

DOING BUSINESS IN INDIA – INDIAN TECHNICAL TEXTILE SECTOR

Legal & Tax update

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AGENDA

- 1 Legal update
- 2 India Tax Overview
- 3 Questions?



OUR TEAM TODAY



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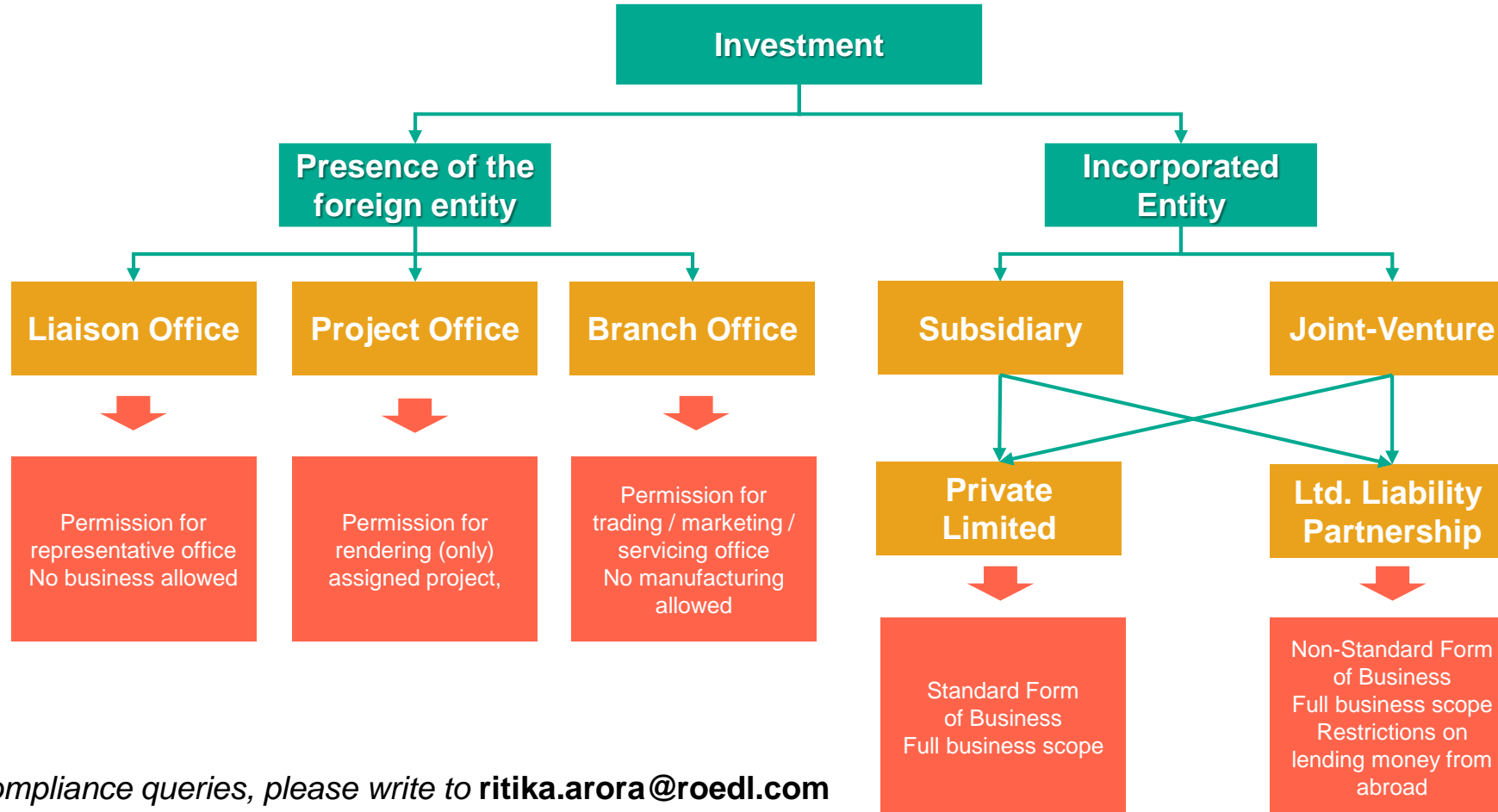
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OVERVIEW OF ENTRY OPTIONS IN INDIA



For any legal or compliance queries, please write to ritika.arora@roedl.com

1. LEGAL UPDATE

SETTING UP

- ✓ Centralised and digital process.
- ✓ Fast company formation.
- ✓ Required tax registrations are done now parallel with the incorporation process.
- ✓ Practical Problems.
- ✓ Opening a bank account.

