

Region Profile
South Asia

Doing Business 2020

Comparing Business
Regulation in
190 Economies



WORLD BANK GROUP

Region Profile of South Asia

*Doing Business 2020 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 postfiling 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
Employing workers	Flexibility in employment regulation and redundancy cost

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 employing workers. Although *Doing Business* does not present rankings of economies on the employing workers 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 studies](#), which exhaustively cover business regulation and reform in different cities and regions within a nation. These studies 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.

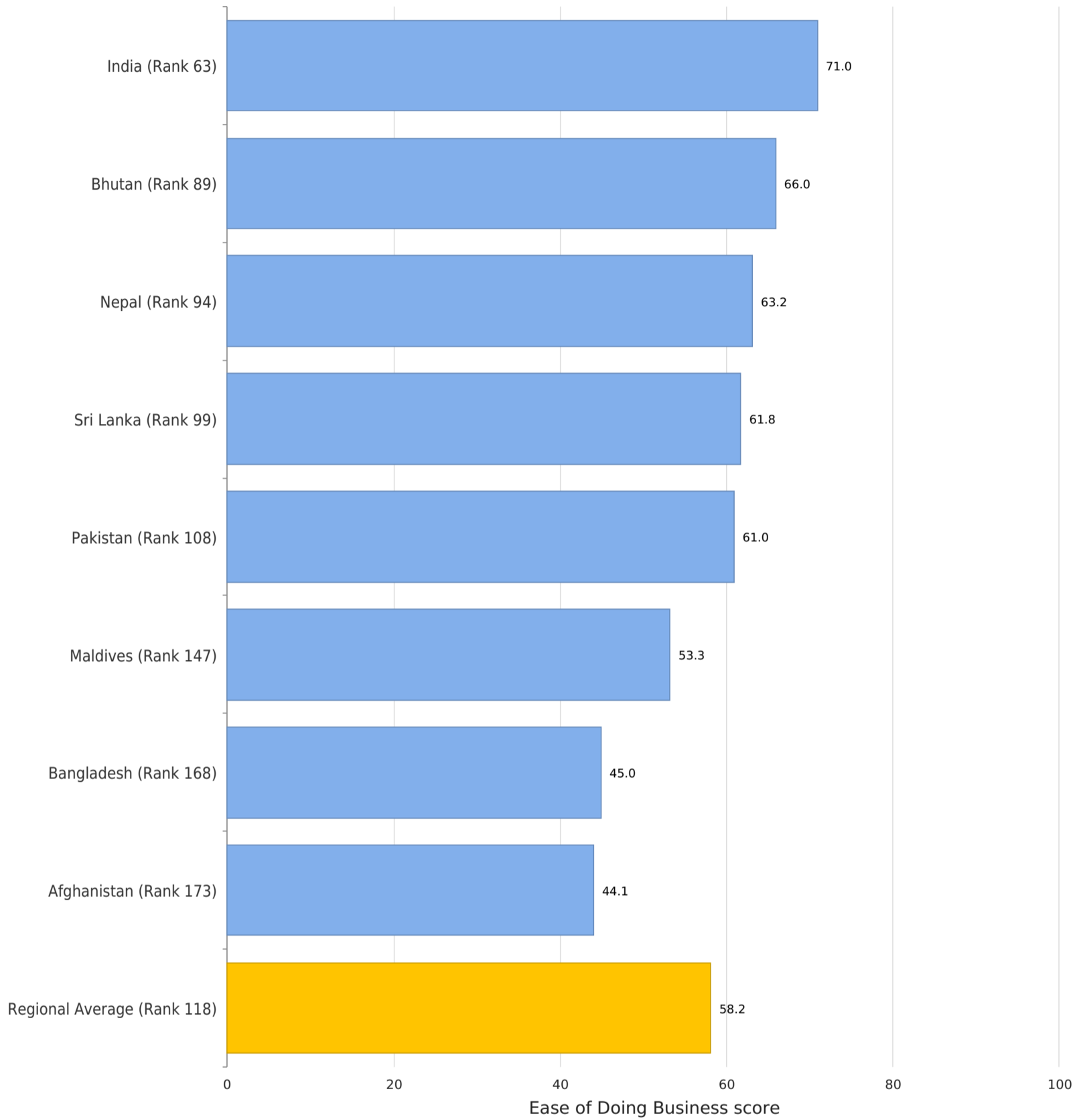
The first *Doing Business* study, published in 2003, covered 5 indicator sets and 133 economies. This year's study covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more 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.

To learn more about *Doing Business* please visit doingbusiness.org.

The Business Environment

For policy makers, knowing where their economy stands in the aggregate ranking on the ease of doing business is useful. It is also helpful to know how it ranks compared with other economies in the region and compared with the regional average. Another perspective is provided by the regional average rankings on the topics included in the ease of doing business ranking and the ease of doing business score.

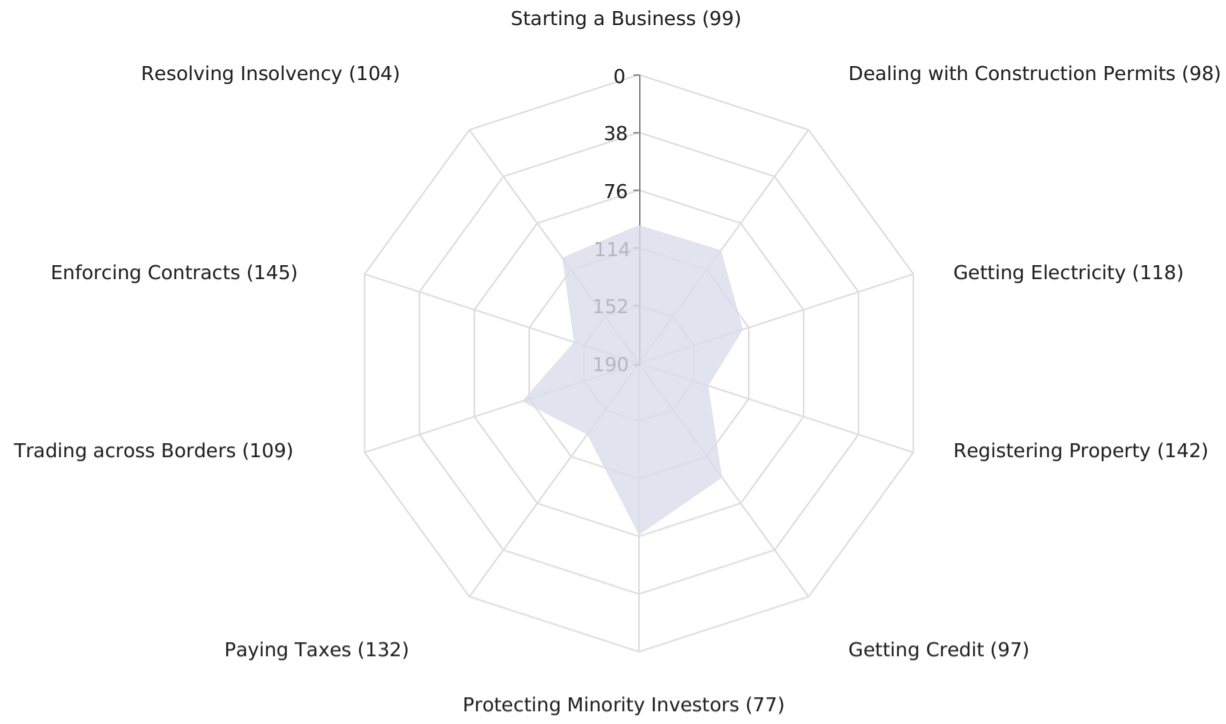
How economies in South Asia rank on the ease of doing business



Note: The ease of doing business score captures the gap of each economy from the best regulatory performance observed on each of the indicators across all economies in the *Doing Business* sample since 2005. An economy's ease of doing business score is reflected on a scale from 0 to 100, where 0 represents the lowest and 100 represents the best performance. The ease of doing business ranking ranges from 1 to 190.

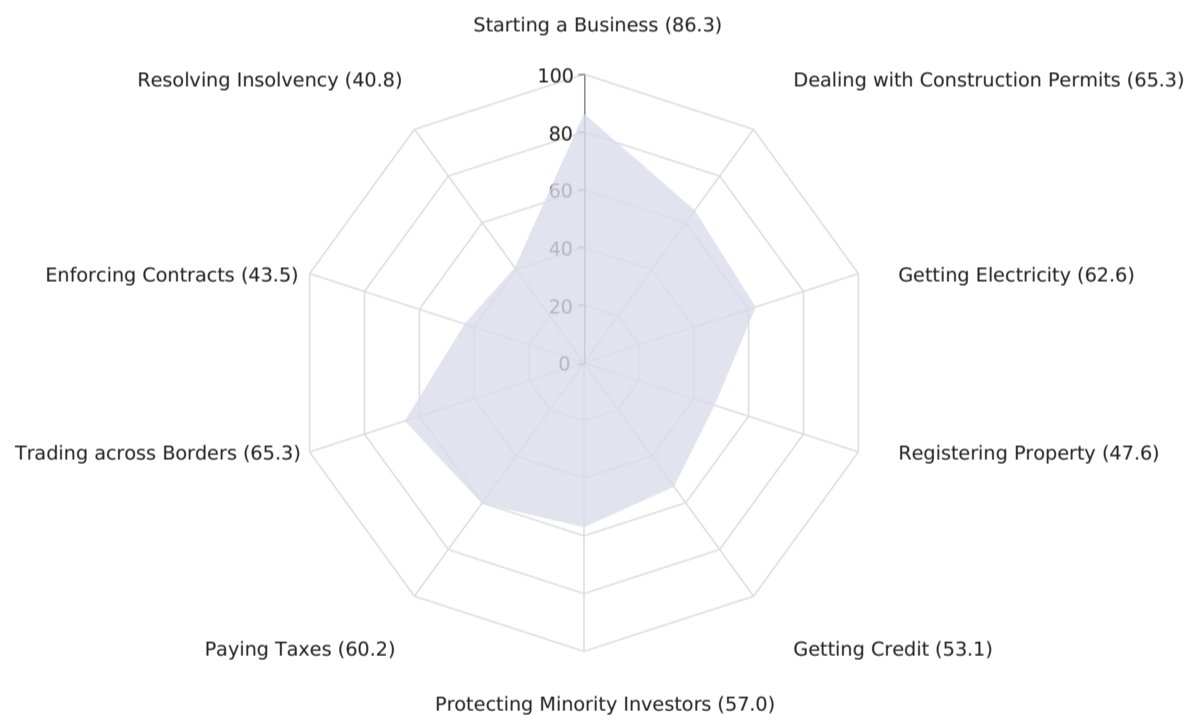
Source: *Doing Business* database

Rankings on Doing Business topics - South Asia



Regional average ranking (Scale: Rank 190 center, Rank 1 outer edge)
 Source: *Doing Business* database.

Ease of Doing Business scores on Doing Business topics - South Asia



(Scale: Score 0 center, Score 100 outer edge)

Note: The ease of doing business score captures the gap of each economy from the best regulatory performance observed on each of the indicators across all economies in the Doing Business sample since 2005. An economy's ease of doing business score is reflected on a scale from 0 to 100, where 0 represents the lowest and 100 represents the best performance. The ease of doing business ranking ranges from 1 to 190. Source: Doing Business database

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 2019. [See the methodology for more information.](#)

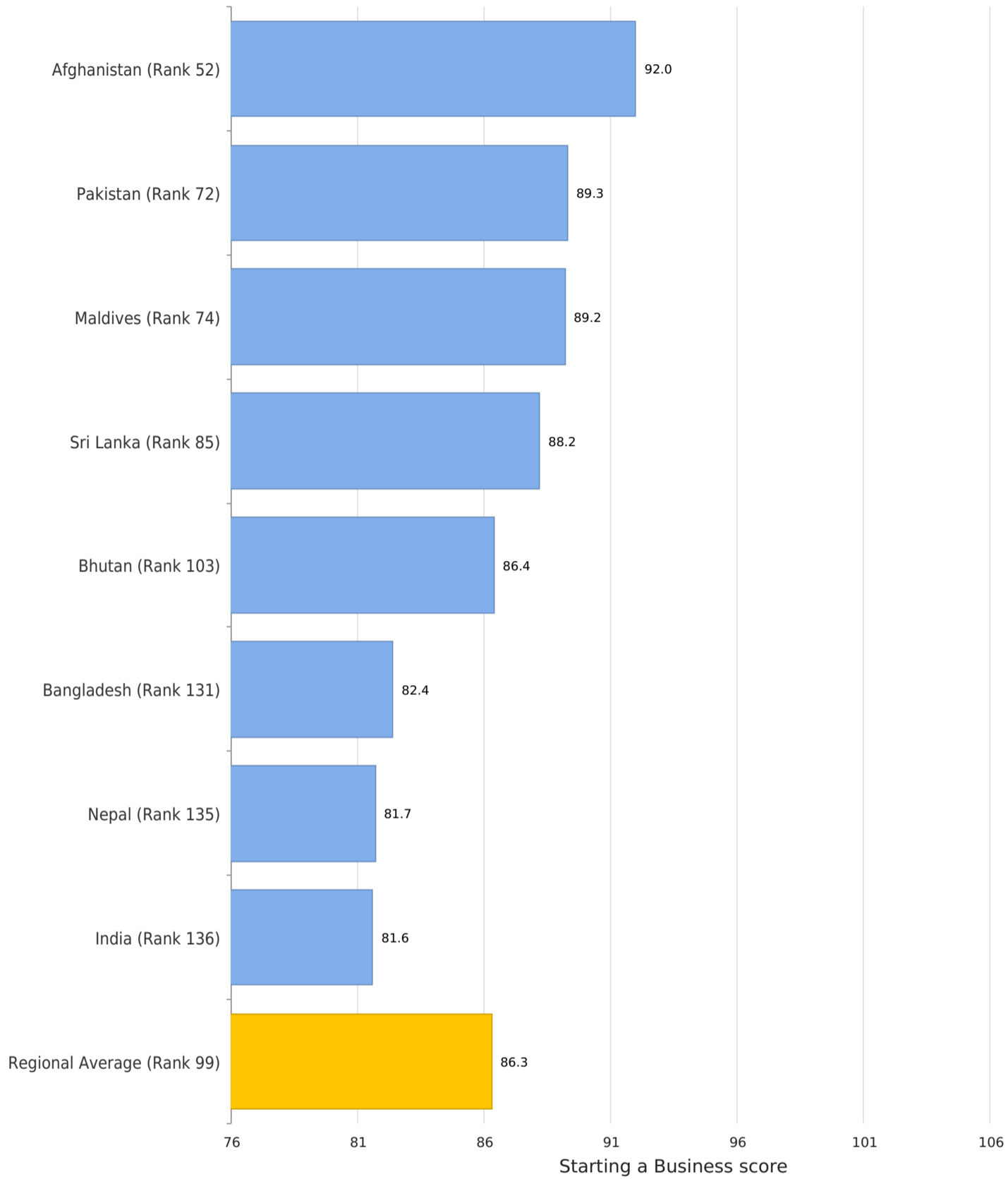
What the indicators measure	Case study assumptions
<p>Procedures to legally start and formally operate a company (number)</p> <ul style="list-style-type: none"> • Preregistration (for example, name verification or reservation, notarization) • Registration in the economy's largest business city • Postregistration (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 <p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • 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 ½ day • Procedure is considered completed once final document is received • No prior contact with officials <p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> • Official costs only, no bribes • No professional fees unless services required by law or commonly used in practice <p>Paid-in minimum capital (% of income per capita)</p> <ul style="list-style-type: none"> • Funds deposited in a bank or with third party before registration or up to 3 months after incorporation 	<p>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.</p> <p>The business:</p> <ul style="list-style-type: none"> -Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the limited liability form 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. -Performs general industrial or commercial activities such as the production or sale to the public of goods or services. 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 is not using heavily polluting production processes. -Does not qualify for investment incentives or any special benefits. -Is 100% domestically owned. -Has five business owners, none of whom is a legal entity. One business owner holds 30% of the company shares, two owners have 20% of shares each, and two owners have 15% of shares each. -Is managed by one local director. -Has between 10 and 50 employees one month after the commencement of operations, all of them domestic nationals. -Has start-up capital of 10 times income per capita. -Has an estimated turnover of at least 100 times income per capita. -Leases the commercial plant or offices and is not a proprietor of real estate. -Has an annual lease for the office space equivalent to one income per capita. -Is in an office space of approximately 929 square meters (10,000 square feet). -Has a company deed that is 10 pages long. <p>The owners:</p> <ul style="list-style-type: none"> -Have reached the legal age of majority and are capable of making decisions as an adult. If there is no legal age of majority, they are assumed to be 30 years old. -Are in good health and have no criminal record. -Are married, 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

Where do the region's economies stand today?

How easy is it for entrepreneurs in economies in South Asia to start a business? The global rankings of these economies on the ease of starting a business suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

How economies in South Asia rank on the ease of starting a business



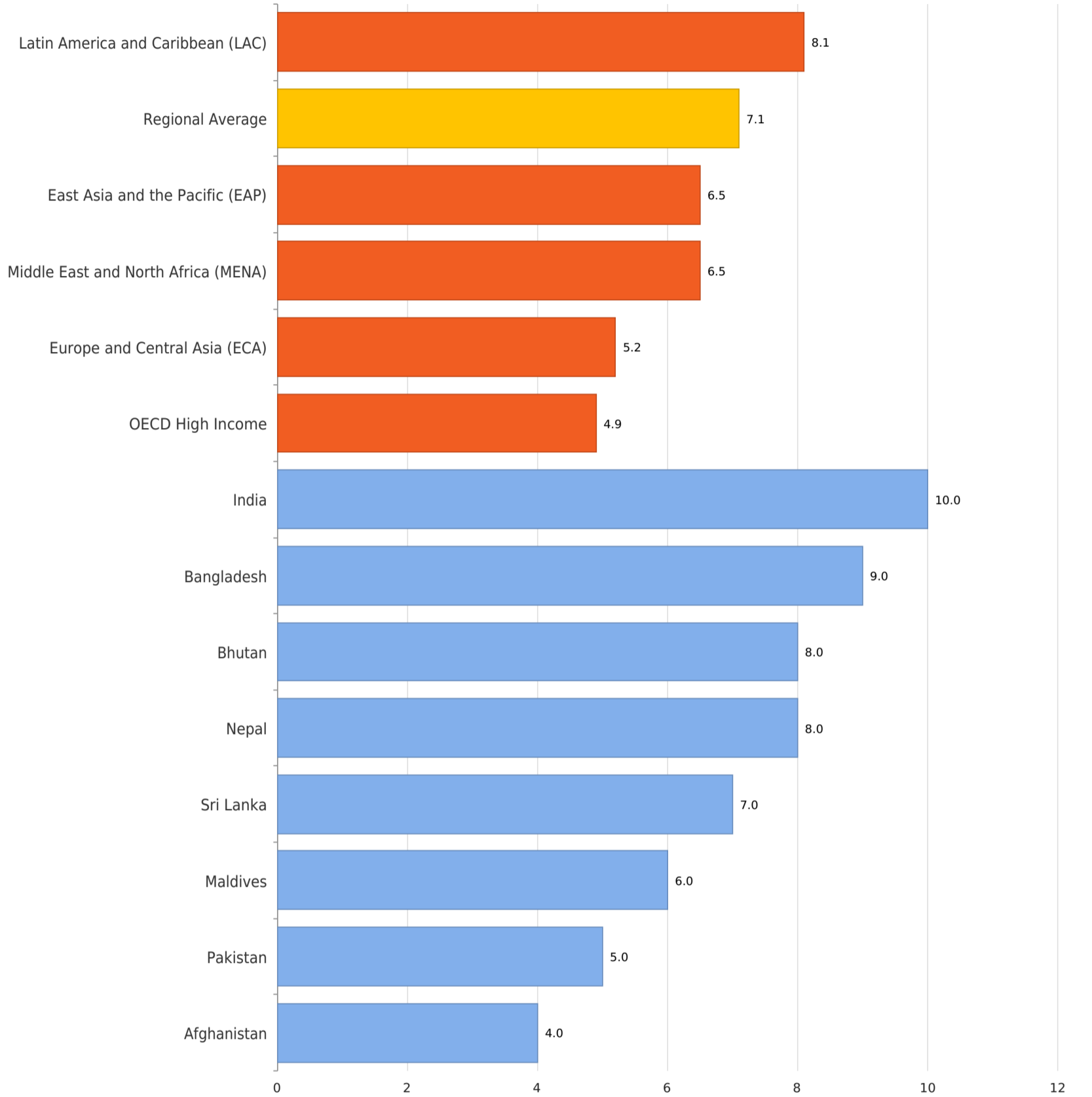
Source: Doing Business database.

Starting a Business

The indicators underlying the rankings may be more revealing. Data collected by Doing Business show what it takes to start a business in each economy in the region: the number of procedures, the time, the cost and the paid-in minimum capital requirement. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

What it takes to start a business in economies in South Asia

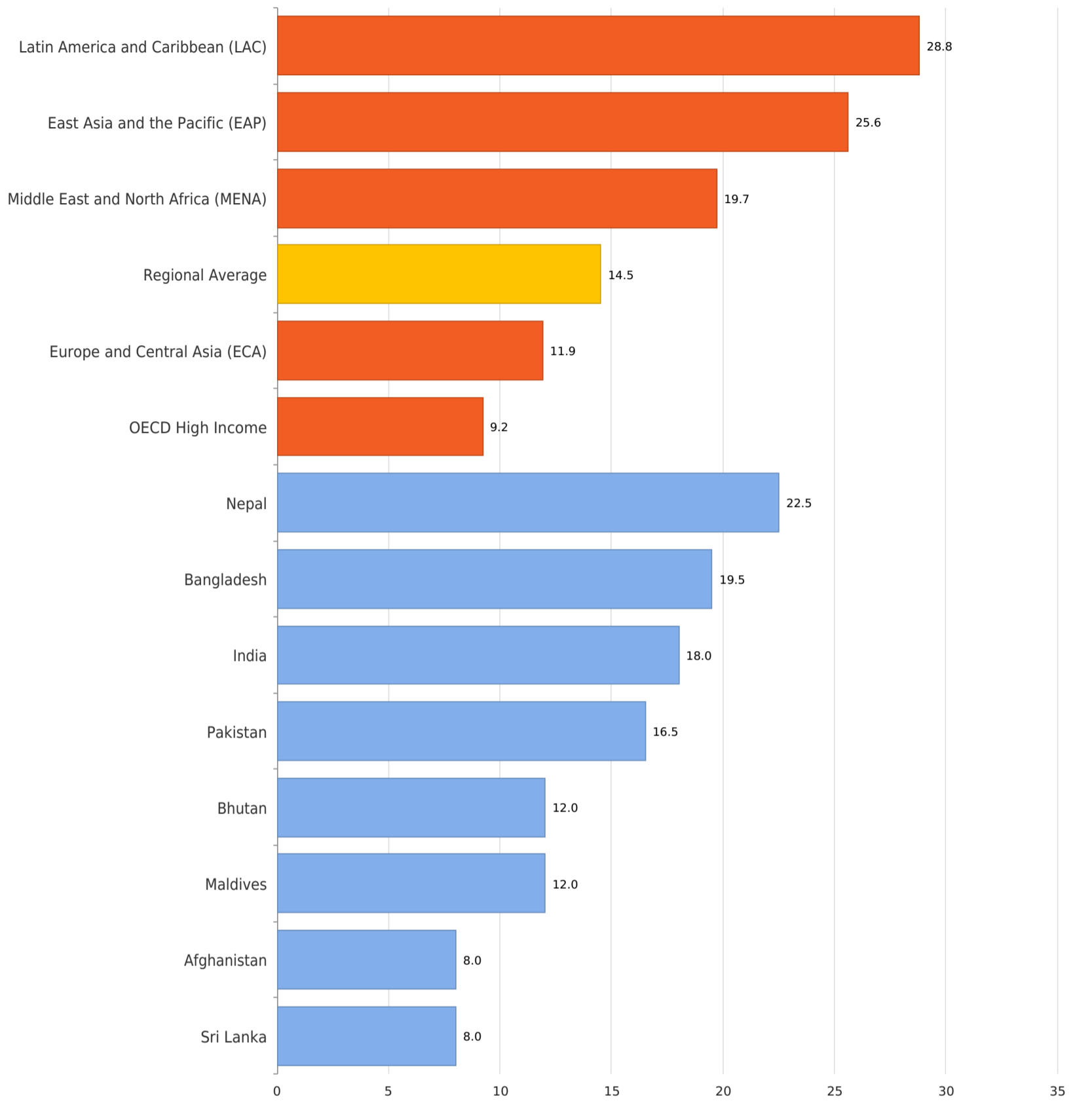
Procedure - Men (number)



Source: Doing Business database.

