

Issue 21 • February 2014



INDIA BRIEFING

From Dezan Shira & Associates

Taking Advantage of India's FDI Reforms

*p.*4

Recent Changes in Indian FDI Policy

*p.*6

Establishing a Business in India

*p.*8

How to Set Up a Wholly Foreign-Owned Business in India



INDIA BRIEFING

Issue 21 • February 2014

Introduction



Dear Clients and Readers,

After a turbulent year for India's economy, strong quarterly growth figures and encouraging political developments appear set to **make 2014 one of the most promising years for foreign investors in recent memory**. Driven by the expectation that Indian exports and investment demand will increase steadily alongside a pick-up in the global economy, Goldman Sachs and the Reserve Bank of India expect GDP growth will reach 5.5 percent in 2014 and maintain a pace of about 7.5 percent over the next few years. India's current account deficit sits at its lowest level in more than four years, and corporate confidence in the country surpasses both China and the United States according to Ernst & Young's annual Capital Confidence Barometer Report.

Making a strategic and informed decision about investing in India requires both an understanding of the diverse options for investment in the country, and recent changes in FDI policy that open several key business sectors to increased foreign investment.

In this issue of India Briefing Magazine, we explore important amendments to India's foreign investment policy, and outline the various investment options for business establishment— including the establishment of a wholly owned subsidiary company in sectors that permit 100 percent foreign direct investment. Finally, we explore several taxes that apply to wholly owned subsidiary companies and their operators.

As India ventures into 2014, **Dezan Shira & Associates advisors in Delhi and Mumbai** are proud to offer business advisory services, tax consulting, internal audits, and assistance with business establishment in India.

Best Regards,

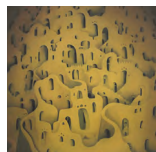
Gunjan Sinha
Country Manager
Dezan Shira & Associates, India

For Reference

India Briefing and related titles are produced by Asia Briefing Ltd, a wholly owned subsidiary of Dezan Shira Group.

Materials within are provided by Dezan Shira & Associates. No liability can be accepted for any of its contents. For any queries regarding the content of this magazine, please contact:

editor@asiabriefing.com



Badri Nath Arya
Watercolour and wash, on paper pasted on cardboard, 98.3 X 65.3 cm
Delhi Art Gallery
info@delhiartgallery.com | www.delhiartgallery.com | +91 11 4600 5300

This Month's Cover Art

Taking Advantage of India's FDI Reforms

Contents



p.4 Recent Changes in Indian FDI Policy

p.6 Establishing a Business in India

p.8 How to Set Up a Wholly Foreign-Owned Business in India

p.11 India's 2014 Business Outlook

Related Material From Asia Briefing

-  [The Importance of India for American Companies](#)
-  [India Reaffirms Japan as Key Economic and Political Partner](#)
-  [2013 Changes in Indian FDI Policy](#)
-  [India Clarifies FDI Policy in Insurance Sector](#)



New Issue Out Now

"Payroll Processing Across Asia"

[Click Here](#)

Annual Subscription



To Subscribe to India Briefing Magazine (4 issues per year), please [Click Here](#)

This publication is available as interactive PDF and ePublication with additional clickable resource icons below:



[Questions & Advisory](#)



[Visit Our Professional Services](#)



[Regulatory Framework](#)



[Asia Regulatory Legal & Tax News](#)



[ASEAN Regulatory News](#)



[Our Magazines & Guides](#)



[Podcast & Webinar](#)

Resources on Emerging Asia



ASIA BRIEFING



ASEAN BRIEFING



CHINA BRIEFING



VIETNAM BRIEFING



Your Partner for Growth in Asia

22 years of excellence 1992-2014

DEZAN SHIRA & ASSOCIATES

Corporate Establishment | Due Diligence | Business Advisory | Tax Planning | Accounting | Payroll | Audit and Compliance

Delhi

delhi@dezshira.com

+91 12 4401 1219

CP - 204, Block No. 1, 2nd Floor

DLF Corporate Park, Mehrauli Gurgaon Road

Gurgaon 122002, India

Mumbai

mumbai@dezshira.com

+91 22 3953 7268

Level 2, Kalpataru Synergy

Opposite Grand Hyatt Santacruz (East)

Mumbai, 400053

Dezan Shira & Associates Pan-Asia Presence

China Offices: china@dezshira.com

Vietnam Offices: vietnam@dezshira.com

India Offices: india@dezshira.com

Singapore Office: singapore@dezshira.com

www.dezshira.com