

MODI GOVERNMENT AND EASE OF DOING BUSINESS IN INDIA

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Abstract

The Modi Government implemented innovative ideas and initiatives to enhance the level of development in the economy. The Hon'ble Prime Minister launched several ideas and initiatives to make the life of common people easier like Make in India, Jan Dhan Yagna, Swachh Bharat Abhiyan/Mission, LPG Subsidy Reforms, Digital India, Yoga India, Mann Ki Baat, GST Bill, and recently he took several steps against terrorism and black money in the economy like Demonetization of five hundred and thousand currency notes and surgical strike in Pakistan. The research paper tried to analyze the innovative ideas and initiatives of Modi Government since coming into the power and how those innovative ideas and initiatives have enhanced ease of doing business in India.

Key Words: Modi Government, Make in India, Digital India, Demonetization, Ease of Doing Business.

Introduction:

26 May, 2014 that was the day in our Indian history when Modi's government came into existence. Our Indian general elections were held between (7th april to 12th may 2014). The elections were held in nine phases. There were total 543 seats available in the Lok Sabha out of which 282 seats (166 more seats than last election) were acquired by our Modi government in the 2014-2019 elections.

In the history of the elections in India, 2014 elections are to be considered the longest election because BJP formed the largest majority government since 1984. And also this was the first time in the Indian history that any government has won the majority on its own by being first non-congress party and non-coalition government.

Since Shri Narendra Modi has taken the charge as Prime Minister of India, he himself as well as his administration has focused on modernizing India's infrastructure and government by reducing bureaucracy, encouraging FDI flow into the economy, improving standard of living and sanitation all over the nation and improving foreign relations. It has been almost after 30 years, BJP came to power with full majority and gave a hint that his team is ready with the game changing plan for India.

After winning the Lok Sabha election, he delivered a strong message “we are not here for any position but for a responsibility.”

Title of Modi Government:

“ABKI BAR MODI SARKAR”

Promises of BJP:

Shri Narendra Modi has promised many things during his speech that is being given in all around country at the time of propagation. Some of those promises made by Mr. Narendra Modi were:

- He will provide 24*7 electricity in all around country.
- He will convert all the black money into white.
- He will provide LPG gas to each and every house.
- He will control the inflation, corruption.
- He will give education to each and every girl in the country.

Till childhood we have listen that “Promises are kept to be broken” but, BJP has achieved many of the promises made by Shri Narendra Modi at the time of propagation, and we hope that he will fulfill the remaining promises in near future too.

Shri NARENDRA MODI (A Brief History):

Shri Narendra Modi was born on 17th September, 1950 in Vadnagar. His complete name is “NARENDRA DAMODARDAS MODI.” He is the 14th prime minister of India. Firstly he was the member of RSS (Rashtriya Swayamsevak Sangha). After becoming the member of RSS, later he acquired the post of CM in Gujarat. He has being CM from last 10 years (7th oct 2001-22nd may 2014). He is representing VARANASI in 2014 Lok Sabha elections.

Amount spends during elections:

2014 elections were considered to be the most expensive election in the Indian history, or we can say that BJP has spent a lot in 2014 elections. The amount spent by BJP government was \$115 million, or (Rs. 714.28 crore in Indian rupee). On the other hand the other party i.e. Congress has spent only \$32million, or (Rs. 200 crore).

Innovative Ideas and Initiatives of Modi Government:

Unlike other political parties, Modi government has started several initiatives after coming into power in order to make India a competitive country in the world market. Just to highlight few successful campaigns of the Modi government are:

- **JAN DHAN YOJNA:** Jan Dhan Yojna was launched under the National Mission of Financial Inclusion to ensure access of financial services like banking, deposits, withdrawals, remittances, insurance and pension to each and every citizen of the country. In order to promote financial inclusion, Modi government initiated opening of bank accounts with zero balance i.e. anyone can open his/her bank account with zero balance. Also this scheme provides an insurance cover of Rs. 1 lac on accident. The banks also provide overdraft facility of upto Rs.5,000 as well on the accounts opened under Jan Dhan Yojna, if those

account shows satisfactory operations for 6 months. This yojna has been recorded in “GUINNESS BOOK OF WORLD RECORD” as this yojna has lead to maximum opening of bank account within one week of launch of this scheme and 15 million bank accounts were opened on the inauguration day i.e. August 28, 2014. This yojna was promoted as a part of National Mission for Financial Inclusion in order to provide basic financial services to deprived section of the society. It facilitates the opening of bank accounts with zero balance which provides a big advantage to backward section of society and it also provide accidental insurance cover of Rs. 1 Lac and life cover of Rs. 30,000 payable after death of the beneficiary.

