



Confederation of Indian Industry

INDIRECT TAX

# Report on Goods and Services Tax Survey

Industry expectations and perceptions

TAX

# Acknowledgements

This report, prepared by KPMG in India in cooperation with the Confederation of Indian Industries ('CII'), captures the views and expectations of the trade and industry regarding the implementation of Goods and Services Tax ('GST').

It also summarises the level of preparedness of the industry and the challenges the industry perceives that it would have to face due to this change.

Our foremost thanks go to all the respondents from across India who participated in our online survey.

We would like to thank members of the editorial board and other colleagues at KPMG, and also the staff of CII who have helped us in carrying out this survey.

---

More than **200**  
respondents participated  
in the survey



**Russell Parera**  
CEO, KPMG in India



**Hari Bhartia**  
President CII



**Dinesh Kanabar**  
Deputy CEO & Chairman Tax  
KPMG in India



**Uday Ved**  
Head of Tax  
KPMG in India



**Sachin Menon**  
Head of Indirect Tax  
KPMG in India

## Sectors to which the respondents belonged

Manufacturing

**30 %**

Trading

**13 %**

Services

**42 %**

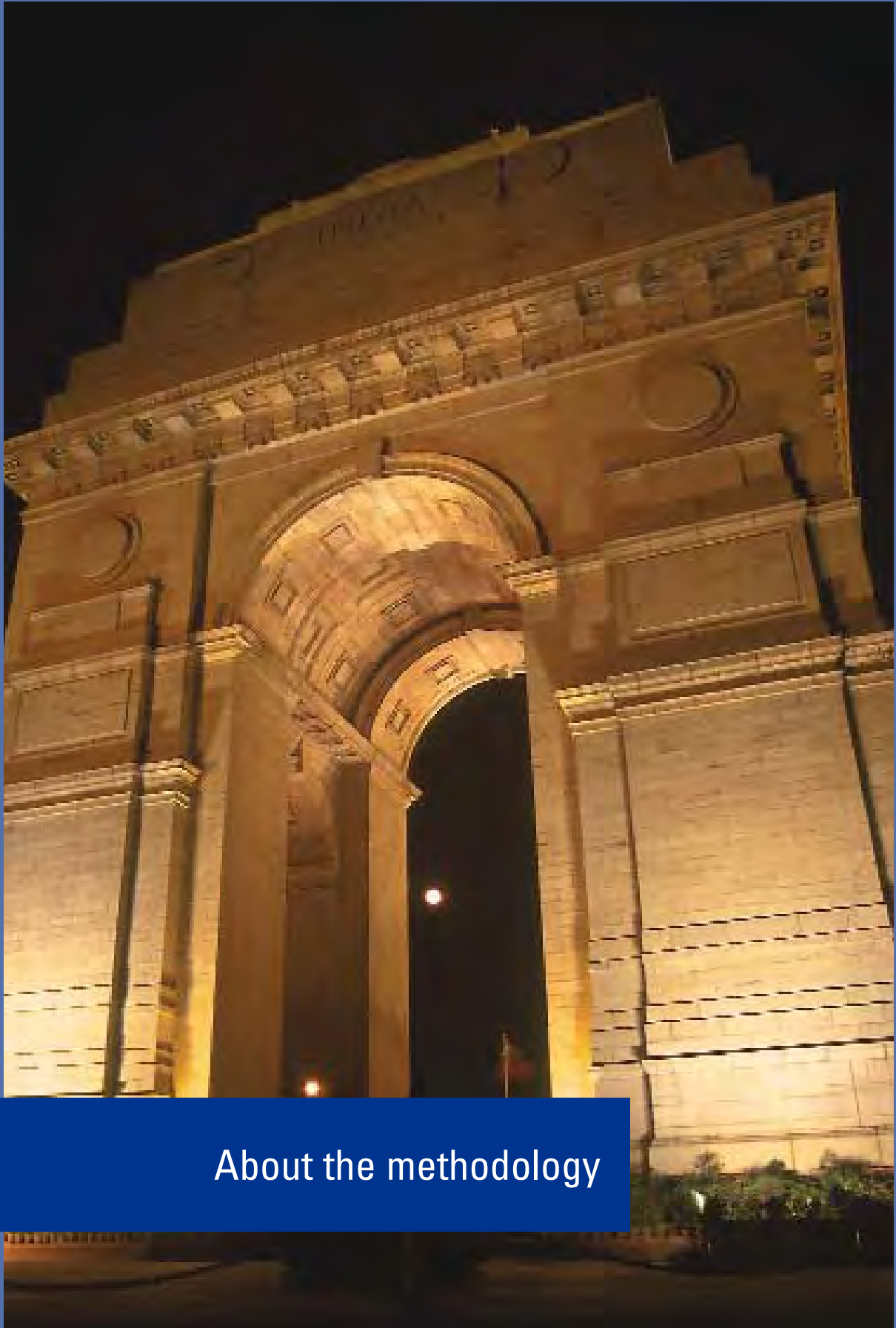
Multisector

**15 %**

## Contents

1	About the methodology
3	Executive summary
5	GST structure and rates
11	Likely impact on business
21	Readiness for change
27	The way forward





