

## Indian subsidiary business set up

Our Client

Address

Date: Wednesday, March 29, 2023

Invoice No: 2023 – 11 – 023

Professional services for an <a href="#">Indian LLC</a> setup (without travel)	Notes	Year 1 US\$	Year 2 US\$
Indian tax resident <a href="#">company incorporation</a> (without travel)	1.	5,200	1,700
Annual company <a href="#">secretary and legal registered office</a> services	2.	2,500	2,500
Estimate of Indian <a href="#">Government registration</a> fees	3.	155	0
Indian multi-currency <a href="#">corporate bank account</a> opening fees (without travel)	4.	4,950	0
Statutory registration for <a href="#">PAN</a> and <a href="#">TAN</a> and <a href="#">GST</a>	5.	1,750	0
Indian professional passive nominee <a href="#">resident director</a> fees	6.	6,600	6,600
Annual accounting and audit and tax statutory <a href="#">reporting obligations</a>	7.	0	7,970
<a href="#">Project management</a> fees for a 7 month engagement	8.	6,145	0
<b>Total</b> Healy Consultants Group fees payable <a href="#">by instalments</a>	9.	<b>27,300</b>	0
Healy Consultants Group fees payable after <a href="#">12 months</a>	10.		<b>18,770</b>

This invoice comprises all of the professional services required for Indian business set up. Feel free to remove those services not required by your Firm. Furthermore, I recommend you carefully read the notes in the following pages, to accurately and completely understand all services required by your Firm; eliminating the risk of unwanted surprises during the engagement.

## Indian subsidiary business set up

### Notes to invoice above

1. Within [2 months](#) from receipt of engagement fees and signed documents from our Client, Healy Consultants Group will complete Indian subsidiary company incorporation in your preferred [State](#). Before submitting a quality company incorporation application to the India [Registrar of Companies](#) (ROC), our Staff and Client will detail-discuss the business set up considerations on [this web page](#); and
2. The [Indian Companies Act](#) stipulates that each local entity must [i\)](#) appoint a resident company secretary and [ii\)](#) maintain a legal registered office in India. As always, Healy Consultants Group will supply these [professional services](#); and
3. This fee is an estimate of government costs payable during your Firm's engagement. For transparency purposes, all government fee payments will be supported by original receipts and invoices; and
4. Without [bank signatory travel](#), Healy Consultants Group will secure a Indian multi-currency corporate bank account numbers for our Client's subsidiary. From the moment a complete application is submitted to the banks, it will take on average [two months](#) to secure multi-currency corporate bank account numbers. In most cases, our Staff will complete the engagement without our Client's travel to the Indian bank branch. When [travel](#) is unavoidable, we refund €950 to our Client. Multi-currency corporate bank account opening is the most [challenging](#) part of the engagement. Consequently, we apply our "[guaranteed bank account](#) approval or your money back" policy. To minimize engagement surprises and align all parties' expectations, I recommend you read [this webpage](#), specially the due diligence documentation section. To maximize the probability of bank approvals, Healy Consultants will:
  - ✓ prepare a business plan, including annual expected inflow and outflow of funds; and
  - ✓ contact multiple banks to secure their written confirmation, welcoming a formal multi-currency corporate bank account opening application; and
  - ✓ weekly follow up with the bankers to aggressively and skilfully secure a timely multi-currency corporate bank account approval.
5. In accordance with [India Companies Act, 2013](#), all Indian companies should register for [i\)](#) a Permanent Account Number (PAN) and [ii\)](#) a Tax deduction and collection Account Number (TAN) and [iii\)](#) for GST. Doing business in India is administratively difficult, especially with Government institutions. As always, Healy Consultants Group will assist your Firm secure all of these statutory accounting and tax numbers. And in accordance with [Goods and Service Tax Act 2017](#), an Indian subsidiary must apply for a unique Goods and Services Tax Identification Number (GSTIN) when [i\)](#) turnover exceeds US\$ 56,000 (INR 4 million) or [ii\)](#) the business falls under the [mandatory GST criterion](#). Immediately thereafter, our in-house Accounting and Tax [Department](#) will assist your Indian subsidiary submit dormant or active quarterly GST returns; and
6. The [India Companies Act, 2013](#), stipulates that every Indian Company must have at least one director who is ordinarily resident in India. Most of our Clients request Healy Consultants Group to supply a professional passive nominee [resident director](#) for their Indian subsidiary. When local Staff are employed, our Client can appoint their preferred employee as the Indian resident director and our fees will be refunded pro-rata; and

