EMERGING TRENDS OF ASIAN ECONOMY: A COMPARATIVE STUDY WITH REFERENCE TO EASE OF STARTING BUSINESS INDICATORS

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Abstract:

Asia is the centre of gravity for global investorsand has huge potential of growth and development**.**Asia is progressing towards transformation. 'Asia 2050: Realizing the Asian Century' report proposes that Asia would account for greater than half of global Gross Domestic Product (GDP) by 2050. The heterogeneous region of Asia includes some of the world's largest economies such as India, China, Indonesia, Japan, Republic of Korea, Thailand and Malaysia which would be major contributors in shaping the new economic environment of Asia. Seven economies of the world are going to cover the global marketplace. To enhance the potential of growth, complete transformation in the area of doing business is equally important and it cannot be ignored in any circumstances. Global investors will be a part of economic development only if they feel secure and ease in doing business transactions and policies are investor friendly.This research paper examines the parameters affecting the 'Ease of Doing Business Index' with special reference to business indicators of 'starting a business'. Researcher has done comparative analysis of economic environment of seven emerging economies.Finally, it shows the relationship between GNI and ease of doing business and also analyzes correlation between Ease of Starting a New Business and Doing Business 2016 Rank

Keywords: Asian economy, Ease of doing Business, starting a new business, emerging economies, business indicators

1. Introduction:

Starting a business is not easy in many parts of Asian countries. The number of procedures to complete one task, time taken and cost incurred in starting a business are significantly higher than most of the major economies.Asia has emerged as one of the significant players in the global arena with a vast potential to grow among all other developing economies of the world. Large and growing middle class, high disposable income, a rich pool of skills, available resources and talented workforce are indicative reasons to make Asia pioneer among the fastest growing economies.Global investors will be a part of economic development only if they feel secure and comfortable in doing business transactions, policies are investor friendly and procedures are not cumbersome.

1.1 About 'Ease of Doing Business' Index:

Ease of doing business is an index published by the World Bank. It is an aggregate figure that includes different parameters which define the ease of doing business in a country. It is computed by aggregating the distance to frontier scores of different economies. The distance to frontier score uses the 'regulatory best practices' for doing business as the parameter and benchmark economies according to that parameter. For each of the indicators that form a part of the Ease of Doing Business (EoDB) index, a distance to frontier (DTF) score is computed and all the scores are aggregated. The aggregated score becomes the Ease of doing business index. Countries are ranked as per the index.

1.2 Determinants of 'Ease of Doing Business':

Many aspects of business regulations affect small and medium-size firms and 11 areas are measured across 189 economies. Doing Business does not consider other areas of the business environment such as market size, macroeconomic stability and corruption etc. The Doing Business methodology is based on the largest business city of each economy. In addition, for 11 economies a second city is covered. Doing Business relies on four main sources of information:

- Relevant laws and regulations,
- Doing Business respondents,
- Governments of the economies covered and
- World Bank Group regional staff.

	Table No. 1: Determinants of Doing Business	
S. No.	**Indicator Set**	**What is measured**
1	Starting a business	Procedures, time, cost and paid-in minimum capital to start a limited liability company.
2	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.
3	Getting Electricity	Procedures, time and cost to get connected to the electrical grid, the reliability of the electricity supply and the cost of electricity consumption
4	Registering Property	Procedures, time and cost to transfer a property and the quality of the land administration system.
5	Getting Credit	Movable collateral laws and credit information systems
6	Protecting minority investors	Minority shareholders' rights in related–party transactions and in corporate governance
7	Paying taxes	Payments, time and total tax rate for a firm to comply with all tax regulations
8	Trading across borders	Time and cost to export the product of comparative advantage and import auto parts
9	Enforcing contracts	Time and cost to resolve a commercial dispute and the quality of judicial processes
10	Resolving insolvency	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency
11	Labor Market Regulation	Flexibility in employment regulation and aspects of job quality

Source:http://www.doingbusiness.org/~/media/GIAWB/Doing%20Business/Documents/Annual-Reports/English/DB16-Chapters/DB16-About-Doing-Business.pdf

1.3 Facts about Asia:

Asia is the largest continent in the world in terms of area (30 percent of Earth's total land area) and population. It has 4.4 billion populations which is 60% of the world. The area is shared by 48 countries. The largest country by area is Russia with more than 17 million km², second is China with 9.6 million km² and the smallest independent state in Asia is the Maldives with 298 km².

