

A World Bank Group Flagship Report



# Doing Business 2018

## Reforming to Create Jobs



Comparing Business Regulation  
for Domestic Firms in **190** Economies

## Region Profile of South Asia (SA)

Doing Business 2018 Indicators  
(in order of appearance in the document)

<b>Starting a business</b>	Procedures, time, cost and paid-in minimum capital to start a limited liability company
<b>Dealing with construction permits</b>	Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system
<b>Getting electricity</b>	Procedures, time and cost to get connected to the electrical grid, the reliability of the electricity supply and the transparency of tariffs
<b>Registering property</b>	Procedures, time and cost to transfer a property and the quality of the land administration system
<b>Getting credit</b>	Movable collateral laws and credit information systems
<b>Protecting minority investors</b>	Minority shareholders' rights in related-party transactions and in corporate governance
<b>Paying taxes</b>	Payments, time and total tax rate for a firm to comply with all tax regulations as well as post-filing processes
<b>Trading across borders</b>	Time and cost to export the product of comparative advantage and import auto parts
<b>Enforcing contracts</b>	Time and cost to resolve a commercial dispute and the quality of judicial processes
<b>Resolving insolvency</b>	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency

## 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 labor market regulation. Although Doing Business does not present rankings of economies on the labor market regulation indicators or include the topic in the aggregate distance to frontier 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 reports](#), which exhaustively cover business regulation and reform in different cities and regions within a nation. These reports 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.

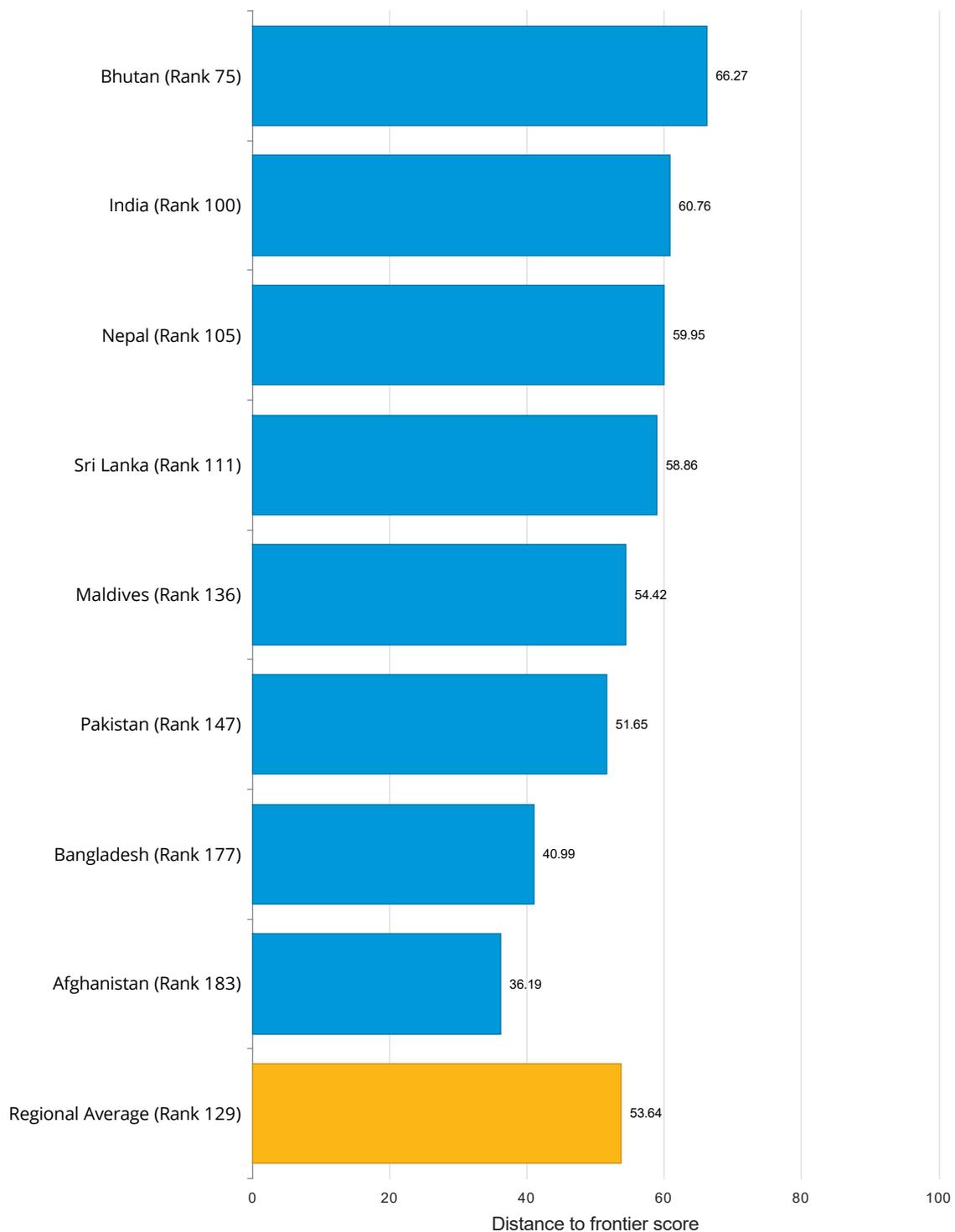
The first Doing Business report, published in 2003, covered 5 indicator sets and 133 economies. This year's report covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more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

More about [Doing Business](#) (PDF, 5MB)

## The Business Environment

For policy makers, knowing where their economy stands in the aggregate ranking on the ease of doing business is useful. Also useful is 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 distance to frontier scores.

### How economies in South Asia (SA) rank on the ease of doing business

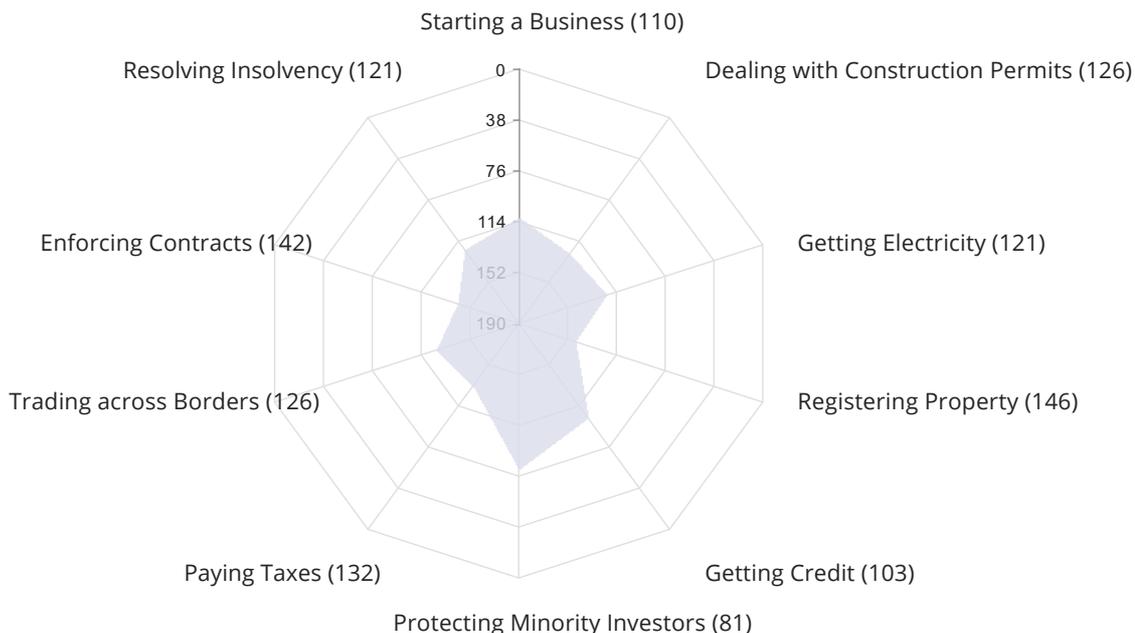


Note: Economies are ranked on their ease of doing business, from 1–190. The rankings are determined by sorting the aggregate [distance to frontier](#) scores on 10 topics, each consisting of several indicators, giving equal weight to each topic. The rankings for all economies are benchmarked to June 2017. The distance to frontier (DTF) measure shows the distance of each economy to the “frontier,” which represents the best performance observed on each of the indicators across all economies in the Doing Business sample since 2005. An economy’s distance to frontier is reflected on a scale from 0 to 100, where 0 represents the lowest performance and 100 represents the frontier.

Source: Doing Business database



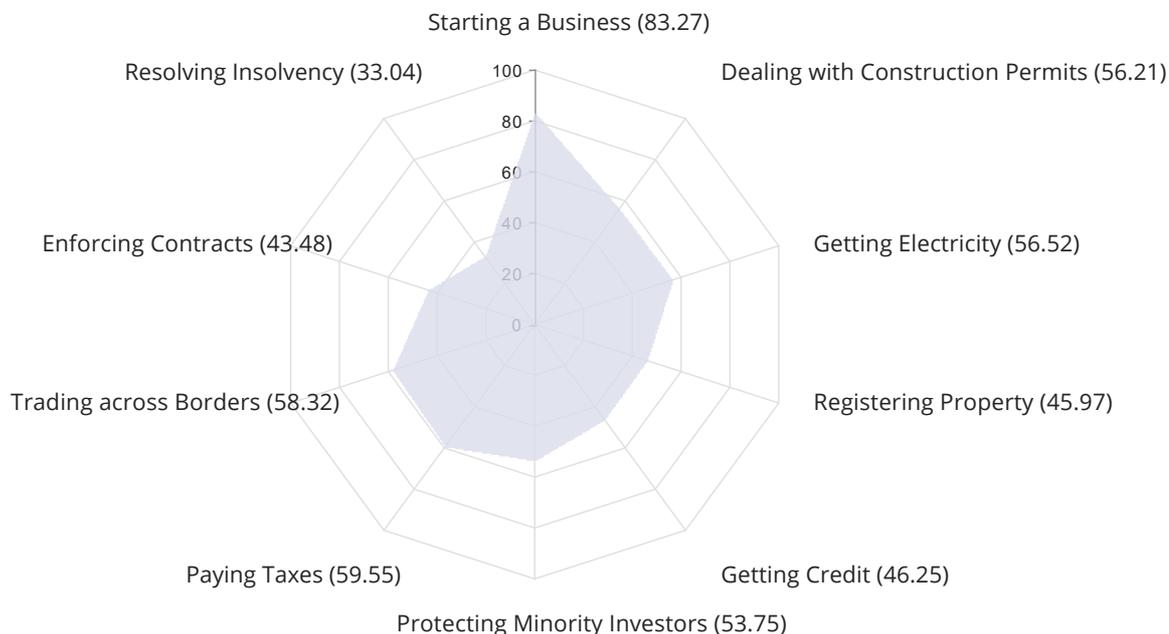
Rankings on Doing Business topics - South Asia (SA)



Regional average ranking (Scale: Rank 190 center, Rank 1 outer edge)

Source: Doing Business database.

Distance to frontier scores on Doing Business topics - South Asia (SA)



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

Note: Economies are ranked on their ease of doing business, from 1-190. The rankings are determined by sorting the aggregate distance to frontier scores on 10 topics, each consisting of several indicators, giving equal weight to each topic. The rankings for all economies are benchmarked to June 2017. The distance to frontier (DTF) measure shows the distance of each economy to the "frontier," which represents the best performance observed on each of the indicators across all economies in the Doing Business sample since 2005. An economy's distance to frontier is reflected on a scale from 0 to 100, where 0 represents the lowest performance and 100 represents the frontier. Source: Doing Business database

## Starting a Business

This topic measures the paid-in minimum capital requirement, number of procedures, time and cost for a small- to medium-sized limited liability company to start up and formally operate in 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 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 distance to frontier score for each indicator is the average of the scores obtained for each of the component indicators.

The most recent round of data collection for the project was completed in June 2017. [See the methodology for more information.](#)

### What the indicators measure

#### Procedures to legally start and operate a company (number)

Pre-registration (for example, name verification or reservation, notarization)

Registration in economy's largest business city

Post-registration (for example, social security registration, company seal)

Obtaining approval from spouse to start business or leave home to register company

Obtaining any gender-specific permission that can impact company registration, company operations and process of getting national identity card

#### Time required to complete each procedure (calendar days)

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

#### Cost required to complete each procedure (% of income per capita)

Official costs only, no bribes

No professional fees unless services required by law or commonly used in practice

#### Paid-in minimum capital (% of income per capita)

Funds deposited in a bank or with third party before registration or up to 3 months after incorporation

### Case study assumptions

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.

#### The business:

- Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the 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 and the entire office space is approximately 929 square meters (10,000 square feet). For 11 economies the data are also collected for the second largest business city.

- Is 100% domestically owned and has five owners, none of whom is a legal entity; and has a start-up capital of 10 times income per capita and has a turnover of at least 100 times income per capita.

- Performs general industrial or commercial activities, such as the production or sale of goods or services to the public. 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 does not use heavily polluting production processes.

- Leases the commercial plant or offices and is not a proprietor of real estate and the amount of the annual lease for the office space is equivalent to 1 times income per capita.

- Does not qualify for investment incentives or any special benefits.

- Has at least 10 and up to 50 employees one month after the commencement of operations, all of whom are domestic nationals.

- Has a company deed 10 pages long.

#### The owners:

- Have reached the legal age of majority. If there is no legal age of majority, they are assumed to be 30 years old.

- Are sane, competent, in good health and have no criminal record.

- Are married and the marriage is monogamous and registered with the authorities.

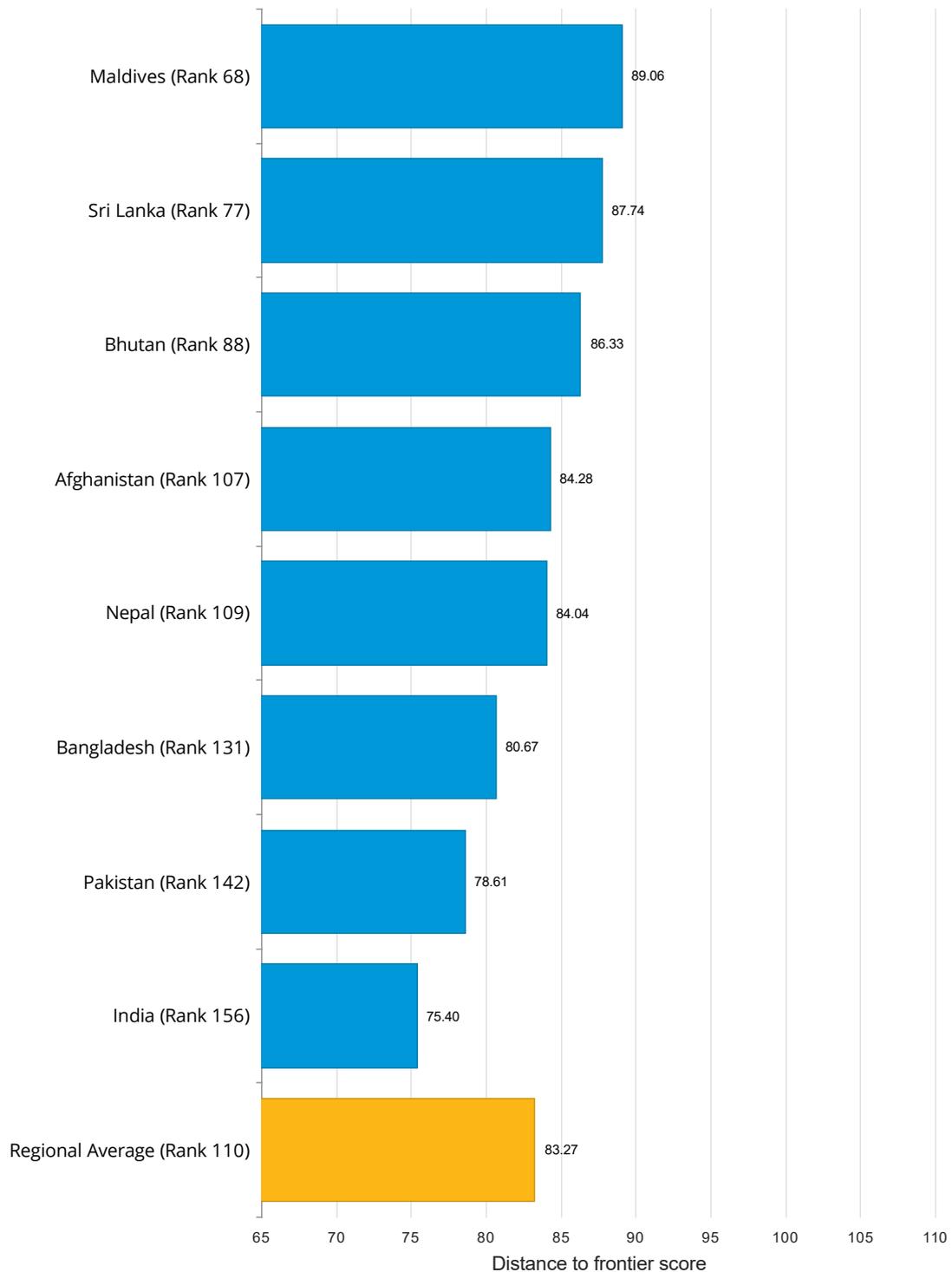
- Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.

### Starting a Business

Where do the region's economies stand today?

How easy is it for entrepreneurs in economies in South Asia (SA) 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 (SA) rank on the ease of starting a business



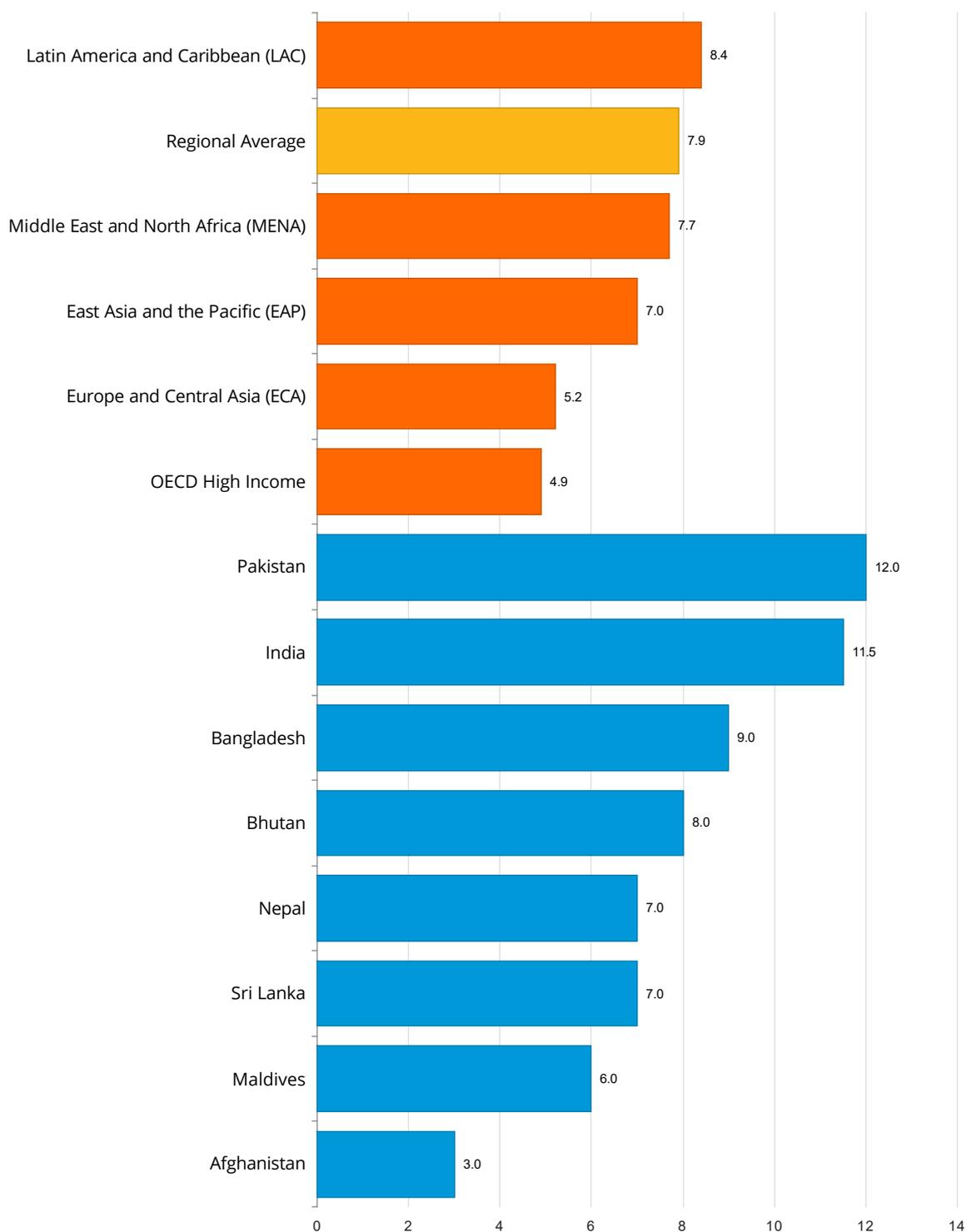
Source: Doing Business database.

## 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 (SA)

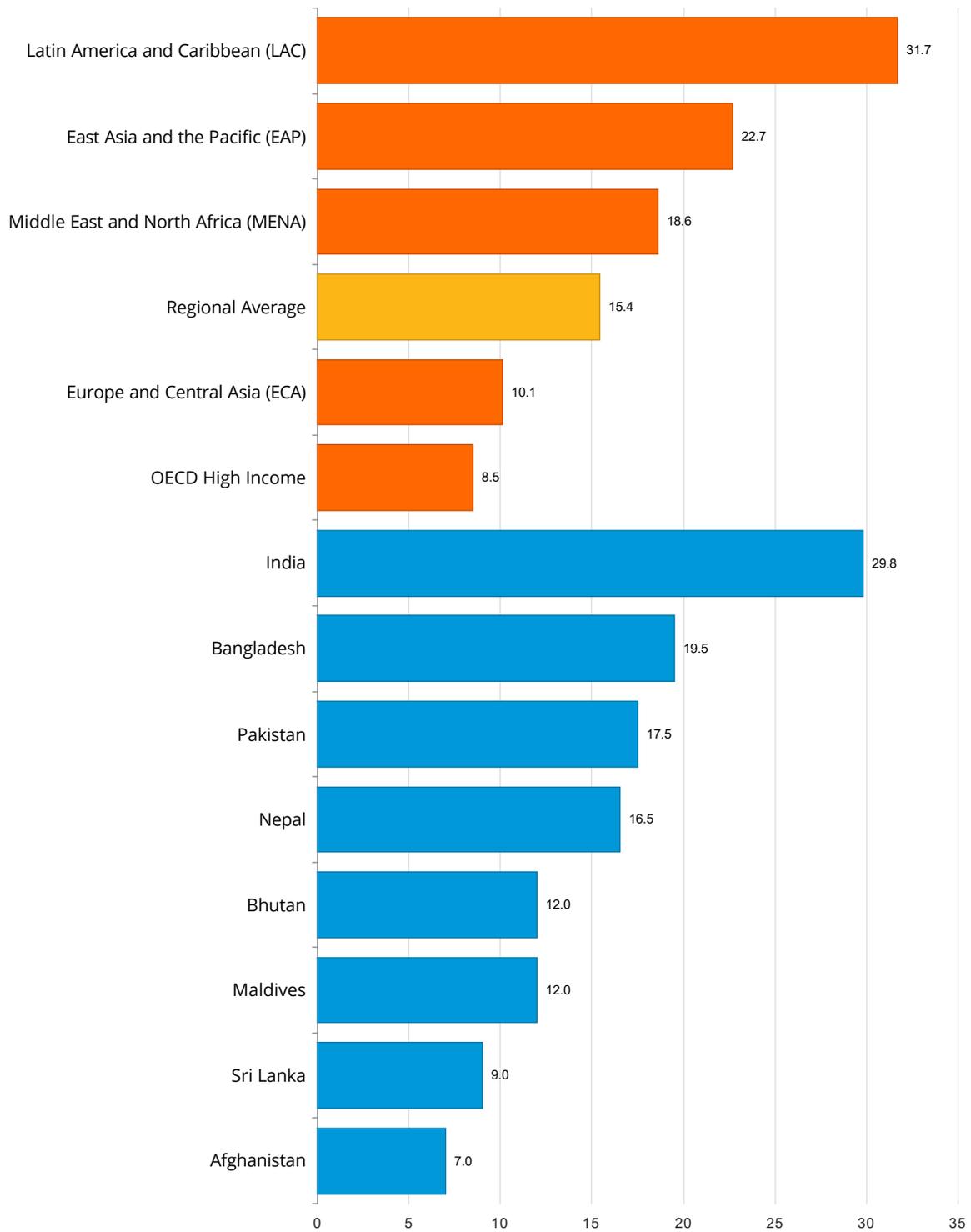
#### Procedure – Men (number)



Source: Doing Business database.