- **MAKE IN INDIA:** Make in India is slogan coined by Shri Narendra Modi, Prime Minister of India on September 25, 2014 to attract businesses from the world to come and start manufacturing in India. It is basically an International Marketing campaign to attract FDI for revival of investment cycle in Asia’s third largest economy. This campaign has been started with an objective of increasing employment, empowering secondary and tertiary market, attracting foreign exchange and boosting the Indian Economy as a whole in order to make India as a self reliant nation and to attain global recognition in the world. The importance of this campaign is to transform India into manufacturing hub and achieve economic transformation by eliminating unnecessary laws and regulations, coming up with single window clearance, making the working of government more transparent, responsive and accountable. This campaign has covered 25 sectors of the Indian economy, out of which manufacturing is one of the important sector as it is vital for economic progress.
- **FINANCIAL INCLUSION:** Our Prime Minister Shri Narendra Modi launched the campaign of Financial Inclusion on August 28, 2014 with a motive to provide banking and other financial services at an affordable cost to the disadvantaged society and low income group. This initiative focused on rural and semi rural people who are deprived of banking and financial services and to develop the habit of savings among people in rural and semi rural areas and to develop a formal method of credit in those areas.
- **LPG SUBSIDY REFORM:-** This reform was given by our BJP government only ,in this reform our BJP party has promised to give subsidy on LPG gas . As there is one condition in this reform that subsidy should not be given to the person whose income is more than 10lakh per annum. The amount which is being earned by the government from the persons leaving their subsidy helped government to take 5lakh more connections .This reform leads to the lesser usage of kerosene and wood thereby reducing smoke caused by them leading in good health conditions for the poors. As now they can easily get LPG gas cylinder for their domestic uses.
- **SWACH BHARAT MISSION:-** This is one of the pet project of our BJP government .This mission says that, the person should be aware of their nearby surroundings thereby keeping them clean. This mission was a great success because it got a great support from renowned personalities of India (politicians, sportsman, celebrities, common people).This mission does

not only leads to cleaning your surroundings, but it also include construction of toilets in many rural areas as well as construction of proper waste management dumps.

- **DIGITAL INDIA:-** This campaign states that our India should be a fully digital country, it means that each and every citizen of our country should be in touch of modern and rapidly growing technology. This campaign also includes the development of some cities which will be known as smart cities. Website related to this campaign is also being launched known as “mygov.in”, in this website we can also provide our feedback related to government policies and functioning. This campaign also include one important announcement i.e ‘digital locker’ which allow us to keep our important documents at a more safer place i.e digitally.
- **YOGA DAY:-** As we know 21st JUNE is declared as “International Yoga Day”, by our honorable prime minister. On this day many peoples like politicians, celebrities, common peoples etc. perform yoga together in almost each and every country that’s the reason behind its being named as international yoga day.
 - **MANN KI BAAAT:-**This is the project being started by our prime minister itself which includes direct communication between our prime minister and common man of India .This project is being projected on radios only and only on Sunday. The whole show covers a topic decided by our prime minister which mainly includes the general problem of common man like -“how to face your board exams “ ,“related to farming “.
 - **BLACK MONEY:-** As we know that the main reason behind increase in inflation is black money only. And the main motive of BJP government is to stop hike in inflation so for this purpose they need to find out the hidden black money from each and every person of our country. So keeping this in mind our finance minister Mr. Arun Jaitley has declared a deadline till 30th September for people to announce their black money. But only 644 declarations have been made till date 16-9-16.
 - **GST Bill:-**GST bill is the biggest tax reform in independent India. So when the bill was passed in Rajya Sabha it does not get the majority but continuous efforts of our BJP government has made it possible for the government to pass the in Rajya Sabha in 2nd year of the ruling session. GST (goods and services taxes)it means rather paying different taxes at every stage we need to pay the whole tax at a single time to a single person, which leads to no possibilities of window dressing in the tax paying/collecting.
 - **BETI BCHA O BETI PDHA O:-**This is the important step of our BJP government for the position of betterment of girls in India. Motive behind this campaign is to change the mentality of the person who consider girl child as a curse. This campaign motivated the people to save girl child and to provide girls proper education for their betterment of their life.

BJP government focused so much on defence than other party. More amount of money has been transferred to all the states in the budget as compared to the other parties. Very good decision to merge the prices of diesel/Petrol with international market. As we know, there were many projects which is started by our BJP government. Some of them we have discussed above.