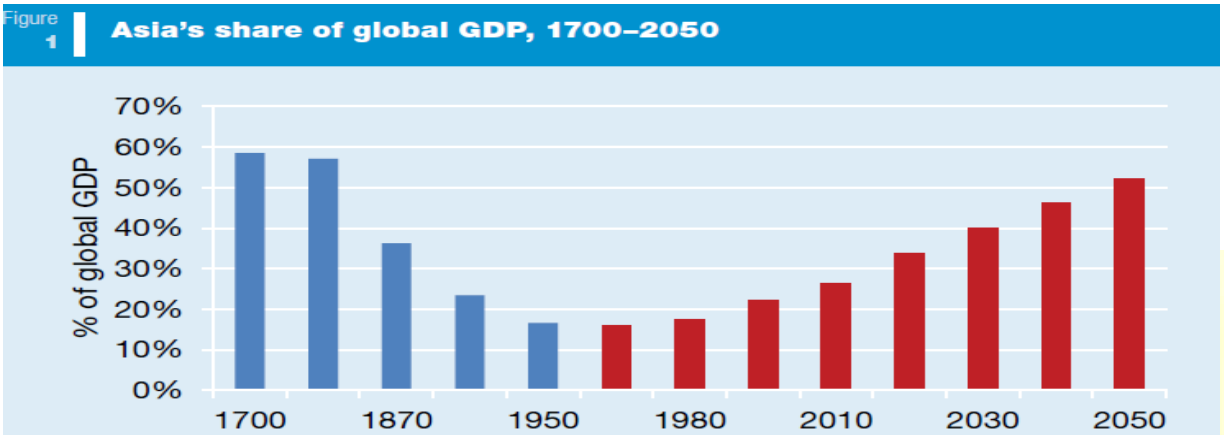
Table No. 2: Regional Grouping of Asian Countries

Regional Grouping	Name of Countries
Central Asia	Turkmenistan, Uzbekistan, Kyrgyzstan, Tajikistan, Kazakhstan,
East Asia	China, Hong Kong (territory), Macau, Japan, South Korea, North Korea, Mongolia, Taiwan,
Western Asia and Middle East	Iran, Oman, Bahrain, Jordan, Kuwait, Saudi Arabia, Turkey, , Yemen, United Arab Emirates, Iraq, Israel, Lebanon, Qatar, , Syria, Palestinian (territories), Armenia
Northern Asia	Russia
South Asia	Afghanistan, Bangladesh, Bhutan, India, Maldives, , Nepal, Pakistan, Sri Lanka
Southeast Asia	Cambodia, Indonesia, Malaysia, Philippines, Singapore, Vietnam, Burma (Myanmar), Thailand, Brunei Darussalam, Timor-Leste (East Timor); Lao PDR,

Source: http://www.nationsonline.org/oneworld/asia.htm

Asia is progressing towards transformation. Asia’s contribution of global gross domestic product (GDP) was nearly 60 percent some 300 years ago and it’s going to nearly double to 52 percent by 2050.India, China, Indonesia, Japan, Thailand, Korea, and Malaysia would be major contributors in shaping the new economic environment of Asia. Their average per capita income of $45,800 would be 25 % higher than the global average of $36,600. The Asian middle class will grow sharply over the next 40 years and urban population will nearly double by 2050.

Fig 1: Asia's Share of Global GDP, 1700-2050



Source: Maddison (1700–1950) (2007); Centennial Group International estimates (1951–2050) (2011). Data for 1750–1790 are PPP and data for 1991–2050 are in market prices.

Table No. 3: Factors of seven economies affecting global economy

Factors	**2010**	**2050**
Combined Population of Seven Economies	3.1 billion(78 percent of total Asia)	75 percent of total Asia
GDP	$15.1 trillion (87 percent of Asia)	90 percent of Asia and 45 percent of Global
Urban Population	1.6 billion	3 billion

Source:http://www.unido.org/fileadmin/user_media/UNIDO_Worldwide/Asia_and_Pacific_Programme/Documents/AsianDevelopmentBankreport_asia-2050.pdf

1.4 Procedures, Cost, Time and Paid-in minimum capital requirement for starting a Business

Several assumptions about the business and the procedures are used-

- Is a limited liability company (or its legal equivalent).
- Operates in the economy's largest business city.
- Is 100% domestically owned and has five owners, none of whom is a legal entity.
- Has start-up capital of 10 times income per capita.