Starting a Business

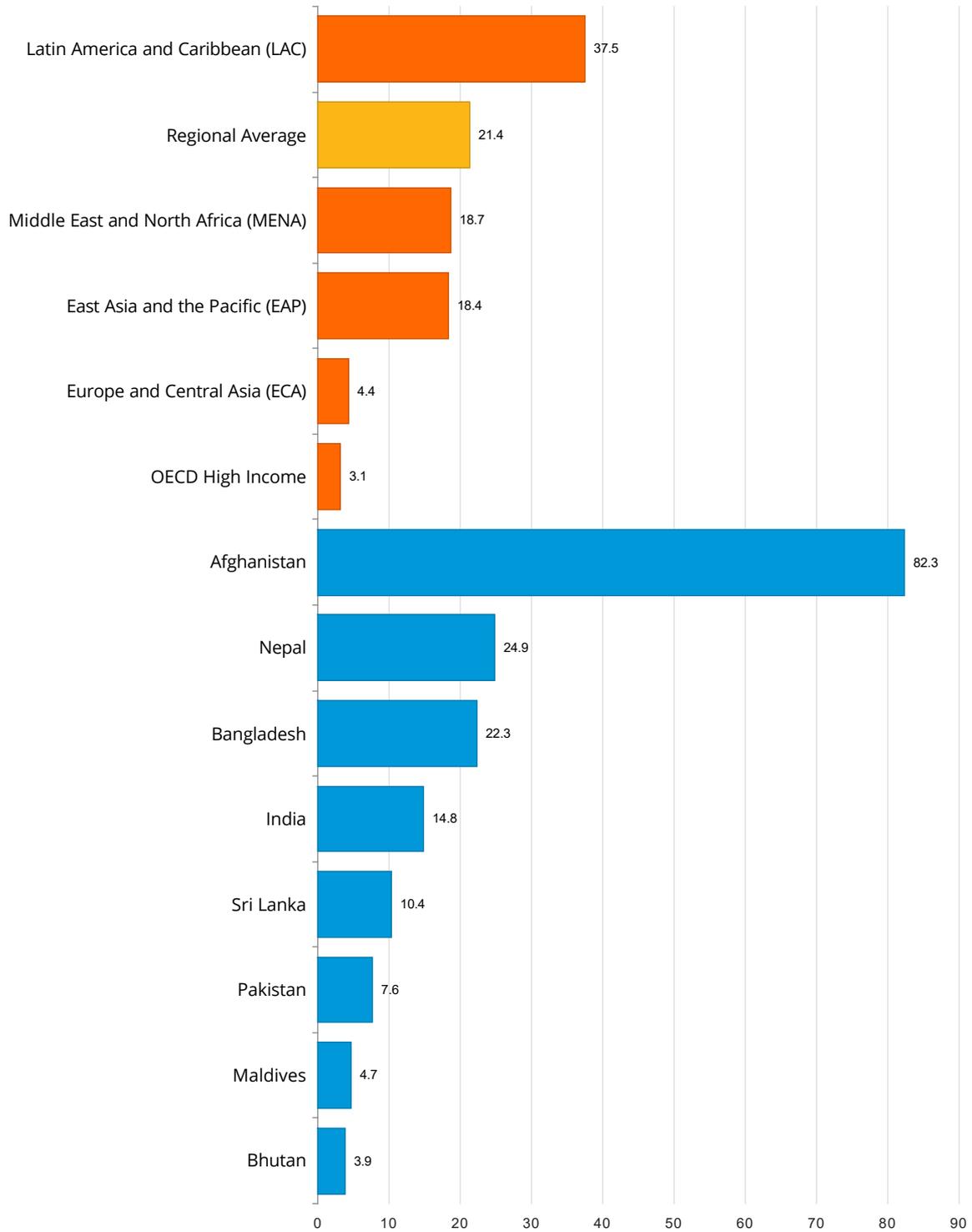
Time - Men (days)



Source: Doing Business database.

Starting a Business

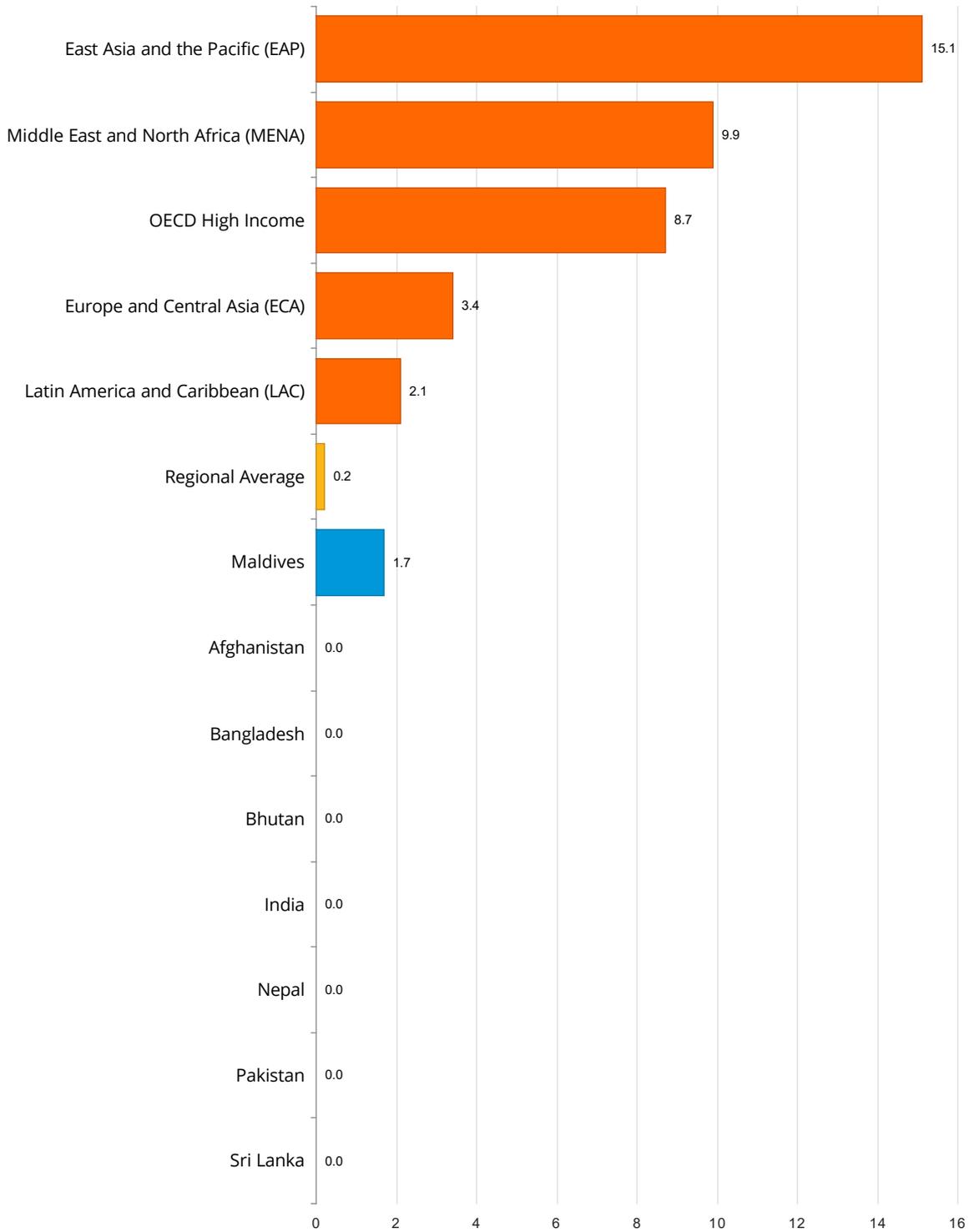
Cost – Men (% of income per capita)



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 June 2017. [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 warehouse value)

Official costs only, no bribes

#### Building quality control index (0-15)

Sum of the scores of six component indices:

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.

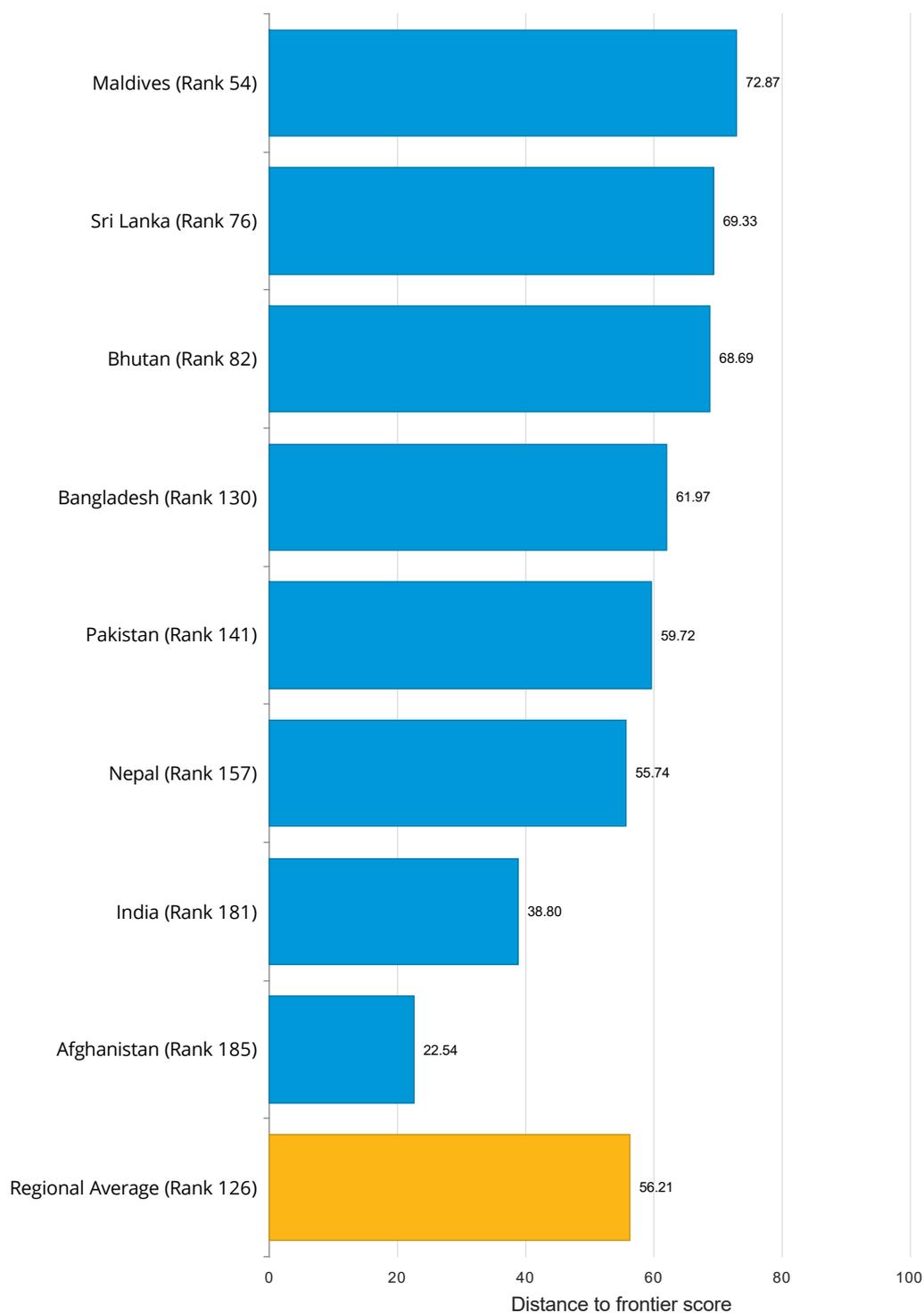
- Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.

### Dealing with Construction Permits

Where do the region's economies stand today?

How easy it is for entrepreneurs in economies in South Asia (SA) 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 (SA) rank on the ease of dealing with construction permits



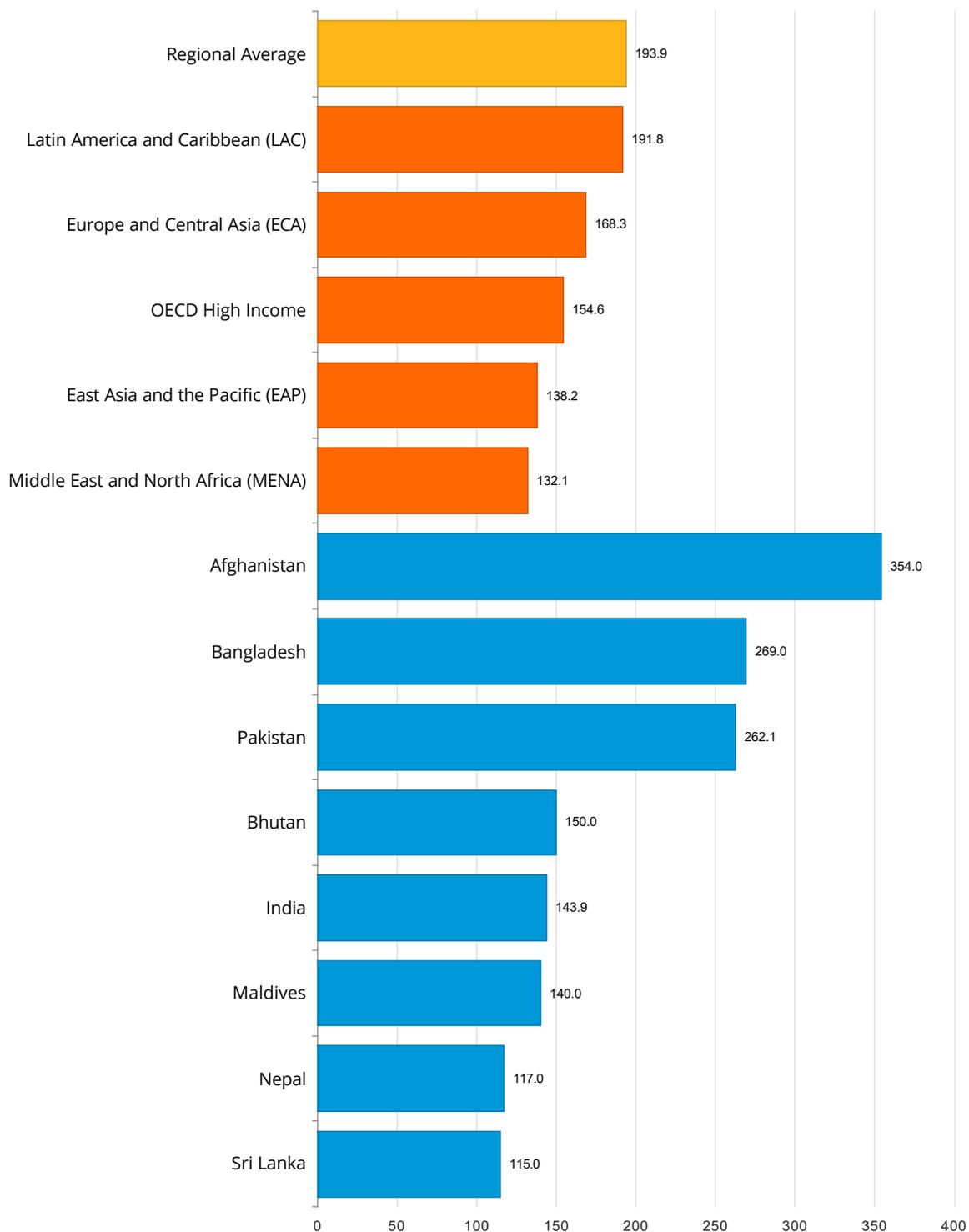
Source: Doing Business database.

### 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 (SA)

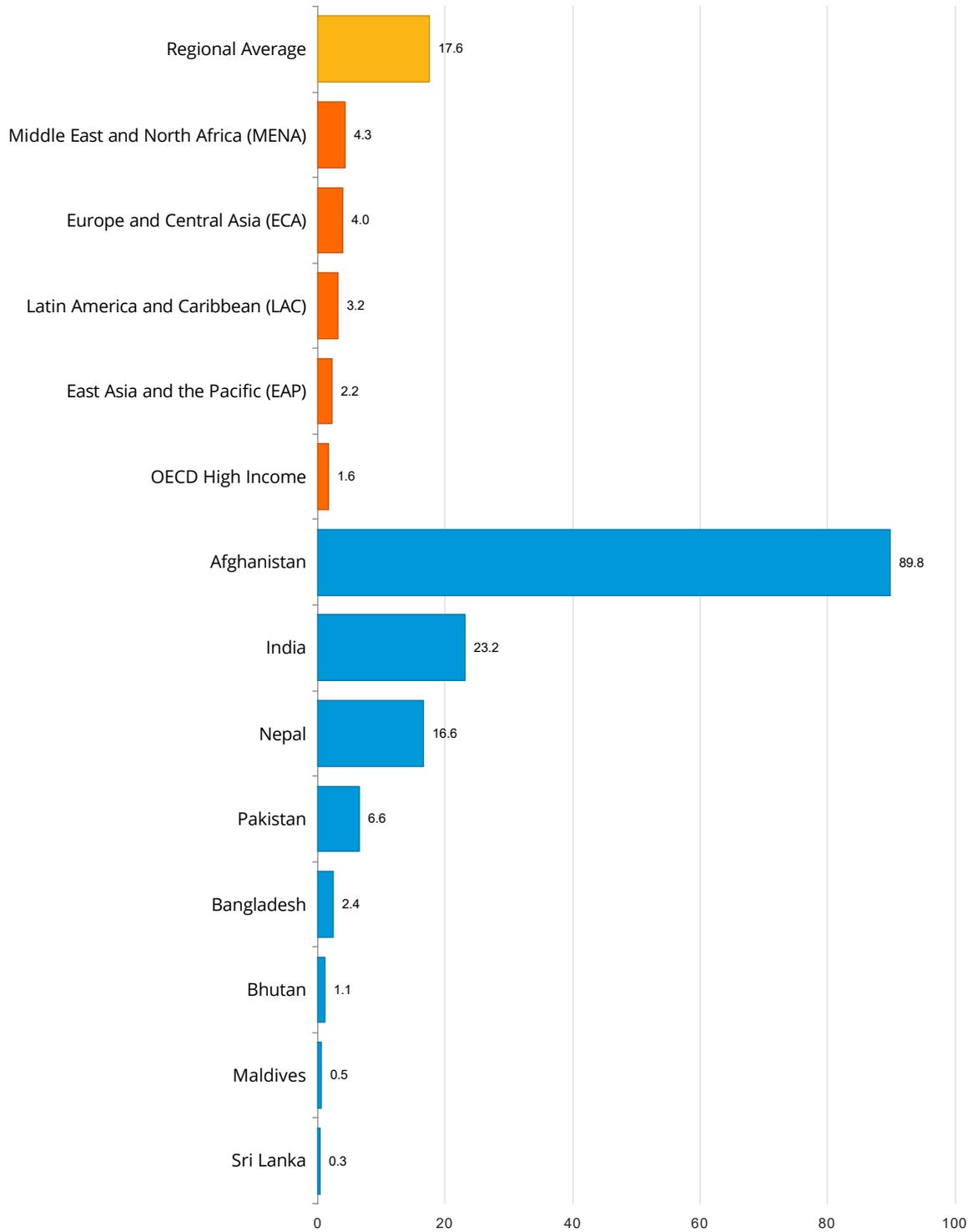
Time (days)



Source: Doing Business database.

### Dealing with Construction Permits

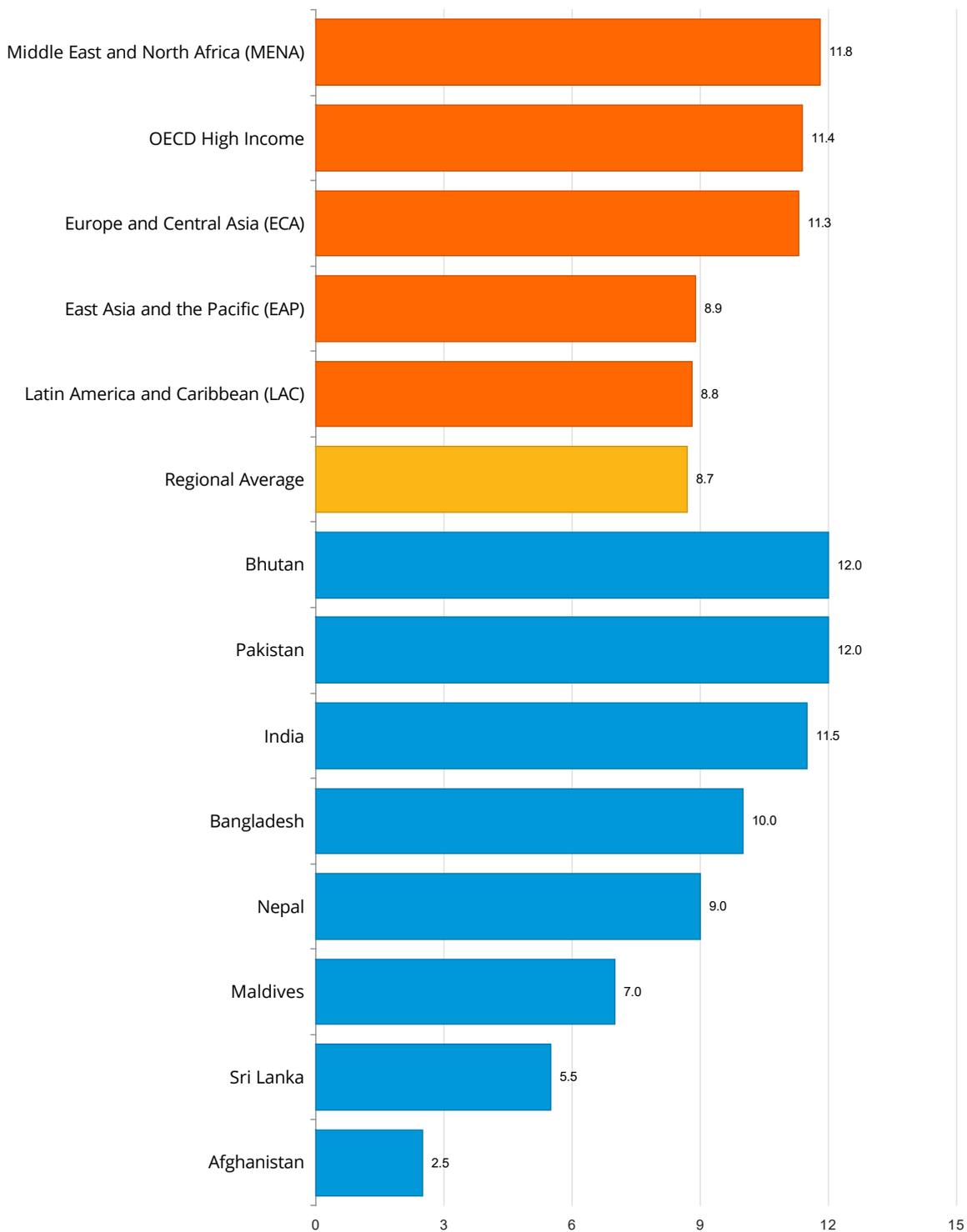
Cost (% of warehouse value)



Source: Doing Business database.

## Dealing with Construction Permits

### Building quality control index (0-15)



Source: Doing Business database.

## ⚡ Getting Electricity

This topic tracks the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. In addition to assessing efficiency of connection process, Reliability of supply and transparency of tariff index measures reliability of power supply and transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in June 2017. [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 distance to frontier score nor the ranking on the ease of getting electricity.

### Case study assumptions

To make the data comparable across economies, several assumptions 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.

