name, it is required to enter its CIN.</li> <li>Proposed Name: A Proposed Name option required to be entered here (the form allows to provide 2 names in the form). After entering a Name, MCA has provided Auto Check Facility to check the availability of the Name, accordingly the Applicant and enter the new Optional name, in case the Entity already registered with such proposed name and again has to make Auto Check. When the MCA System provides a Green Remark, Applicant can submit the Applicant with such name option for further Approval.</li> <li>Comments: In this field, Applicant can provide the details related to the Proposed Company and activities including the Prior Approvals and TradeMark Registration Details, Resolution (for Existing Company / Foreign Subsidiary Registration).</li> </ul> </li> <li>All applicable documents must be scanned in a single file to be attached to the Web-based Application. After providing the details in the fields and requisite attachments, Applicant can submit the Form Online with the prescribed fees. Name will be reserved only for 20 Days withi</li></ul>	1-3 days	INR 1,000
≠ 3	Prepare and notarize affidavit by each founder and proposed director	1 day, simultaneous	INR 10 (stamp paper)

Agency : Notary Each founder and proposed director has to submit an affidavit confirming that he/she is not convicted of any offence in connection with the promotion, formation or management of any company, or has not been found guilty of any fraud or misfeasance or of any breach of duty to any company during the preceding five years and that all the documents filed with the Registrar for registration of the company contain information that is correct and complete and true to the best of his knowledge and belief. A separate notarized affidavit is required for each person.

As per the Companies Act Amendment 2017 (July 27, 2017), Section 7, the requirement for affidavit to be submitted as part of incorporation documents has been replaced with a requirement of declaration by the directors. However, in practice, companies continue submitting notarized affidavits.

+ INR 35 (notarizing)

for each affidavit

4	<ul> <li>Pay stamp duties, file the SPICE form and obtain the certificate of incorporation, DIN, PAN and TAN</li> <li>Agency : Registrar of Companies (ROC)</li> <li>Pursuant to Section 7 (1) of the Companies Act, 2013 and pursuant to Rule 10, 12, 14 and 15 of Companies (Incorporation) Rules, 2014, the following forms are required to be electronically filed on the website of the Ministry of Corporate Affairs for incorporation purposes.</li> <li>It is mandatory for private limited companies to complete the incorporation process using the SPICe Form (Form INC -32). Applications for director identification number (DIN), Permanent Account Number (PAN) and a Tax deduction and Collection Account Number (TAN) have been integrated completely into the SPICe form. The particulars of maximum three directors can be mentioned in SPICe form and DIN may be allotted to maximum three proposed directors through this. If new directors are proposed for an existing company, then a separate DIN application can be submitted.</li> <li>SPICe eMoA (INC-33) and SPICe eAoA (INC-34) have to be uploaded as 'Linked Forms' to SPICe (INC-32). The documents submitted for SPICe need to be digitally signed by all directors</li> <li>A consolidated challan gets generated at the time of filing SPICe(INC-32) which shall contain applicable fee towards: <ul> <li>(i) Form Fee</li> <li>(ii) MoA</li> <li>(iii) AoA</li> <li>(iv) PAN</li> <li>(v) TAN</li> </ul> </li> <li>Two re-submissions are permitted for the SPICe form. On approval of SPICe forms, the Certificate of Incorporation (CoI) is issued with PAN and TAN as allotted by the Income Tax Department. An electronic mail with Certificate of Incorporation(CoI) as an attachment along with PAN and TAN is also sent to the user. Finance Act, 2018 amended section 139A of the Income-tax Act, 1961 and removed the requirement of issuing PAN in the form of a laminated card.</li> </ul>	4 days	Fee schedule for a company with paid- up share capital between INR 500,000 and INR 1,000,000: - Electronic filing of the Memorandum of Association (eMOA): INR 4,800 (up to 1,000,000 amount is fixed INR 2,000+ INR 200 for every 10,000 or part thereof) - Electronic filing fee for filing the Articles of association (eAOA): INR 400 - Electronic filing fee for Form INC-32 SPICe: INR 500 - Stamp duty: INR 10 - Stamp duty for Articles of Association: INR 1,703 (0.15% of capital) - Stamp duty for Memorandum of Association: INR 200 - PAN application: INR 110 (including 18% GST) - TAN application: INR 65 (including 18% GST)
<b>≠</b> 5	Make a company stamp Agency : Authorized vendor (Private) As per the amendment to the Companies Act 2013, making a company seal is no longer a legal requirement. However, making a company rubber stamp is still widely used in practice. The stamp is normally required to be affixed by a director upon signing on behalf of the company in order to file several applications relevant to business startup. A seal is also required in order to open a bank account.	1 day, simultaneous	INR 500-1,000
6	Open a bank account         Agency : Bank         The bank account details must be provided by the company in various post-registration applications, such as registrations with GST.         After incorporation, company can immediately apply for bank account opening using electronically provided Col. Banks have introduced new KYC requirements, and request for multiple ID proofs as well as address proofs, which results in a longer than usual	3 days	no charge

processing time for providing with bank account number.

The common documents required for account opening include:

Certificate of Incorporation (Col)

• MoA & AoA

- Communication address proof of company
- Registered address proof of company (if different from communication address)
- Board Resolution
- ID Proof of authorized signatory
- PAN card of company (now provided in Col)

7	<b>Obtain Goods and Service Tax (GST) Registration Number</b> <i>Agency</i> : Department of Trade and Taxes, Government of NCT of Delhi GST Registration of a business with the tax authorities implies obtaining a unique, 15- digit Goods and Service Tax Identification Number (GSTIN) from the GST authorities so that all the operations of and the data relating to the business can be collected and correlated. Registration under the GST Act is mandatory if your aggregate annual PAN- based turnover exceeds INR 20,00,000 (Rupees Twenty Lakhs). However, in practice, for any operating business, a GST registration is done immediately after incorporation. To apply for a new registration, the following documents are required	3 days	no charge
	- PAN card/details of business		
	- Valid and accessible e-mail ID and Mobile Number		
	- Documentary proof of constitution of business		
	- Documentary proof of promoters/partners - Documentary proof of principal place of business		
	- Details of Authorised Signatories including photographs and proof of appointment - Details of Primary Authorised Signatory		
	<ul> <li>Business bank account details</li> <li>Valid Class II or Class III DSC of authorised signatory in case of companies and LLPs;</li> <li>valid Class II or Class III DSC or Aadhaar (for E-Sign option).</li> </ul>		
	A maximum of 10 Promoters/Partners/Directors can be added in the form. Passport photographs need to be uploaded of all the Promoters/Partners/Directors whose details you are adding in the application form. Further, each passport photograph must be in JPEG format and not more than 100 KB.		
	The first step to the registration process is the application and verification of PAN number, and the subsequent issue of a Temporary Registration Number (TRN). The applicant then needs to submit an application in Part B of FORM GST REG-01, duly signed, along with documents specified. The application is forwarded to the proper officer who examines it and the accompanying documents and if found to be in order, approve the grant of registration to the applicant within three working days from the date of submission of application. The certificate of registration in FORM GST REG-06 showing the principal place of business and additional place(s) of business is then made available to the applicant on the Common Portal and a GSTIN is assigned in the following format: - two characters for the State code; - ten characters for the PAN or the Tax Deduction and Collection Account Number; - two characters for the entity code; and		
	- one checksum character.		
₽	8 Register with the Employees' Provident Fund Organization (EPFO) and the Employees' State Insurance Corporation (ESIC)	1 day, simultaneous	no charge

*Agency* : Shram Suvidha Portal of Ministry of Labour and Employment The Employees Provident Fund Organization (EPFO) is a statutory organization under the Ministry of Labor and Employment. The Employees Provident Funds & Miscellaneous Provisions Act, 1952 applies to an establishment, employing 20 or more persons and engaged in any of the 183 Industries and Classes of business establishments, throughout India excluding the State of Jammu and Kashmir. Furthermore, new companies are required to register with the Employees' State Insurance Corporation (ESIC).

On April 30, 2017, an online registration was introduced the Shram Suvidha Portal combining the EPFO and ESIC registrations into one. However, it was not a preferred method for the majority since paper copies had still to be filed after the online registration. In April 1, 2018, the electronic registration process was further enhanced and it became the only option to register for ESIC and EPFO. EPFO & ESIC registration is now done on the same Shram Suvidha portal (https://registration.shramsuvidha.gov.in) and in one application. However, the website was reported to be quite slow and with numerous glitches during the registration process – fields not accepting information, the

screen timing out, etc. As a result, although registration is done electronically, it can take a long time in practice.

9	Visit EPFO to obtain approval of registration	3 days	no charge
	Agency : Employees' Provident Fund Organization		
	After online registration for EPFO, company visits the assistant labor commission in		
	EPFO in order to obtain approval for registration. This is a common practice in Delhi. In		
	some cases, several visits might be required prior the approval is provided.		

<b>≠</b> 10	<b>Register online under the Delhi Shops and Establishments Act</b> <i>Agency</i> : Department of Labor - Government of NCT of Delhi Under the Delhi Shops and Establishments Act 1954, the company shall send to the Chief Inspector a statement in prescribed form A containing:	Less than one day (online procedure), simultaneous	no charge
	<ul> <li>(a) the name of the employer and the manager</li> <li>(b) the postal address of the establishment</li> <li>(c) the name of the establishment,</li> <li>(d) the category of the establishment, i.e. whether it is a shop/commercial establishment</li> <li>(e) the number of employees working in the establishment; and</li> <li>(f) such other particulars as may be prescribed.</li> </ul>		
	Upon receipt of the statement, a registration certificate will be generated online instantly.		

**⇉**Takes place simultaneously with previous procedure.

#### 🔍 Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in May 2018. See the methodology for more information

#### What the indicators measure

#### **Case study assumptions**

Procedures to legally build a warehouse (number)

- Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates
- Submitting all required notifications and receiving all necessary inspections
- Obtaining utility connections for water and sewerage
- Registering and selling the warehouse after its completion

## Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day though procedures that can be fully completed online are an exception to this rule
- Procedure is considered completed once final document is received
- No prior contact with officials

## Cost required to complete each procedure (% of income per capita)

• Official costs only, no bribes

#### Building quality control index (0-15)

- Quality of building regulations (0-2)
- Quality control before construction (0-1)
- Quality control during construction (0-3)
- Quality control after construction (0-3)
- Liability and insurance regimes (0-2)
- Professional certifications (0-4)

To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.

#### The construction company (BuildCo):

- Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.

- Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts.

- Owns the land on which the warehouse will be built and will sell the warehouse upon its completion.

#### The warehouse:

- Will be used for general storage activities, such as storage of books or stationery.

- Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately

929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita.

- Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures.

- Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements).

#### The water and sewerage connections:

- Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built.

- Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day.

- Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.

#### **Dealing with Construction Permits - Mumbai**

#### **Standardized Warehouse** Estimated value of warehouse INR 6,271,107.10 City Covered Mumbai **OECD** high Indicator Mumbai South Asia income Procedures (number) 20 15.2 12.7 Time (days) 99 165.5 153.1

 Cost (% of warehouse value)
 6.6
 13.2
 1.5
 None in 2017/18

 Building quality control index (0-15)
 14.0
 9.2
 11.5
 15.0 (3 Economies)

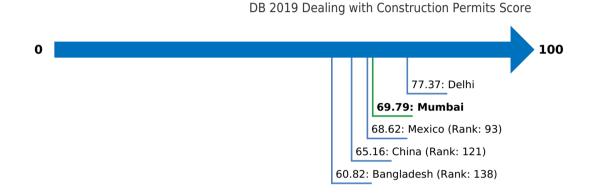
**Best Regulatory** 

Performance

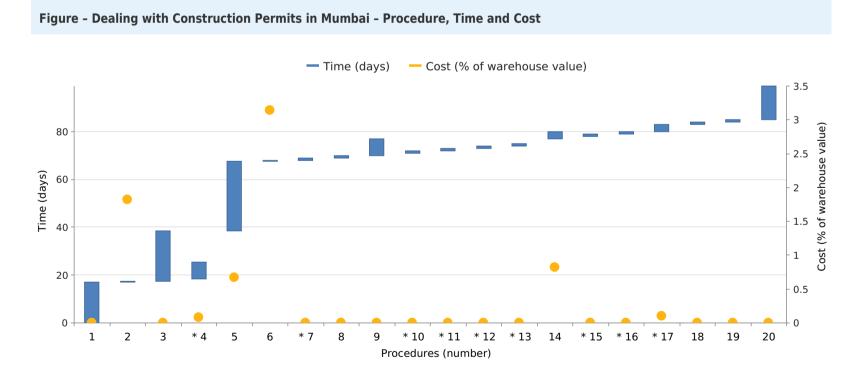
None in 2017/18

None in 2017/18





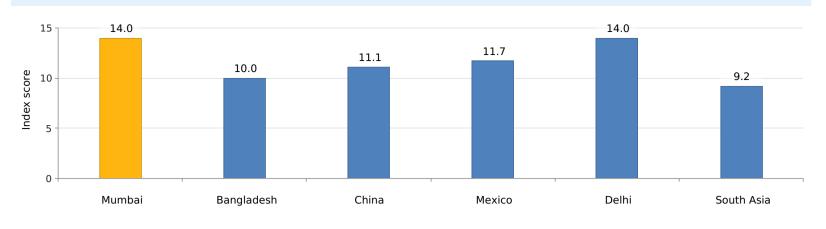
Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

Figure - Dealing with Construction Permits in Mumbai and comparator economies - Measure of Quality



#### Details - Dealing with Construction Permits in Mumbai - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs	
1	Obtain an extract of the Property Register Card (P.R. Card) from the Revenue Department Agency : Revenue Department The Property Register Card (P.R. Card) is a record showing the ownership along with the land area of the Holdings held by the Revenue Department about the Building Land/Plot. This P.R. Card is a mandatory document to be provided to the MCGM when applying for a Building Permit. The Application for the P.R. Card is made to the City Survey Officer (An Officer of the Revenue Department) by affixing a Rs.10 Court Fee Stamp.	17 days	INR 60	
2	<b>Submit application and design plans and pay scrutiny fee</b> <i>Agency</i> : Building Proposal Office, Municipal Corporation of Greater Mumbai BuildCo submits an online application Common Application Form of Online Building Plan Approval System (OBPS) - alongwith all requisite documents and PreDCR drawings of proposed work at http://autodcr.mcgm.gov.in. After uploading the drawings and essential documents, on payment of scrutiny fees online the file/application will be accepted online by MCGM.	0.5 days	INR 114,023	
	The concerned officer at the zonal building proposal office will scrutinize the proposal and essential documents as per procedure. If all documents are in order and the file is complete, BuildCo can proceed to pay the scrutiny fees online in the portal. No-Objection Certificates (NOCs) for various agencies, including Stormwater and Drain Department, Sewerage Department, Hydraulic Engineer Department, Roads and Traffic Department are obtained through the OBPS.			
	Uploaded PreDCR drawings will run through AutoDCR software for the verification of consumed FSI in the proposal and to check if the various parameters of the proposed building are in consonance with the provisions of DCR and policies in force. The building proposal office will submit the file to the competent authority online for approval of required concessions, if any. On receipt of approval to the concessions, the IOD will be given at Zonal EE(BP).			
3	<b>Obtain no-objection certifcates (NOC) from various agencies</b> <i>Agency</i> : Building Proposal Office, Municipal Corporation of Greater Mumbai Once the application is submitted through the Online Building Plan Approval System (OBPS) portal, the various agencies selected in the application who need to provide no objection certificates review the proposal, and provide their NOCs in the portal.	21 days	no charge	
≠4	Request and obtain NOC from Chief Fire Office	7 days	INR 5,000	

# 5 Obtain Intimation of Disapproval and pay fees 29 days INR 42,000 Agency : Building Proposal Office, Municipal Corporation of Greater Mumbai Intimation of Disapproval (IOD) is granted as per the provisions of Section 346 of MMC Vertice of the provision of Section 346 of MMC Act 1888. The IOD includes various conditions to be complied before requesting for further approvals. Vertice of the provision of online application through CAF, the IOD is issued within 29 days. Vertice of the provision of

Agency : Chief Fire Office, Municipal Corporation of Greater Mumbai

All commercial structures require a fire safety clearance.

6	<b>Obtain plinth commencement certificate and pay development charges</b> <i>Agency</i> : Building Proposal Office, Municipal Corporation of Greater Mumbai Once IOD has been issued, the applicant may submit a request for the commencement certificate on the Online Building Building Approval System (OBPS) portal. The documents and NOC submitted by the applicants are verified on the portal by the staff (Licesnsed Engineer, Sub-Engineer, Assistant Engineer, Executive Engineer) and the necessary commencement certificate is issued through the portal. After payment of development charges and other applicable premium the commencement certificate is issued within 7 days.	0.5 days	INR 196,716
<b> 7</b>	<b>Submit Notice of commencement and completion to Labour Inspector</b> <i>Agency</i> : Labour Inspector According to Rule 239 of The Building and other Construction Workers' (Regulation of Employment and Conditions of Service) Act, 1996, BuildCo must submit a notice of commencement of building and indicate at the same time the probable end of construction, at least 30 days prior to the commencement of construction works.	1 day	no charge
8	<b>Request and receive inspection of plinth</b> <i>Agency</i> : Building Proposal Office, Municipal Corporation of Greater Mumbai	1 day	no charge
9	<b>Request and obtain further commencement certificate</b> <i>Agency</i> : Building Proposal Office, Municipal Corporation of Greater Mumbai The building permit is done in 2 steps. First, BuildCo must obtain the permit up to the plinth level. Once the plinth level has been completed, there is an inspection to verify that is in compliance with approved plans. It is only after this inspection has been done and approval obtained that the BuildCo can move on with the construction and start the superstructure of the warehouse. But in order to do so, it is necessary to obtain a permit to start building the superstructure.	7 days	no charge
≠ 10	<ul> <li>Apply for water connection from Hydraulic Engineer</li> <li>Agency : Hydraulic Engineer Department, Municipal Corporation of Greater</li> <li>Mumbai</li> <li>BuildCo must visit the ward office and submit a written request for a water and sewerage connection. The connection request must be submitted along with a copy of the building plans.</li> </ul>	1 day	no charge
<b>≠</b> 11	<b>Request completion NOC from Chief Fire Office</b> <i>Agency</i> : Chief Fire Office, Municipal Corporation of Greater Mumbai	1 day	no charge
<b>≠</b> 12	Receive inspection from Storm Water and Drain Department Agency : Storm Water and Drain Department, Municipal Corporation of Greater Mumbai The Assistant Engineer of the Municipal Corporation makes the inspection. There are two inspections: one before the connections are completed and another after completion. The inspection would not take more than a day. An officer of the Municipal Corporation inspects the premises and prepares a report on the connection.	1 day	no charge
<b>≠</b> 13	<b>Receive inspection from Sewerage Department</b> <i>Agency</i> : Sewerage Department, Municipal Corporation of Greater Mumbai	1 day	no charge
14	Obtain water connection from Hydraulic Engineer Agency : Hydraulic Engineer Department, Municipal Corporation of Greater Mumbai Fees for water connection include: • Water connection charges: INR 1,060.00 • Water meter: INR 150.00 • Refundable security deposit towards water charges bills at INR 25.00 per 1,000 liter + 60% of sewerage charges for the requirement of the building	3 days	INR 51,210