## About the methodology

# About the methodology

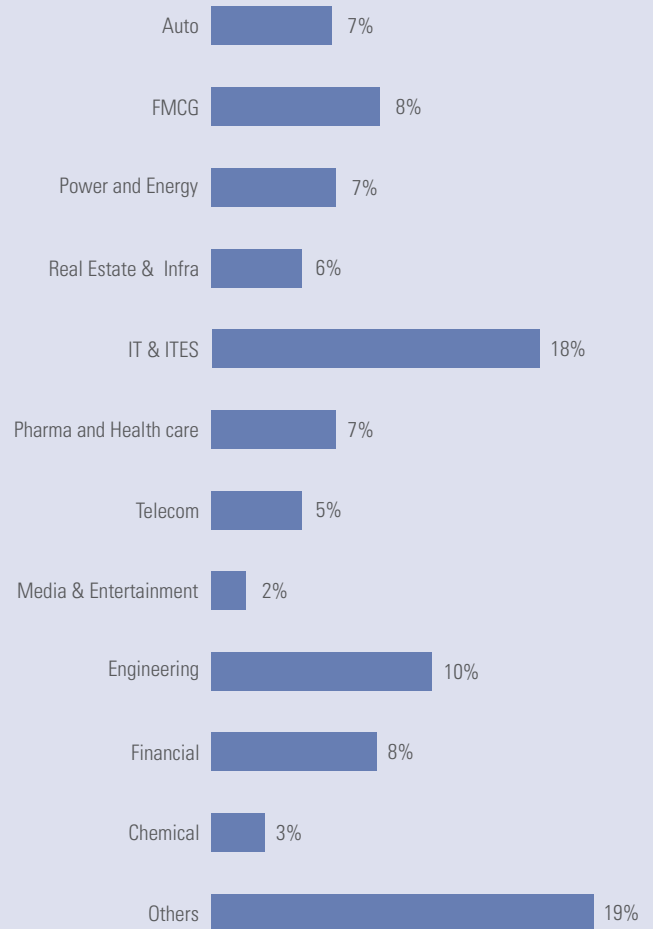
The survey strives to understand how businesses are preparing themselves for introduction of the new tax, what are their areas of concern and the potential benefits they see accruing to their businesses.

The survey was online which contained multiple choice questions primarily revolving around the rates and structures, impact on businesses, and the readiness of the respondents for the new tax. It was conducted over a period of six months, starting December 09.

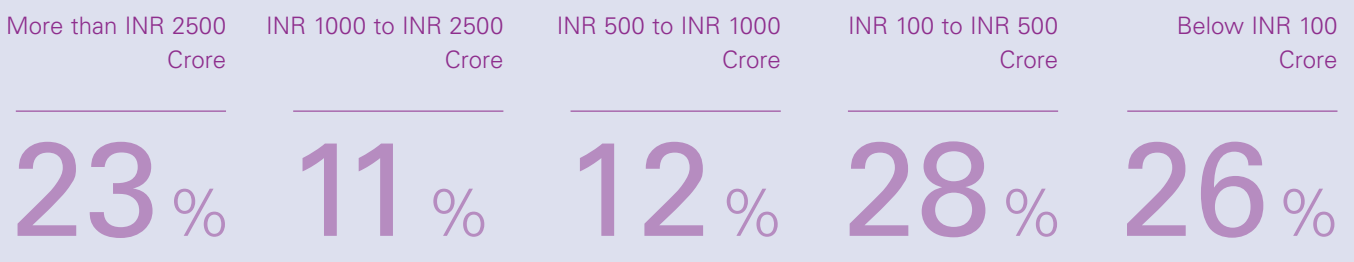
Presence of the respondent in India

80 %	Present in more than One state
20 %	Present in One state

## Respondents by industry:



## Respondents by Turnover:





## Executive Summary

# Executive Summary

This report, prepared by KPMG in India in cooperation with the CII, seeks to understand and present the responses, suggestions and preparedness of the Indian industry towards the imminent introduction of the GST.

## GST structure and rates

There is clearly a perception that since the new tax is a cooperative endeavour of the Central and the State Governments, it should be seen as a national tax. Accordingly, a majority of the respondents prefer a single common enactment for the Centre and the States. It follows that they would prefer a single rate for CGST and SGST across India. The survey also found that the respondents expect a pan-India common policy treatment of complex issues with inter-State aspects. Further, the respondents have very definitive views about the structure of the new tax. They are realistic enough to know that the cumulative standard rate of GST may not be less than 14 to 16 percent. But nevertheless they would much prefer the tax to be collected at a single rate for both goods and services.

## Likely impact on business

Considering the present rate of tax and the likely upward revision of tax on services, 78 percent of the respondents think that this upward revision in rate would have a moderate to high impact on their business. One of the novelties in GST will be levy of tax on stock transfers. The response is along expected lines and about 45 percent of the respondents feel that the tax on stock transfers will have a moderate to high impact on their business. But of course, the tax on stock transfers would have a sizable impact only on those companies which are present in more than one State and are dealing in 'goods'.

One of the salient feature of GST is the availability of full input tax credit across goods and services thus favourably impacting profitability and pricing of goods and services.

## Readiness for change

GST is not merely a new tax; it will be one of the most important factors in changing the way business is done in India. The introduction will affect both the business processes within the organisation and how businesses operate in the unified national market.

Transition will therefore involve changes in IT systems, supply chain, and product pricing amongst other changes. Nearly 40 percent of the respondents feel that IT/ System changes amongst others would be their most prominent challenge, whereas supply chain restructuring and product pricing figure next on the list.

In light of the magnitude of the change, two thirds of the respondents were of the view that they are not fully prepared for the transition.

*Majority of the respondents are of the opinion that the new tax should be introduced by*

***...April 2011.***



## Structure and rates



## Single enactment Vs Multiple enactments

GST being perceived as not only a new tax but also a national tax, an overwhelming majority clearly preferred one single common enactment/ law for the Centre and the states, despite the existing constitutional limitations.

Further, considering that more than 75 percent of the respondents have presence in more than one state, they obviously see a single common enactment as a solution to the difficulties presently caused by multiple tax laws.

Also, the respondents may have perceived that one single enactment may promote synergies of operation/ business.

