

Nangia Andersen LLP

Engagement Letter

Krisumi Corporation Private Limited

21st October 2019

A member firm of **ANDERSENGLOBAL**



Nangia Andersen LLP

Private & Confidential

Krisumi Corporation Private Limited

Plot no.461, 462, Phase III, Sector 22A, Sector 20, Gurugram, Haryana 122016

SUB: ENGAGEMENT LETTER FOR RENDERING PROFESSIONAL SERVICES

Dear Mr Sahni,

At the outset, we thank you for providing Nangia Andersen LLP ('Nangia Andersen' or the 'Firm' or 'we' or 'our') the opportunity to provide professional services to Krisumi Corporation Private Limited (hereinafter referred as 'Client' or "company"). This Engagement letter (hereinafter referred as 'EL' or 'letter') sets out our understanding of the requirements of the Company, the scope of services that we agree to provide and terms governing the engagement.

1. BACKGROUND & UNDERSTANDING

Sumitomo Corporation (Japan) and Krishna Group have come together to undertake landmark developments in India. Sumitomo Corporation with its over 400 year history as one of the largest conglomerates out of Japan, and Krishna Group with its robust financial backing as one of the largest Automotive Component Manufacturer (Flagship company being Krishna Maruti Limited – a 3 way JV between Krishna, Maruti India and Suzuki Japan), bring unmatched strength to the initiative.

In line with the Japanese Step-by-step philosophy, the current JV between Krishna and Sumitomo to focus only on Phase 1 spanning 697,831 sft of FSI or approx. 1 million sft of saleable area. The Phase 1 Joint venture shall be undertaken in a separate JV entity: Krisumi Corporation Private Limited ("Krisumi") which would engaged in real estate development over land parcels admeasuring approx. 30 acres.

Krisumi shall develop a high end residential projects and offer to the Indian customer residential condos developed with Japanese participation as Sumitomo shall be bringing on board design and construction management expertise.

We have been given to understand that the Bluejays Realtech Private Limited and PG Propcon are being evaluated to be merged with Krisumi.

In the above backdrop, Krisumi seeks professional services and support of Nangia Advisors LLP with respect to Direct tax and regulatory support services. The scope of services have been outlined in the ensuing pages



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with respect to Krisumi, Bluejays and PG Propcon subject to the specific requirements with respect to Krisumi

2. ANDERSEN GLOBAL

Nangia Andersen is a full member firm of Andersen Global. Andersen Global is an international association of legally separate, independent member firms with more 800 global partners.

Currently Andersen Global has presence in over 153 locations through its member and collaborating firms. Our core values are:

- **Best in Class Service - Aiming to be the benchmark in our industry**
- **Stewardship – We hire the best and brightest people in the industry**
- **Independence – We work with best interest of our client**
- **Seamless – We share an interest in providing highest level of service regardless of location**
- **Transparency – We value open communication, inclusive decision making**

3. SCOPE OF SERVICES

Our scope of work for the services is outlined in **Annexure 1** of the present engagement letter and forms an integral part of the engagement letter.

4. SCOPE LIMITATIONS

We expect our scope of work, as agreed in section 2 above, to be subject to certain scope limitations. These are outlined in **Annexure 2** of the present engagement letter and forms an integral part of the engagement letter.

5. OUR FEES

Our aim is to have a long-term relationship with the company. We believe that the essence of building such a relationship is quality of the service and the expertise that we provide. The combination of expertise and local market knowledge enables us to be competitive without compromising on quality.

Our fees for the services agreed in Section 2 above has been provided in **Annexure 1** to this engagement letter and forms an integral part of this engagement letter.

The fee estimate is made on pragmatic estimates of the time and efforts that would be required during the course of



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assignment and rendering of above services. However, in case the services require time more than the estimated/ usual, the fees shall be revised with mutual consent.

It may be noted that the aforementioned fee excludes any statutory levy i.e. GST (which shall be charged as per notified rates) or any other out of pocket expenses (which may be charged as per actuals) incurred during the process.

6. INVOICING & PAYMENTS

Invoice for the aforementioned services shall be raised after the completion of assignment. The invoices shall be sent over email and the invoices shall be payable within 30 days.

7. ENGAGEMENT ADMINISTRATION

Each engagement at Firm becomes the overall direct responsibility of an engagement partner who is assisted by an engagement director, manager, associates and other experts from related entities, who may be engaged as required, to ensure that appropriate experience is brought to bear on each assignment

We believe that our ability to meet and exceed your expectations is significantly influenced by the close involvement of our most experienced resources. We commit to significant ongoing partner involvement on the Company's engagement.