	Sewer fees are INR 50,000		
<b></b> ⊐ 15	<b>Receive inspection from Roads &amp; Traffic Department</b> <i>Agency</i> : Roads & Traffic Department, Municipal Corporation of Greater Mumbai	1 day	no charge
<b>≠</b> 16	<b>Receive inspection from Chief Fire Office</b> <i>Agency</i> : Chief Fire Office, Municipal Corporation of Greater Mumbai	1 day	no charge
≓ 17	<b>Obtain the completion NOC from Chief Fire Office</b> <i>Agency</i> : Chief Fire Office, Municipal Corporation of Greater Mumbai All commercial structures require fire safety clearance according to fire and safety rules and regulations stipulated in Development Control Rules 1991 and the National Building Code. The fee for low-rise commercial buildings is INR 5.00 per sq. m. This NOC may be requested and obtained online, but it still takes several days to receive.	3 days	INR 6,503

18	Submit letter stating completion of building works to obtain an occupancy certificate and certificate of completion Agency : Building Proposal Office, Municipal Corporation of Greater Mumbai The owner, through a licensed plumber, shall furnish a drainage completion certificate to the Commissioner to certify that the works were completed according to approved drainage plans. The licensed surveyor, engineer, or architect who has supervised the construction shall furnish a building completion certificate to the Commissioner works to certify that the building has not deviated from the approval plans. This shall be accompanied by three sets of plans of the completed development. Following the reception of both certificates of completion the Commissioner shall inspect the work, and after satisfying himself that there is no deviation from the approved plans, issue a certificate of acceptance of the completion of the work.	1 day	no charge
19	<b>Receive final inspection from Building Proposal Office</b> <i>Agency</i> : Building Proposal Office, Municipal Corporation of Greater Mumbai	1 day	no charge
20	Obtain Completion and Occupancy Certificate from Building Proposal Office (sub-engineer) Agency : Building Proposal Office, Municipal Corporation of Greater Mumbai Once the final inspection has been concluded and the final plans are stamped by the Building Proposal Office, the combined Completion certificate and Occupancy certificate are issued. The final stamped plans by the Building Proposal Office and a copy of the Completion and Occupancy certificate are forwarded to the Hydraulic Engineer (Water) Department.	14 days	no charge

**⇉**Takes place simultaneously with previous procedure.

#### Details - Dealing with Construction Permits in Mumbai - Measure of Quality

	Answer	Score
Building quality control index (0-15)		14.0
Quality of building regulations index (0-2)		2.0
How accessible are building laws and regulations in your economy? (0-1)	Available online; Free of charge.	1.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid; Required preapprovals.	1.0
Quality control before construction index (0-1)		1.0
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	Licensed architect; Licensed engineer.	1.0
Quality control during construction index (0-3)		2.0
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	Inspections by in- house engineer; Inspections at various phases.	1.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are always done in practice.	1.0
Quality control after construction index (0-3)		3.0
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Yes, final inspection is done by government agency; Yes, in- house engineer submits report for final inspection.	2.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection always occurs in practice.	1.0
Liability and insurance regimes index (0-2)		2.0
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	Architect or engineer; Professional in charge of the supervision; Construction	1.0

Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)Architect or engineer; Professional in charge of the supervision; Construction company.1.0		company; Owner or investor.	
	structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance	engineer; Professional in charge of the supervision; Construction	1.0

Professional certifications index (0-4)

4.0

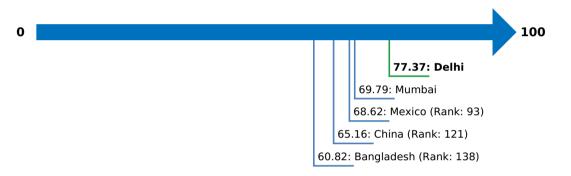
What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)	Minimum number of years of experience; University degree in architecture or engineering; Being a registered architect or engineer.	2.0
What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)	Minimum number of years of experience; University degree in engineering, construction or construction management; Being a registered architect or engineer.	2.0

#### **Dealing with Construction Permits - Delhi**

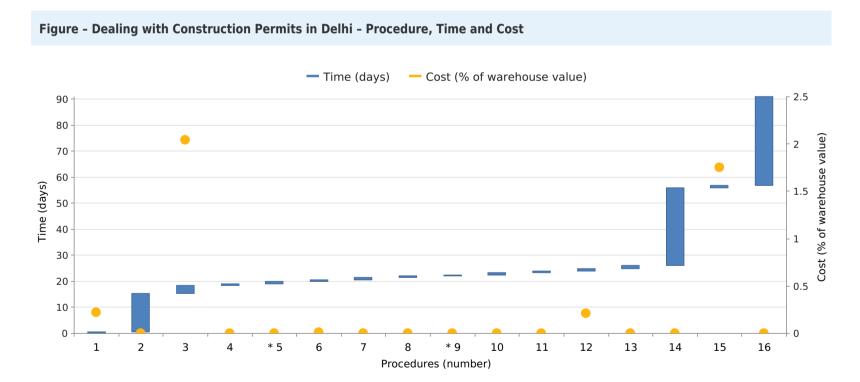
Standardized Warehouse				
Estimated value of warehouse		INR 6,271,107.10		
City Covered	Delhi			
Indicator	Delhi	South Asia	OECD high income	Best Regulatory Performance
Procedures (number)	16	15.2	12.7	None in 2017/18
Time (days)	91	165.5	153.1	None in 2017/18
Cost (% of warehouse value)	4.2	13.2	1.5	None in 2017/18
Building quality control index (0-15)	14.0	9.2	11.5	15.0 (3 Economies)

#### Figure - Dealing with Construction Permits in Delhi and comparator economies - Ranking and Score





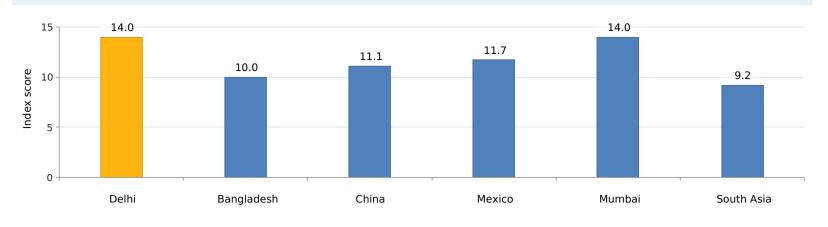
Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

Figure - Dealing with Construction Permits in Delhi and comparator economies - Measure of Quality



#### Details - Dealing with Construction Permits in Delhi - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<ul> <li>Submit online Common Application Form along with requisite building permit fees and drawings</li> <li>Agency: Municipal Corporation of Delhi</li> <li>BuildCo applies for the sanction of the building plans online through the Common Application Form by submitting the following documents: <ol> <li>Building plan</li> <li>Proof of ownership</li> <li>Specifications of the proposed construction</li> <li>Supervision certificate signed by the licensed architect/engineer, supervisor and plumber;</li> <li>Structural-stability Certificate signed by the licensed architect/engineer along with a copy of registration certificate (annexure A)</li> <li>Rain Water-Harvesting Certificate in case of plot size more than 100 square meters signed by the licensed architect and owner (annexure B)</li> <li>No Nuisance/Construction Debris Certificate signed by the owner (annexure C)</li> <li>Declarations in the Form of Affidavits (annexure E-I)</li> <li>Certificate of No Tax Due from the Property Tax Department</li> </ol> </li> <li>All the plans must be signed by the licensed architect/engineer and owner registered with the Council of Architects/Institution of Engineers and shall indicate their names, addresses, license and enrollment numbers.</li> </ul>	0.5 days	INR 14,006
2	<b>Obtain no objection certificates from various agencies</b> <i>Agency</i> : Municipal Corporation of Delhi The application submit the proposal through the Common Application Form (CAF), and the no objection certificates required for various agencies are marked on the CAF. The concerned officers from the various departments receive the proposal request for NOCs through the online portal, and provide their clearance online as well.	15 days	no charge
3	Request and obtain release of building sanction plans Agency : Municipal Corporation of Delhi	3 days	INR 127,711
4	<b>Submit online commencement notice to the relevant Municipality</b> <i>Agency</i> : Municipal Corporation of Delhi BuildCo must submit online commencement notice to the municipality.	0.5 days	no charge
≠ 5	<b>Submit Notice of commencement and completion to Labour Inspector</b> <i>Agency</i> : Labour Commissioner of Delhi According to Rule 239 of The Building and other Construction Workers' (Regulation of Employment and Conditions of Service) Act, 1996, BuildCo must submit a notice of commencement of building and indicate at the same time the probable end of construction, at least 30 days prior to the commencement of construction works.	1 day	no charge

6	<b>Submit online notice of completion up to the plinth level online</b> <i>Agency</i> : Municipal Corporation of Delhi BuildCo must notify the MCD of the completion of the plinth level. MCD inspects the construction and submits any objections, if necessary. Mandatory inspections are carried out at two stages: at plinth level and at completion. Routine inspections may be carried in between and the Municipal Corporation of Delhi reserves the right to inspect the premises before, during and after the construction.	0.5 days	INR 500
7	<b>Request and receive inspection at the plinth level</b> <i>Agency</i> : Municipal Corporation of Delhi BuildCo must notify the MCD of the completion of the plinth level,. MCD inspects the construction and submits any objections, if necessary. Mandatory inspections are carried out at two stages: at plinth level and at completion. Routine inspections may be carried in between and the Municipal Corporation of Delhi reserves the right to inspect the premises before, during and after the construction.	1 day	INR 15

Doii	ng Business 2019 India		
8	<b>Obtain online approval of the plinth completion</b> <i>Agency</i> : Municipal Corporation of Delhi This certificate certifies that the construction has reached the plinth level and that it has been inspected and the construction can continue with the superstructure.	0.5 days	no charge
<b>≠</b> 9	<b>Request final no objection certificate from the Fire Department</b> <i>Agency</i> : Fire Department The Municipal Corporation of Delhi will forward 2 copies of the completion plans to the Fire Service Department of Government NCT of Delhi for the Final No Objection Certificate, or the owners will visit the Fire Service Department in person to with the notice/guideline that it provided at the time of issuance of the Provisional No Objection Certificate and request the Fire Service Department to verify the compliance with the guidelines.	0.5 days	no charge
10	<b>Receive site inspection from the Fire Department</b> <i>Agency</i> : Fire Department In practice this can take up to 15 days.	1 day	no charge
11	<b>Receive final no objection certificate from the Fire Department</b> <i>Agency</i> : Fire Department	0.5 days	no charge
12	<ul> <li>Submit notice of completion</li> <li>Agency : Municipal Corporation of Delhi</li> <li>The building company must submit a notice of completion through the licensed architect/engineer or supervisor who has supervised the construction attaching the following documents: <ol> <li>Lease-deed/sale deed</li> <li>Completion plan</li> <li>Photographs taken from different angles so as to show the overall view of the building</li> <li>Original sanctioned building plan</li> <li>Water Connection Sanction and Sewerage Connection Sanction from Delhi Jal Board</li> <li>Structural-stability Certificate signed by the licensed architect/engineer along with the structural drawings</li> <li>Certificate of licensed architect/engineer or supervisor</li> <li>Extension of time from the lessor if required</li> <li>Rain Water-Harvesting Certificate in case of plot size more than 100 square meters signed by the licensed architect/engineer or supervisor (as the case may be)</li> <li>Affidavit of owner</li> <li>A statement indicating deviations that are carried out and compounding fee payable</li> </ol> </li> </ul>	1 day	INR 13,006
13	<b>Receive final inspection of the construction</b> <i>Agency</i> : Municipal Corporation of Delhi In practice this can take up to one week.	1 day	no charge
14	<b>Obtain completion/occupancy permit</b> <i>Agency</i> : Municipal Corporation of Delhi	30 days	no charge
15	<ul> <li>Request water and sewer connection approval</li> <li>Agency : Delhi Jal Board</li> <li>The building company must submit water and sewer connection application forms.</li> <li>Documents to be attached: <ul> <li>(1) Proof of identity document: photocopy of voter ID card, ration card, PAN card, driving license or post card</li> <li>(2) Property ownership document: photocopy of GPA, allotment letter, government allotment letter, sale deed or NOC from landlord</li> <li>(3) Proof of residence: photocopy of driving license, passport, election I card</li> <li>(4) Sanction of Water Supply Scheme</li> <li>It is compulsory to provide the document number of the attached documents.</li> </ul> </li> </ul>	1 day	INR 109,800

It is compulsory to provide the document number of the attached documents.

Delhi Ja Board has integrated the process of obtaining an Excavation Permit from Municipal Corporation of Delhi by charging a road restoration charges for water and sewer connections on behalf of MCD.

 16
 Receive on-site inspection for water and sewer connection and receive
 34 days
 no charge

 approval
 Agency : Delhi Jal Board
 +
 +

 An inspection of the site will be performed by a Survey Officer.
 +
 +

**⇉**Takes place simultaneously with previous procedure.

#### Details - Dealing with Construction Permits in Delhi - Measure of Quality

	Answer	Score
Building quality control index (0-15)		14.0
Quality of building regulations index (0-2)		2.0
How accessible are building laws and regulations in your economy? (0-1)	Available online; Free of charge.	1.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid; Required preapprovals.	1.0
Quality control before construction index (0-1)		1.0
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	Licensed architect; Licensed engineer.	1.0
Quality control during construction index (0-3)		3.0
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	Inspections by in- house engineer; Inspections at various phases; Risk-based inspections.	2.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are always done in practice.	1.0
Quality control after construction index (0-3)		3.0
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Yes, final inspection is done by government agency; Yes, in- house engineer submits report for final inspection.	2.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection always occurs in practice.	1.0
Liability and insurance regimes index (0-2)		2.0
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	Architect or engineer; Professional in charge of the supervision; Construction	1.0

	Construction company.	
Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)	Architect or engineer; Professional in charge of the supervision; Construction company.	1.0
Professional certifications index (0-4)		3.0

What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)	Minimum number of years of experience; University degree in architecture or engineering; Being a registered architect or engineer.	2.0
What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)	Minimum number of years of experience; University degree in engineering, construction or construction management.	1.0

#### 두 Getting Electricity

This topic measures the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. Additionally, the reliability of supply and transparency of tariffs index measures reliability of supply, transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in May 2018. See the methodology for more information.

#### What the indicators measure

## Procedures to obtain an electricity connection (number)

- Submitting all relevant documents and obtaining all necessary clearances and permits
- Completing all required notifications and receiving all necessary inspections
- Obtaining external installation works and possibly purchasing material for these works
- Concluding any necessary supply contract and obtaining final supply

## Time required to complete each procedure (calendar days)

- Is at least 1 calendar day
- Each procedure starts on a separate day
- Does not include time spent gathering information
- Reflects the time spent in practice, with little follow-up and no prior contact with officials

## Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- Value added tax excluded

## The reliability of supply and transparency of tariffs index (0-8)

- Duration and frequency of power outages (0–3)
- Tools to monitor power outages (0–1)
- Tools to restore power supply (0–1)
- Regulatory monitoring of utilities' performance (0-1)
- Financial deterrents limiting outages (0–1)
- Transparency and accessibility of tariffs (0–1)

#### Price of electricity (cents per kilowatt-hour)\*

 Price based on monthly bill for commercial warehouse in case study

\*Note: *Doing Business* measures the price of electricity, but it is not included in the ease of doing business score nor the ranking on the ease of getting electricity.

#### Case study assumptions

To make the data comparable across economies, several assumptions about the warehouse, the electricity connection and the monthly consumption are used.

#### The warehouse:

- Is owned by a local entrepreneur and is used for storage of goods.
- Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway.
- Is a new construction and is being connected to electricity for the first time.
   Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet).

#### The electricity connection:

- Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW).

- Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road.

- Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base.

#### The monthly consumption:

- It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh.

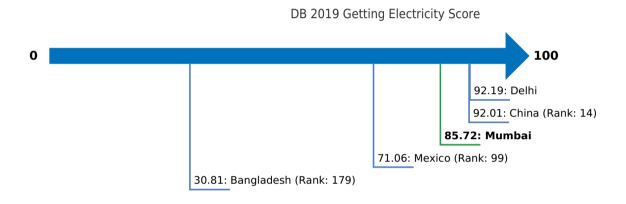
- If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier.

- Tariffs effective in January of the current year are used for calculation of the price of electricity for the warehouse. Although January has 31 days, for calculation purposes only 30 days are used.

#### **Getting Electricity - Mumbai**

Standardized Connection					
Price of electricity (US cents per kWh)		19.4			
Name of utility		Reliance Utilities ar	Reliance Utilities and Power Private Limited		
City Covered		Mumbai	Mumbai		
Indicator	Mumbai	South Asia	OECD high income	Best Regulatory Performance	
Procedures (number)	4	5.4	4.5	3 (25 Economies)	
Time (days)	82	98.3	77.2	18 (3 Economies)	
Cost (% of income per capita)	10.4	1054.7	64.2	0.0 (3 Economies)	
Reliability of supply and transparency of tariff index (0-8)	7	2.1	7.5	8.0 (27 Economies)	

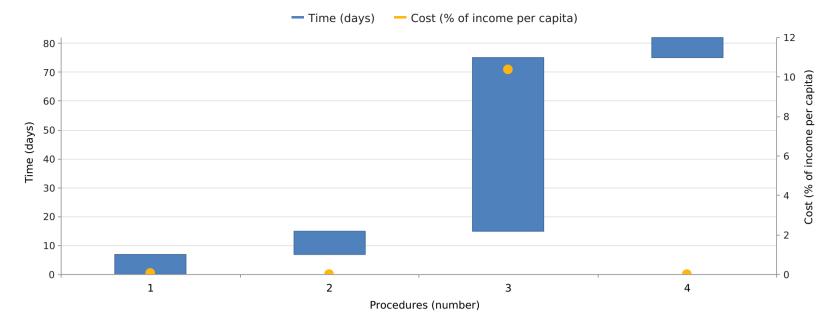
Figure - Getting Electricity in Mumbai and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.



