

PRIVATE AND CONFIDENTIAL

KHANNA & ANNADHANAM

Chartered Accountants



A PROFILE

KHANNA & ANNADHANAM

Based in New Delhi, Khanna & Annadhanam is one of the leading firms of Chartered Accountants in India.

The firm was founded in 1952 and has grown to its present position through the excellence of its professional services and the success of its clients.

We offer our distinctive skills to varied type of charities and other professional firms. A distinctive speciality is in servicing businesses based outside India which wish to establish a presence here. Our broad range of clients operating throughout India gives us practical experience of the widest range of financial, accounting and tax issues and solid, practically based expertise.

The firm was a member of Deloitte Touche Tohmatsu International, one of the big six accounting firms for many years. Not to lose its identity and independence, the firm in November, 1995 due to DTTI's merger problems in India, decided to withdraw from DTTI membership.

Presently the firm's staff strength is 67 including 10 Chartered Accountants:

Partners	8
Audit Managers	4
Audit Supervisors	5
Audit Assistants	38
Administrative Staff	12

Total	67

AUDIT SERVICES

An audit may be required by statute; properly planned, it can become a useful management tool.

The audit approach which we have developed enables us to concentrate our time and effort on the most significant areas of the accounts. So, not only do we keep our time costs to a minimum, we also increase the effectiveness of the audit.

How do we go about it? Our first step is to obtain a comprehensive understanding of a client's business, accounting system and internal controls. Only after we have achieved that understanding will we draft a programme of work. That programme will be reviewed and approved by the engagement partner before our staff start their audit tests.

This approach means that the professional and commercial experience of senior members of the firm is constantly brought to bear on a client's affairs.

After we have finished, we report back to you quickly. If we found that controls were defective, we would report that; but if controls were duplicated or unnecessary we would bring that to your attention also. If we saw a quicker or more efficient way of doing something than a time consuming formal control, then we would tell you. If we believed that it would be in your interest to introduce controls where none previously existed, we would tell you that also.

Over the years, we have specialized in carrying out internal audit of large sized business entities. The thrust of our internal audit is to get irregularities rectified on an ongoing basis rather than only report these to the Management.

MANAGEMENT CONSULTING AND RELATED SERVICES

The firm has extensive experience in Management Consulting assignments. Assignments handled in this area are listed below:

- Business Valuations
- Mergers and Acquisitions
- Systems Review and Management Audits
- Due Diligence
- Advisory Service relating to ERPs
- Preparation of Manuals on Accounting, Corporate Policies, Treasury Operations of Banks
- MIS and Internal Controls
- Financial Management Planning and Financial Policy Determination
- Working Capital Management
- Preparing Project Reports and Feasibility Studies
- Budgeting including Capital Budgets and Revenue Budgets
- Inventory Management

BUSINESS TAXATION

We have a highly skilled team of corporate tax staff to deal with an ever continuing and increasingly complex body of tax legislation.

We deal efficiently with computational and compliance work, but we emphasise effective tax planning for corporation tax purposes.

Tax planning plays a vital part in our approach and our primary aim is to help lawfully to mitigate the burden of taxation.

Arguing matters before Assessing Officers, Appellate Authorities and tax planning in the context of cross border activities are all specialities of the practice in the field of corporation tax.

We are advising a number of business entities (including many Multinational Companies) on Corporate and Personal taxation.

We advise clients on restricting staff salaries to make these most tax efficient within the legal frame work.

The firm has a significant measure of recognition with the Tax Department and carries out special tax audits on its behalf.

PERSONAL TAXATION ADVICE AND PLANNING FOR INDIVIDUALS

Personal tax is complex and subject to an enormous upheaval because of frequent amendments in tax laws.

We have a team of friendly, dedicated and experienced specialists whose aim in life is to relieve you of as much stress as possible when you contemplate your tax position. They are experienced in all aspects of taxation and are trained to be courteous, prompt and efficient in their dealings with you. What is more, they take great pride in their ability to absorb the complexities of the taxation system communicating with you.

The department is fully computerised and each member of staff is able to take full advantage of the benefits of the latest technology while retaining a human and personal approach to each of his clients.

You will also find that we minimise each year's tax liability. Your affairs will be reviewed carefully and, whenever possible, we will suggest ways in which you can reduce your current tax bill or structure your affairs so as to minimise tax liabilities in the future. Applying our expertise to the tax affairs of individuals who are foreign nationals is a particular speciality of the firm.

We have the technical knowledge and in depth experience which are necessary in order to carry out effective negotiations with the Tax Department. They respect us as tenacious and knowledgeable opponents. This means that we can promptly reach a settlement which is as favourable to the tax payer as the law permits.

INWARD INVESTMENT

Inward investment into India is an area of particular expertise within the firm, another aspect of our international approach. When a company, whether from Continental Europe, North America or the Far East, wishes to set up operations in India, it will need :

- advice on the most profitable structure (for example, subsidiary, branch or a liaison office)
- help with the formalities of forming a subsidiary or registering a branch or a liaison office
- clarification of the relevant aspects of the Indian tax and legal systems
- introductions to banks and financial institutions
- Obtaining approvals from various regulatory authorities
- General advisory services as to how to set up business in India.

