



Doing Business in **India**

Investor's Guide- At a Glance
2025-2026

Doing Business In India

Components Of Foreign Investments In India

Category 1



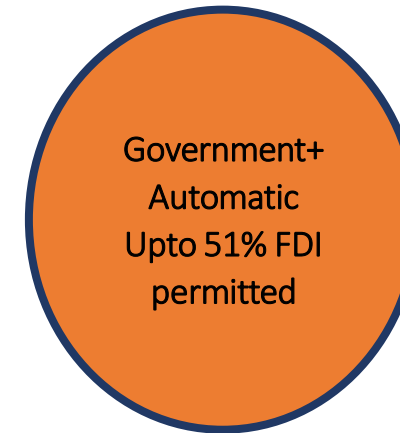
Category 2



Category 3

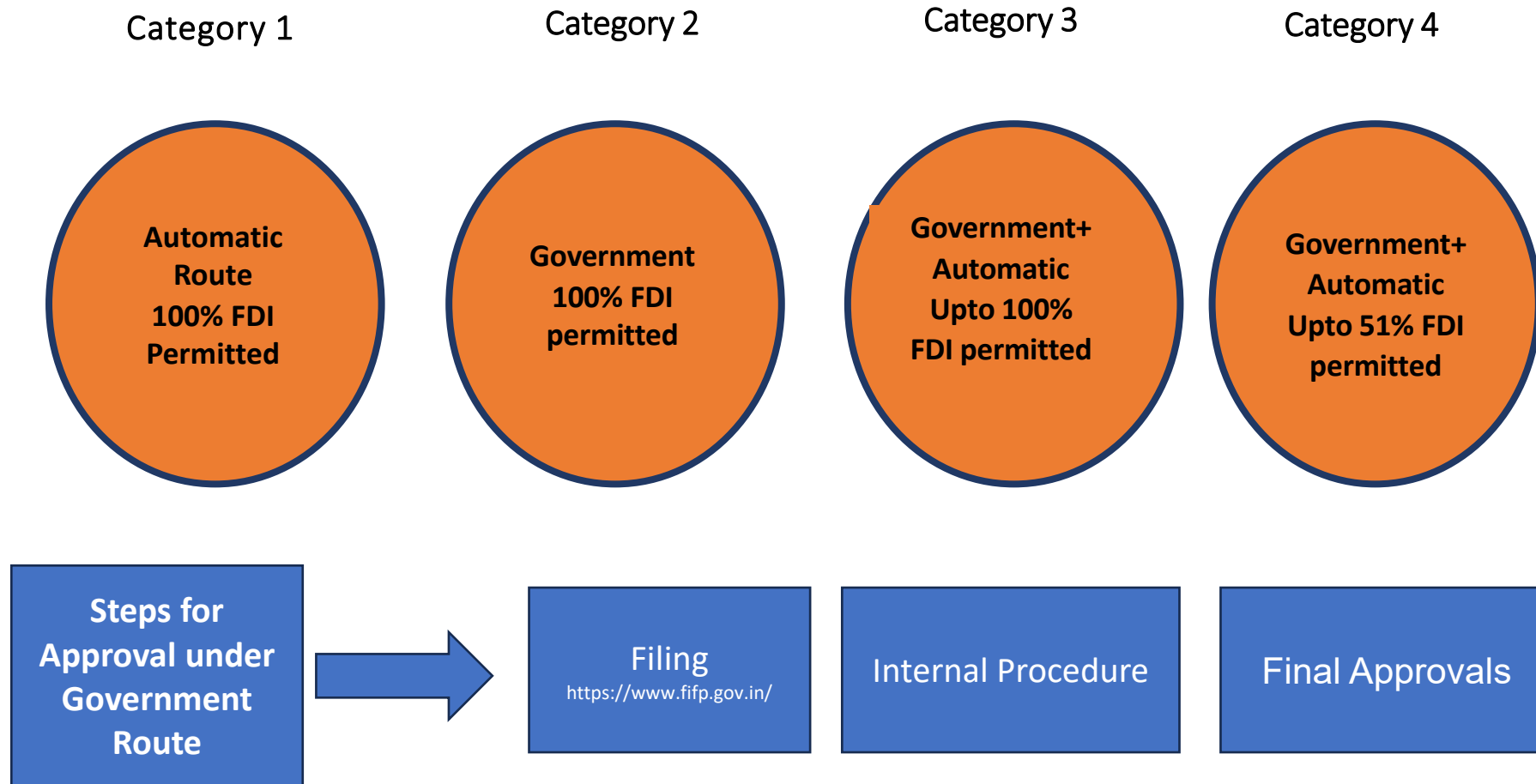


Category 4



Foreign Direct Investment in India

Routing in India



Foreign Direct Investment in India

Category 1: 100% FDI permitted through Automatic route* *Check for FDI routing procedures*



Agriculture & Animal Husbandry**



Plantation (FDI is allowed only in Tea, Coffee, Rubber, Cardamom, Palm oil tree, Olive oil tree and not in any other plantation activity)