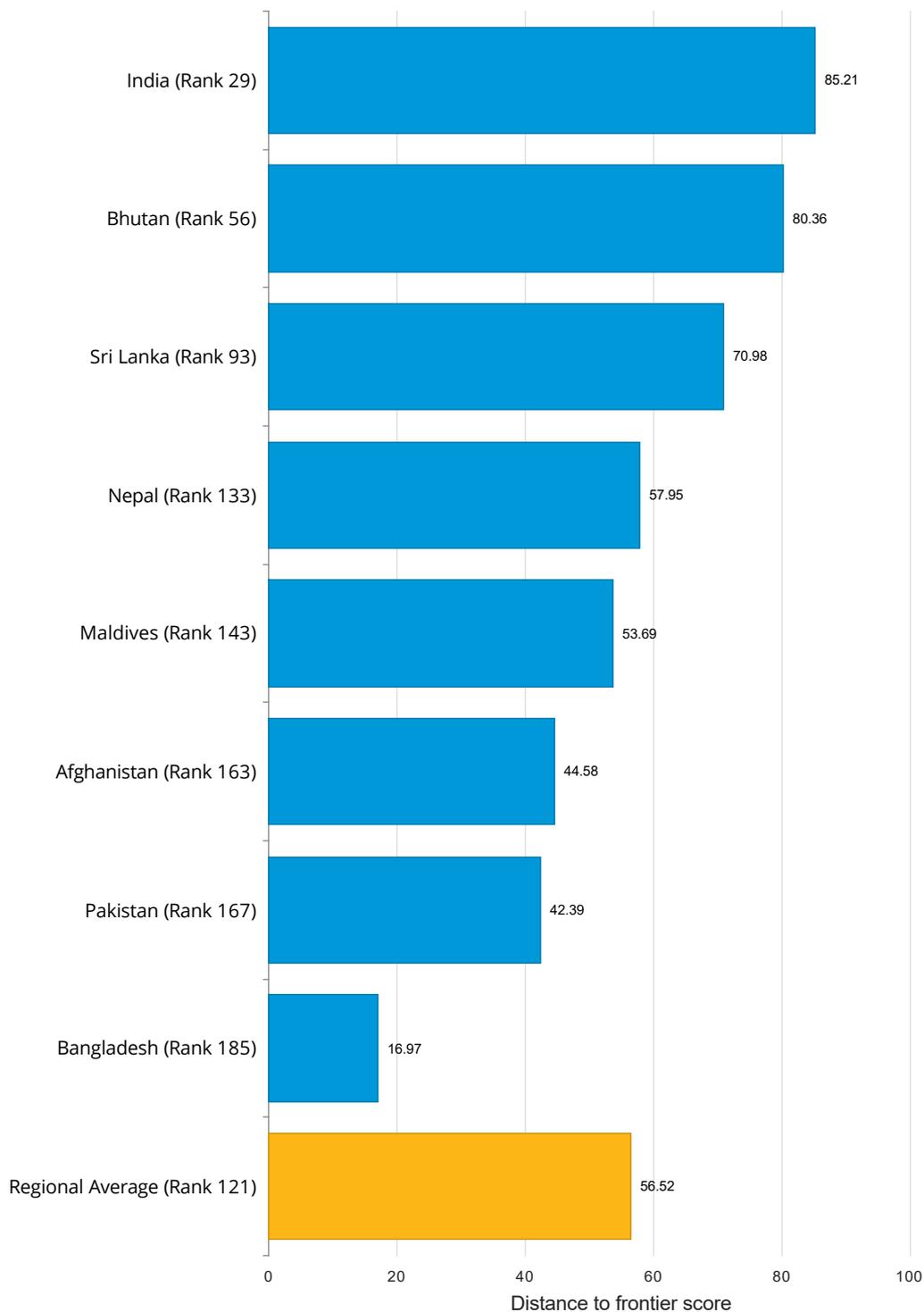
- Tariffs effective in March of the current year are used for calculation of the price of electricity for the warehouse. Although March has 31 days, for calculation purposes only 30 days are used.

## Getting Electricity

Where do the region's economies stand today?

How easy it is for entrepreneurs in economies in South Asia (SA) 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 (SA) rank on the ease of getting electricity



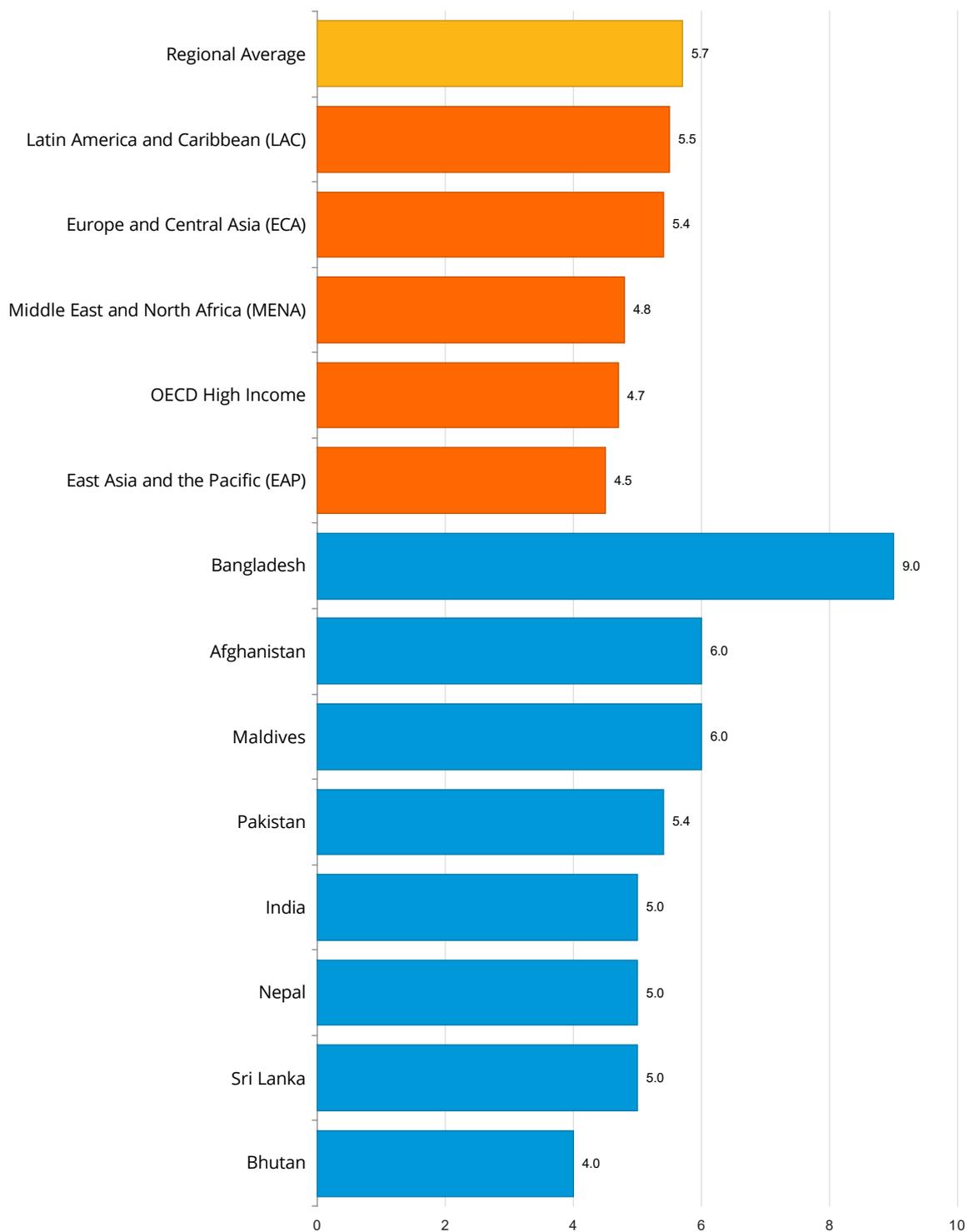
Source: Doing Business database.

## 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 (SA)

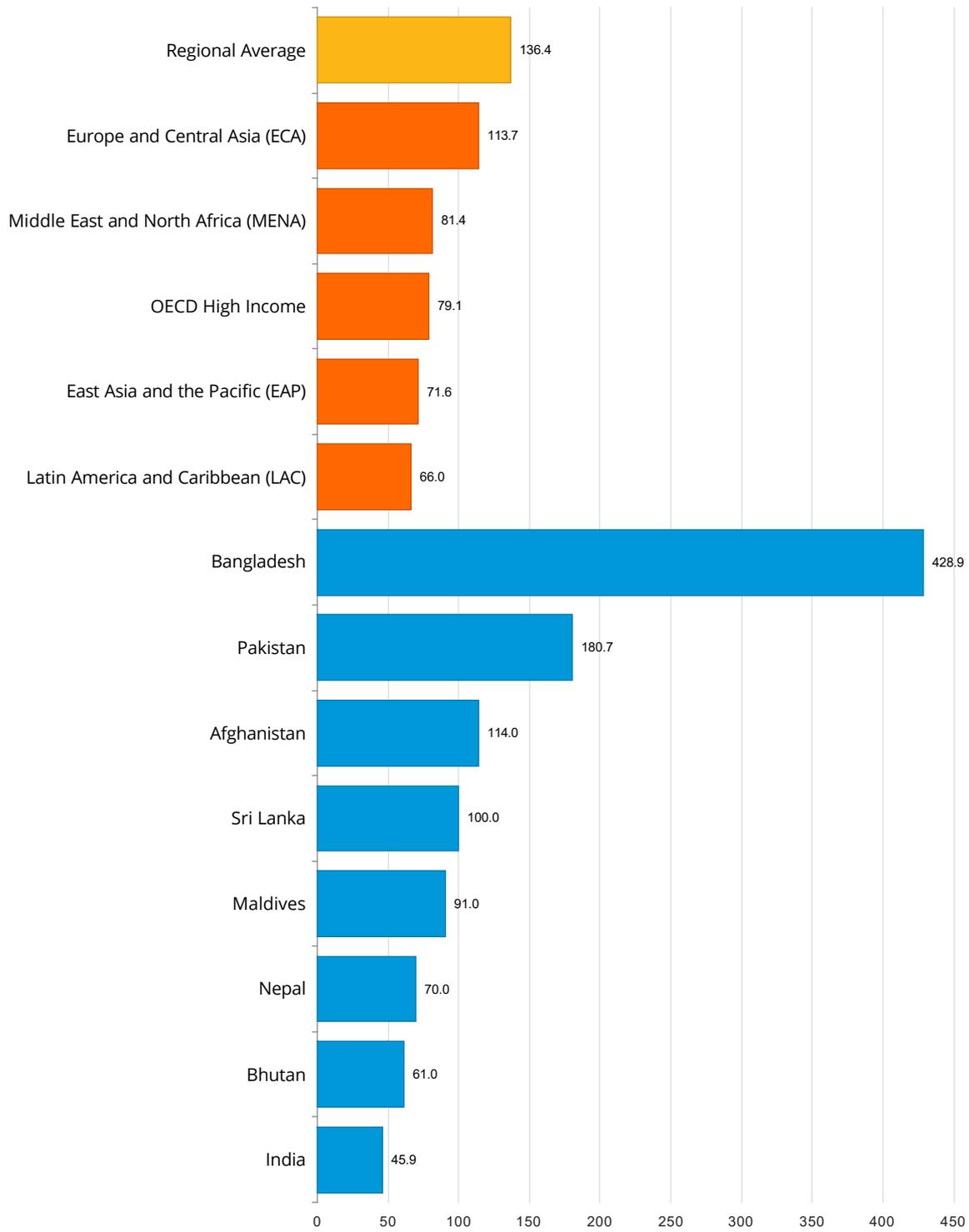
#### Procedures (number)



Source: Doing Business database.

### Getting Electricity

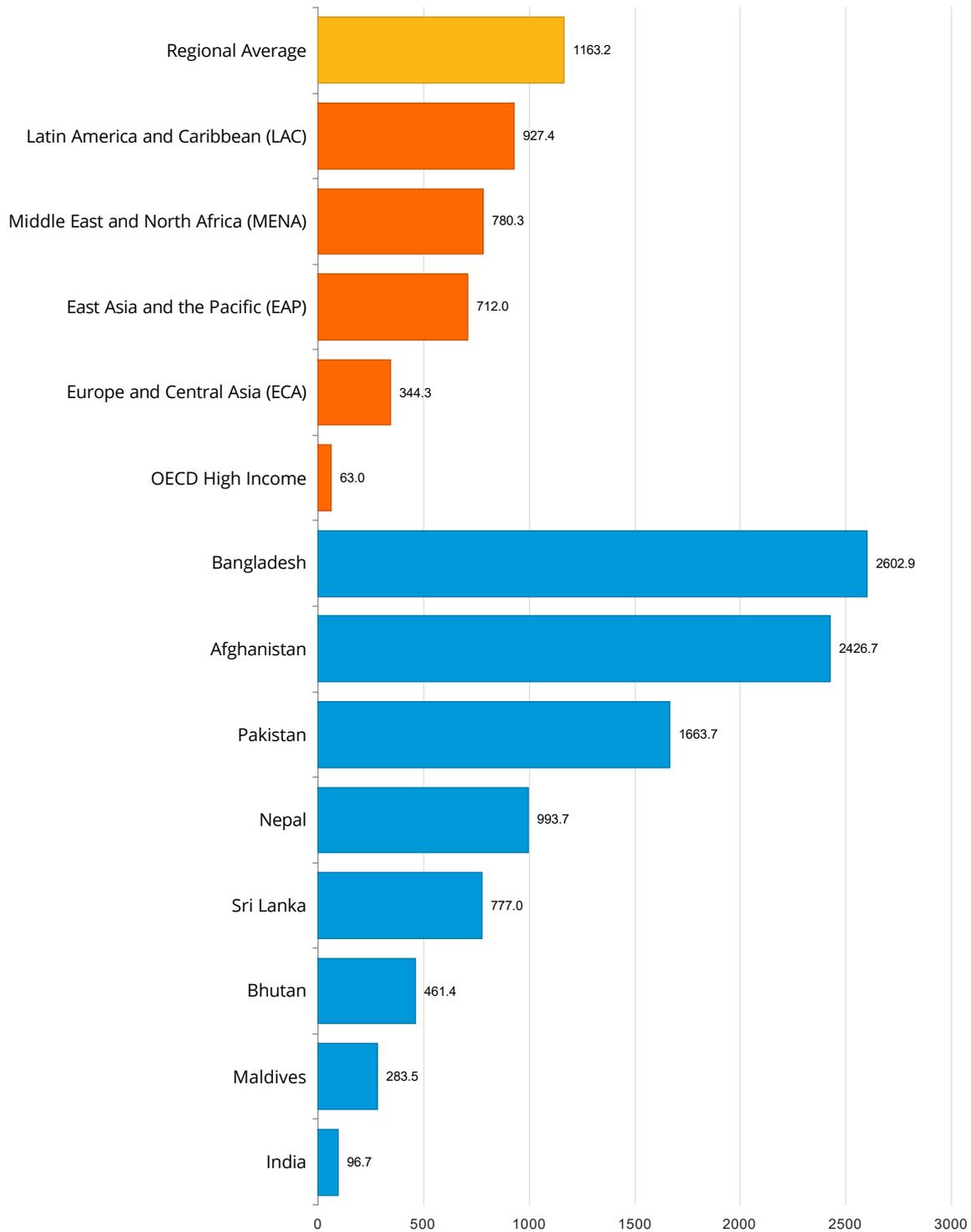
Time (days)



Source: Doing Business database.

### Getting Electricity

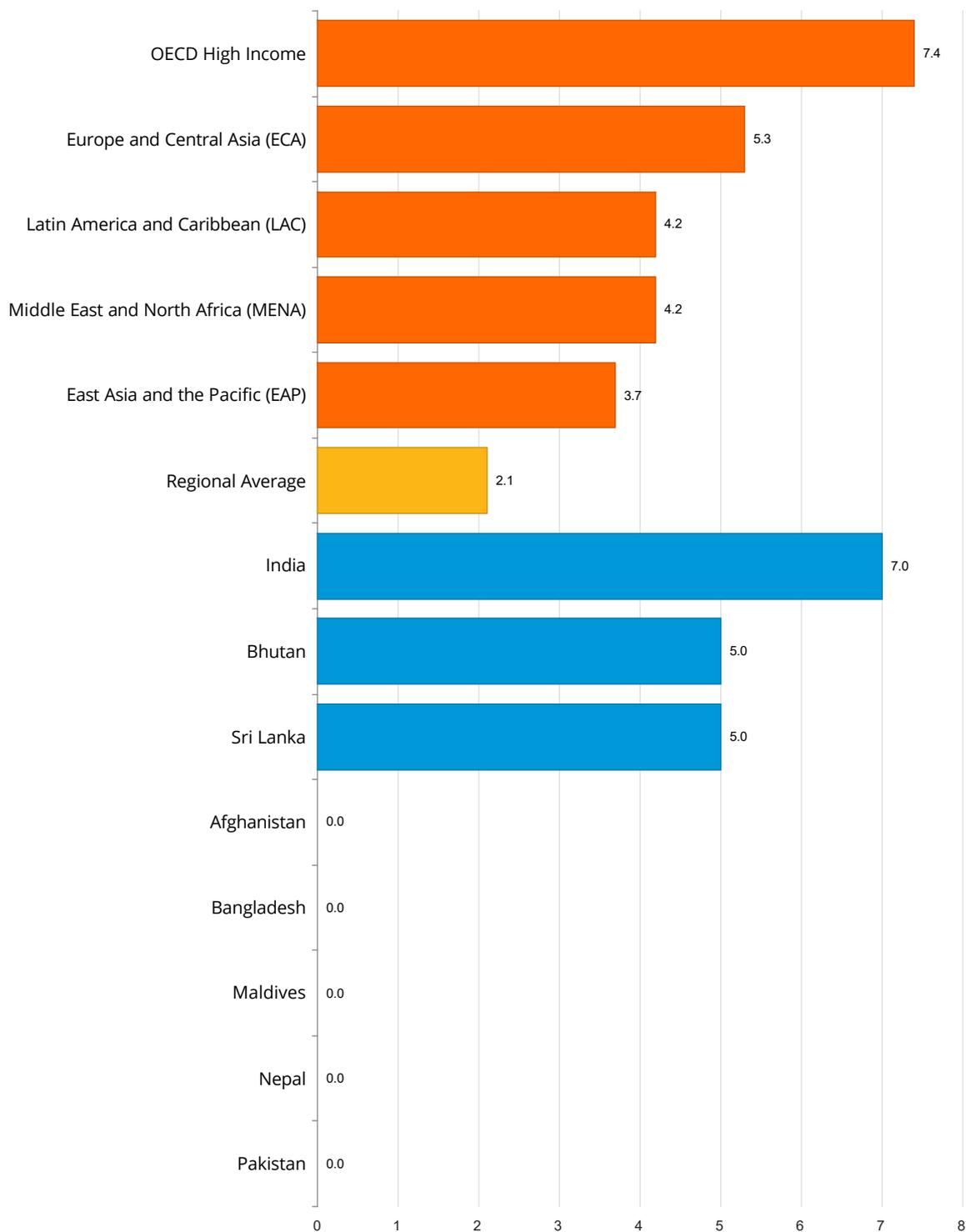
Cost (% of income per capita)



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 June 2017. [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 citya.

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 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.
- Have 50 employees each, all of whom are nationals.
- Perform general commercial activities.

#### The property (fully owned by the seller):

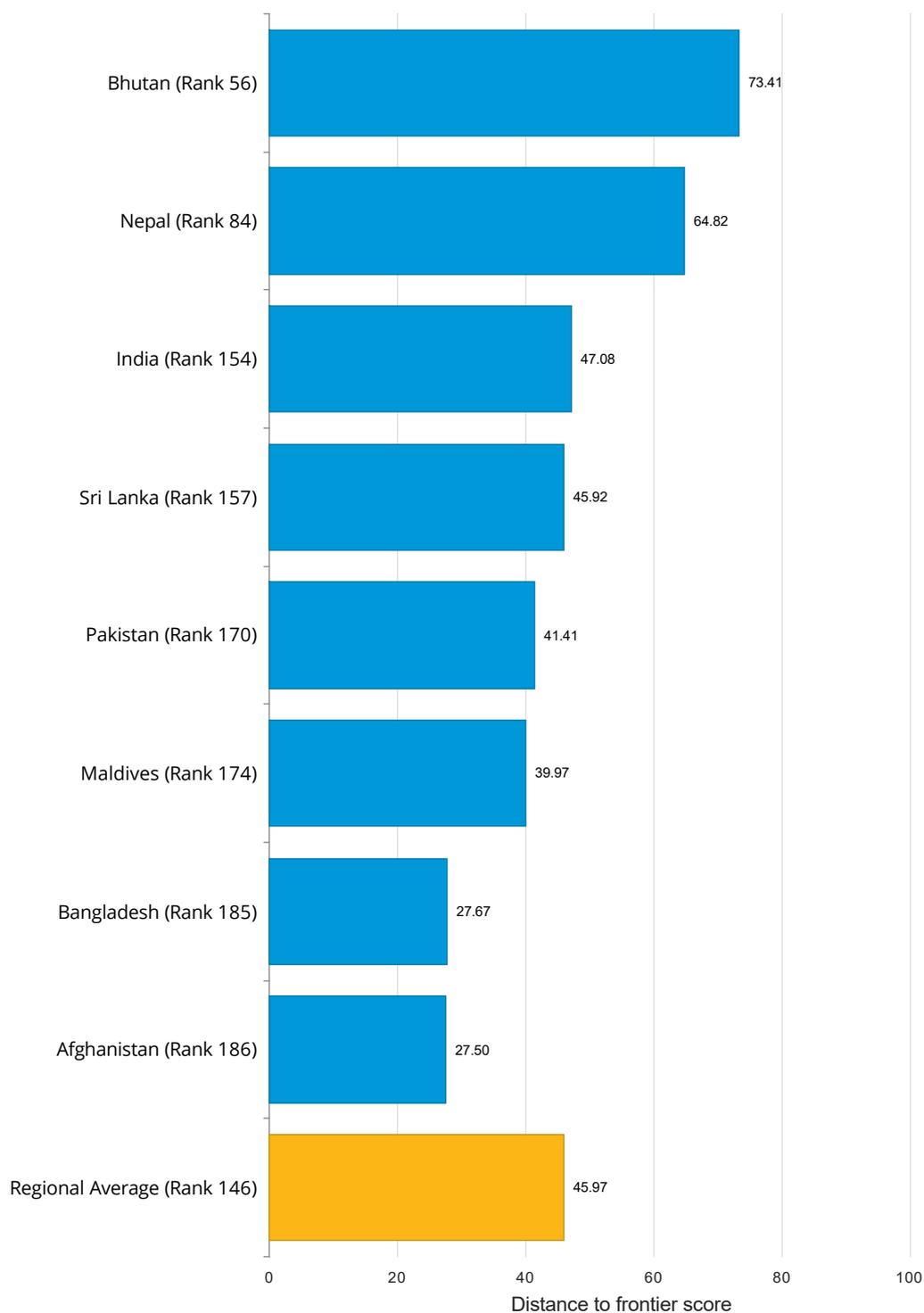
- Has a value of 50 times income per capita, which equals the sale price.
- Is fully owned by the seller.
- Has no mortgages attached and has been under the same ownership for the past 10 years.
- Is registered in the land registry or cadastre, or both, and is free of title disputes.
- Is located in a periurban commercial zone, 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 (SA) 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 (SA) rank on the ease of registering property



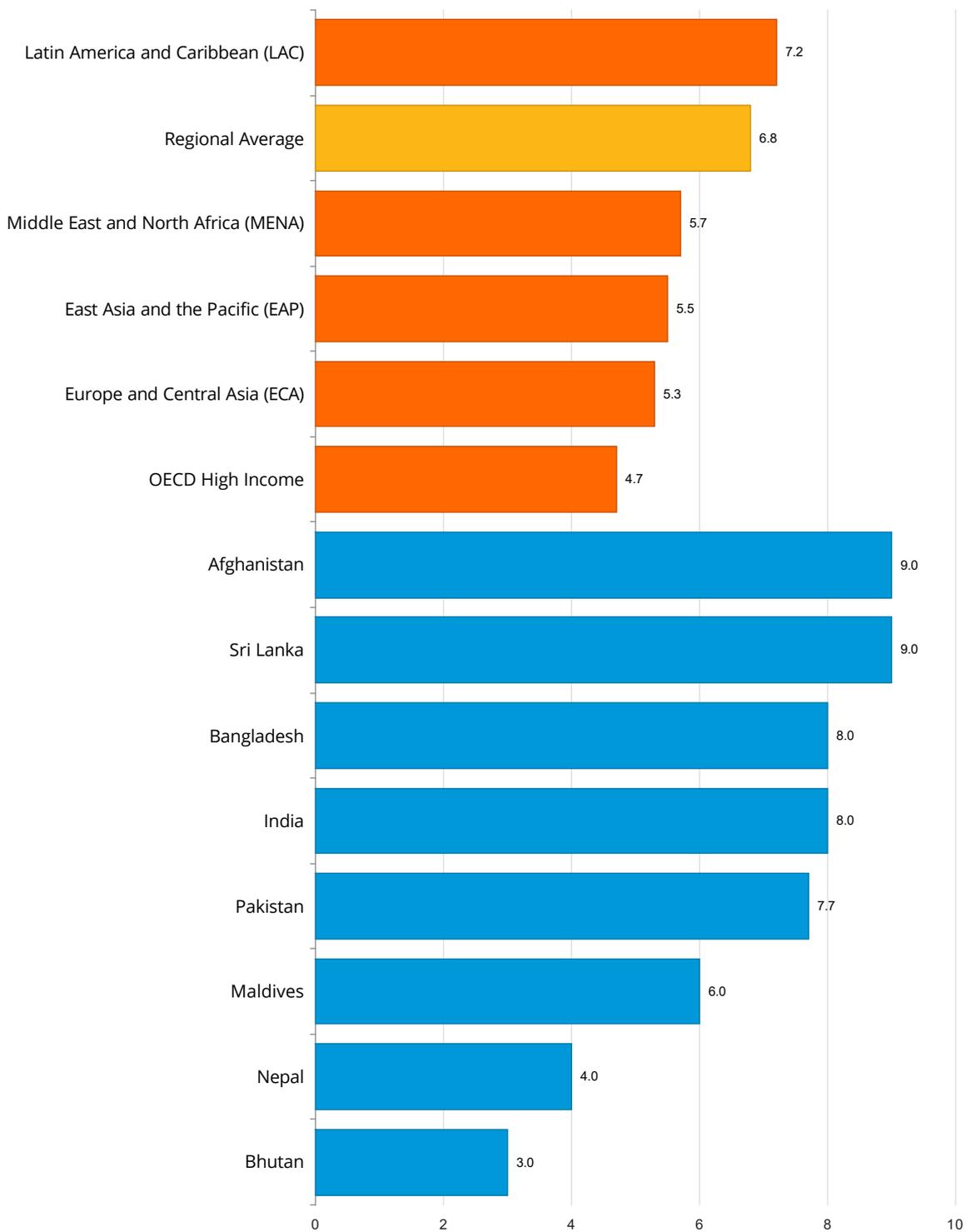
Source: Doing Business database.

