

STATEMENT OF OBJECTS AND REASONS

Sustained business reforms over the past several years has helped India jump 14 places to move to 63rd position in the global ease of Doing Business rankings in 2019. It earned a place in among the World's Top Ten improvers for the third consecutive year. India was ranked at 77 in 2018.

2. The World Bank has observed that "...the persistent efforts made to drive the business reforms agenda, not only at the central level but also at the state level, helped India make significant improvements".

3. Business Reform Action Plan (BRAP) released every year by DPIIT since 2015 is the guiding principle towards achieving Ease of Doing Business (EoDB). While bigger states have shown considerable progress in EoDB, UT of Puducherry still needs to undertake more reforms.

4. Defining clear timelines with punitive provisions mandated through an Act for provisioning of services is one of the important reforms to be undertaken.

5. The Bill is intended to fix timelines with punitive provisions for providing services like issue of no-objection certificate, allotments, consents, approvals, permissions, registrations, enrolments, licenses under any Rule or Act for the purpose of starting and running an enterprise.

6. The Bill also provides for administrative reform to reduce compliance load by empowering the Government to exempt clearances for enterprises which are redundant and outdated which stifle growth and adversely affect business environment.

FINANCIAL MEMORANDUM

There is no financial implication involved in this Bill.

MEMORANDUM REGARDING DELEGATED LEGISLATION

1. Clause 3 of the Bill seeks to empower the Government, to notify designated officer/officers, checklist and procedure for processing and disposal of applications, by the Competent Authority.
2. Clause 9 of the Bill seeks to empower the Government, to notify an Appropriate Authority to decide on the disciplinary action of any Competent Authority or his Designated Officer or his subordinate public servant, who fail to deliver the services in stipulated time, resulting in issue of deemed clearance.
3. Sub-clause (1) of Clause 12 seeks to empower the Government to notify the clearances for which inspections under the provisions of the applicable Acts, rules, orders or instructions shall be conducted by the Competent Authorities and guidelines for inspections.
4. Sub-clause (2) of Clause 12 seeks to empower the Government to notify the clearances for which exemptions are granted from inspections and to delegate the powers of inspection to any person or authority in respect of any specific clearance covered under this Act.
5. Sub-clause (1) of Clause 17 of the Bill seeks to empower the Government to make rules by notification in the official Gazette for the implementation of the provisions of this Act.
6. Sub-clause (1) of Clause 18 of the Bill seeks to empower the Government to alter, add to or cancel the Schedule.
7. Clause 19 of the Bill seeks to empower the Government to remove difficulties arising in giving effect to the provisions of this Act within a period of two years from the commencement of this Act.
8. Clause 20 of the Bill seeks to empower the Government to exempt any clearances from any of the provisions of this Act.
9. The matters in respect of which notifications or orders may be issued or rules may be made, are matters of procedure and are of routine and administrative in nature. Further, the rules are subject to the scrutiny of the Legislative Assembly. The delegation of legislative power is therefore of a normal character.
10. The powers delegated are normal and not of an exceptional character.