Name	Designation	Email	Mobile No.
Suraj Nangia	Designated Partner	Suraj.nangia@nangia-andersen.com	+91-9811238144
Vishwas Panjjar	Partner	vishwas.panjjar@nangia-andersen.com	+91-93-5094-0679
Amit Gupta	Associate Director	amit.gupta@nangia-andersen.com	+91-98-1829-9900
Niharika Agarwal	Manager	niharika.agarwal@nangia-andersen.com	91-99-1199-2134

8. FCPA / UKBA / ANTI CORRUPTION

Firm agrees that, in the course of performing the Services, Firm and its personnel, acting on its behalf in connection with this engagement will comply in all respects with the U.S. Foreign Corrupt Practices Act of 1977, UK Bribery Act, 2010 and any other applicable anticorruption codes, laws, rules and regulations of any jurisdiction.



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In this regard, Firm agrees that neither Firm nor any of its personnel acting on its behalf in connection with this engagement will offer, pay, promise to pay or authorize the payment of anything of value, including but not limited to cash, cheques, wire transfers, tangible and intangible gifts, favours and services, to any Government Official, including officials of any governmental department, agency or instrumentality or any other person while knowing or having a reasonable belief that all or some portion of the proposed payment will be used for the purpose of influencing any act or decision of any Government Official.

9. ENTIRE AGREEMENT & PROVISIONS FOR MODIFICATIONS

This letter forms the entire engagement letter and understanding between us with respect to this engagement letter. For the avoidance of doubt, the terms of this letter shall apply to any work already performed in connection with this engagement prior to the date of countersignature of this letter. The terms of engagement of this letter will also be effective for future years unless the engagement is terminated, or the terms of engagement are amended or suspended.

Any variation to the terms of this letter or to the scope of service being provided shall be made in writing and will not be effective unless signed by the authorized representatives of both parties.

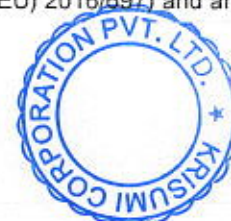
10. CONFIDENTIALITY

We will treat as confidential all information provided by or on behalf of you and will not disclose such information without your prior written approval. This undertaking shall not apply to any information that we are required by law or by the requirements of any regulatory authorities or by specific professional standards to disclose or that is in or subsequently enters the public domain.

Promptly following the earlier of (i) the termination of this Agreement and (ii) the written request of the Company, FIRM will deliver to the Company all documents or other materials furnished by the Company to FIRM constituting Confidential Information, together with all copies thereof in any form such as compact discs, tapes, etc. In the event of such request, all other documents or other materials constituting 'Confidential Information', together with all copies thereof in the possession of FIRM, will be destroyed with any such destruction confirmed by FIRM in writing and signed by the authorized signatory of FIRM to the Company.

11. DATA PROTECTION

Where either party receives any Personal Data (as defined by in the UK Data Protection Act 1998 or any successor legislation, including but not limited to the General Data Protection Regulation ((EU) 2016/697) and any secondary



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legislation) (hereinafter called the "Acts")) from the other party, it shall ensure that it keeps it confidential, fully complies with the provisions of the Acts, and only deals with the Personal Data to fulfil its obligations under the applicable engagement and for the purpose for which it was provided.

FIRM will only transfer the Personal Data with CLIENT's consent and in compliance with the Acts. FIRM will provide equivalent levels of protection for the Personal Data to that required by the Acts.

Either party must notify the other party immediately but in any event within 24 hours after becoming aware of any actual, suspected or alleged loss, leak or unauthorised use or disclosure of the Personal Data.

12. INTELLECTUAL PROPERTY RIGHTS

We may use data, software, designs, utilities, tools, models, systems and other methodologies and know-how ("Materials") that we own in performing the Services. Notwithstanding the delivery of any Reports, we retain all intellectual property rights in the Materials (including any improvements or knowledge developed while performing the Services), and in any working papers that we compile and retain in connection with the Services (but not Client Information reflected in them).

13. GOVERNING LAWS

This Agreement is governed by and shall be construed in accordance with Indian law, without giving effect to any principles of conflict of law, and the Courts in Delhi shall have exclusive jurisdiction over all matters arising to and out of this Agreement. Any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination, interpretation or invalidity thereof, shall be finally and exclusively settled by arbitration in India, in accordance with the Arbitration and Conciliation Act, 1996, as may be amended and in force at the start of the arbitration proceedings. Notwithstanding the foregoing, the Company may, without waiving any other rights or remedies available to it, apply to any Court of competent jurisdiction to protect and prevent or restrain any breach of this Agreement.

14. ACKNOWLEDGEMENT & ACCEPTANCE

On receiving your confirmation on this engagement letter, we shall send you, our signed engagement letter for your



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acceptance.