- Performs general industrial or commercial activities, such as the production or sale to the public of products or services. It is not using heavily polluting production processes.
- Have at least 10 and up to 50 employees one month after the commencement of operations, all of them domestic nationals.
- Leases the commercial plant or offices and is not a proprietor of real estate.
- Does not qualify for investment incentives or any special benefits.
- Has a turnover of at least 100 times income per capita.
- Has a company deed 10 pages long.

1.4.1 Procedures

A procedure is defined as any interaction of the company founders with external parties (for example, government agencies, lawyers, auditors or notaries). Interactions between company founders or company officers and employees are not counted as procedures. Procedures that must be completed in the same building but in different offices or at different counters are counted as separate procedures. If founders have to visit the same office several times for different sequential procedures, each is counted separately. Procedures required for official correspondence or transactions with public agencies are also included. For example, if a company seal or stamp is required on official documents, such as tax declarations, obtaining the seal or stamp is counted. Similarly, if a company must open a bank account in order to complete any subsequent procedure—such as registering for value added tax or showing proof of minimum capital deposit—this transaction is included as a procedure. Only procedures required of all businesses are covered. Industry-specific procedures are excluded. For example, procedures to comply with environmental regulations are included only when they apply to all businesses conducting general commercial or industrial activities. Procedures that the company undergoes to connect to electricity, water, gas and waste disposal services are not included in the starting a business indicators.

1.4.2 Time

Time is recorded in calendar days. The measure captures the median duration that incorporation lawyers or notaries indicate is necessary in practice to complete a procedure with minimum follow-up with government agencies and no unofficial payments. It is assumed that the minimum time required for each procedure is one day, except for procedures that can be fully completed online, for which the time required is recorded as half a day. Although procedures may take place simultaneously, they cannot start on the same day (that is, simultaneous procedures start on consecutive days), again with the exception of procedures that can be fully completed online. A registration process is considered completed once the company has received the final incorporation document or can commence business operations. The time that the entrepreneur spends on gathering information is ignored.

1.4.3 Cost

Cost is recorded as a percentage of the economy's income per capita. It includes all official fees and fees for legal or professional services if such services are required by law or commonly used in practice. Although value added tax registration can be counted as a separate procedure, value added tax is not part of the incorporation cost.

1.4.4 Paid-in minimum capital

The paid-in minimum capital requirement reflects the amount that the entrepreneur needs to deposit in a bank or with a notary before registration or up to three months after incorporation and is recorded as a percentage of the economy's income per capita.

1.5 Easing bureaucratic barriers to start-up

Economies across all regions continue to streamline the formalities for registering a business. In 2014/15, 45 economies made starting a business easier by reducing the procedures, time or cost associated with the process.

China

- **DB 2015:** China made starting a business easier by eliminating both the minimum capital requirement and the requirement to obtain a capital verification report from an auditing firm.
- **DB 2013:** China made starting a business less costly by exempting micro and small companies from paying several administrative fees from January 2012 to December 2014.

India

- **DB 2016:** India made starting a business easier by eliminating the minimum capital requirement and the need to obtain a certificate to commence business operations.
- **DB 2015:** 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.
- **DB 2011:** India eased business start-up by establishing an online VAT registration system and replacing the physical stamp previously required with an online version.

Indonesia

- **DB 2016:** Indonesia made starting a business in Jakarta easier by reducing the time needed to register with the Ministry of Manpower.
- **DB 2015:** Indonesia made starting a business easier by allowing the Ministry of Law and Human Rights to electronically issue the approval letter for the deed of establishment.
- **DB 2012:** Indonesia made starting a business easier by introducing a simplified application process allowing an applicant to simultaneously obtain both a general trading license and a business registration certificate.
- **DB 2011:** Indonesia eased business start-up by reducing the cost for company name clearance and reservation and the time required to reserve the name and approve the deed of incorporation.
- **DB 2010:** Indonesia made starting a business easier by introducing online service, eliminating certain licenses, increasing efficiency at the registry and reducing several fees.
- **DB 2009:** Indonesia made starting a business more difficult by more than doubling the minimum capital requirement.
- **DB 2008:** Indonesia made starting a business more difficult by increasing the paid-in minimum capital requirement.

Korea, Rep.

