

**KRPR AND
ASSOCIATES**

INDIA SUBSIDIARY SETUP GUIDE

A PRACTICAL GUIDE FOR FOREIGN FOUNDERS SETTING UP A COMPANY IN INDIA

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★ Section 1 — Why Foreign Companies Expand to India

Foreign founders set up Indian subsidiaries to:

- Build engineering or tech teams
- Support global clients
- Reduce operational costs
- Expand delivery capability
- Establish long-term presence
- Hire legally and compliantly
- Protect IP & contracts

India is the world's fastest-growing market for engineering, SaaS, CRO, consulting, and product teams.

★ Section 2 — Best Entity Type for Foreign Companies

✓ **Wholly Owned Private Limited Company**

(Your foreign parent owns 100%)

Why this structure works best:

- 100% foreign ownership allowed
 - No minimum capital
 - Remote incorporation
 - Suitable for hiring employees
 - Easy FDI compliance
 - Predictable tax structure
 - Mandatory audit → increases transparency
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★ Section 3 — Step-by-Step Incorporation Process

Step 1 — Documentation Checklist

You will need:

- Passport
- Address proof
- Parent company documents

- Shareholding structure
 - Indian registered office address
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Step 2 — Digital Signatures (DSC)

Required to sign all incorporation documents.

Step 3 — Name Reservation + SPICe+ Filing

We file:

- SPICe+ Part A (name)
 - SPICe+ Part B (incorporation)
 - MOA
 - AOA
 - DIN
 - PAN
 - TAN
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Step 4 — Bank Account Opening

Remote process:

- KYC
 - Board resolution
 - Activation
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Step 5 — Capital Remittance (FDI)

Parent company wiring funds to Indian subsidiary.

Requires:

- Purpose code
 - KYC
 - FIRS
 - FC-GPR filing (filed after funds are received)
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Step 6 — Post-Incorporation Setup

- GST Registration

- Payroll Setup
 - Accounting System (Zoho / Tally / QuickBooks)
 - Statutory Registers
 - Intercompany Agreements
 - HR Policies & Contracts
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Section 4 — Monthly & Annual Compliance Snapshot

Monthly

- Accounting
- GST
- TDS
- Payroll
- Reconciliation

Annual

- Statutory Audit
 - ROC Filing
 - Income Tax Return
 - FLA Return
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Section 5 — India Entry Checklist

Pre-Incorporation

- Directors, shareholding
- Documents collected
- DSC ready

Incorporation

- SPICe+
- PAN/TAN
- MOA/AOA
- DIN

Post-Incorporation

- Bank account
 - Capital remittance
 - FC-GPR
 - GST
 - Payroll
 - Compliance calendar
-

Final CTA

Need help?

KRPR assists 200+ foreign companies with India entry & compliance.

Visit: <https://krprassociates.com/contact-us/>