

ANNEX 9A
Schedules of Specific Commitments on Financial Services

SCHEDULE OF INDIA

Explanatory Notes

1. Alphabets indicated against individual sectors or sub-sectors and numbers in brackets are references to the GATS Annex on Financial Services.
2. Commitments on measures with respect to or relating to trade in financial services are undertaken subject to the limitations and conditions set forth in Chapter 9 (Financial Services) and these Explanatory Notes and this Schedule.
3. The sectors / sub-sectors listed in the Schedule are in accordance with the listing in the Chapter on Financial Services.
4. For greater certainty, all the commitments are subject to entry requirements, domestic laws, rules, regulations, guidelines and the terms and conditions of the Reserve Bank of India, Securities and Exchange Board of India, Insurance Regulatory and Development Authority of India and any other competent authority in India. Such measures shall not be used as a means to avoid the specific commitment in this schedule.
5. For greater certainty, without prejudice to other means of prudential regulation, India reserves the right to require non-discriminatory registration or licensing of financial service suppliers, financial institutions and of financial instruments,
6. The Schedule does not include measures relating to qualification requirements and procedures, technical standards, authorisation requirements and licensing requirements and procedures where they do not constitute a limitation within the meaning of Article UK: 9.5 (National Treatment) or Article 9.6 (Market Access). These measures may include, in particular, the need to obtain a licence, to satisfy universal service obligations, to have recognised qualifications in regulated sectors, to have completed a recognised period of training, to pass specific examinations, including language examinations, to fulfil a membership requirement of a particular profession, such as membership in a professional organisation,

to have a local agent for service, or to maintain a local address, or any non-discriminatory requirements that certain activities may not be carried out in protected zones or areas. While not listed, such measures continue to apply.

7. The Schedule of the United Kingdom (“UK”) in Annex 9A (Schedules of Specific Commitments on Financial Services) shall not be used to interpret India’s commitments or obligations under Chapter 9 (Financial Services).

Modes of Supply: 1) Cross-Border 2) Consumption Abroad 3) Commercial Presence 4) Presence of Natural Persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
I. HORIZONTAL COMMITMENTS (Applicable for all subsectors in financial services)			
(i) Social Services	1), 2), 3), 4): Unbound with respect to social services established or maintained for a public purpose, such as income security, social security, insurance and social welfare. Such services may be subject to public monopolies or to exclusive rights granted to private operators.		
(ii) Legal Entity	<p>3) (a) Unless otherwise specified in the sectoral commitments, commercial presence shall take the form of incorporation of a company in accordance with the laws of India; or</p> <p>3) (b) Certain limited activities may also be undertaken as permitted under Foreign Exchange Management Act (FEMA) and any other applicable laws by a foreign entity through liaison office/representative office, project office or branch office, subject to relevant approvals, and assessment of profitability and minimum</p>	3) As provided under the Market Access column	

Modes of Supply: 1) Cross-Border 2) Consumption Abroad 3) Commercial Presence 4) Presence of Natural Persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	net worth requirements of the parent company.		
(iii) FDI Policy related	3) In addition and without prejudice to equity and other restrictions specified in sectoral commitments of this Schedule, Market Access (MA) and National Treatment (NT) restrictions specified in the Consolidated FDI Policy Circular of 2020 (latest) and applicable regulations of the Foreign Exchange Management Act, as revised and amended from time to time, shall be applicable. ¹	3) In addition and without prejudice to equity and other restrictions specified in sectoral commitments of this Schedule, Market Access (MA) and National Treatment (NT) restrictions specified in the Consolidated FDI Policy Circular of 2020 and applicable regulations of the Foreign Exchange Management Act, as revised and amended from time to time, shall be applicable. ²	
(iv) Residency of Director		3) At least one director and manager of a company incorporated in India must be resident of India	
(v) Acquisition of Immoveable Property		3) A person resident outside India who has established in India a branch office or other place of business authorized by the Reserve Bank of India, other than a liaison	

¹It is understood that India's commitments are without prejudice to any policies or regulations that it may maintain with a view to ensuring national security.

²It is understood that India's commitments are without prejudice to any policies or regulations that it may maintain with a view to ensuring national security.