Starting a Business

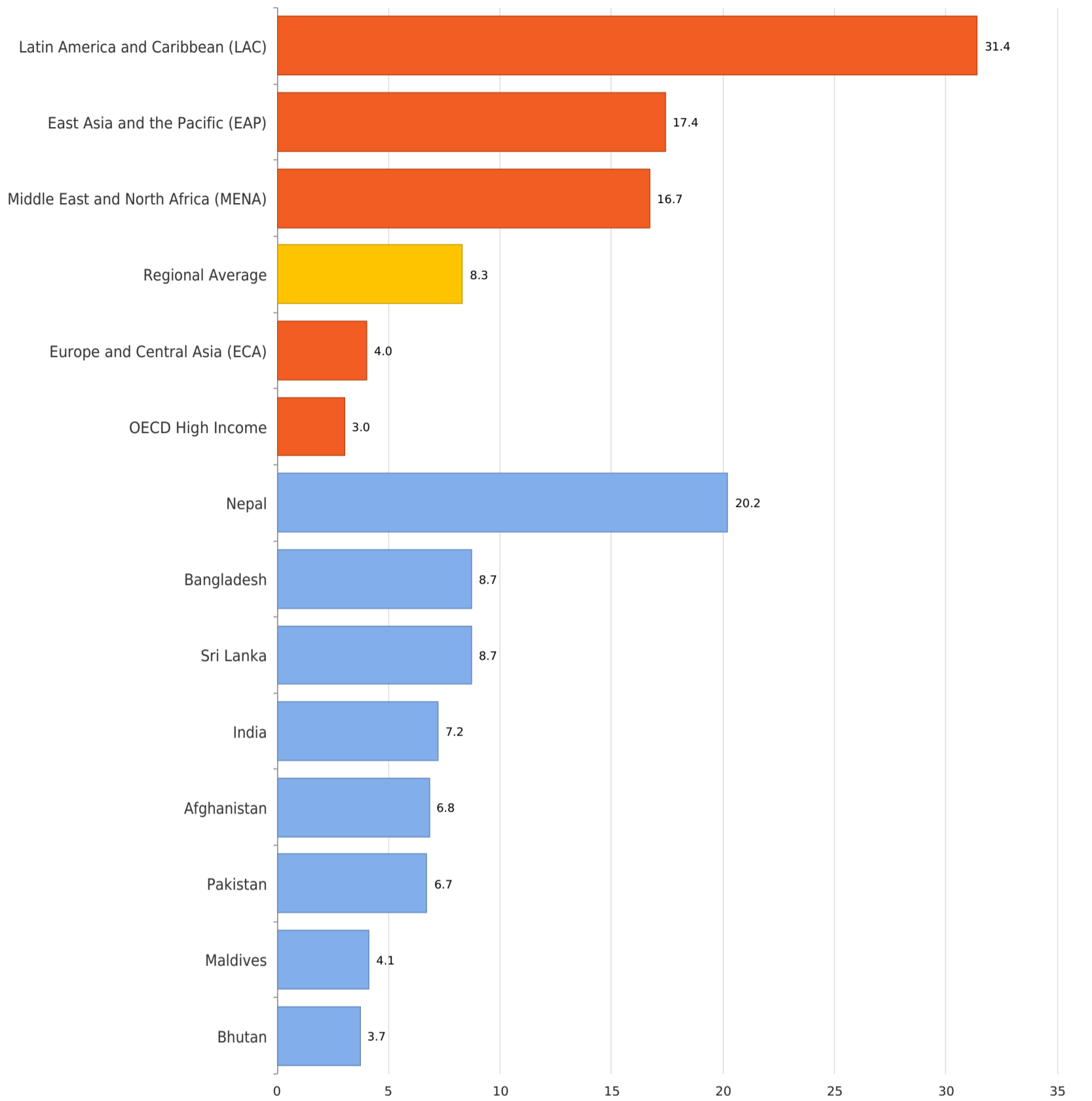
Time - Men (days)



Source: Doing Business database.

Starting a Business

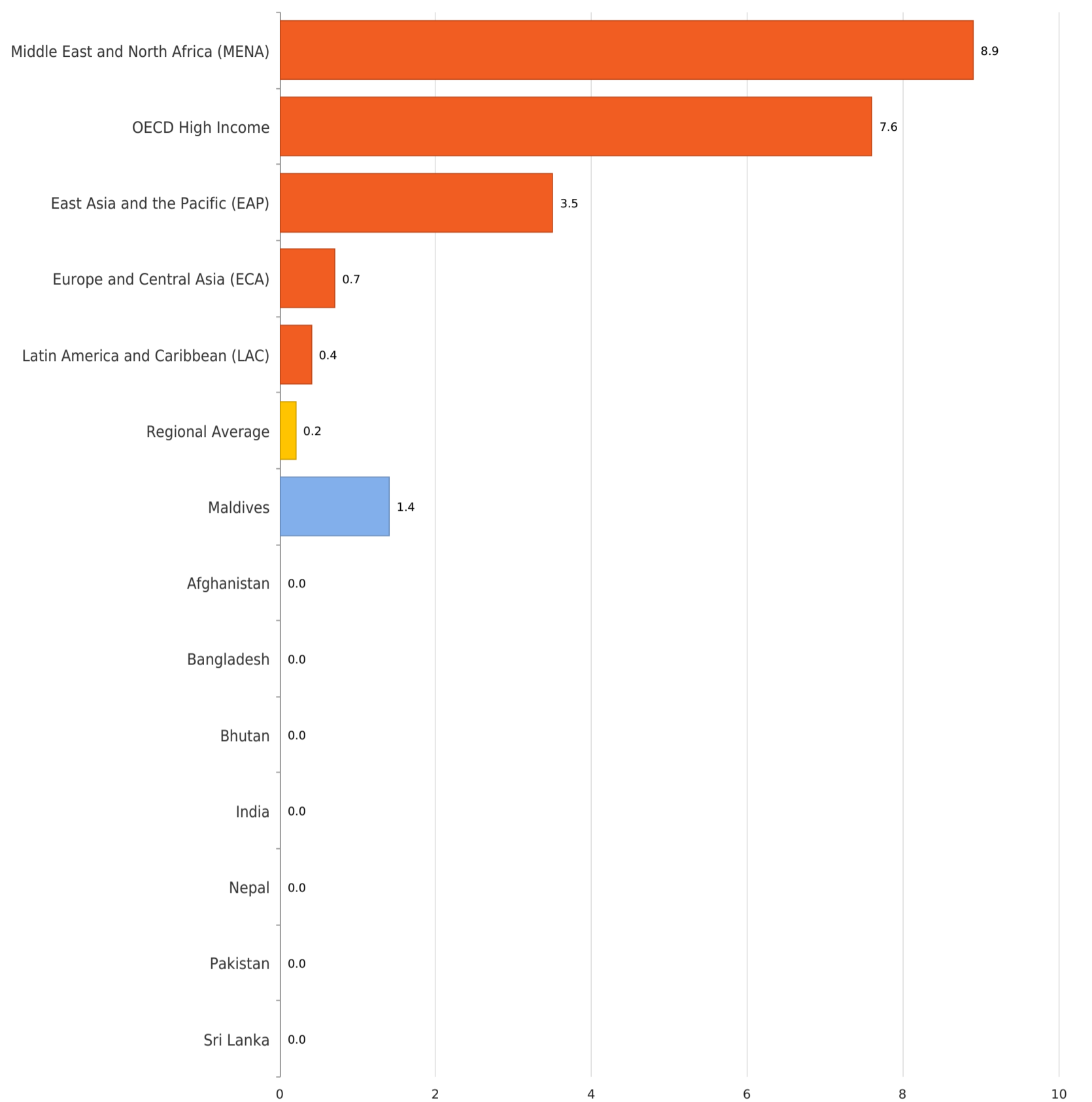
Cost - Men (% of income per capita)



Source: Doing Business database.

Starting a Business

Paid-in min. capital (% of income per capita)



Source: Doing Business database.

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 2019. [See the methodology for more information](#)

What the indicators measure

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)

Case study assumptions

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:

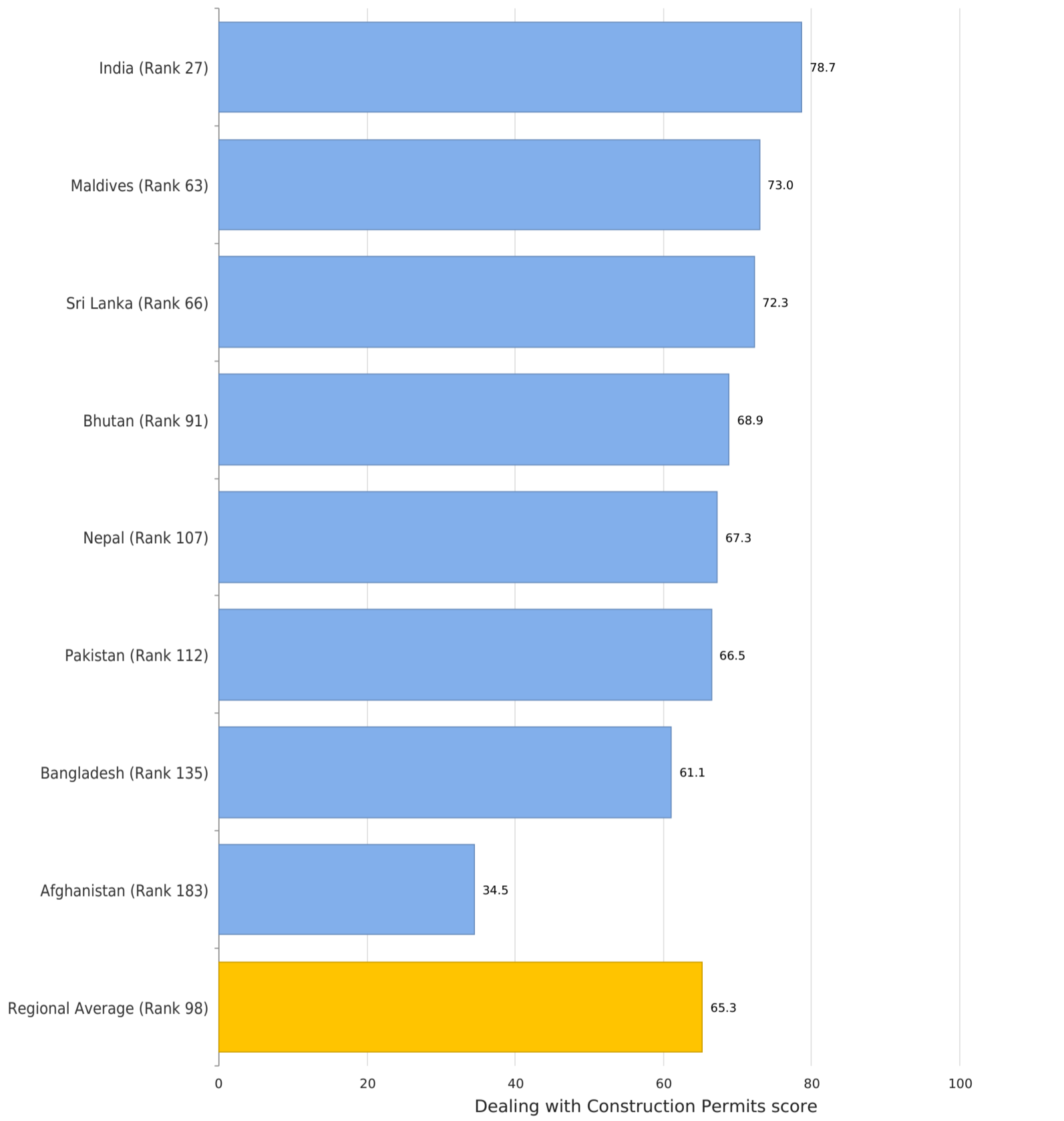
- Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built.
- Will have an average water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

Where do the region's economies stand today?

How easy it is for entrepreneurs in economies in South Asia to legally build a warehouse? The global rankings of these economies on the ease of dealing with construction permits suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

How economies in South Asia rank on the ease of dealing with construction permits



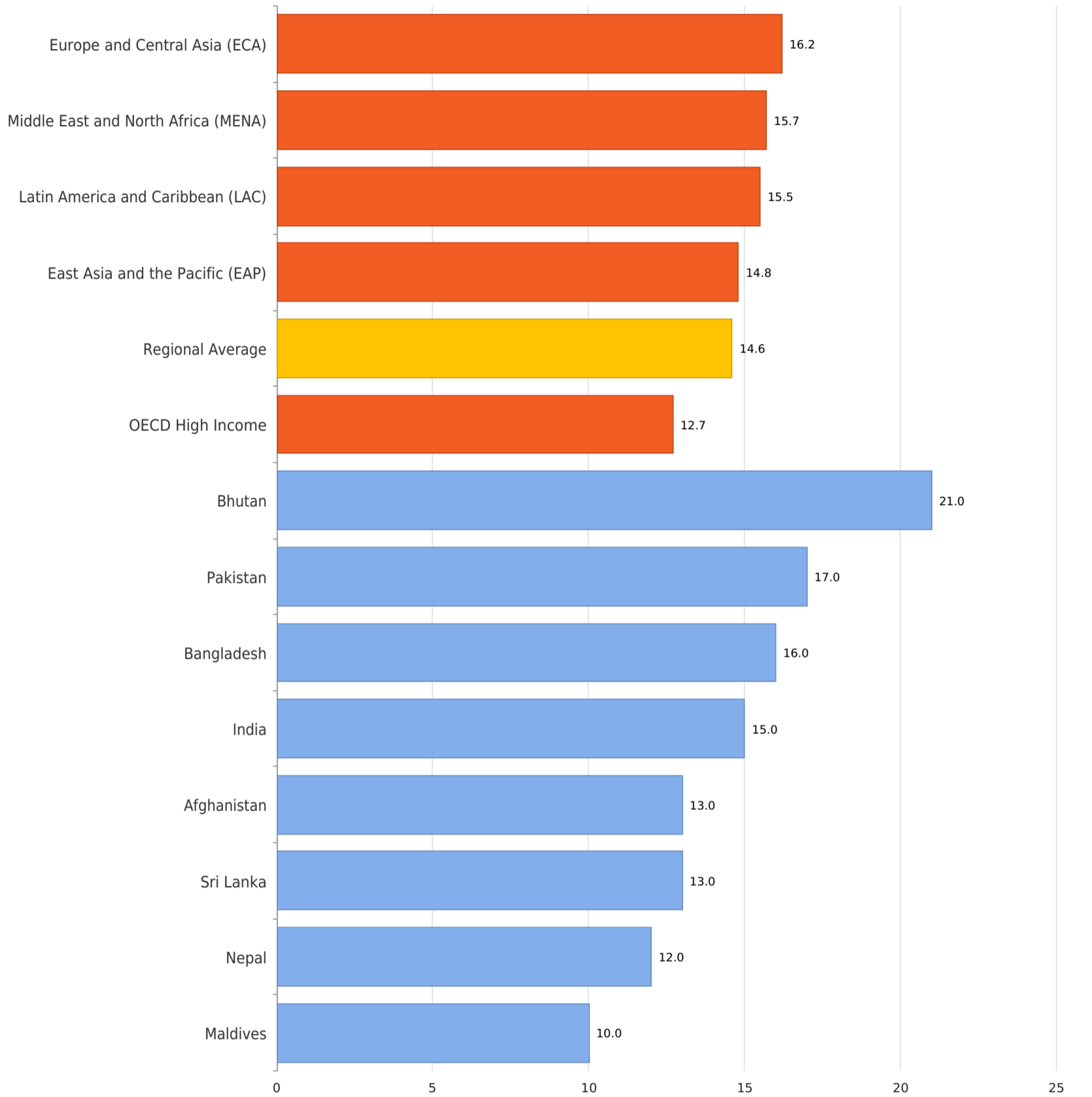
Source: Doing Business database.

Dealing with Construction Permits

The indicators underlying the rankings may be more revealing. Data collected by Doing Business show what it takes to comply with formalities to build a warehouse in each economy in the region: the number of procedures, the time and the cost. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

What it takes to comply with formalities to build a warehouse in economies in South Asia

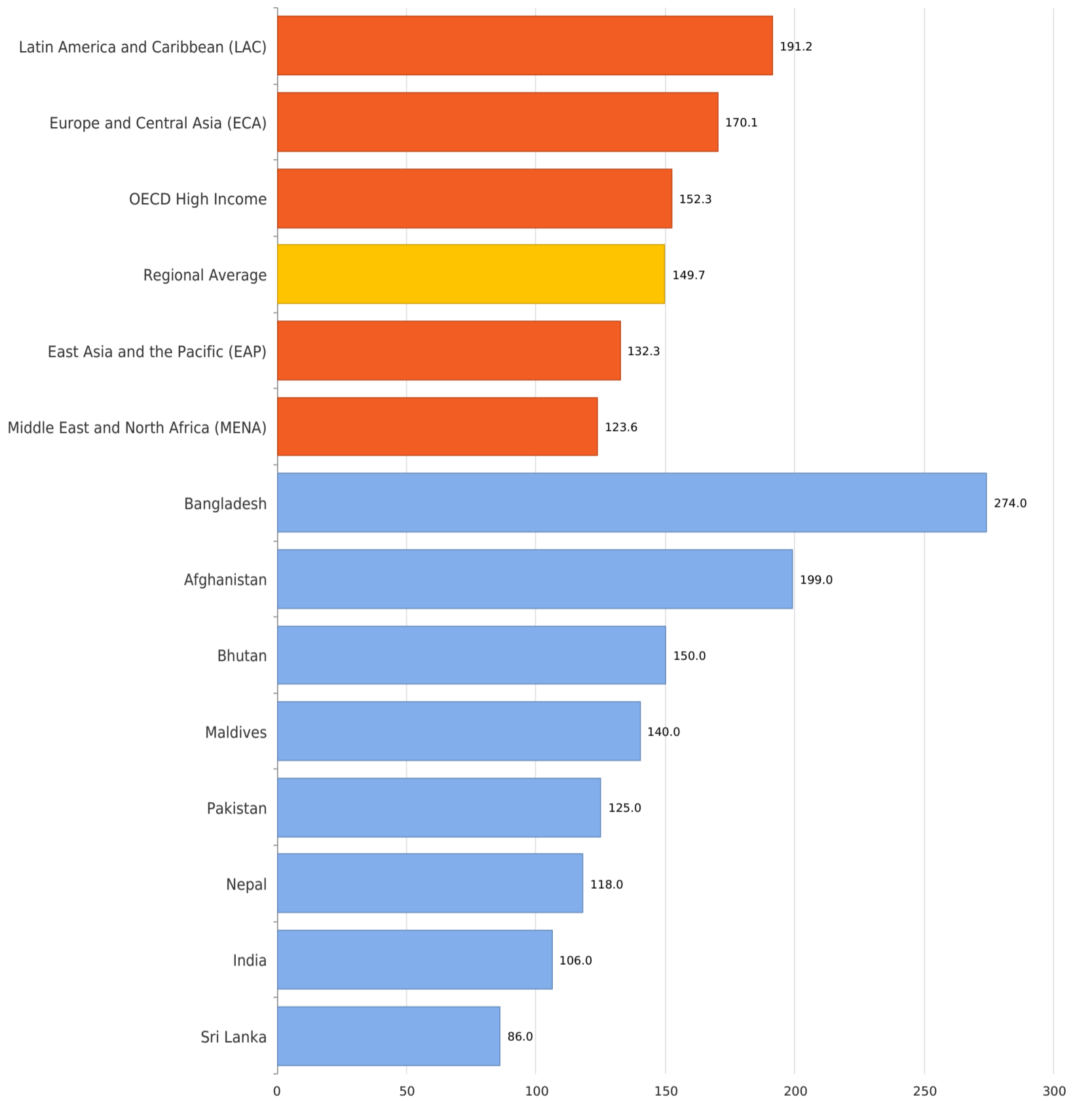
Procedures (number)



Source: Doing Business database.

Dealing with Construction Permits

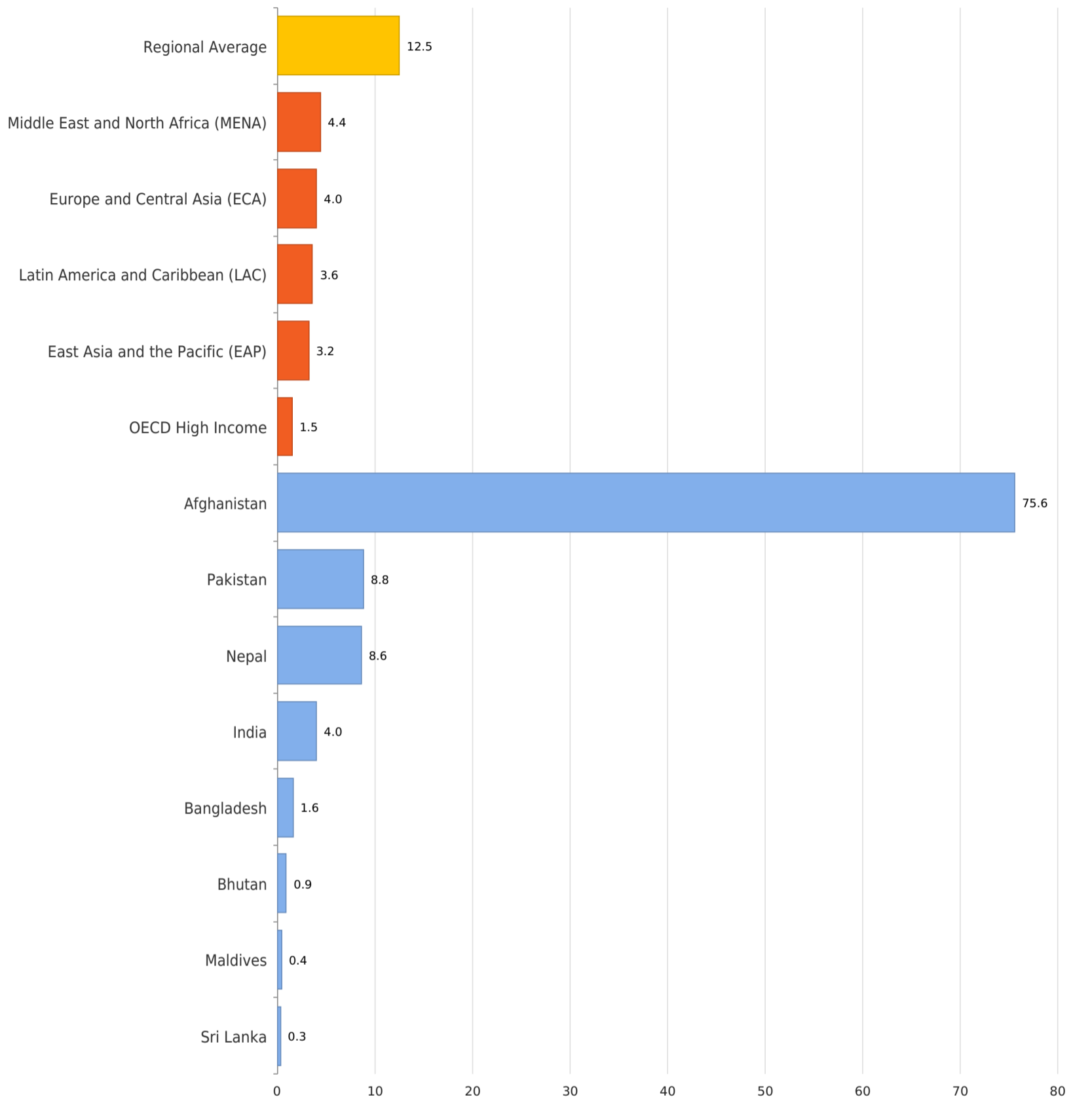
Time (days)



Source: Doing Business database.

Dealing with Construction Permits

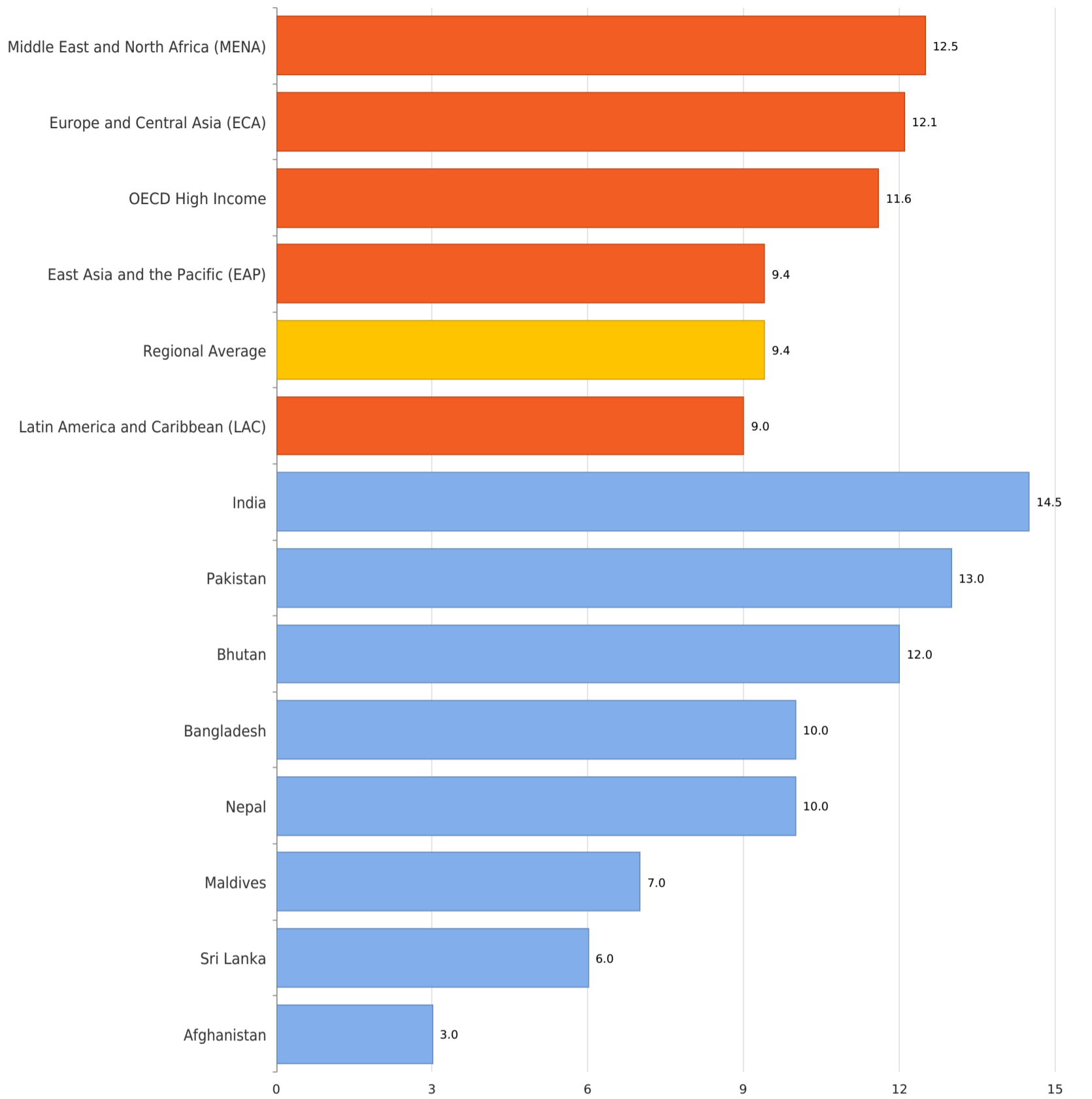
Cost (% of warehouse value)



Source: Doing Business database.

Dealing with Construction Permits

Building quality control index (0-15)



Source: Doing Business database.