- **DEMONITIZATION:** It is the act of stripping a currency unit of its status as legal tender. Demonetization is necessary whenever there is a change of national currency. The old unit of currency must be retired and replaced with a new currency unit. There are multiple reasons why nations demonetized their local units of currency. Some reasons include combating inflation, to combat corruption, to combat terrorism and to discourage a cash system. The process of demonetization involves either introducing new notes or coins of the same currency completely replacing the old currency with the new currency. Same happens on 8th-Nov-2016 in INDIA, the Indian government/BJP decided to demonetize the 500 and 1000 rupee notes, the two biggest demonetization notes. These notes accounted for 86% of the country's cash supply in India. The goals of Indian government behind this is to eradicate counterfeit currency, fight tax evasion, and eliminate black money got from money laundering and terrorist financing activities and also to promote cashless economy. By making the larger denomination notes worthless, peoples with huge sums of black money were forced to convert the money at bank which is by law required to acquire tax information from the individual. If the individual could not provide proof of making tax payments on the cash, a tax penalty of 200% of the tax owed was imposed. Demonetization leads to issue of new currency notes of Rs. 500 & Rs. 2000. and also leads us to live in a cashless society. So, it is a masterstroke by Indian government and its success highly depends on its implementation

Drawbacks:

- BJP has tied up with PDP and BJP is surrendering with their demands.
- BJP government has no control on media.
- There is no check on old leaders.
- No check on the leaders who have religious backgrounds.
- There is very poor handling of critics among BJP government.
- BJP government is not much capable to make Parliament function.
- BJP is not capable to control MPs.

Modi Government and Ease of Doing Business

India has been making news worldwide. There are lot of questions going round foreign investors , business and media. How easy is to do business in India? What government has done to improve ease of doing business in India? Modi government has launched the various schemes for providing better environment to do business. The most important step in providing ease for doing business in India is the passing of GST bill. GST bill which have been passed recently, will accelerate the growth and make the economy more predictable. GST is a tax that will bring an equitable regime and turn the country into one market. GST is viewed which could add as much as 2% contribution to the GDP , while improving the ease of doing business and encouraging investment in manufacturing. Instead of the goods being taxed multiple tax at different rates

under the new GST , they would be taxed at the point of consumption. MAKE IN INDIA –the initial aim is to make India a hub for design, innovation, and manufacturing for this the government has moved for e-auction of natural resource rather than discretionary allocation of resources. This helps in efficient utilization of resources and better price discovery.

Getting Electricity- the government has made the process of getting a new electric connection simpler and faster.

Trading Across Border- India has reduced the number of mandatory documents for export and import from 9 to just three. Now the document can be submitted electronically using digital signature.

Digital India -the government has launched this program with the vision to transform India into a digital society and knowledge economy. Digital India helps to promote e-transaction, e-business which provides more transparency in business.

Now, doing of business is much simpler in India as it provides portals which help the start to get easy clearance and license for setting up their business. Now also the capital investment has been reduced for the start-ups to start their new business.

FDI –with ease of doing business in India “improving “, us companies are showing their keen interest for the investment in our country which is emerging as a good market. There is a sense of hope among us companies that Indian market is going to be a good market for them to invest.

It has been estimate that USD 27 billion is invested in India by American companies after the Indian government came to power in may,2016 and actual figure may vary as investment routed through various other countries also.

Also the changes made our investor facilitation cell which guide, assist, and handhold investors during entire lifecycle of business.

World Bank

Ease of doing business considered as best measure of competitive business environment the ranking is based on parameters which includes- ease of starting a business , dealing worth construction permits , electricity access, registering proprietary , enforcing contracts , paying taxes , trading across borders and resolving insolvency . India now ranks 130 among 190 countries in ease of doing business moved up 4 places from last year’s ranking 134.

Conclusion

As we know there were many campaigns started by our BJP government. Some of them we have discussed above. By discussing all the reforms, campaigns, projects we come to a conclusion that no government like BJP has succeeded yet that much in making their yojnas a great success and also the government will fulfill all their promises successfully in near future positively.

This government looks in all around sector which includes (GDP, I.T, Infrastructure, Inflation, Poverty etc.)

This government has not only launched yojnas for the betterment of people but has also improved our country relations with other countries. Our prime minister has continuously visited

many different countries and is also trying India to be like those developed countries, “bullet train” is the best example for this.

Modi government has one dream to watch bullet train running in our India and this has become possible after Mr. Modi has visited Japan and signed the agreement with Japan for bullet train in India.

So, at last we conclude that this government is among the most creative, most powerful, most successful government till date.

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