

# Doing Business in India

The Information provided herein has been consolidated herein with the intention of giving busy executives a quick insight of the investment climate, legal system, taxation, forms of business entities and general overview of the consumer protection laws available in India. The complex decision making involved in undertaking foreign operations require an intimate knowledge of a country's commercial climate alongwith acknowledgment of the fact that climate is constantly evolving. Companies desiring to do business in India are advised to obtain the latest relevant information from the concerned professionals.

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## JUDICIAL SYSTEM IN INDIA

- India has a well-established and independent judicial system which is based on the English Common Law and derives its powers from the Constitution, statutes enacted by central and state legislatures, customary laws and case laws.
- The legal system consists of the Supreme Court, India's apex court, High courts in each state that are the apex court at the state level, and lower courts at the district level.

## INVESTMENT STRATEGIES

- Foreign Investment in India is governed by the Foreign Exchange Management Act 1999 (FEMA). The nodal agency for all foreign investment is the Reserve Bank of India (RBI) the Central Bank. Foreign investment in India is only prohibited in areas like agriculture, atomic energy, defense, gambling, betting, lottery, Trading in Transferable Development Rights (TDRs) and retail (except Single Brand Retailing which is permitted in JVs with FDI approval).
- Any foreign company can do business in one of the following four ways in India
  - A. Liaison Office: A liaison office can be opened after obtaining approval from the RBI. The main features of a Liaison Office are:
    - Allowed only to carry out promotional activity and no actual sale or other revenues can be generated from this liaison office.
    - Is used to obtain data and statistics and product research work prior to launching of the company's products
    - All monies coming in the Liaison office account shall be in convertible currency and no local currency can be put in the same account except for any refunded deposit money at the expiry of a lease.
  - B. Branch office: This is allowed to be opened for carrying out specific projects after prior approval of the RBI on submission of documentation showing the temporary nature of the project. Its main features are:
    - This model has the least hassles and it is easy to windup the operations when the business ends.
    - Taxation is about 12% higher than a normal tax on companies and is currently at about 45% of the profits generated by the

A variant of the Branch Office is the Project Office which is permitted by the RBI for the execution of specific projects as undertaken in India by a Foreign Company.

C. **Joint Venture Route:** This is a popular entry strategy for sectors not permitting 100% automatic route for investments or where the Foreign Company is testing the waters regarding the market for its product in India or India as a sourcing hub for its international operations. The prospective partner in a JV Company (JVC), should be chosen based upon business reasons/ strategy, financials and the long term goals of the Foreign Company in India. Due diligence is also required on the general market reputation, capability and penetration of the prospective JV partner and a personal credit rating is also recommended.

D. **Wholly Owned Subsidiary:** If your business falls in the category that is allowed to have a wholly owned subsidiary, then our advise is generally to have this route as the preferred one for investment since one has total command over the situation and is not dependent on others<sup>1</sup>. Its main features are:

- All the categories where 100% foreign investment is allowed, they fall in the automatic route, which means that there is no requirement of any prior permission and an Indian company can be opened without much trouble, only there is a requirement of intimation to the RBI after the investment is made.
- The preferred modus operandi would be to instruct a lawyer or an accountant to use local Indians to open a shell company with two resident Indian as the shareholders as well as the first directors, and when that company is incorporated, a set of first board resolutions are prepared. This is the time when the foreign directors can be nominated and put on board. This meeting will also allow someone to open a bank account in the name of the company authorizing one of

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<sup>1</sup> A list of the activities and the permitted investments is attached as Annexure-1

the new appointed directors to be the signatory for the purposes of operating this account. After this the foreign inward remittance shall be sent to this account and also to the account of the two shareholders towards sale price of the shares in their name. The shares would then be transferred to the foreign parent company. At this stage the initial directors resign.

- Please note that all but one share of the Indian company shall be transferred to the foreign entity and this one share can be transferred to any sister concern of the foreign company because as per the Indian Companies Act there have to be a minimum of two shareholders. The company after issuance of the shares have to report to the RBI through a prescribed format called FC GPR within a period of one month from such transfer of shares to the foreign entity.
- The ease of establishing a company has made this as the most preferred route with foreign companies. Secondly the company so incorporated will be an Indian company and would be taxed in the same manner as any other Indian company and shall have to do all the reporting and other filings like any other Indian company.