Modes of Supply: 1) Cross-Border 2) Consumption Abroad 3) Commercial Presence 4) Presence of Natural Persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
		office, may acquire immoveable property when such acquisition is necessary for or incidental to carrying on of the permitted activity.	
(vi) Taxation		1), 3), 4) Taxation laws for domestic and foreign service suppliers, as per the provisions of the relevant applicable laws and regulations shall apply;	
(vii) Entry and temporary stay of a Natural Person of the UK	4) Unbound except for measures concerning the entry and temporary stay of a natural persons of the United Kingdom covered under Chapter 10 (Temporary Movement of Natural Persons) and subject to the terms of that Chapter and this Schedule.	4) Unbound except as indicated in the market access column for the categories of natural persons of the United Kingdom covered under Chapter 10 (Temporary Movement of Natural Persons), and subject to that Chapter and this Schedule.	
II. SECTOR SPECIFIC COMMITMENTS³			
FINANCIAL SERVICES			

³ It is understood that India's commitments are without prejudice to any measures that it may adopt or maintain with a view to ensuring national security.

Modes of Supply: 1) Cross-Border 2) Consumption Abroad 3) Commercial Presence 4) Presence of Natural Persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
In each of the services sub-sectors indicated in this section in which commitments are being undertaken for the supply of insurance, banking and other financial services, access is subject to fulfilment of minimum capitalization norms and regulations of the Reserve Bank of India, Insurance Regulatory and Development Authority of India, Securities and Exchange Board of India and any other competent authority in India.			
A. Insurance and Insurance Related Services			
(i) Direct insurance (a) Life Insurance	1) Unbound 2) Unbound 3) None, except that commercial presence would be through incorporation of a company with foreign investment not exceeding 74 per cent and subject to fulfilment of minimum capitalisation norms. Additionally, the following conditions will be applicable for an Indian insurance company with more than 49 per cent foreign investment: (i) Dividend for the financial year can be paid only after retaining 50 per cent of net profit in general reserve, if solvency margin is	1) Unbound 2) Unbound 3) As provided under the Market Access column and provided that a majority of directors, key management persons; and at least one among the Chairperson of its Board, its Managing Director and its Chief Executive Officer, shall be Resident Indian Citizens.	

Modes of Supply: 1) Cross-Border 2) Consumption Abroad 3) Commercial Presence 4) Presence of Natural Persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>less than 1.2 times the control level solvency margin.</p> <p>(ii) Not less than 50 per cent of directors shall be independent directors, unless Chairperson of its Board is an independent director, in which case at least 1/3rd shall comprise of independent directors.</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>4) Unbound except as indicated in the horizontal section</p>	
<p>(i) Direct insurance</p> <p>(b) Non-life insurance</p>	<p>1) Unbound. except –</p> <p>(i) 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. 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</p>	<p>1) Unbound</p>	

Modes of Supply: 1) Cross-Border 2) Consumption Abroad 3) Commercial Presence 4) Presence of Natural Persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>for exports from India, insurance has to be taken only with an Indian insurance company.</p> <p>(ii) that Indian companies are statutorily required to take prior permission of the Insurance Regulatory and Development Authority of India (IRDAI) before they take out or renew any policy of insurance in respect of any property in India or any ship or other vessel or aircraft registered in India with an insurer whose principal place of business is outside India.</p> <p>2) Unbound</p> <p>3) None except that commercial presence would be through incorporation of a company with foreign investment not exceeding 74 per cent and subject to fulfilment of minimum capitalisation norms.</p> <p>Additionally, the following conditions will be applicable for an Indian insurance</p>	<p>2) Unbound</p> <p>3) As provided under the Market Access column and provided that a majority of directors, key management persons; and at least one among the Chairperson of its Board, its Managing Director and its Chief Executive Officer, shall be Resident Indian Citizens</p>	

Modes of Supply: 1) Cross-Border 2) Consumption Abroad 3) Commercial Presence 4) Presence of Natural Persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>company with more than 49 per cent foreign investment:</p> <p>(i) Dividend for the financial year can be paid only after retaining 50 per cent of net profit in general reserve, if solvency margin is less than 1.2 times the control level solvency margin</p> <p>(ii) Not less than 50 per cent of directors shall be independent directors, unless Chairperson of its Board is an independent director, in which case at least 1/3rd shall comprise of independent directors</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>4) Unbound except as indicated in the horizontal section</p>	
(ii) Reinsurance and retrocession	<p>1),2) Reinsurance can be taken by non-life insurers with foreign reinsurers to the extent of the residual uncovered risk after obligatory or statutory placements domestically with Indian reinsurers. While obtaining reinsurance support, the order of preference shall be followed by non-life</p>	<p>1) Unbound</p> <p>2) Unbound</p>	