⚡ 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 2019. [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 in 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:

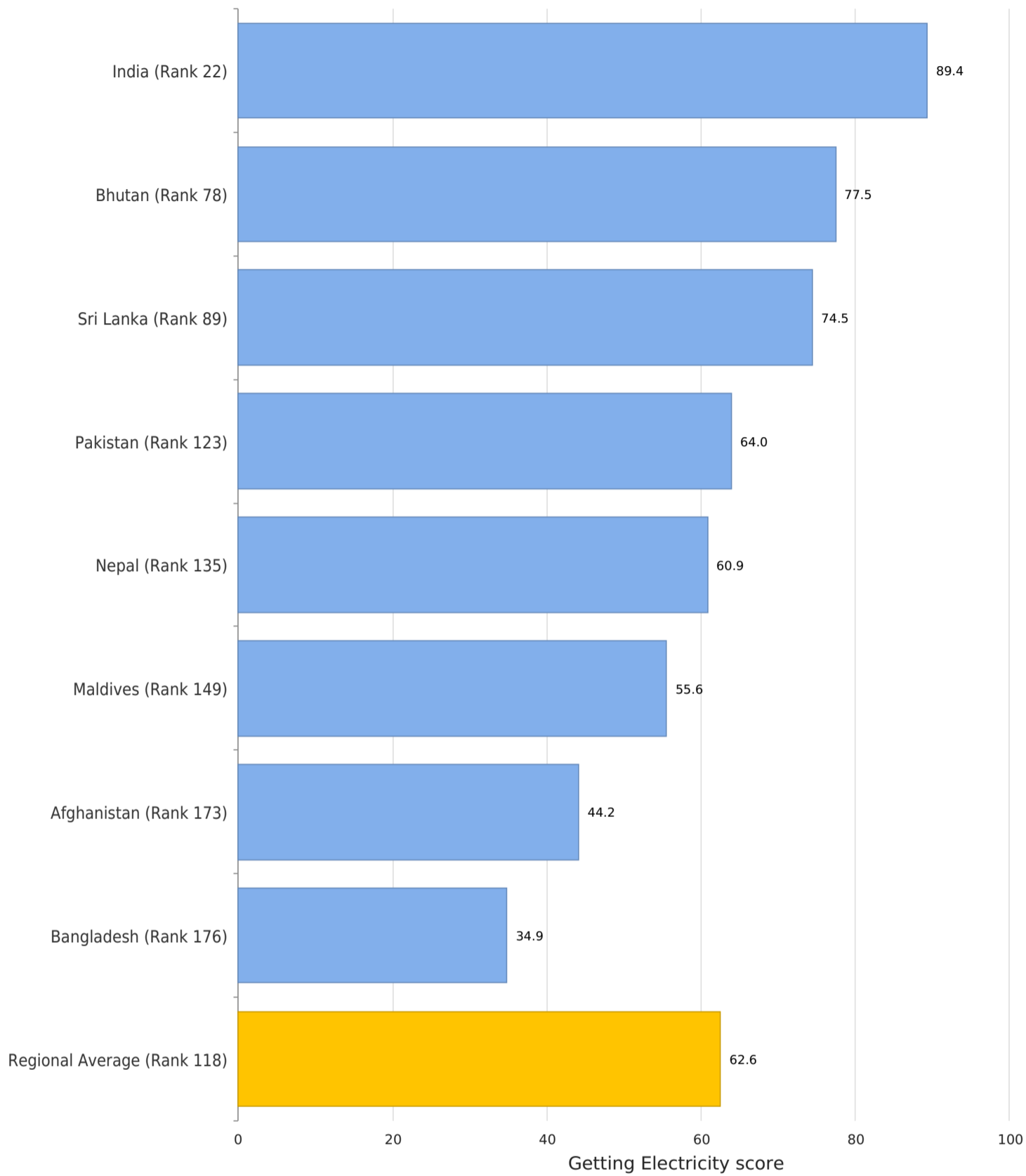
- It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly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

Where do the region's economies stand today?

How easy it is for entrepreneurs in economies in South Asia to connect a warehouse to electricity? The global rankings of these economies on the ease of getting electricity suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

How economies in South Asia rank on the ease of getting electricity



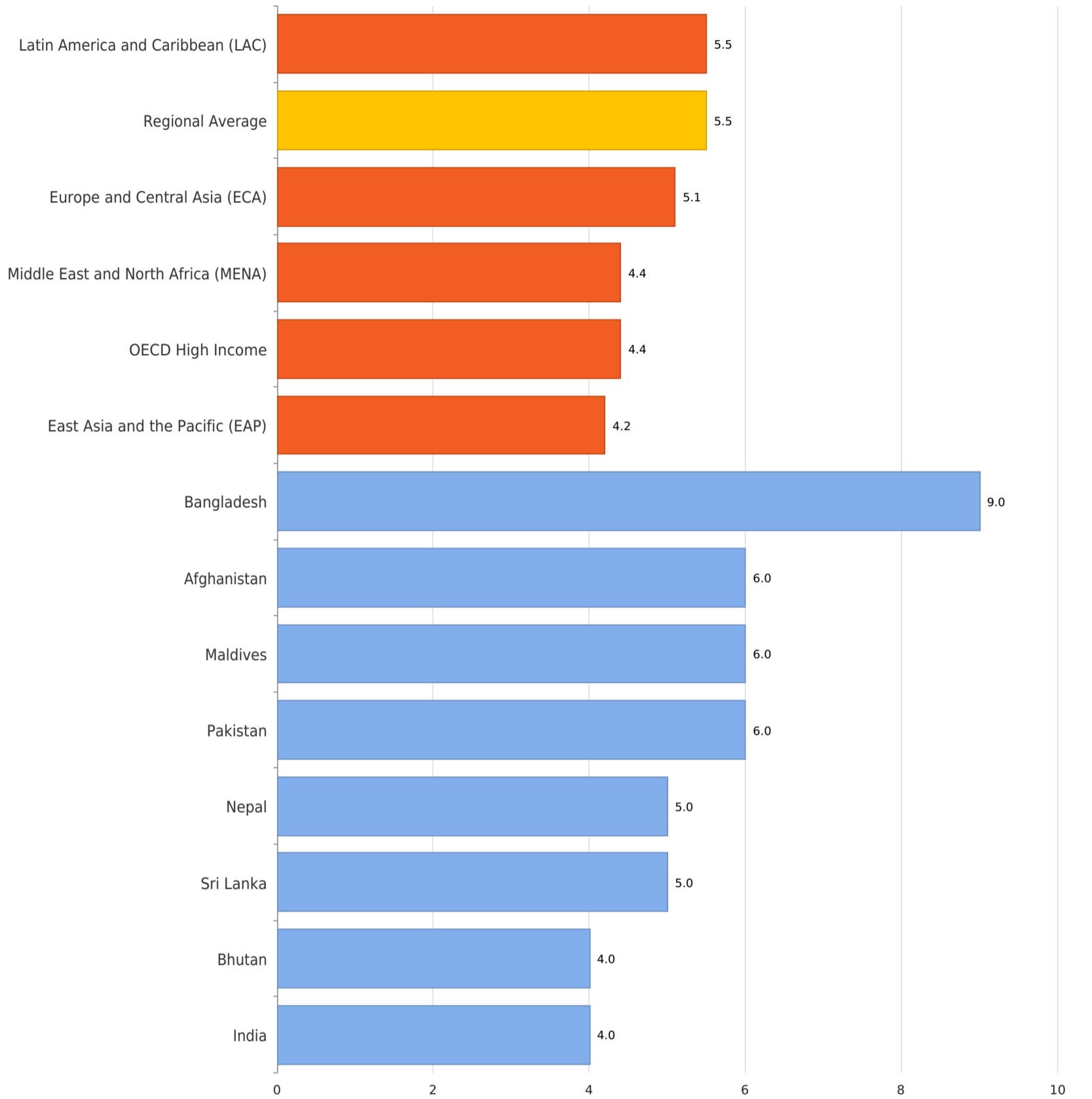
Source: Doing Business database.

Getting Electricity

The indicators underlying the rankings may be more revealing. Data collected by Doing Business show what it takes to get a new electricity connection in each economy in the region: the number of procedures, the time and the cost. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

What it takes to get an electricity connection in economies in South Asia

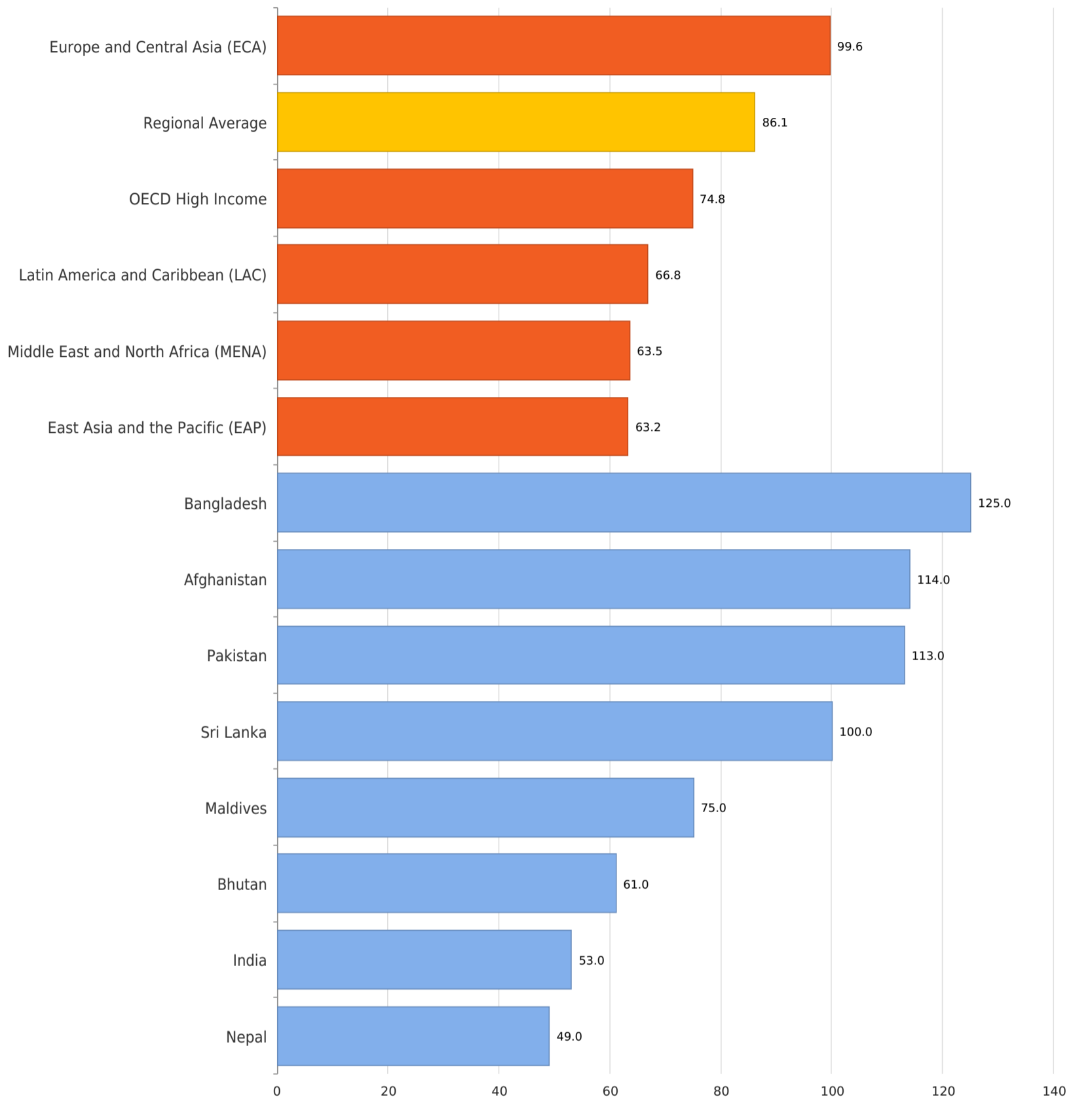
Procedures (number)



Source: Doing Business database.

Getting Electricity

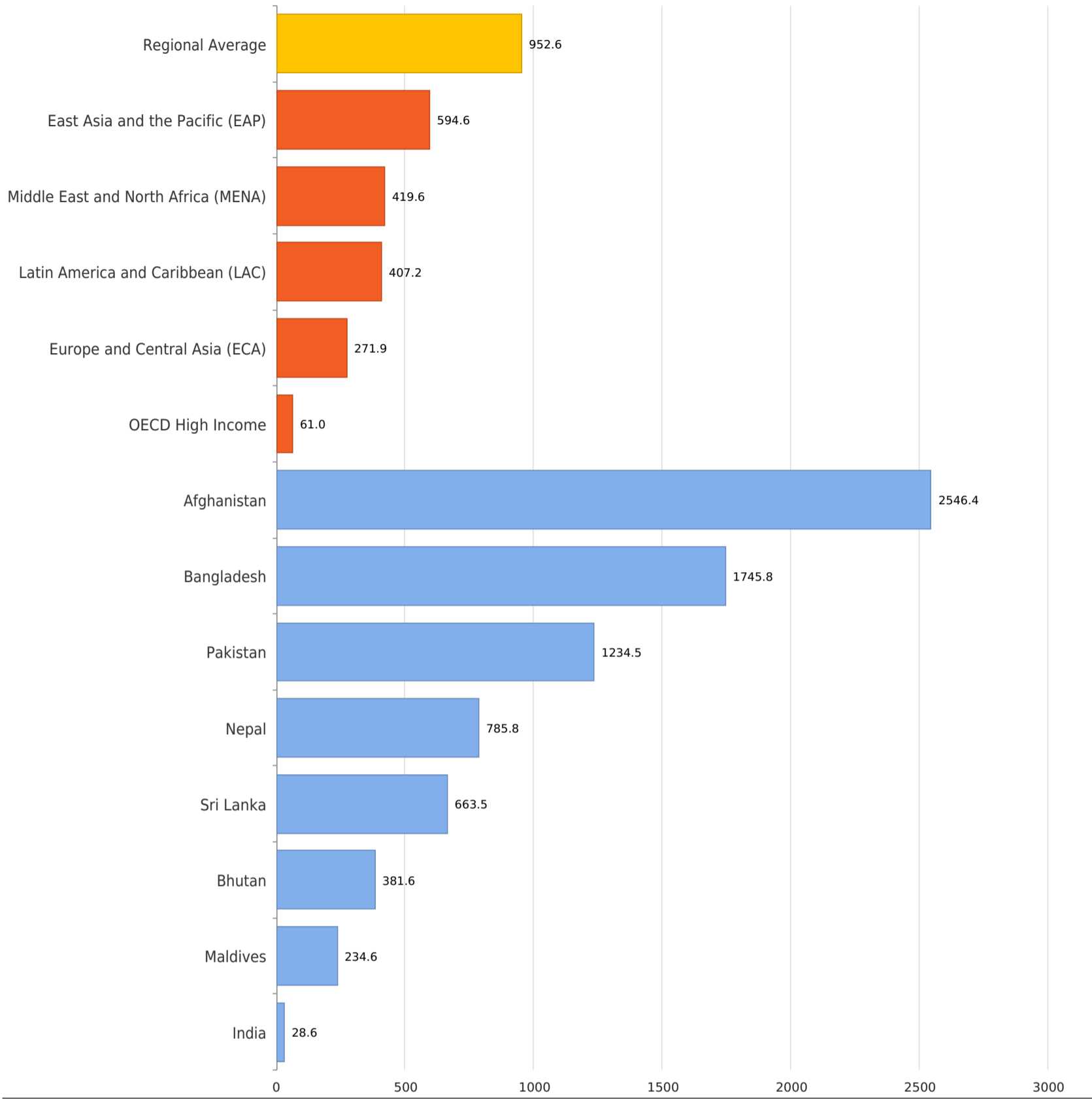
Time (days)



Source: Doing Business database.

Getting Electricity

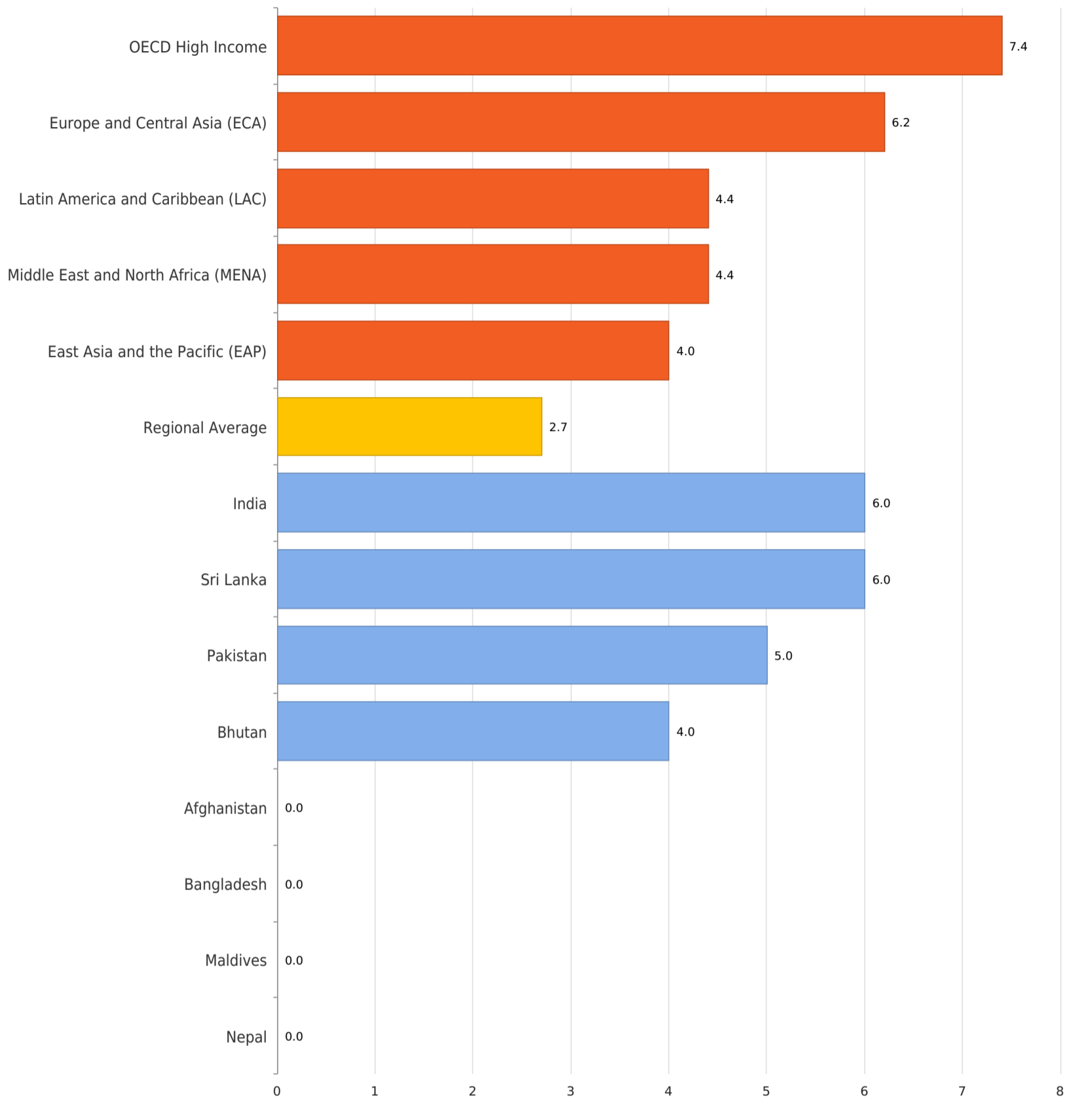
Cost (% of income per capita)



Source: Doing Business database.

Getting Electricity

Reliability of supply and transparency of tariff index (0-8)



Source: Doing Business database.

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 2019. [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 (that is, on the outskirts of the city but still within its official limits) 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.
- Perform general commercial activities.

The property (fully owned by the seller):

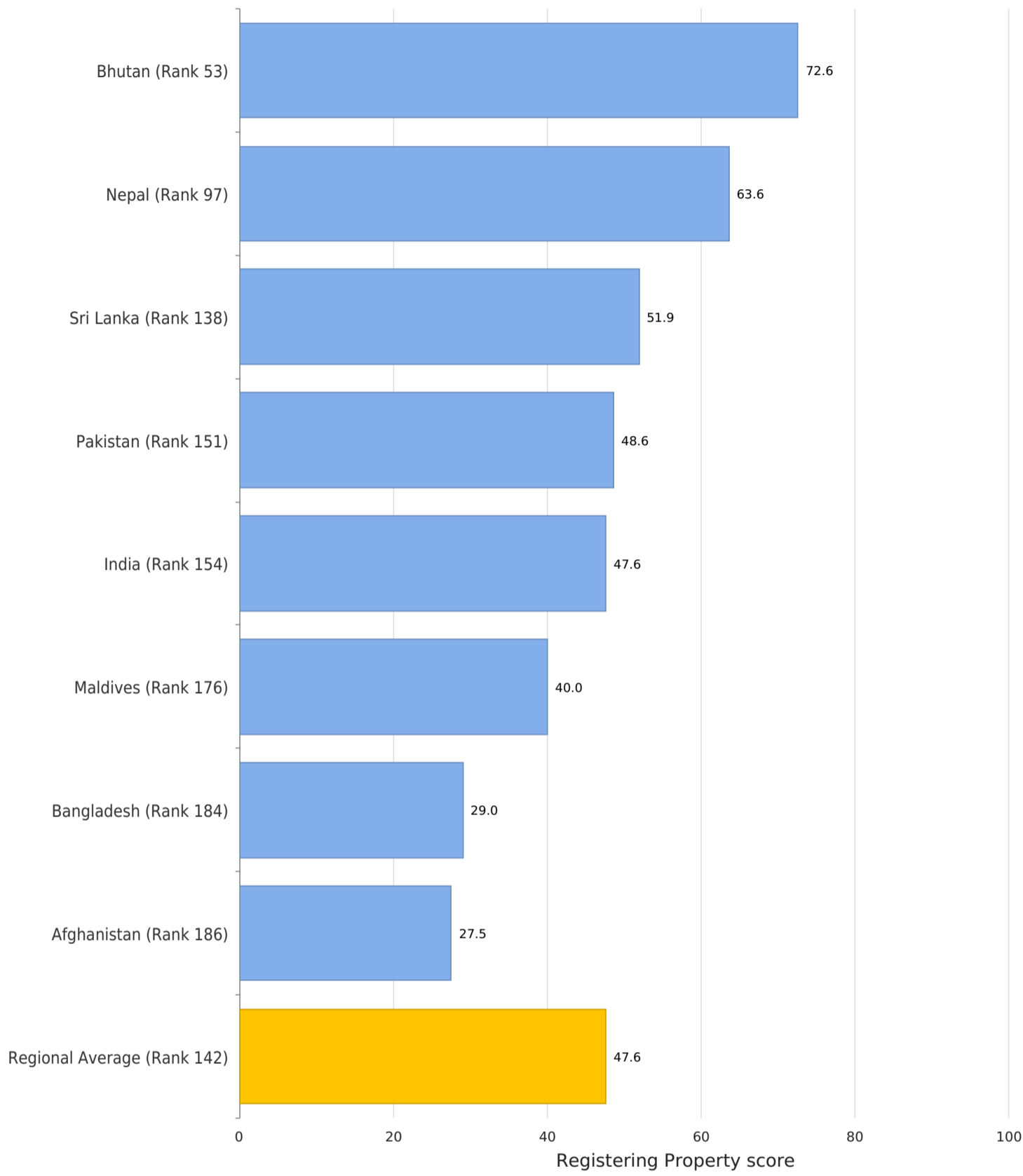
- Has a value of 50 times income per capita, which equals the sale price.
- Is fully owned by the seller.
- Has no mortgages attached and has been under the same ownership for the past 10 years.
- Is registered in the land registry or cadastre, or both, and is free of title disputes.
- Is located in a periurban commercial zone (that is, on the outskirts of the city but still within its official limits), 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

Where do the region's economies stand today?

How easy it is for entrepreneurs in economies in South Asia to transfer property? The global rankings of these economies on the ease of registering property suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

How economies in South Asia rank on the ease of registering property



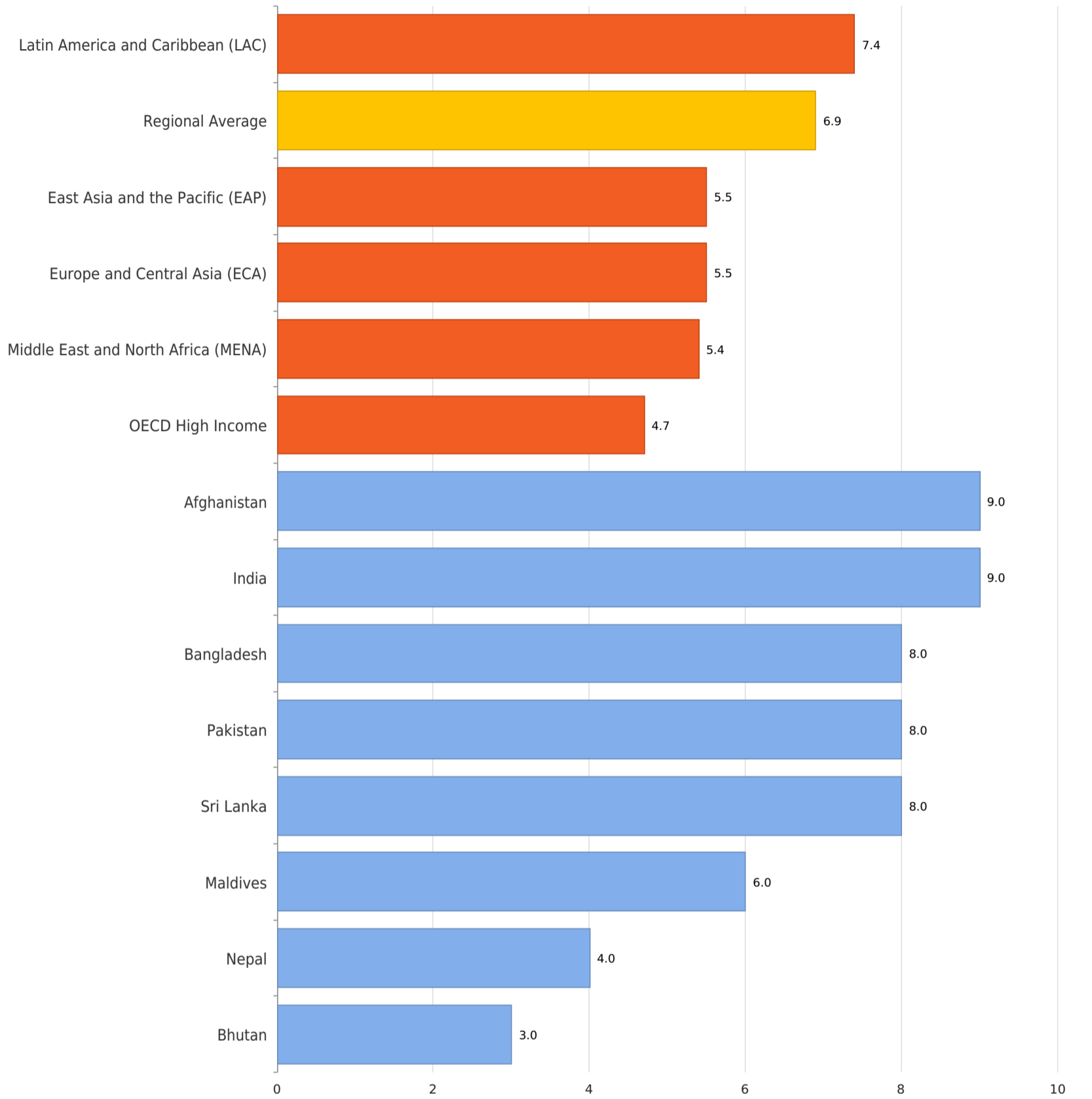
Source: Doing Business database.

