

Implementation Roadmap for Recommendations

Doing Business Study for CM Rajasthan Economic Transformation Advisory Council

10 JUNE 2022

Structural recommendations

2

- ▶ Review and revive the regulatory guillotine framework ([Circular dated 25 January 2021](#)). Timeline: 1-2 months

Requirement	Explanation	Result	Result	Result	Result
Legality	Is the compliance required and does it fall within the scope of any law?	Yes	Yes	Yes	No
Necessity	Are the forms/ documents, conditions, fees, essential to ensure compliance?	Yes	Yes	No	Not Required
Proportionality	Is implementation (time and process) fast and simple?	Yes	No	Not Required	Not Required
Action needed		Retain	Amend	Abolish	Abolish

Structural recommendations

- ▶ Setup a Regulatory Guillotine unit (to continuously obtain feedback, assess costs and benefits, and suggest reforms for reducing compliance burden). Timeline: 2-4 months

Feedback matrix									
Compliance	Reduce forms/ documents	Reduce conditions	Reduce fees	Reduce time	Reduce steps/ process	Extend validity	Adopt auto-renewal	Adopt third party/ self certification	Merge with existing compliance
	Necessity			Proportionality				Legality	

- ▶ Publish draft compliances in public domain for stakeholder feedback, and indicate how the comments have been addressed. Timeline: 2-4 months

Specific recommendations: RSPCB

Compliances	Reduce forms/ documents	Reduce/ relax conditions	Reduce steps/ process	Reduce time	Extend validity	Auto- renew	Remove/ merge with existing	Timeline
Consent to establish	1. DIC acknowledgment 2. CA's project report 3. Building plan layout	Consistency among central and state conditions	1. Clarifications at pre-screening stage 2. Application should reach JEE/ AEE faster	7-21 days	To 7 years			4-6 months
Consent to operate	Board resolution			7-21 days			Exempt green category	4-6 months
Renewal of consent to operate	CA certificate on capital investment			One week	Yes			4-6 months

Specific recommendations: UDH/ LSG₅

Compliances	Reduce/ relax conditions	Reduce steps/ process	Reduce fees	Reduce time	Extend validity	Self/ Third party	Timeline
Fire NoC	Risk based classification	Third party verification		7 days for inspection report	3 years		2-4 months
Renewal of Fire NoC		Third party verification			2 years		1-2 months
Building plan approval		Adopt technology		10 days		For medium and low risk	2-4 months
Change in Land Use	For bonafide industrial purposes		Yes			Affidavit based	2-4 months
Installation of telegraph infrastructure		Two officers		Yes			1-2 months

Specific recommendations: Labour

6

Compliances	Reduce forms/ documents	Reduce/ relax conditions	Reduce steps/ process	Reduce fees	Extend validity	Remove/ merge with existing	Department	Timeline
Registration under Rajasthan Shops and Commercial Establishment Act	Yes		Clarifications at pre-screening stage	Reduce scale to INR 100-2500	One-time		Labour	4-6 months
Renewal under Rajasthan Shops and Commercial Establishment Act						Yes	Labour	2-4 months
Approval under Building and Other Construction Workers Act			On-spot approval	Reduce scale to INR 100-1000			Labour	2-4 months
Approval under Inter-state Migrant Workmen Act		Risk based, on number of employees		INR 30-750			Labour	4-6 months

Specific recommendations: Other

7

Compliances	Reduce/ relax conditions	Reduce steps/ process	Reduce time	Department	Timeline
Land conversion for warehouse	Grant industrial status Recognise captive warehouse as industry			RIICO	1-2 months
Allotment of industrial land		Yes	21 days	RIICO	1-2 months
Allotment of mining lease	For furnishing of approvals			Mines and Geology	1-2 months

Way Forward

- ▶ Ensure that relevant departments implement recommendations as per the timeline suggested
- ▶ Set up a Regulatory Guillotine Unit in the Industries Department by building capacity of select officers
- ▶ Use the regulatory guillotine framework to test other compliances (133 compliances/ services under Single Window Clearance portal)
- ▶ Use the feedback matrix to obtain stakeholder suggestions on proposed and existing compliances, on a periodic basis (6 months)
- ▶ Set up Data Management team to tabulate, analyse, and internally disseminate stakeholder feedback
- ▶ Encourage stakeholders to provide feedback on existing and proposed compliances
- ▶ Show stakeholder feedback matters by indicating changes in draft compliances
- ▶ Use the regulatory guillotine framework and feedback matrix to implement remaining reforms under the BRAP framework of DPIIT

CUTS could assist the government in implementing these recommendations.

Outcomes

- ▶ Substantial reduction in compliance burden
- ▶ Increase in investment
- ▶ Enhancement in income generation and employment opportunities
- ▶ Rise in Ease of Doing Business rankings

Thank You

10

Tanya Goyal
Assistant Policy Analyst
CUTS International
tng@cuts.org