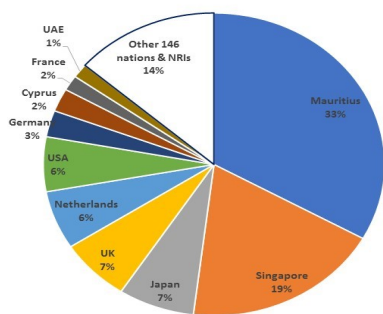


GUIDANCE

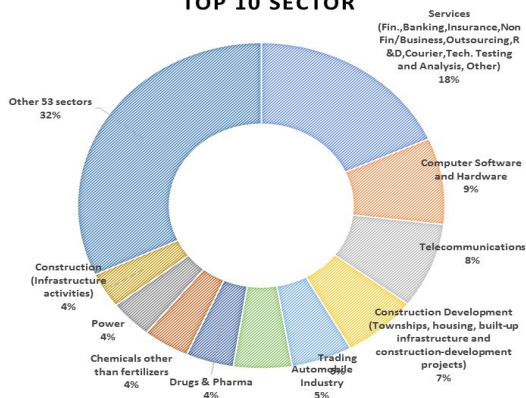
FOREIGN INVESTMENT

FDI EQUITY INFLOWS

TOP 10 COUNTRIES



TOP 10 SECTOR



Foreign Investment is defined as capital investment in Indian Company/LLP on repatriable basis. It includes direct investment, portfolio investment and downstream investment.

Investor may be a/an - foreign individual, incorporated entity, FII, FVCI, Foreign Trust, Private Equity Fund, Pension / Provident Fund, Sovereign Wealth Fund Partnership / Proprietorship Firm, Financial Institution or NRIs / PIO.

Indian Company can issue capital instruments such as equity shares, compulsorily convertible debentures, compulsorily convertible preference shares, share warrants, Convertible Note (issued by Start-ups).

To a business, Foreign Investment not only brings much needed capital funding but also helps in opening doors to new markets, gaining access to latest technology, global trends and other resources. Businesses can also participate in applicable Govt schemes and avail tax benefits. However, lack of awareness, organized sources, meeting investor expectations and compliance are major hurdles for many businesses.

Legal Satva® is an innovative law firm helping companies all over the world to conduct their businesses in India. We have the expertise to navigate through complexities of India's regulatory environment. We anticipate legal difficulties, mitigate potential risks and identify new opportunities, and pride ourselves as the only Indian Law firm which is *Legally aligned for Business Excellence*. Our clientele include conventional industries as well as pioneers of future technologies.

Prohibited Sectors

Foreign Investment not allowed

- × Lottery Business including Government/private lottery, online lotteries, etc.
- × Gambling and Betting including casinos etc.
- × Chit funds
- × Nidhi company
- × Trading in Transferable Development Rights (TDRs)
- × Real Estate Business or Construction of Farm Houses
- × Manufacturing of cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco Substitutes
- × Activities/sectors not open to private sector investment e.g.(I) Atomic Energy and (II) Railway operations

Permitted Sectors

Foreign Investment allowed conditionally & selectively

- ✓ Agriculture and Animal Husbandry
- ✓ Plantation Sector
- ✓ Mining and Petroleum & Natural Gas
- ✓ Petroleum & Natural Gas
- ✓ Manufacturing (Food products – retail trading)
- ✓ Defence
- ✓ Broadcasting
- ✓ Print media
- ✓ Civil aviation
- ✓ Construction development – townships, housing, built-up infrastructure
- ✓ Industrial Parks
- ✓ Satellites- establishment and operation
- ✓ Other Financial Services
- ✓ Private Security Agencies
- ✓ Telecom Services
- ✓ Trading
- ✓ Railway Infrastructure
- ✓ Financial Services
- ✓ Banking- Private Sector
- ✓ Banking- Public Sector
- ✓ Credit Information Companies (CIC)
- ✓ Infrastructure Company in the Securities Market
- ✓ Insurance
- ✓ Pension Sector
- ✓ Power Exchanges
- ✓ White Label ATM Operations
- ✓ Pharmaceuticals

100% FDI under Automatic Route

All other sectors not covered under prohibited or permitted sector



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