Registering Property

The indicators underlying the rankings may be more revealing. Data collected by Doing Business show the average recovery rate and the average strength of insolvency framework index. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

What it takes to register property in economies in South Asia.

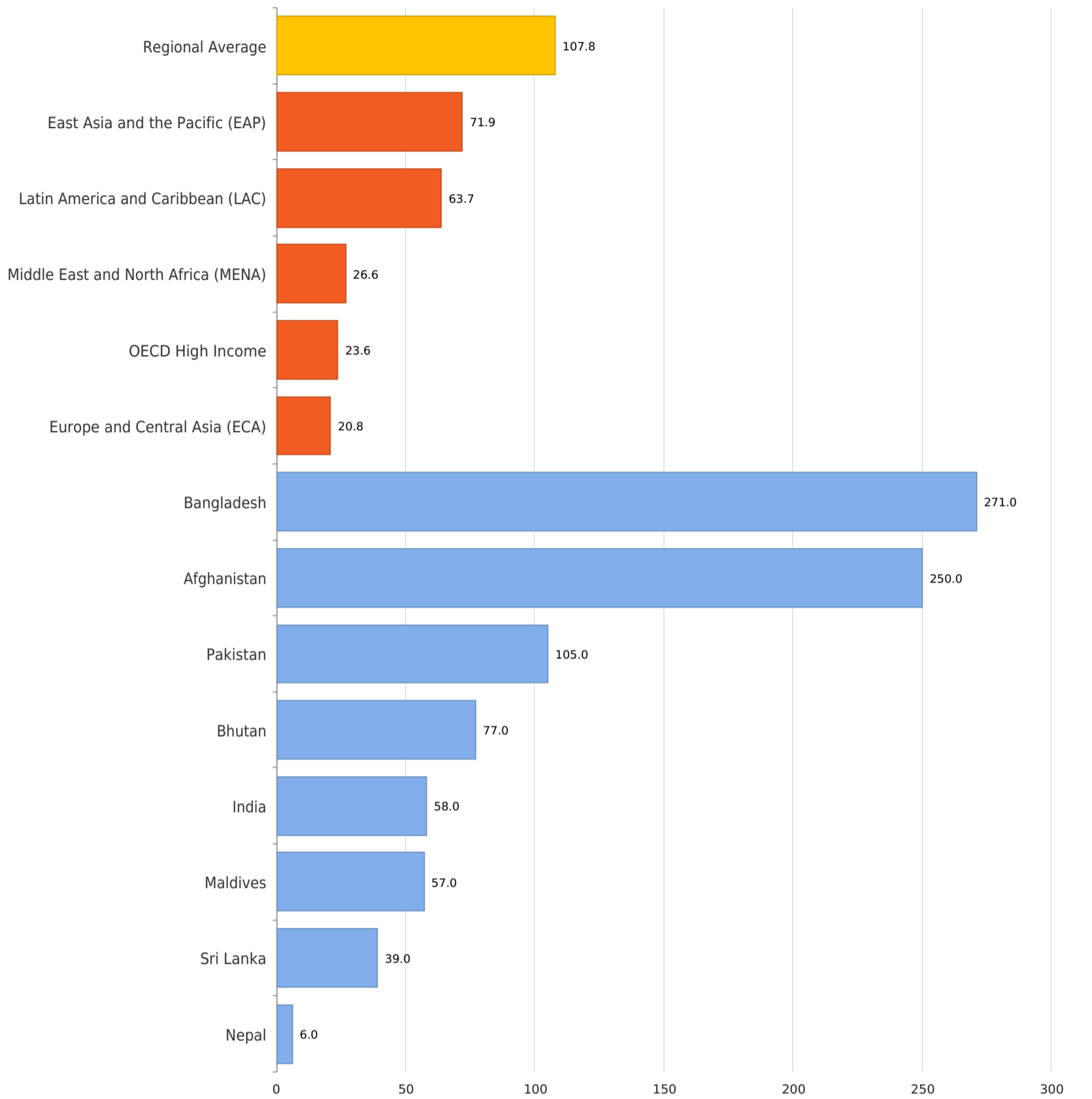
Procedures (number)



Source: Doing Business database.

Registering Property

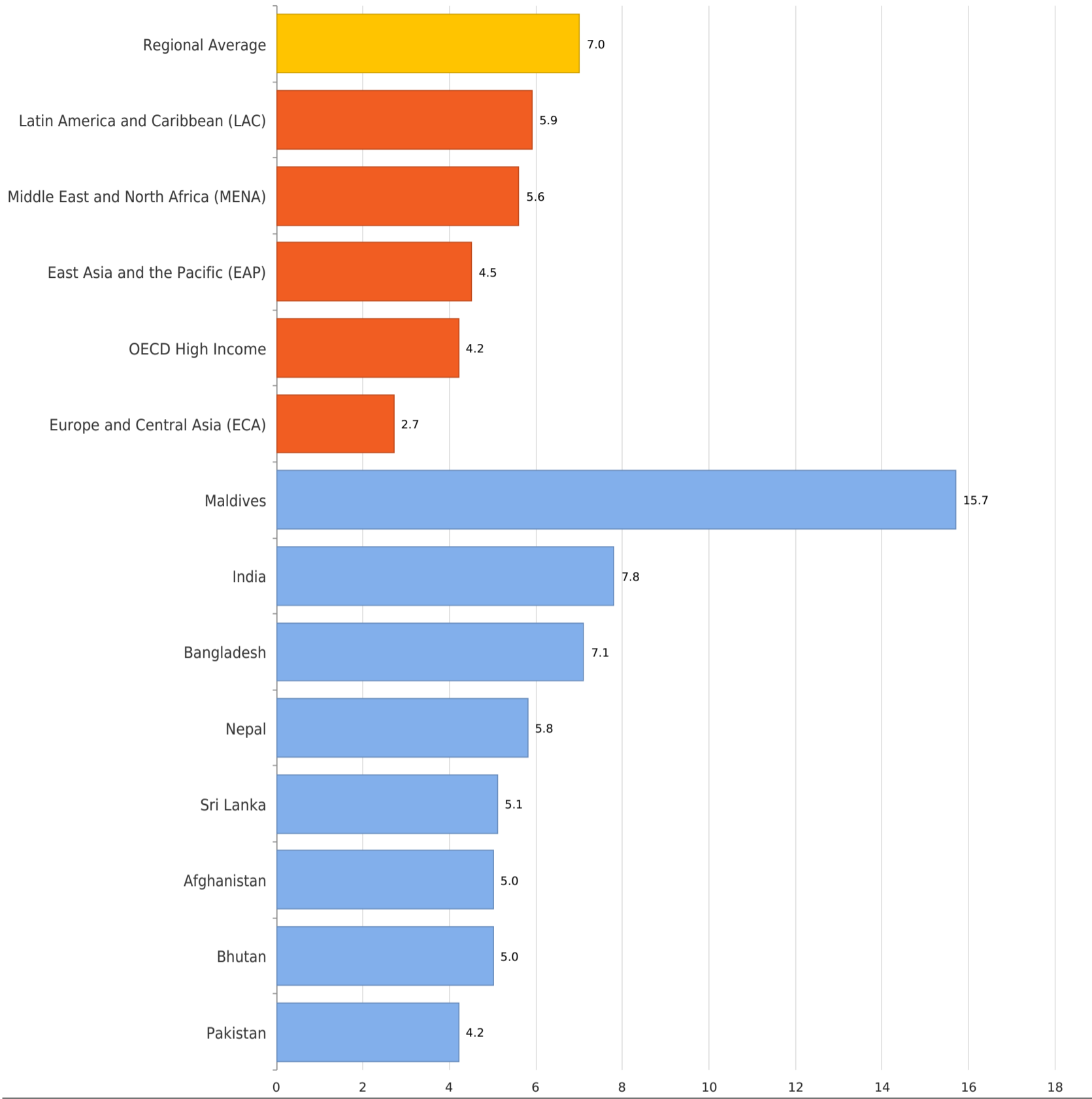
Time (days)



Source: Doing Business database.

Registering Property

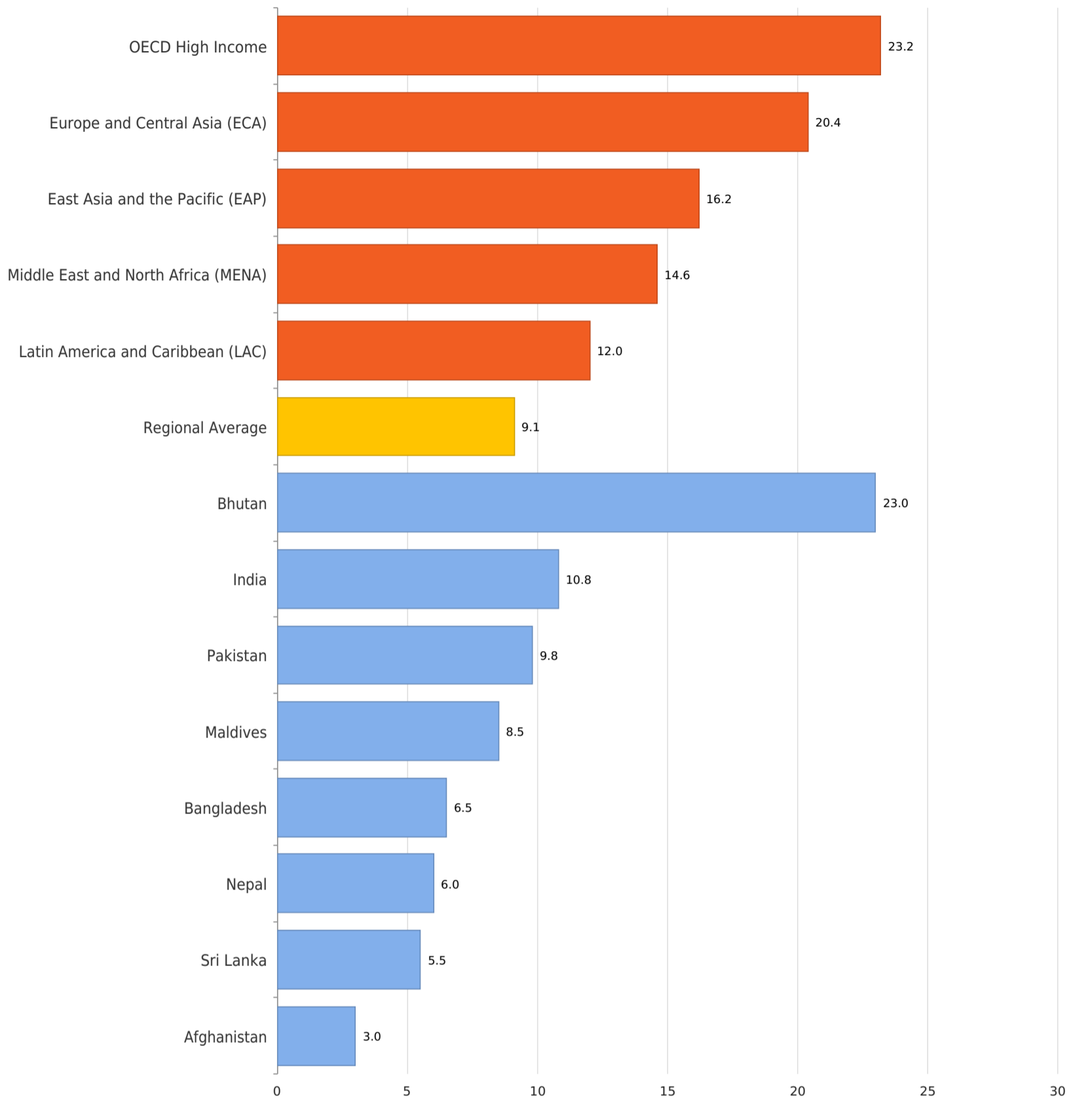
Cost (% of property value)



Source: Doing Business database.

Registering Property

Quality of the land administration index (0-30)



Source: Doing Business database.

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 2019. [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).

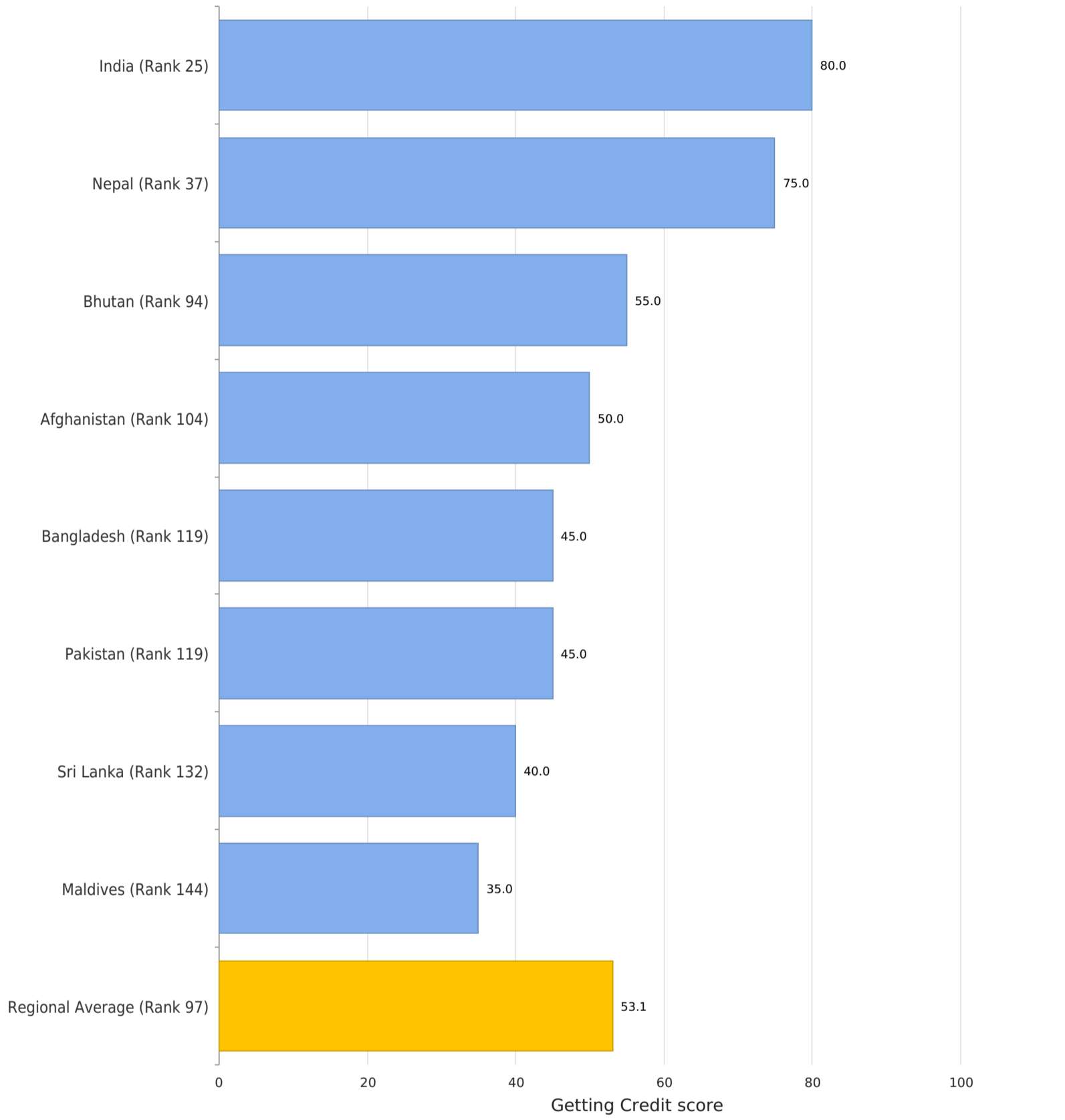
In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.

Getting Credit

Where do the region's economies stand today?

How well do the credit information systems and collateral and bankruptcy laws in economies in South Asia facilitate access to credit? The global rankings of these economies on the ease of getting credit suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

How economies in South Asia rank on the ease of getting credit



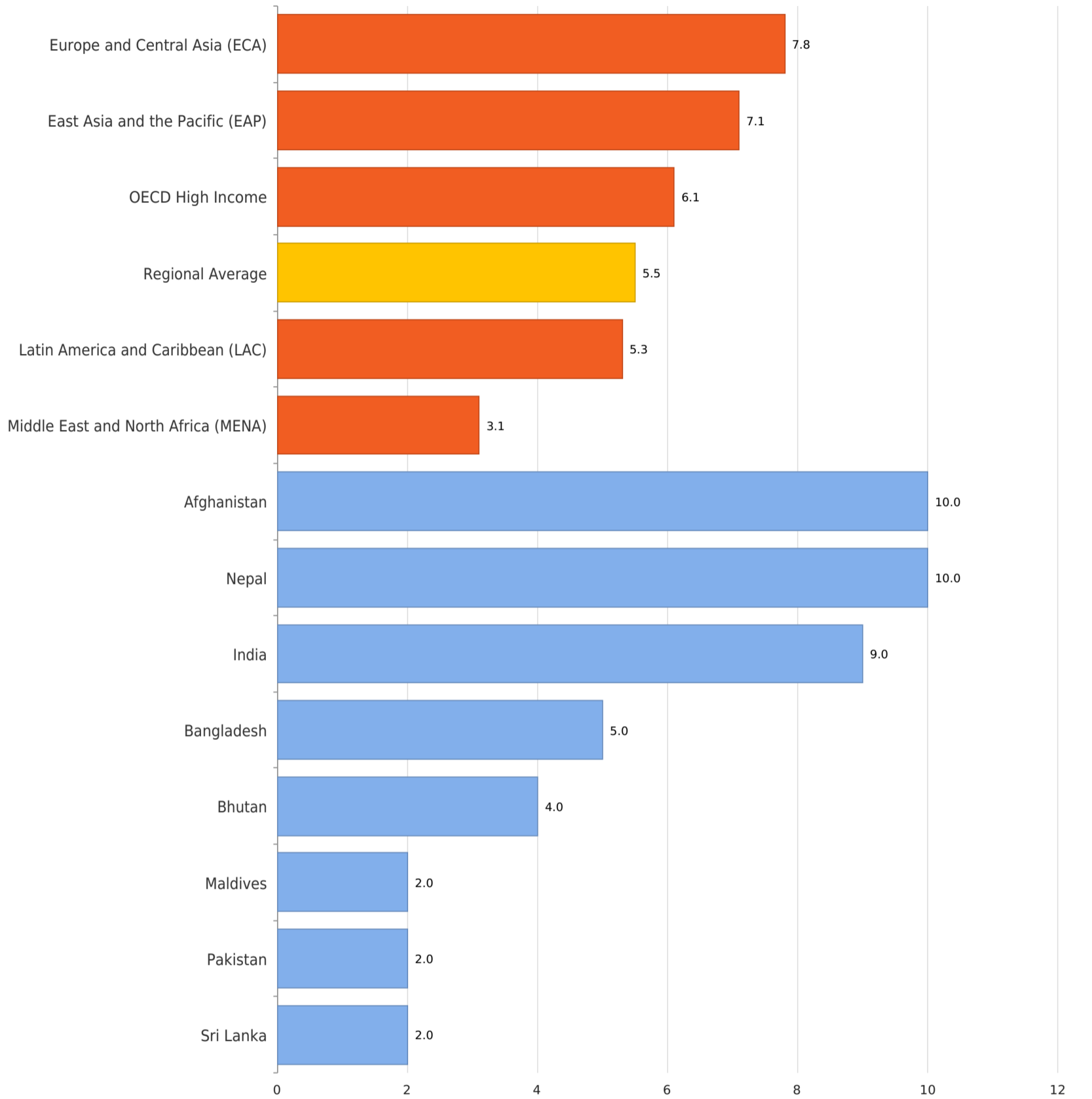
Source: Doing Business database.

Getting Credit

Another way to assess how well regulations and institutions support lending and borrowing in the region is to see where the region stands in the distribution of scores across regions. The first figure highlights the score on the strength of legal rights index in South Asia and comparator regions. The second figure shows the same thing for the depth of credit information index.

How strong are legal rights for borrowers and lenders

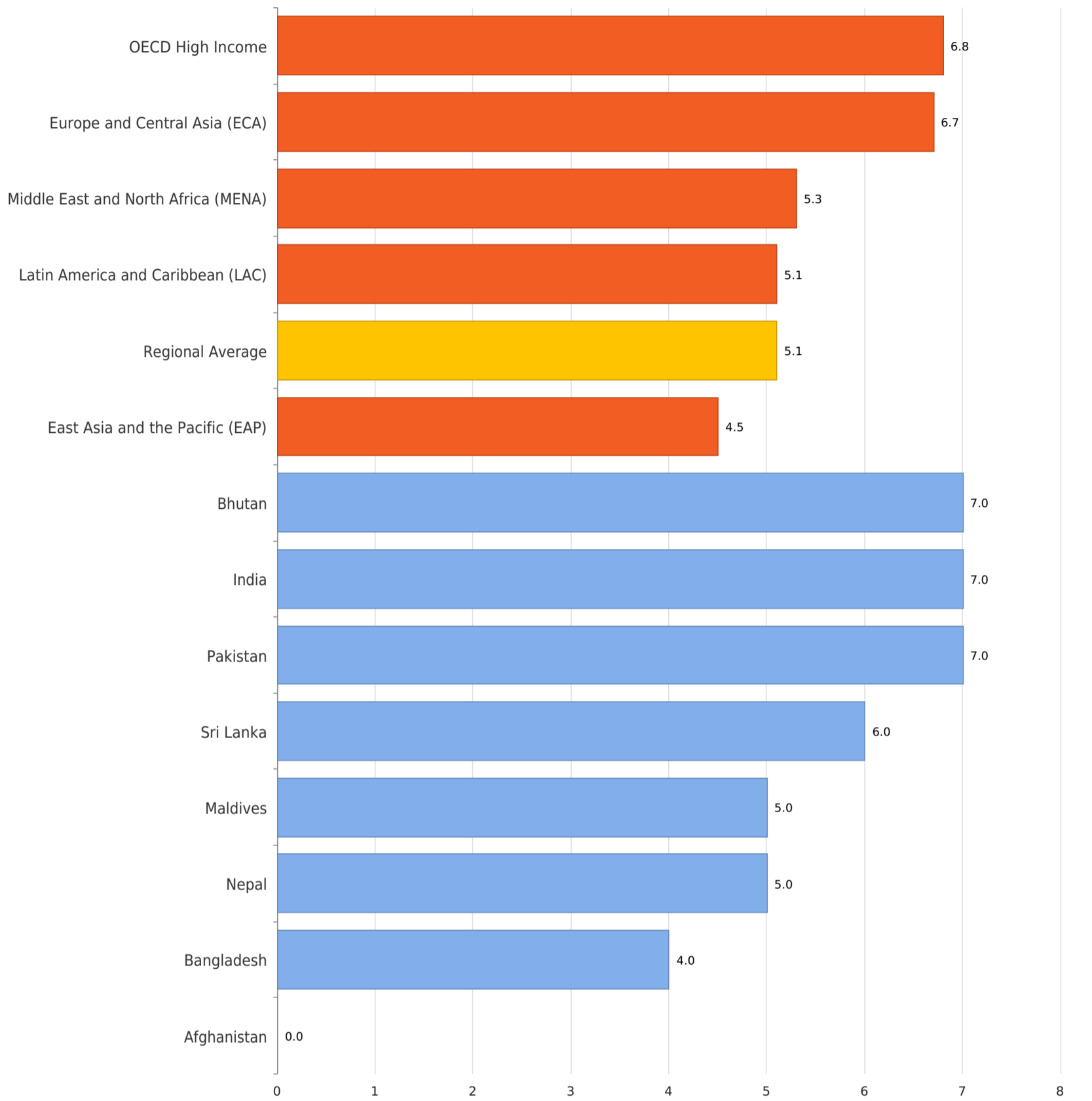
Strength of legal rights index (0-12)



Source: Doing Business database.

Getting Credit

Depth of credit information index (0-8)



Source: Doing Business database.