Modes of Supply: 1) Cross-Border 2) Consumption Abroad 3) Commercial Presence 4) Presence of Natural Persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>insurers as specified under IRDAI regulations</p> <p>3) None except that commercial presence would be through incorporation of a company with foreign investment not exceeding 74 per cent and subject to fulfilment of minimum capitalisation norms.</p> <p>Additionally, the following conditions will be applicable for an Indian insurance company with more than 49 per cent foreign investment:</p> <p>(i) Dividend for the financial year can be paid only after retaining 50 per cent of net profit in general reserve, if solvency margin is less than 1.2 times the control level solvency margin.</p> <p>(ii) Not less than 50 per cent of directors shall be independent directors, unless Chairperson of its Board is an independent director, in which case</p>	<p>3) For reinsurance companies incorporated in India, as provided under Market Access column and provided that a majority of directors, key management persons; and at least one among the Chairperson of its Board, its Managing Director and its Chief Executive Officer, shall be Resident Indian Citizens</p>	

Modes of Supply: 1) Cross-Border 2) Consumption Abroad 3) Commercial Presence 4) Presence of Natural Persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>at least 1/3rd shall comprise of independent directors.</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>4) Unbound except as indicated in the horizontal section</p>	
(iii) Insurance intermediation, limited reinsurance to	<p>1),2) Unbound except that reinsurance of domestic risks can be placed abroad with foreign reinsurers through a reinsurance broker registered with IRDAI.</p> <p>3)</p> <p>(i) Overseas brokers are allowed subject to registration by the IRDAI and in compliance with the extant regulations.</p> <p>(ii) The reinsurance/composite brokers registered with the IRDAI shall not share more than 50 per cent of the remuneration with the foreign insurance broker for the services obtained from them.</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Unbound</p>	

Modes of Supply: 1) Cross-Border 2) Consumption Abroad 3) Commercial Presence 4) Presence of Natural Persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	4) Unbound except as indicated in the horizontal section	4) Unbound except as indicated in the horizontal section	
(iv) Services auxiliary to insurance, such as consultancy, actuarial, risk assessment excluding claim settlement services	<p>1) None</p> <p>2) Unbound</p> <p>3) Auxiliary services, other than actuarial services:</p> <p>None, except that commercial presence would be through incorporation of a company in India</p> <p>Actuarial Services: Commercial presence through partnerships subject to approval under applicable law and formal certification by the Institute of Actuaries of India.</p> <p>4) Unbound except as in the horizontal section.</p>	<p>1) None</p> <p>2) None</p> <p>3) Auxiliary services, other than actuarial services:</p> <p>As provided under Market Access column and provided that residency requirements for key managerial personnel, restrictions on repatriation and compliance with disclosure requirements, shall apply as provided under law.</p> <p>Actuarial Services – Unbound</p> <p>4) Unbound except as in the horizontal section.</p>	
B. Banking and other financial services (excluding insurance)			

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>(i) Acceptance of deposits and other repayable funds from the public</p> <p>(ii) Lending of all types, including consumer credit, mortgage credit, Factoring, and financing of commercial transactions</p> <p>(iii) All payment and money transmission services including credit, charge and debit cards,</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3)</p> <p>(i) Unbound for branches of foreign banks.</p> <p>(ii) In each of the services sub-sectors indicated in this section in which commitments are being undertaken for banking and non-banking financial services companies, access is subject to fulfilment of minimum capitalization norms and subject to regulations of the Reserve Bank of India and any other competent authority in India.</p> <p>(iii) The applicable legal form of presence for all activities listed in this section of the Schedule, except where separately specified under the specific sub-sectors, shall be only through one of the two channels, i.e.,</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3)</p> <p>(i) Unbound for branches of foreign banks. The UK banks branch(es) shall be treated no less favourably than non-Party foreign bank branches, except that India shall not be prevented from applying measures for prudential reasons on branches of foreign banks established in India, pursuant to Article 9.4 (Prudential Exception);</p> <p>(ii) Unbound for wholly owned subsidiaries</p> <p>(iii) Public sector enterprises can invest surplus funds in term deposits only with scheduled commercial banks incorporated in India; their investment of surplus funds in term deposits with wholly owned</p>	

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>travellers cheques and bankers' drafts</p> <p>(iv) Guarantees and commitments</p> <p>(v) Trading for own account of the following:</p> <p>(A) money market instruments (including cheques, bills, certificates of deposits)</p> <p>(B) foreign exchange</p> <p>(C) transferable securities</p> <p>(vi) Clearing services for cheques, drafts</p>	<p>(a) as a wholly owned subsidiary (WOS) of a foreign bank licensed and supervised as a bank in its home country; <i>or</i></p> <p>(b) through foreign investment by a foreign bank in a private sector bank in India through FDI, subject to foreign investment ceiling of 74 per cent (with 49 per cent under automatic route, and beyond 49 per cent with approval from the Government /Reserve Bank of India).</p> <p>The mode of presence under (a) shall be subject to the following requirements:</p> <p>- WOS mode shall also be subject to the requirements regarding economic needs tests, reciprocity, inclusive banking and any other prudential requirements, that may be specified by the Reserve Bank of India.</p>	<p>subsidiaries would be subject to applicable guidelines/ law.</p> <p>(iv) For transferable securities ((v) (C)) - Unbound except as indicated in the market access column.</p>	

