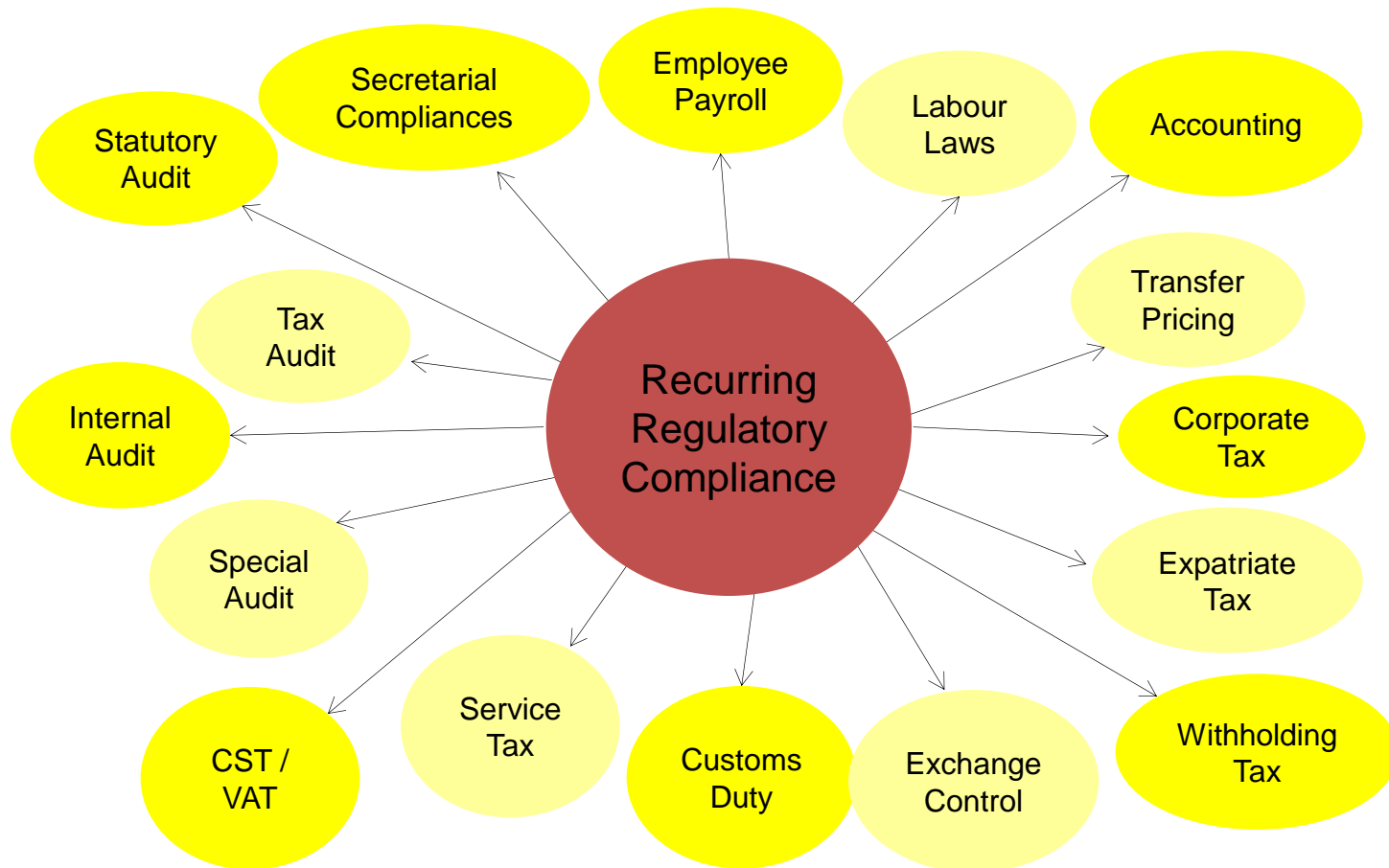
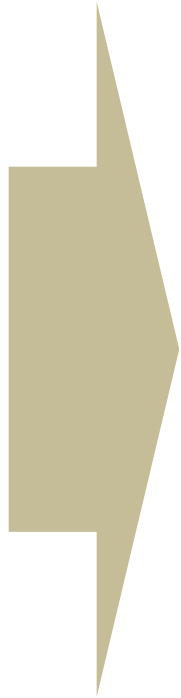


*Compliance and the Tax
Environment in India: A
Cake Walk or a Daunting
Task for Japanese
Corporates?*