## Registering Property

The indicators underlying the rankings may be more revealing. Data collected by Doing Business show what it takes to complete a property transfer 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 register property in economies in South Asia (SA)

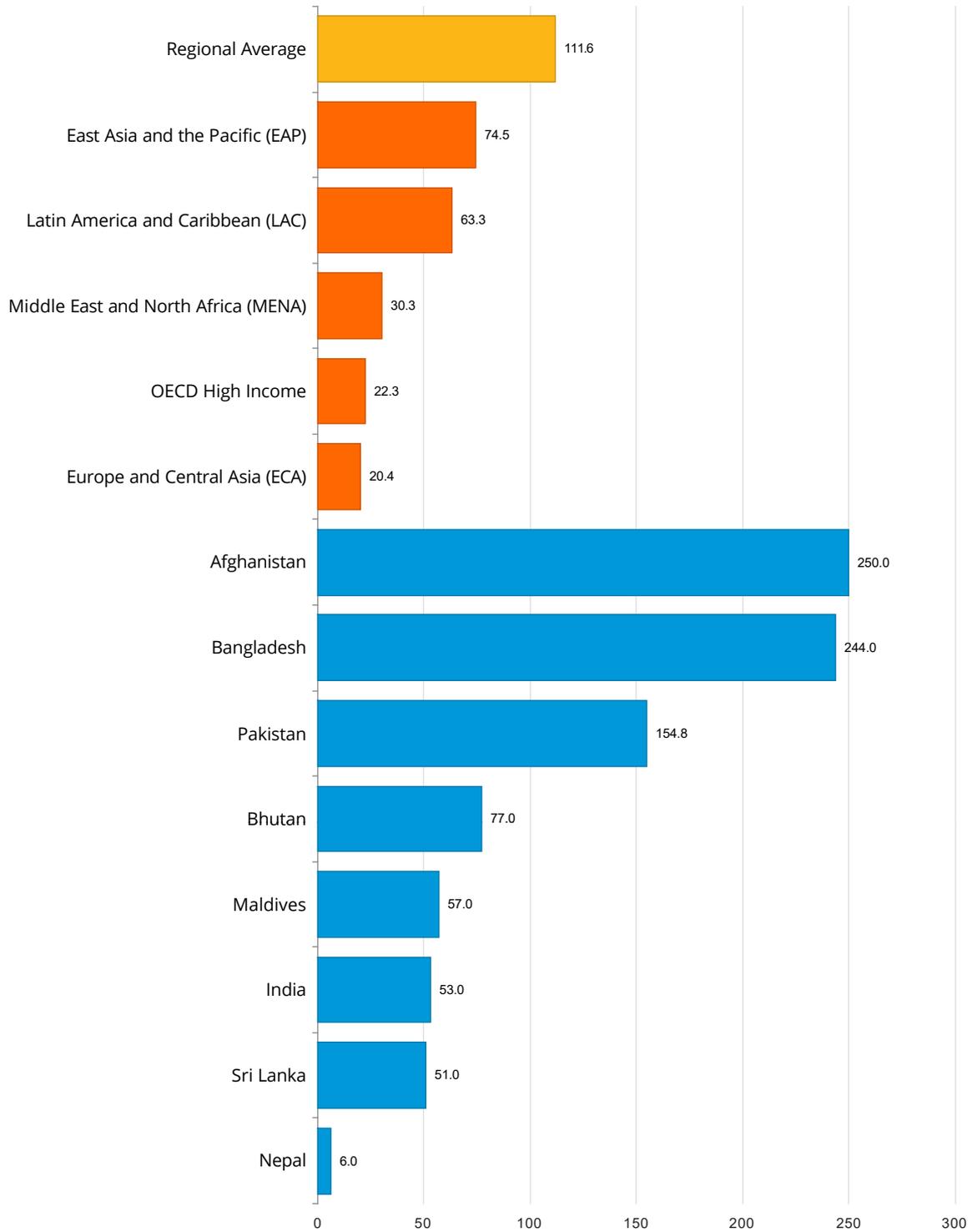
#### Procedures (number)



Source: Doing Business database.

## Registering Property

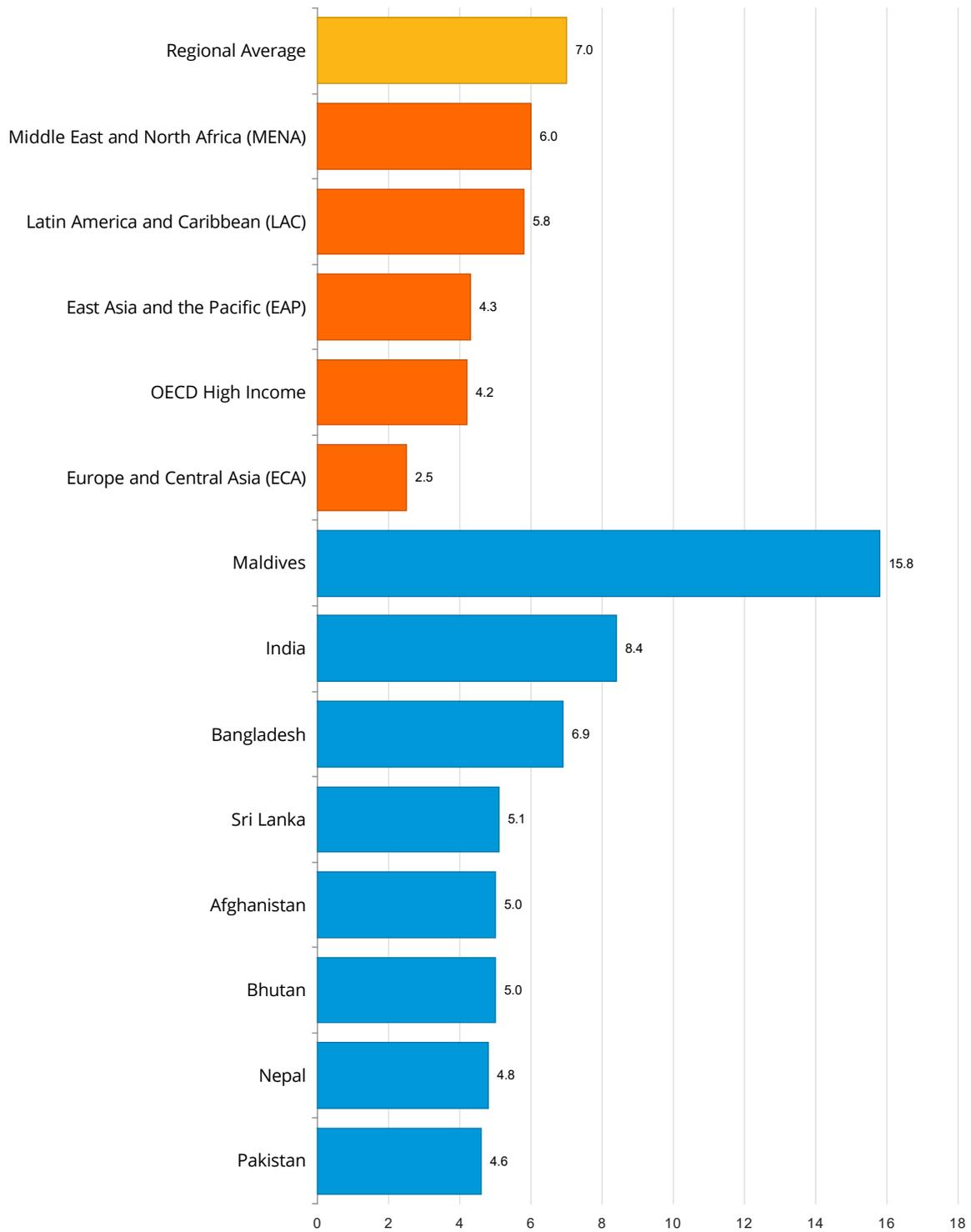
Time (days)



Source: Doing Business database.

## Registering Property

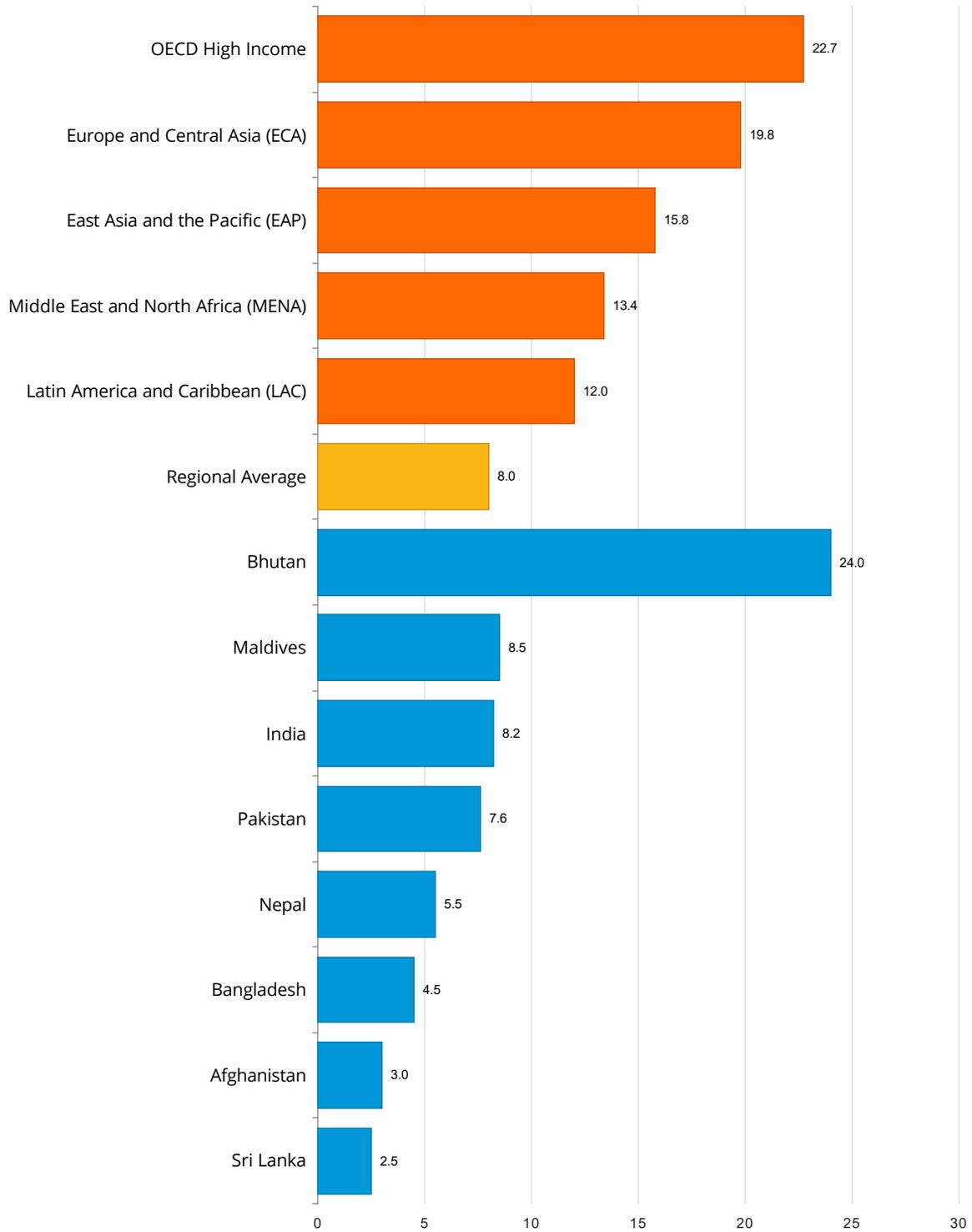
### Cost (% of property value)



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 June 2017. [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).

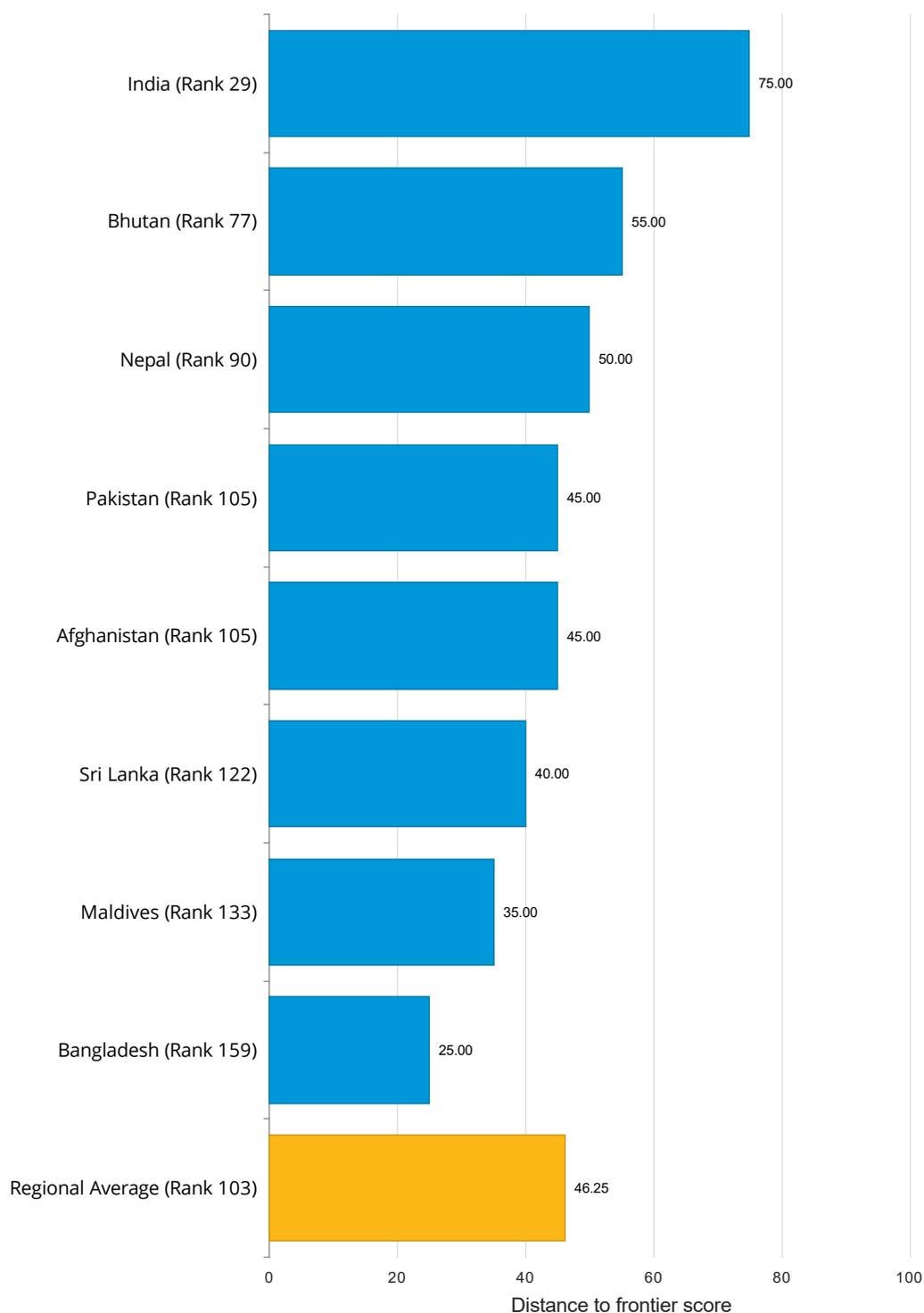
In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.

## 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 (SA) 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 (SA) rank on the ease of getting credit



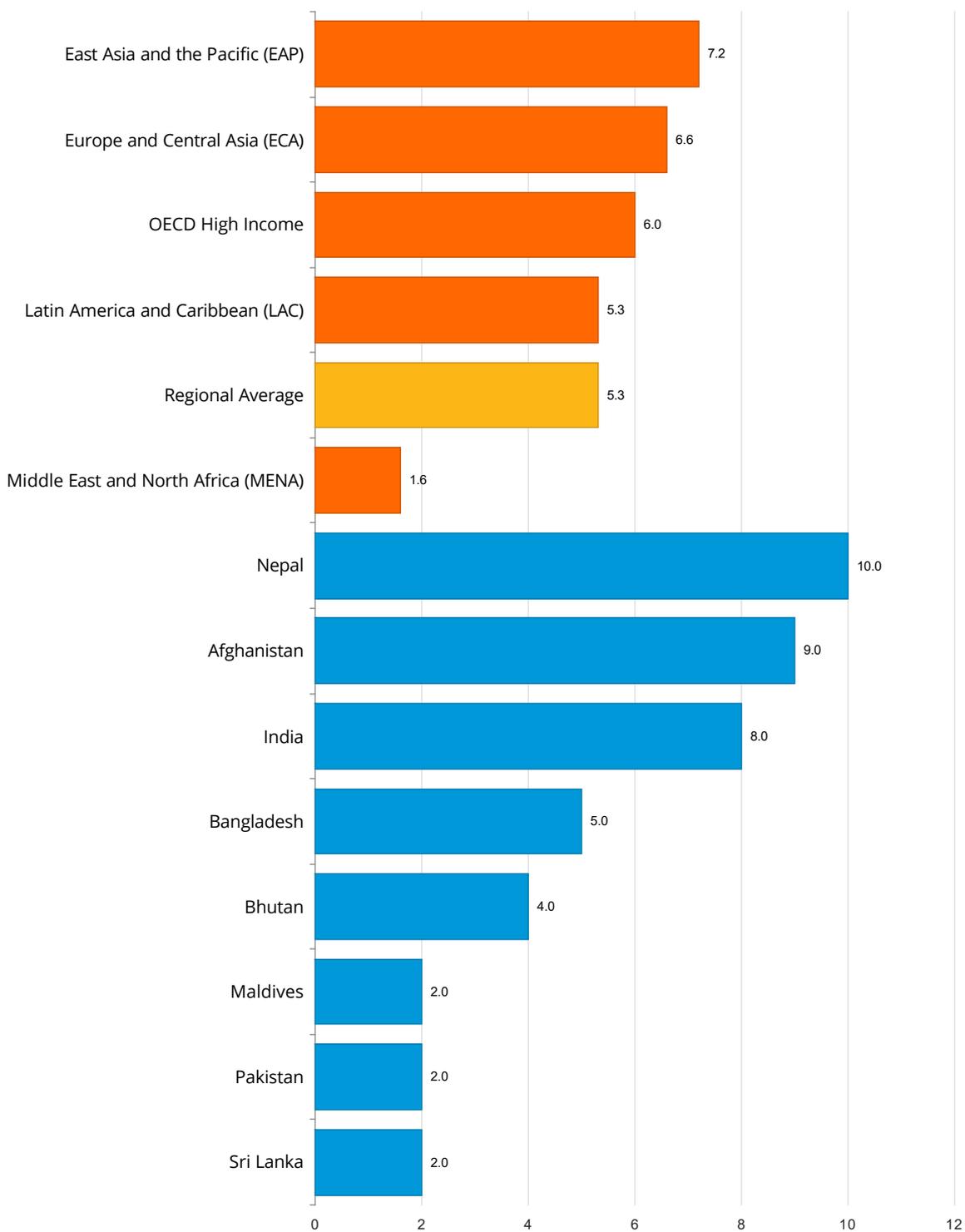
Source: Doing Business database.

## 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 (SA) 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

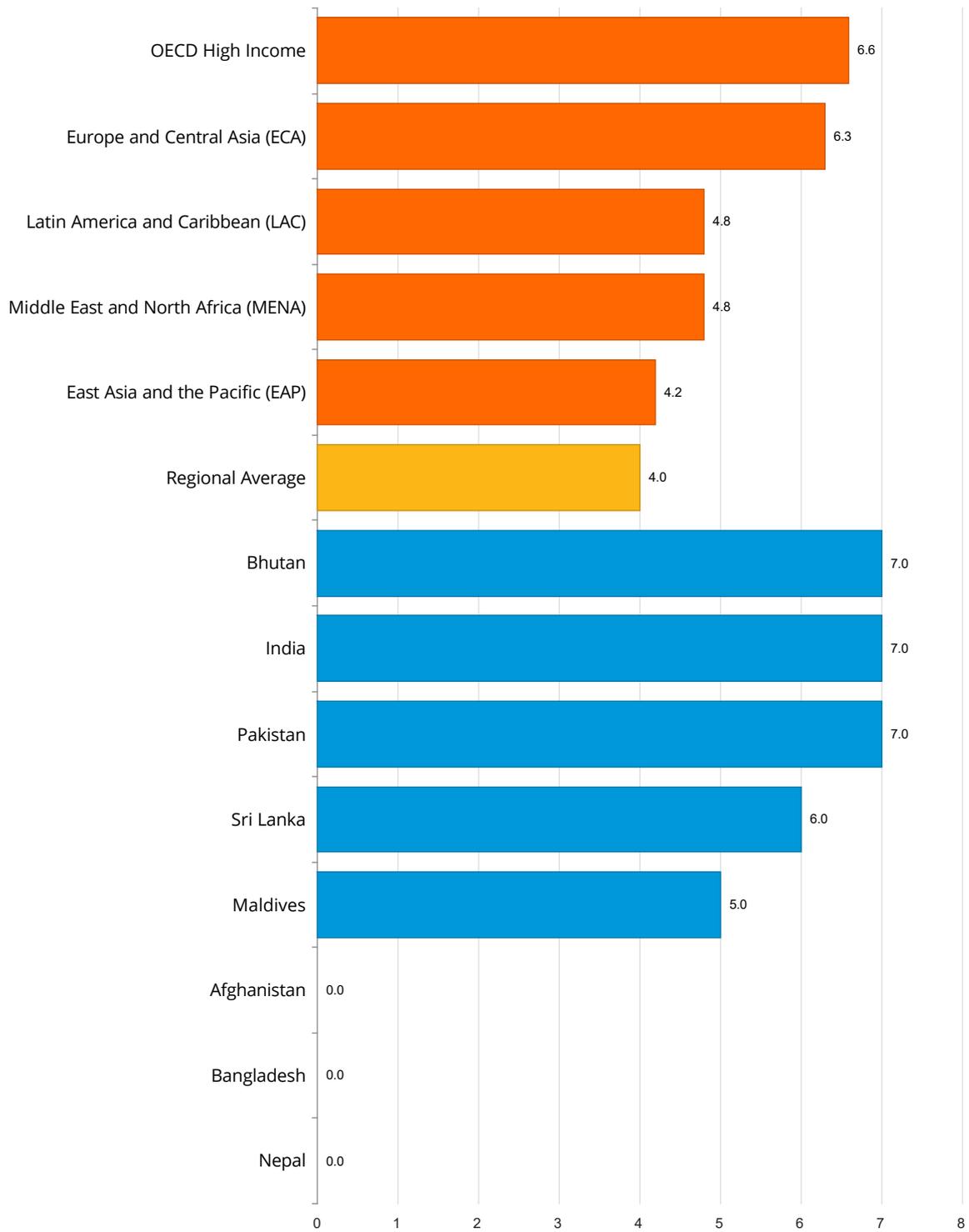
#### Strength of legal rights index (0-12)



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 June 2017. [See the methodology for more information.](#)

### What the indicators measure

**Extent of disclosure index (0–10):** Review and approval requirements for related-party transactions; Disclosure 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, fines, imprisonment, 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 (0–10):** Simple average of the extent of disclosure, extent of director liability and ease of shareholder indices

**Extent of shareholder rights index (0–10):** Shareholders' rights and role in major corporate decisions

**Extent of ownership and control index (0–10):** Governance safeguards protecting shareholders from undue board control and entrenchment

**Extent of corporate transparency index (0–10):** Corporate transparency on ownership stakes, compensation, audits and financial prospects

**Extent of shareholder governance index (0–10):** Simple average of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices

**Strength of minority investor protection index (0–10):** Simple average 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. If the number of publicly traded companies listed on that exchange is less than 10, or if there is no stock exchange in the economy, it is assumed that Buyer is a large private company with multiple shareholders.

