

**GENERAL AGREEMENT  
ON TRADE IN SERVICES**

GATS/SC/42  
15 April 1994  
(94-1040)

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**INDIA**

**Schedule of Specific Commitments**

(This is authentic in English only)

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## INDIA - SCHEDULE OF SPECIFIC COMMITMENTS

Sector or subsector	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
I. HORIZONTAL COMMITMENTS	Limitations on market access	Limitations on national treatment		
<p>ALL SECTORS INCLUDED IN THIS SCHEDULE</p>	<p>4) Unbound except for measures affecting the entry and temporary stay of natural persons who fall in any of the following categories:</p> <p>a) <u>Business Visitors</u> Persons who visit India for the purposes specified in (i) and (ii) below and who will not receive remuneration from within India:</p> <p>i) for business negotiations, or</p> <p>ii) for preparatory work for establishing a commercial presence in India</p> <p>Entry for persons in this category shall be for a period of not more than 90 days</p>	<p>3) In case of collaboration with public sector enterprises or government undertakings as joint venture partners, preference in access will be given to foreign service suppliers/entities which offer the best terms for transfer of technology</p> <p>4) Unbound except for measures referred to under Market Access</p>		

INDIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments	
	<p>b) <u>Intra-corporate transferees</u></p> <p>At the level of Managers, Executives and Specialists who have been in the employment of a juridical person of another Member for a period not less than one year prior to the date of application for entry into India and are being transferred to a branch or a representative office or a juridical person owned or controlled by the aforesaid juridical person</p> <p><b>Managers are:</b> Persons who direct a branch office or one or more departments as their head, or supervise or control the work of other supervisory, professional or managerial personnel and have the authority to appoint or remove the personnel and powers to exercise discretionary authority over day-to-day operations</p> <p><b>Executives are:</b> Persons who are in senior positions within a juridical person including a branch who primarily direct the management, have wide decision-making powers and are either members of the board of directors or receive directions from the board or the general body of shareholders</p>			

**INDIA (continued)**

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Additional commitments			
Limitations on market access	Limitations on national treatment			
<p><b>Specialists are:</b> Persons who possess high qualifications and knowledge at an advanced level relevant to the organisation's activities or of the organisation's research, equipment, techniques or management and may include persons who are members of accredited professional bodies</p> <p>Entry for persons in the above categories shall be for a maximum period of 5 years</p> <p>c) <u>Professionals</u></p> <p>Natural persons to be engaged by a juridical person in India as part of a services contract for rendering professional services for which he/she possesses the necessary academic credentials and professional qualifications with three years experience in the field of physical sciences, engineering or other natural sciences</p> <p>Entry and stay in this category shall be for a maximum period of one year</p>				

INDIA (continued)

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
<b>II. SECTOR-SPECIFIC COMMITMENTS</b>			
<b>I. BUSINESS SERVICES</b>			
<b>A. <u>Professional Services</u></b>			
e) Engineering Services (CPC 8672)	1) Unbound 2) Unbound 3) Only through incorporation with a foreign equity ceiling of 51 per cent 4) Unbound except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section	
<b>B. <u>Computer and Related Services</u></b>			
a) Consultancy services related to the installation of computer hardware (CPC 841)	1) Unbound 2) Unbound 3) Only through incorporation with a foreign equity ceiling of 51 per cent 4) Unbound except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section	
b) Software implementation services (CPC 842)	1) Unbound 2) Unbound 3) Only through incorporation with a foreign equity ceiling of 51 per cent 4) Unbound except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section	
c) Data processing services (CPC 843)	1) Unbound 2) Unbound 3) Only through incorporation with a foreign equity ceiling of 51 per cent 4) Unbound except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section	

INDIA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector		Limitations on market access	Limitations on national treatment	Additional commitments	
d) Data base services (CPC 844)					
e) Maintenance and repair services of office machinery and equipment including computers (CPC 845)					
C. <u>Research and Development Services</u>					
a) R&D services on the following natural sciences only:		1) Unbound 2) Unbound*	1) Unbound 2) Unbound* 3) None		
- Heat, light, electro-magnetism, astronomy, but excluding atomic energy and related matters (CPC 85101)		3) Only through incorporation with a foreign equity ceiling of 51 per cent 4) Unbound except as indicated in the horizontal section	4) Unbound except as indicated in the horizontal section		

INDIA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
<p>Engineering and technology, including applied science and technology for casting, metal, machinery, electricity, communications, vessels, aircrafts, civil engineering, construction, information, etc. (CPC 85103)</p> <p>F. <u>Other Business Services</u></p>					
e) Technical testing and analysis services (CPC 8676)	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Only through incorporation with a foreign equity ceiling of 51 per cent</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section</p>			