Once a business is up and running, it may need continuing advice in the specialist areas of double taxation matters, clarification of differences between the India and mother country tax and accounting regulations and tax planning services for its foreign employees working in India. Our experience of this sort of work means that all these services are readily and quickly available.

INFORMATION TECHNOLOGY

The firm has built up a good practice in the field of Information systems audit, advisory services relating to computerization of accounts, ERP installation and related activities. It has advised many clients on selection of accounting package, ERP providers and monitoring of ERP projects to ensure smooth and faster implementation, by validating data, creation of masters and other connected work.

BACK OFFICE

The firm has set up back office facilities for some of its clients relieving the management of this tedious job of maintaining accounts and providing accounting advisory services. The accounts are maintained on a day to day basis in accordance with various regulatory requirements e.g., companies Act, Income Tax, Fringe Benefit Tax, Service Tax etc.

SECRETARIAL SERVICES

We provide full range of secretarial services covering following areas :

- Formation of Companies
- Maintenance of statutory records
- Maintenance of Minute Books
- Preparation and submission of annual returns and other statutory returns to the Controlling / Regulatory authorities
- Advising Companies on compliance with Companies Act and related legislations

CLIENTS

The firm's client base is well represented in commerce, industry, financial services including banking, insurance, hotels and entertainment, computer software, communications, etc. It includes Companies listed on the Delhi, Bombay and Chennai Stock Exchanges. The international nature of the client base is represented by the servicing of local subsidiaries and branch offices of some of the major multinationals. A representative list of past and present clients serviced by the firm is enclosed.

FEE

We always aim to prevent a client from spending money on unnecessary professional fees. Whilst we naturally ask that we be paid a fair fee for our professional expertise and time, we see no reason why a client should pay for more of our time than is really needed. Not only do we work efficiently; we also make a point of telling each and every client about all the ways in which he or she can reduce the time which needs to be spent on the assignment - and hence reduce the fees.

Our billing is on lumpsum or on time basis depending on the arrangement with the client and on the nature of engagement.

Our charge out rates are most competitive and compare favourably with other medium sized accounting firms operating in India.

PARTNERS

The firm's main objective is to satisfy client's needs for professional services. This is best achieved through the close working relationship which partners establish with clients and their involvement at every stage of client's development.

The firm has at present eight partners. The partners have always been at the forefront of professional development in India. Their professional expertise coupled with their wide experience of the local and international business environment ensures a service to clients of the highest professional standards while emphasizing a practical, as opposed to theoretical, solution to problems.

WHY KHANNA & ANNADHANAM ?

What are the factors which distinguish our services from those of our competitors?

- **PROMPTNESS OF DELIVERY**

We answer correspondence promptly, deal with telephone calls speedily and deliver our services on time. Satisfying our clients' needs as soon as those needs arise is what motivates us.

- **EFFICIENCY IN OUR ORGANISATION**

We plan ahead so that all the resources which we need to service our clients' requirements are always in place, whether those resources be of a human or a technological nature. That helps our speed of response and keeps our costs under control.

- **A PRO-ACTIVE APPROACH**

When we have a suggestion to make - perhaps we have spotted a business opportunity in which we think a client might be interested, a new way in which a client could save tax or a way of improving a company's accounting controls or organisational efficiency - we do not wait to be asked before giving our views.

- **TECHNICAL EXCELLENCE AND RELIABILITY**

Our clients can be certain that whatever advice we give is technically correct and represents the latest professional thinking on the subject. Our partners lecture to professional audiences. All our staff are kept fully up to date with all the latest technical developments each year.

IN CONCLUSION

Khanna & Annadhanam provides a reliable service that is distinguished by being :

- prompt
- efficient
- pro-active
- up to date and technically excellent

We are a specialist firm and are dedicated to providing a first class professional service to Public and Private Sector businesses, Overseas Companies, etc.

Our address is :

KHANNA & ANNADHANAM CHARTERED ACCOUNTANTS

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THE PARTNERS

B.J. SINGH

B.J. Singh is a Fellow Member of the Institute of Chartered Accountants of India since 1964. He joined the firm in 1971 and became a partner in 1976.

He is responsible for a wide range of clients including many from overseas and specialises in general business advisory services. He is also responsible for maintaining the firm's technical standards in the fields of audit and accounting and also for training of audit staff.

He has extensive experience in the fields of corporate taxation planning, statutory and internal audits of large public sector undertakings, nationalised banks and large Companies, foreign collaborations, management consultancy, business valuations and Company investigations.

His expertise extends to providing complete consultancy services including drafting of various joint venture agreements, advice on taxation of foreign nationals, foreign Companies and Joint Ventures, obtaining approvals for foreign collaborations from Government of India, Reserve Bank of India and other regulatory authorities.