Mining & Exploration of metals & non-metals ores excluding titanium bearing minerals and its ores



Coal & Lignite mining



Single Brand Retail Trading, Duty Free Shops



Railway Infrastructure



Construction Development projects****



Transport services*****



Civil Aviation – Greenfield & Brownfield



Cash & Carry Wholesale Trading



Broadcasting Carriage Services



Other Services at Airport *****



Exploration of Petroleum & Natural Gas (including marketing of petroleum products & natural gas)



Asset Reconstruction & Credit Information Companies



Market Place E-commerce Activities*****



Up-link of non-'News & Current Affairs' TV Channels, Down linking of TV channel



Other Financial Services (registered/regulated entity)*****



Industrial Park



Pharmaceuticals – Greenfield Sector and Medical device manufacturing



White Label ATM Operations*****



Manufacturing*****



Insurance Company and intermediaries *****

Foreign Direct Investment in India

Category 2: 100% FDI permitted through Government route



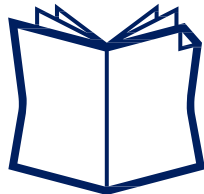
Mining and minerals separation of titanium bearing minerals & ores and its value addition & integrated activities



Retail Trading including through e-commerce in respect of food products manufactured and/ or produced in India



Publishing/ printing of scientific and technical magazines/specialty journals/ periodicals



Publication of facsimile edition of foreign newspapers



Government Route
(Approval from various Administrative Ministries/ Government Department)*









Satellites-establishment and operations

Foreign investment in core investment companies (CIC) and other investing companies, engaged in the activity of investing in the capital of other company/ies/LLP, is permitted under Govt. approval route. CICs will additionally have to follow RBI regulatory framework

*For detailed definition, clarifications/exceptions, please refer to [Consolidated FDI Policy](#)