- **DB 2012:** Korea made starting a business easier by introducing a new online one-stop shop, Start-Biz.

- **DB 2010:** Korea made starting a business easier by reducing costs, allowing online payment of registration taxes, setting time limits for value added tax registration and eliminating the minimum capital requirement and notarization requirements.

Malaysia

- **DB 2014:** Malaysia made starting a business less costly by reducing the company registration fees.
- **DB 2012:** Malaysia made starting a business easier by merging company, tax, social security and employment fund registrations at the one-stop shop and providing same-day registration.
- **DB 2011:** Malaysia eased business start-up by introducing more online services.
- **DB 2010:** Malaysia made starting a business easier through a new one-stop shop service that helped in streamlining the registration process.
- **DB 2009:** Malaysia reduced the time needed to start a business by introducing electronic lodgment for business registration processes.
- **DB 2008:** Malaysia reduced the time required to start a business by increasing efficiency at the Companies Commission of Malaysia.

Thailand

- **DB 2013:** Thailand made starting a business easier by allowing the registrar at the Department of Business Development to receive the company's work regulations.
- **DB 2012:** Thailand made starting a business easier by introducing a one-stop shop.
- **DB 2010:** Thailand made starting a business easier by merging 2 registration procedures in a single application form.

2. Literature Review:

Dreher and Gassebner (2013) in a study of 43 countries over the period 2003 to 2005 also found evidence that more procedures in starting a business and larger start-up capital do reduce entrepreneurship activities.

Herrendorf and Teixeira (2011), based on its analysis of data from thePenn World Table using a general equilibrium model, concluded that half of the income gapbetween the United States and poor countries is accounted for by entry barriers.

Also, Ardagna and Lusardi (2010) concluded from an analysis of survey data of more than 470 thousand entrepreneurs who are at the early stages of running a business from developed anddeveloping countries that entry regulation diminishes the benefits of business skills in running abusiness; and reduces the propensity of individuals with business skills to start a business.

Klapper and Love (2010), in an analysis of 91 economies, found thatreducing the cost, time and procedures in starting a business do increase firm registration, butonly if the reforms are substantial.

Ciccone and Papaioannou (2007) analyzed industry-level data from 45 countries during the 1980s and had similar findings – less time to register a business is associated with more firm entry in industries with expanding global demand.

Crafts (2006) surveyed the literature on entry regulations, and found generalevidence suggesting that costly regulations creates disincentives to invest and innovate, andreduces growth of factor productivity. Moreover, empirical testing using the experience of Chinaand India shows that easing of entry regulations, especially from a position of strong regulation,is associated with higher growth.

Klapper et al (2006) analyzed data on European firms of various industries and sizes, and found evidence that restrictive entry regulation does dissuade firms from entering, and thatthis is more pronounced for small firms. More importantly, the authors found evidence thatcostly entry regulations are unlikely to prevent entry of corrupt firms in developing and highcorruptioncountries, thus building a case for less entry barriers.

Davis & Marquis, 2005 found that in the lastdecade, emerging economies have assumed an increasingly prominent position in the globaleconomy, such that they are projected to account for more than half of world GDP on the basisof purchasing power by the end of 2014. The rapid rise and development ofemerging economies such as China, India, Brazil, Russia, Turkey, and Indonesia in the 21st century has attracted tremendous interest from managers and investors.

Wright, Filtotchev, Hoskisson, and Peng (2005) convincingly argued that research with a focus on emerging economies is both an opportunity and anecessity – as they are "fertile grounds not only for testing existing theories but also fordeveloping new ones."

Fonseca et al (2001), for example, empirically examined OECD countries for the years 1997 to 2001 and they found evidence thatthe higher cost of starting a business is a hindrance to firm creation. They also constructed amodel explaining how the higher cost of starting a business deters entrepreneurs from creatingfirms, and instead opts to become employees rather than employers, thus reducing potential jobs.

3. Research Methodology

To conduct the present research secondary data has been collected from various sources. Available reports of World Bank, authenticated reports published on government websites, journals, magazines and other relevant literature were some important sources of information. Researcher has tried to analyze these reports and data to do the comparative analysis of seven emerging Asian economies in terms of ease of starting a new business in respective countries.

