

GUIDE | KNOWLEDGE CENTER

How to Set Up a Company in India

Entity types, registrations (ROC, PAN, TAN, GST) and a step-by-step timeline for foreign companies

Choosing an entity

Registrations map

Documents checklist

12-week timeline

AT A GLANCE

A foreign company can own 100% of an Indian company

For most sectors - including IT and IT-enabled services - a foreign parent can own all the shares of an Indian private limited company without government approval. The process is online, but it has a fixed order and a few strict deadlines.

7-10 wks

end-to-end, best case, from document preparation to RBI reporting

2 + 2

minimum directors and shareholders for a private limited company

1 form

SPICe+ issues the incorporation certificate with PAN and TAN

3-7 days

working days for GST registration in most cases

What this guide covers



1. Entity types

Five ways to be present in India, compared, with a decision guide.

Pages 3-4



2. Registrations

ROC, PAN, TAN, GST, EPFO, ESIC and more - who issues what, and when.

Pages 5-6



3. Timeline

Ten steps over about 12 weeks, from apostille to RBI filing.

Page 7



4. First 180 days

Deadlines after incorporation, common pitfalls and a checklist.

Pages 8-9

FIVE KEY TAKEAWAYS

- 1 A wholly owned private limited company suits most foreign investors.** It can run full operations, hire staff, own IP and send profits home as dividends.
- 2 Start with the documents, not the forms.** Getting parent-company papers notarised and apostilled usually takes 2-4 weeks and is the longest single step.
- 3 One online form does most of the work.** SPICe+ incorporates the company and issues PAN and TAN; its linked form AGILE-PRO-S adds EPFO, ESIC and a bank account.
- 4 Line up a resident director early.** At least one director must have stayed in India for 182 days or more in the financial year.
- 5 Watch the deadlines after incorporation.** RBI filing within 30 days of share allotment and the commencement declaration within 180 days are the two most often missed.

1 | ENTITY TYPES

Five ways for a foreign company to be present in India

Two are Indian companies owned by the parent; three are offices of the parent itself. The choice decides what you can do, how you are taxed and how profits come home.

INDIAN ENTITY Private limited company (subsidiary) A separate Indian company, up to 100% owned by the parent. Most common choice Full operations and IP ownership.	INDIAN ENTITY Limited liability partnership (LLP) Foreign investment only in 100%-automatic sectors with no FDI-linked conditions. Simpler compliance No shares or ESOPs.	OFFICE OF PARENT Branch office An extension of the parent for permitted activities, e.g. IT services and consultancy. Needs eligibility 5-yr profits; net worth USD 100k+.	OFFICE OF PARENT Liaison office Representative office only; cannot earn income in India. Market entry only Promotion and coordination.	OFFICE OF PARENT Project office Executes one contract won in India; closed when it ends. Time-bound Engineering and similar contracts.
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Side-by-side comparison