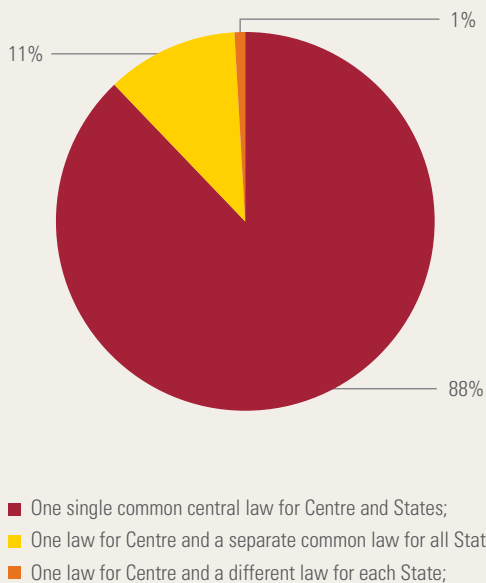
Other probable reasons for this preference could be that:

- The opportunity to have one single common law (for Centre and states) may not present itself again
- A single law may promote the cause of India as a single unified market.

# 88%

**Majority of the respondents prefer having a single GST enactment, both for the Centre and the States**

Q1. Would you prefer a single GST enactment or multiple enactments?



Source: KPMG in India's GST Survey 2010

### Our comments

The potential benefits of having one single common law for Centre and states are undeniable.

To reach this objective the state Governments may have to;

- Accept certain restrictions on their autonomy regarding fixation of rate of tax;
- Accept that their power and freedom to frame and implement industrial and fiscal policies may be impaired; and
- Forego the powers given under the constitution

For a single enactment to be in place, all states need to reach a consensus and accept the above position.

Therefore, a single common law for Centre and states may remain a distant goal. Nevertheless, it would still be possible for all states to have a common law for SGST

## Rate structure under GST

Again an overwhelming majority clearly preferred one single rate for CGST and SGST across India.

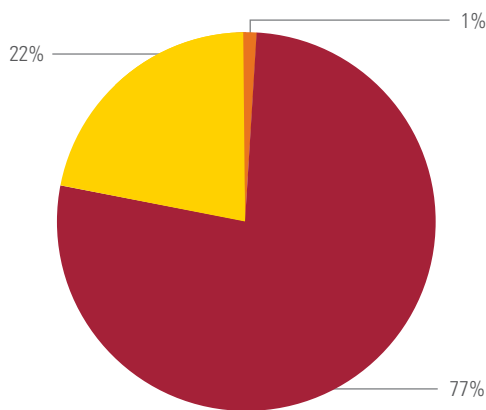
This primarily reiterates the perception of GST as a national tax as is mentioned in the comment relating to one single law/enactment for GST.

However, in addition to the reasons stated therein, the message that the respondents may intend to convey is that the new tax regime should be uncomplicated and easy to comply with.

**77%**

**Majority of the respondents prefer having one single rate for CGST and SGST across India**

Q2. What should be the rate structure?



- One single common rate for CGST and SGST across India;
- One single rate for CGST and common standard rate for SGST across all States;
- One single rate for CGST and multiple rates for SGST across all States

Source: KPMG in India's GST Survey 2010

### Our comments

More than a parity between CGST and SGST rates, perhaps what is more important is to have a simple rate structure. In general, the rate structure should be designed to ensure that there is no inverted duty anomaly, disputes around classification or even a multiplicity of rates.

Given the federal structure of the polity and the diversity of the economy, agreement on a single common rate may count as a significant achievement.

The recent suggestions by the Union Finance Minister ('FM') to the states to align their rates with the Union rate will go a long way in meeting this aspiration.

## Cumulative standard rate of GST

The respondents have perceived that considering the transparency in the new tax regime, a cumulative standard rate between 14 to 16 percent may find consumer acceptance.

Today, the burden of indirect tax is well hidden from the consumer as excise duty, central sales tax, octroi, etc become part of the price for the final consumer.

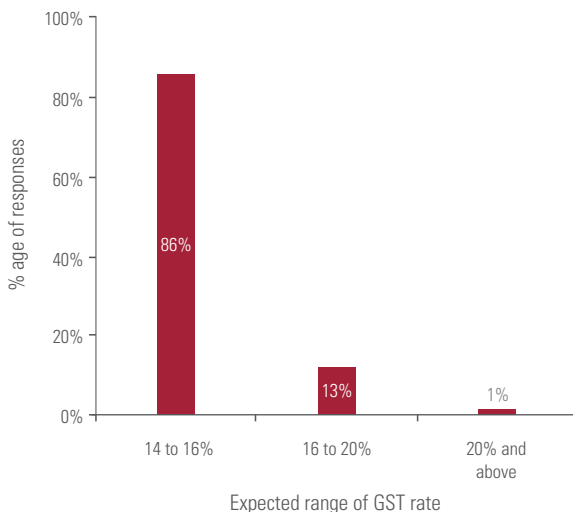
Under the new regime, tax will never become a part of the price and the hidden component of tax would become visible.

Therefore, the respondents probably feel that a higher rate of tax may trigger consumer resistance.

Range	14 percent to 16 percent	16 percent to 20 percent	More than 20 percent
Responses	86%	13%	01%

**86%**  
of the respondents would prefer a cumulative standard rate between 14 to 16 percent

Q3. What do you think should be the cumulative standard rate?



Source: KPMG in India's GST Survey 2010

### Our comments

Central and the state Governments aim is to earn the same revenue as before even under the new tax regime.

In financial year 2007-08, the collection from taxes which are recommended to be subsumed under GST is approximately INR 3,04,954 Crore (for Centre INR 1,68,005 Crore, and for states INR 1,36,949 Crore) [Source: Report of Task Force on Goods and Services Tax, Thirteenth Finance Commission].

The new rate/s have to be decided keeping revenue neutrality as the objective.

Perhaps, with this objective the FM has hinted at a standard rate of 20 percent on goods (with 12 percent on specified goods) and 16 percent on services.

However, having a new rate structure as high as 20 percent may inevitably lead to additional tax burden on some commodities and on some classes of consumers, and at the same time reduce the burden for some others marginally.

## Taxation of services

Since 1994, the Central Government has been notifying only taxable services. The list of taxable services has been enlarged year after year with more and more services being brought under the tax net.

