

Bombay and New Delhi. They handle virtually all commercial advertising in India. It is reasonable to expect that the manufacturer, not the agent, will bear the cost of any appreciable local advertising.

Methods of Payment. Recommended method of payment is through an irrevocable and confirmed letter of credit (L/C), which is an assurance that the buyer has the authority to import. Caution is therefore necessary when other terms are offered. As a rule, L/Cs provide for payment against delivery of shipping documents. Indian regulations specify that L/Cs must provide for payment against delivery of shipment documents. Also, regulations generally prohibit the opening of cash letters of credit which would allow advance remittance against goods not yet shipped. In any event, remittances before the receipt of shipping documents must be authorized by the Reserve Bank of India.

Debt collection is impossible if goods are shipped to a customer who does not have the authority to import. Organizations do exist in India for the recovery of debts, but legal proceedings are protracted, expensive, time-consuming and frequently inconclusive. Business persons should be aware that the operation of the Indian Statute of Limitations Act bars most commercial debts after three years. Canadian businesses should ensure that all contracts have provision for recourse to arbitration procedure to resolve commercial disputes.

Banking. The commercial banking system in India consists of nearly 200 scheduled (or chartered) banks, of which 21 are nationalized. These banks operate over 36 000 branches throughout the country. The State Bank of India is the largest Indian bank and has offices in Toronto and Vancouver. The entire Indian banking system is currently being computerized to increase efficiency.

Nineteen foreign banks operate in India. The Bank of Nova Scotia is the only Canadian bank in India. It has a branch operation in Bombay.

Intellectual Property Protection.

Patents: India is not a member of the International Union for the Protection of Intellectual Property. Protection of patents in India is governed by the Patents Act of 1970. All inventions and innovations are protected by this Act. Patents are normally granted for a period of 14 years.

Trademarks: The Trade and Merchandise Marks Act of 1958 applies in this case. Only the first users may register