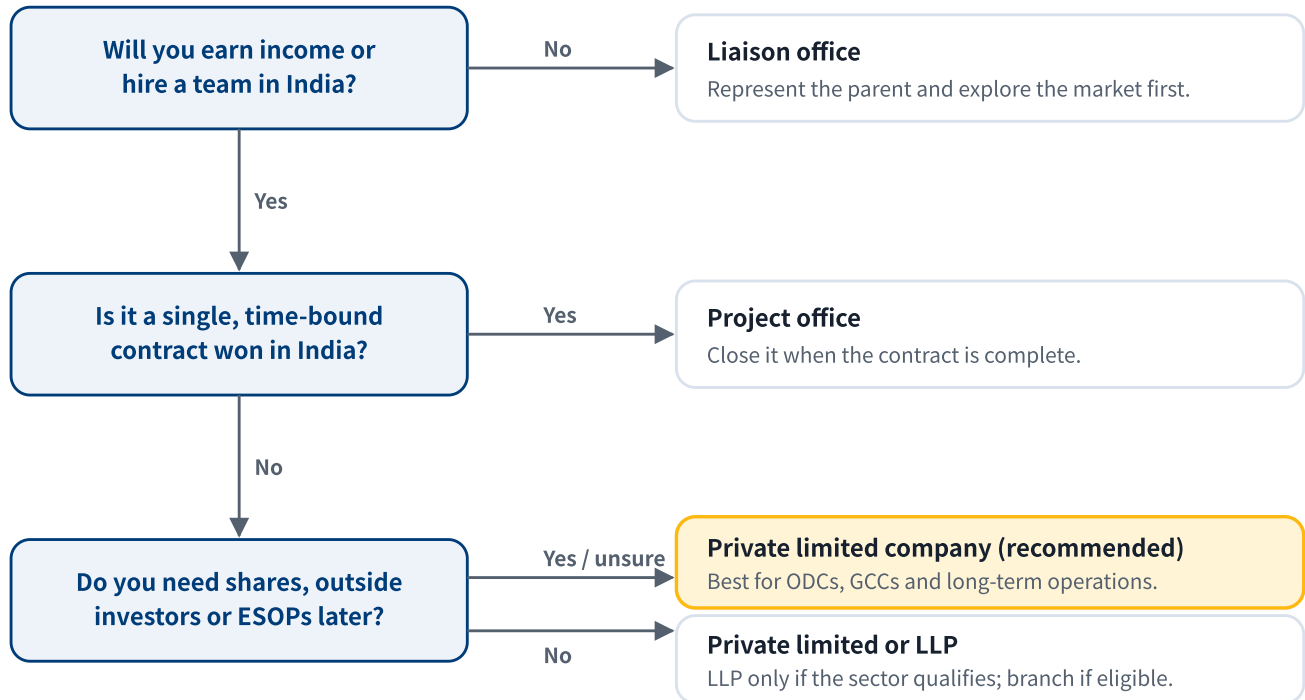
	Private limited	LLP	Branch office	Liaison office	Project office
Approval route	Automatic route (most sectors); MCA registration	Automatic route (eligible sectors); MCA registration	Application through an authorised dealer bank under RBI rules		
Can earn income in India?	Yes	Yes	Yes, permitted activities only	No	Yes, from the project only
Liability	Limited to the company	Limited to the LLP	Parent company is fully liable		
Tax on profits	~25.17% effective (concessional regime)	30% plus surcharge and cess	35% plus surcharge and cess	Not applicable	35% plus surcharge and cess
Getting profits home	Dividends (withholding tax; treaty relief may apply)	Profit share to partners	Remit profits after tax	Not applicable	Remit surplus after tax
Key people	2+ directors (1 resident 182+ days); 2+ shareholders	2+ designated partners (1 resident 120+ days)	Authorised representative in India		

Liaison office: usually a 3-year profit record and USD 50,000+ net worth; approval typically valid for 3 years. RBI draft regulations (10-2025) propose removing these tests - check their status before applying. Tax rates are base rates; confirm current rates with a tax adviser.

1 | ENTITY TYPES

Which entity is right for you?

Answer three questions. For an offshore development center, a shared-services team or any long-term operation, the answer is almost always a private limited company.



Why most foreign companies choose a private limited company

Separate legal entity

The parent's liability is limited to its investment in the Indian company.

Full scope of business

It can sign contracts, hire employees, own assets and IP, and bill clients.

Lower tax rate

~25.17% effective under the concessional regime, versus 35% plus surcharge and cess for a branch.

Easy to scale

New capital, new shareholders and employee stock options are all possible.

Familiar to everyone

Banks, landlords, clients and candidates know and trust the structure.