Compliances - A Snapshot



AUTHORITIES



CENTRE

- Direct Tax
- Exchange Control
- Company Law
- Customs
- Excise
- Service Tax
- Labor Regulations

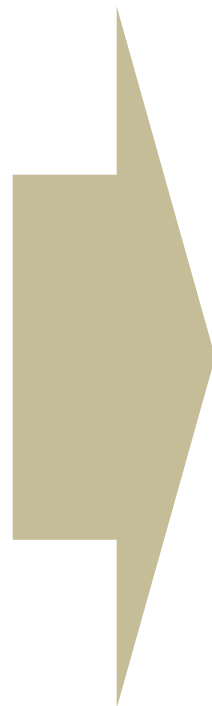
STATE

- CST/VAT
- GST (proposed)
- Entry Tax
- Stamp Duty

LOCAL

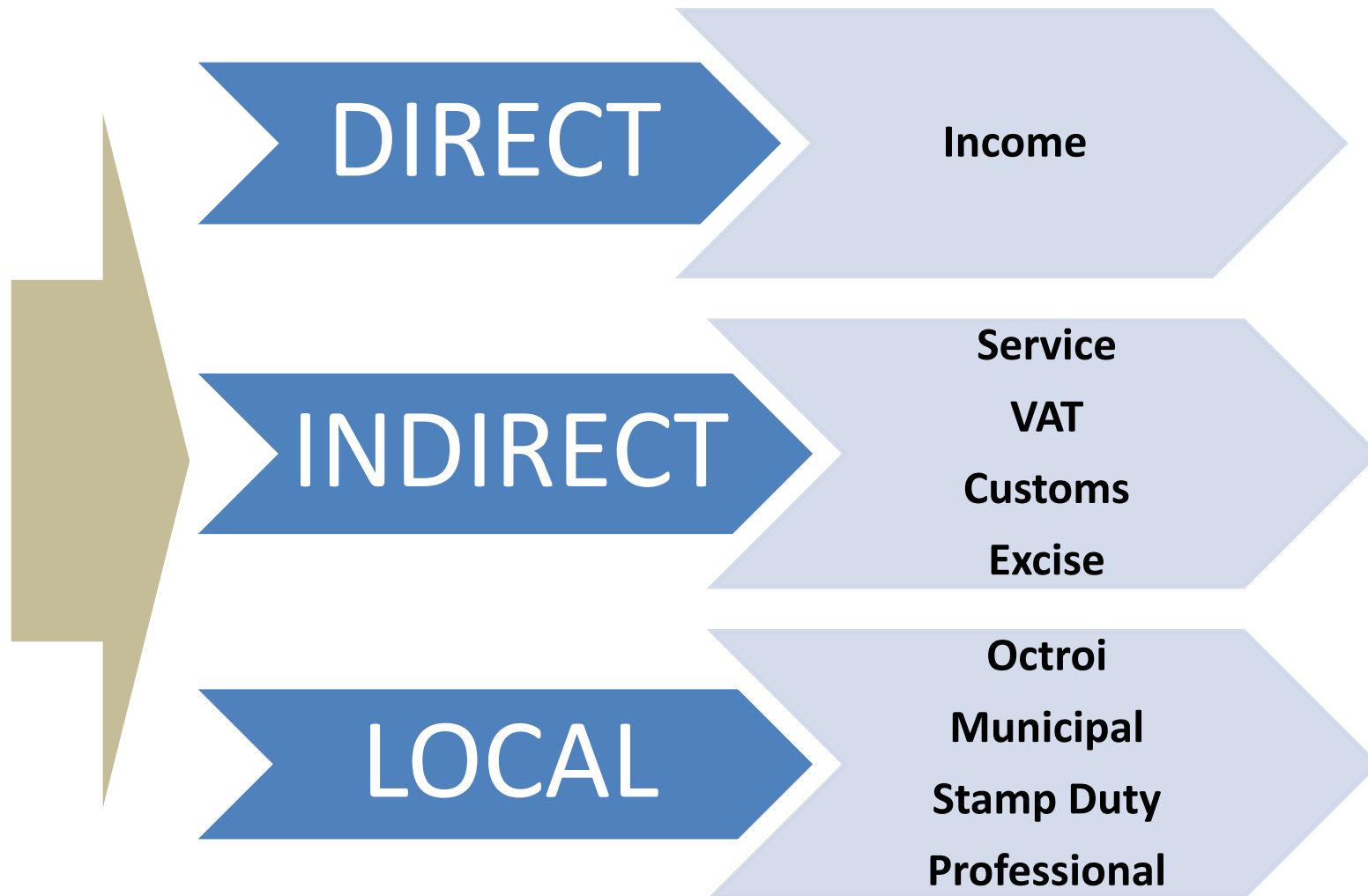
- Octroi
- Municipal Tax
- Lease Tax
- Professional Tax