#### Figure - Getting Electricity in Mumbai - Procedure, Time and Cost



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

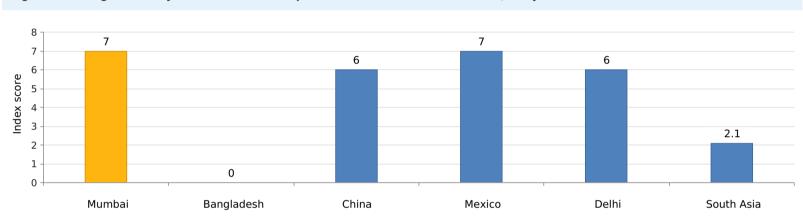


Figure - Getting Electricity in Mumbai and comparator economies - Measure of Quality

#### Details - Getting Electricity in Mumbai - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<ul> <li>Submit application to utility and await site inspection</li> <li>Agency : Reliance Utilities and Power</li> <li>All applications from 100-150 KW can be registered and accepted online over the online portal (https://iss.rel.co.in/MUMBAINSC/). In addition to the online portal, applicants can submit the application manually by visiting the Service Center.</li> <li>In addition, the following documents need to be submitted alongside the application: <ol> <li>Proof of ID of owner</li> <li>Property card (7-12 extract)</li> <li>Title clearance certificate</li> <li>Soft copies of the layout plan</li> <li>Letter from Architect confirming final built up area of the project as submitted to Municipal Corporation of Greater Mumbai</li> <li>Latest copy of Intimation of Disapproval (IOD)/Commencement Certificate</li> <li>Notarized Power Purchase Agreement</li> </ol> </li> <li>The contractor needs to stamp the application, provide a license number, and provide details on equipment being connected.</li> </ul>	7 calendar days	INR 75
2	<ul> <li>Receive external site inspection by Reliance Utilities and Power and await estimate</li> <li>Agency : Reliance Utilities and Power</li> <li>A site inspection is carried out to check the site, consider the load, and locate closest feeder pillar for connection. The following is also checked:</li> <li>Details mentioned in the application and the documents submitted</li> <li>Readiness of the site for the execution of the external works</li> <li>Load sanction and confirmation of the network route and fixing of the meter cabin</li> <li>The estimate is then released based on the normative charges specified under MERC Schedule of Charges independent of the site inspection.</li> <li>Customers need to pay within one week of receiving the inspection.</li> </ul>	8	INR 0
3	<ul> <li>Pay estimate and receive external connection works</li> <li>Agency : Reliance Utilities and Power</li> <li>The Security Deposit along with the connection costs are paid in order for external works to be commenced by the utility.</li> <li>Post payment of estimate, the external works are initiated which include : <ul> <li>a) Obtaining Right of Way Permit for road excavation from Municipal Corporation of Greater Mumbai</li> <li>b) Laying of service cable to the customers installation</li> <li>c) Installation of meter board / meter room installation</li> <li>d) Installation of meters and electrical wiring</li> <li>e) Energizing the connection</li> </ul> </li> </ul>	60 calendar days	INR 13,009.69
4	<b>Submit test report, and receive meter installation</b> <i>Agency</i> : Reliance Utilities and Power After the completion of the external wiring, the customer's licensed electrical contractor submits the test report to the utility. Once the report is submitted, the meter installation is scheduled by the utility.	7 calendar days	INR O

The utility then finalizes the connection within 5 business days of submitting the test

report. The warehouse can be immediately be energized.

**⇉**Takes place simultaneously with previous procedure.

#### **Details - Getting Electricity in Mumbai - Measure of Quality**

	Answer
Reliability of supply and transparency of tariff index (0-8)	7
Total duration and frequency of outages per customer a year (0-3)	2
System average interruption duration index (SAIDI)	0.8
System average interruption frequency index (SAIFI)	1.4
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	5.0
Mechanisms for monitoring outages (0-1)	1
Does the distribution utility use automated tools to monitor outages?	Yes
Mechanisms for restoring service (0-1)	1
Does the distribution utility use automated tools to restore service?	Yes
Regulatory monitoring (0-1)	1
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	Yes
Financial deterrents aimed at limiting outages (0-1)	1
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	Yes
Communication of tariffs and tariff changes (0-1)	1
Are effective tariffs available online?	Yes
Link to the website, if available online	www.bestundertaking .com-Electric supply- Regulatory Matters- Electricity tariff schedule
Are customers notified of a change in tariff ahead of the billing cycle?	Yes

#### Note:

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

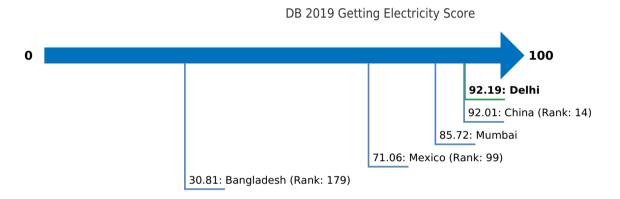
If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

#### **Getting Electricity - Delhi**

Standardized Connection					
Price of electricity (US cents per kWh)		14.9			
Name of utility		TATA Power Delhi [	TATA Power Delhi Distribution Limited		
City Covered	Delhi	Delhi			
Indicator	Delhi	South Asia	OECD high income	Best Regulatory Performance	
Procedures (number)	3	5.4	4.5	3 (25 Economies)	
Time (days)	31	98.3	77.2	18 (3 Economies)	
Cost (% of income per capita)	46.4	1054.7	64.2	0.0 (3 Economies)	
Reliability of supply and transparency of tariff index (0-8)	6	2.1	7.5	8.0 (27 Economies)	

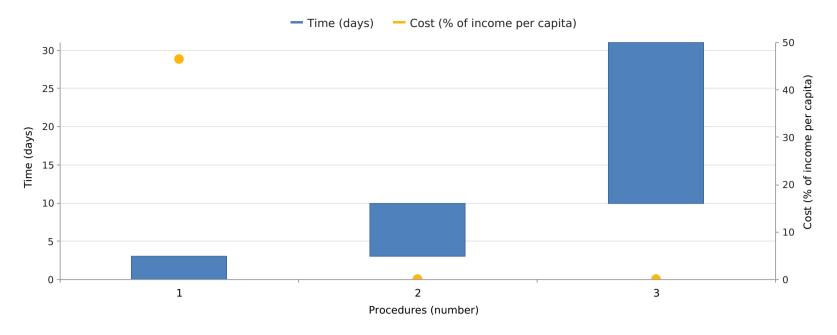
#### Figure - Getting Electricity in Delhi and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.

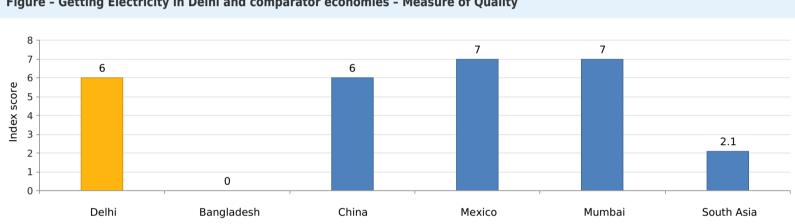






\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the Doing Business website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.





# Details - Getting Electricity in Delhi - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<ul> <li>Submit application to Tata Power Delhi Distribution Ltd. and await site inspection</li> <li>Agency : Tata Power Delhi Distribution Ltd.</li> <li>To apply for a new connection, customer must fill in the basic details in the Form at http://www.ndpl.com to generate a New Connection Request Notification Number.</li> <li>After customer fills the form and submits it, customer will receive the details of the documents to be submitted and information regarding the nearest office location.</li> <li>The list of documents is as follows: <ul> <li>(1) ID Proof - any of the following:</li> <li>A Electoral Identity Card</li> <li>B Passport</li> <li>C - Driving License</li> <li>D Ration Card with Photograph</li> <li>E Pan Card</li> <li>F Aadhar Card</li> <li>G - Photo Identity Card Issued by any Government Agency</li> </ul> </li> <li>(2) Proof of Ownership/Occupancy - any of the following: <ul> <li>A - Certified Copy of Title Deed</li> <li>B - Certified Copy of Conveyance Deed</li> <li>C - Possession/Allotment Letter</li> <li>D - GPA</li> <li>E - Rent receipt/lease agreement along with No Objection</li> <li>Certification and Proof of Ownership of Landlord.</li> </ul> </li> <li>(3) Registrar of Companies: Certificate of Incorporation;</li> <li>Customer can also call TPDDL on the 24 hours Sampark Kendra 66404040, for initiating the new connection process. New Connection Request Notification will be canceled if the documents are not submitted within 3 working days.</li> </ul>	3 calendar days	INR 58,256.8
2	Receive external site inspection from Tata Power and await estimate Agency : Tata Power Delhi Distribution Ltd. Customer makes an appointment over the phone by providing application number as reference. TPDDL contacts the customer through e-mail, SMS or phone to make an inspection appointment at customer's convenience. Representative of TPDDL will inspect the premises to confirm its eligibility and study the technical requirements of giving supply to the consumer and fix the position of main cutouts or circuit breakers and meters and determine the load for the premises in consultation with the consumer and/or his Licensed Electrical Contractor. Customer and/or his Licensed Electrical Contractor must be present during external site inspection.	7 calendar days	INR O
3	<b>Receive external connection, meter installation and electricity flow</b> <i>Agency</i> : Tata Power Delhi Distribution Ltd. TPDDL will conduct external connection works, including the fixing of meters. The utility will inspect and test the installation and connect the warehouse to the grid.	21 calendar days	INR 0

## Details - Getting Electricity in Delhi - Measure of Quality

	Answer
Reliability of supply and transparency of tariff index (0-8)	6
Total duration and frequency of outages per customer a year (0-3)	1
System average interruption duration index (SAIDI)	6.9
System average interruption frequency index (SAIFI)	3.5
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	5.0
Mechanisms for monitoring outages (0-1)	1
Does the distribution utility use automated tools to monitor outages?	Yes
Mechanisms for restoring service (0-1)	1
Does the distribution utility use automated tools to restore service?	Yes
Regulatory monitoring (0-1)	1
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	Yes
Financial deterrents aimed at limiting outages (0-1)	1
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	Yes
Communication of tariffs and tariff changes (0-1)	1
Are effective tariffs available online?	Yes
Link to the website, if available online	http://tatapower- ddl.com/UploadedFil es/Tariff%20Ad%20E nglish%202015.pdf
Are customers notified of a change in tariff ahead of the billing cycle?	Yes

#### Note:

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

### 💼 Registering Property

This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in May 2018. See the methodology for more information.

#### What the indicators measure

## Procedures to legally transfer title on immovable property (number)

- Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration procedures in the economy's largest business city.
- Postregistration procedures (for example, filling title with municipality)

# Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day though procedures that can be fully completed online are an exception to this rule
- Procedure is considered completed once final document is received
- No prior contact with officials

# Cost required to complete each procedure (% of property value)

- Official costs only (such as administrative fees, duties and taxes).
- Value Added Tax, Capital Gains Tax and illicit payments are excluded

#### Quality of land administration index (0-30)

- Reliability of infrastructure index (0-8)
- Transparency of information index (0–6)
- Geographic coverage index (0-8)
- Land dispute resolution index (0–8)
- Equal access to property rights index (-2-0)

#### Case study assumptions

To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.

#### The parties (buyer and seller):

- Are limited liability companies (or the legal equivalent).
- Are located in the periurban area of the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
  Are 100% domestically and privately owned.
- Have 50 employees each, all of whom are nationals.
- Perform general commercial activities.

#### The property (fully owned by the seller):

- Has a value of 50 times income per capita, which equals the sale price.
- Is fully owned by the seller.

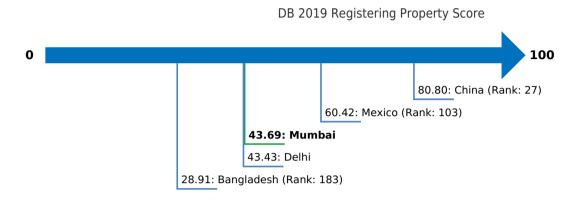
- Has no mortgages attached and has been under the same ownership for the past 10 years.

- Is registered in the land registry or cadastre, or both, and is free of title disputes.
- Is located in a periurban commercial zone, and no rezoning is required.
- Consists of land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety.
- Will not be subject to renovations or additional construction following the purchase.
  Has no trees, natural water sources, natural reserves or historical monuments of any kind.
- Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required.
- Has no occupants, and no other party holds a legal interest in it.

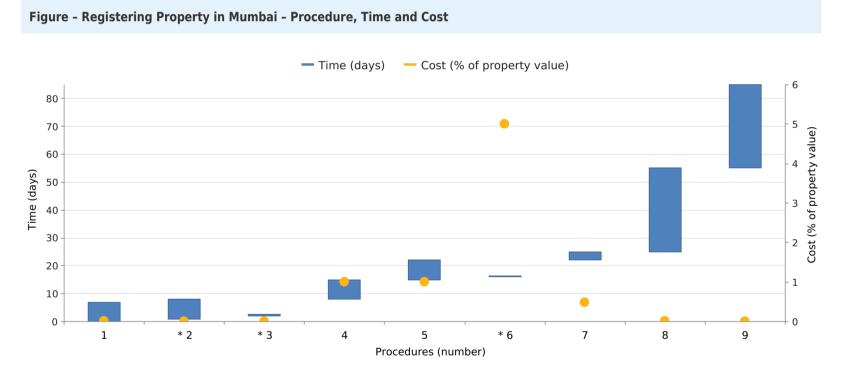
## **Registering Property - Mumbai**

Indicator	Mumbai	South Asia	OECD high income	Best Regulatory Performance
Procedures (number)	9	6.8	4.7	1 (4 Economies)
Time (days)	85	114.1	20.1	1 (New Zealand)
Cost (% of property value)	7.5	6.9	4.2	0.0 (Saudi Arabia)
Quality of the land administration index (0-30)	9.5	8.8	23.0	None in 2017/18

#### Figure - Registering Property in Mumbai and comparator economies - Ranking and Score



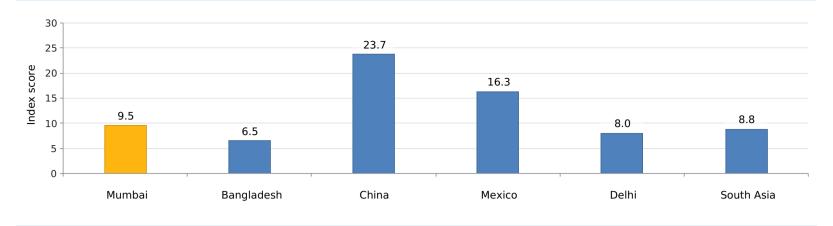
Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

Figure - Registering Property in Mumbai and comparator economies - Measure of Quality



#### **Details - Registering Property in Mumbai - Procedure, Time and Cost**

No.	Procedures	Time to Complete	Associated Costs
1	<b>Conduct a title search at the office of Sub-Registrar of Assurance</b> <i>Agency</i> : Sub-Registrar of Assurance The purchaser should conduct a search of the property in the Registry and the Revenue Office, noting the location details of the property and the time period to be checked. While investigating the title it should be verified.	7 days	INR 750; (INR 25 per year and search is done over 30 years, the minimum payment is INR 300)
	<ul> <li>(1) the legal ownership document (i.e. the title document) is in the name of the owner and is duly stamped and registered before the concerned sub-registrar of assurances.</li> <li>(2) that on the date of purchase the title of the owner for the preceding 30 years (preferably) shows no mortgage or other encumbrance as still existing on the date of purchase,</li> </ul>		
	<ul> <li>(3) the property is transferable and heritable,</li> <li>(4) the transferor is competent and/or authorized to transfer the property,</li> <li>(5) the transferee is qualified to be a transferee,</li> <li>(6) the object or consideration for the transfer is lawful,</li> <li>(7) the transfer has been made and completed in the manner prescribed by law.</li> </ul>		
	Also, all papers with regard to payment of taxes, the electricity bills and water bills need to be checked. If the seller is a Company incorporated under the provisions of the Companies Act, 2013 then it is prudent to take search in the office of the Registrar of Companies to verify whether there is any charge on the property registered under the provisions of Section 81 of the Companies Act, 2013.		
<b>≠</b> 2	<b>Ensure that property is clear of all local tax dues</b> <i>Agency</i> : Local authorities Non-payment of local property tax can result in the property being attached and sold by the local body. The last local tax bill will show the previous dues if any and the receipt of payment will indicate the date on which the payment was made. The receipt is issued by the local body upon receipt of payment.	7 days	no charge
≠3	<b>Conduct charges search at the Registrar of Companies</b> <i>Agency</i> : Registrar of Companies In case of companies formed under the provisions of Companies Act, 2013 and/or under the provisions of Companies Act, 1956 as also in case of any Limited Liability Partnership firms, all charges, modification of charges and satisfaction of charges are required to be compulsorily registered with the Registrar of Companies. Searches on the website of the Ministry of Company Affairs can be taken to peruse the charges created.	Less than one day, online	INR 100
4	<b>Prepare the final sale deed with the purchaser's lawyer</b> <i>Agency</i> : Lawyer The lawyer prepares the final sale deed and then engrosses the document on green paper logging the date and place blank. This document is then submitted for stemping. The face	7 days	INR 62,711.07; (About 1% of the property value (About

leaving the date and place blank. This document is then submitted for stamping. The fee for the lawyer varies from transaction to transaction.

INR 55,000). This includes legal fees for due diligence, drafting the transfer deed and monitoring the registration and mutation process.)

5	<ul> <li>Obtain a certificate for the Tax Deductible at Source</li> <li>Agency : Income Tax Department (Federal level)</li> <li>On June 1, 2013, Section 194IA of the Income Tax became effective. This section establishes that a Tax Deductible at Source (TDS) of 1% of the property value should be deducted at source from the amount paid to the seller/transferor of Immovable Property. This provision is only applicable to properties that have a value over INR 5,000,000. Any sum deducted under section 194-IA shall be paid to the credit of the Central Government.</li> <li>The tax deducted is to be paid electronically on the Income Tax Departments website by filling form 26QB within 7 days from the end of the month in which TDS was deducted. After depositing the TDS with the government, the buyer is required to give the TDS certificate to the Transferor (seller). The TDS certificate is generated within 10 days from the date of deposit of TDS. The purchaser is required to obtain form 26QB and the Transferor is required to obtain form 16B.</li> <li>It is required to provide the certificate of the TDS to the Sub-Registrar office in order to proceed with the registration of the property transfer.</li> </ul>	7 days	INR 62,711.07; (1% of the property value to be deducted)
<b>≠</b> 6	<ul> <li>Pay Stamp Duty on the final Sale Deed through franking at the designated bank.</li> <li>Agency : Designated and authorised Banks and Government Revenue Accounting Department for online payment</li> <li>Since December 2013 stamp duty and registration fees through electronic secured bank treasury receipt (eSBTR)—an online payment service available round-the-clock has been implemented in Mumbai and entire Maharashtra.Under this system, a customer can log onto the website of the authorized bank, click the link for payment of stamp duty/registration fees, enter the necessary details and pay the duty through the internet banking account. With the printout as proof of the online payment, the customer can walk into the nominated branches of the bank to get the eSBTR. The eSBTR is a receipt with security features, which has been designed by India Security Press, Nashik.</li> <li>"Alternatively, there is also a facility to make the data entry online and make the payment in bank branches. The sub-registrar then has to register the documents attached with the receipt.</li> </ul>	Less than one day, online	INR 313,555.36; (5% of property value)
	Payment could be made 1) Online- through credit card, debit card, internet banking for online payment mode. For this purpose various banks have also been authorised authorizing their internet banking facility		
	2) through the process of Simple receipt (receipt printed on A-4 size paper). Payment is made to Banks, stamp vendors and post offices also who issue these receipts. Payments can be made through Cash, Cheque, Bank Draft or through electronic payment		
	3) ESBTR (Electronic Bank and Treasury Receipt) - Few banks have been authorised to issue ESBTR. Banks accept payment by various modes and then issue these ESBTRs.		
	Payment through GRAS system- details at https://gras.mahakosh.gov.in/igr/		