- 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 (applicable to economies with a two-tier board system) on which 60% of the shareholder-elected members have been appointed by Mr. James, who is Buyer's controlling shareholder and a member of Buyer's board of directors.

- Has not adopted any bylaws or articles of association that differ from default minimum standards and does not follow any nonmandatory codes, principles, recommendations or guidelines relating to corporate governance.

- Is a manufacturing company with its own distribution network.

#### The transaction involves the following details:

- Mr. James owns 60% of Buyer 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 ordinary course of business 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 is not fraudulent).

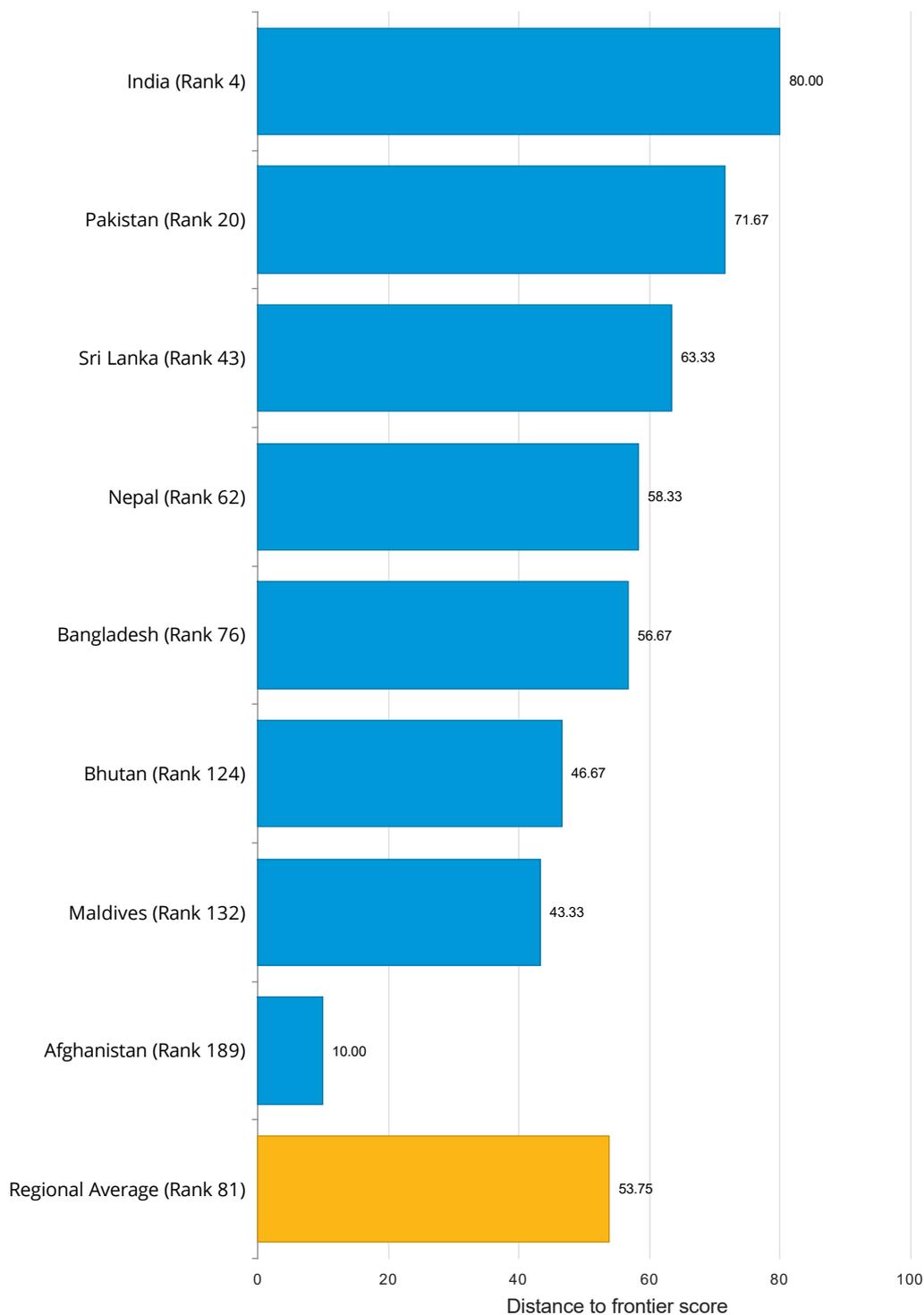
- The transaction causes damages to Buyer. Shareholders sue Mr. James and the other parties that approved the transaction.

### Protecting Minority Investors

Where do the region's economies stand today?

How strong are investor protections against self-dealing in economies in South Asia (SA)? 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 (SA) rank on the ease of protecting minority investors



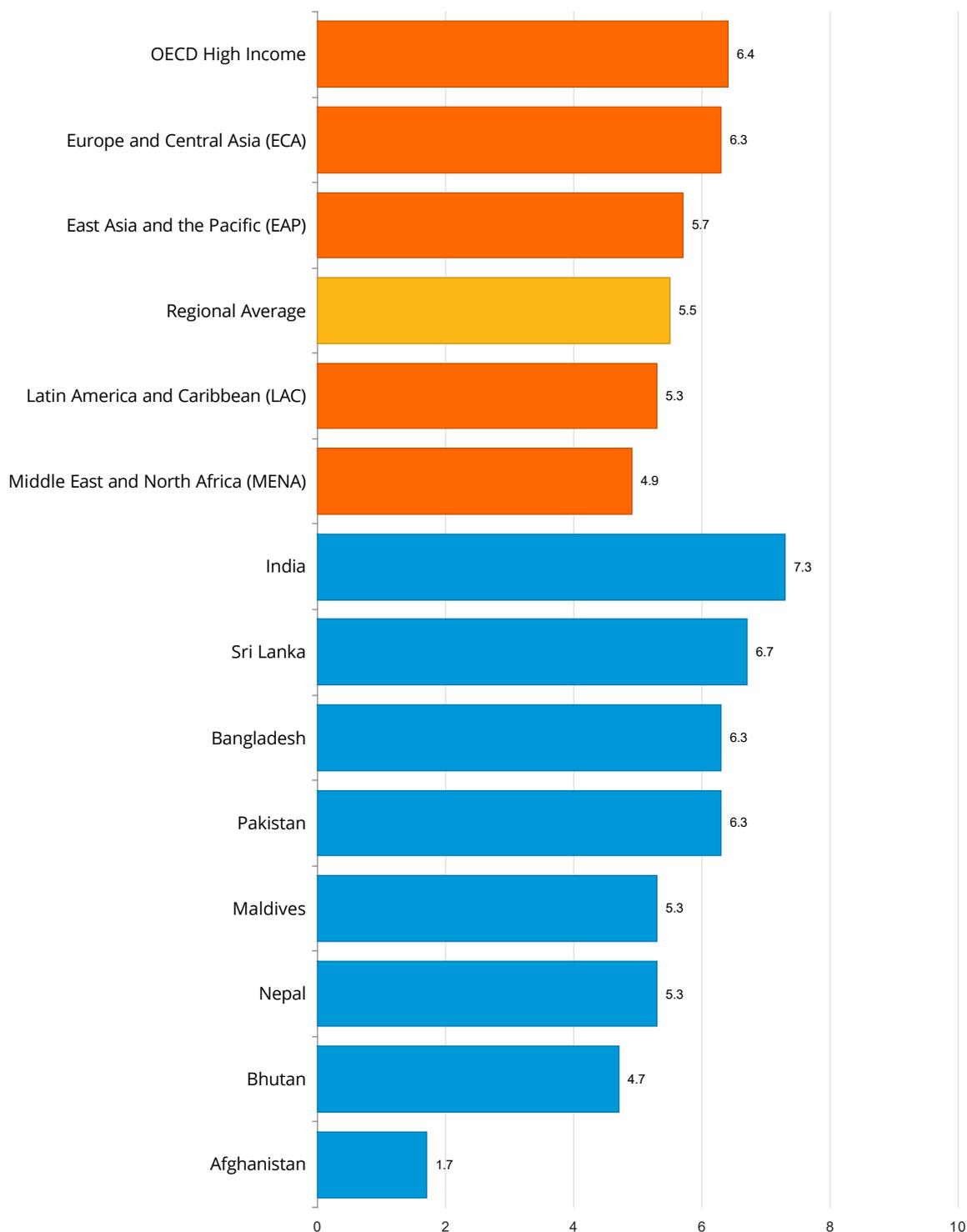
Source: Doing Business database.

## Protecting Minority Investors

The strength of minority investor protection index is the average of the extent of conflict of interest regulation index and the extent of shareholder governance index. The index ranges from 0 to 10, rounded to the nearest decimal place, with higher values indicating stronger minority investor protections. The following two figures highlight the scores on the various minority investor protection indices in South Asia (SA). Comparing the scores across the region and with averages both for the region and for comparator regions can provide useful insights.

### How extensive are conflict of interest regulations

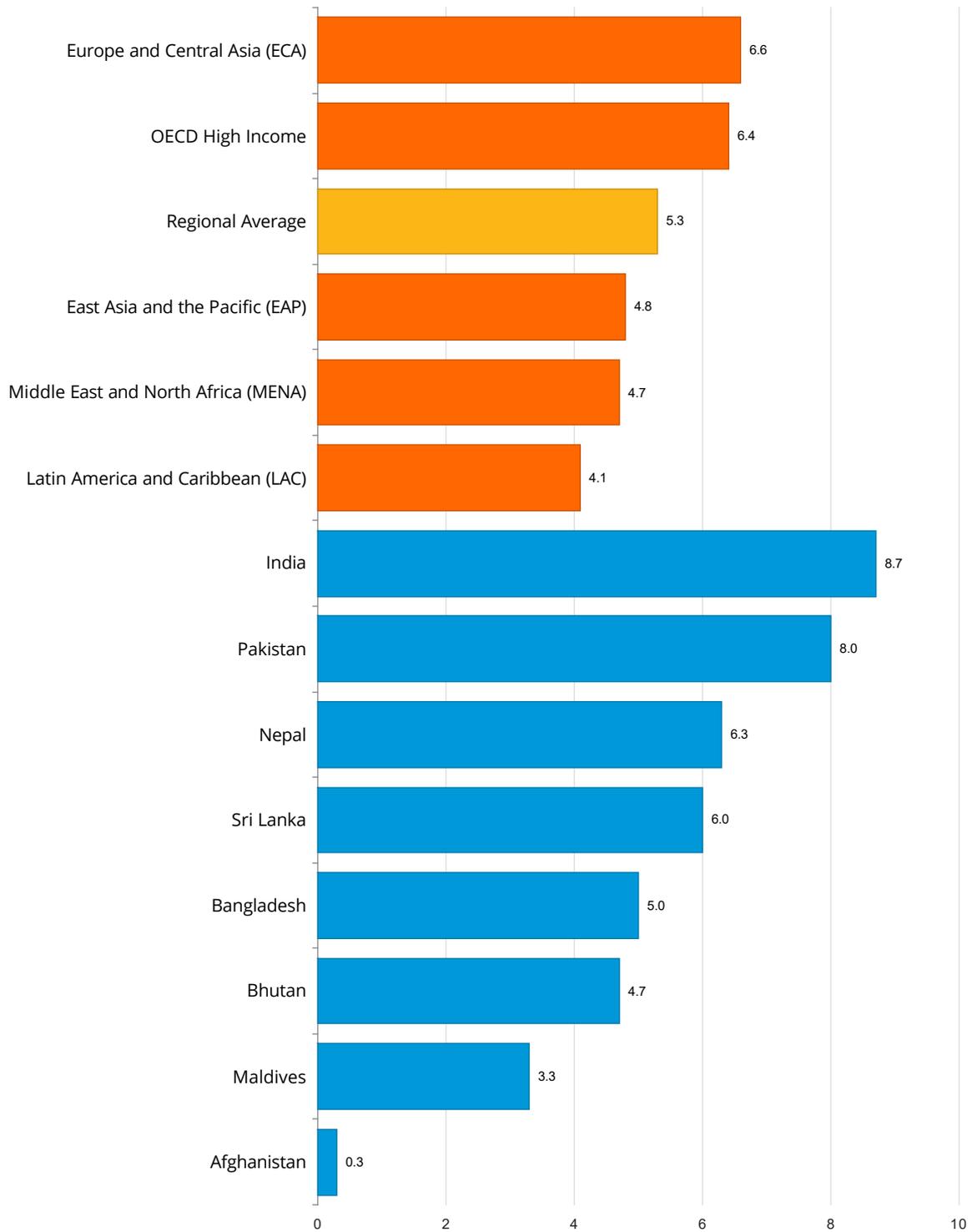
#### Extent of conflict of interest regulation index (0-10)



Source: Doing Business database.

### Protecting Minority Investors

#### Extent of shareholder governance index (0-10)



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 measures the administrative burden in paying taxes and contributions. The most recent round of data collection for the project was completed on June 30, 2017 covering for the Paying Taxes indicator calendar year 2016 (January 1, 2016 – December 31, 2016).

Last year (Doing Business 2017) the scope of data collection was expanded to better understand the overall tax environment in an economy. The questionnaire was expanded to include new questions on post-filing processes: VAT refund and tax audit. The data shows where post-filing processes and practices work efficiently and what drives the differences in the overall tax compliance cost

across economies. The new section covers both the legal framework and the administrative burden on businesses to comply with post-filing processes. [See the methodology for more information.](#)

### What the indicators measure

#### **Tax payments for a manufacturing company in 2016 (number per year adjusted for electronic and joint filing and payment)**

Total number of taxes and contributions paid, 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

Completing tax return, filing with agencies

Arranging payment or withholding

Preparing separate tax accounting books, if required

#### **Total tax and contribution rate (% of profit before all taxes)**

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 a VAT refund

Time to receive a VAT refund

Time to comply with a corporate income tax audit

Time to complete a corporate income tax audit

### 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, 2015. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2016). Taxes and mandatory contributions are measured at all levels of government.

#### **The VAT refund process:**

- In June 2016, 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 2016.

#### **The corporate income tax audit process:**

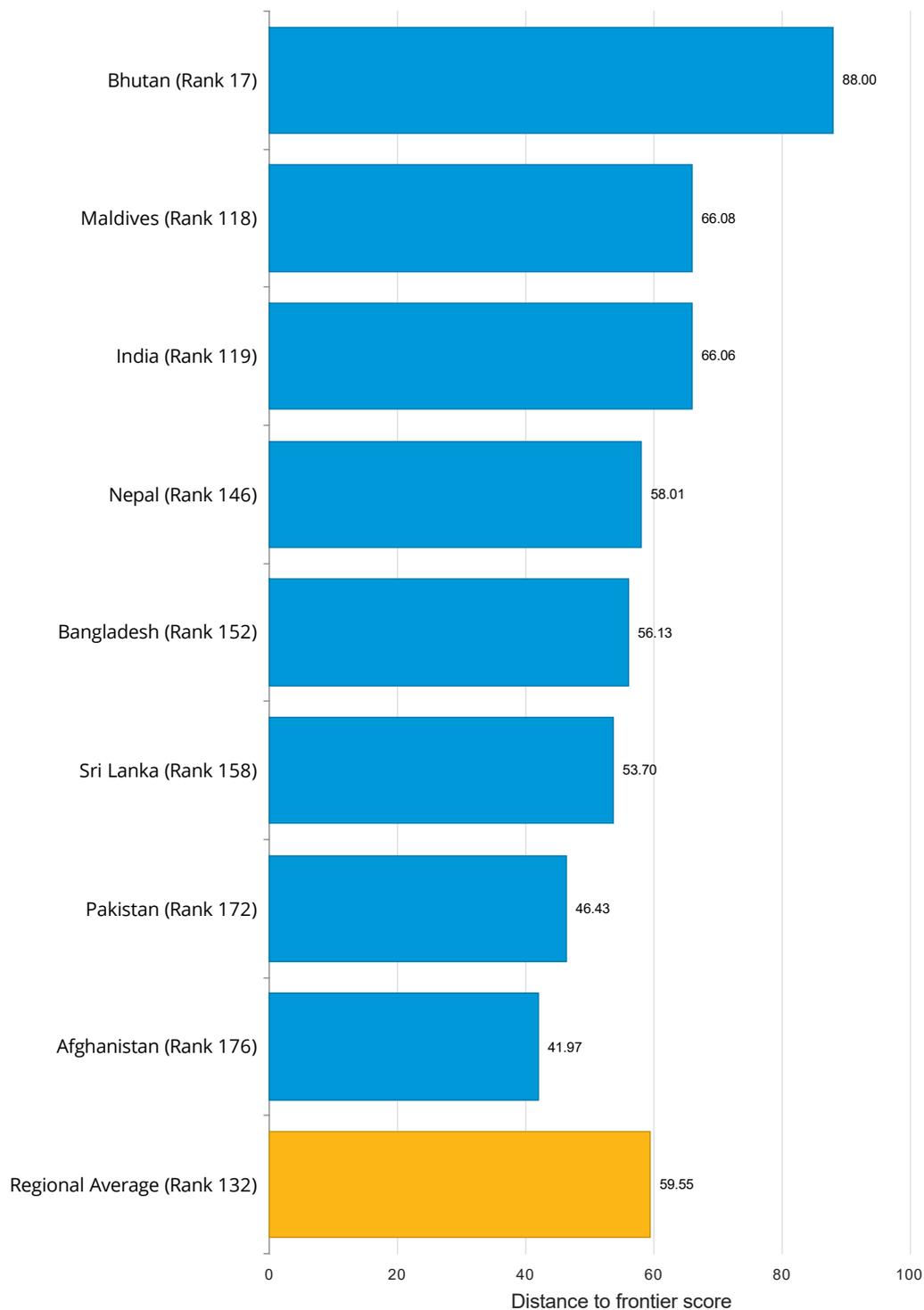
- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the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



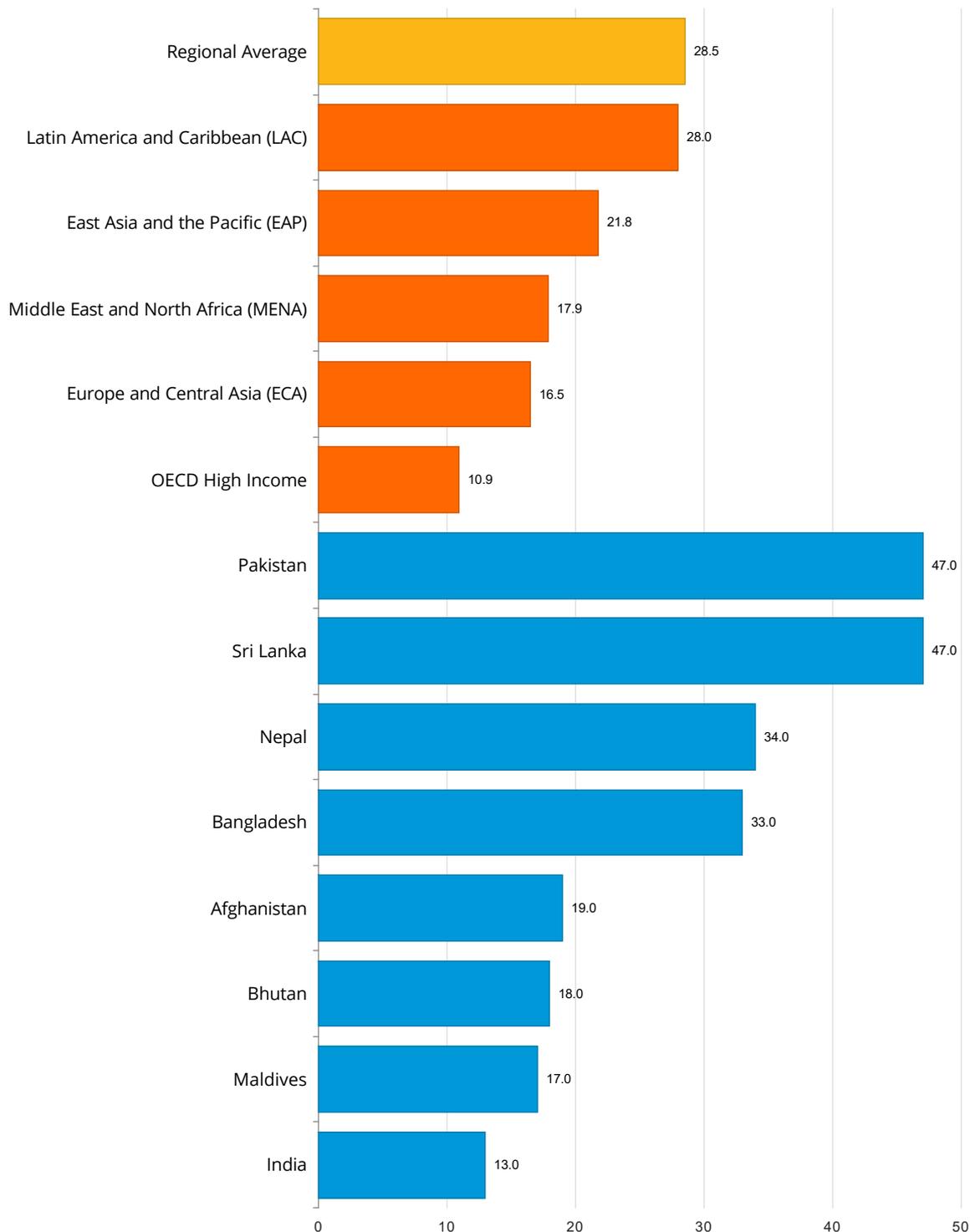
Source: Doing Business database.

## 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 and the time required to prepare, and file and pay taxes the 3 major taxes (corporate income tax, VAT or sales tax and labor taxes and mandatory contributions)—as well as the total tax rate. 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 (SA) - and what are the total tax rates

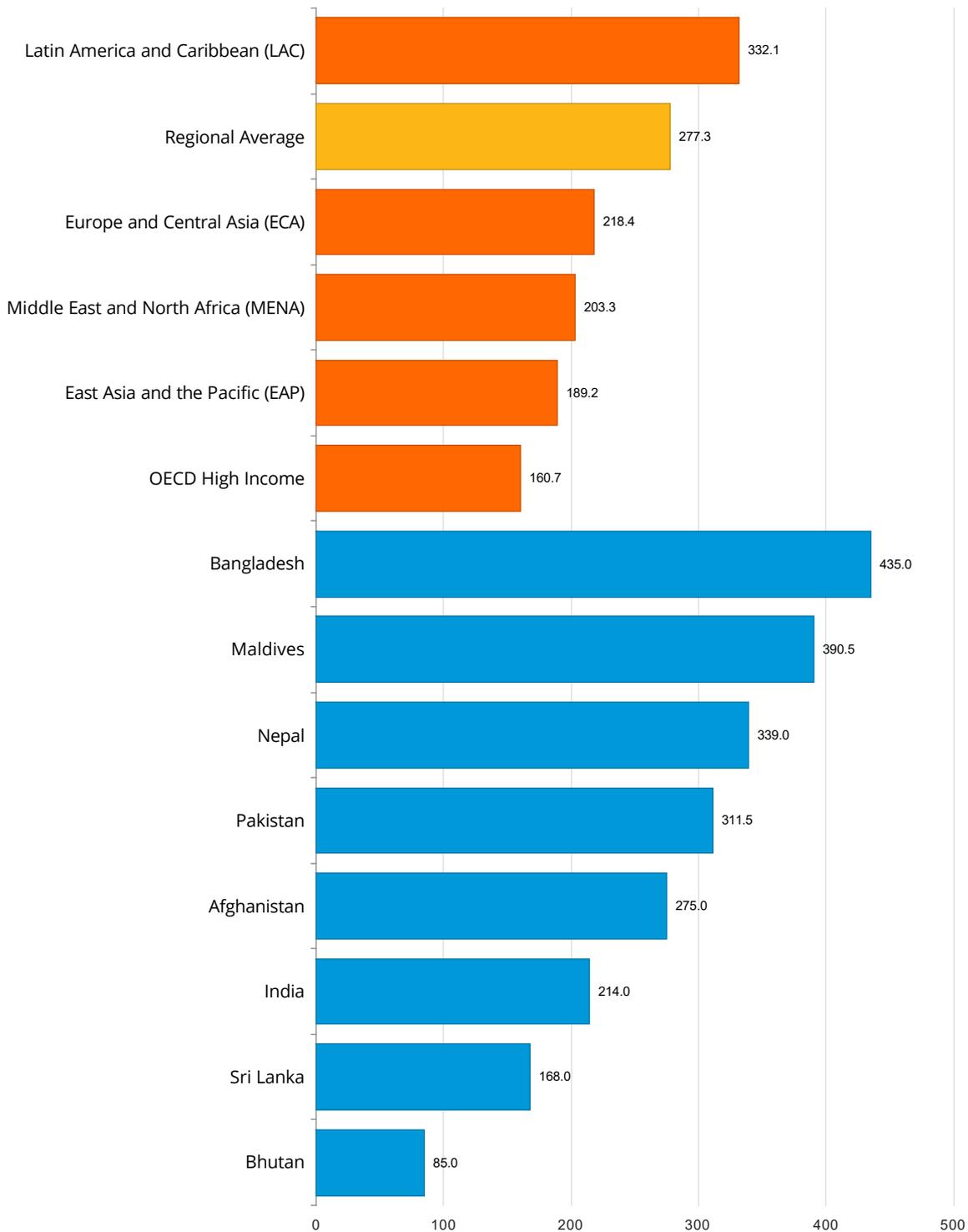
#### Payments (number per year)



Source: Doing Business database.