3.1 Research Objectives:

1. To understand the determinants of the **E**ase **o**f **D**oing **B**usiness (EoDB) index

2. To analyse the initiatives taken to release bureaucratic barriers of starting a new business.

3. To do the comparative study of emerging Asian economies.

4. To analyse the procedures, time and cost to start new business in seven economies.

5. To find out relationship between ease of starting a business and country's rank in Doing Business index.

3.2 Hypothesis:

Hypothesis 1:

μ0= There is no correlation between GNI per capita and Rank of Ease of doing business.

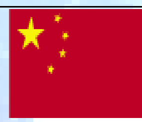
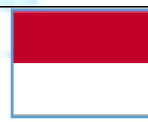
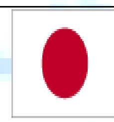
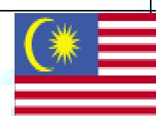
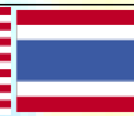
Hypothesis 2:

μ0= There is no correlation between Ease of Starting a New Business and country's rank in Doing Business index.

4. Data Analysis & Interpretation:

4.1 Comparative Study of Economic Overview of Seven Emerging Economies

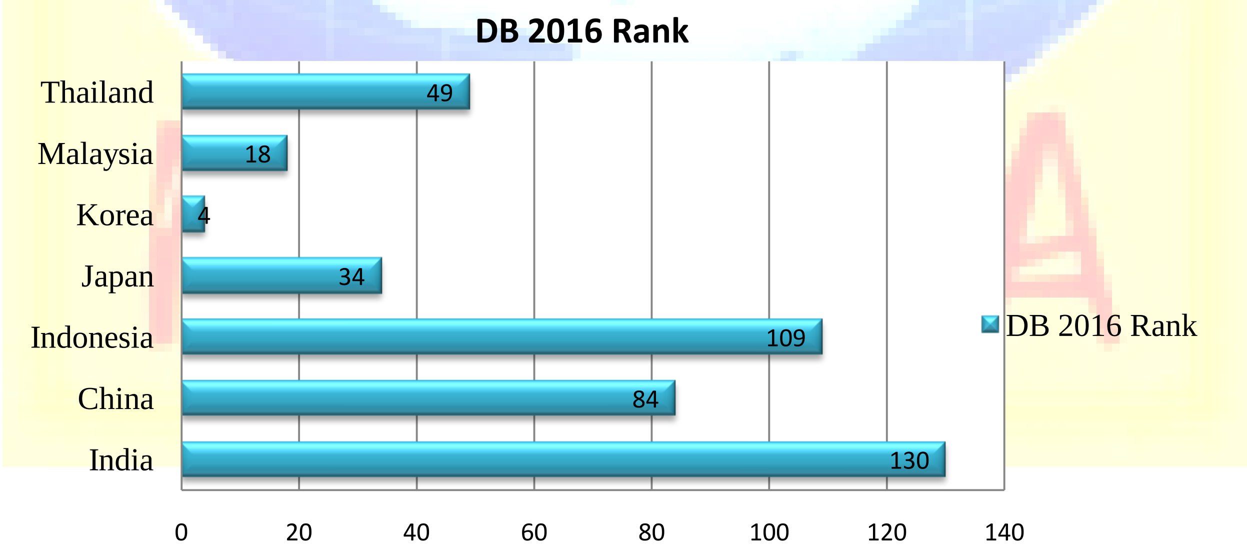
Table No. 4: Economic Overview of Seven Economies

Topics	India	China	Indonesia	Japan	Korea	Malaysia	Thailand
							
Region	South Asia	East Asia & Pacific	East Asia & Pacific	OECD high income	OECD high income	East Asia & Pacific	East Asia & Pacific
Income Category	Lower middle income	Upper middle income	Lower middle income	High income	High income	Upper middle income	Upper middle income
Population	1,267,401,849	1,364,270,000	252,812,245	127,131,800	50,423,955	30,187,896	67,222,972
GNI per capita (US $)	1,610	7,380	3,650	42,000	27,090	10,660	5,410
Cities	Mumbai,						

Covered	Delhi	Shanghai ,Beijing	Jakarta, Surabaya	Tokyo, Osaka	Seoul	Kuala Lumpur	Bangkok
DB 2016 Rank	130	84	109	34	4	18	49
DB 2015 Rank	134	83	120	30	4	17	46
Change in Rank	↑4	↓-1	↑11	↓ -4	0	↓-1	↓-3
DB 2016 DTF	54.68	62.93	58.12	74.72	83.88	79.13	71.42
DB 2015 DTF	52.67	62.81	56.73	74.72	83.91	79.08	71.33
Change in DTF	↑2.01	↑0.12	↑1.39	0.00	↓-0.03	↑0.05	↑0.09

Source: compiled from data available in reports of World Bank

Chart No. 1: Doing Business Rank 2016 of seven emerging economies



Source: compiled from data available in reports of World Bank

Analysis:

Korea scores the highest with 4th rank in doing business report published by World Bank for 2016 while India is lowest with 130 rank out of 189 economies. The largest populated country China holds better position than India in doing business index.