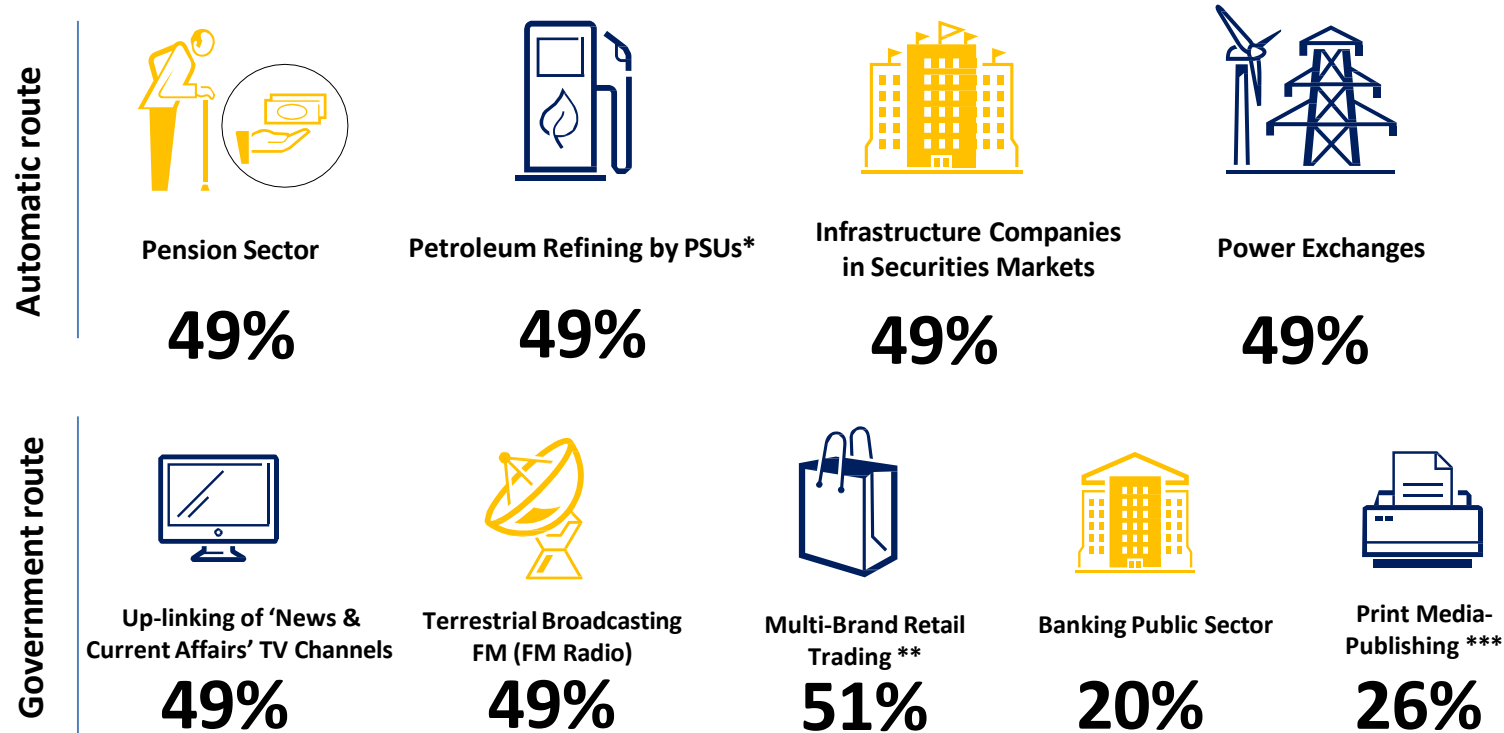
Foreign Direct Investment in India

Category 3: Upto 100% FDI permitted through Government+ Automatic route

	Telecom Services*	Up to	49%	Automatic route	Above	49%	Government route
	Defence industry**	Up to	74%	Automatic route	Above	74%	Government route
	Pharmaceutical - Brownfield	Up to	74%	Automatic route	Above	74%	Government route
	Air Transport Services ***	Up to	49%	Automatic route	Above	49%	Government route
	Banking – Private Sector	Up to	49%	Automatic route	Above	49% Up to 74%	Government route
	Private Security Agencies****	Up to	49%	Automatic route	Above	49% Up to 74%	Government route

Foreign Direct Investment in India

Category 4: Upto 51% FDI permitted through Government/Automatic route



For detailed definition, clarifications/ exceptions, please refer to [Consolidated FDI Policy](#)

Notes

* Petroleum refining by the PSU without any disinvestment or dilution of domestic equity in existing PSUs – 49%, Automatic

** In specified states

*** Publishing of Newspapers & Periodicals Publication dealing with news and current affairs and publishing of Indian editions of foreign magazines dealing with news and current affairs

**** Per Press Note No. 4 (2019), FDI up to 26% has been permitted under the Government approval route for uploading/ streaming of News and Current Affairs through digital Media. This change shall become effective as on the date of the respective FEMA notification.

Foreign Direct Investment in India

Prohibited Sectors



Setting Up Business in India



Setting up business in India

Comparative analysis of different business establishments/entities in India (1/2)

Private Company vis-à-vis Public Company vis-à-vis OPC vis-à-vis LLP				
Particulars	Private	Public	OPC (one person Company)	LLP
Min Members	2	7	1	2 partners
Max Members	200	Unlimited	1	No Limit
Min Directors	2	3	1	2 Designated Partners
Max Directors	15*	15*	15*	NA
Resident Director	1 Mandatory	1 Mandatory	1 Mandatory	1 Designated Partner
Transfer of ownership	Ownership can be transferred	Ownership can be transferred	Ownership can be transferred to nominee in the event of death of owner	Ownership can be transferred
Subscription of shares	Public subscription not allowed	Public subscription allowed	Public subscription not allowed	Public subscription not allowed
Issue of Prospectus	Not Mandatory	**Mandatory	Not Mandatory	Not Mandatory
Managerial Remuneration	No limit for managerial personnel	Shareholder approval is required, If remuneration payable is above limits	NA	Remuneration is based on LLP agreement

Setting up business in India

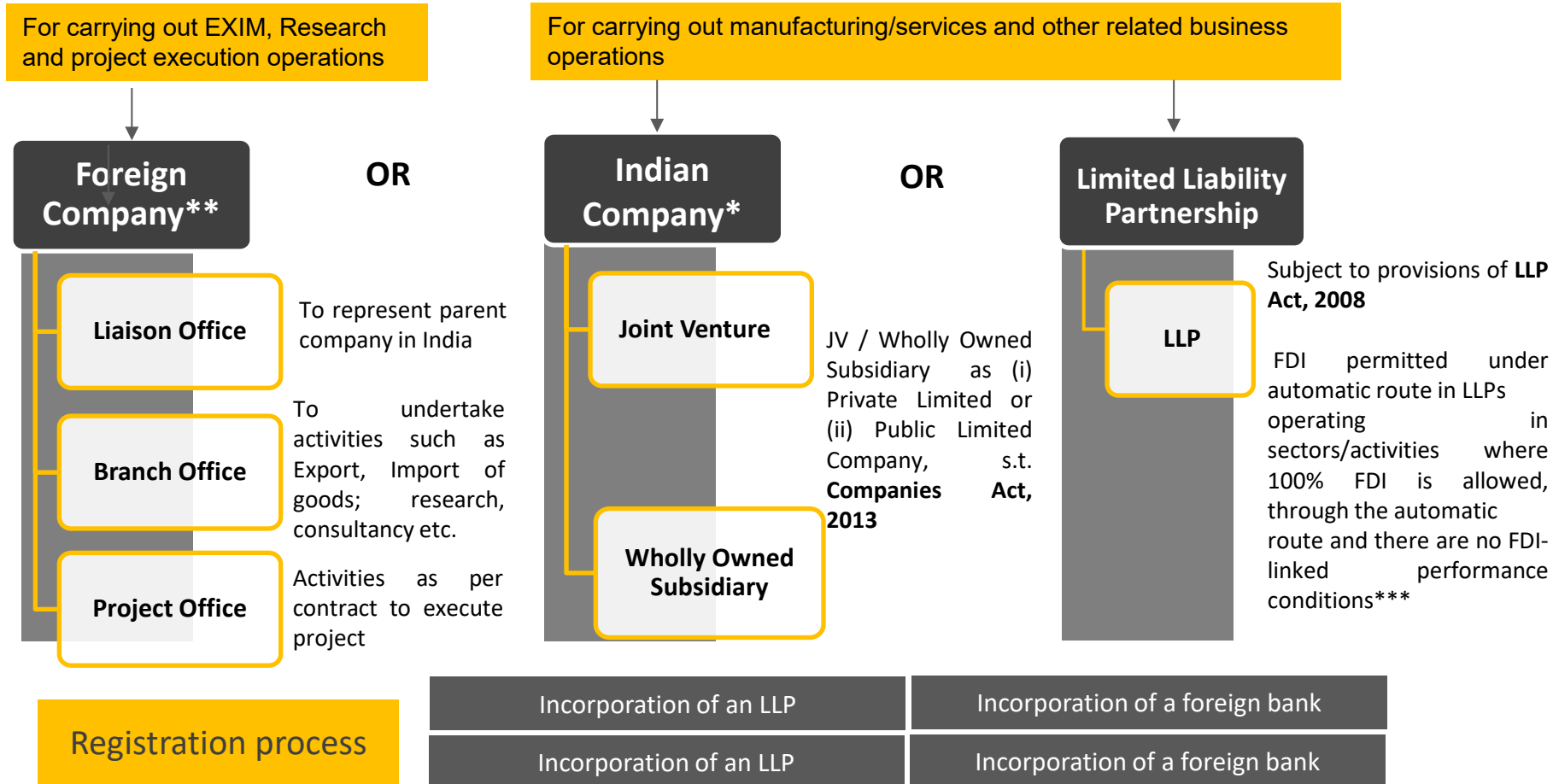
Comparative analysis of different business establishments/entities in India (2/2)