Paying Taxes

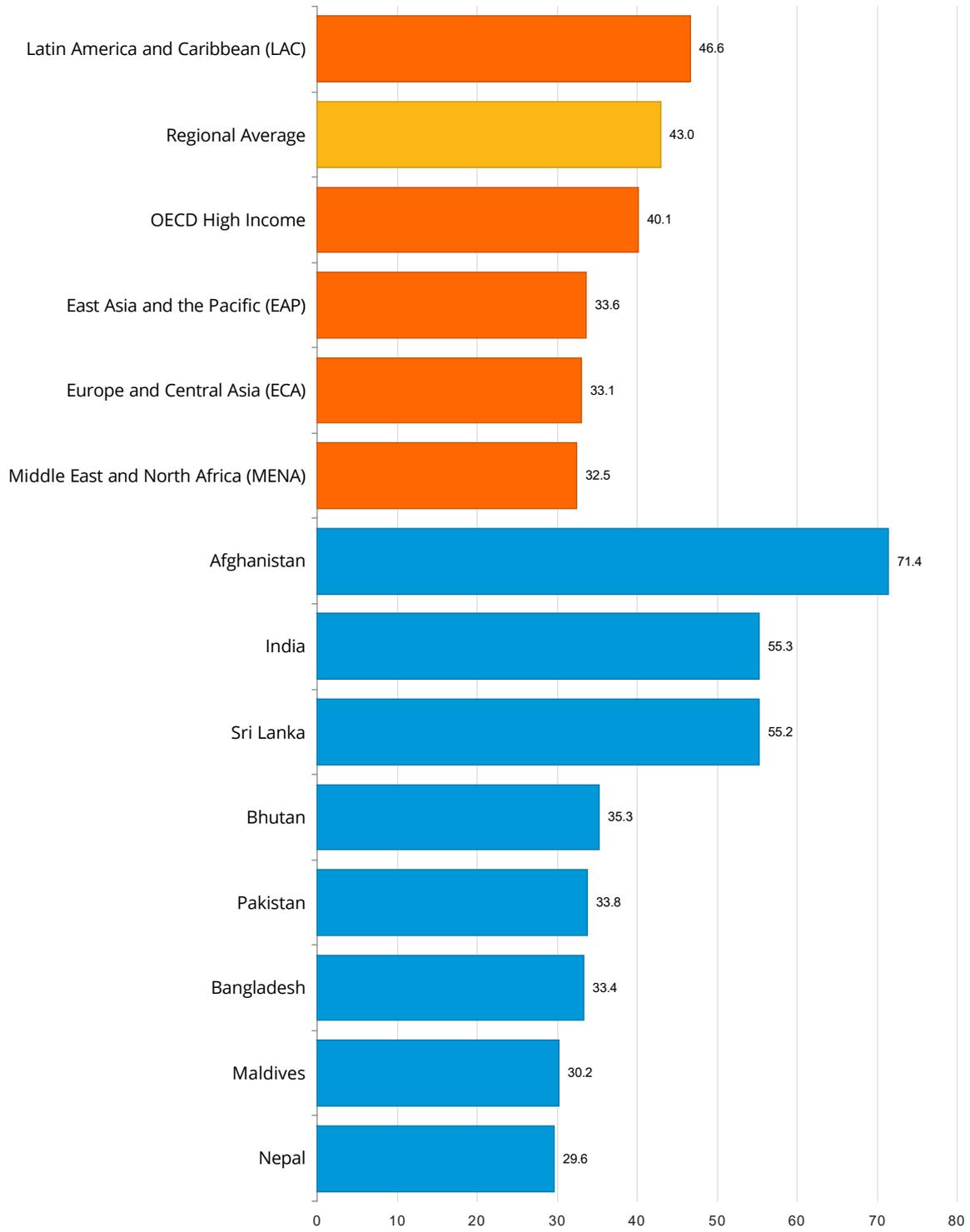
Time (hours per year)



Source: Doing Business database.

Paying Taxes

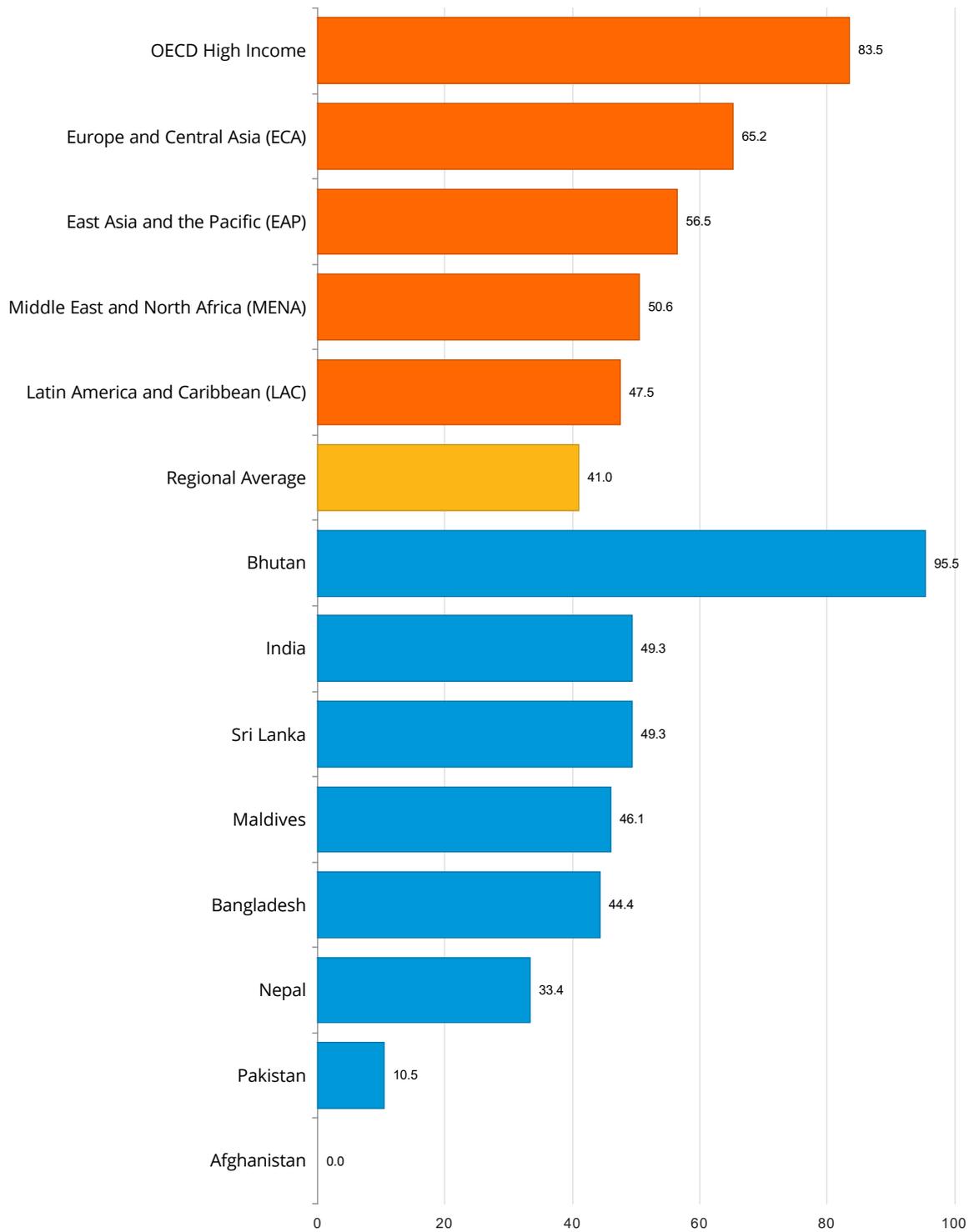
Total tax and contribution rate (% of profit)



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 June 2017. [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 as well as non-shipment-specific documents necessary to complete the trade

#### Border compliance

Customs clearance and inspections

Inspections by other agencies (if applied to more than 10% of shipments)

#### Port or border handling

Processing of documents during clearance, inspections and port or border handling.

#### Domestic transport

Loading and unloading of shipment at warehouse, dry port or border

Transport by most widely used mode between warehouse and terminal or dry port

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.

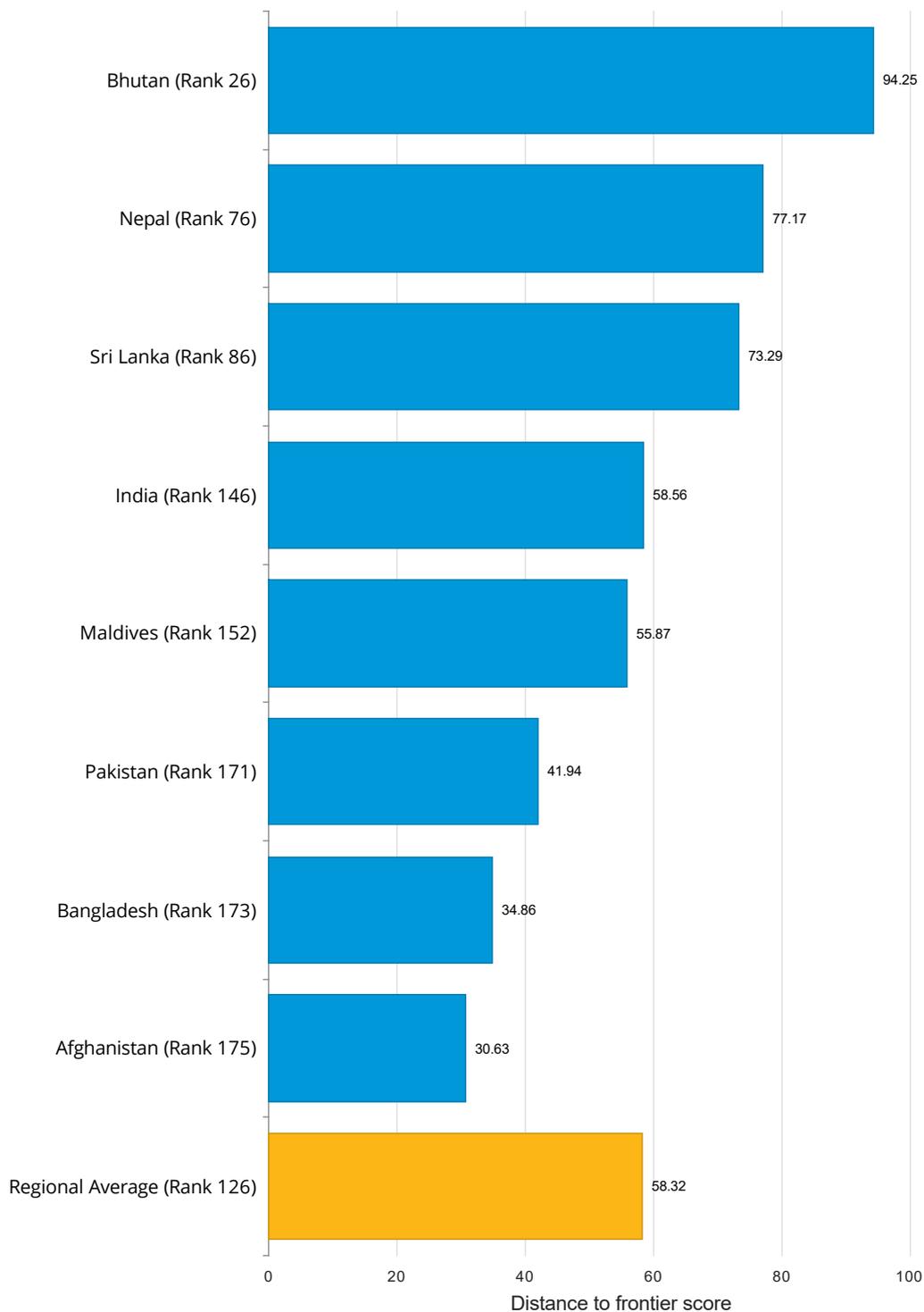
**Assumptions of the case study:** - For all 190 economies covered by Doing Business, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy. - It is assumed each economy imports 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, airport 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 (SA) 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 (SA) rank on the ease of trading across borders



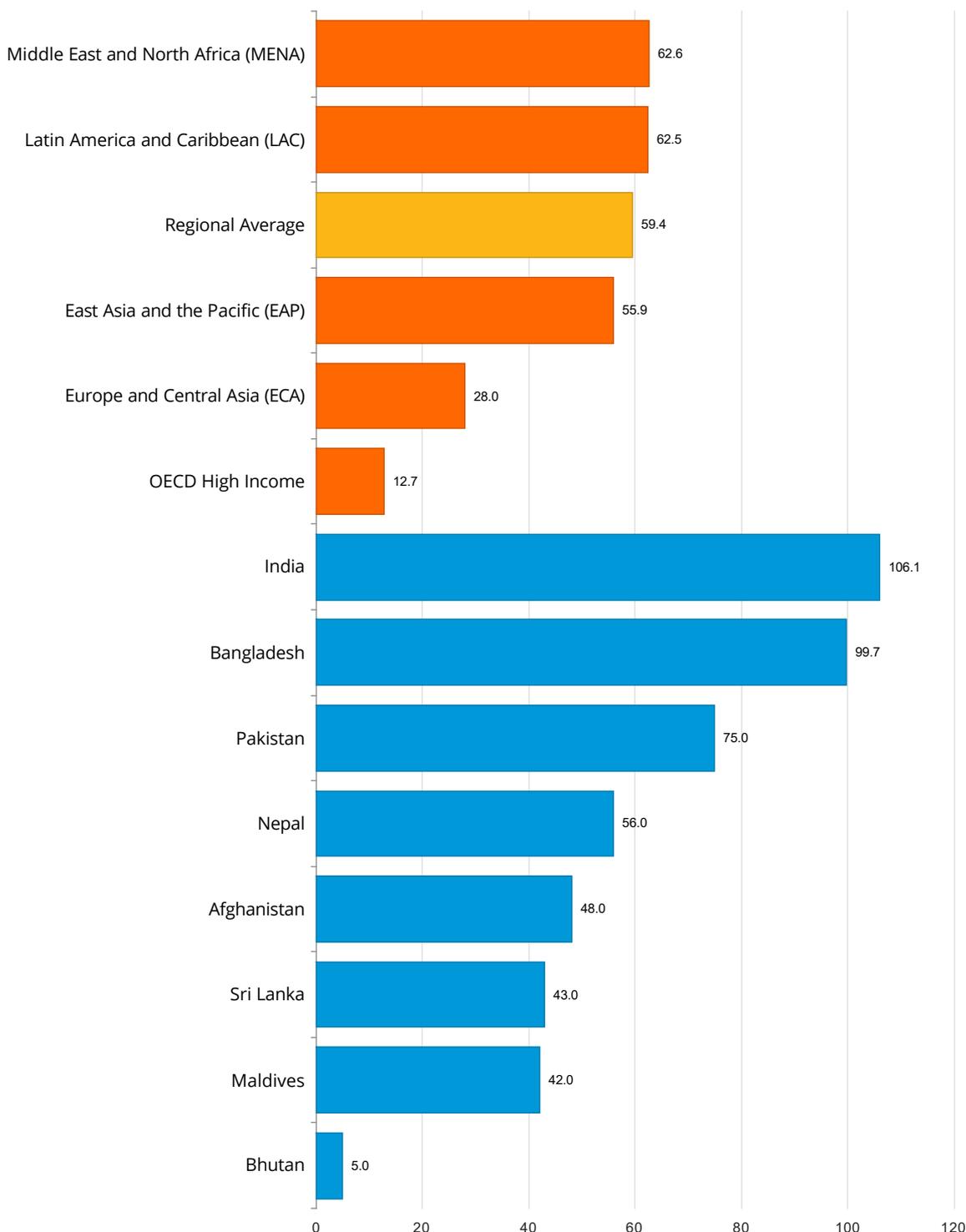
Source: Doing Business database.

### Trading across Borders

The indicators reported here are for trading a shipment of goods by the most widely used mode of transport (whether sea, land, air 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 (SA)

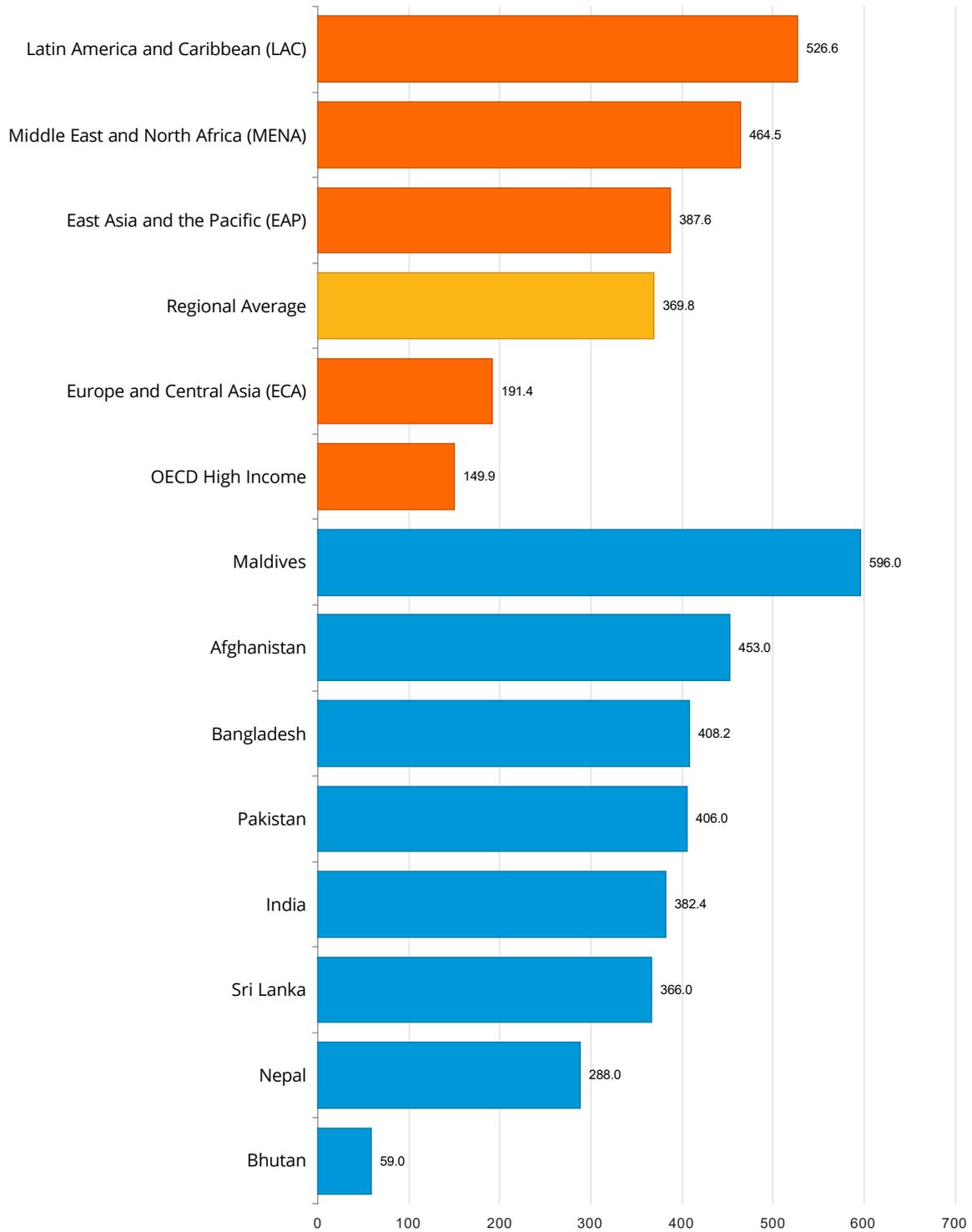
##### Time to export: Border compliance (hours)



Source: Doing Business database.

### Trading across Borders

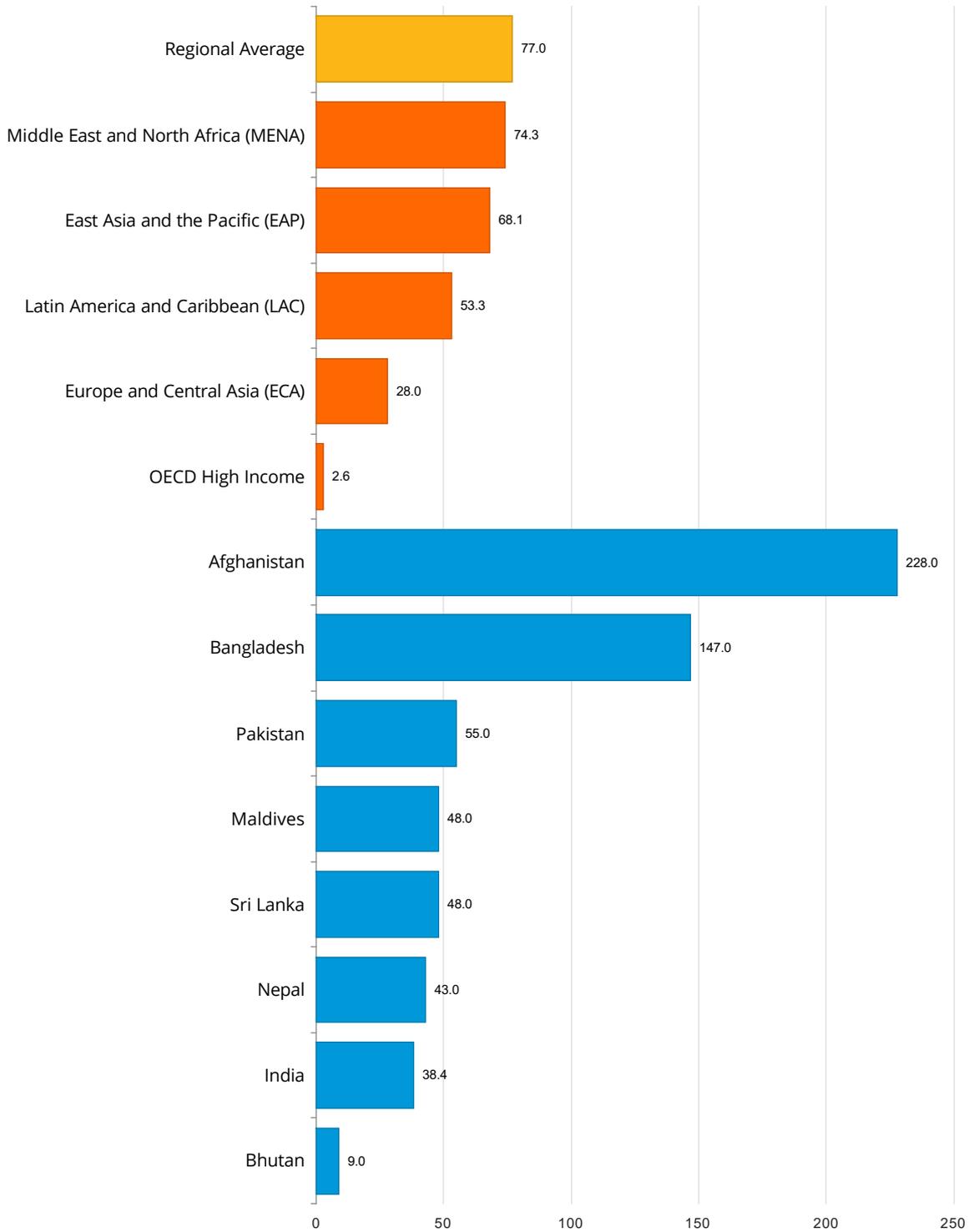
#### Cost to export: Border compliance (USD)



Source: Doing Business database.