IPR LAWS

- ✓ Compliance with the Agreement on Trade Related Intellectual Property Rights.
- ✓ Trade Marks Act, 1999: NICE Classification of goods and services- registration of service marks, three dimensional marks, sound mark, certification marks.
- ✓ Mark definition broad and inclusive, includes any mark capable of being graphically represented.
- ✓ Registration protects against infringement, acts as public notice.

IPR LAWS

- ✓ Copyright Act, 1957: Recognition of original, literary, dramatic, artistic work, films.
- ✓ Patents Act, 1970: Relevance of aspects of novelty, inventive steps and industrial application/ utility.
- ✓ Designs Act, 2000 protects industrial designs.
- ✓ Geographical Indications of Goods (Registration and Protection) Act, 1999
- ✓ Landmark judicial precedents - ever evolving legal framework.

ENFORCEMENT

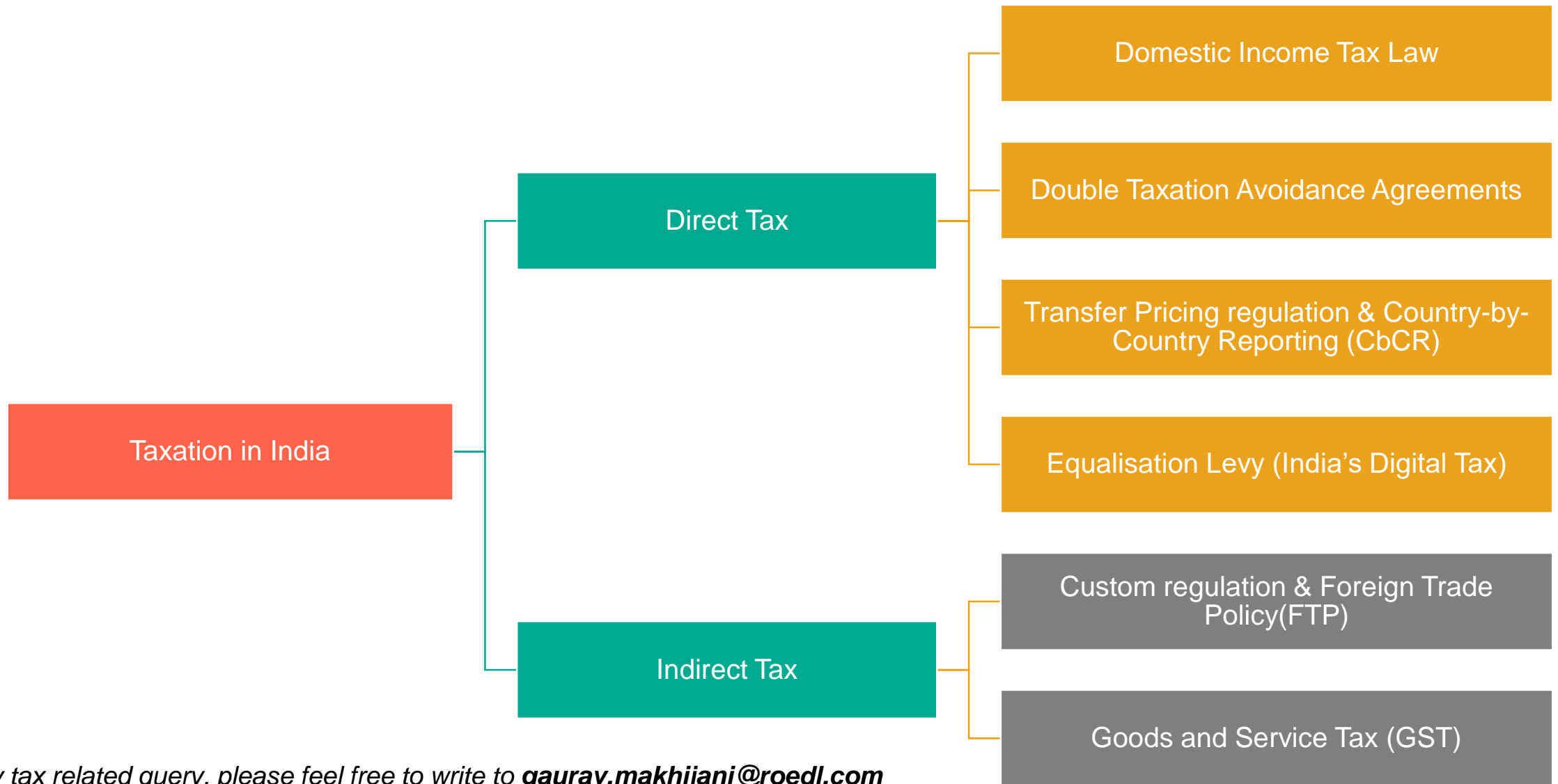
- ✓ Recognition of foreign judgments only after filing execution proceedings/ civil suit
- ✓ Choice of law and place of jurisdiction
- ✓ Arbitration and Conciliation Act, modern arbitration law and institutions available
- ✓ Contract drafting under Common Law
- ✓ Transparent and comprehensible judgments.