SECTORAL APPLICABILITY



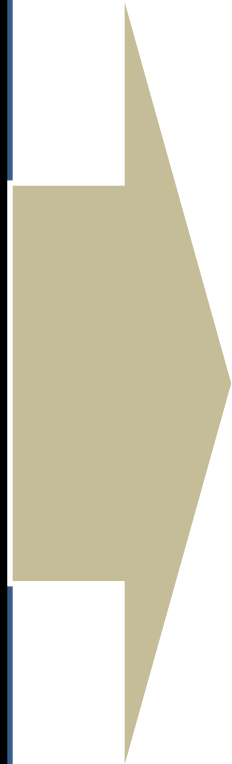
Regulation	Manufacturing	Trading	Service
Direct Tax	•	•	•
Exchange Control	•	•	•
Company Law	•	•	•
Labor Regulations	•	•	•
Indirect Tax - Excise	•		
Service Tax			•
Custom	•	•	
VAT	•	•	
Stamp Duty	•	•	•
Octroi	•	•	
Entry Tax	•	•	
Municipal Tax	•	•	•
Professional Tax	•	•	•

TAXES



INCOME TAX

DIRECT TAX



Applicability

- All Corporates
- All individuals having income exceeding taxable limit, including expats

Compliance

- Permanent Account Number (PAN)
- Deposit Advance Tax
- Tax Audit
- Submit Annual Information
- Global income to be taxed (Resident Status)

WITHHOLDING TAX



Applicability

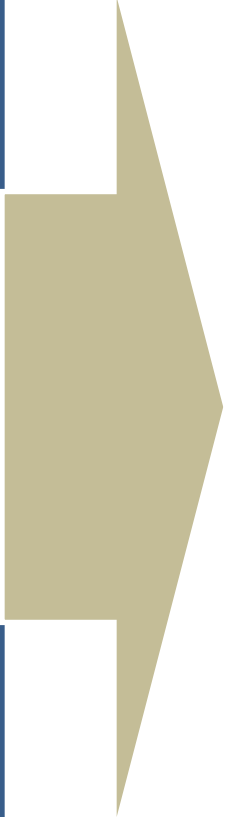
- Salaries of Expat, local employees
- Professional / Technical Services
- Payments to Contractors
- Rent
- Commission/brokerage

Compliance

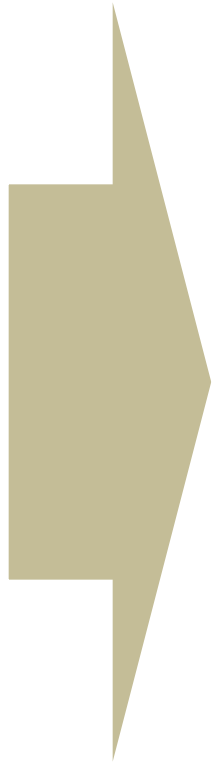
- Tax Deduction Account Number
- Deposit on a Monthly Basis
- Submit Quarterly Returns
- Issue Withholding Tax Certificate

DIRECT TAX

TRANSFER PRICING

- 
- **Arms length transaction between associated enterprises**
 - **Transfer pricing study**
 - **Transfer pricing report**
 - **Submit report to regulators**

INDIRECT TAX



- **Customs Duty – On imports of goods**
- **Excise Duty – On manufacturing**
- **Goods Tax (VAT) – On sale /purchase**
- **Service Tax – On services**

NOTE – GST is proposed to be introduced in 2016

COMPANY LAW

Applicability

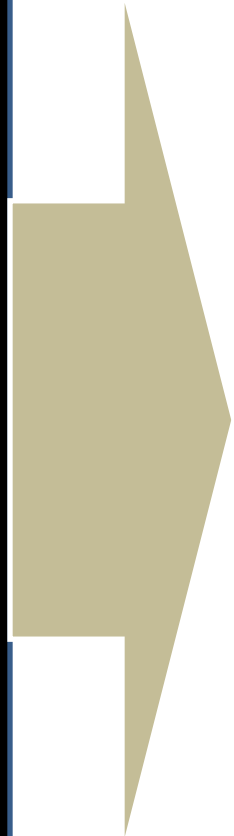
- All Corporates – No threshold for exemptions