7	<ul> <li>Execute final sale deed and submit documents to the local office of the Sub-Registrar of Assurances</li> <li>Agency : Sub Registrar of Assurances</li> <li>The execution of the sale deed in front of the 2 witnesses is commonly done at the same time and place where the buyer submits documents to the Sub-Registrar.</li> <li>The documents are submitted to the office of the Sub Registrar of Assurances within whose jurisdiction the property is located. The authorized signatories of the seller and purchaser are required to be present along with two witnesses. Once the document is registration is kept in the office of sub registrar of assurance.</li> <li>The documents are submitted to the Reader of the Sub-Registrar of Assurances for scrutiny. After scrutiny, the Reader indicates the registration fee required, which is 1% of the transaction value or Rs. 30,000/- whichever is less on the document itself. The due registration Act, 1908. Normally, the Seller hands over the peaceful vacant and physical possession of the property to the buyer simultaneous to the deed being presented for registration. Upon payment of the required registration fees and computer service charges in cash, as per the receipt, the document is returned within 30 minutes of getting the receipt.</li> <li>(1) Document required to be registered (in duplicate)</li> <li>(2) Two passport-size photographs of the authorized signatories of both parties.</li> <li>(3) Photo identification of each party and witnesses i.e. voters' identity card, passport, identity card issued by Govt. of India, Semi Govt. and Autonomous bodies or identification by a Gazette Officer.</li> <li>(4) Certified true copies of certificate of incorporation of both seller and purchaser.</li> <li>(5) Copy of the latest property register card (to be obtained from the City Survey Department) to indicate that the property does not belong to the government</li> <li>(6) Copy of PAN Card of Income Tax of the Seller and the Buyer annexed along with the Sale Deed.</li> <li>The registrati</li></ul>	3 days	INR 30,200; (1% of market value of the property (Maximum INR 30,000) + INR 20 per page of final sale deed for scanning charges (paid in cash))
8	<b>Apply to the Land &amp; Survey Office for mutation of the title of the property</b> <i>Agency</i> : Land & Survey Office An application for mutation of the title of the property will have to be made to the City Survey and Land Records office for seeking mutation of the title of the property in the name of the purchaser. The authorized signatory has to submit the duly signed application along with the affidavit, indemnity bond and a notarized copy of the registered Sale Deed. After the assessment of the request for mutation, the City Survey and Land Records office decides the value of the tax on the property and issues a letter of mutation in favor of the purchaser. The Property Card will also be updated.	30 days	INR 750; (Application fee of INR 100 + stamp duty on the Indemnity Bond of INR 500 + stamp duty of INR 100 on the Affidavit in the prescribed form + notary fees of INR 50)
9	<b>Apply for name change at Municipal Corporation of Greater Mumbai</b> <i>Agency</i> : Municipal Corporation of Greater Mumbai Once the deed has been registered at the land registry and the Property Card updated, the new owner must also update the property record at the Municipal Corporation of Greater Mumbai for tax purposes. This is not automatically done.	30 days	no charge

# Details - Registering Property in Mumbai - Measure of Quality

	Answer	Score
Reliability of infrastructure index (0-8)		2.0
What is the institution in charge of immovable property registration?	Sub-Registrar office	
In what format are the majority of title or deed records kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Scann ed	1.0
Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	No	0.0
Institution in charge of the plans showing legal boundaries in the largest business city:	Land Records Department	
In what format are the majority of maps of land plots kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Paper	0.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	No	0.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Separate databases	0.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	Yes	1.0
Transparency of information index (0-6)		4.0
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Anyone who pays the official fee	1.0
Is the list of documents that are required to complete any type of property transaction made publicly available–and if so, how?	Yes, online	0.5
Link for online access:	www.igrmaharas htra.gov.in under the heading 'Activities' and sub heading 'Document Registration' http://www.igrma harashtra.gov.in/ SB_ACTIVITES/ activites_DocReg istration.aspx	
Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in the largest business city made publicly available-and if so, how?	Yes, online	0.5
Link for online access:	www.igrmaharas	

	the heading 'Publications' and sub heading 'Fee Structure' http://www.igrma harashtra.gov.in/ SB_PUBLICATIO N/DATA/Registrat ion%20fee%20ta ble.pdf		
Does the agency in charge of immovable property registration commit to delivering a legally binding document that proves property ownership within a specific time frame-and if so, how does it communicate the service standard?	Yes, online	0.5	

htra.gov.in under

<b>Doing Business</b>	2019	India
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Doing Business 2019 India		
Link for online access:	www.igrmaharas htra.gov.in under the heading Citizen's Charter http://www.igrma harashtra.gov.in/ SB_CITIZENARE A/citizenArea_C C_pdf.aspx	
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration?	No	0.0
Contact information:		
Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency?	Yes	0.5
Number of property transfers in the largest business city in 2017:	211,014 - From 01/04/2017 to 31/03/2018	
Who is able to consult maps of land plots in the largest business city?	Only intermediaries and interested parties	0.0
Is the applicable fee schedule for accessing maps of land plots made publicly available— and if so, how?	Yes, on public boards	0.5
Link for online access:		
Does the cadastral or mapping agency commit to delivering an updated map within a specific time frame—and if so, how does it communicate the service standard?	No	0.0
Link for online access:		
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency?	Yes	0.5
Contact information:		
Geographic coverage index (0-8)		0.0
Are all privately held land plots in the economy formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the largest business city formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the economy mapped?	No	0.0
Are all privately held land plots in the largest business city mapped?	No	0.0
Land dispute resolution index (0-8)		3.5
Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties?	Yes	1.5

Is the system of immovable property registration subject to a state or private guarantee? No

Is there a specific compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry?	No	0.0
Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)?	Yes	0.5
If yes, who is responsible for checking the legality of the documents?	Lawyer;	
Does the legal system require verification of the identity of the parties to a property transaction?	Yes	0.5
If yes, who is responsible for verifying the identity of the parties?	Registrar;	
Is there a national database to verify the accuracy of identity documents?	Yes	1.0

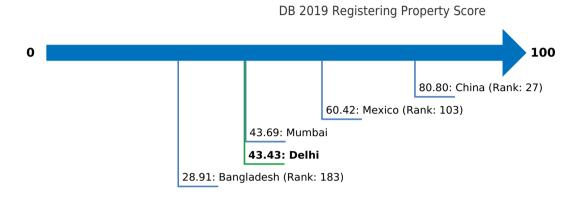
0.0

Doing Business 2019 India		
For a standard land dispute between two local businesses over tenure rights of a property worth 50 times gross national income (GNI) per capita and located in the largest business city, what court would be in charge of the case in the first instance?	City Civil Court	
How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)?	More than 3 years	0.0
Are there any statistics on the number of land disputes in the first instance?	No	0.0
Number of land disputes in the largest business city in 2017:		
Equal access to property rights index (-2-0)		0.0
Do unmarried men and unmarried women have equal ownership rights to property?	Yes	
Do married men and married women have equal ownership rights to property?	Yes	0.0

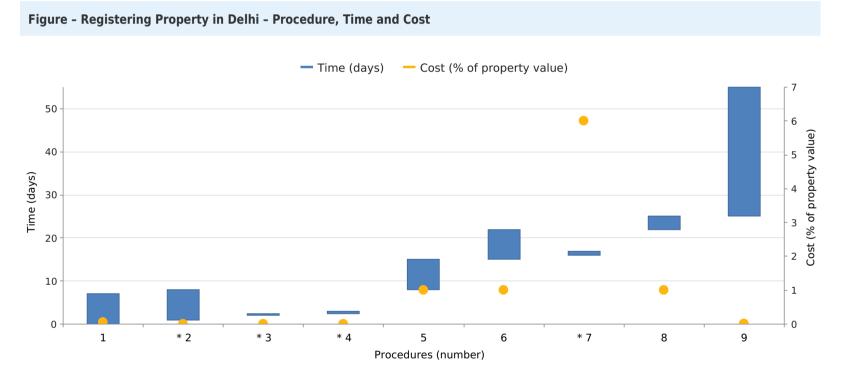
## **Registering Property - Delhi**

Indicator	Delhi	South Asia	OECD high income	Best Regulatory Performance
Procedures (number)	9	6.8	4.7	1 (4 Economies)
Time (days)	55	114.1	20.1	1 (New Zealand)
Cost (% of property value)	9.1	6.9	4.2	0.0 (Saudi Arabia)
Quality of the land administration index (0-30)	8.0	8.8	23.0	None in 2017/18

Figure - Registering Property in Delhi and comparator economies - Ranking and Score



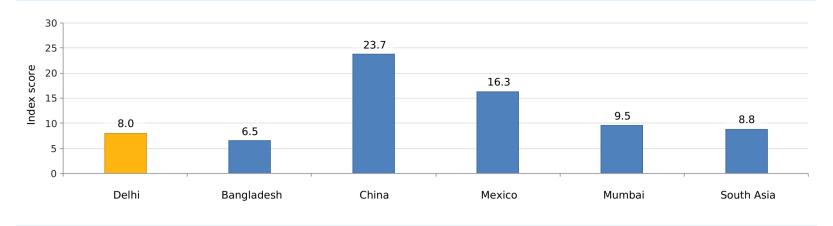
Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

Figure - Registering Property in Delhi and comparator economies - Measure of Quality



# Details - Registering Property in Delhi - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<b>Conduct title search at the sub-registrar office</b> <i>Agency</i> : Sub-Registrar Office The purchaser should conduct a title search of the property in the Registry Office to ascertain that (1) the legal ownership document is in the name of the owner, issued by the Revenue Record Department (2) the title deeds, mutation entries for the preceding 30 years (preferably) to create a chain of title to ensure that the property has no mortgages or other charges (3) the property is transferable and heritable, (4) the transferor is competent and/or authorized to transfer the property, (5) the transferee is qualified to be a transferee, (6) the consideration is lawful, (7) the transfer has been made and completed in the manner prescribed by law.	7 days	INR 3,000; (INR 100 for each year searched. Usually, 30 years are searched as part of the due diligence process.)
≠2	<b>Ensure that property is clear of all local tax dues</b> <i>Agency</i> : Municipal Corporation of Delhi (North, South or East - depending on the location of the property) Request all records regarding payment of local property taxes and any other possible municipal dues, for pick-up a week later, to ensure that the owner of the property is in good standing with municipal authorities	7 days	INR 200
≠3	<b>Conduct charges search at the Registrar of Companies</b> <i>Agency</i> : Registrar of Companies If the seller is a Company incorporated under the provisions of the Companies Act, 2013, the purchaser should conduct a search in the office of the Registrar of Companies to verify whether there is any charge (mortgage, encumbrance, etc.) on the property registered under Section 125 of the Companies Act, 2013. Note that if the Seller is not able to produce title deed, then Buyer must also check any potential creditors for mortgages by deposit of title deed, which are not recorded anywhere.	Less than one day, online	INR 100
₹4	<b>Check for unpaid utility bills online</b> <i>Agency</i> : Utility website This is part of the due diligence process done by the lawyer. The seller will provide the payment receipts and the lawyer will verify online if these bills were paid and that there are no outstanding bills.	Less than one day, online	no charge
5	<b>Prepare the final sale deed with the purchaser's lawyer</b> <i>Agency</i> : Lawyer The lawyer prepares the final sale deed and then engrosses the document on green paper leaving the date and place blank. This document is then submitted for stamping. The fee for the lawyer varies from transaction to transaction.	7 days	INR 62,711.07; (1% of the property value)

6	<ul> <li>Obtain a certificate for the Tax Deductible at Source</li> <li>Agency : Income Tax Department (Federal level)</li> <li>On June 1, 2013, Section 194IA of the Income Tax became effective. This section establishes that a Tax Deductible at Source (TDS) of 1% of the property value must be deducted at source from the amount paid to the seller/transferor of Immovable Property. This provision is only applicable to properties that have a value over INR 5,000,000.</li> <li>Any sum deducted under section 194-IA must be paid to the credit of the Central Government within a period of seven days from the end of the month in which the deduction is made and shall be accompanied by a challan-cum-statement in Form No. 26QB. The sum so deducted must be deposited to the credit of the Central Government by remitting it electronically to the Reserve Bank of India or the State Bank of India or to any authorized bank.</li> <li>Every person responsible for deduction of tax under section 194-IA must give the certificate of deduction of tax at source in Form No. 16B to the payee within fifteen days from the due date for furnishing the Challan-cum-statement in Form No. 26QB under Rule 31A after generating and downloading the same from the web portal specified by the Director General of Income-tax (System) or the person authorized by him.</li> <li>After depositing theTDS to the sub-registrar, the buyer is required to give the TDS certificate to the seller. This is available around 10-15 days after depositing the TDS. TDS can be paid and the TDS certificate can also be obtained online.</li> </ul>	7 days	INR 62,711.07; (1% of the property value to be deducted)
<b>≠</b> 7	Pay Stamp Duty on the final Sale Deed through e-stamp paper at the designated bank. Agency : Bank The amount of stamp duty is calculated based on the sale consideration or circle rate, whichever is higher, and deposited by the party purchasing the e-stamp paper, in the designated account of the Stock Holding Corporation of India at Corporation Bank by RTGS/NEFT. Thereafter, the UTR no. or other relevant details of the payment along with the details of the property, parties, nature of instruments, Permanent Account Number (PAN) card details of parties, authority letter to the representative of the party to collect the e-stamp paper and ID proof of the party in whose name stamp duty has been purchased, are required to be submitted at the bank and thereafter, the stamp paper is issued.	1 day	INR 376,266.43; (6% of property value)
8	Execute final sale deed and submit documents to the local office of the Sub-Registrar of Assurances Agency : Sub-Registrar of Assurances Initially an appointment is taken online (http://srams.delhi.gov.in) for the execution of the deed. On the date of the appointment, the documents are submitted to the designated official for screening. The designated official verifies the particulars of the purchaser(s), seller(s) and witnesses and also verifies the property details and title documents of the seller with respect to the property. Thereafter, the photographs of the seller, purchaser and witnesses are taken which are also printed on the back page of the registered sale deed. Further, the registration fees is paid in favor of the office of the Sub-Registrar and receipt for the same is issued. Thereafter, the sale deed is registered and a registration receipt is issued. The registered sale deed can be collected from the office of Sub-Registrar after approximately 1 week from the date of registration, upon production of the registration receipt. The following documents are required to be carried to the office of the Sub-Registrar for registration of a sale deed: (i) two photographs, each of the authorized representatives/directors of the seller and purchaser, along with their ID proof, in original; (ii) PAN cards of seller and purchaser; (iii) the board resolutions in favor of the authorized representative or director executing the sale deed on behalf of the companies; (iii) In case the sale consideration is more than INR 50,00,000/-, proof of payment of 1% deduction as TDS;	3 days	INR 63,011.07; (1% of market value of the property + INR100 pasting charge has to be deposited at Sub- Registrar office at the time of registration +INR 20 per page of final sale deed for scanning charges (paid in cash))

(iv) ID proof of the witnesses, in original; and(v) previous title documents of the property.The authorized representatives/directors of both parties as well as witnesses are required to be present at the office of the Sub-Registrar, in person, for the registration of the sale deed.

Apply for mutation of the property title for tax purposes
Agency : Municipal Corporation of Delhi (MCD)
An application for mutation for tax purposes is done at the Municipal Corporation of Delhi (MCD) to change the name of the owner on the property record at the municipality. The authorized signatory submits the duly signed application along with the affidavit, indemnity bond and a notarized copy of the registered Sale Deed. After the assessment of the request for mutation, MCD assess the value of the property tax and a mutation Letter in the name of the new owner is issued by the MCD.

INR 450; ((i) Application fee of INR 100; (ii) stamp duty on the Indemnity Bond of INR 200; (iii) stamp duty of INR 100 on the Affidavit in the prescribed form and (iv) notary fees of INR 50)

30 days

**⇒**Takes place simultaneously with previous procedure.

9

## **Details - Registering Property in Delhi - Measure of Quality**

	Answer	Score
Reliability of infrastructure index (0-8)		2.0
What is the institution in charge of immovable property registration?	Office of the Sub- Registrar	
In what format are the majority of title or deed records kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Scann ed	1.0
Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	No	0.0
Institution in charge of the plans showing legal boundaries in the largest business city:	Delhi Development Authority (DDA)	
In what format are the majority of maps of land plots kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Paper	0.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	No	0.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Separate databases	0.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	Yes	1.0
Transparency of information index (0-6)		2.5
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Anyone who pays the official fee	1.0
Is the list of documents that are required to complete any type of property transaction made publicly available-and if so, how?	Yes, online	0.5
Link for online access:	http://www.delhi.g ov.in/wps/wcm/co nnect/DoIT_DCN ORTH/dcnorth/pu blicservicesslinks /registration+of+d ocuments	
Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in the largest business city made publicly available–and if so, how?	Yes, online	0.5
Link for online access:	http://www.delhi.g ov.in/wps/wcm/co nnect/doit_reven ue/Revenue/Hom e/Services/Prope rty+Registration	

Does the agency in charge of immovable property registration commit to delivering a legally	Yes, in person	0.0
binding document that proves property ownership within a specific time frame-and if so, how		
does it communicate the service standard?		

Link for online access:

Is there a specific and separate mechanism for filing complaints about a problem that No 0.0 occurred at the agency in charge of immovable property registration?

Contact information:

Are there publicly available official statistics tracking the number of transactions at theYes0.5immovable property registration agency?

Number of property transfers in the largest business city in 2017:

Doing Business 2019	India		
Who is able to consult m	aps of land plots in the largest business city?	Only intermediaries and interested parties	0.0
Is the applicable fee sche and if so, how?	edule for accessing maps of land plots made publicly available—	No	0.0
Link for online access:			
	apping agency commit to delivering an updated map within a I if so, how does it communicate the service standard?	No	0.0
Link for online access:			
Is there a specific and se occurred at the cadastra	parate mechanism for filing complaints about a problem that I or mapping agency?	No	0.0
Contact information:			
Geographic coverage inde	ex (0-8)		0.0
Are all privately held lanc registry?	d plots in the economy formally registered at the immovable property	No	0.0
Are all privately held land immovable property regis	d plots in the largest business city formally registered at the stry?	No	0.0
Are all privately held land	d plots in the economy mapped?	No	0.0
Are all privately held land	d plots in the largest business city mapped?	No	0.0
Land dispute resolution in	ndex (0-8)		3.5
	t all property sale transactions be registered at the immovable e them opposable to third parties?	Yes	1.5
Is the system of immoval	ble property registration subject to a state or private guarantee?	No	0.0
	ensation mechanism to cover for losses incurred by parties who a property transaction based on erroneous information certified by registry?	No	0.0
	quire a control of legality of the documents necessary for a property ng the compliance of contracts with requirements of the law)?	Yes	0.5
If yes, who is responsible	e for checking the legality of the documents?	Lawyer;	
Does the legal system real transaction?	quire verification of the identity of the parties to a property	Yes	0.5
If yes, who is responsible	for verifying the identity of the parties?	Registrar;	
Is there a national databa	ase to verify the accuracy of identity documents?	Yes	1.0
worth 50 times gross nat	ute between two local businesses over tenure rights of a property cional income (GNI) per capita and located in the largest business e in charge of the case in the first instance?	Delhi District Court	

How long does it take on average to obtain a decision from the first-instance court for such a More than 3 0.0

case (without appeal)?	years	
Are there any statistics on the number of land disputes in the first instance?	No	0.0
Number of land disputes in the largest business city in 2017:		
Equal access to property rights index (-2-0)		0.0
Equal access to property rights index (-2-0) Do unmarried men and unmarried women have equal ownership rights to property?	Yes	0.0

#### 💳 Getting Credit

This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in May 2018. See the methodology for more information.