15. FORCE MAJEURE

Neither the client nor Nangia Andersen shall be liable for breach of this agreement (other than payment obligations) caused by circumstances beyond the Client's control or Nangia Andersen reasonable control.

16. OTHER TERMS OF ARRANGMENT

Our arrangements are subject to our standard terms of business and have been given as **Annexure 3** to this engagement letter and forms an integral part of this engagement letter.

We thank you for providing us the opportunity to work with you. We believe that FIRM has the right blend of expertise and experience to provide a level of professional service that will be fully commensurate with your expectations.

Should you, however, require any clarifications, or wish to discuss any aspects of the arrangements, please do not hesitate to contact us.

Your Sincerely,

For Client

Nangia Andersen LLP

For KRISUMI CORPORATION PRIVATE LIMITED

Name
Designation


VISHWAS PANSIAR


Head Signatory

OUR SCOPE & FEES

We can provide you with a range of tax and regulatory structuring services including, *inter-alia*, advisory services relevant to consummating business structuring & reorganizations. Our advisory services will extend to three entities: Krisumi, BlueJays and PG Propcon.

Taking into cognizance your extant requirements, we shall provide Direct tax support services on a retaining ship basis subsuming the following

1. Direct tax compliance services

- Corporate Income Tax Return(ITR) filing for Assessment Year(AY) 2019-20 for Krisumi Corporation Private Limited
 - Collating necessary details required for the purposes of filing of ITR
 - Assistance in preparation of Computation of Income prior to filing of the ITR
 - Preparation of memo documenting the positions adopted at the time of filing of ITR
 - Assistance in preparation and filing of ITR electronically on the website of the Income-tax department
- Assistance in filing Statement of Financial Transaction(SFT) based on the applicable transactions undertaken during year for Krisumi Corporation Private Limited
- Assistance in obtaining foreign remittance certification towards the tax withholding obligation based on taxability of the underlying payments

2. Direct tax representation services: Assessments for Krisumi Corporation Private Limited

- Collating the details sought by the Assessing Officer (AO) in relation to the initiated assessment proceedings
- Assistance in preparation of submissions to be filed before AO in relation to the assessment proceedings
- Responding to the questionnaire issue and information and/or details sought by the tax authority
- Attending hearings (if required) before tax officer in relation to assessment proceedings

3. Direct tax advisory service



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- Ramification advisory on company law and foreign exchange matters
- evaluating the eligibility and plausibility of specific exemptions and/or deductions
- analysis of direct tax implications of domestic and cross border transactions
- advice on corporate restructuring including mergers and acquisitions
- review of agreements from tax and regulatory perspective and advise on direct tax implications and relevant Double Taxation Avoidance Agreements (DTAA or Tax treaty)
- advisory evaluating the eligibility and plausibility of specific exemptions and/or deductions and exemptions under the domestic tax law
- withholding tax (TDS) related advice on various payments, including foreign remittance as per the provisions of the income tax law and respective Tax treaties
- Diagnostic review of financial statements and and last year's ITR

OUR FEES

S.N	SCOPE OF WORK	FEE	PAYMENT MILESTONE
1.	Detailed scope of work (work commenced from October 2019)	37,500/month	Quarterly billing



SCOPE LIMITATIONS

We expect our activities under this arrangement to be subject to the following scope limitations:

- Please also note that the information provided to us for the above purpose will not be verified by us or independently validated by us. We may require you to provide us with necessary representations for the information that we would rely on.
- The scope of our services is further restricted to analysis of the applicable provisions of the Income-tax Act, 1961 and does not subsume implications under other statutes.
- The final responsibility for the ITR, SFT and remittance certificates rests with the Client and therefore, the same should be reviewed carefully by the Client before filing with the Income-tax authorities.
- Full-fledged Transfer Pricing queries and assessment is excluded.
- Our advisory would entail a study of the following regulations only:
 - Income-tax Act, 1961, the Companies Act, 2013, Foreign Exchange Management control regulations and respective Double Taxation Avoidance Agreements/Tax treaty provisions
 - Transfer Pricing provisions are presently excluded from the scope
 - Our advisory services would be on telecom and emails.



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Annexure 3

NANGIA ANDERSEN – TERMS OF BUSINESS

The following 'Terms of business' apply to all tax, compliances and business advisory services engagements accepted by FIRM. All work carried out is subject to these terms except to the extent that changes are expressly agreed in writing.

Limitation of Liability

While we believe that our engagement deliverables will reflect a reasonable interpretation of the relevant tax laws in India, there cannot be any guarantee or assurance that the Indian Revenue authorities or any other related authorities will agree with our analysis and conclusions. Therefore, we shall not be liable in case any tax, interest or penalty is levied on the company as a result of reliance on our engagement deliverables.