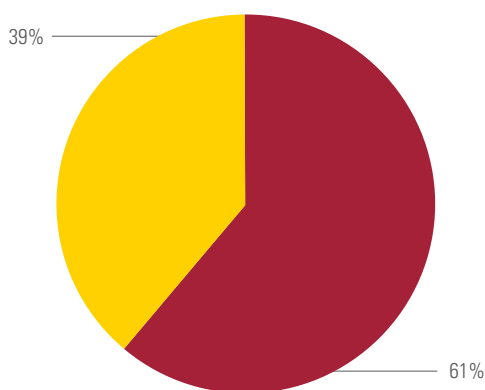
Currently, notified taxable services are widely worded and can be interpreted to cover almost all services offered in business which has led to interpretation issues and avoidable litigation.

This appears to be the reason why majority of the respondents prefer that only exempted services should be notified.

**61%**

**Majority of the respondents prefer that exempted services be notified instead of taxable services**

Q4. Should all services be taxed with a separate exempted services list or whether only taxable services be notified as is done today?



- All services taxed with the separate exempted services list
- Only taxable services should be notified

Source: KPMG in India's GST Survey 2010

### Our comments

Internationally, economic activities where the subject matter is not goods are treated as services with a list of certain exempted services. It would require a change of perception to appreciate that certain contingencies (e.g. non compete fees) may henceforth also constitute service.

The practice of notifying only the exempt goods and the goods to be taxed at concessional rate is prevalent for classification of goods under the VAT regime which merits to be extended to services.

This should bring clarity and reduce avoidable litigation.







## Likely impact on business



## Impact on stock transfers

The responses are mixed and the reasons are not hard to find. Considering that close to 47 percent of the total respondents are from the service sector where stock transfers is really not an issue, it is not surprising that 37 percent of the respondents feel that taxation of stock transfers would have negligible or no impact.

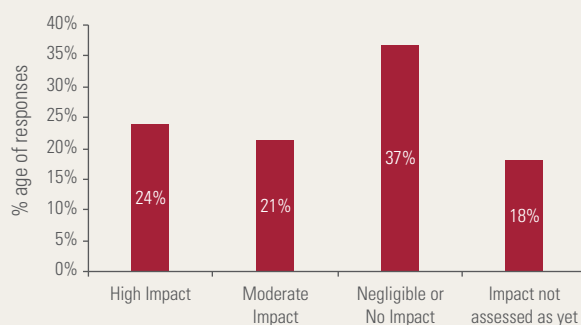
Besides, 18 percent of the respondents admit that they have not yet assessed the impact of taxation of stock transfers on their business.

Further, the 45 percent respondents who have mentioned that they expect either high or moderate impact are generally from FMCG, Pharma, or Engineering sectors and most of whom are present in more than one state.

# 45%

of the respondents feel that their business would be impacted on account of taxation of stock transfers

Q5. What will be the implications of taxation of stock transfers on your business?



Source: KPMG in India's GST Survey 2010

### Our comments

Taxation of stock transfer is in effect only a prepayment of tax on output which will primarily impact the working capital requirements. The quantum of impact will vary depending on stock turnaround time at warehouse, credit cycle to customer, quantum of stock transfer, etc.

The scenario in the service sector may dramatically change if the intra company supply of services become taxable under GST.

It is thus necessary for each business to study this impact individually.

## Consolidation of operations

One of the important reasons for an organisation to spread its business operations across various states is to minimise the burden of Central Sales tax.

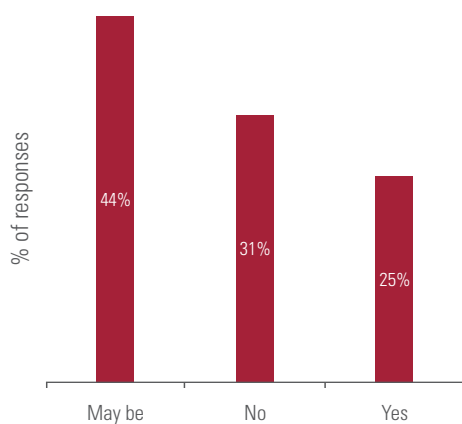
Under the new tax regime, tax on inter-state transactions would only be a pass through and therefore, location of a plant/ warehouse/ contract manufacturer would become tax neutral.

It would certainly take some time for businesses to assess the cost involved in relocating and the gains that would follow there from. Therefore, close to majority of the respondents may have responded as "May be".

**44%**

**of the  
respondents may  
consider  
consolidating  
their business  
operations**

Q6. Would you consider consolidating your operations (i.e. manufacturing locations/ warehouses/ contract manufacturing/ etc) in light of GST?



Source: KPMG in India's GST Survey 2010

### Our comments

In addition to cost of relocation, consolidation may present several other challenges with uncertain consequences e.g. re-organisation of the business, HR-related issues, land acquisitions, etc. Respondents are rightly cautious, but they need to start the process early and utilise the lead time to shape up the decisions and prepare their plans.



## Revision in prices of goods or services

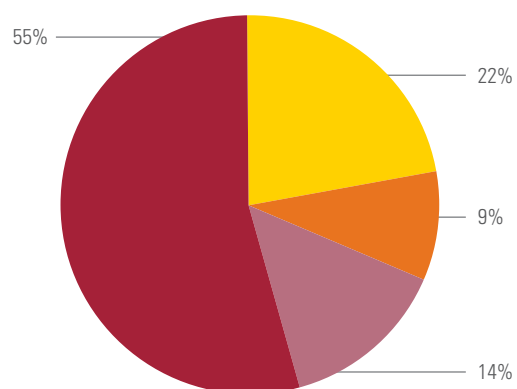
Price fixation is critical to the growth of any business. About 55 percent of the respondents have yet to assess the impact of GST on their pricing formulae/ structure.

Once there is clarity about the operational impact of GST and finality about the rate structure, then price fixation would become easier.