#### What the indicators measure

#### Strength of legal rights index (0-12)

- Rights of borrowers and lenders through collateral laws (0-10)
- Protection of secured creditors' rights through bankruptcy laws (0-2)

#### Depth of credit information index (0-8)

 Scope and accessibility of credit information distributed by credit bureaus and credit registries (0-8)

#### Credit bureau coverage (% of adults)

• Number of individuals and firms listed in largest credit bureau as a percentage of adult population

#### Credit registry coverage (% of adults)

• Number of individuals and firms listed in credit registry as a percentage of adult population

#### Case study assumptions

*Doing Business* assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank.

In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.

# Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:

- ABC is a domestic limited liability company (or its legal equivalent).
- ABC has up to 50 employees.

- ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.

- Both ABC and BizBank are 100% domestically owned.

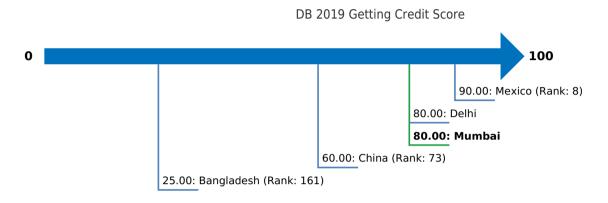
The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests).

In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.

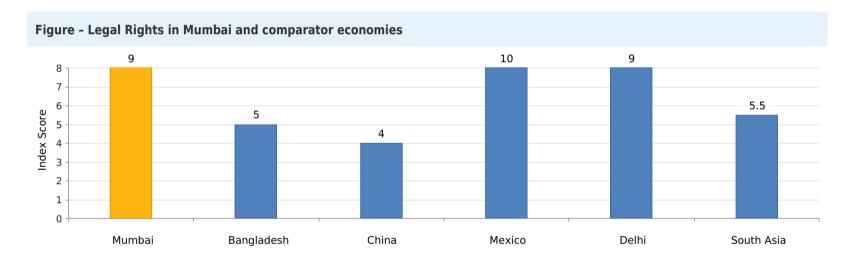
## Getting Credit - Mumbai

Indicator	Mumbai	South Asia	OECD high income	Best Regulatory Performance
Strength of legal rights index (0-12)	9	5.5	6.1	12 (5 Economies)
Depth of credit information index (0-8)	7	4.0	6.7	8 (42 Economies)
Credit registry coverage (% of adults)	0	4.8	21.8	100.0 (4 Economies)
Credit bureau coverage (% of adults)	55.9	18.5	65.3	100.0 (25 Economies)

## Figure - Getting Credit in Mumbai and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting credit is determined by sorting their scores for getting credit. These scores are the sum of the scores for the strength of legal rights index and the depth of credit information index.

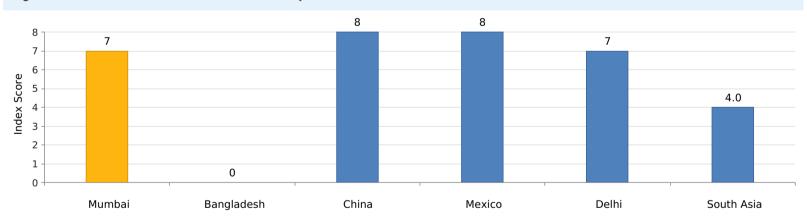


## **Details - Legal Rights in Mumbai**

Strength of legal rights index (0-12)	9
Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy?	No
Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?	Yes
Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?	Yes
May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets?	Yes
Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered?	Yes
Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name?	No
Does a notice-based collateral registry exist in which all functional equivalents can be registered?	No
Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party?	Yes
Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure?	Yes
Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated?	Yes
Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it?	Yes
	Ver

Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow Yes the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt?





## **Details - Credit Information in Mumbai**

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	Yes	No	1
Are both positive and negative credit data distributed?	Yes	No	1
Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed?	No	No	0
Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.)	Yes	No	1
Are data on loan amounts below 1% of income per capita distributed?	Yes	No	1
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	Yes	No	1
Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	Yes	No	1
Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	Yes	No	1
Total Score ("yes" to either public bureau or private registry)			7

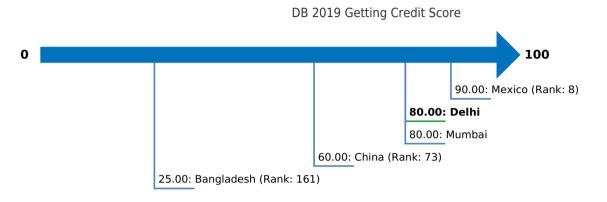
Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

Coverage	Credit bureau	Credit registry
Number of individuals	478,635,358	0
Number of firms	16,966,174	0
Total	495,601,532	0
Percentage of adult population	55.9	0

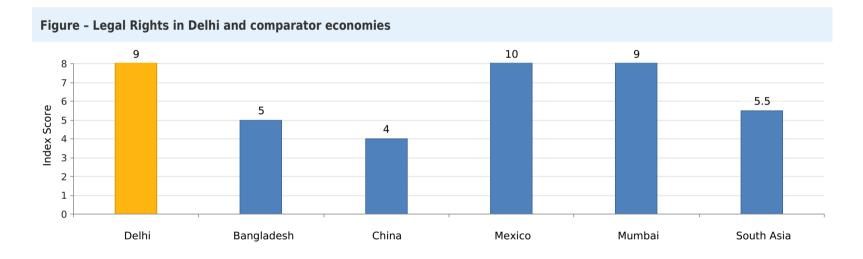
## Getting Credit - Delhi

Indicator	Delhi	South Asia	OECD high income	Best Regulatory Performance
Strength of legal rights index (0-12)	9	5.5	6.1	12 (5 Economies)
Depth of credit information index (0-8)	7	4.0	6.7	8 (42 Economies)
Credit registry coverage (% of adults)	0	4.8	21.8	100.0 (4 Economies)
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Figure - Getting Credit in Delhi and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting credit is determined by sorting their scores for getting credit. These scores are the sum of the scores for the strength of legal rights index and the depth of credit information index.

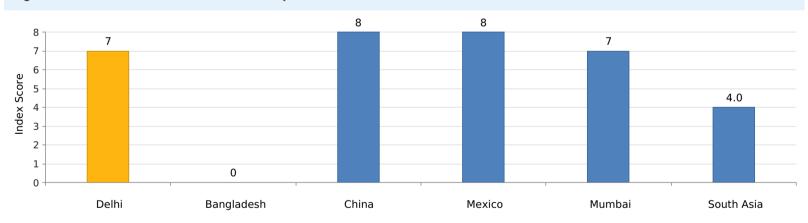


## Details - Legal Rights in Delhi

Strength of legal rights index (0-12)	9
Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy?	No
Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?	Yes
Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?	Yes
May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets?	Yes
ls a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered?	Yes
Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name?	No
Does a notice-based collateral registry exist in which all functional equivalents can be registered?	No
Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party?	Yes
Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure?	Yes
Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated?	Yes
Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it?	Yes

Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow Yes the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt?







## Details - Credit Information in Delhi

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	Yes	No	1
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Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.)	Yes	No	1
Are data on loan amounts below 1% of income per capita distributed?	Yes	No	1
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	Yes	No	1
Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	Yes	No	1
Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	Yes	No	1
Total Score ("yes" to either public bureau or private registry)			7

Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

Coverage	Credit bureau	Credit registry
Number of individuals	478,635,358	0
Number of firms	16,966,174	0
Total	495,601,532	0
Percentage of adult population	55.9	0

#### Protecting Minority Investors

This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in May 2018. See the methodology for more information.

#### What the indicators measure

- Extent of disclosure index (0-10): Review and approval requirements for related-party transactions; Disclosure requirements for relatedparty transactions
- Extent of director liability index (0-10): Ability of minority shareholders to sue and hold interested directors liable for prejudicial relatedparty transactions; Available legal remedies (damages, disgorgement of profits, fines, imprisonment, rescission of the transaction)
- Ease of shareholder suits index (0-10): Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses
- Extent of conflict of interest regulation index (0-10): Simple average of the extent of disclosure, extent of director liability and ease of shareholder indices
- Extent of shareholder rights index (0-10): Shareholders' rights and role in major corporate decisions
- Extent of ownership and control index (0-10): Governance safeguards protecting shareholders from undue board control and entrenchment
- Extent of corporate transparency index (0-10): Corporate transparency on ownership stakes, compensation, audits and financial prospects
- Extent of shareholder governance index (0-10): Simple average of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices
- Strength of minority investor protection index (0-10): Simple average of the extent of conflict of interest regulation and extent of shareholder governance indices

#### **Case study assumptions**

To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.

#### The business (Buyer):

- Is a publicly traded corporation listed on the economy's most important stock exchange. If there are fewer than ten listed companies or if there is no stock exchange in the economy, it is assumed that Buyer is a large private company with multiple shareholders.

- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.

- Has a supervisory board in economies with a two-tier board system on which Mr. James appointed 60% of the shareholder-elected members.

- Has not adopted bylaws or articles of association that go beyond the minimum requirements. Does not follow codes, principles, recommendations or guidelines that are not mandatory.

- Is a manufacturing company with its own distribution network.

#### The transaction involves the following details:

- Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board.

- Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores.

- Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value.

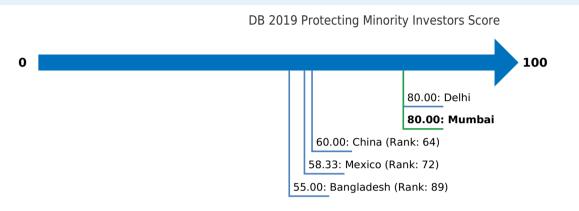
- The proposed transaction is part of the company's principal activity and is not outside the authority of the company.

Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made—that is, the transaction was not entered into fraudulently.
The transaction causes damages to Buyer. Shareholders sue Mr. James and the executives and directors that approved the transaction.

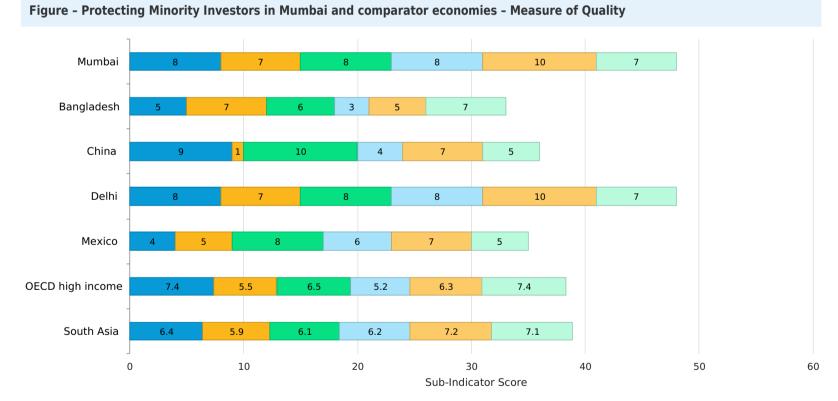
#### **Protecting Minority Investors - Mumbai**

Indicator	Mumbai	South Asia	OECD high income	Best Regulatory Performance
Extent of disclosure index (0-10)	8.0	5.8	6.5	10 (13 Economies)
Extent of director liability index (0-10)	7.0	5.0	5.3	10 (Cambodia)
Ease of shareholder suits index (0-10)	7.0	7.4	7.3	10 (Djibouti)
Extent of shareholder rights index (0-10)	10.0	6.9	6.4	10 (Kazakhstan)
Extent of ownership and control index (0-10)	8.0	5.9	5.4	None in 2017/18
Extent of corporate transparency index (0-10)	8.0	6.1	7.6	10 (6 Economies)

#### Figure - Protecting Minority Investors in Mumbai and comparator economies - Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.



Extent of corporate transparency index (0-10)
 Extent of director liability index (0-10)
 Extent of ownership and control index (0-10)
 Extent of shareholder rights index (0-10)
 Ease of shareholder suits index (0-10)

## Details - Protecting Minority Investors in Mumbai - Measure of Quality

	Answer	Score
Extent of conflict of interest regulation index (0-10)		7.3
Extent of disclosure index (0-10)		8.0
Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3)	Shareholders excluding interested parties	3.0
Must an external body review the terms of the transaction before it takes place? (0-1)	Yes	1.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Full disclosure of all material facts	2.0
Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2)	Disclosure on the transaction and on the conflict of interest	2.0
Must Buyer immediately disclose the transaction to the public? (0-2)	No disclosure obligation	0.0
Extent of director liability index (0-10)		7.0
Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0- 2)	Not liable	0.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2)	Liable if unfair or prejudicial	2.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	Yes	1.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	Yes	1.0
ls Mr. James disqualified upon a successful claim by shareholders? (0-1)	Yes	1.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Voidable if negligently concluded	1.0
Ease of shareholder suits index (0-10)		7.0
Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	Yes	1.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Any relevant document	3.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	No	0.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	Yes	2.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	Yes	1.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	At the discretion of the court	0.0
Extent of shareholder governance index (0-10)		8.7
Extent of shareholder rights index (0-10)		10.0
Does the sale of 51% of Buyer's assets require shareholder approval?	Yes	1.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	Yes	1.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	Yes	1.0

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Do shareholders automatically receive preemption rights every time Buyer issues new shares?	Yes	1.0
Must shareholders approve the election and dismissal of the external auditor?	Yes	1.0
Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	Yes	1.0
Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval?	Yes	1.0
Assuming that Buyer is a limited company, can members representing 10% call for a meeting of members?	Yes	1.0
Assuming that Buyer is a limited company, must all or almost all members consent to add a new member?	Yes	1.0
Assuming that Buyer is a limited company, must a member first offer to sell their interest to the existing members before they can sell to non-members?	Yes	1.0
ctent of ownership and control index (0-10)		8.0
Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors?	No	0.0
Must the board of directors include independent and nonexecutive board members?	Yes	1.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	Yes	1.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	Yes	1.0
Must Buyer pay declared dividends within a maximum period set by law?	Yes	1.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	Yes	1.0
Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members?	Yes	1.0
Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law?	Yes	1.0
xtent of corporate transparency index (0-10)		8.0
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	Yes	1.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	Yes	1.0
Must Buyer disclose the compensation of individual managers?	Yes	1.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	Yes	1.0

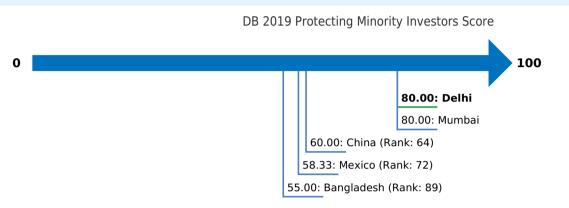
Can shareholders representing 5% of Buyer's share capital put items on the general meeting No 0.0 agenda?

Must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0
Must Buyer disclose its audit reports to the public?	Yes	1.0
Assuming that Buyer is a limited company, must members meet at least once a year?	Yes	1.0
Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda?	No	0.0
Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0

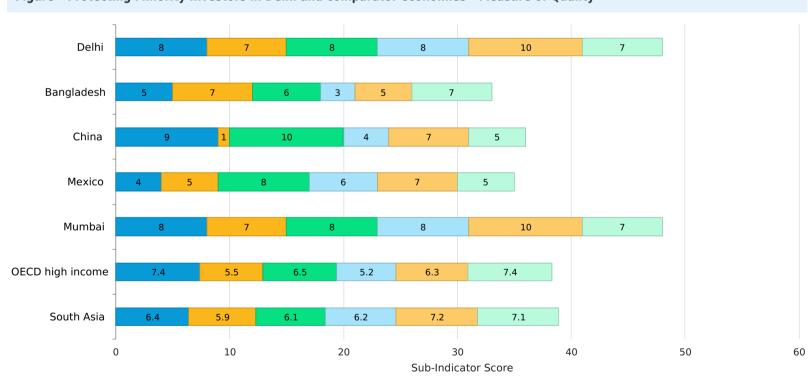
## **Protecting Minority Investors - Delhi**

Indicator	Delhi	South Asia	OECD high income	Best Regulatory Performance
Extent of disclosure index (0-10)	8.0	5.8	6.5	10 (13 Economies)
Extent of director liability index (0-10)	7.0	5.0	5.3	10 (Cambodia)
Ease of shareholder suits index (0-10)	7.0	7.4	7.3	10 (Djibouti)
Extent of shareholder rights index (0-10)	10.0	6.9	6.4	10 (Kazakhstan)
Extent of ownership and control index (0-10)	8.0	5.9	5.4	None in 2017/18
Extent of corporate transparency index (0-10)	8.0	6.1	7.6	10 (6 Economies)

Figure - Protecting Minority Investors in Delhi and comparator economies - Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.





- Extent of corporate transparency index (0-10)
   Extent of director liability index (0-10)
   Extent of ownership and control index (0-10)
   Extent of shareholder rights index (0-10)
   Ease of shareholder suits index (0-10)

## Details - Protecting Minority Investors in Delhi - Measure of Quality

	Answer	Score
Extent of conflict of interest regulation index (0-10)		7.3
Extent of disclosure index (0-10)		8.0
Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3)	Shareholders excluding interested parties	3.0
Must an external body review the terms of the transaction before it takes place? (0-1)	Yes	1.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Full disclosure of all material facts	2.0
Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2)	Disclosure on the transaction and on the conflict of interest	2.0
Must Buyer immediately disclose the transaction to the public? (0-2)	No disclosure obligation	0.0
Extent of director liability index (0-10)		7.0
Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0- 2)	Not liable	0.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2)	Liable if unfair or prejudicial	2.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	Yes	1.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	Yes	1.0
Is Mr. James disqualified upon a successful claim by shareholders? (0-1)	Yes	1.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Voidable if negligently concluded	1.0
Ease of shareholder suits index (0-10)		7.0
Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	Yes	1.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Any relevant document	3.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	No	0.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	Yes	2.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	Yes	1.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	At the discretion of the court	0.0
Extent of shareholder governance index (0-10)		8.7
Extent of shareholder rights index (0-10)		10.0
Does the sale of 51% of Buyer's assets require shareholder approval?	Yes	1.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	Yes	1.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	Yes	1.0

Doing Business 2019 India		
Do shareholders automatically receive preemption rights every time Buyer issues new shares?	Yes	1.0
Must shareholders approve the election and dismissal of the external auditor?	Yes	1.0
Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	Yes	1.0
Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval?	Yes	1.0
Assuming that Buyer is a limited company, can members representing 10% call for a meeting of members?	Yes	1.0
Assuming that Buyer is a limited company, must all or almost all members consent to add a new member?	Yes	1.0
Assuming that Buyer is a limited company, must a member first offer to sell their interest to the existing members before they can sell to non-members?	Yes	1.0
tent of ownership and control index (0-10)		8.0
Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors?	No	0.0
Must the board of directors include independent and nonexecutive board members?	Yes	1.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	Yes	1.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	Yes	1.0
Must Buyer pay declared dividends within a maximum period set by law?	Yes	1.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	Yes	1.0
Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members?	Yes	1.0
Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law?	Yes	1.0
tent of corporate transparency index (0-10)		8.0
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	Yes	1.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	Yes	1.0
Must Buyer disclose the compensation of individual managers?	Yes	1.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	Yes	1.0

Can shareholders representing 5% of Buyer's share capital put items on the general meeting No 0.0 agenda?