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 2019. [See the methodology for more information.](#)

What the indicators measure

- **Extent of disclosure index (0-10):** Disclosure, review, and approval requirements for related-party transactions
- **Extent of director liability index (0-10):** Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, disqualification from managerial position(s) for one year or more, 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 (0-30):** Sum of the extent of disclosure, extent of director liability and ease of shareholder suits indices
- **Extent of shareholder rights index (0-6):** Shareholders' rights and role in major corporate decisions
- **Extent of ownership and control index (0-7):** Governance safeguards protecting shareholders from undue board control and entrenchment
- **Extent of corporate transparency index (0-7):** Corporate transparency on ownership stakes, compensation, audits and financial prospects
- **Extent of shareholder governance index (0-20):** Sum of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices
- **Strength of minority investor protection index (0-50):** Sum 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.
- 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:

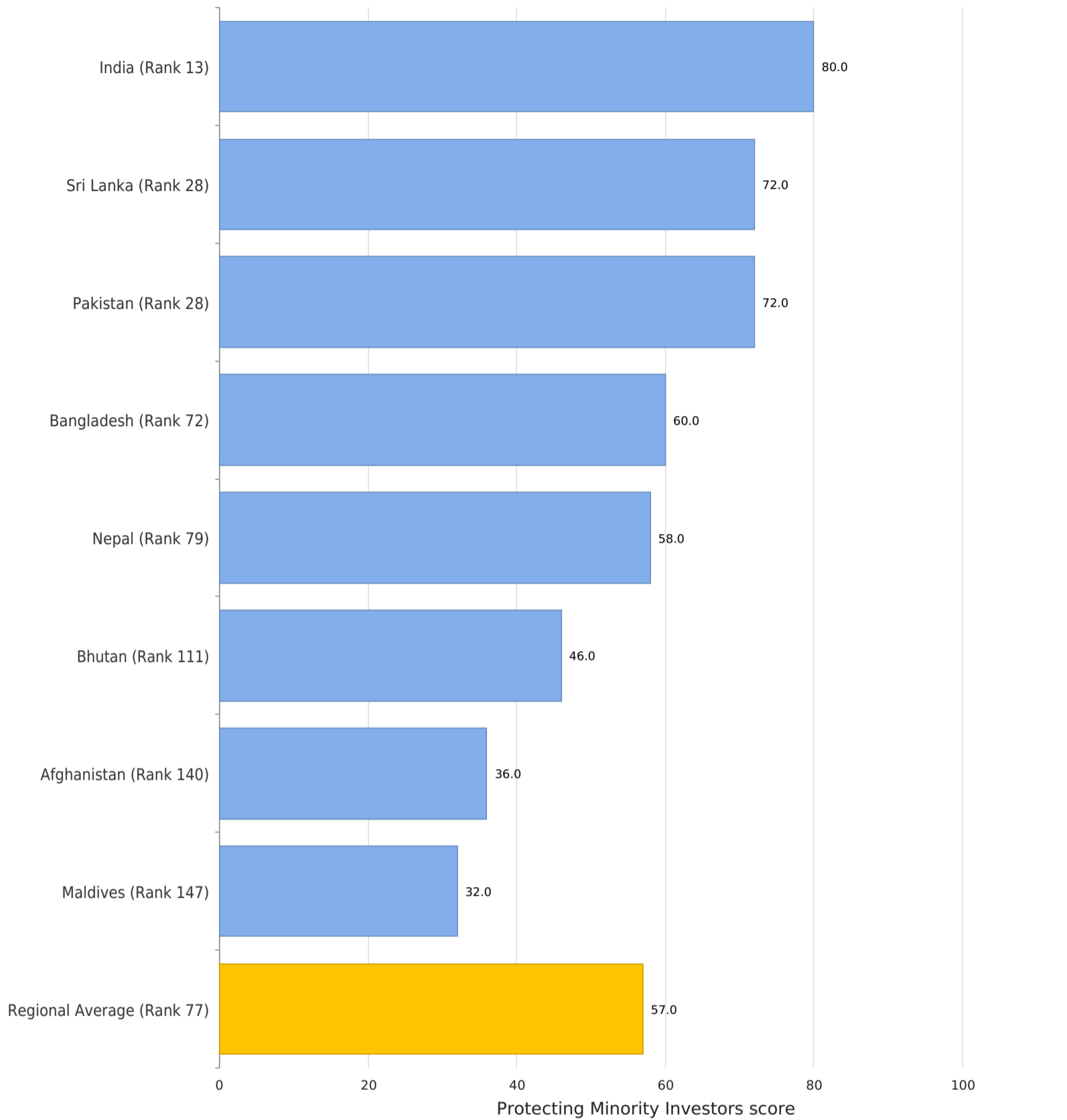
- Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board.
- Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores.
- Mr. James proposes that Buyer 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

Where do the region's economies stand today?

How strong are investor protections against self-dealing in economies in South Asia? The global rankings of these economies on the strength of investor protection index suggest an answer. While the indicator does not measure all aspects related to the protection of minority investors, a higher ranking does indicate that an economy's regulations offer stronger investor protections against self-dealing in the areas measured.

How economies in South Asia rank on the ease of protecting minority investors



Source: Doing Business database.

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 2019 covering for the Paying Taxes indicator calendar year 2018 (January 1, 2018 – December 31, 2018). [See the methodology for more information.](#)

What the indicators measure

Tax payments for a manufacturing company in 2018 (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 VAT refund (hours)
- Time to obtain VAT refund (weeks)
- Time to comply with a corporate income tax correction (hours)
- Time to complete a corporate income tax correction (weeks)

Case study assumptions

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, 2017. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2018). Taxes and mandatory contributions are measured at all levels of government.

The VAT refund process:

- In June 2018, 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 2018.

The corporate income tax audit process:

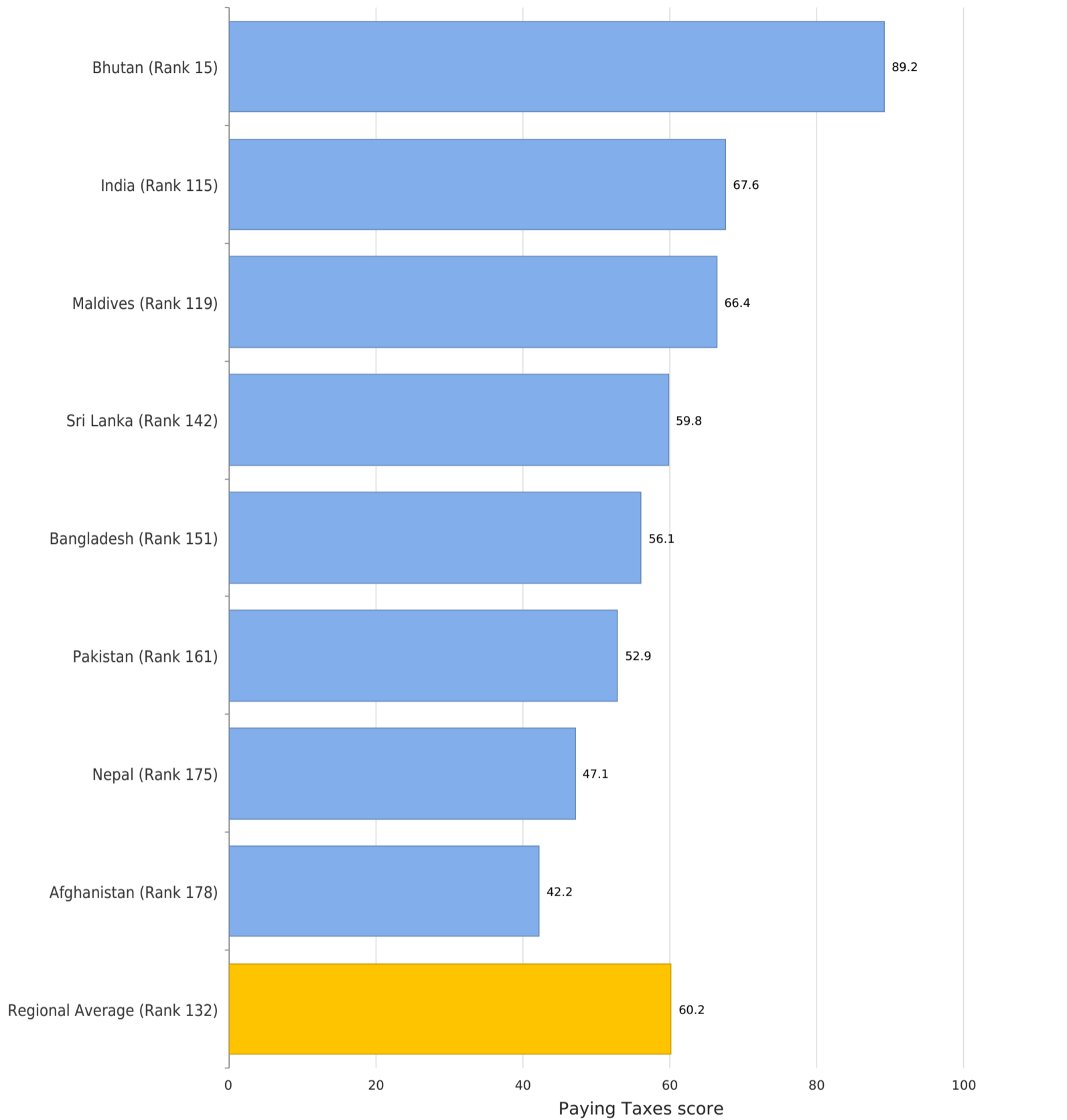
- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the 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

Where do the region's economies stand today?

What is the administrative burden of complying with taxes in economies in South Asia —and how much do firms pay in taxes? The global rankings of these economies on the ease of paying taxes offer useful information for assessing the tax compliance burden for businesses. The average ranking of the region provides a useful benchmark.

How economies in South Asia rank on the ease of paying taxes



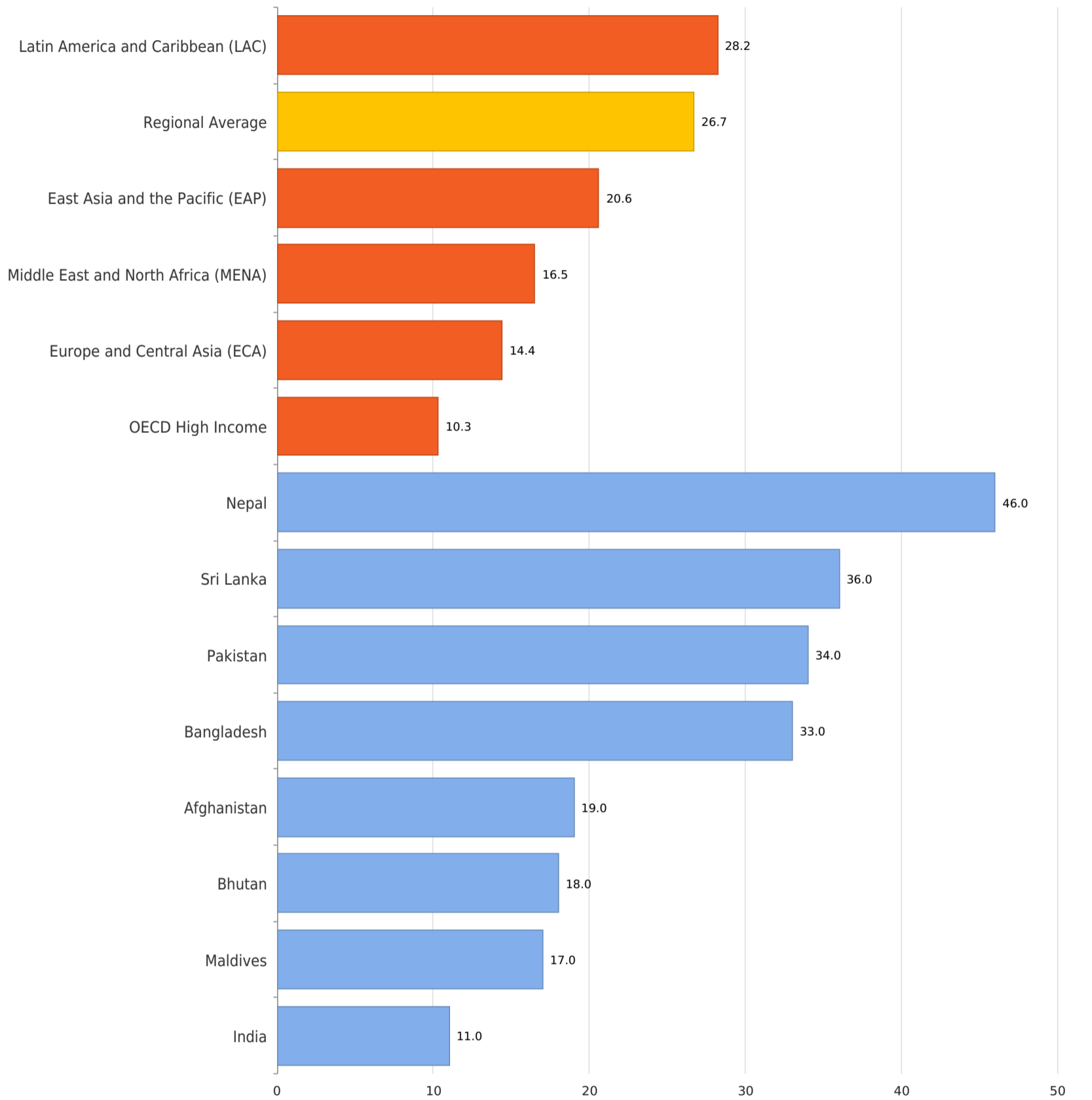
Source: Doing Business database.

Paying Taxes

The indicators underlying the rankings may be more revealing. Data collected by Doing Business show what it takes to comply with tax regulations in each economy in the region—the number of payments per year, the time required to prepare, and file and pay the 3 major taxes (corporate income tax, VAT or sales tax and labor taxes and mandatory contributions), the total tax and contribution rate—as well as a postfiling index that measures the compliance with completing two processes: VAT cash refund and tax audit. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

How easy is it to pay taxes in economies in South Asia - and what are the total tax and contribution rates

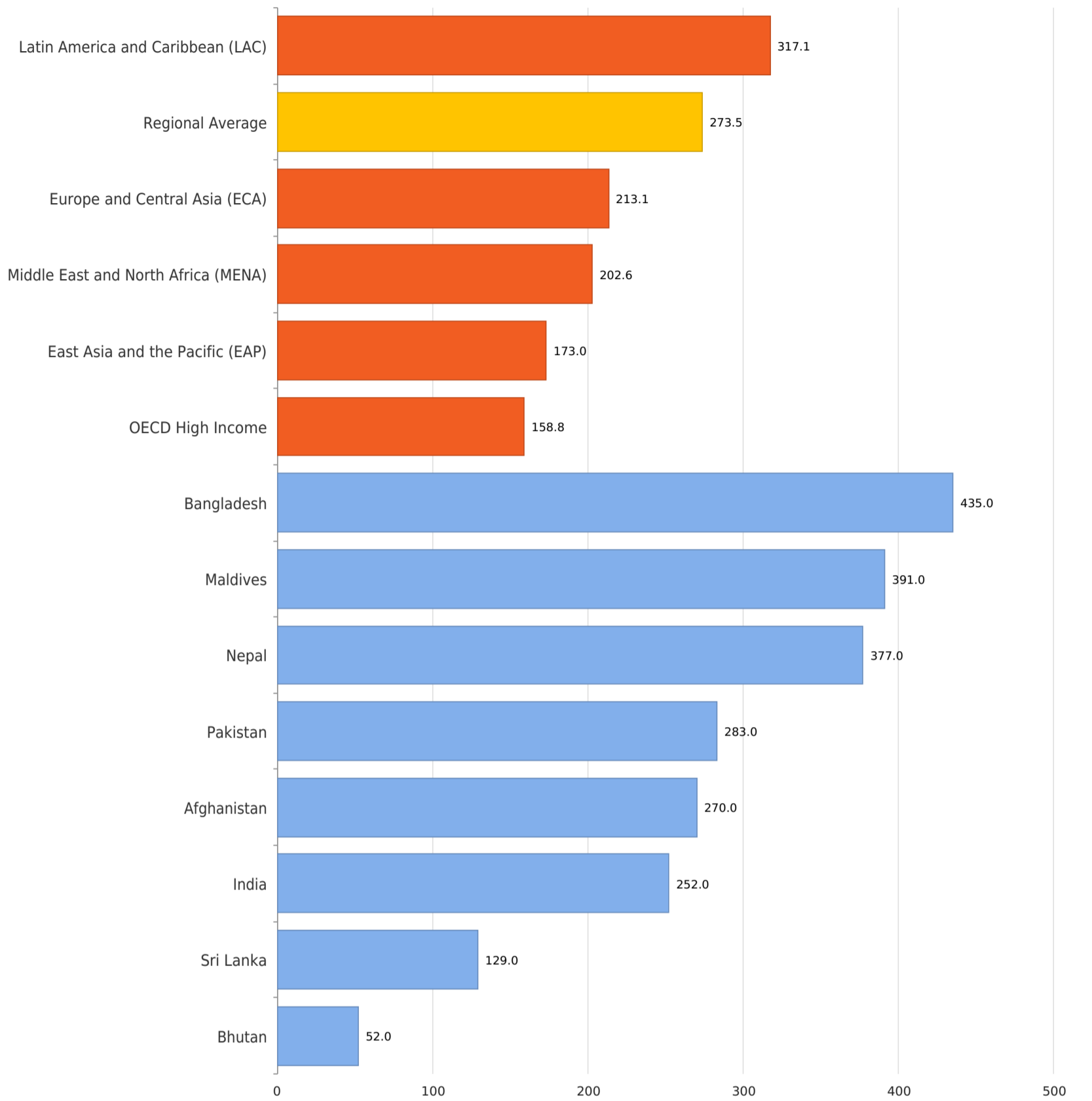
Payments (number per year)



Source: Doing Business database.

Paying Taxes

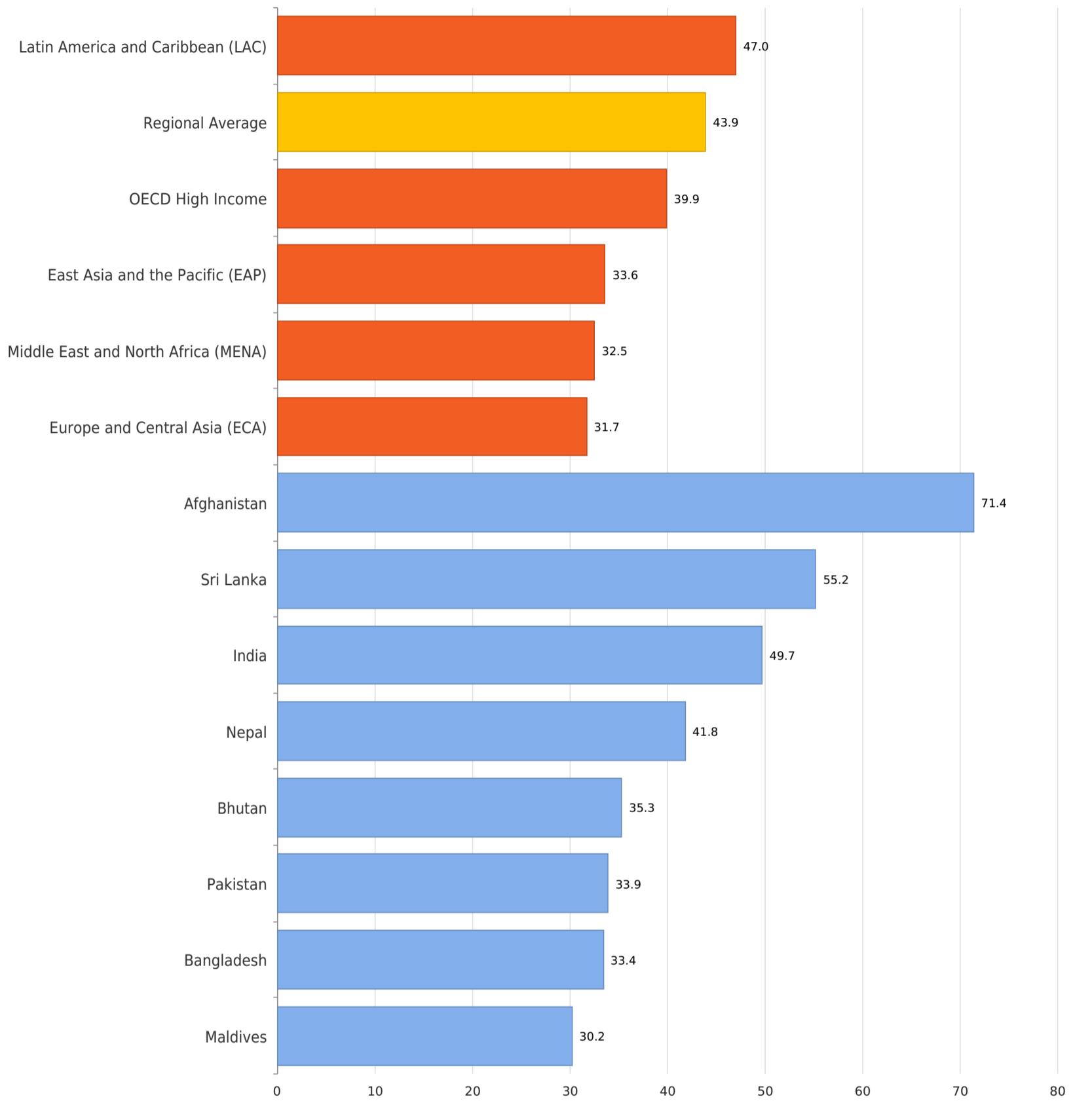
Time (hours per year)



Source: Doing Business database.

Paying Taxes

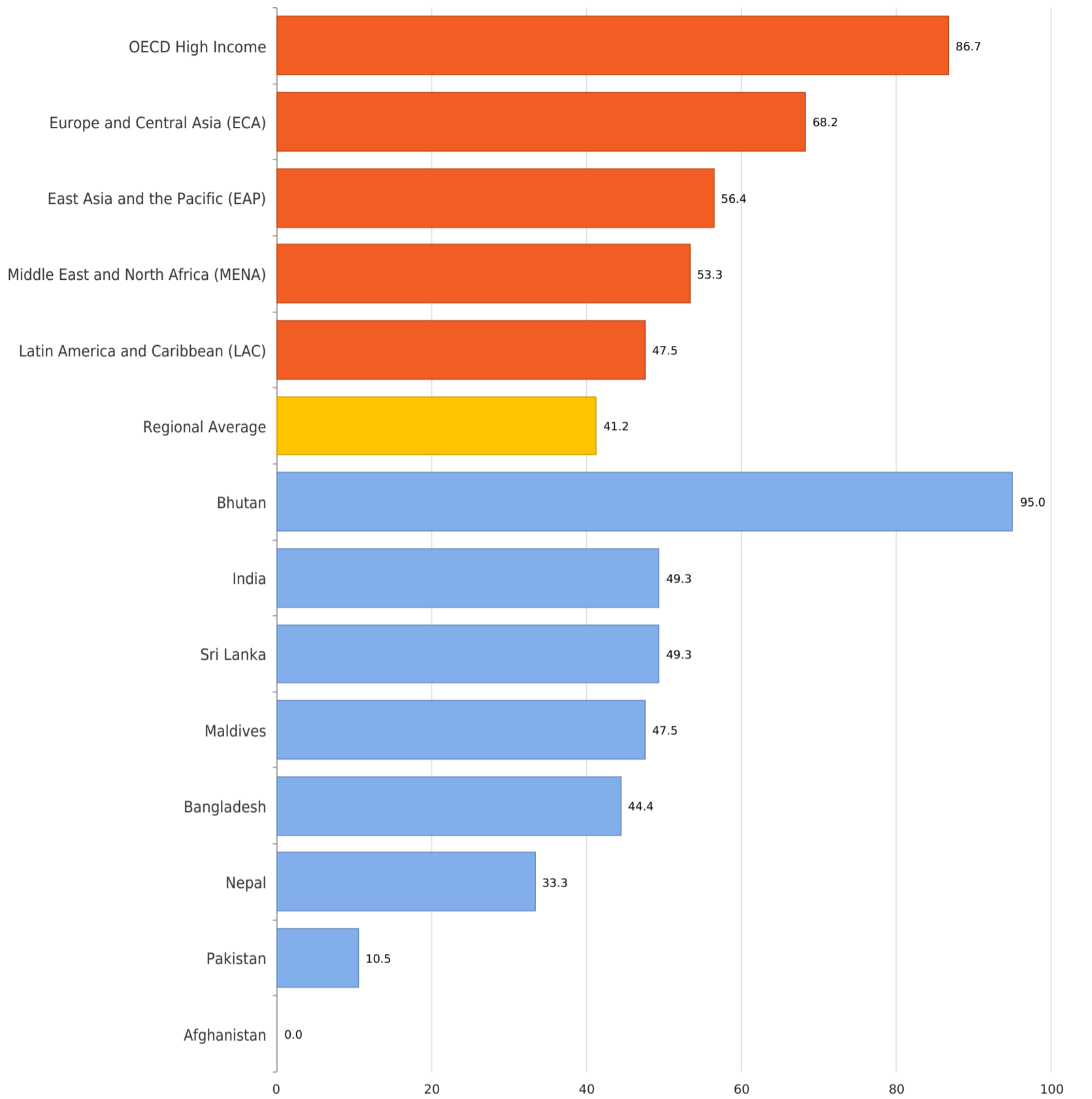
Total tax and contribution rate (% of profit)



Source: Doing Business database.

Paying Taxes

Postfiling index (0-100)



Source: Doing Business database.