# 55%

**Majority of the respondents have not yet assessed the impact of GST on the price of goods or services**

Q7. Do you believe GST will require revision in prices of your goods or services?



- Yes, upward price revision
- Yes, downward price revision
- No revision necessary
- Not assessed as yet

Source: KPMG in India's GST Survey 2010

### Our comments

In order to gauge the component of tax built into the cost and price of a product or services, businesses first need to decipher their current pricing system.

This exercise may require collection of data from within and outside the organisation.

Those organisations which restructure their prices early, may gain first player advantage in a competitive market.

# Input tax credit under the GST regime and its impact on profitability

The distinguishing feature of GST is provision of full input tax credit across goods and services, and collection of tax on value added at each stage so that full tax is borne by final consumer. This ensures that tax is always a pass through and that it never becomes part of the cost.

For these reasons most of the respondents have stated that introduction of GST will have a positive impact on their profitability.

However, nearly one out of six respondents (more than 50 percent of the respondents being from the service sector) did not feel that introduction of GST would impact his profitability. The could be on various counts

- They are already enjoying the benefit of substantial input tax credit e.g. service exporter;
- The cost of salaries and wages far exceeds the cost of material or services, etc.

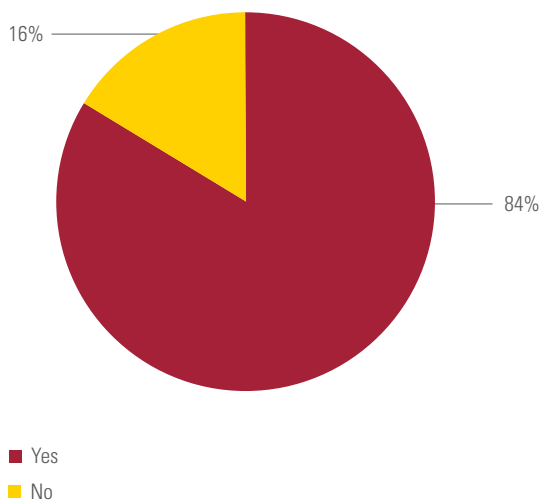
yes

84%

No

16%

Q8. Do you believe that introduction of GST will result in better input tax credits for your business resulting in better profitability?



Source: KPMG in India's GST Survey 2010

### Our comments

It was the introduction of MODVAT credit in Central Excise way back in 1986 that first convinced the industry that grant of input tax credit positively affects the profitability. By the year 2004, the excise and service tax reforms were complete and credit was available across purchases of goods and services. The introduction of VAT in the year 2005 reinforced this conviction by allowing input tax credit of purchases.

Under GST, every tax payer will be able to claim credit of all indirect taxes paid on the purchase of goods and services.

Apart from the impact on bottom line of businesses, seamless credit would also be beneficial to Government revenues as it has a built in self policing feature and reduces tax slippages.

## Impact of GST on working capital requirements

Apart from impacting tax cost, GST is also likely to have an impact on the cash flow requirement of business. This would be especially prominent in case of transactions involving supply of goods.

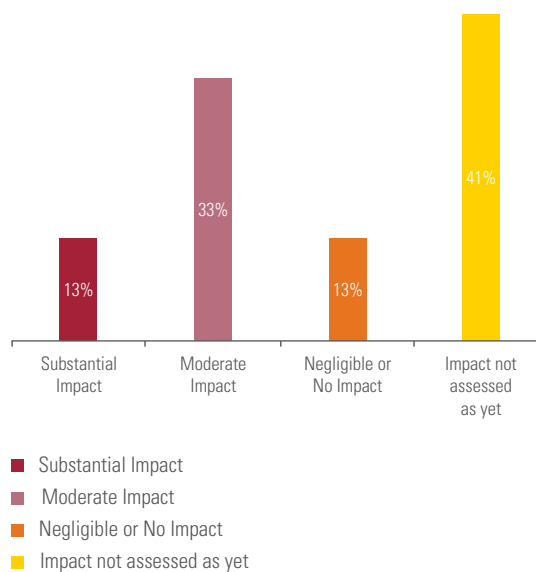
Majority of the respondents who have said that there would be negligible impact or have not yet assessed the impact are from the services sector.

Further, majority of the respondents who have stated that there would be either substantial or moderate impact have presence in more than one state and deal predominantly in 'goods'.

# 46%

**Close to majority of the respondents feel that higher working capital may get blocked under the new tax**

Q9. Have you assessed the impact of GST on working capital requirements? What will be the extent of the impact? Working capital may be impacted in view of abolition of CST on goods, tax on stock transfers, GST on imports, increase in rate of tax on services, etc.



### Our comments

The contingencies due to which working capital would be blocked arise primarily on account of GST on imports and on stock transfers, etc.

Even in a federal structure with unified GST through proper transaction planning, it may be possible to optimise cash flows.

It may be prudent therefore for businesses to estimate and plan their working capital requirements.

Source: KPMG in India's GST Survey 2010

# Mechanism to transfer credit from one State to another should be built into the GST regime or not

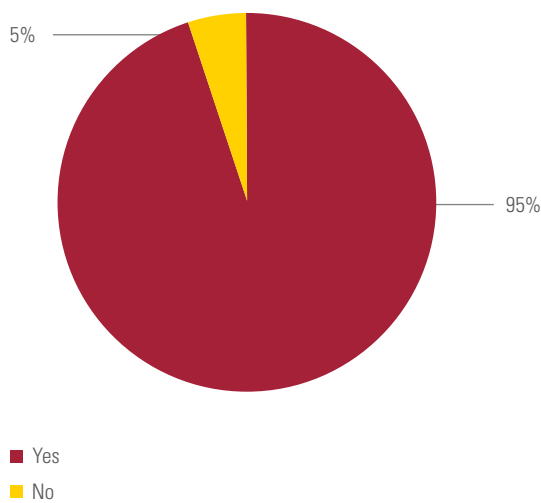
There is a near unanimous response that accumulated credit in one state should be allowed to be transferred to another state for utilisation.