## TAX SYSTEM IN INDIA

- The union government levies certain taxes as per the rules of the Indian Constitution. They are:
  - Income Tax
  - Customs duties
  - Central Excise
  - Sales Tax
  - Service Tax
  - Capital Gains Tax
  - Securities Transaction Tax
- The principal taxes levied by the State Governments as per the rules of the Indian Constitution are:
  - Sales Tax on intra-State sale of goods or Value Added Tax
  - Stamp Duty on transfer of assets
  - State Excise duty on manufacture of alcohol
  - Duty on Entertainment
  - Tax on Professions in some States
  - Utility taxes
- The corporate income tax effective rate for domestic companies is about 35% while the profits of branches in India of foreign companies are taxed at 45%. India has entered into agreements for the avoidance of double

taxation (“DTAA”) with over 83 countries (including limited DTAA’s with 9 countries) in addition to signing bilateral investment protection agreements with over 50 countries. Special investment and tax incentives are given for exports. In addition, the company declaring dividends are required to pay a tax @ 12.5 percent plus surcharge and education cess. However the dividend money in the hands of shareholders is not taxable at all.

- Exporters and other foreign exchange earners have been permitted to retain 25% of their foreign exchange earnings in foreign currency. For 100% Export Oriented Units and units in Export Processing Zones, EHTP and STPI, retention in foreign currency is allowed upto 50%.
- Other incentives include:
  - Tax holiday for a period of 5 continuous years in the first 8 years from the year of commencement of production;
  - Exemption from taxes on exports earnings even after the period of tax holiday;
  - Exemption from central and state taxes on production and sale;
  - Permission to install machinery on lease;
  - Freedom to borrow self-liquidating foreign currency loans at the prime rate of interest;
  - Inter-unit transfers of finished goods among exporting units;

#### PROCEDURES FOR TAX INCENTIVE/ SPECIAL TREATMENT

Tax Incentives are available on par with any other Indian company specially in the SEZ (Special Economic Zones) that makes the company get exempted from several category of taxes such as service tax, custom duties, excise and in certain cases even the income tax if it is a 100% export oriented company. STPI (Software Technology Park of India) units are entitled to avail several tax exemptions.

#### TAX INCENTIVES FOR FOREIGN INVESTMENT

Appropriate tax exemptions are given in case of export oriented companies and that is one of the areas that get the maximum benefits, however the domestic market also is very potential since it is a number game, the more you can sell the lower your production cost would get, do not forget it is a billion plus people in India.

#### GOVERNMENTAL LICENSES / REGISTRATION FOR IT BUSINESS

For IT companies, as mentioned above 100% wholly owned subsidiary route is allowed. For software development one has to get the company registered

with the STPI while for manufacture of Hardware, the company has to register itself with EHTP (Electronic Hardware Technology Park).

After the incorporation of the company one has to file the prescribed form for STPI unit or EHTP unit, wherein the applicant has to list its needs for imports for the next five years. Once sanctioned, the company would get its premises custom bonded and then import the goods without paying any custom duties. An export oriented company is allowed to sell upto 25% of the total production in the Domestic Tariff Area (DTA) after payment of excise and/or service tax that is otherwise not applicable on exports.

Similarly SEZs have been given such exemptions whereby the whole area is a custom bonded warehouse which means all exports and imports are exempt from duty. However for DTA sales as in the case of STPI or EHTP, one has to pay excise/customs duty to the government.

## POLICY ON TRANSFER OF TECHNOLOGY TO INDIAN COMPANIES

India encourages foreign technology agreements in all industries. The RBI grants automatic approval to foreign companies for transfer of technology subject to the following limits:

- Lumpsum technology fee upto USD 2 million;
- Royalty payments upto 5 percent on domestic sales and 8 percent on export sales.

In case of consideration higher than the above limits, the Indian government approves such agreements on a case by case basis.

## IMMIGRATION LAWS OF INDIA

Unlike the US, immigration laws are simple and getting a work visa is not difficult. One can also get a long term business visa that would allow supervisory work off and on as required. One does not attract income tax unless he has stayed in India for 183 days in a financial year that is from April 1 to 31st March of the next year.