Private Company vis-à-vis Public Company vis-à-vis OPC vis-à-vis LLP				
Particulars	Private	Public	OPC (one person Company)	LLP
Commencement of Business/ Operations	Declaration to be filed prior to commencement	Declaration to be filed prior to commencement	Declaration to be filed prior to commencement	Immediately after obtaining certificate of incorporation
Legal Status	Pvt Co is a separate legal entity registered under Companies Act, 2013. The Directors are liable for defaults made under the act	Public Co is a separate legal entity registered under Companies Act, 2013. The Directors are liable for defaults made under the act	OPC is a separate legal entity registered under Companies Act, 2013. The Directors are liable for defaults made under the act	LLP is a separate legal entity registered under LLP Act, 2008. The Designated partners of LLP are liable for contraventions under the act
Governing Act/ Law	Companies Act, 2013	Companies Act, 2013	Companies Act, 2013	LLP Act, 2008
Annual Statutory Filings	Annual statement of accounts & annual return with ROC	Annual statement of accounts & annual return with ROC	Annual statement of accounts & annual return with ROC	Annual statement of solvency & annual return with ROC
Annual Filings & Audit	IT return to be filed. Audit mandatory	IT return to be filed. Audit mandatory	IT return to be filed . Audit mandatory.	IT return to be filed. Audit mandatory in case turnover exceeds INR 40 lakhs or contribution exceeds INR 25 lakhs

Setting up business in India

Commencing business in India by foreign Investor

Foreign Investor can commence business in India as:

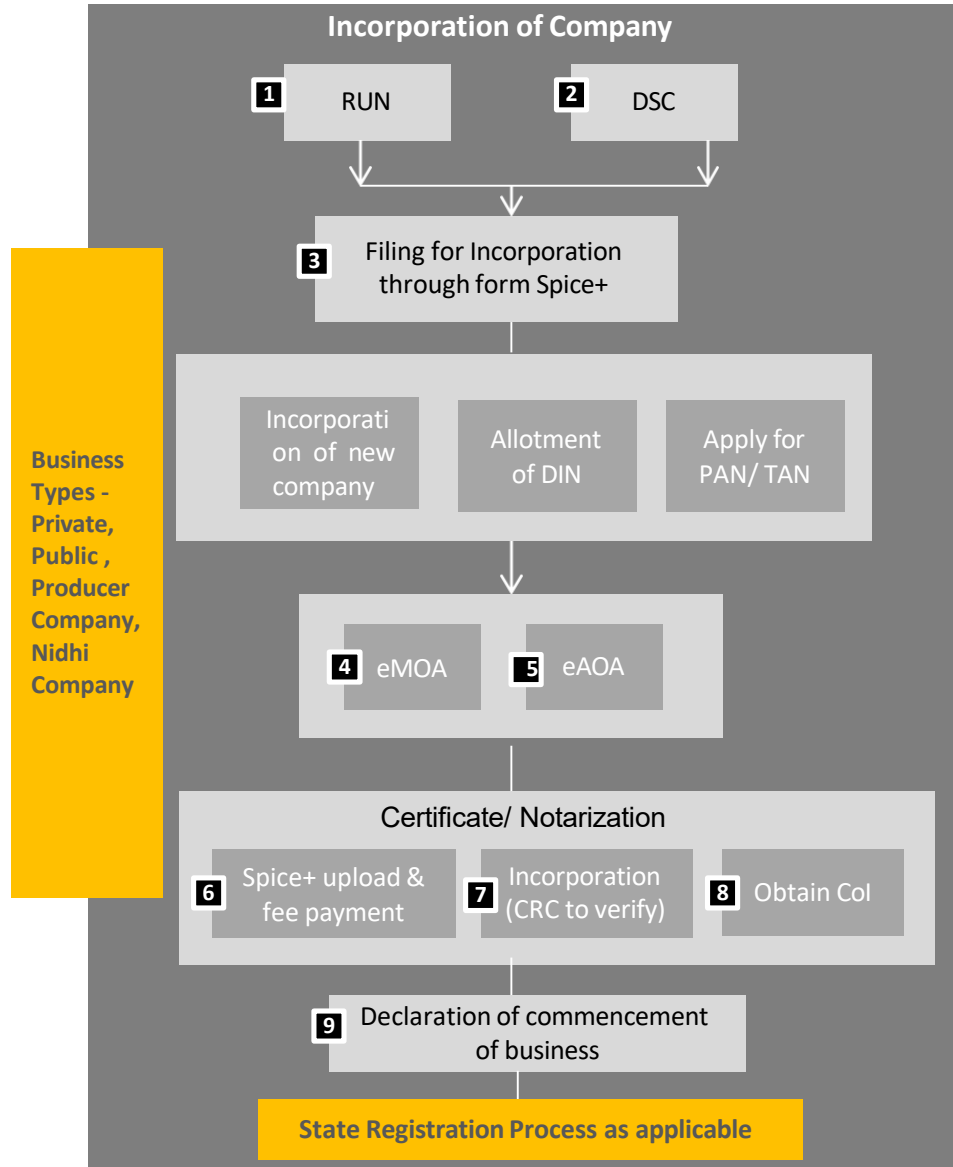


*Incorporate company in India s.t. sectoral caps and requisite approvals

**RBI guidelines regarding establishment of LO/BO/PO: <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=10398&Mode=0>. As per company law, a resident having PAN to be appointed for receiving notices in India for foreign company

***For detailed definitions, clarifications/ exceptions, please refer to [Consolidated FDI Policy, 2020](#), DPIIT ([Press Notes](#))

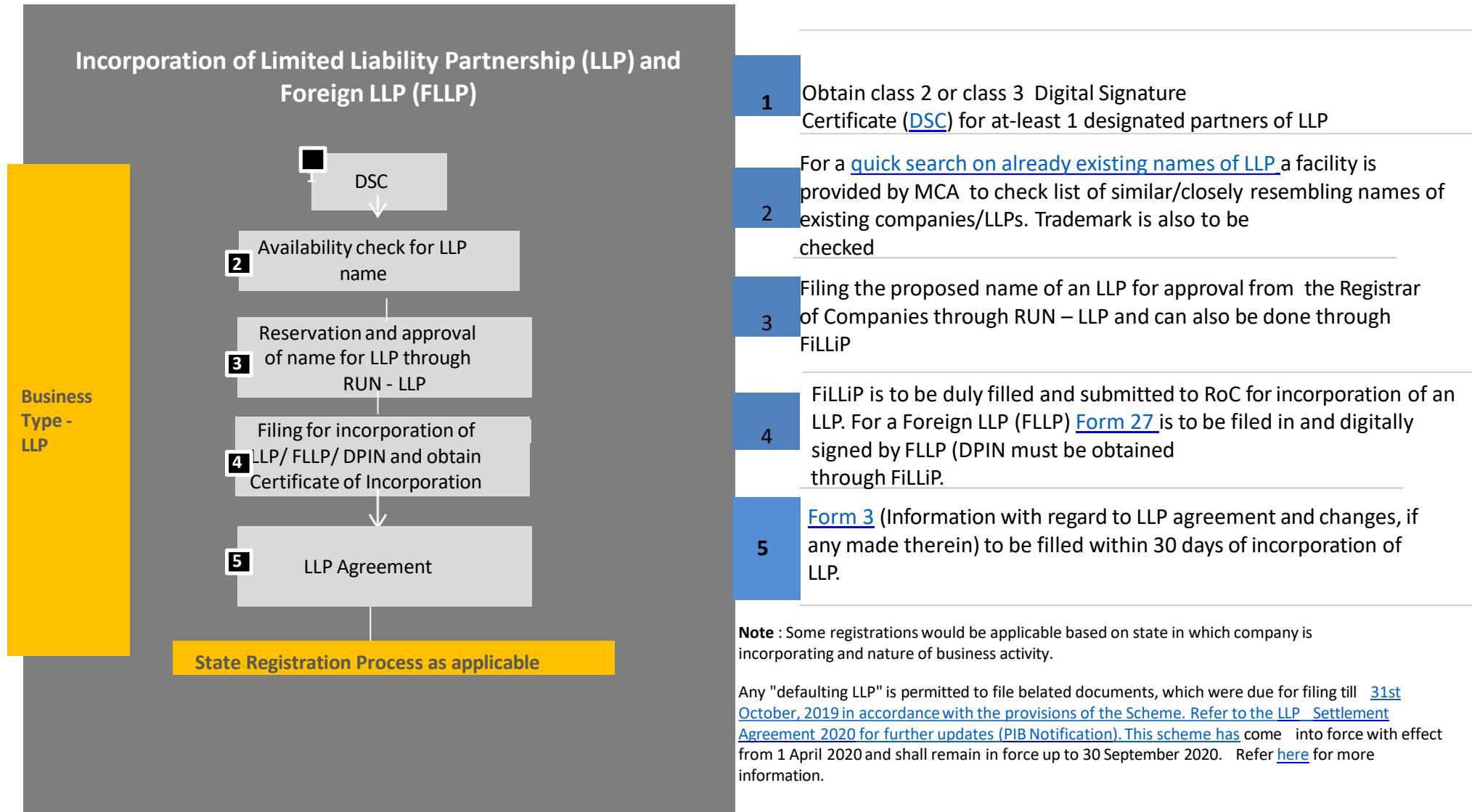
Setting up business in India - Incorporation of a Company: Overview