Must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0
Must Buyer disclose its audit reports to the public?	Yes	1.0
Assuming that Buyer is a limited company, must members meet at least once a year?	Yes	1.0
Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda?	No	0.0
Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0

#### **[5]** Paying Taxes

This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as the administrative burden of paying taxes and contributions and complying with postfiling procedures (VAT refund and tax audit). The most recent round of data collection for the project was completed in May 2018 covering for the Paying Taxes indicator calendar year 2017 (January 1, 2017 – December 31, 2017). See the methodology for more information.

#### What the indicators measure

#### Case study assumptions

Tax payments for a manufacturing company in 2017 (number per year adjusted for electronic and joint filing and payment)

- Total number of taxes and contributions paid or withheld, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

# Time required to comply with 3 major taxes (hours per year)

- Collecting information, computing tax payable
- Preparing separate tax accounting books, if required
- Completing tax return, filing with agencies
- Arranging payment or withholding

# Total tax and contribution rate (% of commercial profits)

- Profit or corporate income tax
- Social contributions, labor taxes paid by employer
- Property and property transfer taxes
- Dividend, capital gains, financial transactions taxes
- Waste collection, vehicle, road and other taxes

#### **Postfiling Index**

- Time to comply with a VAT refund (hours)
- Time to obtain a VAT refund (weeks)
- Time to comply with a corporate income tax correction (hours)
- Time to complete a corporate income tax correction (weeks)

Using a case scenario, *Doing Business* records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.

To make data comparable across economies, several assumptions are used: - TaxpayerCo is a medium-size business that started operations on January 1, 2016. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2017). Taxes and mandatory contributions are measured at all levels of government.

#### The VAT refund process:

- In June 2017, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2017.

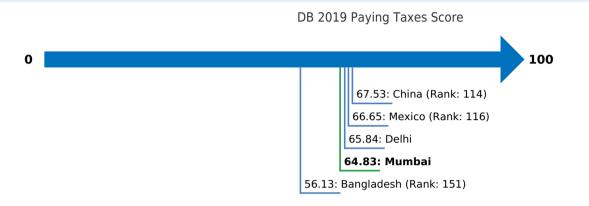
#### The corporate income tax audit process:

- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

#### **Paying Taxes - Mumbai**

Indicator	Mumbai	South Asia	OECD high income	Best Regulatory Performance
Payments (number per year)	13	27.6	11.2	3 (Hong Kong SAR, China)
Time (hours per year)	277.5	274.8	159.4	49 (Singapore)
Total tax and contribution rate (% of profit)	52.2	43.5	39.8	26.1% (32 Economies)
Postfiling index (0-100)	49.31	41.78	84.41	None in 2017/18

Figure - Paying Taxes in Mumbai and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.

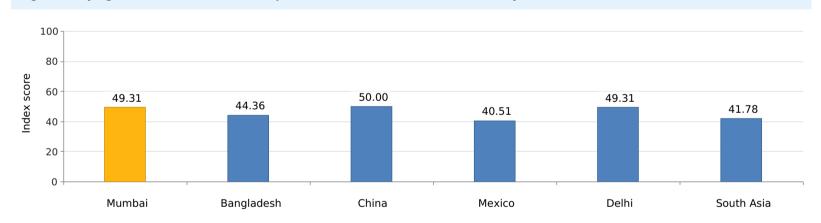


Figure - Paying Taxes in Mumbai and comparator economies - Measure of Quality

# Doing Business 2019 India

## **Details - Paying Taxes in Mumbai**

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTCR
Corporate income tax	1.0	online	25.0	25% as of April 1, 2017	taxable profit	21.68	
Social security contributions	1.0		88.0	13.15%	gross salaries	14.89	
Dividend tax	1.0			20.3576%	dividend distributions	5.96	
Employee's state insurance contribution	1.0	online		4.75%	gross salaries	5.36	
Central Sales Tax / From July 1, 2017 GST	0.5	online	164.5	2% / From July 1, 2017 GST 18%	purchase price	2.65	
Property tax	1.0			10%	assessed value	1.32	
Service Tax / From July 1, 2017 GST	0.5			14% + (0.5% Swachh Bharat Cess + 0.5% Krishi Kalyan Cess) / From July 1, 2017 GST 18%	insurance premium	0.19	
Labor welfare fund	2.0			36 RPN	fixed fee per employee	0.05	
Employer paid - Profession Tax Enrolment (PTE)	1.0	online		INR 2,500	fixed fee	0.05	
Vehicle tax (pollution tax)	1.0			INR 200	fixed fee per vehicle	0.01	
Fuel tax	1.0				fuel consumption		small amount
Income	0.0	jointly		10%/15%	on applicable		included in

surcharge				federal taxes	other taxes
Education cess	0.0	jointly	2%	all federal taxes including the surcharge	included in other taxes

# Doing Business 2019 India

Employee paid - Profession Tax Registration (PTR)	1.0	online		For male employees: Upto Rs. 7,500/- Nil Rs. 7,501/ to Rs. 10,000/- Rs. 175 per month Above 10,001/- Rs. 200/- per month (except February) & Rs. 300/- for the month of February. For female employees: Upto Rs. 10,000/- Nil Above 10,001/- Rs. 200/- per month (except February) & Rs. 300/- for the month of February) & Rs. 300/- for the month of February.	fixed fee per employee		withheld
Employee paid - Social security contributions	0.0	jointly		12% + 1.75%	gross salaries		withheld
Secondary & Higher education cess	0.0	jointly		1%	all federal taxes including the surcharge		included in other taxes
CENVAT (Excise Duty) / From July 1, 2017 GST	0.5	online		12.5% / From July 1, 2017 GST 18%	value added		not included
State VAT / From July 1, 2017 GST	0.5	online		13.5% / From July 1, 2017 GST 18%	value added		not included
Tax on interest	0.0	withheld		10%	interest income		included in other taxes
Totals	13		277.5			52.2	

Details - Paying Taxes in Mumbai - Tax by Type				
Taxes by type	Answer			
Profit tax (% of profit)	21.7			
Labor tax and contributions (% of profit)	20.3			
Other taxes (% of profit)	10.1			

## **Details - Paying Taxes in Mumbai - Measure of Quality**

	Answer	Score
Postfiling index (0-100)		49.31
VAT refunds		
Does VAT exist?	Yes	
Does a VAT refund process exist per the case study?	No	
Restrictions on VAT refund process	CENVAT: restricted to international traders and others VAT: carry forward until the end of the fiscal year (March)	
Percentage of cases exposed to a VAT audit (%)	Not applicable	
Is there a mandatory carry forward period?	No	
Time to comply with VAT refund (hours)	No VAT refund per case study scenario	0
Time to obtain a VAT refund (weeks)	No VAT refund per case study scenario	0
Corporate income tax audits		
Does corporate income tax exist?	Yes	
Percentage of cases exposed to a corporate income tax audit (%)	0% - 24%	
Time to comply with a corporate income tax correction (hours)	3.0	97.25

Time to complete a corporate income tax correction (weeks)

**Notes:** Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

100

No tax audit per case study scenario

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

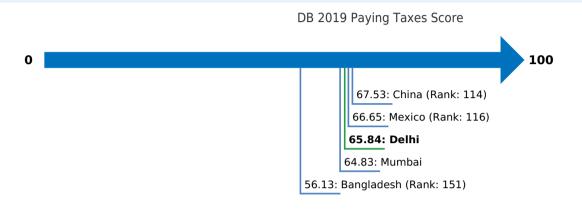
The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.

N/A = Not applicable.

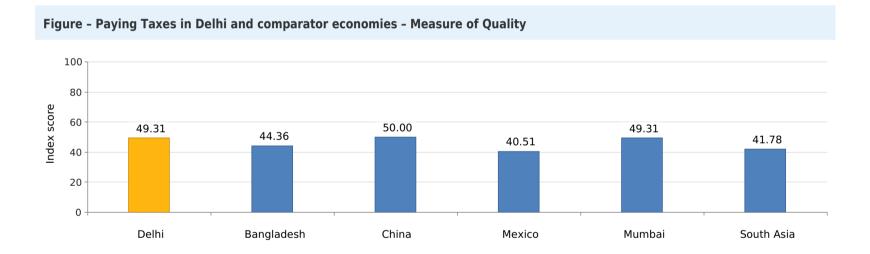
## **Paying Taxes - Delhi**

Indicator	Delhi	South Asia	OECD high income	Best Regulatory Performance
Payments (number per year)	11	27.6	11.2	3 (Hong Kong SAR, China)
Time (hours per year)	273.5	274.8	159.4	49 (Singapore)
Total tax and contribution rate (% of profit)	52.1	43.5	39.8	26.1% (32 Economies)
Postfiling index (0-100)	49.31	41.78	84.41	None in 2017/18

#### Figure - Paying Taxes in Delhi and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.



# Doing Business 2019 India

## Details - Paying Taxes in Delhi

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTCR
Corporate income tax	1.0	online	25.0	25% as of April 1, 2017	taxable profit	21.71	
Social security contributions	1.0		84.0	13.15%	gross salaries	14.89	
Dividend tax	1.0			20.3575%	dividend distributions	5.96	
Employee's state insurance contribution	1.0	online		4.75%	gross salaries	5.36	
Central Sales Tax / From July 1, 2017 GST	0.5	online	164.5	2% / From July 1, 2017 GST 18%	purchase price	2.65	
Property tax	1.0			10%	assessed value	1.32	
Service Tax / From July 1, 2017 GST	0.5			14% + (0.5% Swachh Bharat Cess + 0.5% Krishi Kalyan Cess) / From July 1, 2017 GST 18%	insurance premium	0.19	
Vehicle tax (pollution tax)	1.0			INR 200	fixed fee per vehicle	0.01	
Labor welfare fund	2.0			2.25 RPN	fixed fee per employee	0.00	
Secondary & Higher education cess	0.0	jointly		1%	all federal taxes including the surcharge		included in other taxes
State VAT / From July 1, 2017 GST	0.5	online		12.5% / From July 1, 2017 GST 18%	value added		not included
Tax on interest	0.0	withheld		10%	interest income		included in other taxes

CENVAT (Excise Duty) / From July 1, 2017 GST	0.5	online	12.5% / From July 1, 2017 GST 18%	value added	not included
Fuel tax	1.0			fuel consumption	small amount
Income surcharge	0.0	jointly	10%/15%	on applicable federal taxes	included in other taxes
Education cess	0.0	jointly	2%	all federal taxes including the surcharge	included in other taxes

Doing Busine	ess 2019	India				
Employee paid - Social security contributions	0.0	jointly		12% + 1.75%	gross salaries	withheld
Totals	11		273.5		52.1	

Details - Paying Taxes in Delhi - Tax by Type					
Taxes by type	Answer				
Profit tax (% of profit)	21.7				
Labor tax and contributions (% of profit)	20.3				
Other taxes (% of profit)	10.1				

## **Details - Paying Taxes in Delhi - Measure of Quality**

	Answer	Score
	Albird	
Postfiling index (0-100)		49.31
VAT refunds		
Does VAT exist?	Yes	
Does a VAT refund process exist per the case study?	No	
Restrictions on VAT refund process	CENVAT: restricted to international traders and others VAT: carry forward until the end of the fiscal year (March)	
Percentage of cases exposed to a VAT audit (%)	Not applicable	
Is there a mandatory carry forward period?	No	
Time to comply with VAT refund (hours)	No VAT refund per case study scenario	0
Time to obtain a VAT refund (weeks)	No VAT refund per case study scenario	0
Corporate income tax audits		
Does corporate income tax exist?	Yes	
Percentage of cases exposed to a corporate income tax audit (%)	0% - 24%	
Time to comply with a corporate income tax correction (hours)	3.0	97.25

Time to complete a corporate income tax correction (weeks)

**Notes:** Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

No tax audit per

case study scenario 100

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.

N/A = Not applicable.

#### Trading across Borders

Doing Business records the time and cost associated with the logistical process of exporting and importing goods. Doing Business measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in May 2018. See the methodology for more information.

#### What the indicators measure

#### **Documentary compliance**

- Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy
- Obtaining, preparing and submitting documents required by destination economy and any transit economies
- Covers all documents required by law and in practice, including electronic submissions of information

#### **Border compliance**

- Customs clearance and inspections
- Inspections by other agencies (if applied to more than 20% of shipments)
- Handling and inspections that take place at the economy's port or border

#### **Domestic transport**

- Loading or unloading of the shipment at the warehouse or port/border
- Transport between warehouse and port/border
- Traffic delays and road police checks while shipment is en route

#### Case study assumptions

To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:

**Time:** Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as 22×24=528 hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.

**Cost:** Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.

#### Assumptions of the case study:

- For all 190 economies covered by *Doing Business*, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy.

- It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be \$50,000.

The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport or land border crossing.
All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process.

- A port or border is a place (seaport or land border crossing) where merchandise can enter or leave an economy.

- Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities.

#### Trading across Borders - Mumbai

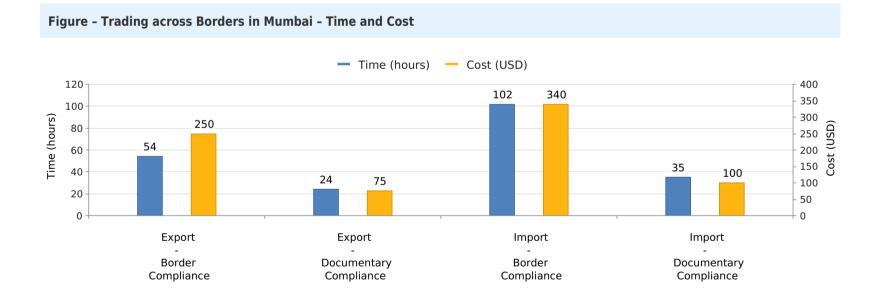
Indicator	Mumbai	South Asia	OECD high income	Best Regulatory Performance
Time to export: Border compliance (hours)	54	62.9	12.5	1 (19 Economies)
Cost to export: Border compliance (USD)	250	347.2	139.1	0 (19 Economies)
Time to export: Documentary compliance (hours)	24	74.1	2.4	1 (26 Economies)
Cost to export: Documentary compliance (USD)	75	160.3	35.2	0 (20 Economies)
Time to import: Border compliance (hours)	102	95.8	8.5	0 (25 Economies)
Cost to import: Border compliance (USD)	340	504.6	100.2	0 (28 Economies)
Time to import: Documentary compliance (hours)	35	100.8	3.4	1 (30 Economies)
Cost to import: Documentary compliance (USD)	100	276.7	24.9	0 (30 Economies)

#### Figure - Trading across Borders in Mumbai and comparator economies - Ranking and Score





Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.



## Details - Trading across Borders in Mumbai

Characteristics	Export	Import
Product	HS 85 : Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	HS 8708: Parts and accessories of motor vehicles
Trade partner	United States	Korea, Rep.
Border	Nhava Sheva port	Nhava Sheva port
Distance (km)	46	46
Domestic transport time (hours)	7	9
Domestic transport cost (USD)	158	165

# Details - Trading across Borders in Mumbai - Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	12.0	100.0
Export: Clearance and inspections required by agencies other than customs	0.0	0.0
Export: Port or border handling	42.0	150.0
Import: Clearance and inspections required by customs authorities	24.0	140.0
Import: Clearance and inspections required by agencies other than customs	0.0	0.0
Import: Port or border handling	78.0	200.0

## Details - Trading across Borders in Mumbai - Trade Documents

Export	Import
Bill of lading	Invoice
Commercial invoice	Packing List
Packing list	Import General Manifest
Customs export declaration	Bill of Entry
Terminal handling receipts	Certificate of Origin
SOLAS certificate	Bill of lading
	Cargo Release Order
	E-Delivery Order
	Terminal handling receipts
	SOLAS certificate

## **Trading across Borders - Delhi**

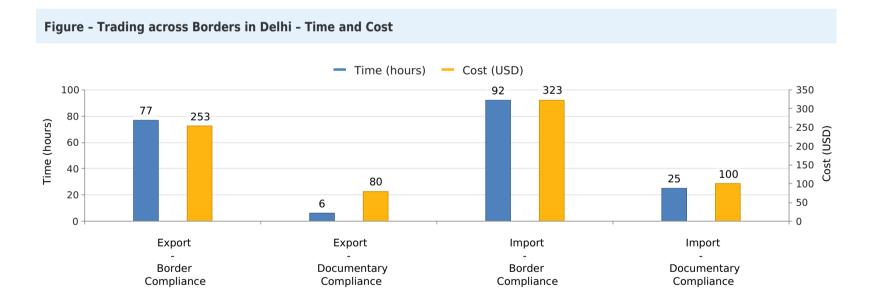
Indicator	Delhi	South Asia	OECD high income	Best Regulatory Performance
Time to export: Border compliance (hours)	77	62.9	12.5	1 (19 Economies)
Cost to export: Border compliance (USD)	253	347.2	139.1	0 (19 Economies)
Time to export: Documentary compliance (hours)	6	74.1	2.4	1 (26 Economies)
Cost to export: Documentary compliance (USD)	80	160.3	35.2	0 (20 Economies)
Time to import: Border compliance (hours)	92	95.8	8.5	0 (25 Economies)
Cost to import: Border compliance (USD)	323	504.6	100.2	0 (28 Economies)
Time to import: Documentary compliance (hours)	25	100.8	3.4	1 (30 Economies)
Cost to import: Documentary compliance (USD)	100	276.7	24.9	0 (30 Economies)

Figure - Trading across Borders in Delhi and comparator economies - Ranking and Score

DB 2019 Trading Across Borders Score



Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.



## Details - Trading across Borders in Delhi

Characteristics	Export	Import
Product	HS 85 : Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	HS 8708: Parts and accessories of motor vehicles
Trade partner	United States	Korea, Rep.
Border	Mundra port	Mundra port
Distance (km)	1241	1241
Domestic transport time (hours)	46	97
Domestic transport cost (USD)	500	685

# Details - Trading across Borders in Delhi - Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	13.0	78.0
Export: Clearance and inspections required by agencies other than customs	0.0	0.0
Export: Port or border handling	64.0	175.0
Import: Clearance and inspections required by customs authorities	28.0	110.0
Import: Clearance and inspections required by agencies other than customs	0.0	0.0
Import: Port or border handling	64.0	213.0

## Details - Trading across Borders in Delhi - Trade Documents

Export	Import
Bill of lading	Invoice
Commercial invoice	Packing list
Packing list	Import general manifest
Customs export declaration	Bill of entry
Terminal handling Receipts	Certificate of origin
SOLAS certificate	Bill of lading
	Cargo release order
	E-Delivery Order
	Terminal handling receipts
	SOLAS certificate

# **m** Enforcing Contracts

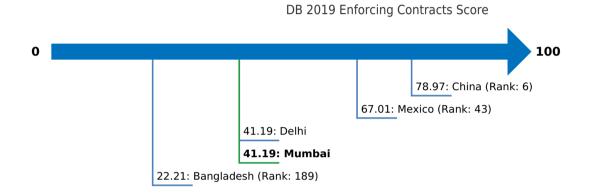
The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in May 2018. See the methodology for more information.