Indian companies are free to employ foreign individuals and or directors on a need basis and do not require any special permissions for the same. Foreign employees can remit back upto 75% of their salaries, considering the fact that 33.5% is the tax deductible at source, they can send all of their salaries technically after payment of tax that is any way deducted at source in case of employees.\

## LABOUR LAWS

There is a plethora of labour laws like Minimum Wages Act, Industrial Disputes Act, Provident Fund and Gratuity contribution laws and General Medical Insurance etc., which govern the working and wage conditions for employees. The financial implications of the regulations are not huge as the limits provided therein are very low and do not create any drastic burden on the employer/industry.

## ENVIRONMENTAL LAWS

The main pollution control statutes in India are the Water (Prevention and Control of Pollution) Act, 1974 the Air (Prevention and Control of Pollution) Act, 1981, and the Environment (Protection) Act, 1986, which is designed to act as an umbrella legislation for the environment, with the responsibility for administering the new legislation falling on the Central Pollution Control Board (CPCB) at the national level and the State Pollution Control Board (SPCB) at the State level.

The mandate of the CPCB is to set environmental standards for:

1. All plants in India, lay down ambient standards and
2. Coordinate the activities of the SPCBs.

All industries (excepting acknowledged non-polluting industries e.g., Wind Power Generation) have to obtain clearance from the CPCB and/or SPCB for the establishment of the industry.

## INTELLECTUAL PROPERTY RIGHTS PROTECTION

- India does not have a single legislation for the purposes of Intellectual Property, but a whole set of statutes are available which together constitute a self contained comprehensive code. Intellectual property in its various forms is protected by several different legislations in India. They are:

### Intellectual Property Legislation in India

- |              |  |
|--------------|--|
| 1. Patents   | Patent Act, 1970 (Amended in 2005)       |
| 2. Copyright | Copyright Act, 1957 (As amended in 1994) |
| 3. Design    | Designs Act, 2000                        |
| 4. Trademark | Trademarks Act, 1999                     |

- |                                     |  |
|-------------------------------------|--|
| 5. Geographical indication          | Geographical Indication Act, 1999                            |
| 6. Plant variety                    | Plant Varieties And Farmers Rights Act 2001                  |
| 7. Semi-conductors and their design | Semiconductors and Integrated Circuit Layout Design Act 2000 |

- The statutes define the intellectual property right protected under it. They also create a codified structure of the governing authorities and the rules regarding proceedings, offences & penalties.
- Modes of Acquisition of IPRs

The diverse modes of acquisition of IP are:

a. Grant, Registration, Publication

Patents are obtained by grant. Design Rights, layout design rights, plant variety rights, trademarks and geographical indications require registration. Copyright is acquired by publication.

b. Assignment

The assignment deed has to be in writing duly signed by the owner in the presence of two witnesses. It has to be registered with Controller or Registrar as prescribed by the relevant statute. Authorities shall make entry of such deed in their records.

The period of assignment of a Copyright shall be deemed to be five years from the date of assignment, unless the agreement specifies a particular term.

c. Transmission

Transmission of intellectual property rights means inheritance of such rights. It shall be done only when rights of heirs have been established. The easiest way out for a legal heir, is to go for a declaratory suit and get his right declared and affirmed by the Court.

- Licensing of Intellectual Property in India

a. Licensing a Formal Act

The instrument granting license has to be in writing duly signed by the owner in the presence of two witnesses. License has to be registered with

Registrar or Controller, whichever is the concerned authority, for the user to become a registered user. Certain Statutes allow licensing without registration.

b. License Heritable

In case of death of the licensee before work comes into existence or where work is pending for registration, the legal heir of the licensee shall be entitled to the benefit of the license provided there is no agreement to the contrary.

- Remittance of Royalties

FEMA requires that royalties may not exceed 5% on local sales and 8% on exports from India and the lump-sum payment does not exceed USD 2 million. RBI regulates the remittance of royalties. RBI has delegated powers to Authorized Dealers (AD) to make payment of royalties under IP collaboration agreement.

- RBI allows payment of foreign technology collaboration fees by Indian companies under the automatic route which means no prior permission of the RBI is needed provided that the following conditions are fulfilled:

- royalty amount does not exceed the limits mentioned above;
- royalty limits are net of taxes and conform to standard conditions;
- royalties are calculated on the basis of ex-factory sale price of the product, exclusive of excise duties, minus the cost of the standard bought-out component and the landed cost of imported components, irrespective of the source of procurement, including freight, insurance, customs duties, etc.