### Trading across Borders

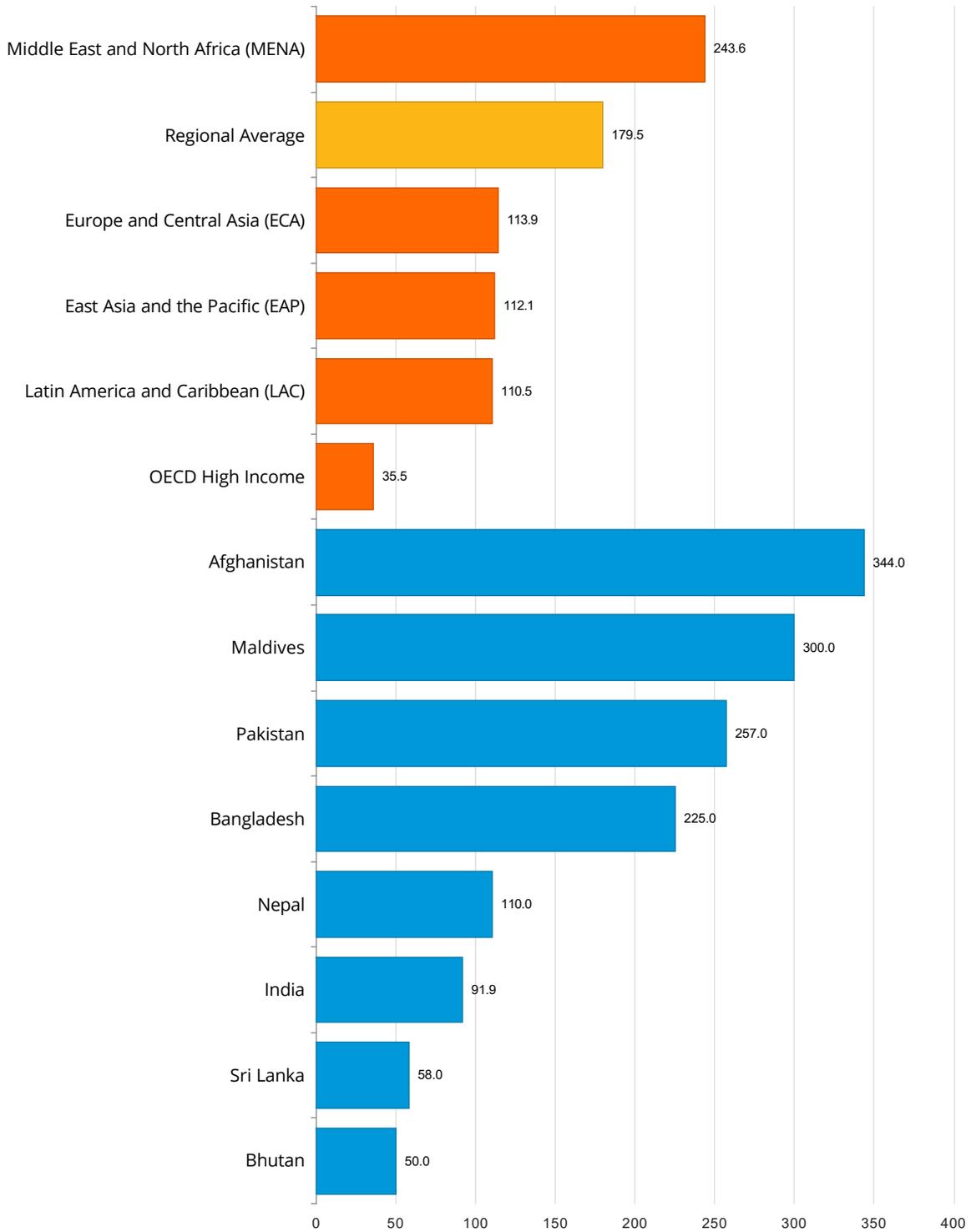
#### Time to export: Documentary compliance (hours)



Source: Doing Business database.

## Trading across Borders

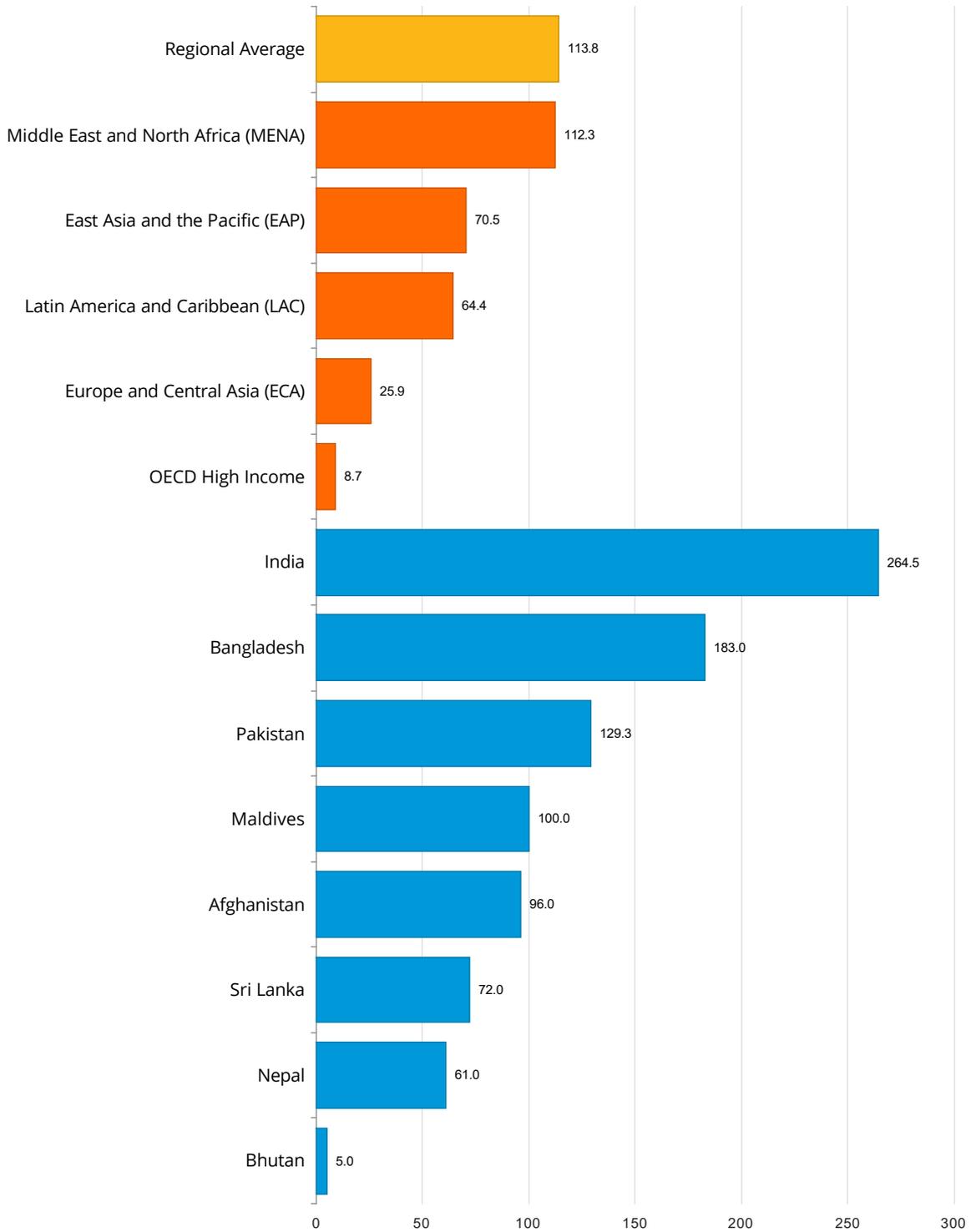
### Cost to export: Documentary compliance (USD)



Source: Doing Business database.

### Trading across Borders

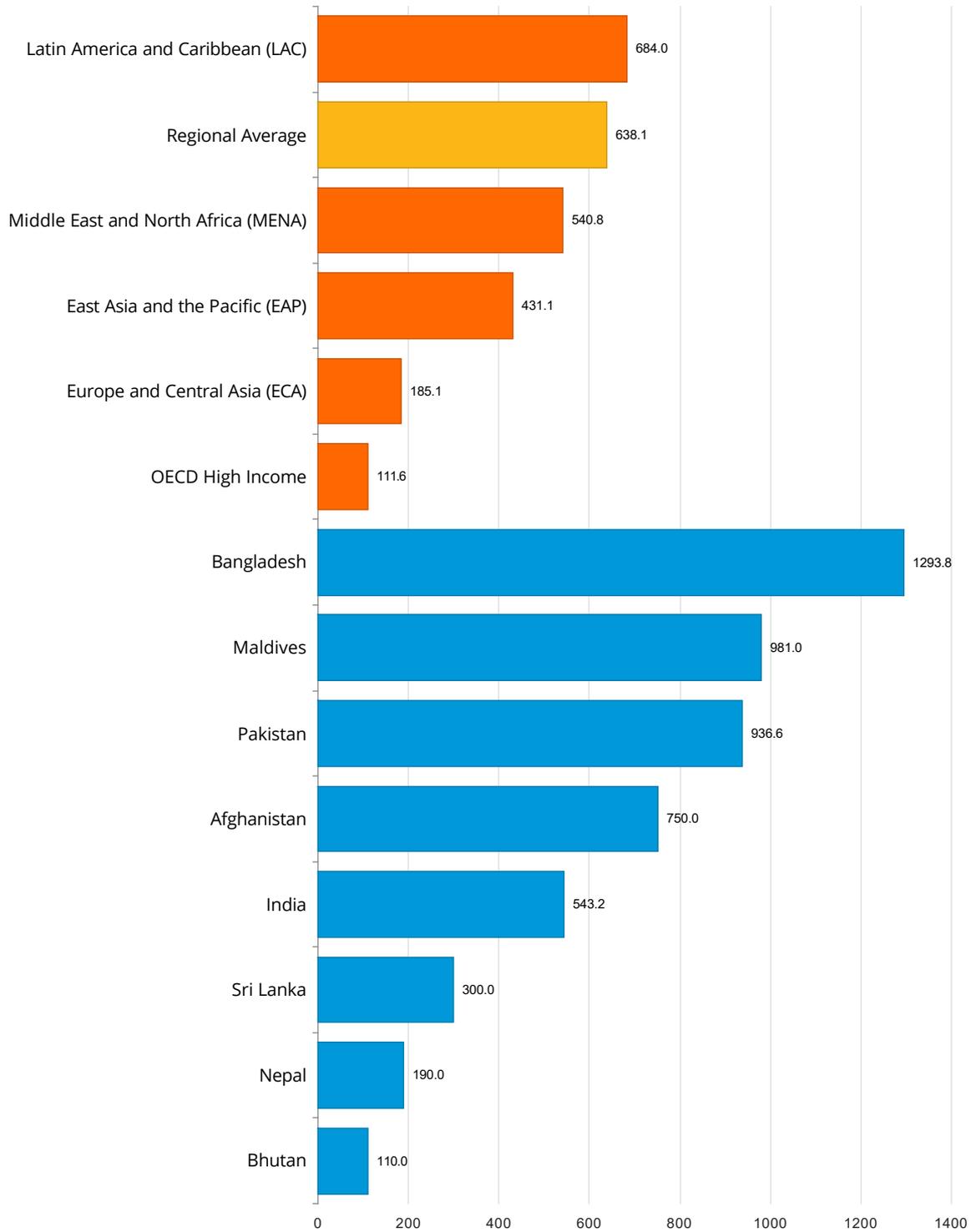
#### Time to import: Border compliance (hours)



Source: Doing Business database.

### Trading across Borders

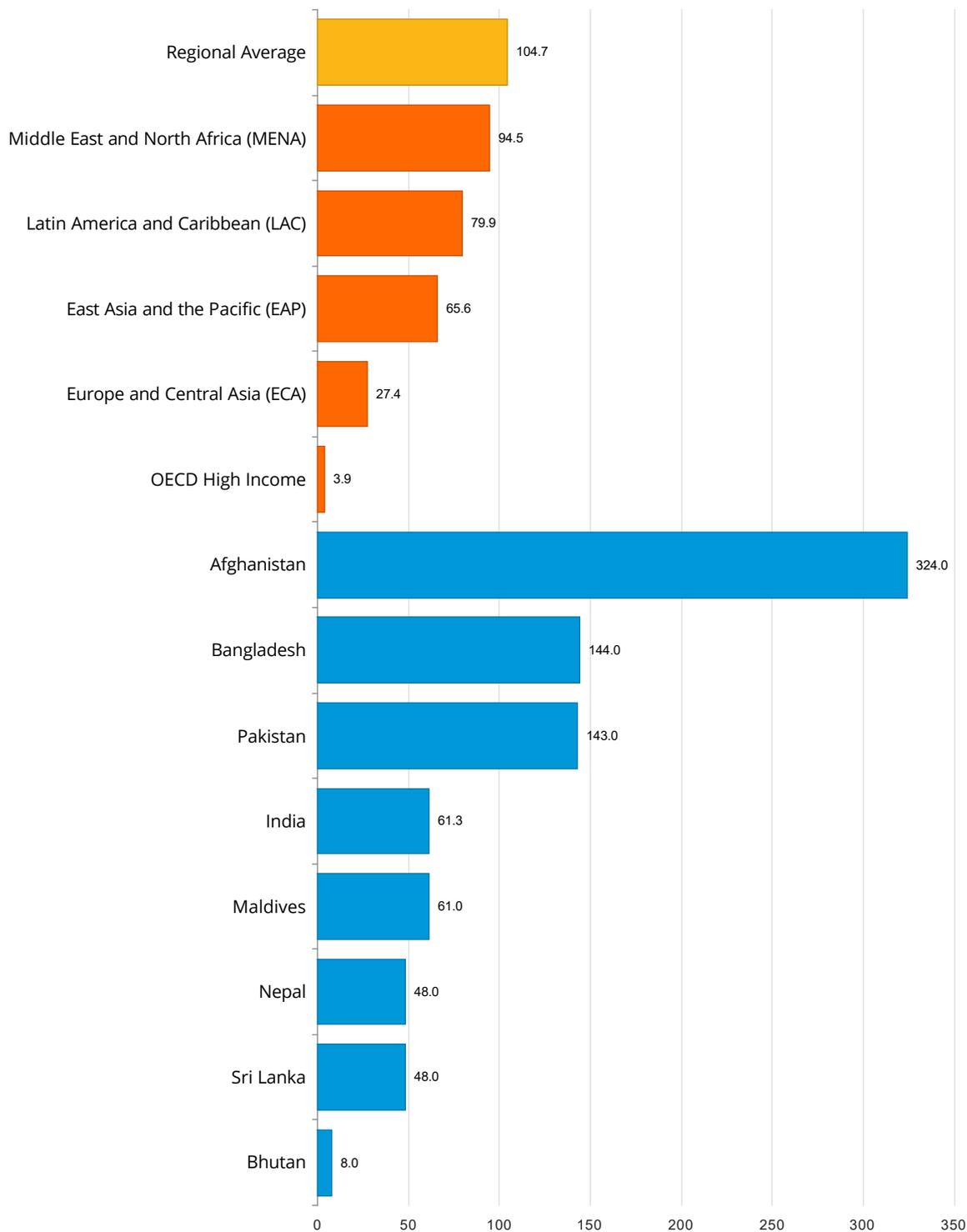
#### Cost to import: Border compliance (USD)



Source: Doing Business database.

### Trading across Borders

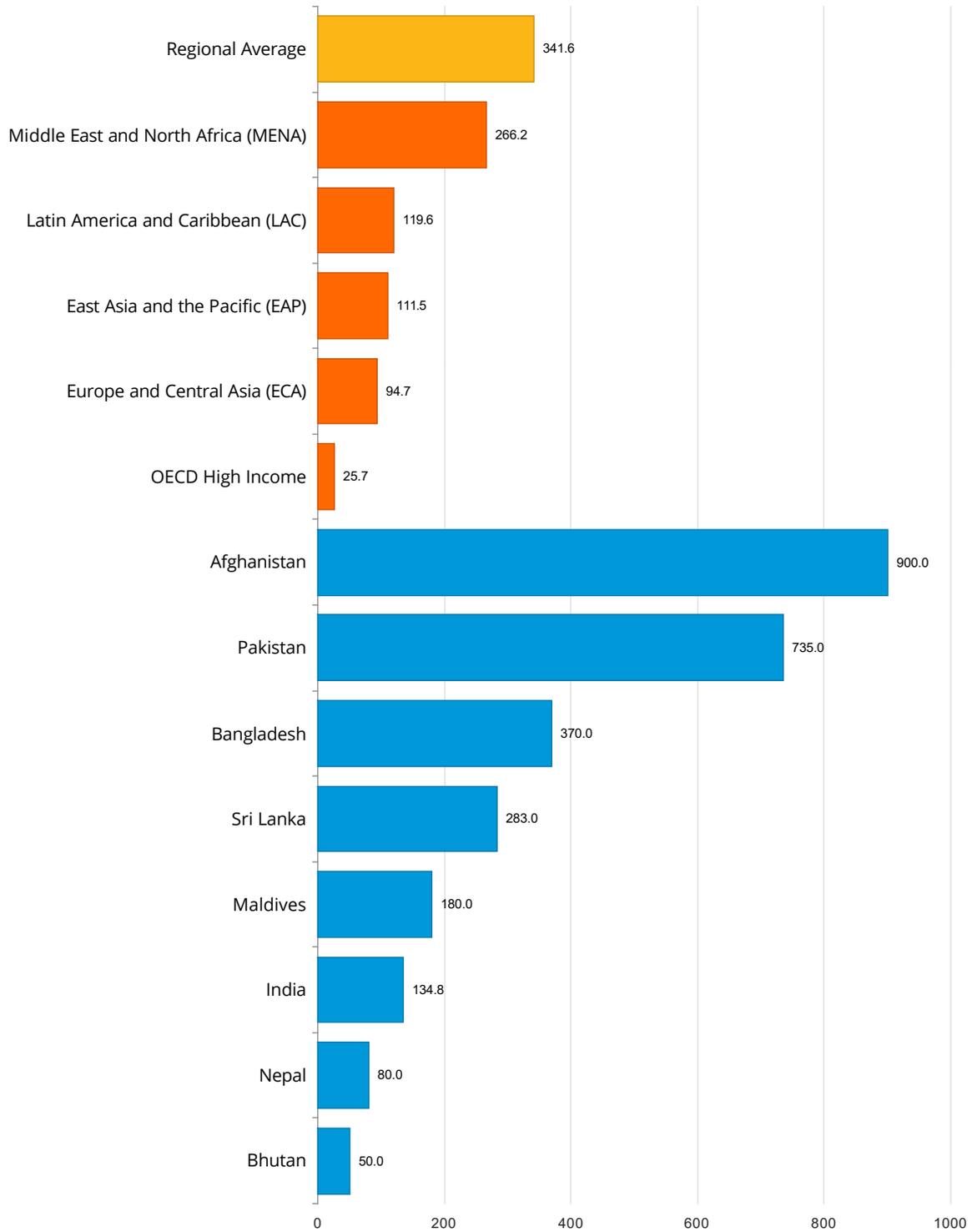
#### Time to import: Documentary compliance (hours)



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 June 2017. [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)

Attorney fees

Court fees

Enforcement fees

#### 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 2 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:

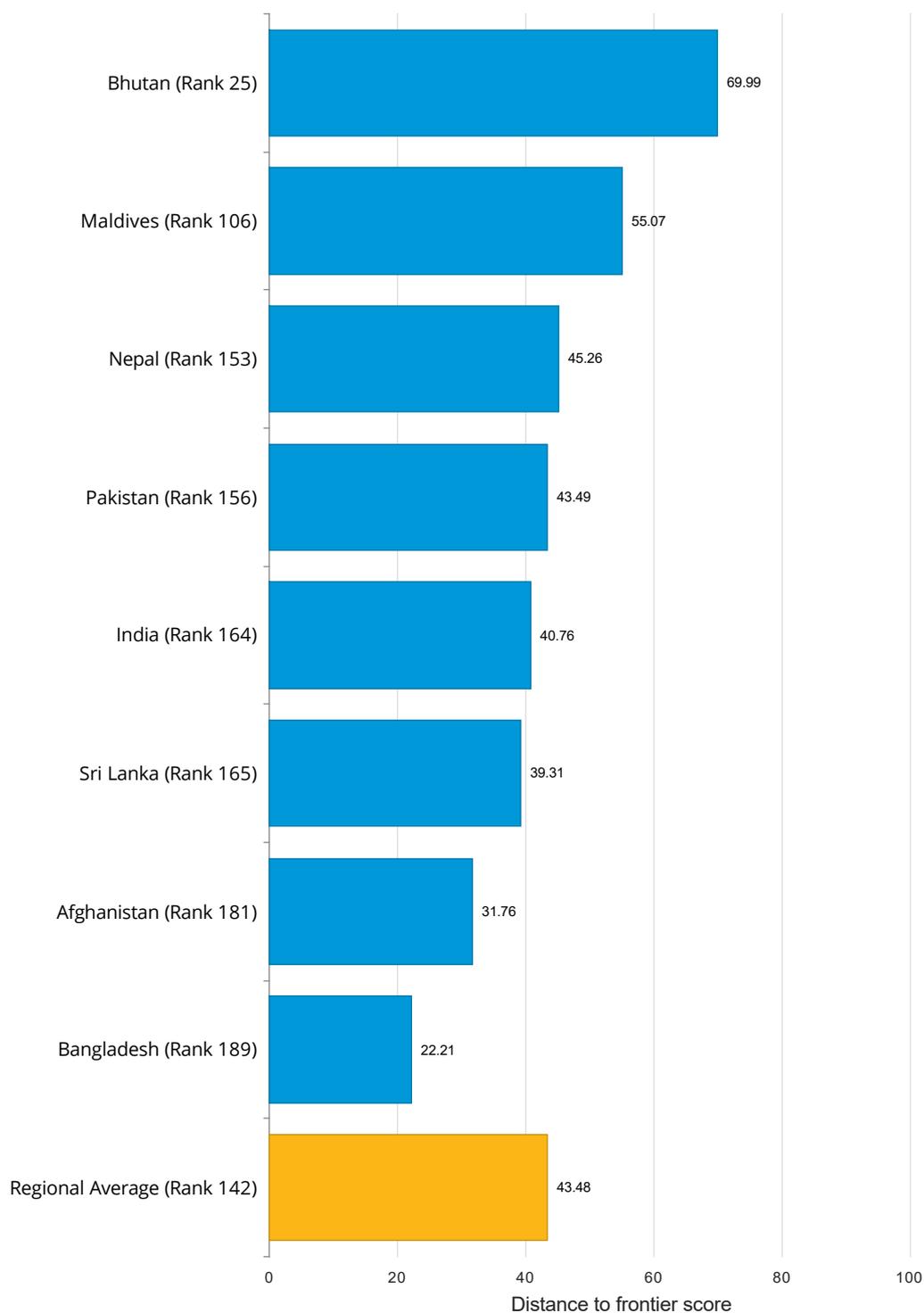
- The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- The buyer orders custom-made goods, then fails to pay.
- The value of the dispute 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.
- The seller requests a pretrial attachment to secure the claim.
- The dispute on the quality of the goods requires an expert opinion.
- 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 (SA)? 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 (SA) rank on the ease of enforcing contracts



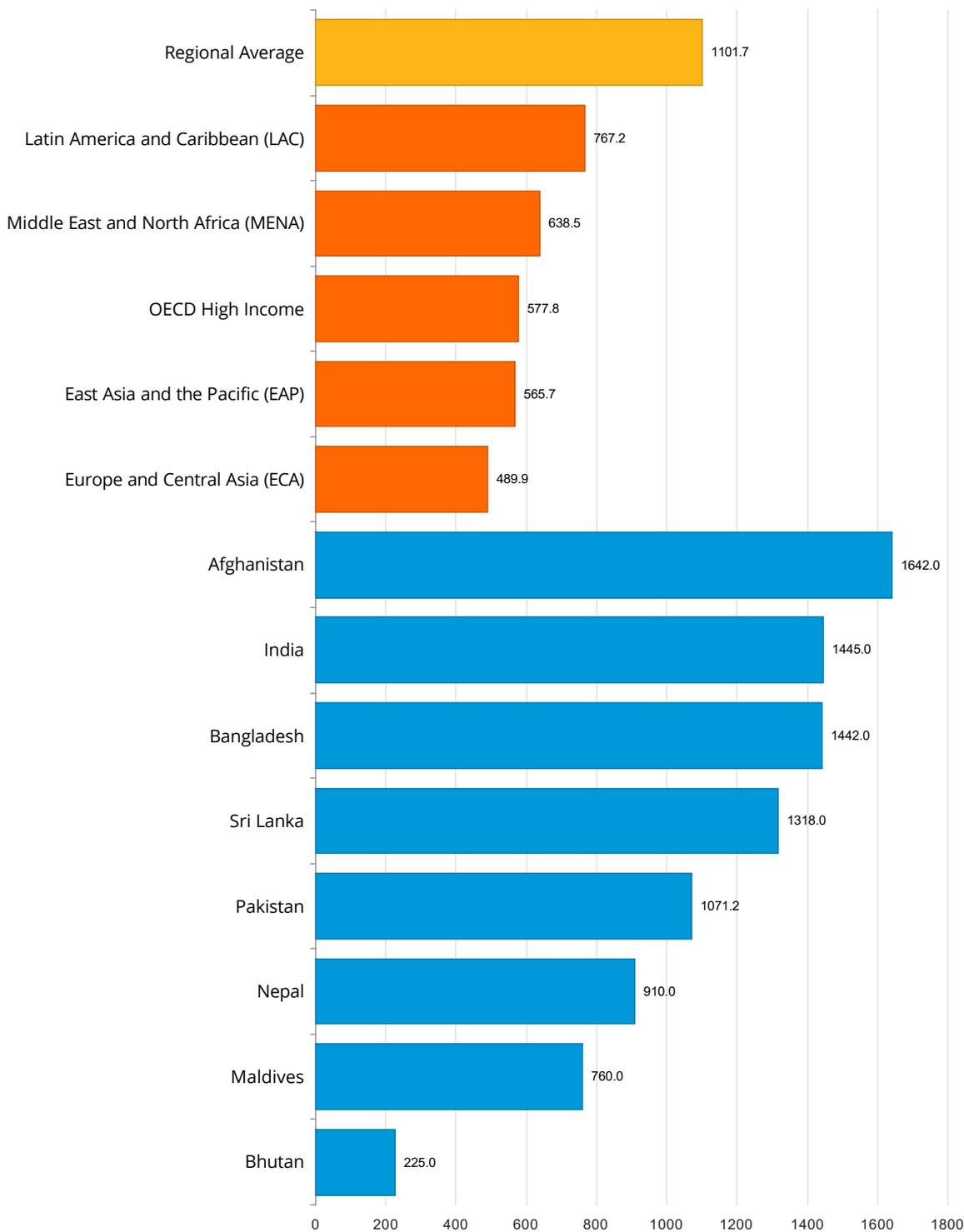
Source: Doing Business database.