4.2 Comparative Study of 'Doing Business Ranking -2016' among seven emerging economies

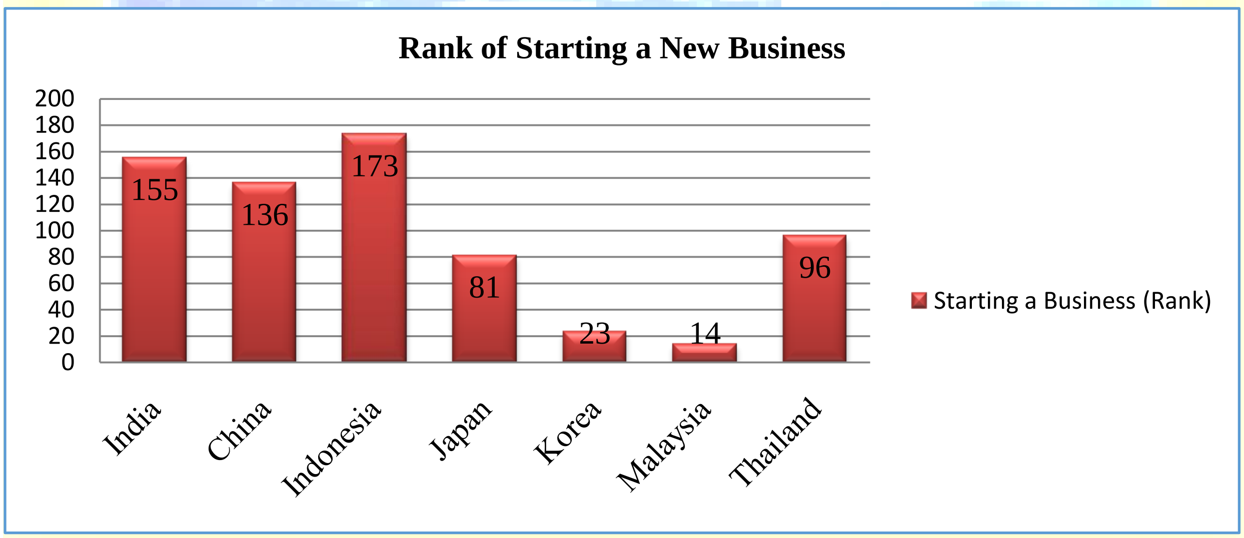
Table No. 5 : Doing Business Rank 2016 on all parameters

Topics	India	China	Indonesia	Japan	Korea	Malaysia	Thailand	Best Performer Globally
Starting a Business	155	136	173	81	23	14	96	New Zealand
Dealing with Construction Permits	183	176	107	68	28	15	39	Singapore
Getting Electricity	70	92	46	14	1	13	11	Korea, Rep.
Registering Property	138	43	131	48	40	38	57	New Zealand
Getting Credit	42	79	70	79	42	28	97	New Zealand
Protecting Minority Investors	8	134	88	36	8	4	36	Singapore
Paying	157	132	148	121	29	31	70	United

Taxes								Arab Emirates
Trading Across Borders	133	96	105	52	31	49	56	Denmark
Enforcing Contracts	178	7	170	51	2	44	57	Singapore
Resolving Insolvency	136	55	77	2	4	45	49	Finland