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 2019. [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 $22 \times 24 = 528$ 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:

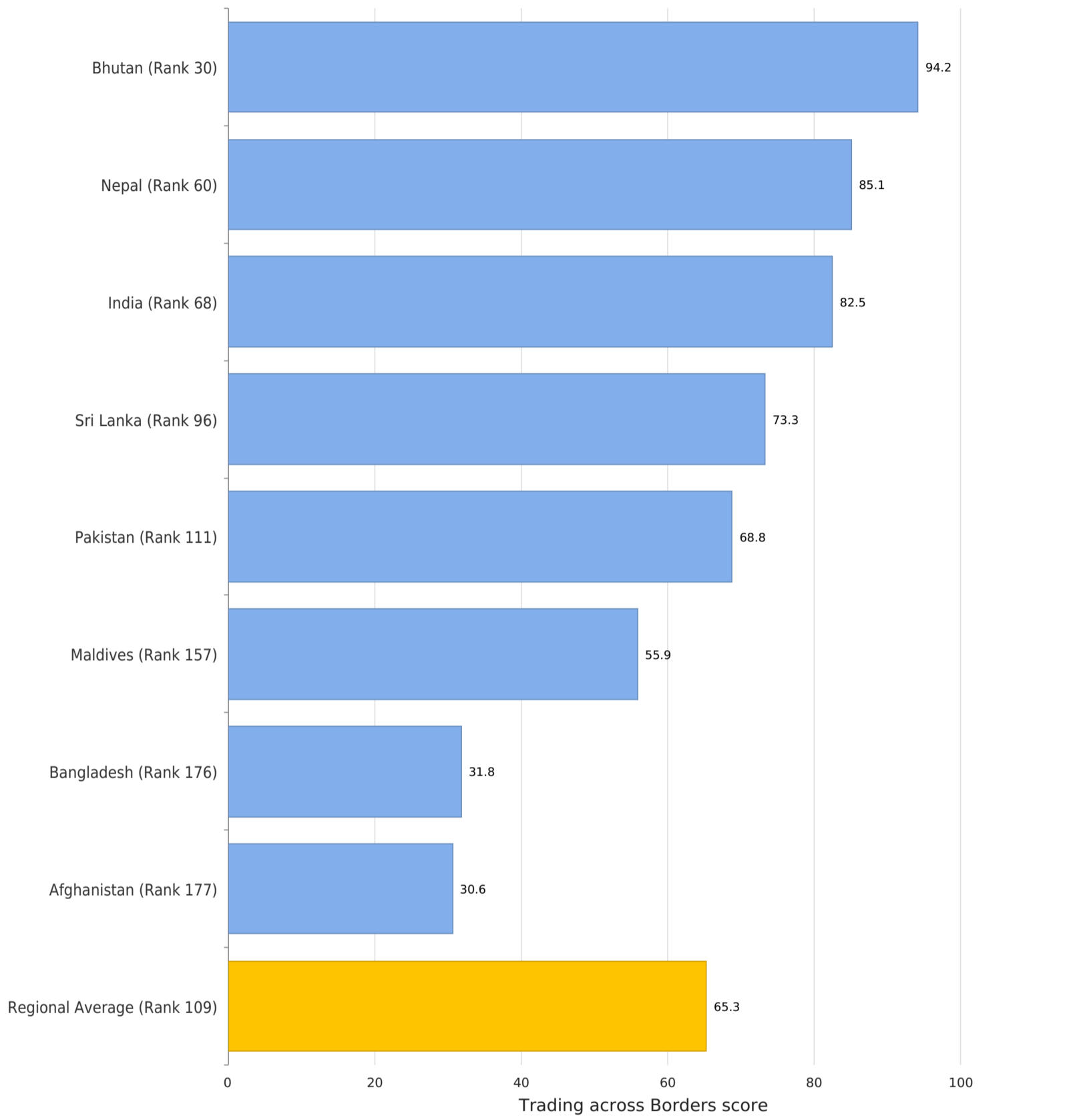
- For all 190 economies covered by *Doing Business*, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy.
- It is assumed each economy imports 15 metric tons of containerized 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

Where do the region's economies stand today?

How easy it is for businesses in economies in South Asia to export and import goods? The global rankings of these economies on the ease of trading across borders suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

How economies in South Asia rank on the ease of trading across borders



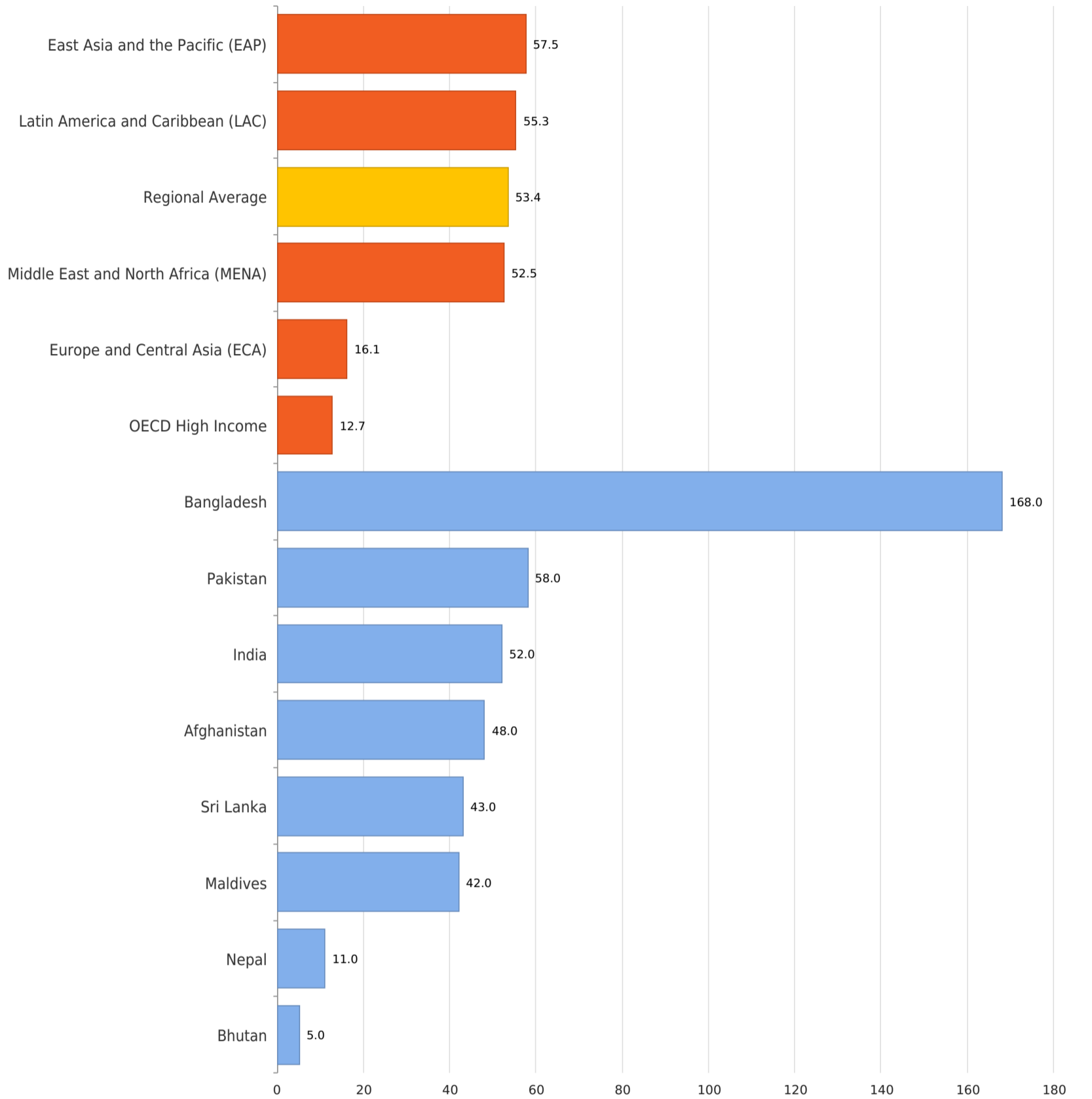
Source: Doing Business database.

Trading across Borders

The indicators reported here are for trading a shipment of goods by the most widely used mode of transport (whether sea or land or some combination of these). The information on the time and cost to complete export and import is collected from local freight forwarders, customs brokers and traders. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

What it takes to trade across borders in economies in South Asia

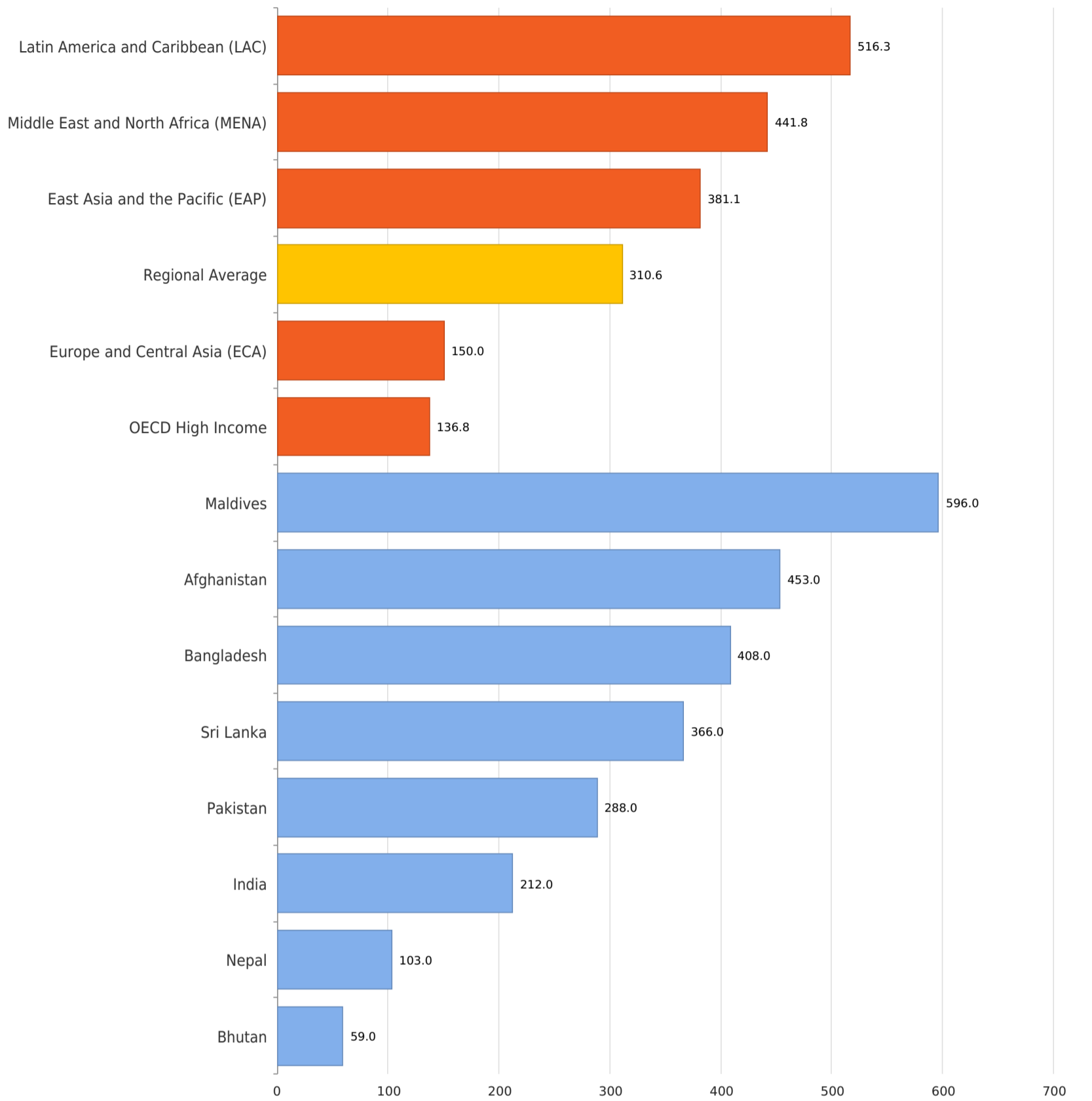
Time to export: Border compliance (hours)



Source: Doing Business database.

Trading across Borders

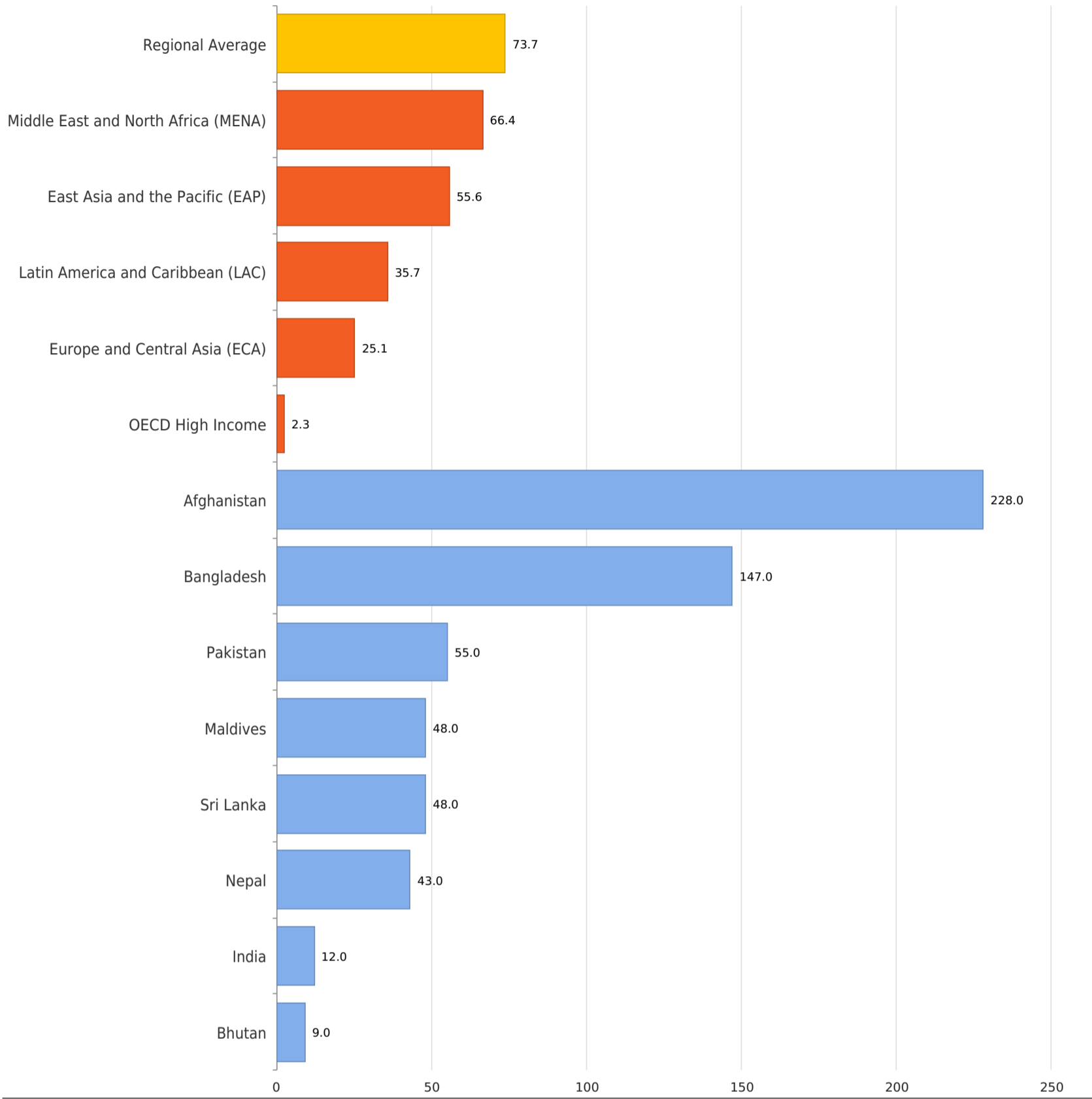
Cost to export: Border compliance (USD)



Source: Doing Business database.

Trading across Borders

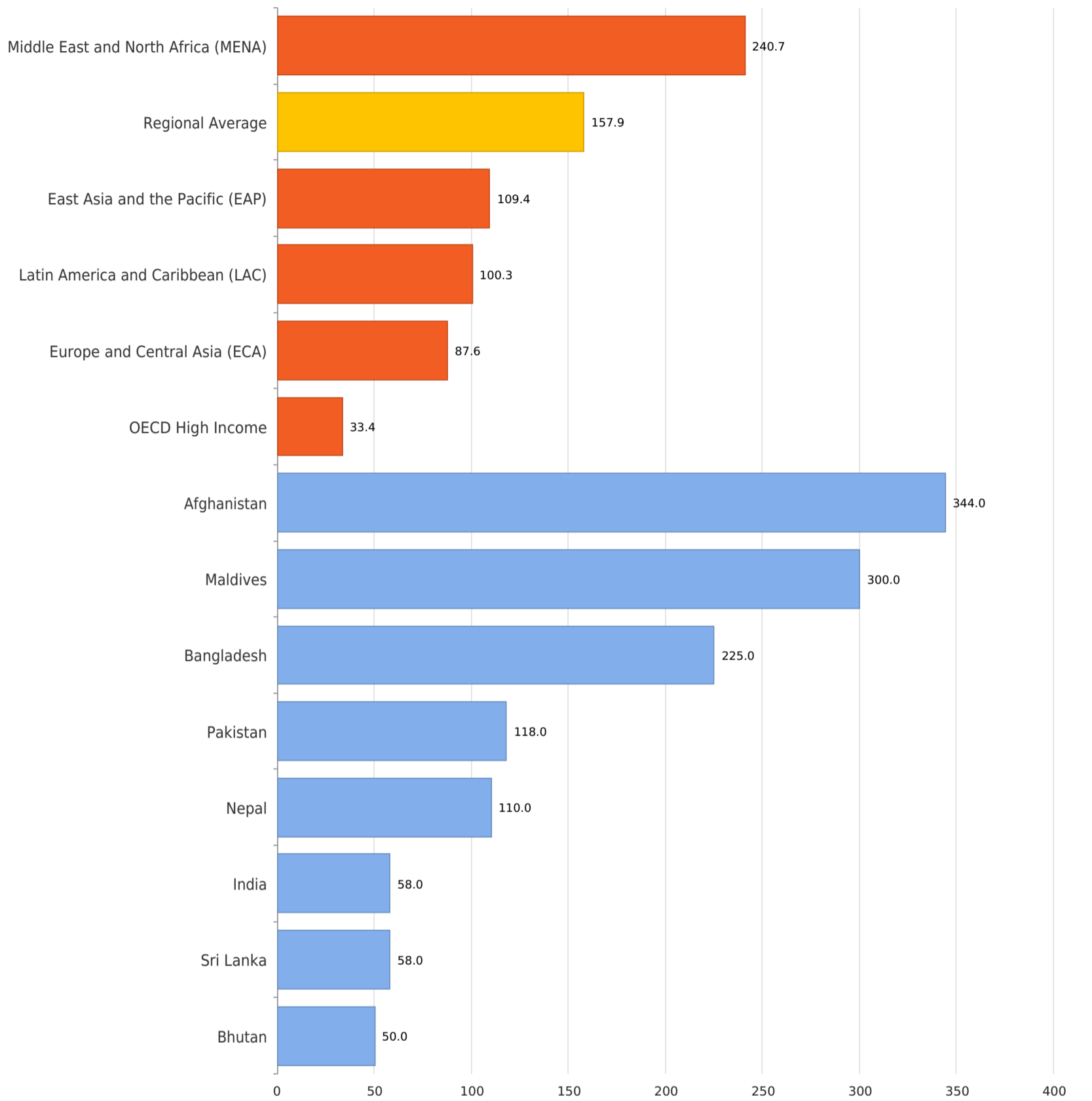
Time to export: Documentary compliance (hours)



Source: Doing Business database.

Trading across Borders

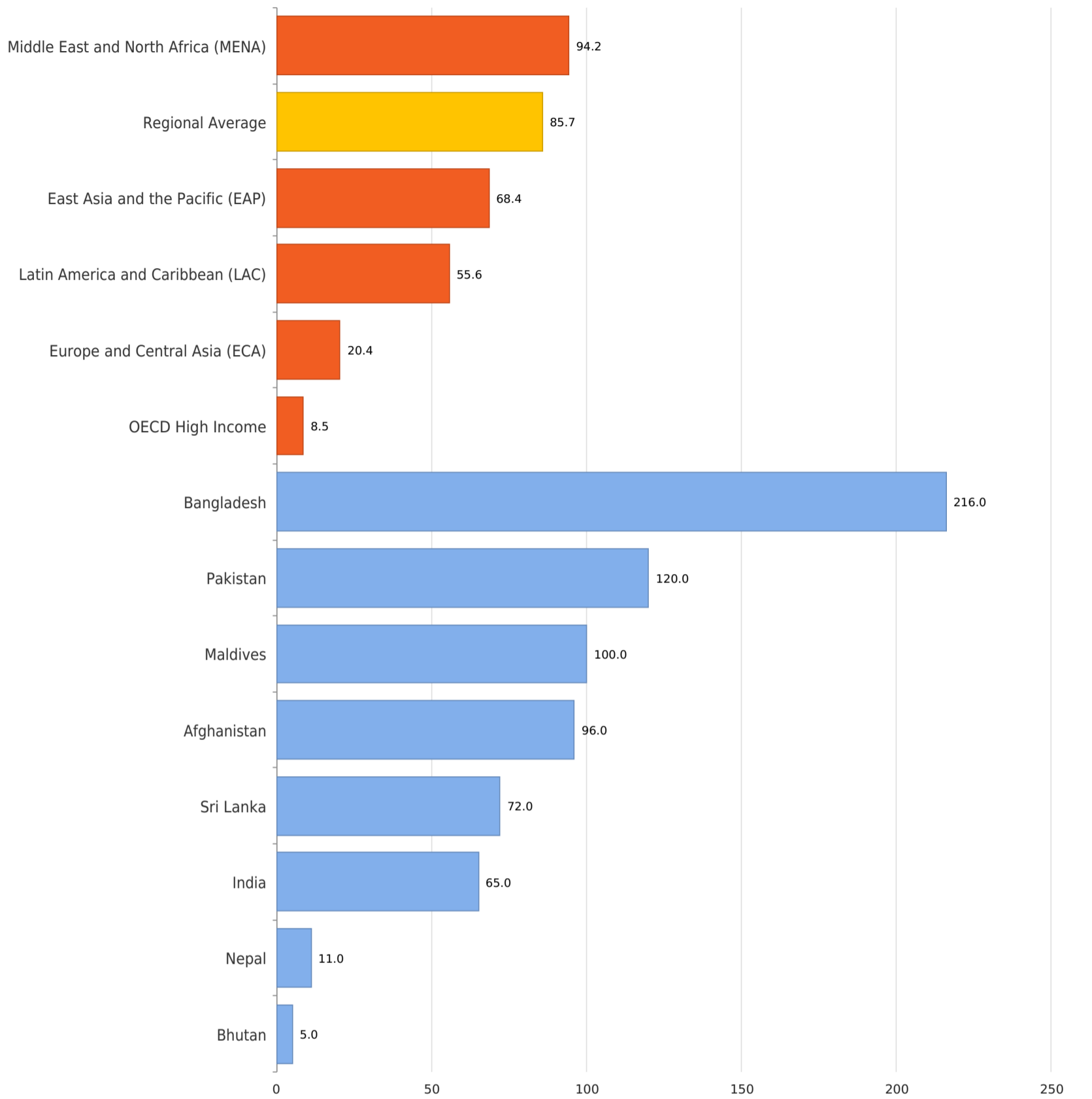
Cost to export: Documentary compliance (USD)



Source: Doing Business database.

Trading across Borders

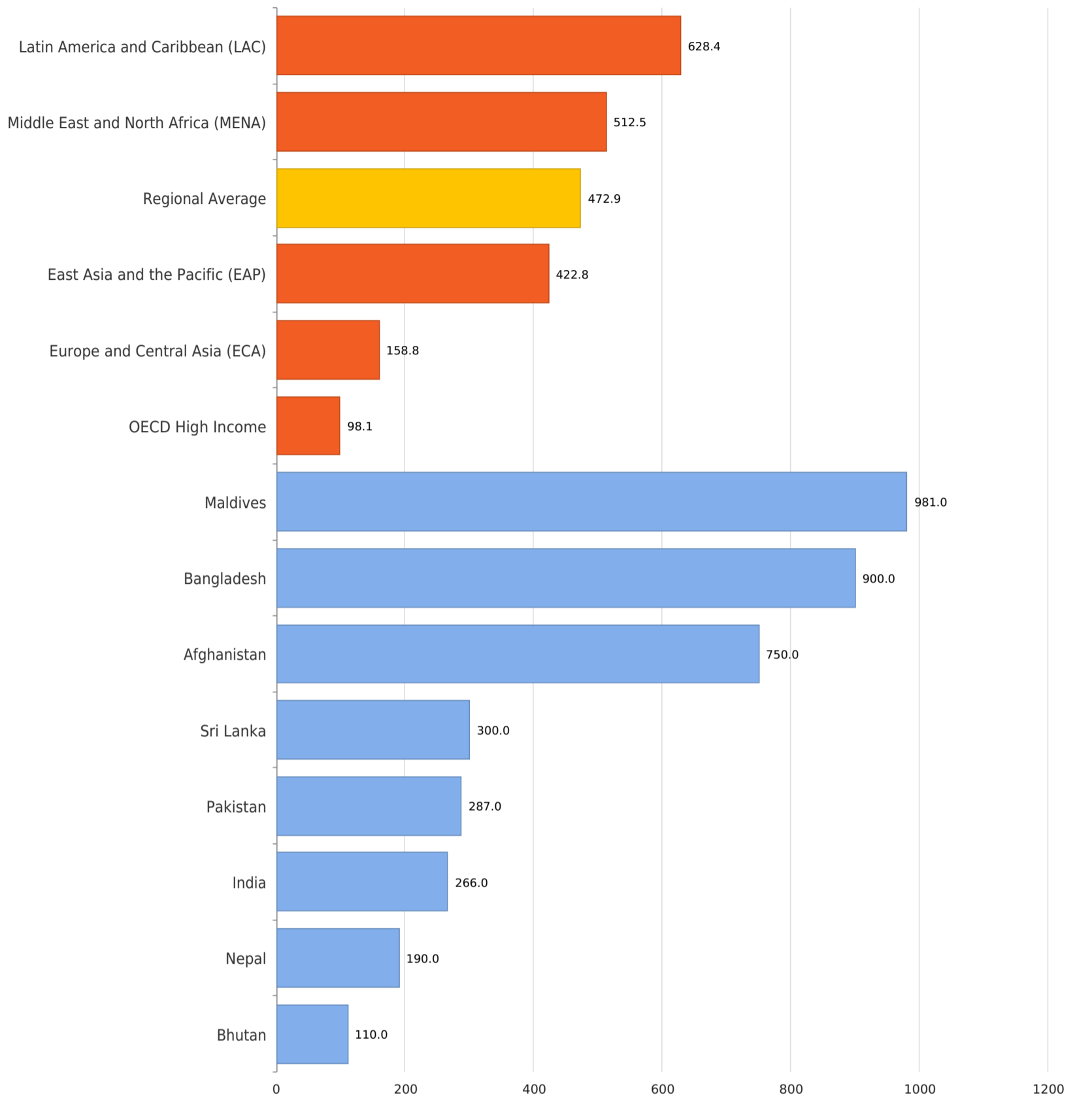
Time to import: Border compliance (hours)



Source: Doing Business database.

