

To assist quick reference, we have tabulated the laws, services as under. For more information on each head, you may refer to the details under the table or visit us on www.kdpaccountants.com/services.

S.No	Particulars	Professional Fees in INR
1]	<u>Registrations required for a Company under various laws: (As applicable)</u>	
1.a	<u>Value Added Tax (VAT)</u>	
	i. One time Advisory services *	2500
	ii. Registration with VAT authorities *	5000
1.b	<u>Service Tax (ST)</u>	
	i. One time Advisory services *	2500
	ii. Registration with ST authorities *	4000
1.c	Import Export Code (IEC Code) *	1500
1.d	Permanent Account Number (PAN)* / Tax deduction Account Number (TAN)*	1500
2]	<u>Necessary actions required immediately on formation of company : *</u>	7000
2.a	Opening of Bank account	
2.b	Deposit the Capital Amount in Account.	
2.c	Issue of share Certificates	
2.d	Preparation of statutory Shareholders Register	
2.e	Filing of Forms and declaration with RBI as required under FEMA	
3]	<u>Concurrent Requirements:</u>	
3.a	Accounting and monitoring statutory dues compliances.	3500-50000 per month (depending upon quantum of work)
3.b	Filing of Quarterly returns under Income Tax Act	2500 Per quarter
3.c	Filing of Quarterly returns for Service tax/VAT	7500 per annum (depending upon quantum of work)
3.d	<u>Secretarial Records & Requirements</u>	
	i. Verification of master data & attending to rectification, if any *	1250 per company
	ii. Obtaining DIN *	500 per director
	iii. Obtaining DSC *	1000 per Director
	iv. Maintenance of secretarial Records	7500 per year

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4]	Annual Requirements	
4.a	i. Statutory / Tax Audit of the company ii. Filing of Income Tax Return iii. Filing of FBT Return	Minimum 17500 per annum. This will vary depending on the quantum of work & activity level of the company
4.b	Filing of Annual return with ROC	2500 per annum
4.c	Filing of forms/returns under Foreign Exchange Management Act towards – i. External commercial borrowings ii. Issue of Debentures / other securities	10000 per annum
4.d	Filing of VAT/Service tax returns	7500 per annum
5]	Other services	
5.a	Project finance – Term Loans / Working Capital funding	As per requirements
5.b	Financial Restructuring	
5.c	Business Valuation & Due diligence Reviews	
5.d	Business advisory services	

*** These represents 'one time' services and are not required to be performed on an 'on going' basis.**

1 Registrations required for a Company under various laws: (As applicable)

The first step in the process of starting a new venture involves registration of the intended structure with related authorities. The activities along with fees would be as under –

1.a Value Added Tax (VAT) *

This is a Central Tax applicable only on sale of goods.

- a) One time Advisory services in connection with applicability & classification of the class of goods proposed to be traded by the company
- b) Registration with VAT authorities and obtaining a valid VAT number
- c) Filing of VAT returns with authorities on annual basis

1.b Service Tax (ST)

This is a special tax applicable to entities providing specific services as are covered under Service Tax Act.

- a) One time Advisory services in connection with applicability & classification of the class of services proposed to be offered by the company –
- b) Registration with ST authorities and obtaining Registration Number –
- c) Filing of ST returns with authorities on annual basis –

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1.c Import Export Code (IEC Code)

All the entities who are either importing goods into India or are exporting goods out of India are required to obtain IEC Code.

1.d Permanent Account Number (PAN)

All the entities in India are required to obtain a PAN. It is now mandatory to quote this PAN while entering into commercial contracts & while registering with many other Government agencies.

1.d Tax deduction Account Number (PAN)

All the entities in India who are required to deduct tax at source are required to obtain a TAN.

2. Necessary actions required immediately on formation of company :

Second step is related to establishing the foundation and laying grounds for commercial operations of the entity in India.

2.a Opening of Bank account

The step involves complying with Banking regulations to open a bank account in the name of the entity. The process involves filing of relevant forms and resolutions with Banks in India and liaises for opening of account & registration of signatories.

2.b Deposit the Capital Amount in Account.

All companies in India are floated with an upper cap in terms of the maximum amount that it can accept by way of Share capital. Promoters are advised to send remittance through regular banking channel into company's bank account in India to avoid difficulties while repatriating capital. These requirements are mandatory for depositing the capital contribution of the promoters.

2.c Issue of physical share certificates

Following the procedure laid under The Companies Act, company is advised to issue physical / Demat Share certificates to shareholders as per their contribution. The same is issued under supervision of qualified Company secretaries.

