

PROFESSIONAL PRACTICES (PP)

1. Nature of Services

For the purpose of better mutual understanding about the scope of services rendered by us and remuneration thereof, we would like differentiate and define our services in following broad categories:

- 1.1. Standard Service (STD)
- 1.2. Non-Standard - Special Services (NSS)
- 1.3. Non-Standard – Common Services (NSC)

2. Standard Services (STD):

2.1. The Standard Service are those which are recurring periodically in standard manner in case of all the clients and provided by us as matter of routine practice after professional expertise of years

2.2. This will generally cover following areas in respect of entities in a group, wherever applicable.

- 2.2.1. Statutory Audit,
- 2.2.2. Tax Audit u/s 44 AB of IT Act and u/s 61 of MVAT Act.
- 2.2.3. Other Certification under the IT Act as may be applicable.
- 2.2.4. Checking and advising on Advance Tax payments
- 2.2.5. Preparing and submitting IT Returns
- 2.2.6. Minutes and Annual Return under Company Law.
- 2.2.7. Filing of Annual Return and Accounts with RoC.
- 2.2.8. Maintaining Status of Direct Tax, Sales Tax Company Law,
- 2.2.9. Replying routine queries on taxation/accounting from time to time

2.3. The fees for the standard Services are generally quoted /charged on annual basis for the Financial Year.

2.3.1. For this purpose, we estimate Man Hours (MH) to be spent by us on estimated quantum of standard work assuming that

2.3.1.1. Business volume and complexities are at same level as explained /previous year.

2.3.1.2. Functioning of systems are at same level as explained / previous year and

2.3.1.3. Basic accounting will be accurately and properly done and accounting details required for finalizing balance sheet and various reports and other matters, in our formats, will be accurately prepared and cross matched by your office.

2.3.2. Our remuneration shall be payable during the period on Monthly/quarterly frequency as per adhoc interim bill(s) raised on the basis of degree of completion.

2.3.3. Standard fees for the period shall not cover fees for any of the services referred below:

2.3.3.1. Special Job like scrutiny assessment and Appeal under IT Act, Sales Tax returns/assessments, Major tax planning or advising, project reports, Merger etc.

2.3.3.2. Preparing and filing documents/Certificate with RoC other than 2.2.7 above, as may be necessary and other non routine jobs like, special purpose Certification, obtaining certificates from department, Registration of firm etc., if any.

2.3.3.3. Out of pocket expenses incurred and Service Tax on taxable services.

2.3.3.4. Extra services requested and time spent if any, to complete any task, say for accounts or compilation of accounting data/information, improvement / modification of systems etc.

2.4. Such services are generally rendered by Anand Mehta & Associates Chartered Accountants LLP.

3. Non Standard - Special Services, (NSS)

3.1. The Non-Standard Special services are those which are not recurring, at regular frequency or, in case of all the clients and require serious involvement of seniors and substantial research/representation time.

3.2. For these services we charge on the basis of time spent on the assignment. We maintain a detailed time sheet for the assignment (including time spent on telephonic discussions). Normally our work would involve substantial research time and back office time which would be logged in the time sheet and thereafter billed at appropriate rates.

3.3. Our fees for the Non Standard - Special Service (NSS) shall be on the basis of the time spent by our seniors which shall be quoted separately on case to case basis.

3.4. The fees shall include cost of support staff but excludes out of pocket expenses and traveling expenses. Out of pocket expenses and traveling expenses would be borne by you. Any meetings, if required, would be preferably at our office. However, if due to the exigencies of the situation the meetings are required to be held at your premises, the travel time would be included in the billable hours.

3.5. As far as the working out of the fees for this category is concerned, in accordance with the basis referred above, we will be trusted to fairly and exclusively determine the correctness of the amount.

3.6. Till such time the assignment is completed ad-hoc payments may be collected from you as progress payments, which shall be adjusted against our final bill. We may raise interim bills to close our account as on 31st March or earlier after certain milestones.

3.7. We generally undertake such services at Anand Mehta & Co. (Consultants) Private Limited.

4. Agreement in respect of Billing and Payment of Fees

4.1. We shall raise bills from time to time in respect of work done for which quotation is sent and agreed in advance or in case of petty jobs as per standard Menu. In case you need any clarification / have any query relating to bill, you shall communicate the same to our email id accounts.mumbai@amcount.com immediately but not later than 5 days of receipt of bill.

4.2. You shall settle the bills raised by us within 15 days from the date of the bill by crossed account payee cheque favoring the respective concern.

4.3. You shall make all the payment against bill/ advance by cheque / draft payable at Mumbai or Pune.

4.4. We shall forward the relevant documents / files in relation to work to you along with respective bill.

4.5. We shall charge the service tax at the applicable rate (@14.5%) on the services liable to Service Tax only. We shall charge this in the bill in addition to our fees quoted.

4.6. In case where amount of professional fees charged in particular bill or aggregate amount charged during the financial year exceeds Rs. 20,000/, you shall Deduct Tax at Source at the applicable rate (@ 10%) or (in case you are provided with copy of certificate issued by Department by us for lower deduction of tax at source the rate mentioned in that) on the amount of professional fees and Service Tax and issue TDS certificates on quarterly basis within 15 days from the end of respective quarter.

4.7. In case of the bills for which payment is spread over two financial years, you shall issue separate TDS certificate in respect of payment in each financial year.

4.8. While preparing TDS certificate(s), you shall ensure following so that there is no problem in getting the credit for the same:

4.8.1. Name and address of deductee is mentioned as per bill.

4.8.2. PAN (printed on our bill) is also mentioned correctly.

4.8.3. Name, designation of the person signing the certificate is stated and rubber stamp of the concern is affixed.

4.8.4. Acknowledgement Number of quarterly e-TDS return filed is mentioned appropriately.

4.9. In case no TDS certificate(s) is (are) received as stated above, we shall be presume that the tax at source has not been deducted and to that extent amount is outstanding / recoverable by cheque from you.

4.10. In case of request for estimated out of pocket expenses, kindly issue cheque in favor of 'Anand Mehta & Co. – Clients Account' or "Anand Mehta & Associates Chartered Accountants LLP Clients Account" , as the case may be without deduction of any tax etc. We shall render you full account of expenses actually incurred on completion of job and refund / demand any excess / short amount.

We hold such (principal) money on behalf of clients. However for the sake of expediency, you authorise us to place surpluses in such account in deposits and earn interest. Such interest and tax deducted thereon will be on our account. When we quote / bill for the fees to / on you from time to time, we will take into account such interest and reduce the fees appropriately on our own, for which you hereby authorise us.

4.11. In case of payment against quotation as an advance please draw cheque in favor of 'Anand Mehta & Co. – Clients Account' or "Anand Mehta & Associates Chartered Accountants LLP Clients Account" , as the case may be after deduction of tax as mentioned para 4.6 above.