- 0** [Check availability of name](#) / registered trademark for incorporation of company
- 1** Reserve name of the proposed company through online service [RUN](#) on MCA website. Name can also be applied through [SPICE+](#).
- 2** Obtain Digital Signature Certificate ([DSC](#)) for at-least one proposed Directors of the Company. [DIN](#) for proposed Directors can only be applied for through form [SPICE+](#).
- 3** [Form INC 32 \(SPICE+\)](#) to be duly filled and submitted to RoC for incorporation of company. PAN and TAN are shall be auto generated based on details filed in the [SPICE+](#) form
- 4 & 5** Filing of electronic Memorandum of Association ([eMoA - INC 33](#)) & Articles of Association ([eAoA- INC 34](#)) in [SPICE+](#) . For foreign subscribers physical MoA and AoA to be executed and attached
- 6** [SPICE+](#) & AGILE upload and fee payment is confirmed by MCA. The application (SPICE+) for incorporation of a company shall be accompanied by a linked e-form INC-35 ([AGILE](#)) with effect from 31st March 2019, as notified vide the Companies (Incorporation) Third Amendment Rules, 2019 dated 29th March 2019*.
- 7** Central Registration Centre (CRC) verifies/scrutinises all the documents and forms and may suggest few changes to be made in the attachments or form itself. One needs to make necessary changes accordingly
- 8** Obtain certificate of incorporation (Col). CIN, PAN & TAN numbers are allotted at the time of registration
- 9** A company having share capital is required to file a declaration of receipt of subscription amount and verification of registered office within 180 days of incorporation and prior to commencement of business.

Note : Notarization & Apostilling / legalization of documents mandatory in case of foreign subscribers / Directors. Some registrations would be applicable based on state in which company is incorporating and nature of business activity.
 *GSTIN, ESIC registration and EPFO registration may be obtained at the time of incorporation by filing AGILE form