### 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 (SA)

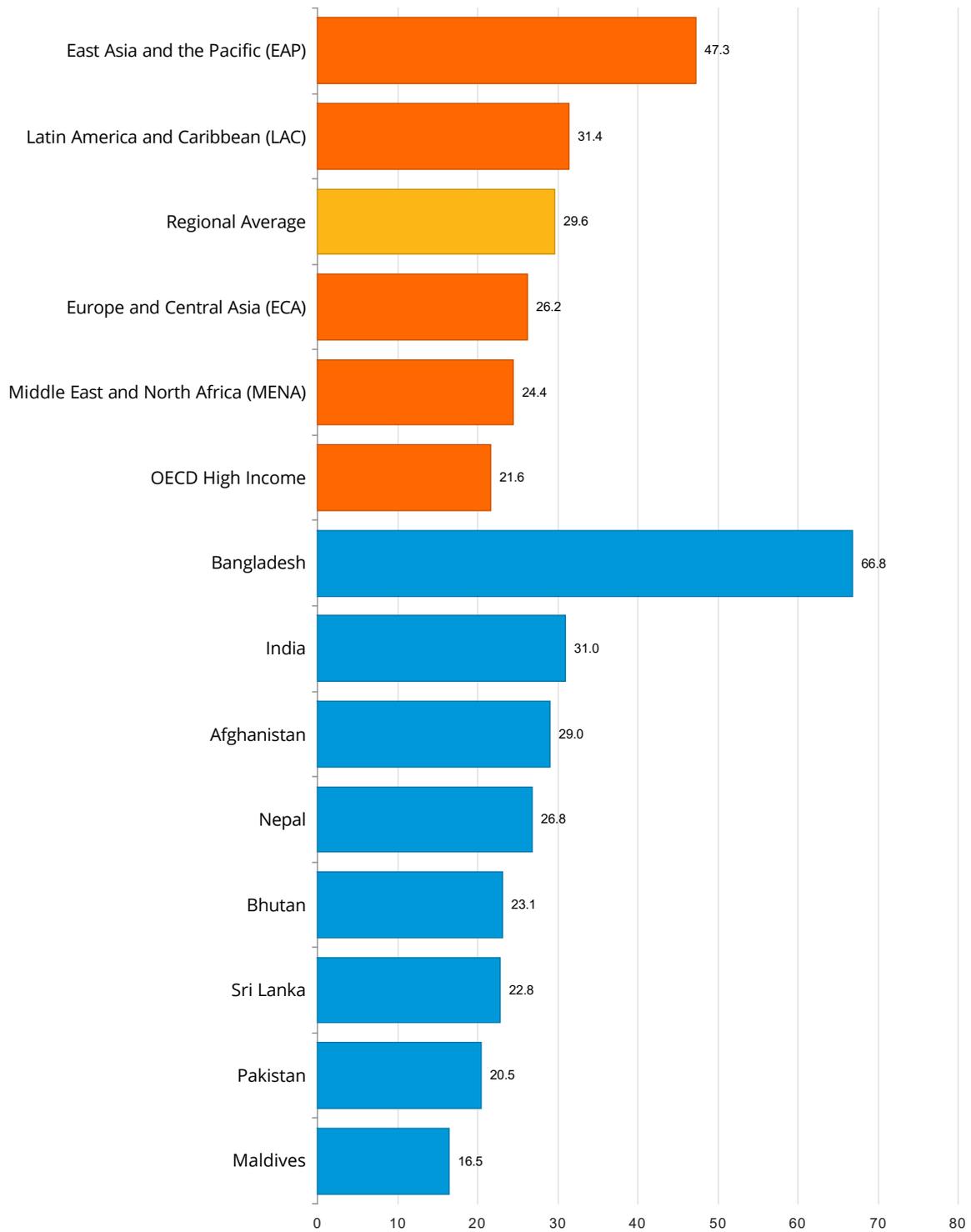
##### Time (days)



Source: Doing Business database.

## Enforcing Contracts

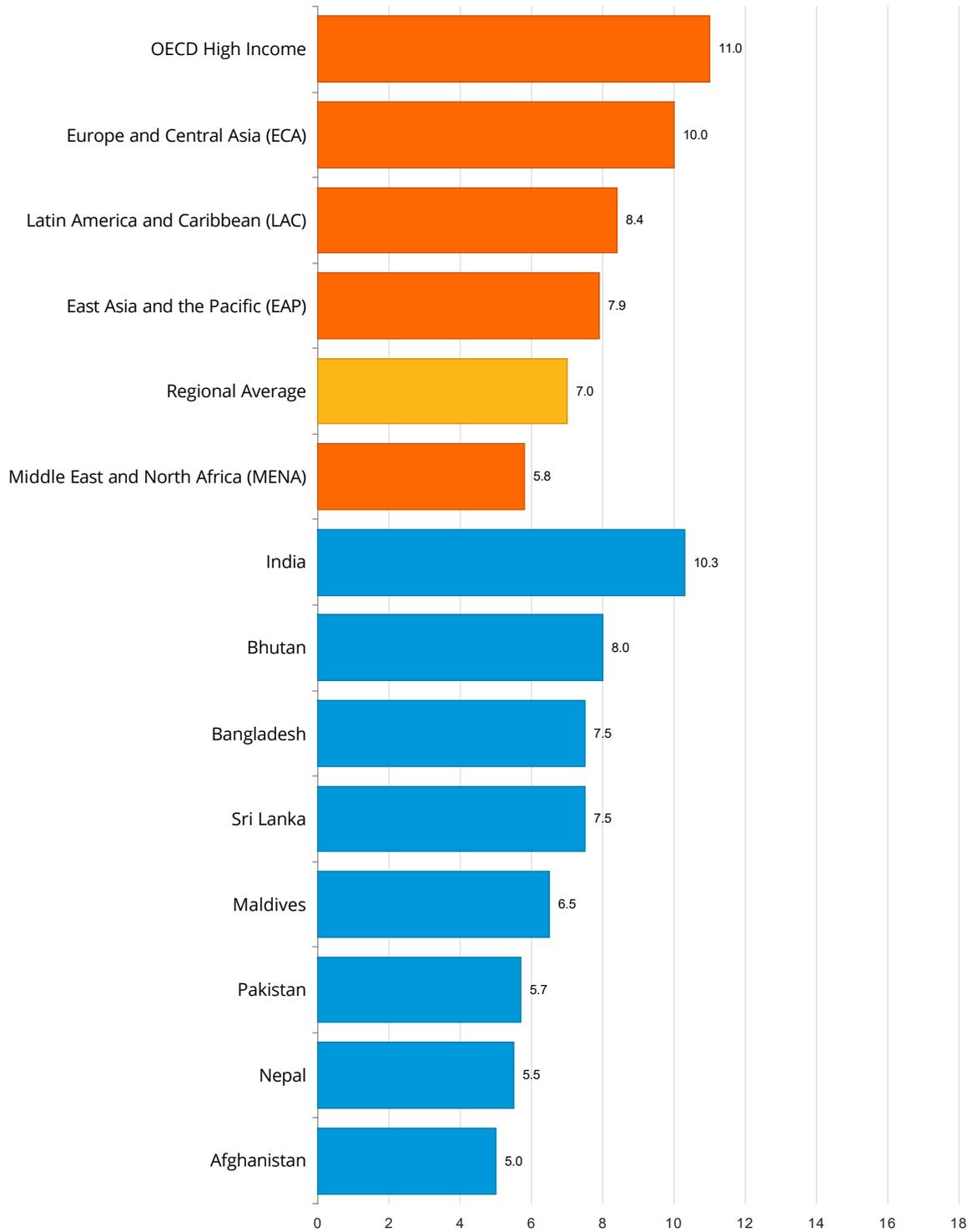
### Cost (% of claim value)



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 for the project was completed in June 2017. [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.

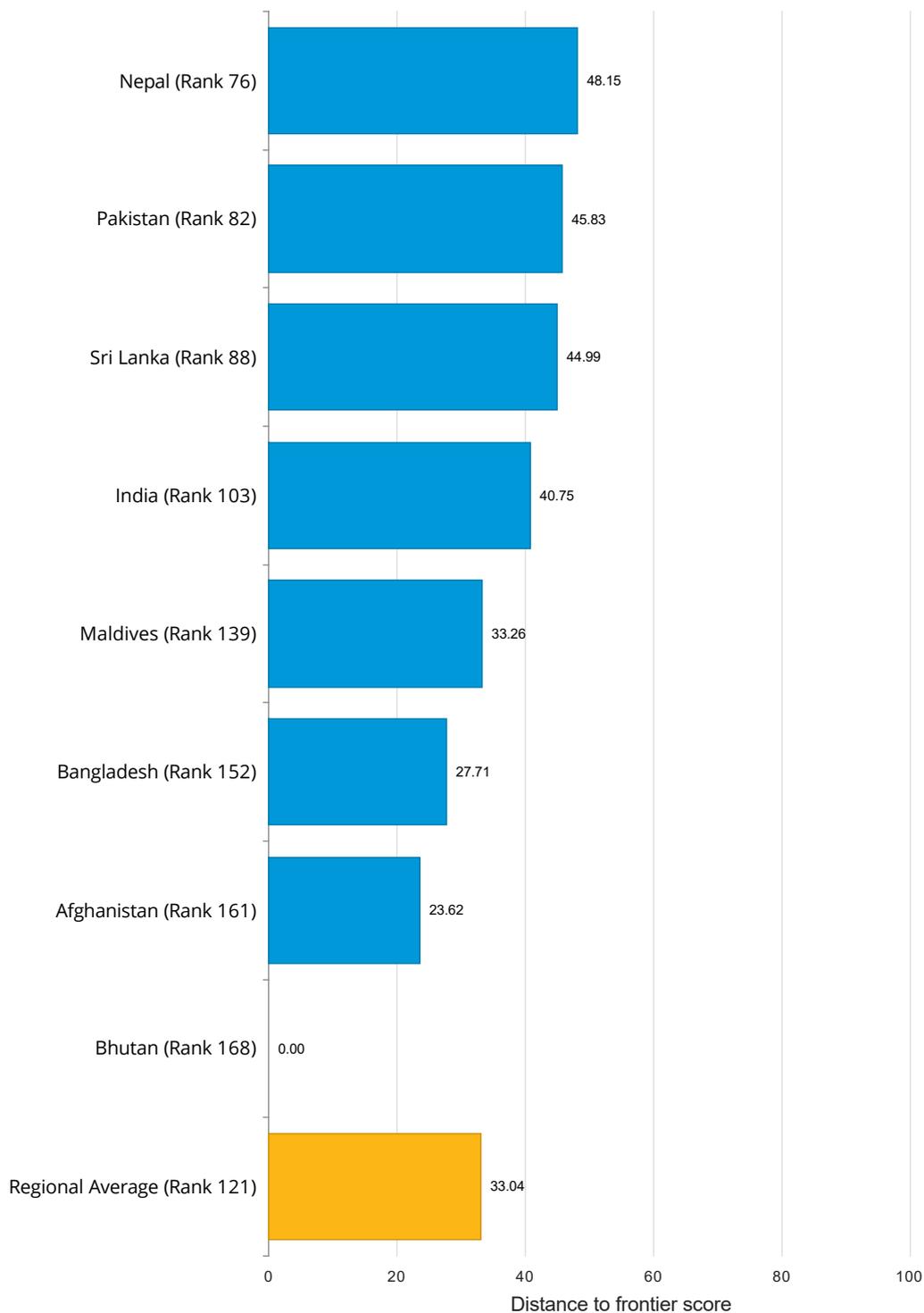
In addition, Doing Business evaluates the adequacy and integrity of the existing legal framework applicable to liquidation and reorganization proceedings through the strength of insolvency framework index. The index tests whether economies adopted internationally accepted good practices in four areas: commencement of proceedings, management of debtor's assets, reorganization proceedings and creditor participation.

## Resolving Insolvency

Where do the region's economies stand today?

How efficient are insolvency proceedings in economies in South Asia (SA)? 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 (SA) rank on the ease of resolving insolvency



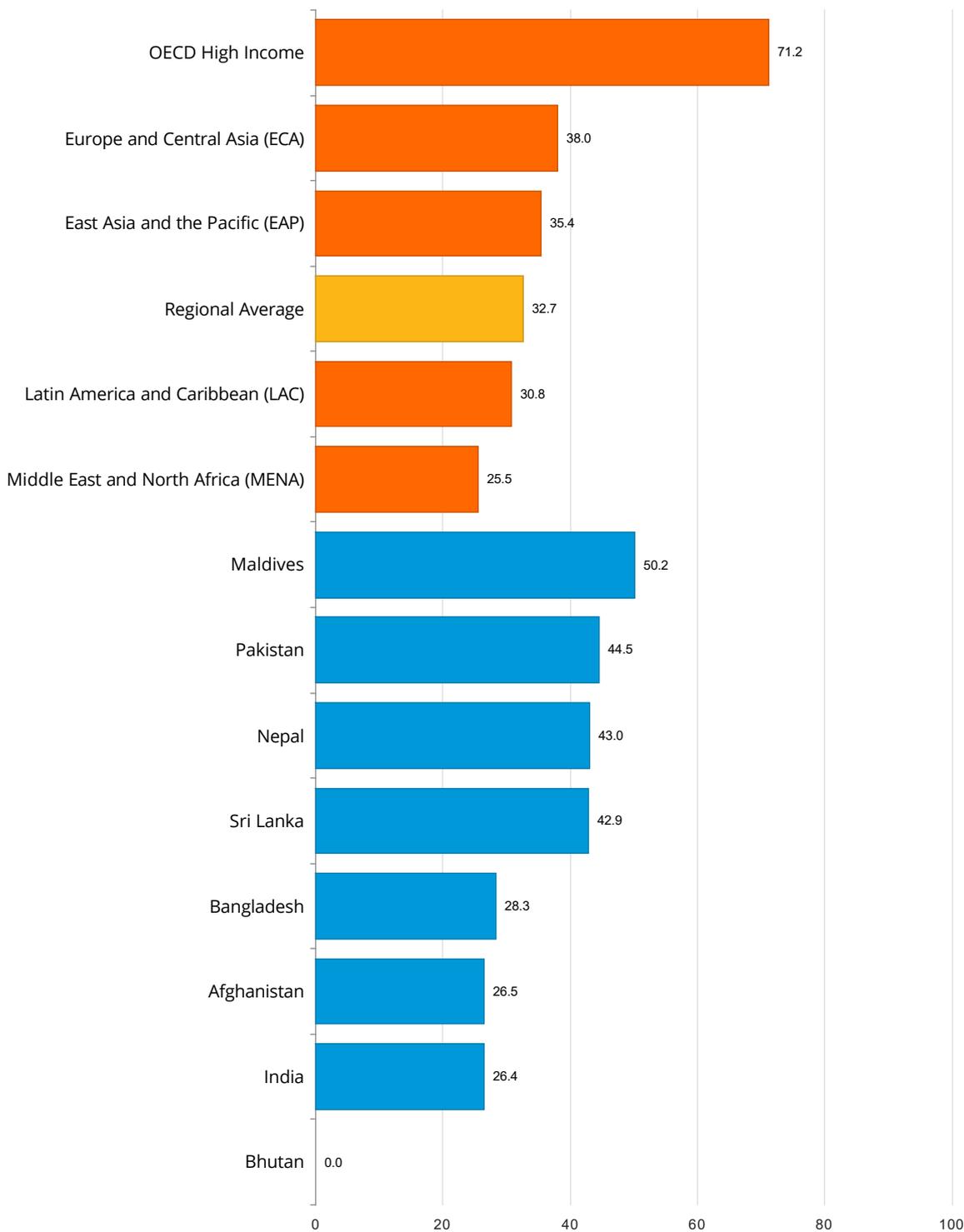
Source: Doing Business database.

## 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 (SA)

#### Recovery rate (cents on the dollar)



Source: Doing Business database.

## Business Reforms

### Starting a Business

In the year ending June 1, 2017, 137 economies implemented 283 total reforms across the different areas measured by Doing Business, an increase of over 20% from last year. Doing Business has recorded more than 2,900 regulatory reforms making it easier to do business since 2004. Reforms inspired by Doing Business have been implemented by economies in all regions. The following are the reforms implemented in South Asia (SA) since Doing Business 2008.

DB Year	Economy	Reform
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	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.
DB2015	Afghanistan	Afghanistan made starting a business more difficult by increasing the publication fees and prolonging the time required for registration.

<b>DB2014</b>	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.
<b>DB2014</b>	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.
<b>DB2014</b>	Bhutan	Bhutan made starting a business easier by reducing the time required to obtain the security clearance certificate.
<b>DB2014</b>	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.
<b>DB2013</b>	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.
<b>DB2012</b>	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.
<b>DB2011</b>	India	India eased business start-up by establishing an online VAT registration system and replacing the physical stamp previously required with an online version.
<b>DB2011</b>	Bangladesh	Bangladesh made business start-up easier by eliminating the requirement to buy adhesive stamps and further enhancing the online registration system.

### Dealing with Construction Permits

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2018</b>	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.
<b>DB2017</b>	Nepal	Nepal made dealing with construction permits more difficult by increasing the cost of obtaining a building permit.
<b>DB2016</b>	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.
<b>DB2016</b>	Sri Lanka	Sri Lanka made dealing with construction permits less time-consuming by streamlining the internal review process for building permit applications.
<b>DB2015</b>	Nepal	Nepal made dealing with construction permits easier by implementing a new electronic building permit system.
<b>DB2014</b>	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.

<b>DB2013</b>	India	India reduced the time required to obtain a building permit by establishing strict time limits for preconstruction approvals.
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### Getting Electricity

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2017</b>	India	India made getting electricity faster and cheaper by streamlining the process of getting a new commercial electricity connection. This reform impacts Delhi.
<b>DB2016</b>	Bhutan	Bhutan made getting electricity easier by speeding up the process for obtaining a new connection.
<b>DB2016</b>	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.
<b>DB2015</b>	India	In India the utility in Mumbai made getting electricity less costly by reducing the security deposit for a new connection.
<b>DB2014</b>	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.
<b>DB2013</b>	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.
<b>DB2012</b>	Afghanistan	Afghanistan made getting electricity easier by improving the efficiency of the electricity department in Kabul and introducing a new fee schedule for connections.
<b>DB2012</b>	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

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2018</b>	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.
<b>DB2017</b>	Pakistan	Pakistan improved the quality of land administration by digitizing ownership and land records. This reform applies to Lahore.
<b>DB2016</b>	Bhutan	Bhutan made transferring property easier by introducing a computerized land information system.
<b>DB2013</b>	Sri Lanka	Sri Lanka made registering property faster by introducing an electronic system at the Land Registry in Colombo.

<b>DB2011</b>	Pakistan	Pakistan made property transfer more affordable by reducing the stamp duty rate.
<b>DB2011</b>	Maldives	Maldives now allows registered companies to own land as long as all company shares are owned by Maldivians.
<b>DB2011</b>	Bangladesh	Bangladesh reduced the property transfer tax to 6.7% of the property value.

### Getting Credit

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2018</b>	Bhutan	Bhutan improved access to credit information by beginning to distribute payment data from two utility companies.
<b>DB2018</b>	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.
<b>DB2018</b>	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.
<b>DB2017</b>	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.
<b>DB2016</b>	Afghanistan	Afghanistan improved access to credit information by launching a credit registry.
<b>DB2014</b>	Afghanistan	Afghanistan strengthened its secured transactions system by implementing a unified collateral registry.
<b>DB2014</b>	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.
<b>DB2013</b>	Sri Lanka	Sri Lanka strengthened its secured transactions system by establishing an electronic, searchable collateral registry and issuing regulations for its operation.
<b>DB2013</b>	Bangladesh	Bangladesh improved access to credit information by establishing an online platform for sharing such information.
<b>DB2012</b>	Bhutan	Bhutan improved its credit information system by launching the operation of a public credit registry.

### Protecting Minority Investors

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2018</b>	Bhutan	Bhutan strengthened minority investor protections by clarifying ownership and control structures but weakened minority investor protections by reducing shareholder rights.

<b>DB2018</b>	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.
<b>DB2018</b>	Nepal	Nepal strengthened minority investor protections by requiring greater corporate transparency.
<b>DB2018</b>	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.
<b>DB2017</b>	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.
<b>DB2015</b>	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.
<b>DB2012</b>	Sri Lanka	Sri Lanka strengthened investor protections by requiring greater corporate disclosure in case of transactions between interested parties.

### Paying Taxes

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2018</b>	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.
<b>DB2018</b>	Maldives	Maldives made paying taxes easier by introducing an online system for filing and paying taxes.
<b>DB2017</b>	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.
<b>DB2017</b>	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.
<b>DB2017</b>	Afghanistan	Afghanistan made paying taxes more costly by increasing the business receipts tax rate.
<b>DB2016</b>	Bangladesh	Bangladesh made paying taxes less costly for companies by reducing the corporate income tax rate. This reform applies to both Chittagong and Dhaka.
<b>DB2016</b>	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.

<b>DB2015</b>	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.
<b>DB2014</b>	Maldives	Maldives made paying taxes easier for companies by introducing electronic filing systems for corporate income tax, sales tax and pension contributions.
<b>DB2014</b>	Sri Lanka	Sri Lanka made paying taxes easier for companies by introducing an electronic filing system for social security contributions.
<b>DB2013</b>	Maldives	Maldives introduced a goods and service tax, a business profit tax and additional social contributions.
<b>DB2012</b>	India	India eased the administrative burden of paying taxes for firms by introducing mandatory electronic filing and payment for value added tax.
<b>DB2012</b>	Pakistan	Pakistan increased the profit tax rate for small firms.
<b>DB2012</b>	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.
<b>DB2011</b>	Sri Lanka	
<b>DB2011</b>	India	India reduced the administrative burden of paying taxes by abolishing the fringe benefit tax and improving electronic payment.

### Trading across Borders

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2018</b>	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.
<b>DB2018</b>	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.
<b>DB2018</b>	Sri Lanka	Sri Lanka made exporting and importing easier by developing a customs single window.
<b>DB2017</b>	Pakistan	Pakistan made exporting and importing easier by enhancing its electronic "Web Based One Customs Platform".
<b>DB2017</b>	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.
<b>DB2017</b>	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.

<b>DB2017</b>	Afghanistan	Afghanistan made exporting and importing easier by enhancing the usage of different modules of the ASYCUDA World customs processing system.
<b>DB2015</b>	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.
<b>DB2015</b>	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.
<b>DB2014</b>	Sri Lanka	Sri Lanka made trading across borders easier by introducing an electronic payment system for port services.
<b>DB2013</b>	Sri Lanka	Sri Lanka reduced the time to export by implementing the ASYCUDA World electronic data interchange system.
<b>DB2011</b>	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

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2018</b>	Bhutan	Bhutan made enforcing contracts easier by creating a dedicated bench to resolve commercial cases.
<b>DB2018</b>	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.
<b>DB2017</b>	India	India made enforcing contracts easier by creating dedicated divisions to resolve commercial cases. This reform applies to both Mumbai and Delhi.
<b>DB2012</b>	Nepal	Nepal improved oversight and monitoring in the court, speeding up the process for filing claims.

### Resolving Insolvency

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2018</b>	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.

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ISBN 978-1-4648-1146-3



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SKU 211146



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