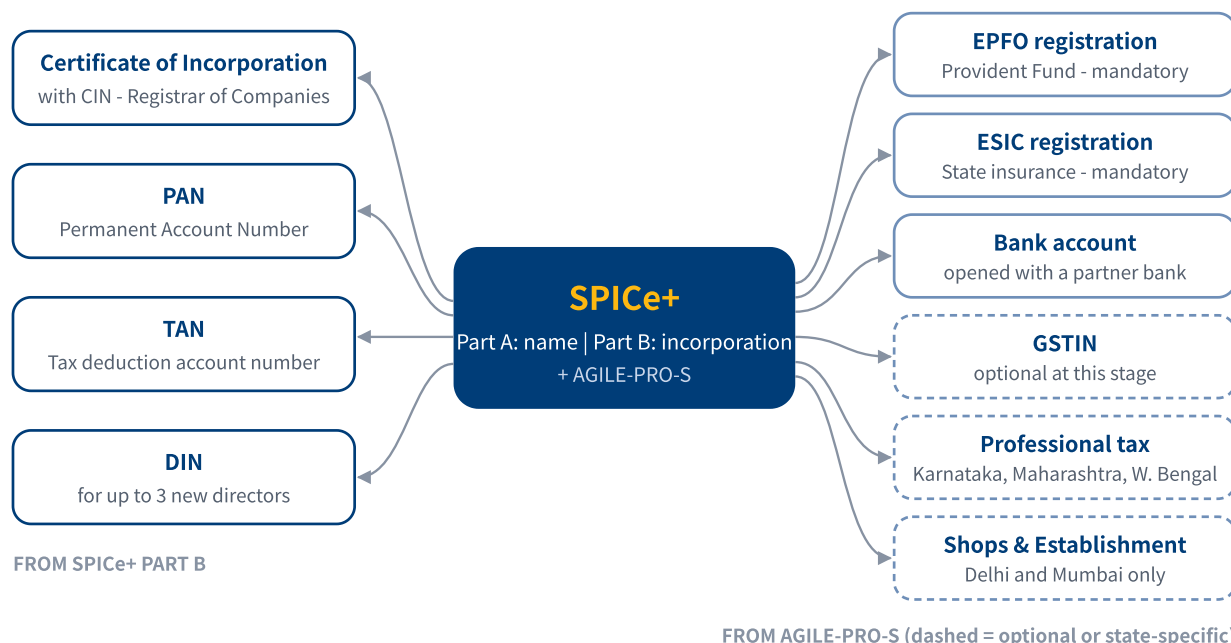
Trade-off

More compliance: board meetings, statutory audit and annual ROC filings.

2 | REGISTRATIONS

One application, many registrations

SPICe+ is the Ministry of Corporate Affairs' integrated web form. Filed together with its linked form AGILE-PRO-S, it delivers most of what a new company needs.



Who issues what, and when

Registration	Issued by	What it is for	When
ROC / CIN	Registrar of Companies (MCA)	Legal existence of the company; appears on all letters, invoices and filings	At incorporation
PAN	Income Tax Department	Company's tax identity: returns, bank accounts, most transactions	With incorporation certificate
TAN	Income Tax Department	Deducting and depositing tax at source (TDS), for example on salaries and rent	With incorporation certificate
GSTIN	GST Network (GSTN)	Charging GST and claiming input tax credit; needed to export services under a Letter of Undertaking	3 working days (simplified), 7 standard, up to 30 with verification
EPFO / ESIC	EPFO and ESIC	Provident fund and state insurance for employees	Through AGILE-PRO-S
Professional tax; Shops & Establishment	State governments	State employment tax and registration of the workplace	Before hiring / opening the office
IEC	DGFT	Import Export Code, needed to import or export goods and for some export benefits	Only if needed

GST registration is compulsory once turnover crosses the threshold (INR 20 lakh for most service providers) and in certain other cases; many foreign-owned service companies register from the start. After approval, bank details must be added within 30 days.

SPICe+ and AGILE-PRO-S outputs. A name approved in Part A is reserved for 20 days, within which Part B must be filed.

2 | REGISTRATIONS

The documents you need

Most delays come from documents. Prepare them once, correctly, and in the exact form the Registrar expects.

Documents checklist

FOREIGN PARENT Company documents	DIRECTORS & SIGNATORIES Personal documents	INDIA OFFICE Registered office
☐ Certificate of incorporation of the parent ☐ Charter documents (articles, bylaws) ☐ Board resolution approving the investment and naming the authorised signatory ☐ Proof of the parent's registered address	☐ Passport of each foreign director ☐ Recent proof of residential address ☐ Photograph and contact details ☐ Resident Indian director: PAN, Aadhaar and address proof	☐ Rent or lease agreement ☐ No-objection letter from the owner ☐ Recent utility bill (usually not older than 2 months) ☐ Office photographs, if requested

Documents signed outside India must be notarised and apostilled (in Hague Convention countries) or legalised by the Indian consulate. Allow 2-4 weeks.