What the indicators measure	Case study assumptions
Time required to enforce a contract through the courts (calendar days)	The dispute in the case study involves the breach of a sales contract between 2 domestic businesses. The case study assumes that the court hears an expert on the
<ul> <li>Time to file and serve the case</li> </ul>	quality of the goods in dispute. This distinguishes the case from simple debt enforcement.
<ul> <li>Time for trial and to obtain the judgment</li> </ul>	
• Time to enforce the judgment	To make the data comparable across economies, <i>Doing Business</i> uses several assumptions about the case:
Cost required to enforce a contract through the courts (% of claim)	<ul> <li>The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> </ul>
Attorney fees	- The buyer orders custom-made goods, then fails to pay alleging that the goods are
• Court fees	not of adequate quality.
Enforcement fees	- The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater.
Quality of judicial processes index (0-18)	- The seller sues the buyer before the court with jurisdiction over commercial cases
<ul> <li>Court structure and proceedings (-1-5)</li> </ul>	worth 200% of income per capita or \$5,000. - The seller requests the pretrial attachment of the defendant's movable assets to
• Case management (0-6)	secure the claim.
<ul> <li>Court automation (0-4)</li> </ul>	- The dispute on the quality of the goods requires an expert opinion.
<ul> <li>Alternative dispute resolution (0-3)</li> </ul>	<ul> <li>The judge decides in favor of the seller; there is no appeal.</li> <li>The seller enforces the judgment through a public sale of the buyer's movable assets.</li> </ul>

## **Enforcing Contracts - Mumbai**

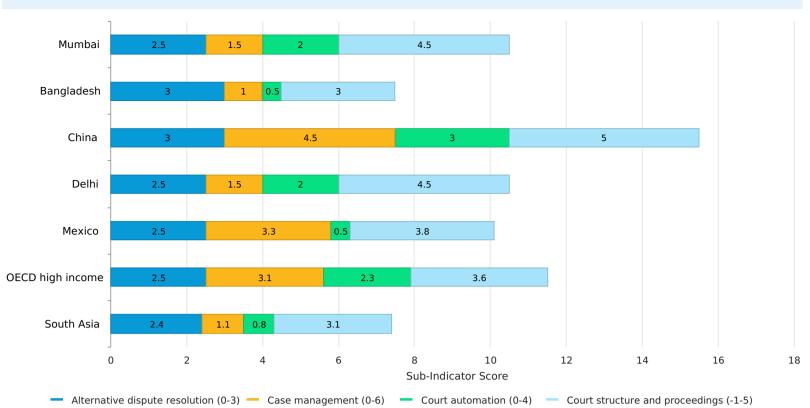
Standardized Case				
Claim value		INR 337,699		
Court name Bombay City Civil Court				
City Covered		Mumbai		
Indicator	Mumbai	South Asia	OECD high	Post Dogulatory
	Mambai	South Asia	income	Best Regulatory Performance
Time (days)	1445	1101.6		None in 2017/18
			income	Performance

Figure - Enforcing Contracts in Mumbai and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.





**Details - Enforcing Contracts in Mumbai** 

	Indicator
Time (days)	1445
Filing and service	45
Trial and judgment	1095
Enforcement of judgment	305
Cost (% of claim value)	31.0
Attorney fees	22
Court fees	8.5
Enforcement fees	0.5
Quality of judicial processes index (0-18)	10.5
Court structure and proceedings (-1-5)	4.5
Case management (0-6)	1.5
Court automation (0-4)	2.0
Alternative dispute resolution (0-3)	2.5

Figure - Enforcing Contracts in Mumbai and comparator economies - Measure of Quality

## **Details - Enforcing Contracts in Mumbai - Measure of Quality**

	Answer	Score
Quality of judicial processes index (0-18)		10.5
Court structure and proceedings (-1-5)		4.5
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	Yes	1.5
2. Small claims court		1.5
2.a. Is there a small claims court or a fast-track procedure for small claims?	Yes	
2.b. If yes, is self-representation allowed?	Yes	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	Yes, but manual	0.5
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	Yes	0.0
Case management (0-6)		1.5
1. Time standards		0.5
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	
1.b. If yes, are the time standards set for at least three court events?	Yes	
1.c. Are these time standards respected in more than 50% of cases?	No	
2. Adjournments		0.0
2.a. Does the law regulate the maximum number of adjournments that can be granted?	Yes	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	No	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	No	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	Yes	1.0
4. Is a pretrial conference among the case management techniques used before the competent court?	No	0.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	No	0.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	No	0.0
Court automation (0-4)		2.0
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	no	0.0

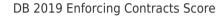
2. Is it possible to carry out service of process electronically for claims filed before the competent court?	No	0.0
3. Can court fees be paid electronically within the competent court?	Yes	1.0
4. Publication of judgments		1.0
4.a Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
Alternative dispute resolution (0-3)		2.5
1. Arbitration		1.0

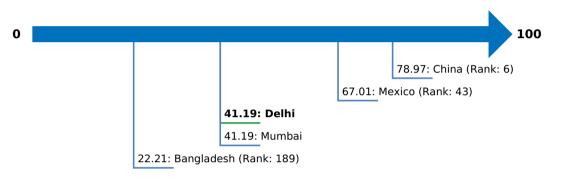
Doing Business 2019 India	
1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	Yes
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes
2. Mediation/Conciliation	1.5
2.a. Is voluntary mediation or conciliation available?	Yes
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects?	Yes
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	Yes

## **Enforcing Contracts - Delhi**

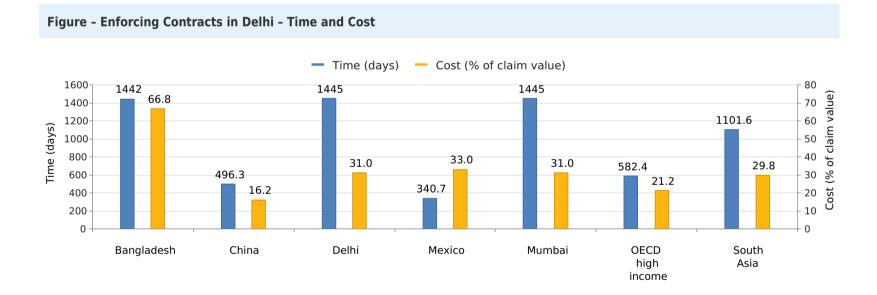
Standardized Case				
Claim value		INR 337,699		
Court name		Delhi District Court		
City Covered		Delhi		
Indicator	Delhi	South Asia	OECD high income	Best Regulatory Performance
Indicator Time (days)	<b>Delhi</b> 1445	South Asia		Best Regulatory Performance None in 2017/18
			income	Performance

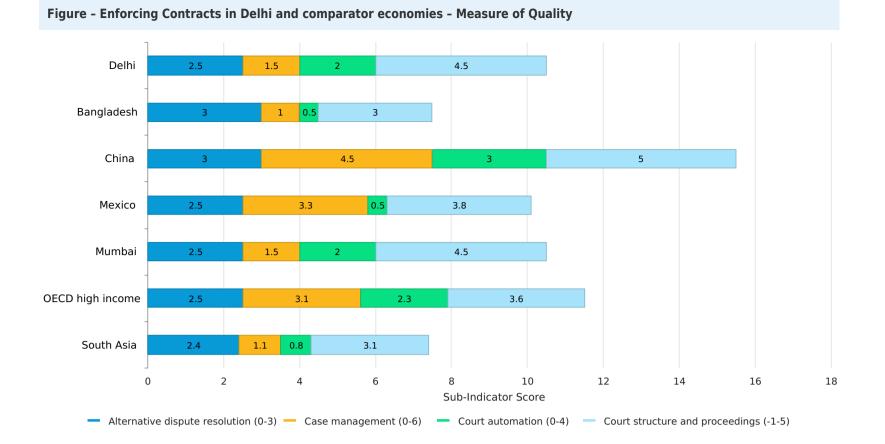






Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.





**Details - Enforcing Contracts in Delhi** 

	Indicator
Time (days)	1445
Filing and service	45
Trial and judgment	1095
Enforcement of judgment	305
Cost (% of claim value)	31.0
Attorney fees	22
Court fees	8.5
Enforcement fees	0.5
Quality of judicial processes index (0-18)	10.5
Court structure and proceedings (-1-5)	4.5
Case management (0-6)	1.5
Court automation (0-4)	2.0
Alternative dispute resolution (0-3)	2.5

## **Details - Enforcing Contracts in Delhi - Measure of Quality**

	Answer	Score
Quality of judicial processes index (0-18)		10.5
Court structure and proceedings (-1-5)		4.5
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	Yes	1.5
2. Small claims court		1.5
2.a. Is there a small claims court or a fast-track procedure for small claims?	Yes	
2.b. If yes, is self-representation allowed?	Yes	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	Yes, but manual	0.5
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	Yes	0.0
Case management (0-6)		1.5
1. Time standards		0.5
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	
1.b. If yes, are the time standards set for at least three court events?	Yes	
1.c. Are these time standards respected in more than 50% of cases?	No	
2. Adjournments		0.0
2.a. Does the law regulate the maximum number of adjournments that can be granted?	Yes	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	No	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	No	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	Yes	1.0
4. Is a pretrial conference among the case management techniques used before the competent court?	No	0.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	No	0.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	No	0.0
Court automation (0-4)		2.0
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	no	0.0

2. Is it possible to carry out service of process electronically for claims filed before the competent court?	No	0.0
3. Can court fees be paid electronically within the competent court?	Yes	1.0
4. Publication of judgments		1.0
4.a Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
Alternative dispute resolution (0-3)		2.5
1. Arbitration		1.0

Doing Business 2019 India	
1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	Yes
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes
2. Mediation/Conciliation	1.5
2.a. Is voluntary mediation or conciliation available?	Yes
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects?	Yes
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	Yes

## 💸 Resolving Insolvency

*Doing Business* studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, *Doing Business* uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit. The most recent round of data collection was completed in May 2018. See the methodology for more information.

#### What the indicators measure

#### **Case study assumptions**

To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:

Measured in calendar years

Time required to recover debt (years)

• Appeals and requests for extension are included

# Cost required to recover debt (% of debtor's estate)

- Measured as percentage of estate value
- Court fees
- Fees of insolvency administrators
- Lawyers' fees
- Assessors' and auctioneers' fees
- Other related fees

#### Outcome

 Whether business continues operating as a going concern or business assets are sold piecemeal

#### **Recovery rate for creditors**

- Measures the cents on the dollar recovered by secured creditors
- Outcome for the business (survival or not) determines the maximum value that can be recovered
- Official costs of the insolvency proceedings are deducted
- Depreciation of furniture is taken into account
- Present value of debt recovered

#### Strength of insolvency framework index (0-16)

- Sum of the scores of four component indices:
- Commencement of proceedings index (0-3)
- Management of debtor's assets index (0-6)
- Reorganization proceedings index (0-3)
- Creditor participation index (0-4)

several assumptions about the business and the case are used:

- A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties.

- The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater.

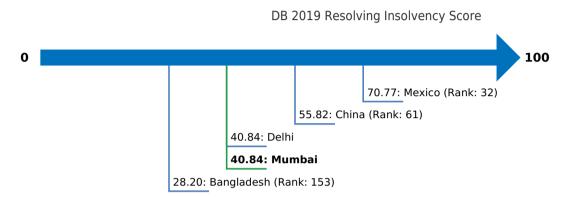
- The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise.

In addition, *Doing Business* evaluates the quality of legal framework applicable to judicial liquidation and reorganization proceedings and the extent to which best insolvency practices have been implemented in each economy covered.

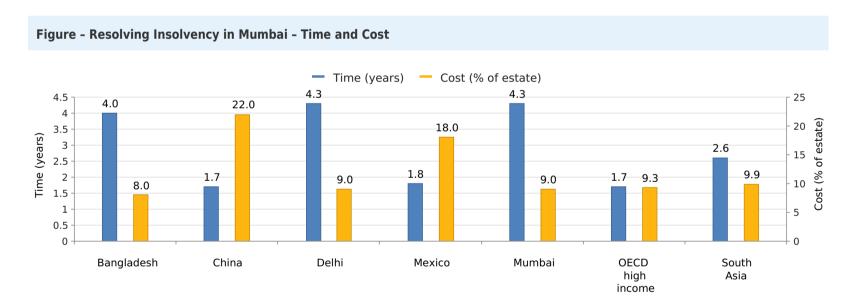
## **Resolving Insolvency - Mumbai**

Indicator	Mumbai	South Asia	OECD high income	Best Regulatory Performance
Recovery rate (cents on the dollar)	26.5	32.7	70.5	None in 2017/18
Time (years)	4.3	2.6	1.7	0.4 (Ireland)
Cost (% of estate)	9.0	9.9	9.3	1.0 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	0			
Strength of insolvency framework index (0-16)	8.5	6.6	11.9	None in 2017/18

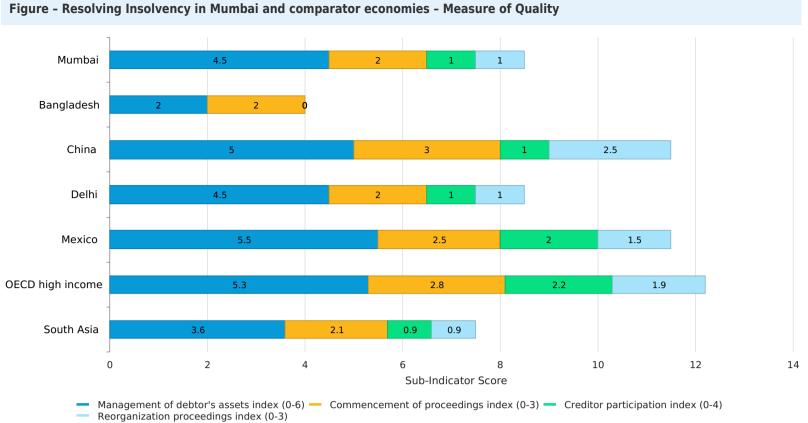




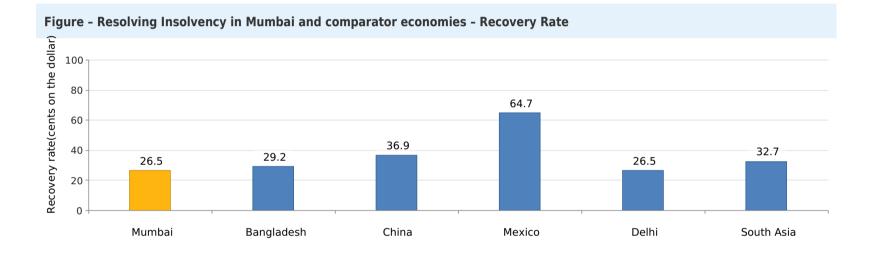
Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.







Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."



Doing Business 2019 India

## **Details - Resolving Insolvency in Mumbai**

Indicator	Answer	Score
Proceeding	foreclosure	Bizbank is a secured creditor and upon a default by Mirage, it is most likely to seek to foreclose the loan and execute its security by selling the hotel. To enforce its security interest, Bizbank would file a petition to the Debt Recovery Tribunal, governed by The Recovery of Debts Due to Banks and Financial Institutions Act, 1993. The debtor or other creditors will object before the High Court. Given that the Insolvency and Bankruptcy Code has only been in force since 1 December 2016, a foreclosure is still the most likely procedure in practice.
Outcome	piecemeal sale	The reason why BizBank initiates the foreclosure process is that the hotel is unable to pay its debts and the hotel expects operating losses in 2017 as well as 2018. Hence, in order to pay the debts, the hotel assets will be sold piecemeal and the hotel will stop operating.
Time (in years)	4.3	Bizbank will apply to the Debt Recovery Tribunal to enforce its security. This will take a couple of months. But other creditors (including tax authorities) and Mirage itself will file objections in front of the High Court, which will delay the proceedings substantially. Given the high backlog of cases in India's High Courts, the foreclosure procedure until BizBank is repaid some or all of the money owed to it takes about 4.3 years.
Cost (% of estate)	9.0	The costs associated with the case would amount to approximately 9% of the value of the debtor's estate. Costs incurred during the entire foreclosure process mainly include court or government agency fees (INR 300,000, according to Mumbai Court fees Act, 1959), attorney fees (INR 100,000), costs of notification and publication (INR 25,000), fees of accountants, assessors, inspectors and other professionals (INR 100,000), fees of auctioneers (INR 50,000), fees of service providers and/or government levies (INR 100,000-200,000), and other fees (INR 100,000).
Recovery rate (cents on the dollar)		26.5

## Details - Resolving Insolvency in Mumbai - Measure of Quality

	Answer	Score
Strength of insolvency framework index (0-16)		8.5
Commencement of proceedings index (0-3)		2.0
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(c) Debtor may file for reorganization only	0.5
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	N/A	0.5
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework?	(a) Debtor is generally unable to pay its debts as they mature	1.0
Management of debtor's assets index (0-6)		4.5
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	No	0.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	Yes	1.0
Does the insolvency framework allow avoidance of preferential transactions?	Yes	1.0
Does the insolvency framework allow avoidance of undervalued transactions?	Yes	1.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	Yes	1.0
Does the insolvency framework assign priority to post-commencement credit?	(a) Yes over all pre- commencement creditors, secured or unsecured	0.5
Reorganization proceedings index (0-3)		1.0
Which creditors vote on the proposed reorganization plan?	(c) Other	0.0
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	Yes	1.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	No	0.0
Creditor participation index (0-4)		1.0
Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	No	0.0
Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	No	0.0

Does the insolvency framework provide that a creditor has the right to request information	Yes	1.0
from the insolvency representative?		

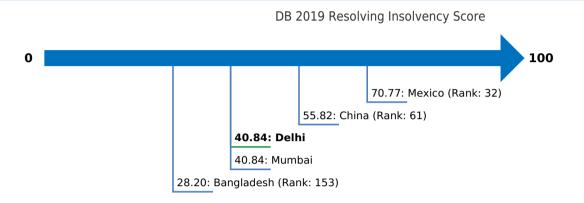
Does the insolvency framework provide that a creditor has the right to object to decisions	No	0.0
accepting or rejecting creditors' claims?		

**Note:** Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

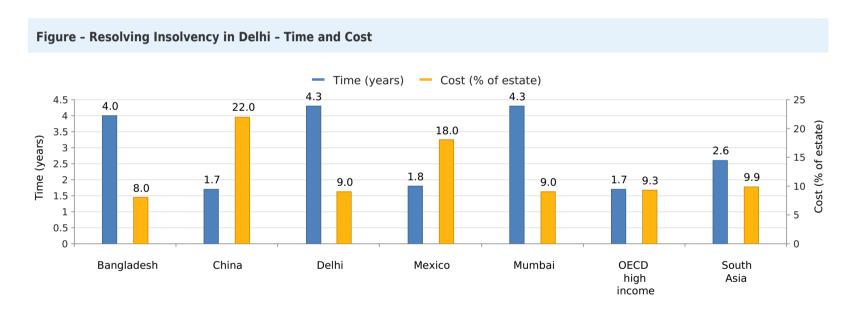
## **Resolving Insolvency - Delhi**

Indicator	Delhi	South Asia	OECD high income	Best Regulatory Performance
Recovery rate (cents on the dollar)	26.5	32.7	70.5	None in 2017/18
Time (years)	4.3	2.6	1.7	0.4 (Ireland)
Cost (% of estate)	9.0	9.9	9.3	1.0 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	0			
Strength of insolvency framework index (0-16)	8.5	6.6	11.9	None in 2017/18

Figure - Resolving Insolvency in Delhi and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.