- Preventive Measures

The Classical adage “Prevention Is Better than Cure” applies to IP protection.

Following are a few strategies for preventing infringement and keeping infringers at bay:

- Wide notification of IP rights in target country.
- Marking goods pending grant of Patent as “Patent Pending”.
- Putting up copyright notices.
- Advertising Trademarks and Service marks.
- Educating partners and employees about IPR.
- Warn infringers
- Make a reputation for protecting IPR.
- Involve Police Authorities where law permits.

- Public destruction of IPR infringing materials
- Organized response to IPR infraction.
- Litigation
  - a. Seek interim relief.
  - b. Prosecute with alacrity.

### *IP infringement by Local Business Partners: Prevention*

- It is advisable for any foreign company entering into a joint venture with an Indian Partner that it must have categorical dialogue on IPR and that it is reflected in the shareholder's agreement. In case of technological collaboration venture where IPs are imported, independent agreement between foreign company and the new company must be signed separately stating the limitation of right and terms of license/ assignment for the rights.
- In case of formation of wholly owned subsidiary, parent company shall own the Intellectual property rights of the subsidiary company. If sweat equity has been issued to an Indian partner, there is no requirement of separate agreement between the two. All it requires is to show an entry in the balance sheet of the wholly owned company that existing IPs have been borrowed from the parent company.
- In case of import of intellectual property in India by a partner, IPRs shall be governed by the written agreement signed between the parties and violation of that agreement will amount to infringement.
- Although well-known marks have statutory protection, it is always advisable to have the trademark registered with the Indian Trademark Registry taking into account future business plans.

### DISTRIBUTION CHANNEL IN THE INDIAN MARKET

The conventional distribution channel employed in India is a pyramidal structure involving movement of goods from carrying and forwarding (C&F) agents to wholesalers and distributors down to retailers. The new supply chain systems include cutting down on intermediaries as in direct marketing or network marketing.

### LAW RELATING TO OPERATIONS OF BUSINESSES

- Transfer of Property Act: deals with the rights and liabilities of concerned parties in respect of immovable property.

- Registration Act: contains provisions for the purpose of maintaining land records Registry and registration of all transactions relating to immovable properties.
- Contract Act: codifies the way we enter into a contract, execute a contract, implementation provisions of a contract and effects of breach of a contract. It only provides a framework of rules and regulations which govern formation and performance of contract. The rights and duties of parties and terms of agreement are decided by the contracting parties themselves.
- Stamp Duty Laws: the scheme of stamp duty laws under the Constitution of India provides for powers of the State Governments to prescribe the rates of stamp duty in respect of most of the documents relating to transfer or creation of interest in property, both movable and immovable.
- Companies Act: enshrines the legal principle that a secured creditor has priority over all other creditors and claimants and for recovery of secured loan he has the right to enforce the securities and realize the secured loan. In the event of insolvency or winding up proceedings against the borrower, the secured creditor has a right to remain outside such proceedings and enforce the securities.
- Hire-purchase and financial lease transactions: There is no statutory provision covering hire-purchase and lease of movables. The Hire Purchase Act, 1972 has so far, not been brought into force. As a result, the transactions of hire-purchase and lease of movables are governed by the provisions of the Indian Contract Act, 1872.

## PRODUCT LIABILITY

- The Courts in recent times have adopted a pro-consumer approach. The Courts, in India, have now started awarding compensation and damages which are more punitive than compensatory in nature.
- The Consumer Dispute Redressal Forum and the MRTP Commission (Monopolies Restrictive Trade Practice Commission) were the competent authorities for adjudicating and deciding matters pertaining to product liability. The Government has now replaced the MRTP Act with the new Competition Act 2002.
- The Competition Act has been designed as an omnibus code to deal with matters relating to the existence and regulation of competition and monopolies. Its objects are (a) the promotion and sustenance of competition in markets, (b) protection of consumer interests and ensuring freedom of trade of other participants in the market, all against the

backdrop of the economic development of the country. The Competition Act is compact, composed of only 66 sections. The legislation is procedure-intensive, and is structured in an uncomplicated manner. The aim of the Competition Act is to create an environment conducive to competition.