Setting up business in India - Incorporation of An LLP: Overview

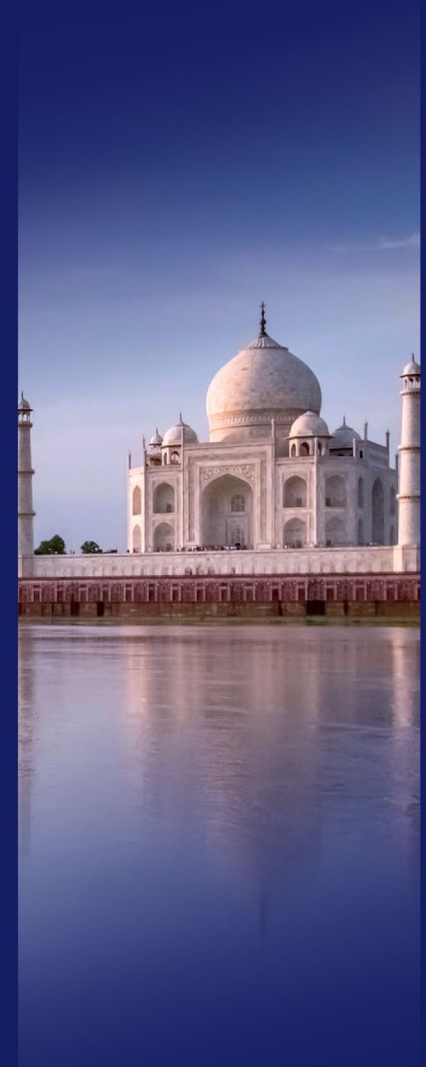


Setting up business in India

Processes/Compliances

<u>Setting up legal existence</u>	<u>Starting/registering a unit</u>	<u>Pre-commissioning phase</u>	<u>Post-commissioning phase</u>
<ul style="list-style-type: none">▶ Obtain Director Identification Number (DIN)▶ Digital Signature Certificate (DSC) for proposed Directors▶ Approval for proposed Company/ LLP Name▶ Finalization of supporting documents▶ Filing of e-forms with CRC▶ Verification of documents▶ Consent to establish & operate▶ Obtain Permanent Account Number (PAN)▶ Registration for Tax Account Number (TAN)▶ Registration of GST	<ul style="list-style-type: none">▶ Registering / categorization of unit in State▶ Approval for State Incentives (Optional)▶ IEM/ EM Registration▶ MSME Registration	<ul style="list-style-type: none">▶ Acquisition of Land▶ Environment, Forest and Wildlife Clearance▶ Permission for Land Use▶ Pollution Board▶ Industrial License▶ Consent to Establish▶ Factory Layout Plan Approval▶ Registration of Boilers▶ Building Plan Approval▶ Registration under Contract Labour Act 1970▶ Registration under BOCW Act▶ Power for construction▶ Provisional Fire Approval▶ Approval for lifts & Escalator	<ul style="list-style-type: none">▶ Consent to operate▶ Building Completion certificate▶ Final Fire Approval▶ Water Connection▶ Power▶ Authorization for hazardous waste▶ Professional Tax Registration▶ Central Excise Registration▶ Shops & Establishment Act▶ Employee Registration with ESIC▶ Employer Registration with EPFO▶ Trademark/ Brand Registration▶ Importer Exporter Code (IEC)▶ Customs- Special Valuation Branch▶ Grant for Bureau of Indian Standards (BIS) License▶ Quality Marking Certificate

Institutional Framework



Governing Bodies for business establishment 1/3

The work of granting government approval for foreign investment under the extant FDI Policy and FEMA Regulations, shall be entrusted to the **concerned Administrative Ministries/Departments** as listed below:

S. No	Sector/ activity	Administrative Ministry/ Department
1	Mining	Ministry of Mines
2 (a)	Defence – items requiring license under the industries(Development & Regulation) act 1951 and/or arms act 1959	Department of Defence Production, Ministry of Defence
2 (b)	Cases relating to FDI in small arms.	Ministry of Home Affairs
3	Broadcasting	Ministry of Information and Broadcasting
4	Print Media	Ministry of Information and Broadcasting
5	Civil Aviation	Ministry of Civil Aviation
6	Satellites	Department of Space
7	Telecom	Department of Telecommunications
8	Private Security Agencies	Ministry of Home Affairs
9	Applications involving investments from Countries of Ministry of Home Affairs Concern which presently include Pakistan and Bangladesh, requiring security clearance as per the extant FEMA 20, FDI Policy and security guidelines, amended from time to time	Ministry of Home Affairs
10	Single Brand Product Retail Trading	DPIIT
11	FDI proposals by Non-Resident Indians (NRIs)/ Export Oriented Units requiring approval of the Government	DPIIT
12	Applications relating to issue of equity shares for sectors requiring Govt. approval under the FDI policy is allowed under Govt route for following i) import of capital goods/ machinery/ equipment (excluding second hand machinery) and pre-operative/ pre-incorporation expenses (including payments of rents etc.) s.t. conditions	DPIIT

Governing Bodies for business establishment 2/3

S. No	Sector/ activity	Administrative Ministry/ Department
13	Financial services activity which are not regulated by any Financial Sector Regulator or where only part of the financial services activity is regulated or where there is doubt regarding the regulatory oversight	Department of Economic Affairs
14	Applications for foreign investment into a Core Investment Company or an Indian company engaged only in the activity of investing in the capital of other India Company/ies.	Department of Economic Affairs
15	Banking (Public and Private)	Department of Financial Services
16	Pharmaceuticals	Department of Pharmaceuticals

Note

- In respect of sectors/activities which are presently under automatic route but required Government approval earlier as per the extant policy during the relevant period, concerned administrative Ministry/Department would be the Competent Authorities for the grant of post-facto approval for foreign investment.
- In respect of applications in which there is a doubt about the Administrative Ministry/Department concerned, DPIIT shall identify the Administrative Ministry/Department where the application will be processed.
- Proposals for foreign investment would be examined by Competent Authorities as per the Standard Operating Procedure laid down by DPIIT (available at <http://www.fifp.gov.in/Forms/SOP.pdf>).
- In case of proposals involving total foreign equity inflow of more than INR 5000 cr, Competent Authority shall place the same for consideration of Cabinet Committee on Economic Affairs (CCEA).
- The CCEA would also consider the proposals which may be referred to it by the Minister in-charge of the concerned Competent Authority.
- In respect of proposals where the Competent Authority proposes to reject the proposals or in cases where conditions for approval are stipulated in addition to the conditions laid down in the FDI policy or sectoral laws/regulations, concurrence of DPIIT shall compulsorily be sought by the Competent Authority.
- The monitoring of the compliance of conditions under the FDI approvals, including the past cases approved by the Government, shall be done by the concerned Administrative Ministries/Departments.