Further, this response was also expected considering that close to 80 percent of the respondents have presence in more than one state.

**95%**

**Near unanimous response for transfer of excess credit to be allowed from one State to another**

Q10. A tax payer may have accumulated credit in one State and a liability in another State. Therefore, whether a mechanism to transfer credit from one State to another should be built into the GST regime?



Source: KPMG in India's GST Survey 2010

**Our comments**

In India, accumulation of credit becomes an issue in the absence of an appropriate transfer or refund mechanism.

The present proposal for GST ensures that the number of refunds are substantially reduced. Unless tax payers are allowed to transfer excess credit from one state to another, they would be forced to claim refunds in some states and pay taxes in others. This would lead to working capital blockage for the industry.

However, for such kind of a proposal there are no international precedents and the industry may have to create a strong case.

Hopefully, the proposed IGST mechanism may fulfill the industry aspirations.



## Rate of tax on services

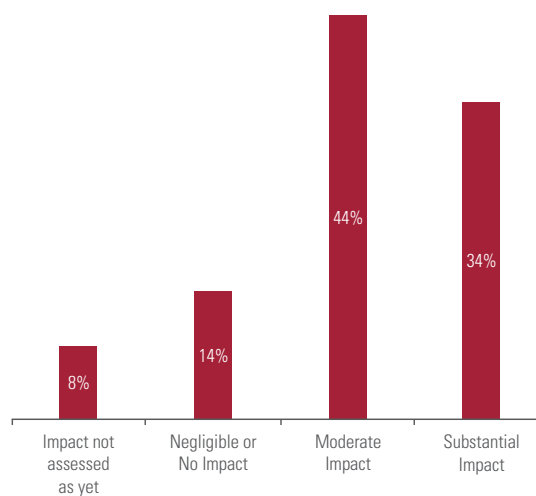
Majority of the respondents feel that there would be an impact on their business due to an increase in the rate of tax on services.

It appears to be the apprehension of the respondents that increase in the rate of tax on services will mean that a larger amount paid by way of service tax will remain locked up till it is utilised. This would certainly affect the working capital requirements, and could also turnout to be a cost where the output is not within the purview of GST.

# 78%

**Majority of the respondents feel that their business would be impacted due to an increase in the rate of tax on services.**

Q11. What would be the impact on your business on account of increase in the rate of tax on services?



Source: KPMG in India's GST Survey 2010

### Our comments

Under the current tax regime, the cumulative rate of tax on goods (both of the Centre and the state) is approximately between 20-22 percent. Whereas for services the present rate of tax is only 10.3 percent.

If suggestions of the FM is accepted by the states, under the GST regime, services would be taxed at 16 percent which would be higher than the current rate of 10.3 percent. There could be strong consumer resistance in case of services with strong demand elasticity. This could force some sectors to absorb the hike themselves. Depending on how much is passed on or absorbed, it would affect the performance of service sector companies.

## Cash refund mechanism as a substitute for the present State incentives

Majority of the respondents are of the view that cash refunds will be an effective substitute for the tax benefits presently available under the state incentive schemes.

Interestingly enough, some of the respondents from the balance of 34 percent also belong to the manufacturing sector and may have enjoyed state incentives.

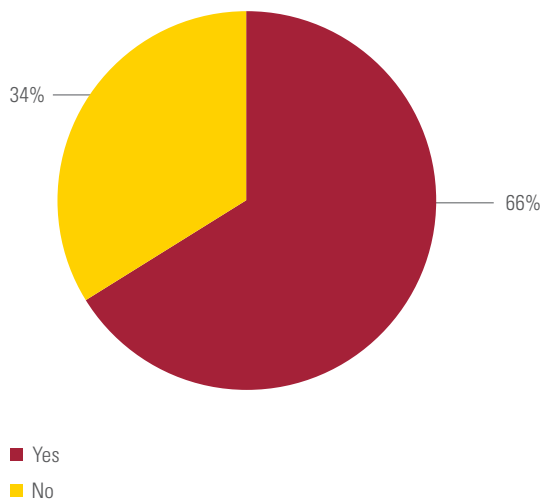
The first reason for the minority response could be that whether the states would continue to extend the benefit towards inter-state transactions is still an unresolved issue.

The second probable reason why these respondents have said that cash refunds will not be an effective substitute could be because the standard state rate (SGST) is proposed to be much less than the current standard VAT rate thus reducing the quantum of benefit.

**66%**

**Majority of the respondents feel, cash refund would be an adequate substitute for tax benefits**

Q12. State incentive schemes are likely to be converted to cash refund mechanism. Will this be effective substitute for the present State incentives?



Source: KPMG in India's GST Survey 2010

### Our comments

The benefits under the present schemes are provided under the respective Sales tax/ VAT Acts.

Under the GST regime, to maintain an unbroken chain of tax and credit, units under the incentive schemes may have to be treated on par with other normal units which claim input tax credit and pay tax. This could possibly be done through refund of tax these units would pay.

However, the SGST rate suggested by the FM is less than the current standard VAT rate, thus reducing the overall quantum of incentive amount accruing to these units. It must be stressed that many companies made their business plans and built their business models in a state based on a particular state incentive system and VAT regime system. If this regime changes, financial projections of many companies may get skewed. The interests of such units need to be protected by the state Governments through a mutually acceptable mechanism.

# Market Information

Market (Daily)

Billions of Dollars



Billions of Dollars





## Readiness for change

# Challenges for business during the transition to GST

Clearly, the nature of a business dictates the nature of potential challenges. A substantial majority of the service sector businesses feel that IT/ Systems changes will prove to be the biggest challenge during the transition.