He has worked as Financial Advisor on World Bank funded project in Yemen for 30 months. He has also acted as Consultant to Commonwealth Secretariat in London in connection with setting up management information systems for the Government owned Companies in Nigeria.

K.A. BALASUBRAMANIAN

K.A. Balasubramanian is Fellow Member of the Institute of Chartered Accountants of England and Wales since 1975 and is also a Fellow Member of the Institute of Chartered Accountants of India since 1975. He has been a partner in the firm since 1976.

He is responsible for servicing a wide range of clients particularly those with international connections, has considerable experience in helping business in the formative years of their development and also has a specialist knowledge of dealing with national and international clients.

He has extensive experience in the audit of large public sector undertakings, nationalised banks, construction, manufacturing, trading, finance and service Companies. He has also been involved in various company investigations for foreign clients entering into tie-ups in India besides assisting in the formation of Joint Venture Companies in India.

He has vast experience and expertise in providing complete consultancy services including drafting of various Joint Venture Agreements, rendering of expert advice on taxation of foreign nationals, foreign companies and joint ventures, preparation and filing of application to Reserve Bank of India and Government for approval of collaborations and designing of accounting and management information system.

Also Engaged as member in:

- Study Group on "Glossary of Financial and Account Terms issued by Department of Public Enterprises" of ICAI.
- Sub-Committee of Financial Reports Review Board of the ICAI
- Chartered Accountants Benevolent Fund of the ICAI.
- Special Task Force-Financial Reports Review Board of the ICAI
- Members of Group for review of qualified audit reports of enterprises referred by SEBI-QARC

RANJAN CHOPRA

Ranjan Chopra is a Fellow Member of the Institute of Chartered Accountants of India. He joined the firm in 1992 and became a partner in 1997.

He is responsible for managing the firm's taxation department which looks after all the firm's corporate and personal tax clients.

He represents clients in various tax related matters before the Income Tax Authorities including the Income Tax Appellate Tribunal. He has considerable experience and expertise in taxation of expatriate personnel and foreign companies in India including interpretation of Double Taxation Avoidance Treaties. He has also formulated Tax Planning Schemes for employees of multinational companies.

<p>He is also involved in:</p> <ul style="list-style-type: none">▪ General Secretary – The Income Tax Appellate Tribunal Bar Association.▪ Member-ICAI of Sub-Committees of Direct Taxes, International Tax and NPO▪ Engaged as special counsel for the department to argue case in ITAT <p><i>JITENDER DHINGRA</i></p> <p>Jitender Dhingra is a Fellow Member of the Institute of Chartered Accountants of India. He joined the firm in 1992 and became a partner in 1997.</p> <p>He provides audit, accountancy and business advisory services to a variety of corporate and personal clients and charitable organisations. He has varied exposure to industry including manufacturing, trading, finance and other services like telecommunications.</p> <p>He has handled consultancy assignments relating to Business Valuation and advising foreign companies on opening offices in India and obtaining approvals from the regulatory authorities.</p> <p>He has also worked as Audit Senior in the Boston Office of Deloitte & Touche LLP for 18 months specialising in the audit of manufacturing Companies and Mutual Funds.</p> <p>He has considerable experience in statutory, internal and tax audits of corporates in construction, manufacturing and trading industries. He has handled consultancy assignments relating to upgradations of working system, improving internal controls and management information system of companies.</p> <p><i>SANJEEV SRIVASTAVA</i></p> <p>Fellow member of the Institute of Chartered Accountants of India having qualified in 2002.</p> <p>He has considerable experience in statutory, internal and tax audits of Companies in construction, manufacturing and trading industries.</p> <p>He has completed post qualification course in Information Systems Audit of the Institute of Chartered Accountants of India. He has been associated with the firm since 2008.</p>	<p><i>A.KALYANASUNDHARAM</i></p> <ul style="list-style-type: none">▪ Chartered Accountant with experience of over 36 years▪ He joined Khanna & Annadhanam, Chartered Accountants, New Delhi as a Partner and practiced taxation for a period of 13 years in 1971 and remained as partner till 1984.▪ Mr. Kalyanasundharam joined ITAT as an Accountant Member in 1984 became senior Vice President ITAT in January, 2003 and retired on 2008.▪ He has rejoined the firm as full time partner with effect from 1st January,2013. <p><i>MEETA SUKHIJA</i></p> <p>Associate member of the Institute of Chartered Accountants of India having qualified in 2011.</p> <p>She has acquired considerable expertise in the area of direct taxation. She has been actively engaged in providing expert professional advice to our various clients in the field of taxation. She has been associated with the firm since 2008.</p> <p><i>KAPIL MIGLANI</i></p> <p>Mr. Kapil Miglani is an associate member of The Institute of Chartered Accountants of India and was admitted to the partnership effective from the 1st of August 2013.</p> <p>He has extensive experience in the audit of the Airline Companies, Banks, Non Governmental Organizations. He is actively engaged in providing expert advice to companies on improving Internal Control Systems and Management Information Systems. He has been associated with the firm since 2008.</p>
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