Source: compiled from data available on website of World Bank

Chart No. 2:Rank of Starting a New Business



Source: Compiled from above table

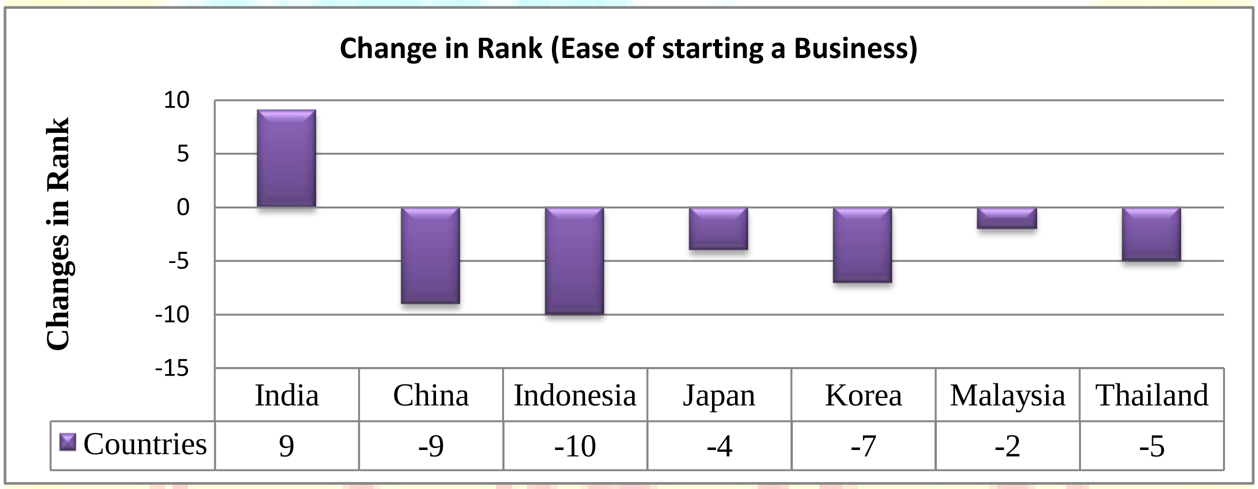
Analysis: India's rank of starting a business is 155 which symbolizethat starting a new business in India is not aneasy task while Malaysia's policies are investor friendly. If we compare Indonesia with Korea, we can see vast difference in easiness of starting a business.

4.3 Comparative study of change in rank of the ease of starting a business

Table No. 6: Change in Rank (Ease of starting a Business)

India	**+ 9**	**Increase**
China	**-9**	**Decrease**
Indonesia	**-10**	**Decrease**
Japan	**- 4**	**Decrease**
Korea	**-7**	**Decrease**
Malaysia	**-2**	**Decrease**
Thailand	**-5**	**Decrease**

Chart No. 3: Change in Rank (Ease of starting a Business)



Source: from data available on world Bank reports

Analysis: In comparison to last year, only India is having positive changes in ease of starting a business. China, Indonesia, Japan, Korea, Malaysia and Thailand could not maintain ranking. India is in winning position.

4.4 Comparative study of all components of ease of starting a new business among seven emerging economies

Table No. 7: Comparative study of all components of ease of starting a new business among seven emerging economies

Economy Name	Rank	DTF	Procedures (number)	Time (days)	Cost (% of income per capita)	Paid-in min. capital (% of income per capita)
East Asia & Pacific	..	81.36	7	25.9	23	9.8
Europe & Central Asia	..	91.27	4.7	10	4.8	3.8
Latin America & Caribbean	..	78.52	8.3	29.4	31	2.8
Middle East & North Africa	..	79.3	8.2	18.8	25.8	37.7
OECD high income	..	91.63	4.7	8.3	3.2	9.6
South Asia	..	84.32	7.9	15.7	14	0.2
Sub-Saharan Africa	..	74.42	8	26.8	53.4	45.1
China	**136**	**77.46**	**11**	**31.4**	**0.7**	**0**
China - Shanghai	..	77.8	11	30	0.6	0
China - Beijing	..	77.03	11	33	0.8	0
India	**155**	**73.59**	**12.9**	**29**	**13.5**	**0**
India - Mumbai	..	71.59	14	29	17	0
India - Delhi	..	75.36	12	29	10.4	0
Indonesia	**173**	**66.04**	**13**	**47.8**	**19.9**	**31**
Indonesia - Jakarta	..	66.43	13	46.5	19.4	31
Indonesia - Surabaya	..	64.63	13	52.5	21.8	31
Japan	**81**	**86.34**	**8**	**10.2**	**7.5**	**0**
Japan - Tokyo	..	86.25	8	10.5	7.5	0
Japan - Osaka	..	86.51	8	9.5	7.5	0
Korea, Rep.	**23**	**94.36**	**3**	**4**	**14.5**	**0**