LABOUR LAWS

- ✓ Standardization and streamlining of labor laws and regulations
- ✓ Codification in 4 categories (Industrial Relations, Wages, Safety and Social Security)
- ✓ Introduction of Model laws and regulations (Shop and Establishment Act)
- ✓ Ease of Compliance (Portal, LIN)

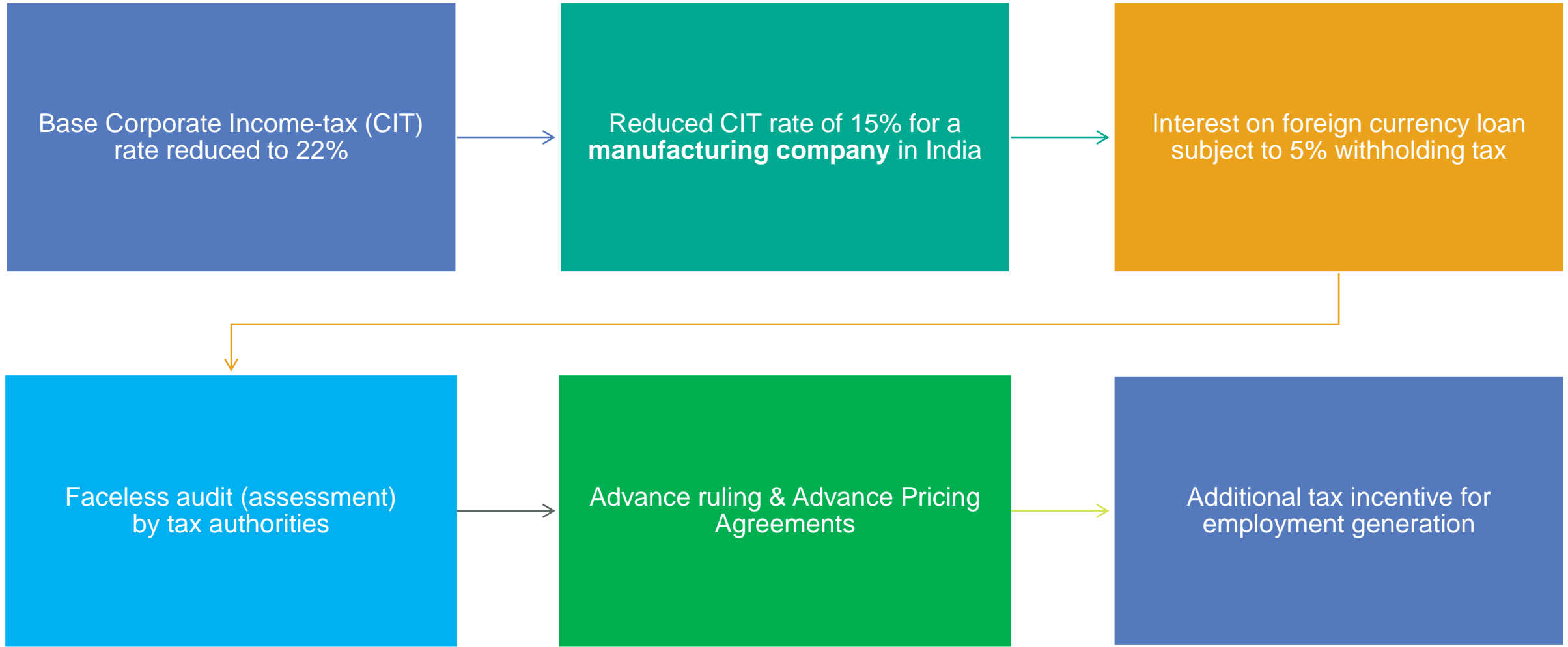
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2. INDIA TAX OVERVIEW : FRAMEWORK



For any tax related query, please feel free to write to gaurav.makhijani@roedl.com

2. INDIA TAX OVERVIEW : CORPORATE TAX



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2. INDIA TAX OVERVIEW : INDIA-SWITZERLAND TAX TREATY

Objective of Tax Treaty

- Relief from double taxation
- Allocate tax jurisdiction
- Certainty of tax treatment to investor

Salient provision of India-Switzerland Tax Treaty

- Business profits taxable only if Permanent Establishment exists in India
- Tax rates for passive income not to exceed rates provided in the India-Switzerland Tax Treaty (10%)
- Elimination of double taxation and non-discrimination clause
- Tie-breaker rule in case of dual residency
- Provision of Mutual Agreement Procedure

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