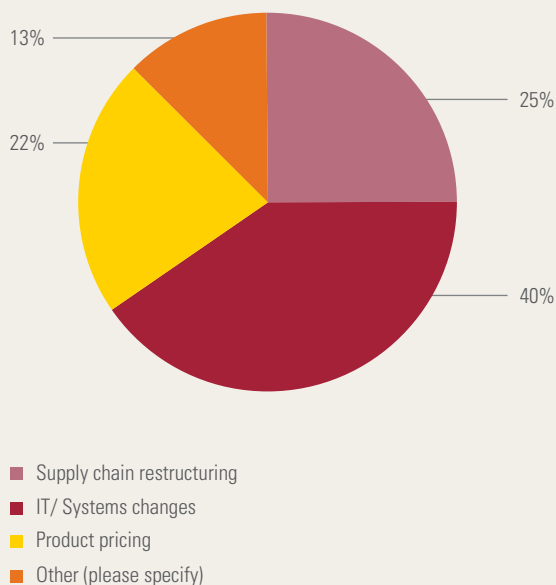
A majority of the manufacturing businesses are of the opinion that supply chain restructuring is likely to prove to be the main challenge.

The number of businesses who feel that product pricing will be their biggest challenge are divided equally between service sector and manufacturing sector.

# 40%

**Close to majority of the respondents feel that IT/ system changes are the biggest challenge**

Q13. Please grade the biggest challenge for your business during the transition to GST regime?



Source: KPMG in India's GST Survey 2010

## Our comments

Some of the challenges for each category are

### IT/ Systems perspective

- Different compliance requirement;
- Change in approach towards transaction relating to purchases, sales, and stock transfers;
- Changes in the accounting treatment of certain transactions, etc

All the above may require realignment of the existing software applications or even development of new applications

### Supply chain perspective

- Sourcing strategies may change on account of a liberal credit regime;
- Re consideration of distribution strategies on account of taxation of stock transfers;
- Revisiting inventory related controls considering the vendors consolidating their operations

### Product pricing perspective

- Deciphering the current product pricing;
- Impact on product pricing on account of GST;
- Renegotiations with the customers, etc

Depending on the nature of activities, businesses may have to prioritize their challenges.

## Time required to reconfigure the current IT system for business

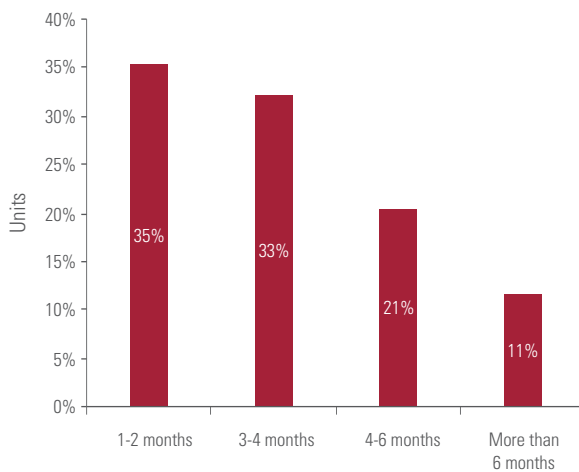
Nearly 68 percent of the respondents feel that they will not require more than four months to get their IT system reconfigured.

It may be possible that they expect the software/ ERP solution providers to assist them with ready or nearly ready solutions.

**68%**

**Majority of the respondents feel that it may take not more than four months to get their IT systems reconfigured**

Q14. How much time do you think it would take for you to reconfigure your current IT system?



**Our comments**

In today's businesses, IT systems are an integral part of business processes. Therefore, time required for reconfiguring IT systems would define the time required for making changes in the business processes.

It is necessary that the Government allows 4-6 months (from the date of releasing the legislation) for the industry to tune its IT systems.

Source: KPMG in India's GST Survey 2010



## Level of preparedness for organizations to handle/ face the introduction of GST

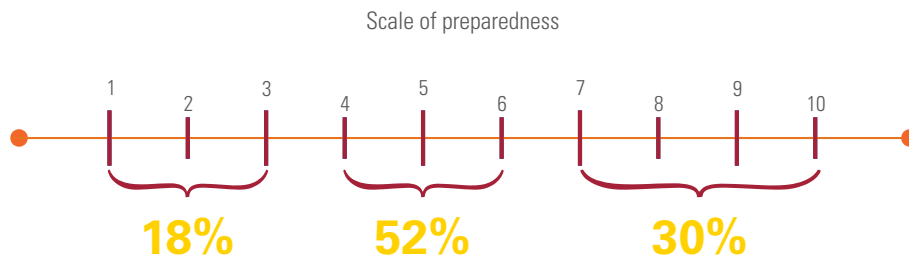
The introduction of GST was announced in the Union Budget of March 2006. The Empowered Committee of State Finance Ministers published the 'First discussion paper on GST' on 10 November 2009. Thereafter, the FM in his budget speech for 2010-2011 asserted that it would be his earnest endeavour to introduce GST by April 2011. But the details of the tax were slow in coming. Therefore, it is not surprising that only close to 50 percent of the respondents rate themselves between 4-6 on a scale of 10 while estimating their preparedness for GST.

It is only in July this year that some clarity on probable GST rates, threshold exemptions appeared through FM's speech.

# 52%

**Majority of the respondents feel that they are 50 percent prepared for the new tax regime**

Q15. On a scale of 1 to 10, how would you rate the preparedness of your organization to handle/ face the introduction of GST?



Source: KPMG in India's GST Survey 2010

### Our comments

The uncertainty about the date of introduction clearly had a role to play. Now that the indicative GST rates are known, it would give fillip to the efforts of businesses to analyse the probable impact. Businesses can, on the basis of information available on public domain carryout a high level assessment of the potential GST impact on business operations. The detailed assessment (as well as preparations) can follow once the draft legislation is released.