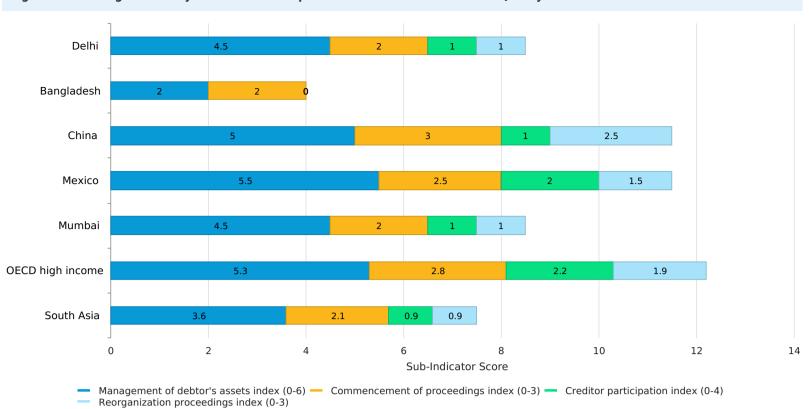
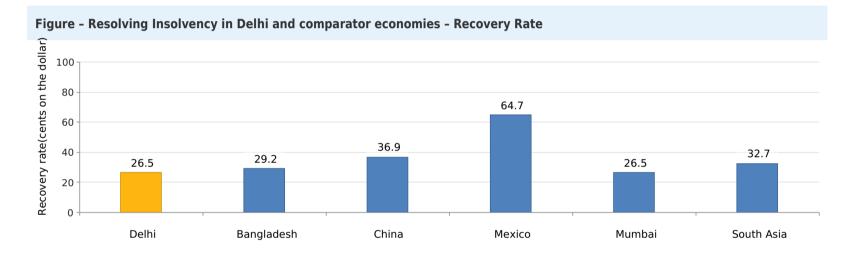


Figure - Resolving Insolvency in Delhi and comparator economies - Measure of Quality

Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the



economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Doing Business 2019 India

## **Details - Resolving Insolvency in Delhi**

Indicator	Answer	Score
Proceeding	foreclosure	Bizbank is a secured creditor and upon a default by Mirage, it is most likely to seek to foreclose the loan and execute its security by selling the hotel. To enforce its security interest, Bizbank would file a petition to the Debt Recovery Tribunal, governed by The Recovery of Debts Due to Banks and Financial Institutions Act, 1993. The debtor or other creditors will object before the High Court. Given that the Insolvency and Bankruptcy Code has only been in force since 1 December 2016, a foreclosure is still the most likely procedure in practice.
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Time (in years)	4.3	Bizbank will apply to the Debt Recovery Tribunal to enforce its security. This will take a couple of months. But other creditors (including tax authorities) and Mirage itself will file objections in front of the High Court, which will delay the proceedings substantially. Given the high backlog of cases in India's High Courts, the foreclosure procedure until BizBank is repaid some or all of the money owed to it takes about 4.3 years.
Cost (% of estate)	9.0	The costs associated with the case would amount to approximately 9% of the value of the debtor's estate. Costs incurred during the entire insolvency process mainly include court or government agency fees (INR 300,000), attorney fees (INR 100,000), costs of notification and publication (INR 25,000), fees of accountants, assessors, inspectors and other professionals (INR 100,000), fees of auctioneers (INR 50,000), fees of service providers and/or government levies (INR 100,000-200,000), and other fees (INR 100,000).
Recovery rate (cents on the dollar)		26.5

## Details - Resolving Insolvency in Delhi - Measure of Quality

	Answer	Score
Strength of insolvency framework index (0-16)		8.5
Commencement of proceedings index (0-3)		2.0
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(c) Debtor may file for reorganization only	0.5
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	N/A	0.5
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework?	(a) Debtor is generally unable to pay its debts as they mature	1.0
Management of debtor's assets index (0-6)		4.5
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	No	0.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	Yes	1.0
Does the insolvency framework allow avoidance of preferential transactions?	Yes	1.0
Does the insolvency framework allow avoidance of undervalued transactions?	Yes	1.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	Yes	1.0
Does the insolvency framework assign priority to post-commencement credit?	(a) Yes over all pre- commencement creditors, secured or unsecured	0.5
Reorganization proceedings index (0-3)		1.0
Which creditors vote on the proposed reorganization plan?	(c) Other	0.0
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	Yes	1.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	No	0.0
Creditor participation index (0-4)		1.0
Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	No	0.0
Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	No	0.0

Does the insolvency framework provide that a creditor has the right to request information	Yes	1.0
from the insolvency representative?		

Does the insolvency framework provide that a creditor has the right to object to decisions	No	0.0
accepting or rejecting creditors' claims?		

**Note:** Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

#### 22 Labor Market Regulation

*Doing Business* presents detailed data for the labor market regulation indicators on the *Doing Business* website (http://www.doingbusiness.org). The report does not present rankings of economies on these indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business.

The most recent round of data collection was completed in May 2018. See the methodology for more information.

#### What the indicators measure

#### Hiring

 (i) whether fixed-term contracts are prohibited for permanent tasks;
 (ii) maximum cumulative duration of fixed-term contracts;
 (iii) length of the probationary period;
 (iv) minimum wage.

#### Working hours

(i) maximum number of working days allowed per week; (ii) premiums for work: at night, on a weekly rest day and overtime; (iii) whether there are restrictions on work at night, work on a weekly rest day and for overtime work; (iv) whether nonpregnant and nonnursing women can work same night hours as men; (v) length of paid annual leave.

#### **Redundancy rules**

(i) whether redundancy can be basis for terminating workers;
 (ii) whether employer needs to notify and/or get approval from third party to terminate 1 redundant worker and a group of 9 redundant workers;
 (iii) whether law requires employer to reassign or retrain a worker before making worker redundant;
 (iv) whether priority rules apply for redundancies and reemployment.

#### **Redundancy cost**

(i) notice period for redundancy dismissal; (ii) severance payments due when terminating a redundant worker.

#### Job quality

(i) whether law mandates equal remuneration for work of equal value and nondiscrimination based on gender in hiring; (ii) whether law mandates paid or unpaid maternity leave; (iii) length of paid maternity leave; (iv) whether employees on maternity leave receive 100% of wages; (v) availability of five fully paid days of sick leave a year; (vi) eligibility requirements for unemployment protection.

#### **Case study assumptions**

To make the data comparable across economies, several assumptions about the worker and the business are used.

#### The worker:

- Is a cashier in a supermarket or grocery store, age 19, with one year of work experience.

- Is a full-time employee.
- Is not a member of the labor union, unless membership is mandatory.

#### The business:

- Is a limited liability company (or the equivalent in the economy).

- Operates a supermarket or grocery store in the economy's largest business city.

For 11 economies the data are also collected for the second largest business city. - Has 60 employees.

- Is subject to collective bargaining agreements if such agreements cover more than 50% of the food retail sector and they apply even to firms that are not party to them.
- Abides by every law and regulation but does not grant workers more benefits than those mandated by law, regulation or (if applicable) collective bargaining agreements.

## Labor Market Regulation - Mumbai

## Details - Labor Market Regulation in Mumbai

	Answer
Hiring	
Fixed-term contracts prohibited for permanent tasks?	No
Maximum length of a single fixed-term contract (months)	No limit
Maximum length of fixed-term contracts, including renewals (months)	No limit
Minimum wage applicable to the worker assumed in the case study (US\$/month)	135.9
Ratio of minimum wage to value added per worker	0.6
Maximum length of probationary period (months)	3.0
Working hours	
Standard workday	9.0
Maximum number of working days per week	6.0
Premium for night work (% of hourly pay)	0.0
Premium for work on weekly rest day (% of hourly pay)	100.0
Premium for overtime work (% of hourly pay)	100.0
Restrictions on night work?	Yes
Whether nonpregnant and nonnursing women can work the same night hours as men	No
Restrictions on weekly holiday?	No
Restrictions on overtime work?	Yes
Paid annual leave for a worker with 1 year of tenure (working days)	18.0
Paid annual leave for a worker with 5 years of tenure (working days)	18.0
Paid annual leave for a worker with 10 years of tenure (working days)	18.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	18.0
Redundancy rules	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	Yes
Third-party approval if one worker is dismissed?	No
Third-party notification if nine workers are dismissed?	Yes
Third-party approval if nine workers are dismissed?	No
Retraining or reassignment obligation before redundancy?	No
Priority rules for redundancies?	Yes
Priority rules for reemployment?	Yes
Redundancy cost	
Notice period for redundancy dismissal for a worker with 1 year of tenure	4.3
Notice period for redundancy dismissal for a worker with 5 years of tenure	4.3
Notice period for redundancy dismissal for a worker with 10 years of tenure	4.3
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	4.3
Severance pay for redundancy dismissal for a worker with 1 year of tenure	2.1

Doing Business 2019 India	
Severance pay for redundancy dismissal for a worker with 5 years of tenure	10.7
Severance pay for redundancy dismissal for a worker with 10 years of tenure	21.4
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	11.4
Job quality	
Equal remuneration for work of equal value?	No
Gender nondiscrimination in hiring?	Yes
Paid or unpaid maternity leave mandated by law?	Yes
Minimum length of maternity leave (calendar days)?	182.0
Receive 100% of wages on maternity leave?	Yes
Five fully paid days of sick leave a year?	No
Unemployment protection after one year of employment?	No
Minimum contribution period for unemployment protection (months)?	n.a.

# Labor Market Regulation - Delhi

## Details - Labor Market Regulation in Delhi

Third-party approval if nine workers are dismissed?

	Answer
Hiring	
Fixed-term contracts prohibited for permanent tasks?	No
Maximum length of a single fixed-term contract (months)	No limit
Maximum length of fixed-term contracts, including renewals (months)	No limit
Minimum wage applicable to the worker assumed in the case study (US\$/month)	244.6
Ratio of minimum wage to value added per worker	1.1
Maximum length of probationary period (months)	3.0
Working hours	
Standard workday	9.0
Maximum number of working days per week	6.0
Premium for night work (% of hourly pay)	0.0
Premium for work on weekly rest day (% of hourly pay)	0.0
Premium for overtime work (% of hourly pay)	100.0
Restrictions on night work?	Yes
Whether nonpregnant and nonnursing women can work the same night hours as men	No
Restrictions on weekly holiday?	Yes
Restrictions on overtime work?	Yes
Paid annual leave for a worker with 1 year of tenure (working days)	15.0
Paid annual leave for a worker with 5 years of tenure (working days)	15.0
Paid annual leave for a worker with 10 years of tenure (working days)	15.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	15.0
Redundancy rules	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	Yes
Third-party approval if one worker is dismissed?	No
Third-party notification if nine workers are dismissed?	Yes

Retraining or reassignment obligation before redundancy?	No
Priority rules for redundancies?	Yes
Priority rules for reemployment?	Yes
Redundancy cost	
Notice period for redundancy dismissal for a worker with 1 year of tenure	4.3
Notice period for redundancy dismissal for a worker with 5 years of tenure	4.3
Notice period for redundancy dismissal for a worker with 10 years of tenure	4.3
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	4.3
Severance pay for redundancy dismissal for a worker with 1 year of tenure	2.1

No

Doing Business 2019 India	
Severance pay for redundancy dismissal for a worker with 5 years of tenure	10.7
Severance pay for redundancy dismissal for a worker with 10 years of tenure	21.4
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	11.4
Job quality	
Equal remuneration for work of equal value?	No
Gender nondiscrimination in hiring?	Yes
Paid or unpaid maternity leave mandated by law?	Yes
Minimum length of maternity leave (calendar days)?	182.0
Receive 100% of wages on maternity leave?	Yes
Five fully paid days of sick leave a year?	No
Unemployment protection after one year of employment?	No
Minimum contribution period for unemployment protection (months)?	n.a.

#### **Business Reforms in India**

In the past year, *Doing Business* observed a peaking of reform activity worldwide. From June 2, 2017, to May 1, 2018, 128 economies implemented a record 314 regulatory reforms improving the business climate. Reforms inspired by *Doing Business* have been implemented by economies in all regions. The following are reforms implemented since *Doing Business* 2008.

 $\checkmark$  = Doing Business reform making it easier to do business.  $\times$  = Change making it more difficult to do business.

#### DB2019

Starting a Business: India made starting a business easier by fully integrating multiple application forms into a general incorporation form. India also replaced the value added tax with the GST (Goods and Services Tax) for which the registration process is faster. At the same time, Mumbai abolished the practice of site inspections for registering companies under the Shops and Establishments Act.

Dealing with Construction Permits: India streamlined the process of obtaining a building permit and made it faster and less expensive to obtain a construction permit. It also improved building quality control by introducing decennial liability and insurance. This reform applies to both Delhi and Mumbai.

Getting Electricity: The Delhi Electricity Regulatory Commission reduced charges for low voltage connections. Getting electricity was also made easier in Delhi through a reduction in the time for the utility to carry out the external connection works.

**Getting Credit:** India strengthened access to credit by amending its insolvency law. Secured creditors are now given absolute priority over other claims within insolvency proceedings. This reform affects both Delhi and Mumbai.

**Paying Taxes:** India made paying taxes easier by replacing many indirect taxes with a single indirect tax, the GST, for the entire country. India also made paying taxes less costly by reducing the corporate income tax rate and the employees' provident funds scheme rate paid by the employer. This reform applies to both Delhi and Mumbai.

Trading across Borders: India reduced the time and cost to export and import through various initiatives, including the implementation of electronic sealing of containers, the upgrading of port infrastructure and allowing electronic submission of supporting documents with digital signatures. This reform applies to both Delhi and Mumbai.

Labor Market Regulation: India (Mumbai) changed regulations pertaining to weekly holiday work, overtime hours and paid annual leave.

#### DB2018

**Starting a Business:** India made starting a business faster by merging the applications for the Permanent Account Number (PAN) and the Tax Account Number (TAN), and by improving the online application system. This reform applies to both Delhi and Mumbai. Mumbai also made starting a business faster by merging the applications for the value-added tax and the profession tax.

Dealing with Construction Permits: India made dealing with construction permits less cumbersome by implementing an online system that has streamlined the process at the Municipality of New Delhi and Municipality of Greater Mumbai. The online system has streamlined the process of obtaining a building permit, thereby reducing the number of procedures and time required to obtain a building permit in India.

Getting Credit: India strengthened access to credit by amending the rules on priority of secured creditors outside reorganization proceedings and by adopting a new law on insolvency that provides a time limit and clear grounds for relief to the automatic stay for secured creditors during reorganization proceedings. This reform applies to both Delhi and Mumbai.

Protecting Minority Investors: India strengthened minority investor protections by increasing the remedies available in cases of prejudicial transactions between interested parties. This reform applies to both Delhi and Mumbai.

**Paying Taxes:** India made paying taxes easier by making payment of EPF mandatory electronically and introducing a set of administrative measures easing compliance with corporate income tax. This reform applies to both Delhi and Mumbai.

Trading across Borders: India reduced import border compliance time in Mumbai by improving infrastructure at the Nhava Sheva Port. Export and import border compliance cost were also reduced in both Delhi and Mumbai by eliminating merchant overtime fees and through the increased use of electronic and mobile platforms.

**Enforcing Contracts:** India made enforcing contracts easier by introducing the National Judicial Data Grid, which makes it possible to generate case measurement reports on local courts. This reform applies to both Delhi and Mumbai.

**Resolving Insolvency:** India made resolving insolvency easier by adopting a new insolvency and bankruptcy code that introduced a reorganization procedure for corporate debtors and facilitated continuation of the debtor's business during insolvency proceedings. This reform applies to both Delhi and Mumbai.

Labor Market Regulation: India increased the mandatory length of paid maternity. This reform applies to both New Delhi and Mumbai.

#### DB2017

Getting Electricity: India made getting electricity faster and cheaper by streamlining the process of getting a new commercial electricity connection. This reform impacts Delhi.

**Paying Taxes:** India made paying taxes easier by introducing an electronic system for paying employee state insurance contributions. This reform applies to both Mumbai and Delhi.

Trading across Borders: India made exporting and importing easier by launching Customs Electronic Commerce Interchange Gateway portal and simplifying border and documentary compliance procedures. This reform applies to both New Delhi and Mumbai.

Enforcing Contracts: India made enforcing contracts easier by creating dedicated divisions to resolve commercial cases. This reform applies to both Mumbai and Delhi.

#### DB2016

**Starting a Business:** India made starting a business easier by eliminating the minimum capital requirement and the need to obtain a certificate to commence business operations. This reform applies to both Delhi and Mumbai.

Getting Electricity: The utility in Delhi made the process for getting an electricity connection simpler and faster by eliminating the internal wiring inspection by the Electrical Inspectorate. The utility in Mumbai reduced the procedures and time required to connect to electricity by improving internal work processes and coordination.

#### DB2015

Starting a Business: India made starting a business easier by considerably reducing the registration fees, but also made it more difficult by introducing a requirement to file a declaration before the commencement of business operations. These changes apply to both Delhi and Mumbai.

Getting Electricity: In India the utility in Mumbai made getting electricity less costly by reducing the security deposit for a new connection.

**Protecting Minority Investors:** India strengthened minority investor protections by requiring greater disclosure of conflicts of interest by board members, increasing the remedies available in case of prejudicial related-party transactions and introducing additional safeguards for shareholders of privately held companies. This reform applies to both Delhi and Mumbai.

#### DB2013

Dealing with Construction Permits: India reduced the time required to obtain a building permit by establishing strict time limits for preconstruction approvals.

#### DB2012

**Paying Taxes:** India eased the administrative burden of paying taxes for firms by introducing mandatory electronic filing and payment for value added tax.

#### DB2011

Starting a Business: India eased business start-up by establishing an online VAT registration system and replacing the physical stamp previously required with an online version.

Paying Taxes: India reduced the administrative burden of paying taxes by abolishing the fringe benefit tax and improving electronic payment.

**Resolving Insolvency:** India made resolving insolvency easier by increasing the effectiveness of processes and thereby reducing the time required.

#### DB2009

**Trading across Borders:** India reduced the time for exporting by implementing an electronic data interchange system.

#### DB2008

**Getting Credit:** India strengthened its secured transactions system by launching a unified and geographically centralized collateral registry and started to provide credit information on firms at the private credit bureau.

**Trading across Borders:** India made trading across borders easier by introducing ICEGATE—an electronic data interchange system making it possible to lodge customs declarations through the internet and facilitating the operation of a risk management system, an electronic payment system and an electronic manifest system that allows shipping lines to submit their cargo manifest in advance.

undefined:

*Doing Business 2019* is the 16th in a series of annual reports investigating the regulations that enhance business activity and those that constrain it. The report provides quantitative indicators covering 11 areas of the business environment in 190 economies. The goal of the *Doing Business* series is to provide objective data for use by governments in designing sound business regulatory policies and to encourage research on the important dimensions of the regulatory environment for firms.

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