

COST OF DOING BUSINESS IN INDIA

A. Basic yearly salaries and wages

(In US\$)

	High	Low
Managerial Position		
▪ Senior level	280,000	54,000
▪ Middle level	55,000	24,000
▪ Junior level	35,000	14,000
Factory Workers		
▪ Supervisor	9,500	5,500
▪ Skilled workers	4,000	2,500
▪ Non skilled workers (minimum wages are decided by the Government of different states)	1,500	1100
Marketing and Sales		
▪ Senior level	110,000	16,500
▪ Middle level	45,000	15,500
▪ Junior level	19,000	4,000
Office and Administrative		
▪ Executive secretary	14,000	3,800
▪ Clerk	7,500	3,700
▪ Accountant	12,500	3,800
▪ Driver	3,500	2,200
▪ Service technician (engineering experience)	5,800	3,100
Household Help		
▪ Family driver	3,000	1,800
▪ Cook	2,500	1,000
▪ Maid	1,200	750

The figures represent estimated basic yearly pays for the industry in general, and not specific to any sector. There are other labour related costs such as social security premiums, holiday pay, service incentive leave pay, maternity and paternity leaves etc. To obtain effective yearly wage, multiply the yearly pay by 120 per cent more or less. Managers can speak and write fluent English, while staff positions are accustomed to at least conversational English.

B. Rental or lease rates

(In US\$)

	High	Low
Office Space		
▪ Delhi	3.61 per sq ft	2.25 per sq ft
▪ Mumbai	3.7 per sq ft	3.25 per sq ft
▪ Bengaluru	6.0 per sq ft	0.92 per sq ft
▪ Chennai	2.56 per sq ft	0.50 per sq ft
▪ Non metro areas	3.2 per sq ft	1.0 per sq ft
▪ Export processing zones	2.4 per sq ft	0.72 per sq ft
Residential space		
▪ Delhi	2.7 per sq ft	0.3 per sq ft
▪ Mumbai	1.8 per sq ft	1.4 per sq ft
▪ Bengaluru	4.9 per sq ft	0.50 per sq ft
▪ Chennai	3.3 per sq ft	0.50 per sq ft
▪ Non metro areas	0.6 per sq ft	0.25 per sq ft

Contd...

C. Monthly retainer's fee of certain professionals and service contractors

(In US\$)

	High	Low
▪ Chartered Accountant	3,400	682
▪ Lawyer	2,800	572
▪ Medical Doctor or Dentist (calculated on the basis of 2-3 visits per week)	225	80
▪ Customs broker	Less than 1%	
▪ Engineering contractor, mechanics, computer technician	341	165
▪ Security guard services (generally calculated as wage of the guard + service tax)	280	170

D. Cost of Utilities

(In US\$)

Installation Cost (for big industries, depending on projected consumption)				
Electricity				
		Fixed / Demand Charge		Energy Charges
Categories		Load (kw)	Monthly charges	
Domestic		Above 5	0.4 / kW / mth	0.14 / kWh (Above 1200 units)
Non-Domestic		Above 100 kW	2.5 / kVA / mth	0.15 / kWh
Industrial	Small Industrial Power less than 200 kW / 215 kVA	Above 100 kW	2.5 / kVA / mth	0.14 / kWh
	Large Industrial Power (Supply at 11 kV and above)		2.1 / kVA / mth	0.11 / kWh
Water Tariff				
CATEGORY- A (DOMESTIC CONSUMER) Rates for water chargers:-				
Monthly Consumption (kiloliter)	Service Charge		Volumetric charge (per kiloliter)*	
0-10	1.10		0.04	
10-20	2.21		0.06	
20-30	3.32		0.33	
>30	4.43		0.55	
CATEGORY- B (COMMERCIAL / INDUSTRIAL)				
Monthly Consumption (kiloliter)	Service Charge		Volumetric charge (per kiloliter)*	
00-10	8.87		0.22	
10-25	13.31		0.43	
25-50	15.5		1.10	
50-100	17.74		1.77	
>100	19.96		2.22	
Telephone				
Landline Plans				Charges
	Monthly rental option			10-80
Monthly billing	Depending on plan and free calls	0.005- 0.02 per minute		
Internet Connection	Bandwidth (Download speed)	Upto 16 – 24 Mbps		
	Monthly Charges	83.31 - 116.65 (Depends upon the bandwidth connectivity, data transmission plans)		
	Annual payment	900 – 1285		

* Add 60 per cent Sewage Maintenance charges

Disclaimer: This note is a general guide or can be used as a research tool. Appropriate advice be sought before taking action on specific issues.

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