**INDIA (continued)**

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector		Limitations on market access		Limitations on national treatment	Additional commitments
2. COMMUNICATION SERVICES					
c. <u>Telecommunication Services</u>		1) None	1) None	1) None	
Data and message transmission services, the following:		2) Unbound	2) Unbound	2) Unbound	
h) Electronic mail (CPC 7523**)		3) Only through incorporation with a foreign equity ceiling of 51 per cent	3) None	3) None	
i) Voice mail (CPC 7523**)		4) Unbound except as indicated in the horizontal section	4) Unbound except as indicated in the horizontal section	4) Unbound except as indicated in the horizontal section	
j) On-line information and data base retrieval (CPC 7523**)					
l) Enhanced/value added facsimile services, including store and forward, store and retrieve (CPC 7523**)					
n) On-line information and/or data processing (CPC 843**)					



INDIA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector		Limitations on market access		Limitations on national treatment	
<p>D. <u>Audiovisual Services</u></p> <p>a) Motion picture or video tape distribution services (CPC 96113)</p>		<p>1) Unbound</p> <p>2) Unbound*</p> <p>3) i) Only through representative offices which will be allowed to function as branches of companies incorporated outside India</p> <p>ii) Import of titles restricted to 100 per year</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>1) Unbound</p> <p>2) Unbound*</p> <p>3) Subject to the prescribed authority having certified that the motion picture has:</p> <p>a) won an award in any of the international film festivals notified by the Ministry of Information &amp; Broadcasting, Government of India; or</p> <p>b) participated in any of the official sections of the notified international film festivals; or</p> <p>c) received good reviews in prestigious film journals notified by the Ministry of Information &amp; Broadcasting, Government of India.</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>Additional commitments</p>	

**INDIA** (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
<p>3. CONSTRUCTION AND RELATED ENGINEERING SERVICES</p> <p>B. <u>Construction work for civil engineering</u></p> <p>Roads &amp; Bridges only:</p> <p>Construction of highways, streets, railways, runways, bridges, tunnels, subways, waterways, harbours, dams, pipelines, communication lines, power lines and construction work of constructions for mining and manufacturing not elsewhere classified e.g. power plants, iron foundries, blast furnaces and coke ovens. It excludes construction work of warehouses and industrial buildings, residential and non-residential buildings. (CPC Ex. 5:3)</p>	<p>1) Unbound*</p> <p>2) Unbound*</p> <p>3) Only through incorporation with a foreign equity ceiling of 51 per cent</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>1) Unbound*</p> <p>2) Unbound*</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section</p>		

INDIA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
<p>7. FINANCIAL SERVICES</p> <p>A. <u>Insurance and Insurance-Related Services</u></p> <p>Non-Life (Insurance of freight) Ex. 5 a) i) B)</p>	<p>1) Unbound except in the case of insurance of freight, where there is no requirement that goods in transit to and from India should be insured with Indian insurance companies only. Insurance is taken by the buyer or seller in accordance with the terms of the contract. This position will be maintained. Once under a contract the Indian importer or exporter agrees to assume the responsibility for insurance such as in the case of f.o.b. contracts for imports into India or c.i.f. contracts for exports from India, insurance has to be taken only with an Indian insurance company.</p> <p>2) Unbound</p> <p>3) Unbound</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Unbound</p> <p>4) Unbound except as indicated in the horizontal section</p>			

**INDIA (continued)**

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
Reinsurance and Retrocession 5 a) ii)	<p>1) Reinsurance can be taken with foreign reinsurers to the extent of the residual uncovered risk after obligatory or statutory placements domestically with Indian insurance companies. At present this amounts to 10 per cent of the premium of the market overall being reinsured abroad. This will be maintained</p> <p>2) Reinsurance can be taken with foreign reinsurers to the extent mentioned above</p> <p>3) Unbound</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Unbound</p> <p>4) Unbound except as indicated in the horizontal section</p>			
Insurance intermediation limited to reinsurance 5 a) iii)	<p>1) Reinsurance of domestic risks can be placed with foreign reinsurers through overseas brokers, to the extent mentioned under reinsurance and retrocession</p> <p>2) Same as above</p> <p>3) i) Overseas brokers are allowed to have resident representatives and representative offices who can procure reinsurance business from Indian insurance companies to the extent mentioned above. They can also place reinsurance business from abroad with Indian insurance companies.</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Unbound</p>			

INDIA (continued)