## Indian subsidiary business set up

7. This is an estimate of Healy Consultants Group's fees to timely accurately and completely discharge our multi-national Clients' annual Indian subsidiary legal & accounting & audit & tax statutory reporting obligations. Refer to this [web page](#) to better understand this important annual professional service. While preparing this invoice, Healy Consultants Group assumed the Indian subsidiary will be an active trading entity and subject to independent statutory annual audit. After accounting year end, our in-house Compliance & Accounting & Tax Department will:
- ✓ Legally minimise Indian i) corporation tax and ii) GST and iii) withholding tax. Optimize the use of i) tax exemptions and ii) Government incentives and iii) foreign tax credits and iv) double tax treaties; and
  - ✓ Prepare annual financial statements and submit them for independent statutory [annual audit](#); and
  - ✓ Prepare an annual corporation tax return and submit them to the Indian [Tax authorities](#); and
  - ✓ Project management the [independent statutory audit](#) of your business; and
  - ✓ For a dormant Indian subsidiary, our fees are [only US\\$1,200](#); and
  - ✓ Indian businesses are usually required to i) prepare and get their accounts audited ii) complete annual filings with [Ministry of Corporate Affairs](#) and iii) file Income Tax Return with [ITD](#) by the end of every financial year, irrespective of the company incorporation date.
8. Doing business in India is [difficult](#) and it is one of the most difficult countries on the planet to set up a business. On average, it takes 7 months to set up a business in India including multi-currency corporate bank account opening. Business it is a time consuming and administratively heavy engagement, Healy Consultants Group will charge [project management](#) fees. This fee covers our time and resources dedicated to i) thoroughly research and plan the Indian business set up for our Clients specific business and ii) devise strategies to minimise engagement period and complete the engagement without your travel and iii) collate and supervise the legalisation and attestation and translation of Client documents and iv) supply weekly detailed engagement [status updates](#) to our Client and v) ensure our Client complies with local regulations and legally owns and controls the new entity and vi) ascertain the specific accounting & tax & legal & compliance considerations and vii) find solutions to [challenges that occur](#) throughout the engagement; and
9. All fees quoted in this sales invoice correspond to fees quoted on Healy Consultants Group's business [web site](#). Please review this invoice carefully to identify errors, including the embedded web links. During the rush of the business day, it is possible that our Staff inadvertently made fee calculation or typing errors, or omitted services or previous fee payments from our Clients. In the unlikely and unfortunate event you identify errors, please revert to us directly and we will immediately amend the invoice. I apologize in advance if I or my staff made invoice errors.
10. Assuming our Client re-engages Healy Consultants Group in 2024, this fee is an estimate of the fees payable [next year](#), 12 months after the date of company registration in 2023; and

## Indian subsidiary business set up

11. There is no minimal share capital required when incorporating a company in India. However, Healy Consultants Group recommends US\$ 1,000. After our Client funds their new Indian multi-currency corporate bank account, the amount of the first parent company capital funding will need to be reported (FC-GPR filling) to the Indian Government as per the [FEMA Regulations](#). Healy Consultants Group can assist with this statement filling, if required, for an additional fee of US\$550; and

Our Client must immediately inform Healy Consultants Group when the newly registered Indian entity processes its first transaction (e.g.: receipt of sales income, payment of supplier or salary, etc). Healy Consultants Group will then assist our Client to obtain the Certificate to Commence Operation (Form 20A) and [Shops and Establishment registration](#). Our Client is responsible to notify Healy Consultants Group within 30 days to avoid any penalties from the MCA; and

12. Immediately after company incorporation and for both dormant and active companies, our Client is obliged to submit reports to the Government including: i) [quarterly GST](#) filing ii) [monthly GST](#) return iii) monthly [TDS and TCS](#) reporting. Consequently, the majority of our multi-national Clients ask Healy Consultants Group to timely and accurately complete this statutory reporting obligation. Additional fees apply. When the Indian subsidiary has employees, your Staff can complete this administrative routine task. As always, we will refund annual fees pro-rata; and
13. In accordance with the [Directorate General of Foreign Trade](#) (DGFT) in India, all companies planning to conduct export or import activities must secure an Importer Exporter Code (IEC) Number, unless specifically exempted. If required, Healy Consultants Group will be pleased to secure an IEC number from the DGFT for a one-time fee of US\$1,840; and
14. Some of our Clients require an [immediate India solution](#). Within 1 week, Healy Consultants Group can supply our Client i) an existing dormant Indian company number and ii) an already approved Indian multi-currency corporate bank account and iii) a city center business address. Turnkey solutions are attractive to multi-national Clients' who wish to immediately close a country deal, sign a legal contract or invoice a customer; and
15. After company incorporation, your Firm will need Healy Consultants Group support for i) [book-keeping](#) and ii) [monthly and quarterly](#) reporting and iii) [employee](#) matters. Specifically, our in-house [Accounting and Tax Department](#) will help our multi-national Clients' with the following statutory reporting obligations:

Statutory reporting obligations	When	Comments
Advance corporation tax payments	Quarterly	For active companies
<a href="#">Payroll</a> reporting	Monthly	For active staffed companies
FLA (List of foreign assets)	Annually	For dormant/active companies by 15 July
GST return	Monthly & Quarterly	For dormant and active companies
TDS and TDS 281 Challan	Quarterly	For dormant and active companies

## Indian subsidiary business set up

16. Refer to [this important web page](#) to read additional terms and conditions applying to this country engagement; and
17. Engage Healy Consultants Group to [project manage](#) business set up in every country on the planet. We are the best in the [world](#) at what we do, timely completing [the A to Z](#) of every country engagement; and

Thank you for your business and we look forward to working closely with you over the coming months, as we [project manage](#) your Indian business [set up](#).

DRAFT