

SHANKER & KAPANI
CHARTERED ACCOUNTANTS

Name of the client / organization _____ Year _____ Date of start & end 1st April 2014
to 31st March 2015 **person in charge**

CHECK LIST OF REQUIREMENTS

1. Memorandum & Articles of Association of the company : Attached
2. Ownership Profile i.e.

(i) List of Directors :

Sr. No.	Name of the director
1	
2	

(ii) List of shareholders with percentage holding.:

Name of Holding Company	% of Holding

(iii) Group / family wise holding :

(iv) Beneficial holding through intermediaries to be specified

3. Profile of the Multinational group to include

(i) Name & Address :

(ii) Legal status :

(iii) Country of tax Residence :

(iv) Ownership linkages between them :

(v) Copies of Corporate brochures

(vi) Latest Audited Annual Accounts of the group concerns :

4. Audited Annual Accounts of the company along with grouping :

5. Audited Annual Accounts of previous two years : Attached

6. A note on the Business Activities of the company including the Business segments & whether any Business segment commenced operations / discontinued than specify. :

7. A note on the industry both local & international :

8. A note on the international transactions with related parties Classifying into

(i) Exports

- (ii) Imports : (√)
- (iii) Royalty received / paid
- (iv) Technical know- how received / paid
- (v) Management / professional fees
- (vi) Service income
- (vii) Service charges
- (viii) Import of capital goods : (√)
- (ix) Interest paid / Payable :
- (x) Interest received
- (xi) Any other payments / receipts (HR & IT Recharge) : (√)
(To be specified)

9. List out the comparable transactions with unrelated parties :

10. If there are no comparable transaction list the external transactions i.e. transactions entered in to by other competitors the comparable could be an under (Do not have)

- (i) If case of sales – price list of competitors
- (ii) In case of purchase, price lists / quotations of other suppliers.

11. What are the difference between the international transaction with related party and the comparable transaction on the following grounds. :

1. Distinctive nature of the property and services
 - a. Quality of product / services;
 - b. Value of the transactions;
 - c. Presence of intangibles like brand name, marks etc.;
 - d. Material / physical features.
2. Functions performed
 - a. Design and development of product.
 - b. Sourcing of materials
 - c. Manufacturing
 - d. Warehousing
 - e. Sales and distribution :

f. Technical services

3. Risk analysis

Nature of Risk	Particulars
1. Financial risk : N/A	a. Capital contribution b. Method of funding c. Funding of losses
2. Product risk : N/A	a. Design and development of product b. Up-gradation of product c. After Sales Service d. Risks associated with R & D e. Product liability risk f. Intellectual property risk if any
3. Market risk	a. Development of market including advertisement and product promotion etc. b. Fluctuation in demand and prices c. Credit and collection risk (✓)
4. Entrepreneurial risk	a. Any understanding between associated enterprises on the transaction flow.

4. Contractual terms

- a. Terms of delivery
- b. CIF, C&F, FOB etc. (✓)
- c. Terms of payment
- d. Discount, if any
- e. Credit period
- f. Warranty period
- g. Installation services

12. Copy of the relevant agreements for “covered” transactions & “comparable” transactions i.e. in case of sales, sales contracts – contracts with related partners & outside partners : |