VRKAN VENTURES

CROSS-BORDER ADVISORY · UK–INDIA

WHITE PAPER · JULY 2026

Entering India, Once

Choosing the right structure, sequencing the setup, and keeping compliance and commercial momentum aligned from day one.

By the Vrkan Editorial Team

Most of the cost of entering India is not in the incorporation — it is in choosing the wrong structure, sequencing the setup badly, and discovering compliance obligations after the fact. This paper sets out the main entry routes, the order in which setup should happen, and the coordination model that keeps commercial momentum and compliance moving together.

1. Why sequence matters

India rewards firms that enter deliberately and once. Re-structuring after launch — because the entity type constrains the business, or because a filing was missed — is expensive in time, tax and credibility. The right sequence front-loads the decisions that are hard to reverse.

2. The main routes

Route	Control / liability	Typical use
Wholly-Owned Subsidiary (Pvt Ltd)	Full control; limited liability; separate legal entity	Most operating businesses building a lasting India presence
LLP	Limited liability; partner-run	Services / professional firms; lighter compliance
Branch / Project / Liaison office	Extension of the foreign parent; restricted activities	Representative presence, specific projects, market testing
Distributor / channel partner	No entity; contractual	Early revenue without a footprint; test demand
Joint Venture	Shared control and liability	Local partner brings market access, licences or manufacturing

3. The incorporation-to-operations sequence

- Reserve name and obtain director identification; file incorporation (SPICe+) with MOA/AOA.
- Obtain PAN, TAN and GST registration; open the bank account.
- Complete FDI reporting to the Reserve Bank (e.g. FC-GPR) on share allotment.
- Establish the registered office and statutory registers; appoint auditor.
- Layer in state/industry registrations, then hiring, payroll and provident-fund setup.

4. FDI and the automatic route

Most sectors permit 100% foreign investment under the automatic route (no prior government approval), subject to sectoral caps and FEMA reporting; a minority require approval. Getting the route and the reporting right at the outset avoids penalties and later regularisation. These are regulated filings handled by qualified professionals — Vrkan coordinates them; it does not perform them.

5. Governance from day one

An Indian private company must have at least one resident director and a running compliance calendar (board meetings, filings, statutory audit). Building this in from incorporation — rather than retro-fitting it — keeps the entity clean and financeable. Vrkan's Resident Director & Board Compliance support is deliberately non-nominee.

6. The coordination model

Vrkan acts as a supporting member of your team: we plan the target structure, coordinate the company-formation agents, lawyers, tax advisers and bankers, manage the sequence and the timeline, attend meetings, and keep you informed — so you enter India correctly, once.