- Product liability in India is, essentially, governed by a) The Consumer Protection Act, 1986 b) The Competition Act, 2002 c) The Sales of Goods Act, 1930 and d) The law of Torts. While the Consumer Protection Act and the Sales of Goods Act, cater to causes of action vis-a-vis consumers and buyers, the Competition Act, on the other hand, has been designed to prevent concentration of economic power to common detriment as well as to control monopolies.
- Criminal remedy for supply of defective product arises under various statutes, namely:-
  - (a) The Foods Adulteration Act, 1954
  - (b) The Food Safety and Standards Act, 2006
  - (c) The Drug & Cosmetics Act, 1940
  - (d) The Indian Penal Code, 1860
  - (e) The Standards of Weights and Measure Act, 1976
- Each of the aforesaid Acts provides for imposition of fine and/or imprisonment in case of supply of defective products or adulterated consumables.

#### UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS (CISG)

- There is a treaty offering a uniform international sales law ratified by diverse countries however, India has not given its ratification as the same would mean that the CISG, and not the well-understood rules of the Indian Sale of Goods Act 1930 ('1930 Act'), would govern the rights of Indian buyers and sellers, when trading internationally. The 1930 Act is modeled on the English Sale of Goods Act of 1893. For India, adopting the CISG would be advisable only if the advantages of doing so outweigh the disadvantages.

#### UNCITRAL WORKS ON SECURITY INTEREST LAW:

- The Securitisation & Reconstruction of Financial Assets and Enforcement of Security Interest Act, (SARFAESI): recognizes that any security created to secure due repayment of a loan shall be treated as a security interest and shall be enforceable without the intervention of the court in the event of default. However, this this right has been made applicable only

- No single uniform law in India deals with creation, registration, priority and enforcement of securities over property. With the enactment of SARFAESI Act certain key objectives contained in draft recommendations of UNCITRAL have been implemented in India. The changes introduced by the SARFAESI Act in the law relating to creation and enforcement of security over property are as under:
  - Financial assets are made freely assignable notwithstanding anything contained in any law or any agreement;
  - Security interest is defined in generic term giving effect to substance over form to a limited extent;
  - Powers of enforcement of security interest have been given to the banks and financial institutions;
  - Definition of property is made wide to cover variety of property rights;
  - Since the existing law in India does not permit enforcement of mortgages of immovable properties, the same are also included in the definition of security interest with power of enforcement without the intervention of the Courts.

#### ENFORCEMENT OF JUDGMENTS, AWARDS ETC.

##### Execution of Foreign Decrees:

- The primary law of India is, where there is an express agreement to, submit to the jurisdiction of a foreign court, a judgment pronounced by such court binds the parties, and effect will be given to such a judgment by Indian courts.
- The governing legislation for judgments pronounced by foreign courts is the Code of Civil Procedure 1908 (CPC).
- A foreign judgment shall be conclusive except as provided under Section 13 of CPC:
  - where it has not been pronounced by a Court of competent jurisdiction;
  - where it has not been given on the merits of the case;
  - where it appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;

- where the proceedings in which the judgment was contained are opposed to natural justice;
  - where it has been obtained by fraud; and
  - where it sustains a claim founded on a breach of any law in force in India [an example of this would be a foreign judgment for a gambling debt]
- The foreign court must be competent to try the suit, not only as regards pecuniary limits of its jurisdiction and the subject-matter of the suit, but also with reference to its territorial jurisdiction, and the competency of the foreign court is to be judged not by the territorial law of the foreign state, but by the rules of private international law.
  - A foreign judgment may be enforced by proceedings in execution in certain cases only as is provided in the CPC while in rest, a foreign judgment can only be enforced by a suit on the judgment. If such a suit is dismissed, no subsequent application to execute that judgment will lie. This stand is brought out through the CPC distinguishing between foreign judgments of countries which are 'reciprocating territories' and those which are not. Reciprocating Territory. It means any country or territory outside India and so notified. From time to time.
  - When a suit emanates from any of these countries, the concerned Indian court will proceed forthwith to enforce the foreign judgment, provided it is not affected by any of the exceptions enumerated in the Code, while in rest of the cases, the enforcement would have to be sought by filing a suit in India on the foreign judgment. A suit on a foreign judgment must be brought within three years from the date of judgment.