Trading across Borders

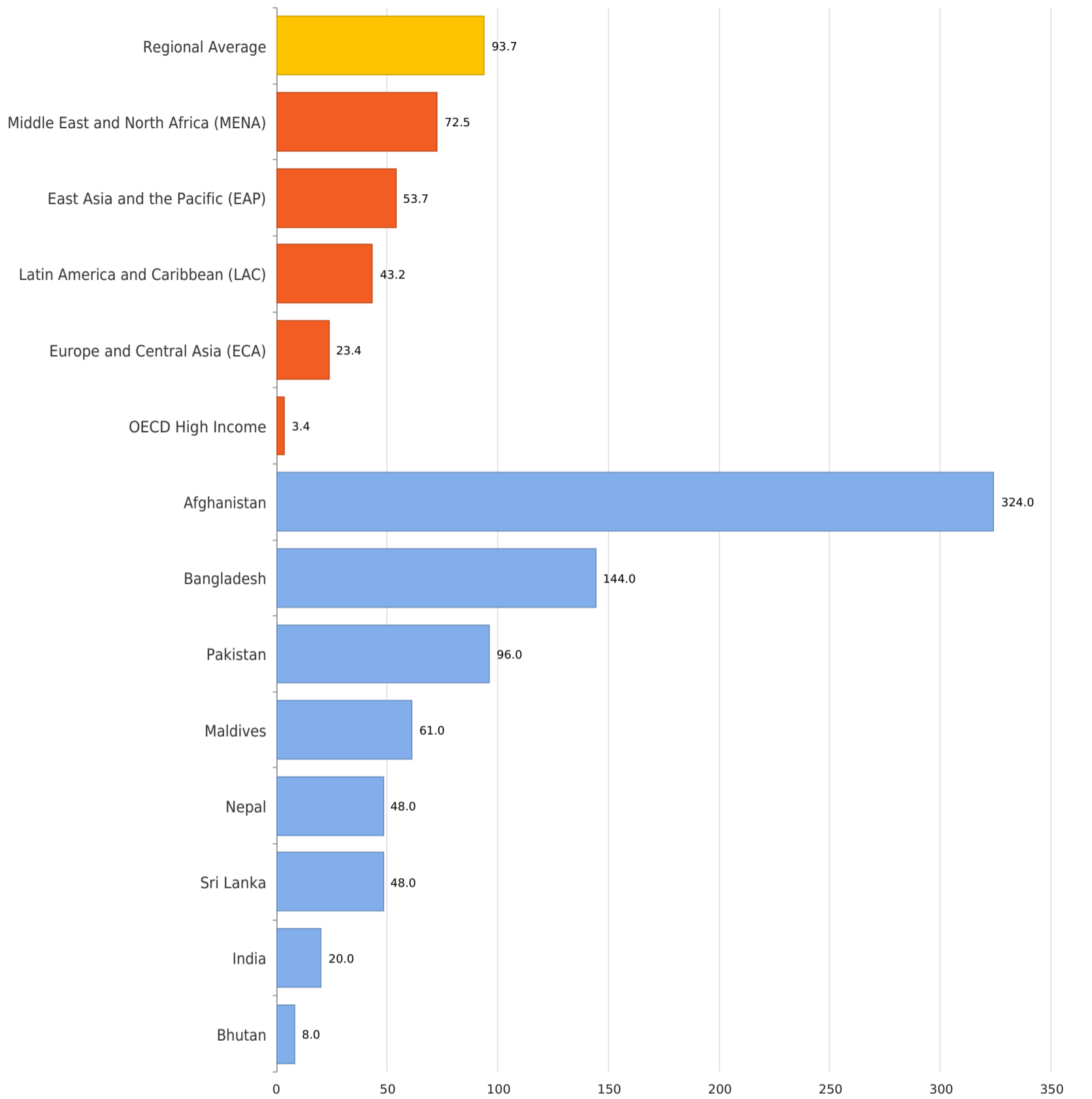
Cost to import: Border compliance (USD)



Source: Doing Business database.

Trading across Borders

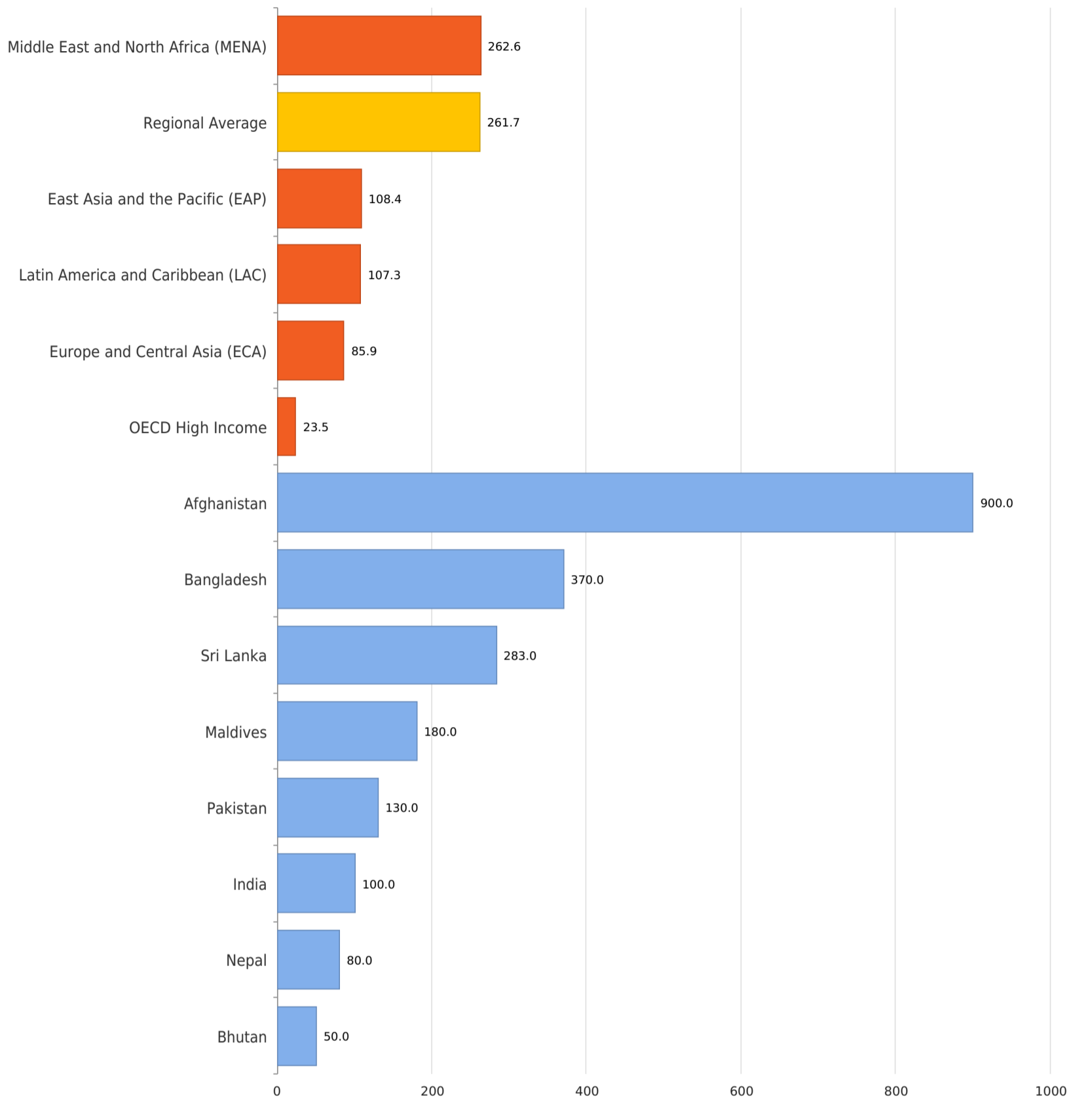
Time to import: Documentary compliance (hours)



Source: Doing Business database.

Trading across Borders

Cost to import: Documentary compliance (USD)



Source: Doing Business database.

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 2019. [See the methodology for more information.](#)

What the indicators measure

Time required to enforce a contract through the courts (calendar days)

- Time to file and serve the case
- Time for trial and to obtain the judgment
- Time to enforce the judgment

Cost required to enforce a contract through the courts (% of claim value)

- Average Attorney fees
- Court costs
- Enforcement costs

Quality of judicial processes index (0-18)

- Court structure and proceedings (-1-5)
- Case management (0-6)
- Court automation (0-4)
- Alternative dispute resolution (0-3)

Case study assumptions

The dispute in the case study involves the breach of a sales contract between two domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.

To make the data comparable across economies, *Doing Business* uses several assumptions about the case are used:

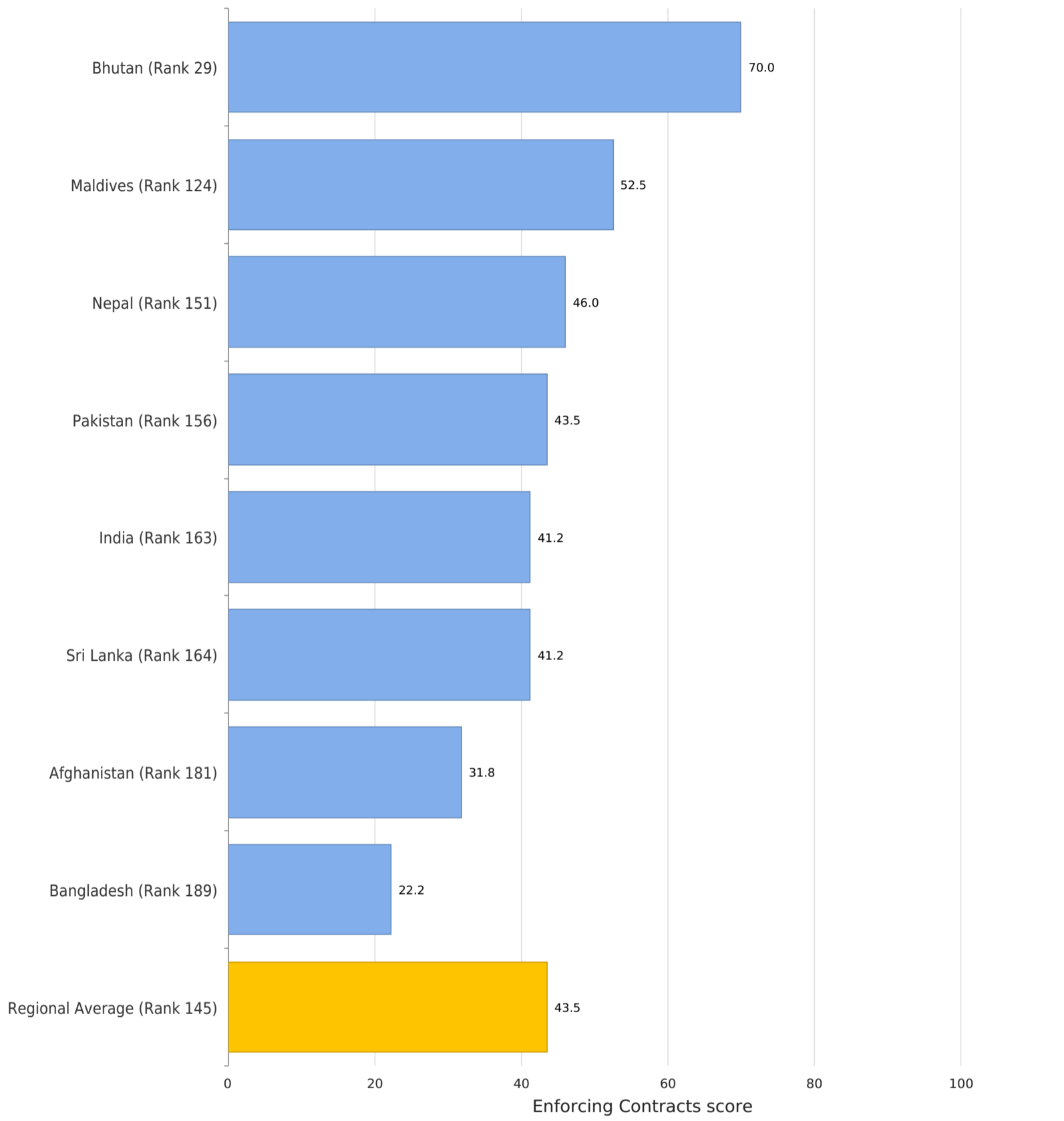
- The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- The Buyer orders custom-made furniture, then fails to pay alleging that the goods are not of adequate quality.
- 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.
- The Seller sues the Buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or \$5,000 whichever is greater.
- The Seller requests the pretrial attachment of the defendant's movable assets to secure the claim.
- The claim is disputed on the merits because of Buyer's allegation that the quality of the goods was not adequate.
- The judge decides in favor of the seller; there is no appeal.
- The Seller enforces the judgment through a public sale of the Buyer's movable assets.

Enforcing Contracts

Where do the region's economies stand today?

How efficient is the process of resolving a commercial dispute through the courts in economies in South Asia? The global rankings of these economies on the ease of enforcing contracts suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

How economies in South Asia rank on the ease of enforcing contracts.



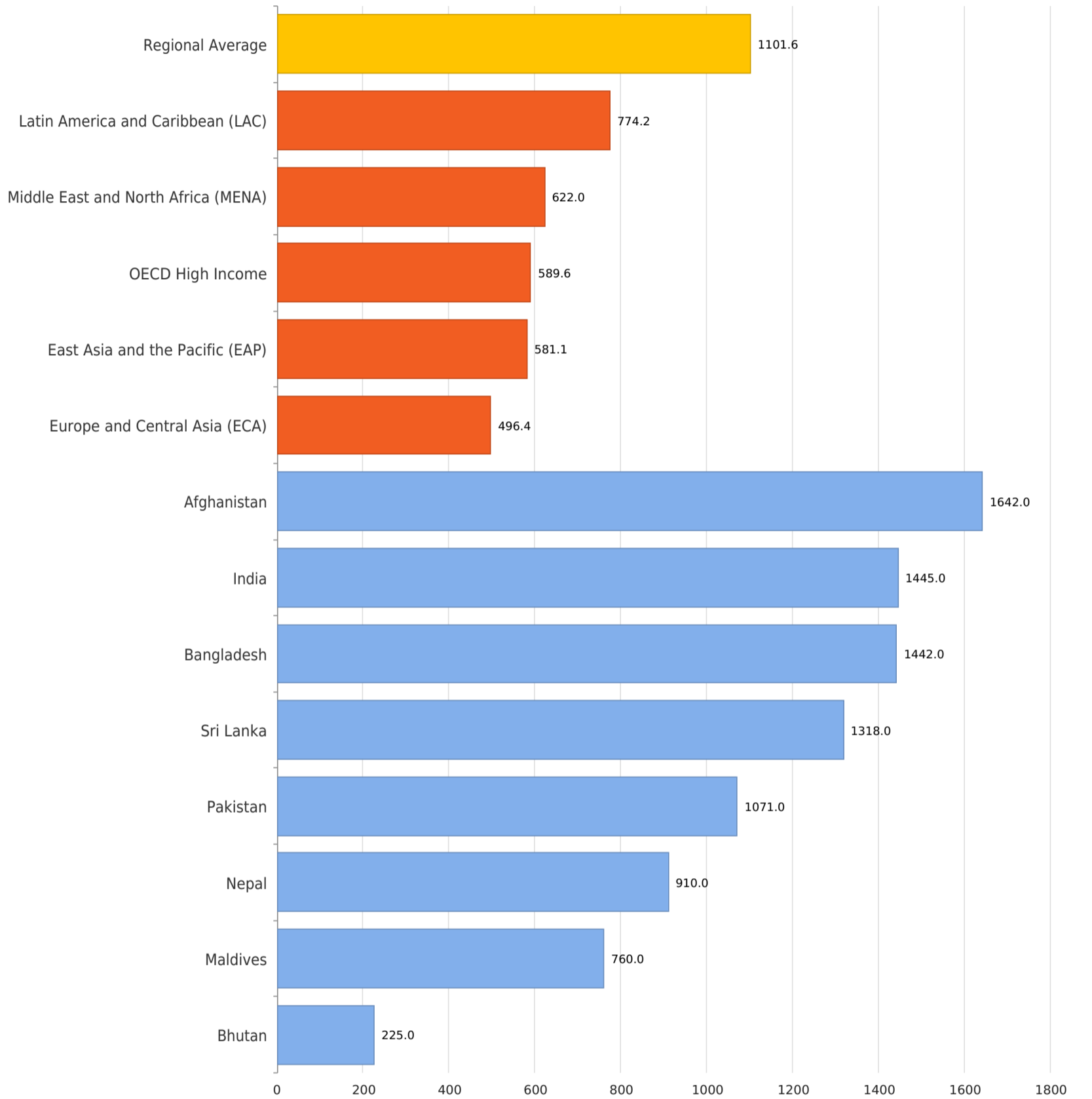
Source: Doing Business database.

Enforcing Contracts

The indicators underlying the rankings may also be revealing. Data collected by Doing Business show what it takes to enforce a contract through the courts in each economy in the region: the time, the cost and quality of judicial processes index. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

What it takes to enforce a contract through the courts in economies in South Asia

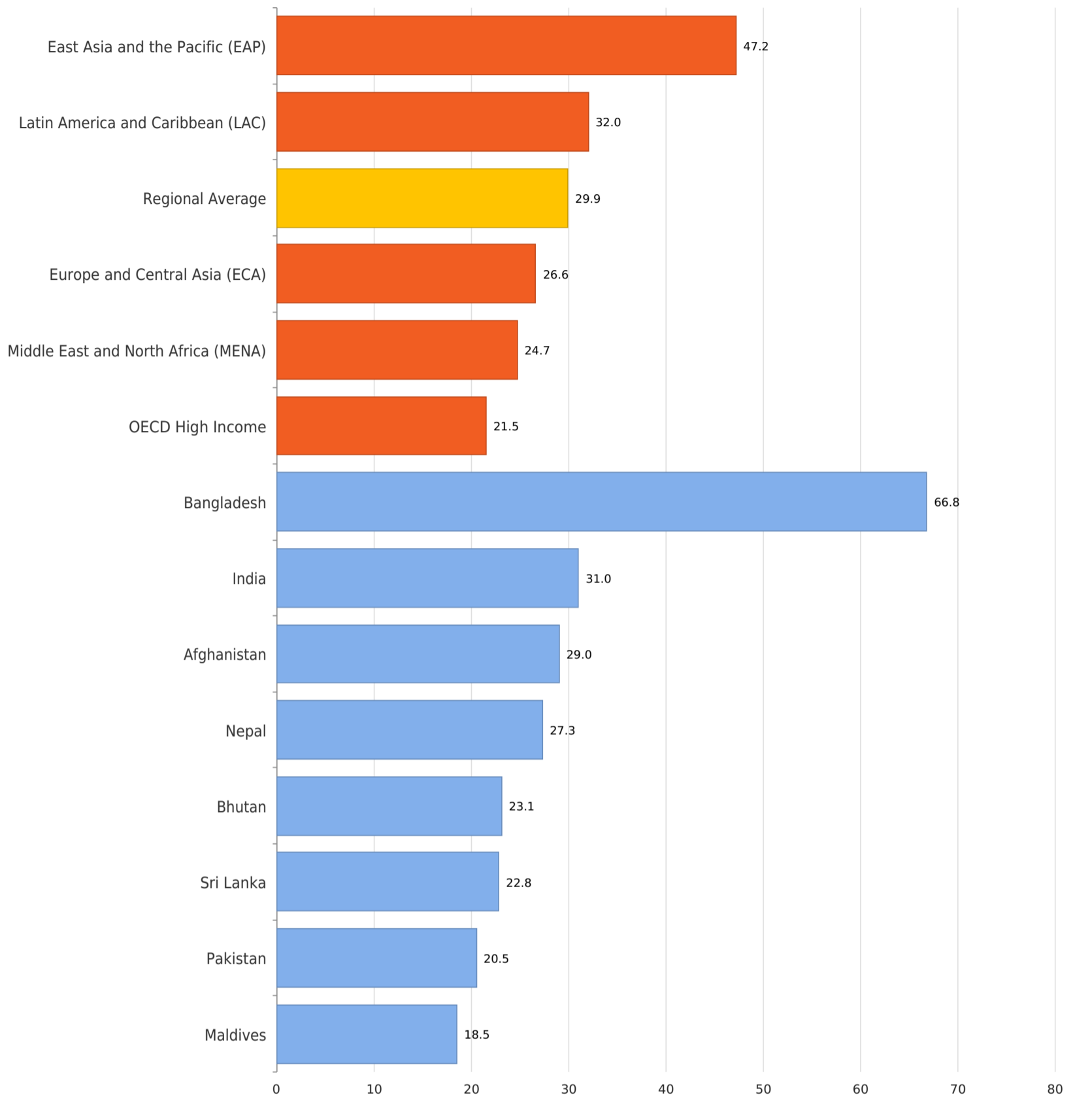
Time (days)



Source: Doing Business database.

Enforcing Contracts

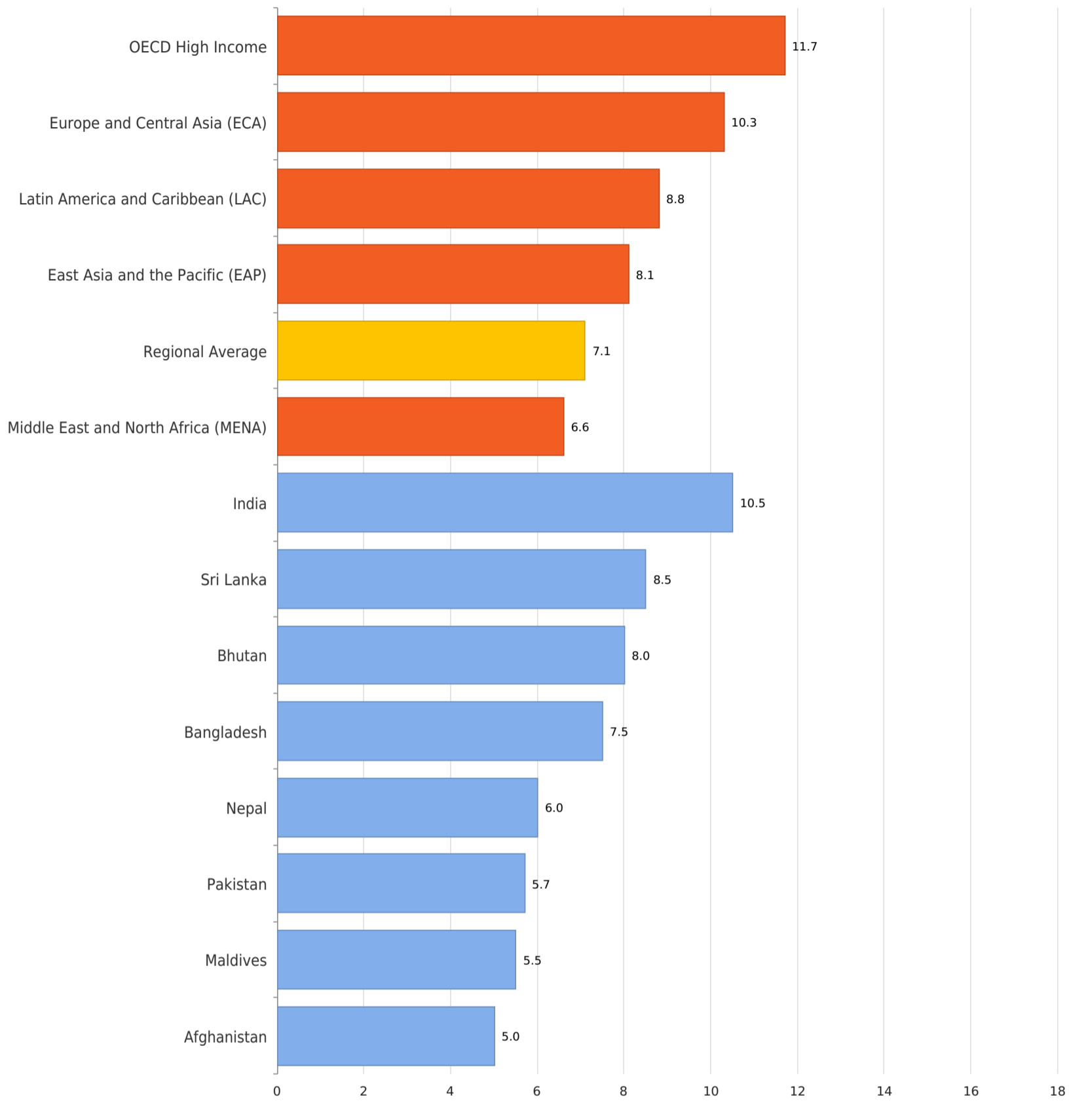
Cost (% of claim value)



Source: Doing Business database.

Enforcing Contracts

Quality of judicial processes index (0-18)



Source: Doing Business database.

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 2019. [See the methodology for more information.](#)

What the indicators measure

Time required to recover debt (years)

- Measured in calendar 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)

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:

- 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.