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access		Limitations on national treatment	Additional commitments
<p><b>B. Banking</b></p> <p>1.i) Acceptance of deposits and other repayable funds from the public 5 a) v)</p> <p>ii) Lending of all types, including consumer credit, mortgage, credit and financing of commercial transactions but excluding factoring 5 a) vi)</p>	<p>ii) Except for the business indicated above, the resident representatives and representative offices cannot undertake any other activity in India.</p> <p>iii) All the expenses of the resident representatives and representative offices have to be met by remittances from abroad and no income can be received in India from Indian residents.</p> <p>4) Unbound except as indicated in the horizontal section</p> <p>1) Unbound</p> <p>2) Unbound</p> <p>3) i) Only through branch operations of a foreign bank licensed and supervised as a bank in its home country. ii) Not more than five licences a year both for new entrants and existing banks.</p>		<p>4) Unbound except as indicated in the horizontal section</p> <p>1) Unbound</p> <p>2) Unbound</p> <p>3) i) Foreign banks are required to constitute Local Advisory Boards consisting inter-alia of professionals and persons having expertise in areas such as small scale industry and exports. The appointment of Chairman and members of the Board requires Reserve Bank of India approval;</p>	

**INDIA (continued)**

Modes of supply: 1) Sector or subsector	2) Cross-border supply	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
iii) All payment and money transmission services including credit, charges and debit cards, travellers cheques and bankers drafts 5 a) viii)	iii) Investments in other financial services companies by branches of foreign banks licensed to do banking business in India individually not to exceed 10 per cent of owned funds or 30 per cent of the invested company's capital.	ii) Foreign banks are required to publish consolidated financial statements of the Indian branches as at 31st March every year.	
iv) Guarantees and commitments 5 :i) ix)	iv) Licences for new foreign banks may be denied when the maximum share of assets both on and off balance sheet of foreign banks to total assets both on and off balance sheet of the banking system exceeds 15 per cent.		
v) Trading for own account of:			
a) money market instruments	4) Unbound except as indicated in the horizontal section	4) Unbound except as indicated in the horizontal section	
b) foreign exchange			
c) transferable securities 5 a) x)			
vi) Portfolio management, custodial, depository and trust services 5 a) xiii)			
vii) Clearing services for other banks for cheques, drafts and other instruments 5 a) xiv)			

INDIA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
<p>2.i) Participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues 5 a) xi)</p> <p>ii) Financial consultancy services i.e. financial advisory services provided by financial advisors, etc. to customers on financial matters, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy 5 a) vii)</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) i) Foreign bank branches licensed to do banking business in India. ii) Through incorporation with foreign equity not exceeding 51 per cent by financial services companies (including banks).</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section</p>			

**INDIA (continued)**

Modes of supply:	1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons	
Sector or subsector	Limitations on market access			Limitations on national treatment	Additional commitments
3. Factoring Ex. 5 a) vi)	1) Unbound 2) Unbound 3) Through incorporation with foreign equity not exceeding 51 per cent by financial services companies (including banks)		1) Unbound 2) Unbound 3) None		
4. Financial Leasing 5 a) vii)	1) Unbound 2) Unbound 3) i) Through incorporation with foreign equity not exceeding 51 per cent by financial services companies including banks. ii) Funding has to be entirely out of equity. 4) Unbound except as indicated in the horizontal section	4) Unbound except as indicated in the horizontal section	4) Unbound except as indicated in the horizontal section 1) Unbound 2) Unbound 3) None		



INDIA (continued)

Modes of supply:		1) Cross-border supply	2) Consumption abroad	3) Commercial presence	4) Presence of natural persons
Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments		
5. Venture Capital Ex. 5 a) vi)	<ol style="list-style-type: none"> <li>1) Unbound</li> <li>2) Unbound</li> <li>3) i) Through incorporation with foreign equity not exceeding 51 per cent, by financial services companies including banks</li> <li>ii) Funding has to be entirely out of equity.</li> <li>4) Unbound except as indicated in the horizontal section</li> </ol>	<ol style="list-style-type: none"> <li>1) Unbound</li> <li>2) Unbound</li> <li>3) None</li> <li>4) Unbound except as indicated in the horizontal section</li> </ol>			
8. HEALTH RELATED AND SOCIAL SERVICES					
A. <u>Hospital Services</u> (CPC 9311)	<ol style="list-style-type: none"> <li>1) Unbound*</li> <li>2) Unbound</li> <li>3) Only through incorporation with a foreign equity ceiling of 51 per cent</li> <li>4) Unbound except as indicated in the horizontal section</li> </ol>	<ol style="list-style-type: none"> <li>1) Unbound*</li> <li>2) Unbound</li> <li>3) None</li> <li>4) Unbound except as indicated in the horizontal section</li> </ol>			

**INDIA (continued)**

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
9. TOURISM AND TRAVEL RELATED SERVICES			
a) <u>Hotels and other lodging services</u> (CPC Ex.641)	1) Unbound* 2) Unbound 3) Only through incorporation with a foreign equity ceiling of 51 per cent 4) Unbound except as indicated in the horizontal section	1) Unbound* 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section	
b) <u>Travel Agency and Tour Operator Services</u> (CPC 747)	1) Unbound 2) Unbound 3) Only through incorporation with a foreign equity ceiling of 51 per cent 4) Unbound except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section	