#### ENFORCEMENT OF FOREIGN ARBITRAL AWARDS:

- An arbitration award can only be enforced when an order is made by the courts of the country where enforcement is sought. Any person interested in enforcing a foreign award may apply in writing to any court having jurisdiction over the subject matter of the award. The court, on being satisfied that the foreign award is enforceable under the Act, will pronounce judgment on it. A decree will follow. No appeal will lie from such a decree except insofar as the decree is in excess of or not in accordance with the award.

#### CONCLUSIONS - PRACTICAL TIPS FOR FOREIGN COMPANIES

- There is tremendous potential for technical transfers and/or collaborations and foreign companies could look at joint ventures as well

as sub-contracting arrangements with Indian companies, especially in the small and medium enterprises (SMEs). In addition to the above sectors, the countries could set up joint collaborations in the sectors of infrastructure - power, ports, telecommunications, roads, ship building & ship repair, petrochemicals, automobile ancillary, electrical & electronics, office equipment, banking & financial services, software as well as iron & steel.

- Infrastructure development in India entails heavy investments. There is tremendous scope for foreign companies to participate in these areas. India has all the potential to provide the investors a conducive environment for conducting their business operations and a good legal system.

## Sector wise Regulation in Foreign Investment

i) Automatic route for specified activities subject to Sector wise cap and conditions of Foreign Direct Investment.

Sectors	Cap
Airports <ul style="list-style-type: none"> <li>Existing</li> <li>Greenfield</li> </ul>	74% 100%
Air Transport Services <ul style="list-style-type: none"> <li>Non Resident Indians</li> <li>Other</li> </ul>	100% 49%
Alcohol distillation and brewing	100%
Banking (Private Sector)	74%
Coal and Lignite mining (specified)	100%
Coffee, Rubber processing and warehousing	100%
Construction and Development (Specified projects)	100%
Floriculture, Horticulture and Animal Husbandry	100%
Specified Hazardous chemicals	100%
Industrial Explosives Manufacturing	100%
Insurance	26%
Mining (Precious metals, Diamonds and stones)	100%
Non banking finance companies ( conditional)	100%
Petroleum and Natural gas <ul style="list-style-type: none"> <li>Refining (private companies)</li> <li>Other areas</li> </ul>	100% 100%
Power generation, transmission, distribution	100%
Trading <ul style="list-style-type: none"> <li>Wholesale cash and carry</li> <li>Trading of Exports</li> </ul>	100% 100%

SEZ's and Warehousing Zones	Free Trade	100%
Telecommunication		
• Basic and cellular services		49%
• ISP with gateways, radio paging, end-end bandwidth		49%
• ISP without gateway (specified)		49%
• Manufacture of telecom equipment		100%

Prior Approval from FIPB where investment is above Sectoral caps for activities listed below.

Sectors	Cap
New Investment by a foreign investor in a field in which the investor already has an existing joint venture or collaboration with another Indian partner the same can be only established after seeking permission from the existing Indian Partner/ Collaborator and thereafter obtaining FIPB Approval	
New investment sought to be made in manufacture of items reserved for Small Scale Industries	
▫ Existing Airports	74% to 100%
▫ Asset reconstruction companies	49%
▫ Atomic Minerals	74%
• Broadcasting	
○ FM Radio	20%
○ Cable network	49%
○ Direct-To-Home (DTH)	49%
○ Setting up hardware facilities	49%
○ Uplinking news and current affairs	26%
○ Uplinking non-news, current affairs TV channel	100%
• Cigarette manufacturing	100 %
• Courier services other than those under the ambit of Indian Post Office Act, 1898	100 %
• Defense production	26 %
• Investment companies in infrastructure / service	49 %

sector (except telecom)	
• Petroleum and natural gas refining (PSU)	26 %
• Tea Sector - including Tea plantation	100 %
• Trading items sourced from Small scale sector	100 %
• Test marketing for equipment for which company has approval for manufacture	100 %
• Single brand retailing	51 %
• Satellite establishment and operations	74 %
• Print Media	
○ Newspapers and periodicals dealing with news and current affairs	26%
○ Publishing of scientific magazines / specialty journals periodicals	100 %
• Telecommunication	
○ Basic and unified access services	49 % to 74 %
○ ISP with gateways, radio paging, end to end bandwidth	49 % to 74 %
○ ISP with gateway (specified)	49 % to 100 %