How a foreign document becomes usable in India



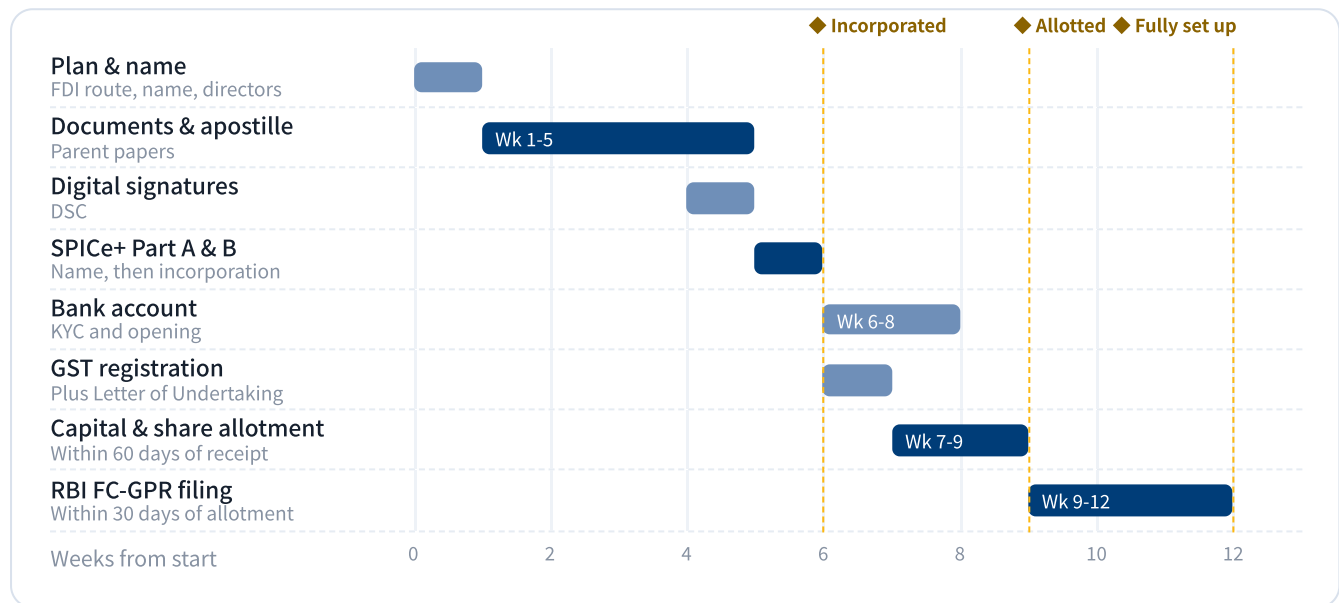
Tip: one name, one address, everywhere

The most common reason for resubmission is a small mismatch - a middle name missing on one form, or an address written differently. Build one master sheet of names and addresses and copy from it for every document.

3 | TIMELINE

Ten steps to a fully set-up company in about 12 weeks

Best case is 7-10 weeks; 12-16 weeks if documents or bank checks are delayed. Several steps can run in parallel.



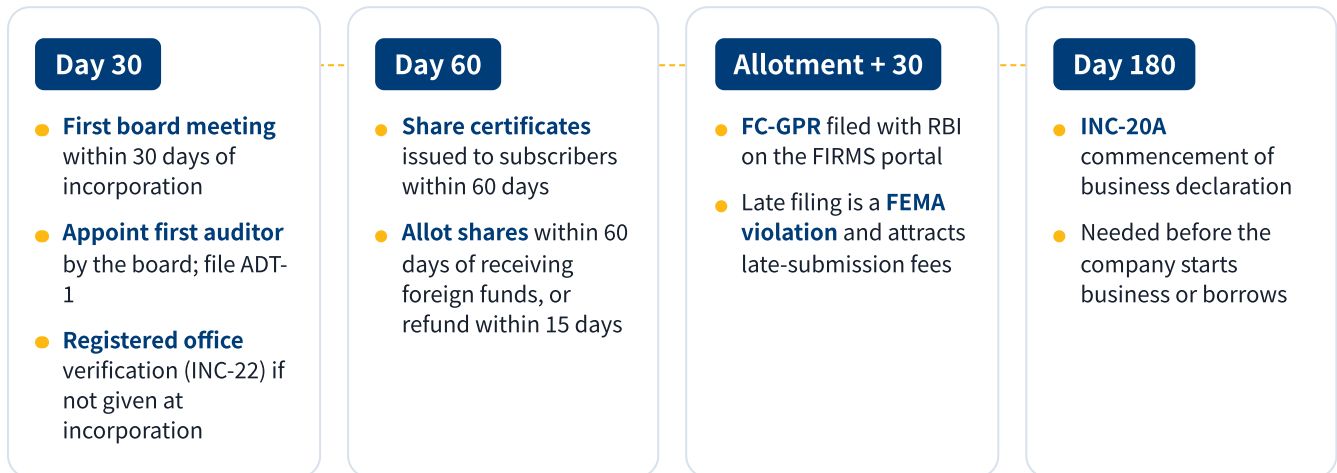
Step by step

#	Step	What happens	Typical time
1	Plan & name	Confirm the FDI route, choose the name, registered office and directors	1 week
2	Documents	Parent board resolution; notarise and apostille documents	2-4 weeks
3	Digital signatures	Digital signature certificates (DSC) for directors and subscribers	~1 week
4	SPICe+ Part A	Name reservation - valid for 20 days	1-2 days
5	SPICe+ Part B	Incorporation filing with MoA, AoA and AGILE-PRO-S; certificate with CIN, PAN, TAN	3-7 days
6	Bank account	Open the account and complete bank KYC	1-2 weeks
7	GST	Register for GST (if not done in AGILE-PRO-S) and file the Letter of Undertaking for exports	3-7 working days
8	Capital & shares	Parent remits share capital; shares allotted within 60 days of receipt	1-2 weeks
9	RBI reporting	File FC-GPR on the FIRMS portal	Within 30 days of allotment
10	Commence business	File INC-20A declaration that subscribers have paid for their shares	Within 180 days