Malaysia	**14**	**95.34**	**3**	**4**	**6.7**	**0**
Thailand	**96**	**85.07**	**6**	**27.5**	**6.4**	**0**

Source: http://www.doingbusiness.org/data/exploretopics/starting-a-business

4.5 Hypothesis Testing:

(i) Null Hypothesis: There is no correlation between GNI per capita and Rank of Ease of doing business

Alternate Hypothesis: There is correlation between GNI per capita and Rank of Ease of doing business

Table No. 8: Correlation Analysis between GNI per capita & Doing Business Rank

Countries	GNI per capita(US $)	DB 2016 Rank
India	1610	130
China	7380	84
Indonesia	3650	109
Japan	42000	34
Korea	27090	4
Malaysia	10660	18
Thailand	5410	49
Correlation		**-0.646074452**

Analysis:

Correlation between GNI per capita and Rank of Ease of doing business is -0.646074452 which shows that there is negative relationship between GNI per capita and DB 2016 Rank. **We would accept null hypothesis.**

Applying t- test

$$t = r\sqrt{\frac{n-2}{1-r^2}}$$

= -0.646 √(7-2) / 1- (0.646)2

t_{cal}= **1.89**

t_{tab} = **2.447** (at 5% significance level and 6 degree of freedom)

$t_{tab} > t_{cal}$

Hence we would accept the null hypothesis i.e. there is no significant correlation between GNI per capita and Rank of Ease of doing business.

(ii) Null Hypothesis: There is no correlation between Ease of Starting a New Business and country's rank in doing Business index.

Alternate Hypothesis: There is a correlation between Ease of Starting a New Business and country's rank in doing Business index.

Table No. 9: Correlation Analysis between Ease of Starting a New Business and country's rank in doing Business index

Countries	**Ease of Starting a New Business**	**Doing Business 2016 Rank**
India	155	130
China	136	84
Indonesia	173	109
Japan	81	34
Korea	23	4
Malaysia	14	18
Thailand	96	49
Correlation		**0.944100307**

Analysis: from the correlation analysis it is clear that there is high degree of correlation betweenEase of Starting a New Business and Doing Business 2016 Rank. The value of correlation is 0.944100307.Therefore we would reject the null hypothesis.

Applying t- test

$$t = r\sqrt{\frac{n-2}{1-r^2}}$$

= 0.944√ (7-2) / 1- (0.944)2

t_{cal}= 6.408

t_{tab} = 2.447 (at 5% significance level and 6 degree of freedom)

$t_{tab} < t_{cal}$

Hence we would reject the null hypothesis i.e. there is a significant correlation between Ease of Starting a New Business and country's rank in doing Business index.

5. Findings:

- There is no correlation between GNI per capita and Rank of Ease of doing business.
- There is a significant correlation between Ease of Starting a New Business and country's rank in doing Business index.
- Economies across Asian region are working on streamlining the formalities for registering a business by reducing the procedures, time and associated cost.
- India's rank of starting a business is 155 which symbolize that starting a new business in India is not comparatively easy while Malaysia's policies are investor friendly**.**
- In comparison to last year, only India is having positive changes in ease of starting a business. China, Indonesia, Japan, Korea, Malaysia and Thailand could not maintain ranking. Although India has 155 rank on ease of starting a business, significant improvements are visible which shows India is in winning position in comparison to other six economies.

6. Conclusion:

In its latest edition, the World Bank ranked the India 130th in its Doing Business Report. This is an improvement from its previous rank. This improvement reflects the efforts and vision of Indian Government. The Government has taken many initiatives in the direction of improving ease of doing business rank in terms of reduced number of procedures to start a business, introducing the concept of E – transactions in order to avoid delays and reduced cost of visiting various offices by providing online platform for investors. "More Governance and less government" is the vision of our Prime Minister Mr. Narendra Modi and we can see a significant jump in the World Bank's Ease of Doing Business ranking by implementing the concept of transparent government procedures.Data analysis shows that there is no significant relationship between GNI and EoDB rank of the countries.India has shown positive sign in the Ease of starting a Business while other six countries have shown downward trend in comparison of last year.This rise in ranking can be seen not only as an enhancement of the country'seconomic fundamentals and potential for growth; it also sends out a positive signal to all stakeholders. There is no doubt that emerging economies of Asian region would significantly contribute in global economy in coming years and factors of starting a new business along with other doing business determinants would play major role in this contribution.

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