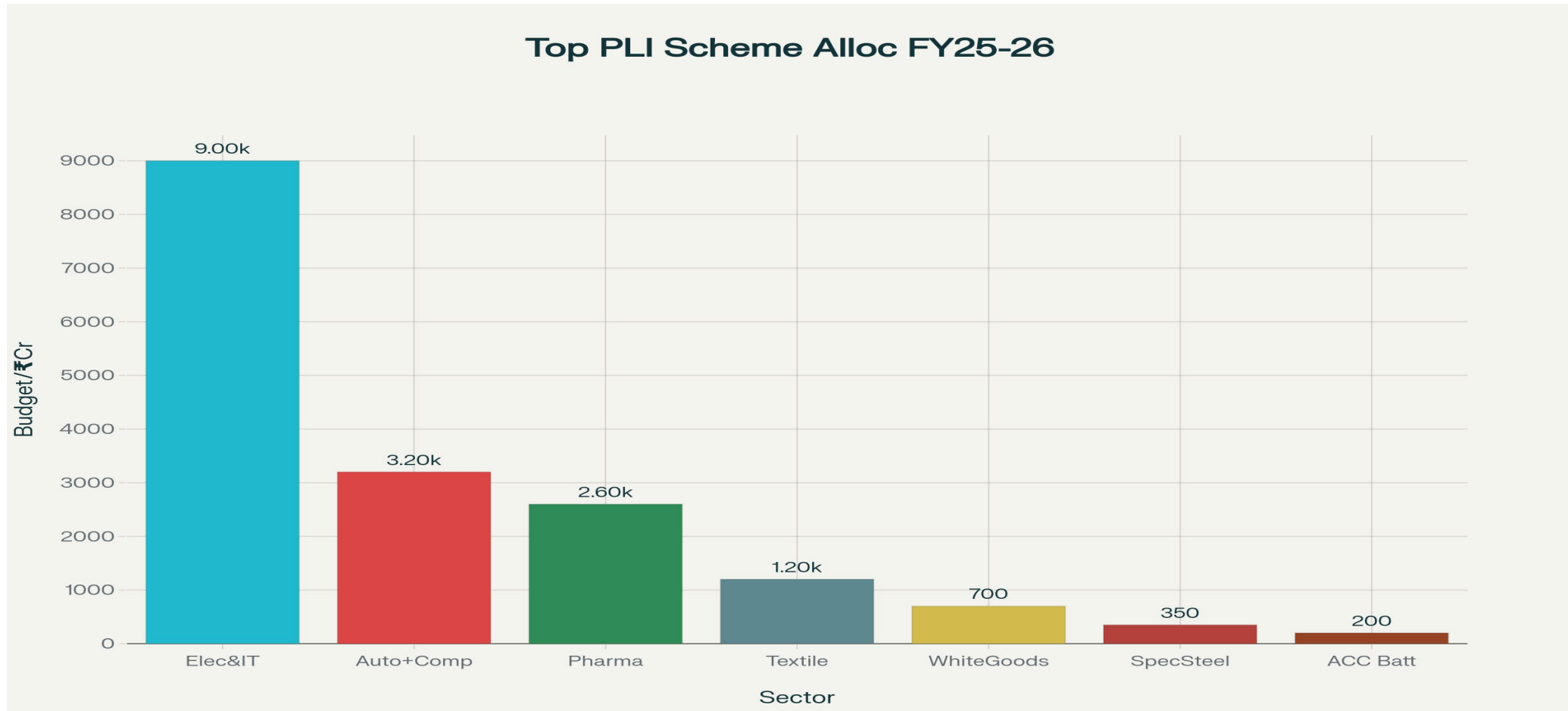
Governing Bodies for business establishment 3/3

Ministry of Corporate Affairs is primarily concerned with administration of the Companies Act 2013, the Limited Liability Partnership Act, 2008, Competition Act & other allied Acts and rules & regulations framed there-under mainly for regulating the functioning of the corporate sector in accordance with law

Agencies of MCA	Agencies under MCA Supervision	Other Agencies
Registrar of Companies	*Competition Commission of India	Serious Fraud Investigating Office
Official Liquidators	The Institute of Chartered Accountants of India	National Financial Reporting Authority
Regional Directors	The Institute of Company Secretaries of India	Securities Exchange Board of India
Central Registration Centre	The Institute of Cost Accountants of India	The Reserve Bank Of India
		Central Board of Direct Taxes
		Central Board of Excise and Customs
		Income Tax Department
		State Commercial Tax Department
		Municipal Bodies/ Local Property tax Department

Production Linked Incentive (PLI) Scheme

Highlights of FY 25-26 Programme



Largest PLI budget allocations for FY 2025-26 highlight government focus on electronics and automotive manufacturing

Please connect, in case of any query

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FDI Approval related queries

Address: Foreign Investment Facilitation Section DPIIT
Udyog Bhawan, New Delhi-110001, India
Email: fifp-dipphelpdesk@gov.in
FIFP Status-Enquiry link :
<http://www.fifp.gov.in/Authenticate/Login.aspx>

MCA related queries

MCA online service related link:
[http://www.mca.gov.in/mcafoportal/userComplaintDe
tails.do](http://www.mca.gov.in/mcafoportal/userComplaintDetails.do)

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