<sup>1</sup> Budget speech of the Union Finance Minister

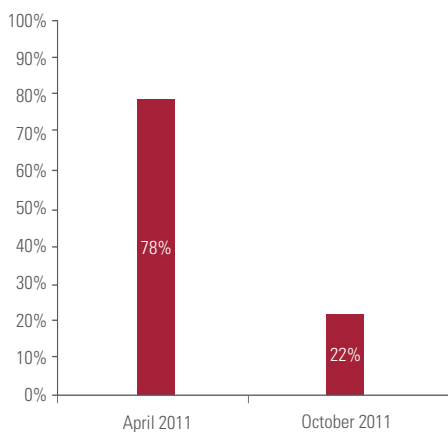
## Likely date for introduction of GST

It appears that the corporate sector has a time scale in view. More than 75 percent of the respondents feel that the proper date for introduction of GST could be April 2011. In their opinion this would provide adequate time for both the industry and the Government.

**52%**

**Majority of the respondents feel GST should be introduced by April 2011**

Q16. Considering the preparation required by the industry and the governments what date do you feel should be the likely date for implementing GST?



Source: KPMG in India's GST Survey 2010

### Our comments

The union Finance Minister in his budget speech of 2009-10 spoke of the Central Governments catalytic role in facilitating the introduction of GST, While in his 2010-11 budget speech he stressed his earnest endeavour to introduce GST by April 2011.

The target date of 1 April 2011 is achievable and majority of the respondents have settled for this date.

The introduction of GST requires setting up of a nation wide IT network, a political consensus, amendments of the constitution and preparation of the new law and procedures with a clear road map and commitment from all concerned. If concrete steps are seen on these fronts in the next few months, the desired date could be achievable.





## The way forward

---

# The way forward

The single largest reform in the system of indirect taxes is about to commence. The current indirect tax regime in India is historical and complex. It is riddled with a multitude of tax laws, litigations, compliances, etc. Also, the state-specific nature of many taxes along with taxation of inter-state transactions leads to the fragmentation of the domestic market which adds cost to business.

The introduction of GST can help ensure a change which addresses these complexities; however, this will involve concerted efforts on the part of all stakeholders. Obviously, the stakeholder required to take the first steps is the Central Government. Provision of a nationwide IT structure, training and financial assistance, especially for the smaller states, and getting an agreement on the changes to the constitution are some of these steps.

The next stakeholders, who are the state Governments, need to arrive at an agreement amongst themselves on policies and procedures. They also need to coordinate their decision making with the Central Government so as to obtain a broader agreement and devise a detailed roadmap.

The tasks for the industry as a stakeholder are varied. Industries will have to change internally and also change the way they do business. They need to develop new strategies for doing business in a unified national market which may also require consolidation or re-organising of operations.

In addition to the internal changes, industry will also have to provide inputs to Governments to help identify critical issues and devise solutions. This may be done acting through industry associations and confederations.

The opportunity to reform the indirect tax laws will not come again early so this process needs to start immediately. The future will soon be with us.



## KPMG in India

### Bangalore

Maruthi Info-Tech Centre  
11-12/1, Inner Ring Road  
Koramangala, Bangalore – 560 071  
Tel: +91 80 3980 6000  
Fax: +91 80 3980 6999

### Chandigarh

SCO 22-23 (1st Floor)  
Sector 8C, Madhya Marg  
Chandigarh 160 009  
Tel: +91 172 393 5777/781  
Fax: +91 172 393 5780

### Chennai

No.10, Mahatma Gandhi Road  
Nungambakkam  
Chennai - 600034  
Tel: +91 44 3914 5000  
Fax: +91 44 3914 5999

### Delhi

Building No.10, 8<sup>th</sup> Floor  
DLF Cyber City, Phase II  
Gurgaon, Haryana 122 002  
Tel: +91 124 307 4000  
Fax: +91 124 254 9101

### Hyderabad

8-2-618/2  
Reliance Humsafar, 4th Floor  
Road No.11, Banjara Hills  
Hyderabad - 500 034  
Tel: +91 40 3046 5000  
Fax: +91 40 3046 5299

### Kochi

4/F, Palal Towers  
M. G. Road, Ravipuram,  
Kochi 682 016  
Tel: +91 484 302 7000  
Fax: +91 484 302 7001

### Kolkata

Infinity Benchmark, Plot No. G-1  
10th Floor, Block – EP & GP, Sector V  
Salt Lake City, Kolkata 700 091  
Tel: +91 33 44034000  
Fax: +91 33 44034199

### Mumbai

Lodha Excelus, Apollo Mills  
N. M. Joshi Marg  
Mahalaxmi, Mumbai 400 011  
Tel: +91 22 3989 6000  
Fax: +91 22 3983 6000

### Pune

703, Godrej Castlemaine  
Bund Garden  
Pune - 411 001  
Tel: +91 20 3058 5764/65  
Fax: +91 20 3058 5775

## KPMG Contacts

### Uday Ved

Executive Director and  
Head of Tax  
e-Mail: [uved@kpmg.com](mailto:uved@kpmg.com)  
Tel: +91 22 3090 2130  
Fax: +91 22 3983 6000

### Sachin Menon

Executive Director and  
Head of Indirect Tax  
e-Mail: [sachinmenon@kpmg.com](mailto:sachinmenon@kpmg.com)  
Tel: +91 22 3090 2682  
Fax: +91 22 3983 6000

### Pratik Jain

Executive Director  
e-Mail: [pratikjain@kpmg.com](mailto:pratikjain@kpmg.com)  
Tel: +91 124 334 5002  
Fax: +91 124 254 9195

### Santosh Dalvi

Executive Director  
e-Mail: [sdalvi@kpmg.com](mailto:sdalvi@kpmg.com)  
Tel: +91 22 3090 2685  
Fax: +91 22 3983 6000

### Dilip Dixit

Senior Advisor  
e-Mail: [dilipdixit@kpmg.com](mailto:dilipdixit@kpmg.com)  
Tel: +91 20 3058 5769  
Fax: +91 20 2605 0409

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2010 KPMG, an Indian Partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

KPMG and the KPMG logo are registered trademarks of KPMG International Cooperative ("KPMG International"), a Swiss entity.

Printed in India.