2.d Preparation of statutory Shareholders Register

The Companies Act prescribes the statutory register to be maintained. The same is prepared under supervision of qualified Company secretaries.

2.e Filing of Form with Reserve Bank Of India (RBI) :

In case, shareholders are non Residents in India, RBI prescribes forms to be filled subsequent to receipt of subscription amount. These forms are filed and the company is allotted a 'Code Number' by RBI. The code number facilitates further receipt of additional capital as well as repatriation of sale proceeds of these shares. The process qualifies the investment of shareholders on "fully repatriable" basis.

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3. Concurrent Requirements:

On establishing the structure, incorporation and subsequent to laying the foundation for effective operation we proceed with the regular, routine affairs involved Viz.

3.a Accounting and payment of statutory dues.

Day to day accounting of routine transactions of the company on monthly basis.

Maintenance of prime books of accounts on monthly basis.

Finalisation of Profit & Loss Account & Balance sheet of the company on quarterly basis.

Payment of statutory Dues towards TDS , VAT , Service Tax , Fringe Benefit tax, Advance income tax etc.

3.b Filing of Quarterly returns under Income Tax Act.

As per provisions of Income tax Act, certain returns related to deduction of Tax at source viz. e-tds, needs to be filed quarterly. This step involves compilation and summarizing the records, preparation of returns and submission of the same.

3.c Filing of returns for Service Tax/VAT

All companies are required to file their returns with appropriate authorities for Service Tax and VAT.

3.d Secretarial Records

A company is required to hold meetings of its Board Of directors every quarter and is also required to maintain statutory registers. The scope includes maintenance of following registers –

- a) Minutes of the meeting of the Board Of Directors
- b) Minutes of the meeting of the shareholders of the company
- c) Shareholders Register
- d) Register of advances made to parties covered u/s 301 of The Companies Act
- e) Register of charges created etc.

i) Obtaining Director Identification Number (DIN) – Under the present Rules, each director is required to obtain a DIN number to facilitate E filing of forms for the company.

ii) Obtaining Digital Signature Certificate (DSC) – At least one director of a company is required to obtain DSC to enable E filing of forms & returns with Registrar of Companies (ROC)

4. Annual Requirements:

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This stage involves annual compliance with the related authorities. Broadly, it includes

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4.a. Statutory / Tax Audit of the company

A company is required to have its accounts audited by an independent Chartered Accountant under The Companies Act. In case its turnover for a financial year exceeds INR 4 Mln, it is also required to perform an independent audit under sec 44 AB of The Income Tax Act.

Filing of Income Tax Return

Subsequent to completion of Audit, the summarized details are required to be filed with the Income Tax Authorities in prescribed form on an annual basis.

Filing of FBT Return

Certain items of expenses are classified as 'Fringe Benefits' under The Indian Income Tax Act 1956. Expenses covered under these heads are subjected to a tax called Fringe Benefits Tax(FBT). FBT returns are required to be filed for each quarter.

4.b Filing of Annual return with ROC

A company in India is required to file its return outlining prescribed details with Registrar of Companies under sec 159 of The companies Act. The same is required to be filed in electronic form and the return is popularly called as ANNUAL RETURN.

4.c Filing of forms/returns under Foreign Exchange Management Act (FEMA)

In cases where company receives capital or Loan from persons or companies residing outside India or deals with Foreign Exchange (except in routine course of import and export), provisions of FEMA are attracted.

As per FEMA Provisions, prescribed forms are required to be filed with Reserve Bank of India or their authorised Dealers (bank).

4.d Filing of VAT/Service tax returns

As per the provisions of Service Tax Act, in addition to accounting details, schedule of service tax collected, paid etc are presented and submitted along with the service tax return on periodical basis.

5. One Time Requirements

In addition to the above we regularly assist our clients in

5.a Project finance

Raising of Debt from Financial Institutes and Banks in India for working capital as well as for Term Loan.

5.b Financial Restructuring

Advisory services relating to balancing of finances / leveraging of balance sheet values & swapping of Debts.

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5.c. Business Valuations & Due Diligence Reviews

Advisory services relating to valuations of companies and assisting promoters in assessing realistic value of companies. Also services relating to conducting Due diligence Reviews.

5.d. Business advisory services

- a) Advisory services relating to strategic alliances, Mergers & Acquisitions & Techno Economic Viability studies.
- b) Assisting in identifying suitable Joint Venture partner, drafting & finalising of the Joint Venture Agreement
- c) Advisory services relating to Promoters Agreement & drafting of Norms for professional conduct of companies.

We hope you will find the same in order. In case of any doubts, please do not hesitate to get in touch with us at companies@kdpaccountants.com

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