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<p>and other payment instruments</p>	<p>- WOS can also hold investment not exceeding five percent in a private sector bank in India</p> <p>In the private sector banks under sub-clause (b), any acquisition and maintenance of five per cent or more of the paid-up capital or voting rights of the bank by a single entity or group of related entities shall be subject to prior approval of the Reserve Bank of India and periodic assessment of the concerned shareholder by the concerned bank. Foreign banks shall not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding is 10 per cent or more of the investee bank's equity capital.</p> <p>Restrictions would be placed on further entry of new wholly owned subsidiary of foreign banks, when the capital and reserves of foreign banks (i.e., WOSs and foreign bank branches) in India exceed 20 per cent of the capital and reserves of the banking system. In such eventuality prior approval of Reserve Bank of India will be</p>		

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>required for capital infusion into the existing WOSs of foreign banks.</p> <p>Foreign banks are subject to non-discriminatory resource allocation requirements.</p> <p>For transferable securities ((v) (C)) –</p> <p>In addition to the above conditions, commercial presence through locally incorporated joint venture company with foreign investment not exceeding 74 per cent. The foreign investment participation will be limited to recognized foreign stock broking companies.</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>4) Unbound except as indicated in the horizontal section.</p>	

Modes of Supply: 1) Cross-Border 2) Consumption Abroad 3) Commercial Presence 4) Presence of Natural Persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Financial Leasing; Factoring; Venture capital and 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	1) Unbound 2) Unbound 3) (i) Access is subject to fulfilment of minimum capitalization norms, and subject to regulations of the Reserve Bank of India and any other competent authority in India. (ii) Allowed for foreign financial services companies (including banks) through incorporation as a company in India 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) Unbound except for entities established in accordance with the limitation specified in the market access column. 4) Unbound except as indicated in the horizontal section	
Money broking	1) 2) and 3) Unbound 4) Unbound except as indicated in the horizontal section.	1) 2) and 3) Unbound 4) Unbound except as indicated in the horizontal section.	

Modes of Supply: 1) Cross-Border 2) Consumption Abroad 3) Commercial Presence 4) Presence of Natural Persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services	<p>1) None, except that supply of services shall be subject to domestic laws or regulations (extant and future) with reference to data, including its storage, transfer of financial information, financial data processing and use or location of financial services computing facilities.</p> <p>2) None, except that supply of services shall be subject to domestic laws or regulations (extant and future) with reference to data, including its storage, transfer of financial information, financial data processing and use or location of financial services computing facilities.</p> <p>3) None except that supply of services shall be subject to domestic laws or regulations (extant and future) with reference to data, including its storage, transfer of financial information, financial data processing and use or location of financial services computing facilities.</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>1) None, except as indicated in the market access column.</p> <p>2) None, except as indicated in the market access column.</p> <p>3) None, except as indicated in the market access column.</p> <p>4) Unbound except as indicated in the horizontal section</p>	

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Asset Management, such as cash or portfolio management, all forms of collective investment management, custodial, depository and trust services (excluding pension fund management)	1) Unbound 2) Unbound 3) (i) Access is subject to fulfilment of minimum capitalization norms, and subject to regulations of the Reserve Bank of India and any other competent authority in India. (ii) Commercial presence would be through incorporation as a company in India. 4) Unbound except as indicated in the horizontal section	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section	
Financial consultancy services, i.e., financial advisory services provided by financial advisers, etc. to customers on	1) Unbound except for research analysts' services by the UK entities who have entered into an agreement with research analysts or research entities registered under the respective laws of India 2) Unbound	1) Unbound 2) Unbound	

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
financial matters, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy.	<p>3)</p> <p>(i) Access is subject to fulfilment of minimum capitalization norms, and subject to regulations of the Reserve Bank of India and any other competent authority in India.</p> <p>(ii) Allowed for Foreign banks licensed to do banking business in India.</p> <p>(iii) Allowed for foreign financial services companies (including banks) through incorporation</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>3) Unbound except as indicated in the market access column</p> <p>4) Unbound except as indicated in the horizontal section</p>	
Payment systems	<p>1) Access to respective Fast Payment Systems (FPS) on a reciprocal basis, without a need to get onboarded onto the other payment system, through interlinking of FPS for: (i) QR code-based merchant payments, and (ii) instant fund transfers.</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Unbound</p> <p>4) Unbound</p>	

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	2) Unbound 3) Unbound 4) Unbound		