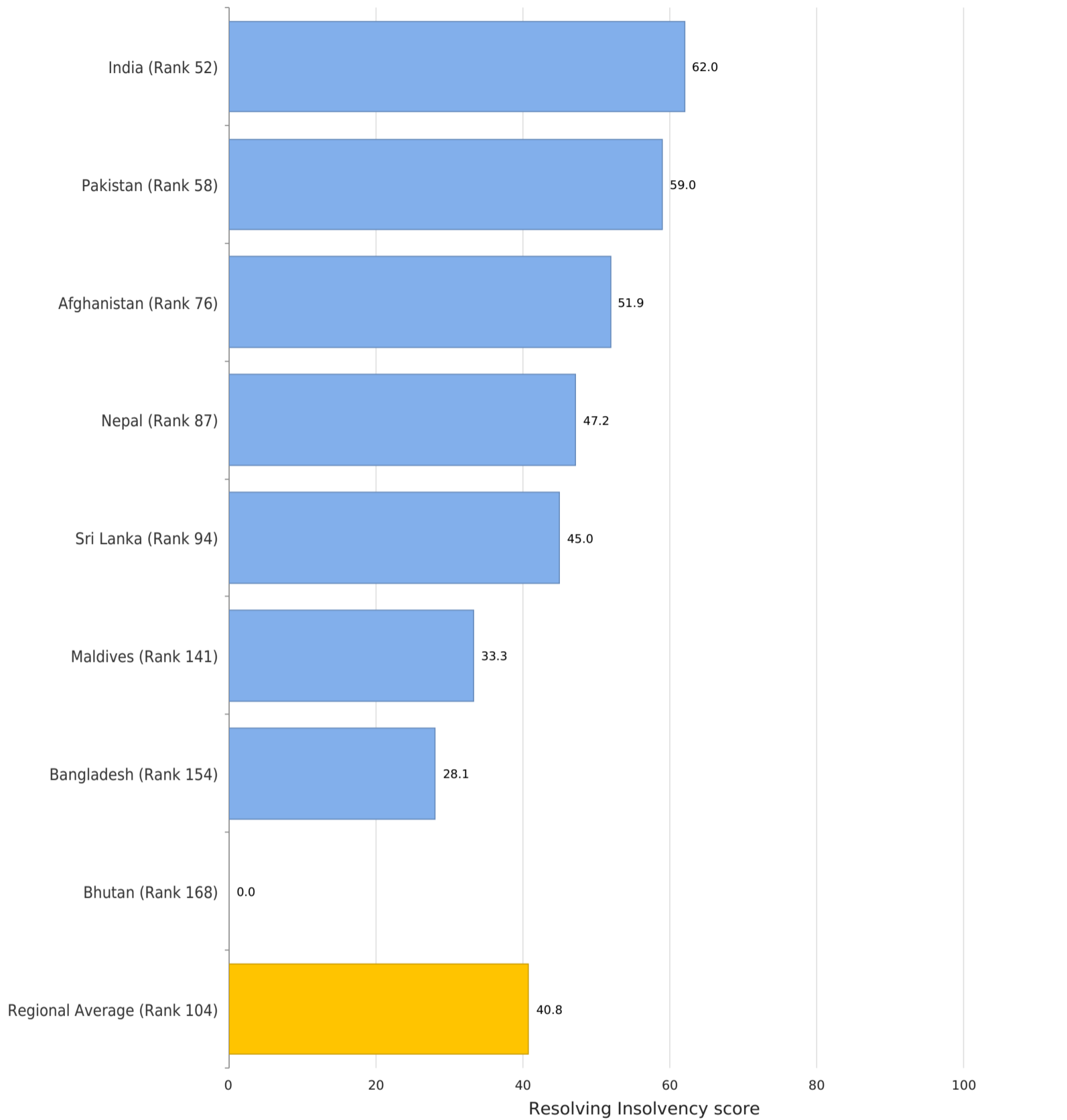
In addition, *Doing Business* evaluates the quality of legal framework applicable to judicial liquidation and reorganization proceedings and the extent to which best insolvency practices have been implemented in each economy covered.

Resolving Insolvency

Where do the region's economies stand today?

How efficient are insolvency proceedings in economies in South Asia? The global rankings of these economies on the ease of resolving insolvency suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark for assessing the efficiency of insolvency proceedings. Speed, low costs and continuation of viable businesses characterize the top performing economies.

How economies in South Asia rank on the ease of resolving insolvency



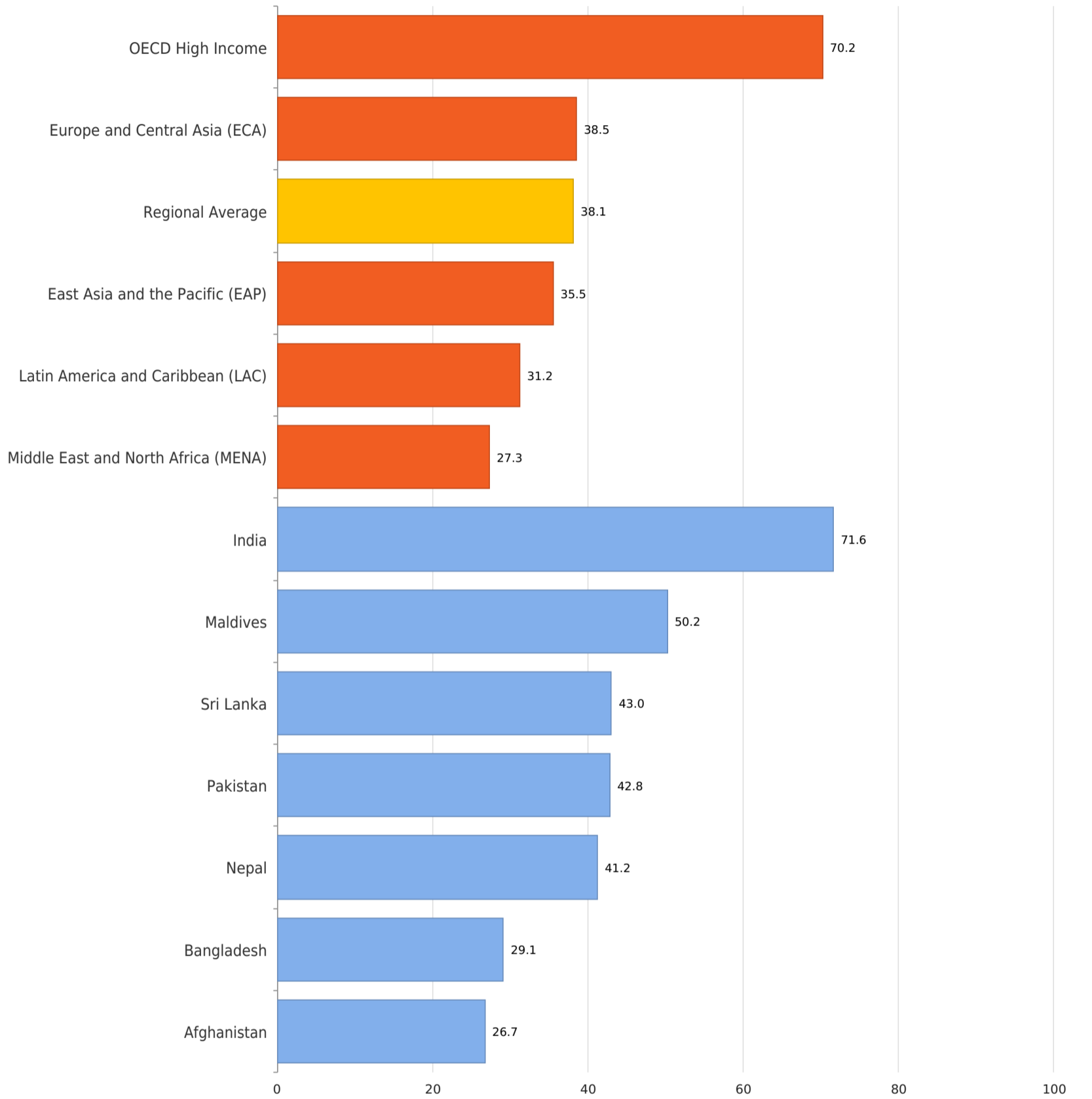
Source: Doing Business database.

Resolving Insolvency

The indicators underlying the rankings may be more revealing. Data collected by Doing Business show the average recovery rate and the average strength of insolvency framework index. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

How efficient is the insolvency process in economies in South Asia

Recovery rate (cents on the dollar)



Source: Doing Business database.

Employing Workers

Doing Business presents detailed data for the employing workers indicators on the *Doing Business* website (<http://www.doingbusiness.org>). The study 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 2019. [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 maximum probationary period; (iv) minimum wage; (v) ratio of minimum wage to the average value added per worker.

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) 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 the 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, and (iii) penalties due when terminating a redundant worker. Data on the availability of unemployment protection for a worker with one year of employment is also collected.

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.

Business Reforms in South Asia

From May 2, 2018 to May 1, 2019, 115 economies implemented 294 business regulatory reforms across the 10 areas measured by Doing Business. Reforms inspired by *Doing Business* have been implemented by economies in all regions. The following are reforms implemented in South Asia since *Doing Business* 2011.

✓ = *Doing Business* reform making it easier to do business. ✗ = Change making it more difficult to do business.

Starting a Business

DB Year	Economy	Reform
DB2020	Bangladesh	Bangladesh made starting a business less expensive by reducing name clearance and registration fees and abolishing the fee for certifying digital certificates. This reform applies to both Dhaka and Chittagong.
DB2020	India	India made starting a business easier by abolishing filing fees for the SPICe company incorporation form, electronic memorandum of association and articles of association. This reform applies to both Delhi and Mumbai.
DB2020	Nepal	Nepal made starting a business more difficult by requiring in-person follow-up for employee registration for social security.
DB2020	Pakistan	Pakistan made starting a business easier by expanding procedures available through the online one-stop shop. This reform applies to both Karachi and Lahore. Furthermore, Pakistan (Lahore) abolished the Labor Department registration fee.
DB2019	Afghanistan	Afghanistan made starting a business less costly by reducing the fees for business incorporation
DB2019	India	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.
DB2019	Pakistan	Pakistan made starting a business easier by enhancing the online one-stop registration system, replacing several forms for incorporation with a single application and establishing information exchange between the registry and the tax authority. This change applies to both Karachi and Lahore.
DB2018	Afghanistan	Afghanistan made starting a business more costly by requiring that entrepreneurs pay the business license fee for three years at the time of incorporation.
DB2018	Bangladesh	Bangladesh made starting a business more expensive by increasing the cost of business registration at the Registrar of Joint Stock Companies and Firms. This reform applies to both Chittagong and Dhaka.
DB2018	Bhutan	Bhutan made starting a business easier by reducing the time for obtaining a Security Clearance Certificate, registering at the Office of the Registrar and registering for taxes.
DB2018	India	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.
DB2018	Pakistan	Pakistan made starting a business easier by replacing the need to obtain a digital signature for company incorporation with a less costly personal identification number. This change applies to both Karachi and Lahore.
DB2017	Sri Lanka	Sri Lanka made starting a business easier by removing the stamp duty on newly issued shares.
DB2016	Afghanistan	Afghanistan made starting a business more costly by increasing the registration and publication fees.
DB2016	India	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.
DB2016	Sri Lanka	Sri Lanka made starting a business easier by eliminating the requirement to notify the Registrar of Companies of the payment of stamp duty for the initial issuance of shares.
DB2015	Afghanistan	✗ Afghanistan made starting a business more difficult by increasing the publication fees and prolonging the time required for registration.
DB2015	India	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.
DB2014	Afghanistan	Afghanistan made starting a business easier by reducing the time and cost to obtain a business license and by eliminating the inspection of the premises of newly registered companies.

DB2014	Bangladesh	Bangladesh made starting a business easier by automating the registration process and reducing the time required to obtain a trading license and to complete the tax and value added tax registration.
DB2014	Bhutan	Bhutan made starting a business easier by reducing the time required to obtain the security clearance certificate.
DB2014	Nepal	Nepal made starting a business easier by reducing the administrative processing time at the company registrar and by establishing a data link between agencies involved in the incorporation process.
DB2013	Sri Lanka	Sri Lanka made starting a business easier by computerizing and expediting the process of obtaining a registration number for the Employees Provident Fund and Employees Trust Fund.
DB2012	Bhutan	Bhutan eased the process of starting a business by making its criminal records search electronic and making the rubber company stamps available on the local market.
DB2011	Bangladesh	Bangladesh made business start-up easier by eliminating the requirement to buy adhesive stamps and further enhancing the online registration system.
DB2011	India	India eased business start-up by establishing an online VAT registration system and replacing the physical stamp previously required with an online version.

Dealing with Construction Permits

DB Year	Economy	Reform
DB2020	India	India (Delhi) streamlined the process, reduced the time and cost of obtaining construction permits and improved building quality control by strengthening professional certification requirements. India (Mumbai) streamlined the process of obtaining a building permit and made it faster and less expensive to get a construction permit.
DB2020	Nepal	Nepal made dealing with construction permits easier and less costly by reducing fees for building permits and improving the online e-submissions platform.
DB2020	Pakistan	Pakistan (Karachi) made obtaining a construction permit easier and faster by streamlining the approval process and also made construction safer by ensuring that building quality inspections take place regularly. Pakistan (Lahore) also made obtaining a construction permit easier and faster by streamlining the approval process and by improving the operational efficiency of its one-stop shop for construction permitting.
DB2019	India	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.
DB2019	Sri Lanka	Sri Lanka made dealing with construction permits easier by launching a single window, increasing transparency by providing online access to building regulations and reducing the processing times to issue several building certificates.
DB2018	India	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.
DB2017	Nepal	Nepal made dealing with construction permits more difficult by increasing the cost of obtaining a building permit.
DB2016	Maldives	The Maldives made dealing with construction permits more difficult by requiring that building plans be stamped and approved by private structural and architectural checkers prior to requesting a building permit.
DB2016	Sri Lanka	Sri Lanka made dealing with construction permits less time-consuming by streamlining the internal review process for building permit applications.
DB2015	Nepal	Nepal made dealing with construction permits easier by implementing a new electronic building permit system.
DB2014	Sri Lanka	Sri Lanka made dealing with construction permits easier by eliminating the requirement to obtain a tax clearance and by reducing building permit fees.
DB2013	India	India reduced the time required to obtain a building permit by establishing strict time limits for preconstruction approvals.

Getting Electricity

DB Year	Economy	Reform
DB2020	Bangladesh	Bangladesh (Dhaka) made getting electricity faster by investing in digitization and human capital at the utility. Bangladesh (Dhaka) also made getting electricity less costly by reducing the amount of the security deposit for a new connection.
DB2020	Pakistan	Pakistan made getting electricity easier by enforcing service delivery time frames and by launching an online portal for new applications. Pakistan also increased the transparency of electricity tariff changes. This reform applies to both Karachi and Lahore.
DB2019	India	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.
DB2018	Maldives	Maldives made getting electricity faster by upgrading existing electricity grid and increasing the network capacity to accommodate new connections.
DB2017	India	India made getting electricity faster and cheaper by streamlining the process of getting a new commercial electricity connection. This reform impacts Delhi.
DB2016	Bangladesh	Bangladesh reduced the application processing time for new connections in both Dhaka and Chittagong thanks to an increase in the country's network capacity.
DB2016	Bhutan	Bhutan made getting electricity easier by speeding up the process for obtaining a new connection.
DB2016	India	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.
DB2016	Pakistan	Pakistan (Karachi), made the process for getting an electricity connection faster as the distribution utility improved the stock of material for the external connection works.
DB2015	India	In India the utility in Mumbai made getting electricity less costly by reducing the security deposit for a new connection.
DB2014	Sri Lanka	Sri Lanka made getting electricity easier by improving the utility's internal workflow and by reducing the time required to process new applications for connections.
DB2013	Bangladesh	Bangladesh made getting electricity more difficult by requiring all customers to meet 7% of their electricity needs through solar energy, making it necessary to install solar panels.
DB2012	Afghanistan	Afghanistan made getting electricity easier by improving the efficiency of the electricity department in Kabul and introducing a new fee schedule for connections.
DB2012	Bangladesh	Bangladesh made getting electricity more difficult by imposing a moratorium on new electricity connections from April 2010 to March 2011 because of an electricity supply shortage. This moratorium has led to long delays for customers and has increased the time to obtain an electricity connection.

Registering Property

DB Year	Economy	Reform
DB2020	Nepal	Nepal made property registration more expensive by increasing the property transfer registration fee. Nepal also improved the quality of its land administration system by publishing the official service standards for delivering updated cadastral maps.
DB2020	Pakistan	Pakistan (Karachi) made property registration faster by making it easier to execute and register a deed at the Office of the Sub-Registrar. Pakistan (Lahore) made registering property easier by increasing the transparency of the land administration system.
DB2019	India	
DB2019	Pakistan	Pakistan (Lahore) made registering property easier by streamlining and automating administrative procedures, and by increasing the transparency of its land administration system. Pakistan (Karachi) made registering property easier by increasing the transparency of the land registry.
DB2019	Sri Lanka	Sri Lanka made property registration easier by implementing a single window to streamline the process of delivering several certificates and increased transparency by providing online access to cadastral information.
DB2018	Pakistan	Pakistan, Karachi improved the transparency of the land registration process by publishing online the fee schedule and the list of documents necessary to complete any property registration.

DB2017	Pakistan	Pakistan improved the quality of land administration by digitizing ownership and land records. This reform applies to Lahore.
DB2016	Bhutan	Bhutan made transferring property easier by introducing a computerized land information system.
DB2013	Sri Lanka	Sri Lanka made registering property faster by introducing an electronic system at the Land Registry in Colombo.
DB2011	Bangladesh	Bangladesh reduced the property transfer tax to 6.7% of the property value.
DB2011	Maldives	Maldives now allows registered companies to own land as long as all company shares are owned by Maldivians.
DB2011	Pakistan	Pakistan made property transfer more affordable by reducing the stamp duty rate.

Getting Credit

DB Year	Economy	Reform
DB2020	Bangladesh	Bangladesh improved access to credit information by expanding the coverage of the credit information bureau. This reform applies to both Dhaka and Chittagong.
DB2020	Nepal	Nepal improved access to credit information by expanding the coverage of the credit bureau.
DB2019	Afghanistan	Afghanistan strengthened access to credit by enacting a new insolvency law. Secured creditors are now given absolute priority over other claims within insolvency proceedings.
DB2019	India	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.
DB2018	Bhutan	Bhutan improved access to credit information by beginning to distribute payment data from two utility companies.
DB2018	India	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.
DB2018	Nepal	Nepal strengthened access to credit by operationalizing the existing law on secured transactions that implements a functional secured transactions system and establishes a centralized, notice-based, modern collateral registry.
DB2017	Pakistan	Pakistan improved access to credit information guaranteeing by law borrowers' rights to inspect their own data. The credit bureau also expanded its borrower coverage. This reform applies to both Lahore and Karachi.
DB2016	Afghanistan	Afghanistan improved access to credit information by launching a credit registry.
DB2014	Afghanistan	Afghanistan strengthened its secured transactions system by implementing a unified collateral registry.
DB2014	Bhutan	Bhutan improved access to credit information through new regulations governing the licensing and functioning of the credit bureau and guaranteeing borrowers' right to access their data.
DB2013	Bangladesh	Bangladesh improved access to credit information by establishing an online platform for sharing such information.
DB2013	Sri Lanka	Sri Lanka strengthened its secured transactions system by establishing an electronic, searchable collateral registry and issuing regulations for its operation.
DB2012	Bhutan	Bhutan improved its credit information system by launching the operation of a public credit registry.

Protecting Minority Investors

DB Year	Economy	Reform
DB2019	Afghanistan	Afghanistan strengthened minority investor protections by requiring greater disclosure of transactions with interested parties, easing shareholder suits by extending access to documents and evidence during trial, increasing shareholders' rights and role in major corporate decisions, clarifying ownership and control structures and requiring greater corporate transparency.

DB2018	Bhutan	Bhutan strengthened minority investor protections by clarifying ownership and control structures but weakened minority investor protections by reducing shareholder rights.
DB2018	India	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.
DB2018	Pakistan	Pakistan increased minority investor protections by making it easier to sue directors in case of prejudicial transactions with interested parties. This reform applies to both Karachi and Lahore.
DB2017	Sri Lanka	Sri Lanka strengthened minority investor protections by requiring board and in some cases shareholder approval of related-party transactions and by requiring that such transactions undergo external review.
DB2015	India	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.
DB2012	Sri Lanka	Sri Lanka strengthened investor protections by requiring greater corporate disclosure in case of transactions between interested parties.

Paying Taxes

DB Year	Economy	Reform
DB2020	Pakistan	Pakistan made paying taxes easier by introducing online payment modules for value added tax and corporate income tax, and less costly by reducing the corporate income tax rate. This reform applies to both Karachi and Lahore.
DB2019	Afghanistan	Afghanistan made paying taxes easier by adopting a new tax administration and law manual with clear rules and guidelines on tax audit, and by automating the submission of tax returns.
DB2019	Bhutan	Bhutan made paying taxes easier by introducing an online platform for filing corporate income tax and personal income tax returns.
DB2019	India	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.
DB2019	Nepal	Nepal made paying taxes more difficult by introducing a new labor contribution (gratuity contribution), medical insurance and accident insurance paid by the employer.
DB2019	Sri Lanka	Sri Lanka made paying taxes easier by introducing online systems for filing corporate income tax, value added tax and employee trust fund contributions
DB2018	India	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.
DB2018	Maldives	Maldives made paying taxes easier by introducing an online system for filing and paying taxes.
DB2017	Afghanistan	Afghanistan made paying taxes more costly by increasing the business receipts tax rate.
DB2017	Bangladesh	Bangladesh made paying taxes more complicated for companies by increasing the time it takes to prepare VAT and corporate income tax returns. This reform applies to both Chittagong and Dhaka.
DB2017	India	India made paying taxes easier by introducing an electronic system for paying employee state insurance contributions. This reform applies to both Mumbai and Delhi.
DB2016	Bangladesh	Bangladesh made paying taxes less costly for companies by reducing the corporate income tax rate. This reform applies to both Chittagong and Dhaka.
DB2016	Maldives	Maldives made paying taxes easier for companies by introducing more payment counters at the tax authority and express counters at peak periods. At the same time, Maldives introduced additional disclosure requirements for filing corporate income tax returns.
DB2015	Sri Lanka	Sri Lanka made paying taxes more costly for companies by increasing the reduced corporate income tax rate for qualifying small and medium-size enterprises.
DB2014	Maldives	Maldives made paying taxes easier for companies by introducing electronic filing systems for corporate income tax, sales tax and pension contributions.

DB2014	Sri Lanka	Sri Lanka made paying taxes easier for companies by introducing an electronic filing system for social security contributions.
DB2013	Maldives	Maldives introduced a goods and service tax, a business profit tax and additional social contributions.
DB2012	India	India eased the administrative burden of paying taxes for firms by introducing mandatory electronic filing and payment for value added tax.
DB2012	Pakistan	Pakistan increased the profit tax rate for small firms.
DB2012	Sri Lanka	Sri Lanka made paying taxes less costly for businesses by abolishing the turnover tax and social security contribution and by reducing corporate income tax, value added tax and national building tax rates.
DB2011	India	India reduced the administrative burden of paying taxes by abolishing the fringe benefit tax and improving electronic payment.
DB2011	Sri Lanka	Sri Lanka made paying taxes more difficult by introducing a new tax called the Nation Building Tax (NBT) as of February 1, 2009 at a rate of 1% on the turnover.

Trading across Borders

DB Year	Economy	Reform
DB2020	India	India made trading across borders easier by enabling post-clearance audits, integrating trade stakeholders in a single electronic platform, upgrading port infrastructures and enhancing the electronic submission of documents. This reform applies to both Mumbai and New Delhi.
DB2020	Nepal	Nepal reduced the time and cost to export and the time to import by opening the Integrated Check Post Birgunj at the Nepal-India border.
DB2020	Pakistan	Pakistan made trading across borders easier by enhancing the integration of various agencies in the Web-Based One Customs (WBOC) electronic system and coordinating joint physical inspections at the port. This reform applies to both Karachi and Lahore.
DB2019	India	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.
DB2018	India	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.
DB2018	Pakistan	Pakistan made importing and exporting easier by developing a new container terminal and enhancing its customs platform for electronic document submission. These changes apply to both Karachi and Lahore.
DB2018	Sri Lanka	Sri Lanka made exporting and importing easier by developing a customs single window.
DB2017	Afghanistan	Afghanistan made exporting and importing easier by enhancing the usage of different modules of the ASYCUDA World customs processing system.
DB2017	India	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.
DB2017	Nepal	Exporting in Nepal became more difficult due to an increase in the time and cost for documentary compliance following the introduction of a special vehicle permit requirement. At the same time, Nepal implemented the ASYCUDA World data management system, which expedited the customs clearance process.
DB2017	Pakistan	Pakistan made exporting and importing easier by enhancing its electronic "Web Based One Customs Platform".
DB2015	Bangladesh	Bangladesh made trading across borders easier by introducing a fully automated, computerized customs data management system, ASYCUDA (Automated System for Customs Data) World. This reform applies to both Chittagong and Dhaka.
DB2015	Pakistan	Pakistan made trading across borders easier by introducing a fully automated, computerized system (the Web-Based One Customs system) for the submission and processing of export and import documents. This reform applies to both Lahore and Karachi.

DB2014	Sri Lanka	Sri Lanka made trading across borders easier by introducing an electronic payment system for port services.
DB2013	Sri Lanka	Sri Lanka reduced the time to export by implementing the ASYCUDA World electronic data interchange system.
DB2011	Pakistan	Pakistan reduced the time to export by improving electronic communication between the Karachi Port authorities and the private terminals, which have also boosted efficiency by introducing new equipment.

Enforcing Contracts

DB Year	Economy	Reform
DB2020	Nepal	Nepal made enforcing contracts easier by adopting a new code of civil procedure that introduces time standards for key court events.
DB2019	Sri Lanka	Sri Lanka made enforcing contracts easier by introducing a pre-trial conference as part of the case management techniques used in court.
DB2018	Bhutan	Bhutan made enforcing contracts easier by creating a dedicated bench to resolve commercial cases.
DB2018	India	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.
DB2017	India	India made enforcing contracts easier by creating dedicated divisions to resolve commercial cases. This reform applies to both Mumbai and Delhi.
DB2012	Nepal	Nepal improved oversight and monitoring in the court, speeding up the process for filing claims.

Resolving Insolvency

DB Year	Economy	Reform
DB2020	India	India made resolving insolvency easier by promoting reorganization proceedings in practice. India also made resolving insolvency more difficult by not allowing dissenting creditors to receive as much under reorganization as they would receive in liquidation. This reform applies to both Delhi and Mumbai.
DB2019	Afghanistan	Afghanistan made resolving insolvency easier by improving the continuation of the debtor's business during insolvency proceedings, introducing the reorganization procedure and granting creditors greater participation in the proceedings.
DB2019	Pakistan	Pakistan made resolving insolvency easier by introducing the reorganization procedure and improving the continuation of the debtor's business during insolvency proceedings. This change applies to both Karachi and Lahore.
DB2018	India	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.

Employing Workers

DB Year	Economy	Reform
DB2019	India	India (Mumbai) changed regulations pertaining to weekly holiday work, overtime hours and paid annual leave.
DB2019	Nepal	Nepal changed regulations pertaining to fixed-term contracts, probationary periods, working hours, paid maternity and sick leave, night work for women, third party approval in case of redundancy and unemployment protection.
DB2018	India	India increased the mandatory length of paid maternity. This reform applies to both New Delhi and Mumbai.
DB2013	Bhutan	Bhutan introduced a minimum wage.
DB2011	Bhutan	Bhutan established the mandatory paid annual leave.

Doing Business 2020 is the 17th in a series of annual studies investigating the regulations that enhance business activity and those that constrain it. It provides quantitative indicators covering 12 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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