Compliance

- Registration with Registrar
- Director's Identification Number (DIN)
- Digital Signature Certificate (DSC)
- Board / Shareholders' Meetings
- Annual Return
- Financials to be audited
- Filing of forms for specific events

SECRETARIAL

EXCHANGE CONTROL



Applicability

- **Subsidiary of foreign company**
- **Overseas receipts / remittances**
- **External Commercial Borrowings (ECB)**
- **Royalty/ Fee for technical services**
- **Fee for use of Brand name**
- **Current Account/ Capital Account Transactions**

Compliance

- **Intimation of overseas receipts**
- **Submit information to Reserve Bank**
- **Certification before any remittance overseas**
- **Prior permission for ECB**
- **Prior permissions for Current and Capital account transactions**

PROVIDENT FUND

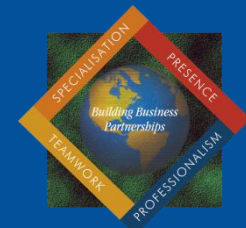


Applicability

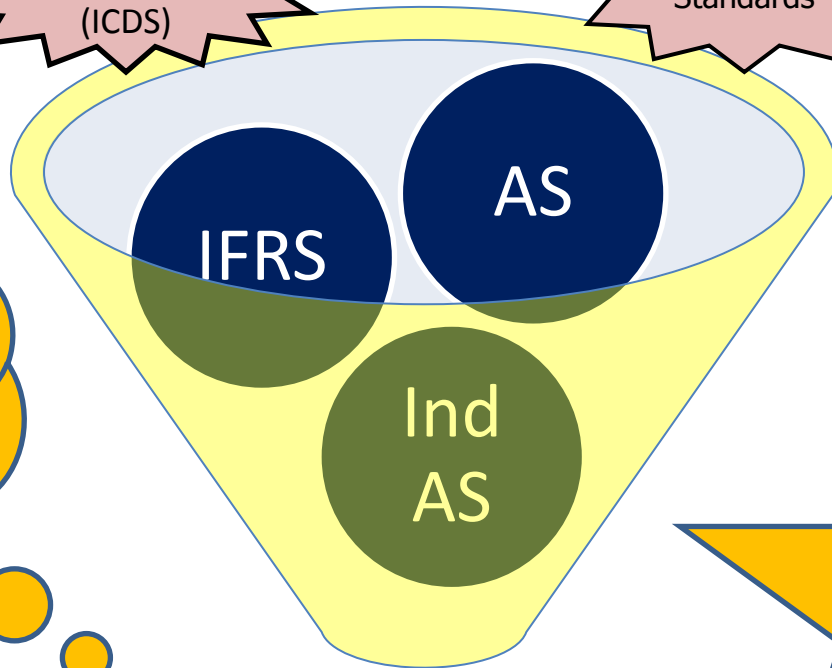
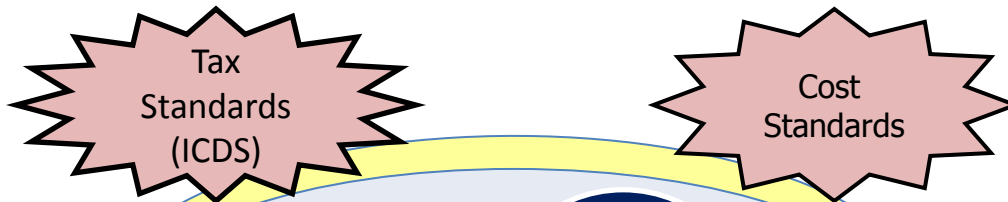
- If number of employees equal to or greater than 20
- Special provisions for Expatriate Employee

Compliance

- Registration with Provident Fund Commissioner of relevant jurisdiction
- Employee to contribute 12% of Basic Salary - equal share by Employer
- Monthly deposit
- Monthly / Annual returns to be filed