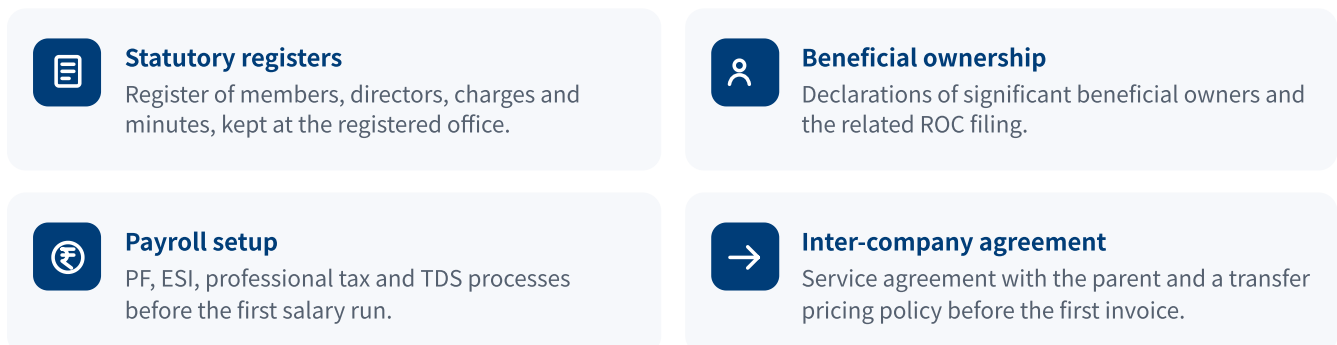
4 | FIRST 180 DAYS

Deadlines after incorporation

The clock starts on the date on the certificate of incorporation. Put these dates in one calendar with one owner.



Also set up in the first months



Ongoing monthly, quarterly and annual compliance is covered in our white paper "Building an Offshore Development Center in India", page 9.

4 | PITFALLS

Six common pitfalls - and how to avoid them

Most delays come from a handful of avoidable mistakes.

● Name rejected	Check trademarks and existing company names first; propose two names in Part A and file Part B within the 20-day window.
● Document mismatches	Names and addresses must match exactly across passports, address proofs and forms; one spelling difference can trigger resubmission.
● No resident director	Identify an Indian resident director (182+ days in the financial year) before filing, or use a nominee director service.
● Late RBI filing	Diary the 60-day allotment window and the 30-day FC-GPR deadline the day funds arrive.
● Starting business too early	File INC-20A before signing contracts or borrowing; operating without it attracts penalties.
● Tax set up as an afterthought	Register GST, file the Letter of Undertaking for exports and agree the transfer pricing model before the first invoice to the parent.

Company setup checklist

☐ Entity type confirmed (page 4)	☐ FDI route confirmed for your sector
☐ Two proposed names checked	☐ Directors, including one resident director, identified
☐ Registered office lease and owner's no-objection letter	☐ Parent documents notarised and apostilled
☐ Digital signatures obtained	☐ SPICe+ and AGILE-PRO-S filed
☐ Bank account opened; capital remitted	☐ Shares allotted and FC-GPR filed
☐ GST registration and Letter of Undertaking	☐ INC-20A filed within 180 days

WORKING WITH BINSYST

We handle the setup - you focus on the business

BINSYST manages every step in this guide, then stays on as your local compliance and operations partner.

BEFORE**Structure & documents**

Entity choice, FDI check, name search, document list and apostille guidance.

SETUP**Incorporation**

SPICe+, AGILE-PRO-S, bank account, GST, share allotment and RBI filings.

DAY 1-180**First deadlines**

Board meetings, auditor, INC-20A, registers and payroll setup.

ONGOING**Run & comply**

Accounting, tax, payroll, compliance calendar and local representation.

Setting up in India?

Book a consultation. We will confirm the right entity, the documents you need and a realistic timeline.

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Disclaimer. This guide is general information for planning purposes, current as of 28-09-2026. It is not legal, tax or financial advice. Timelines are indicative. Rules, forms and fees change; confirm specific requirements with qualified advisers before acting.