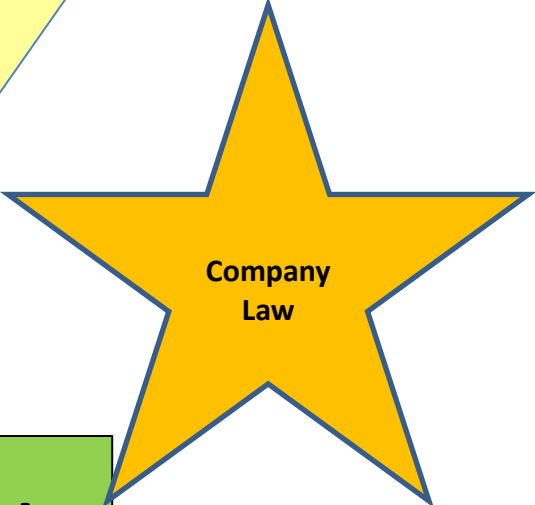


ACCOUNTING



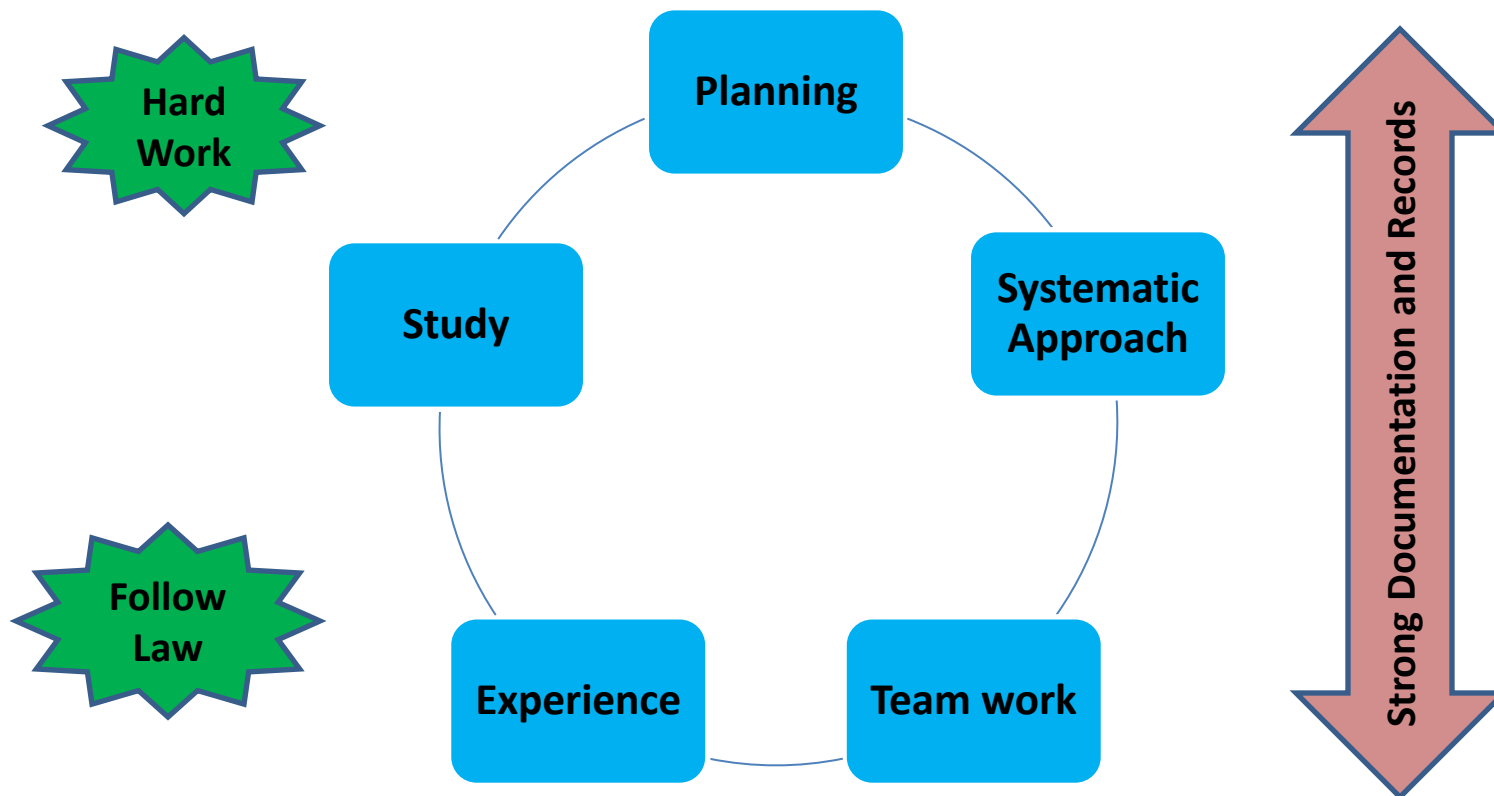
To Help User Take Decisions

Various Regulators – (RBI, SEBI, IRDA....)



Financial Statements

JAPANESE CORPORATE



THANK YOU

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