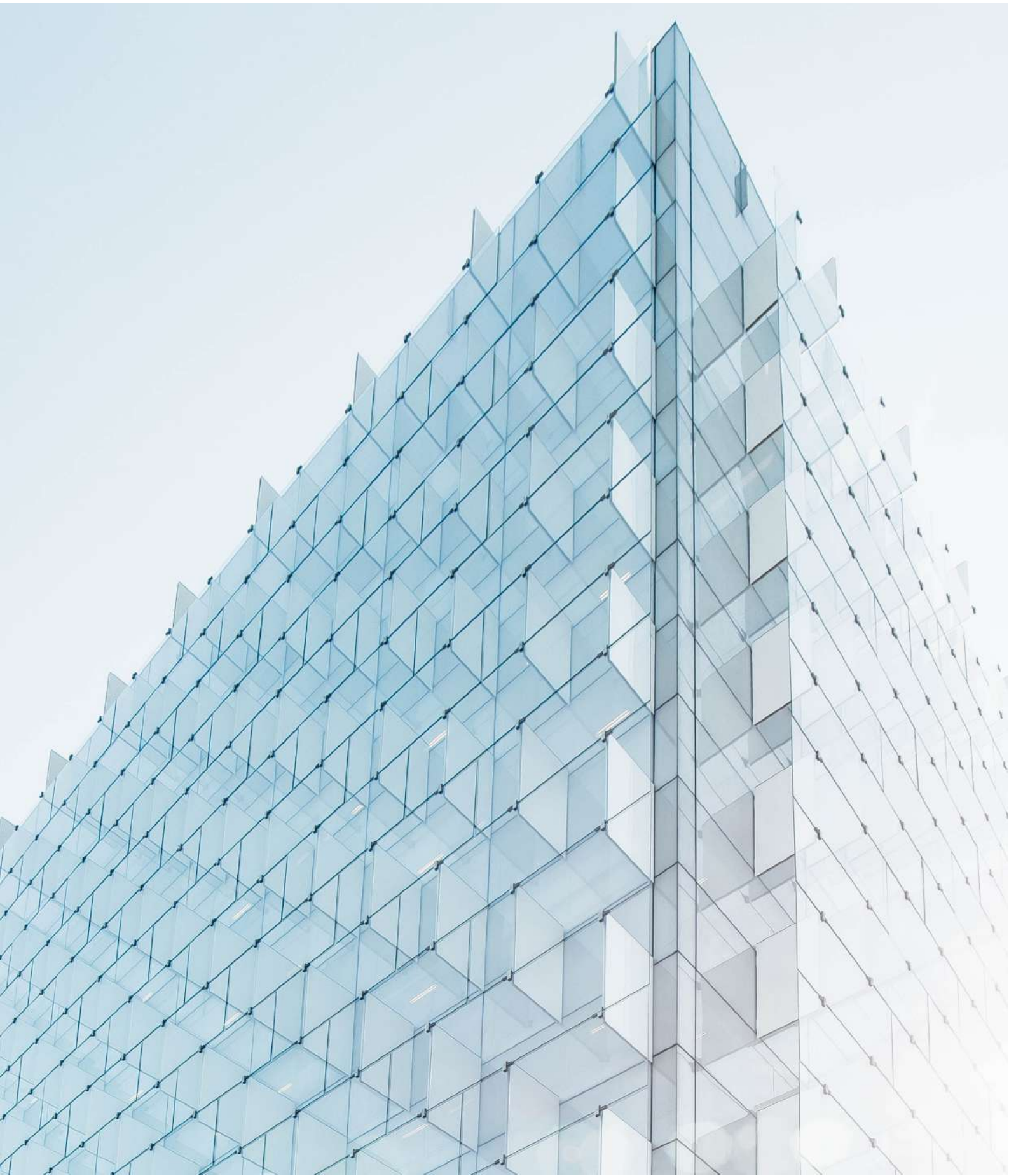


SINGAPORE + INDIA
R E P O R T





THE SINGAPORE ADVANTAGE

IP LAWS/ TAXATION/ EASE OF DOING BUSINESS

Singapore has become the hub of all entrepreneurial activity across SEA (South East Asia).

Singapore is ranked second, behind New Zealand, among 190 economies in the ease of doing business, according to the latest World Bank's annual ratings.

The Singaporean regulations on Intellectual Property are strongly adhered to. This attracts global innovators/ large companies to set-up base in Singapore and attract global investors.

GLOBAL CULTURE

Singapore has the advantage of talented people building businesses from across the world.

This is a major consideration for entrepreneurs to set-up in Singapore.

"Singapore is emerging as the hub of all entrepreneurial activity across SEA"

SINGAPORE TOPS NEW LIST OF BEST STARTUP CITIES

Startup Genome's Global Startup Ecosystem Report declared that Singapore had unseated Silicon Valley as the number one place in the world for startup talent.

76%

In 2016 Consumer Digital startups received funding

Source: ACE

CONSUMER DIGITAL SPACE

Received the most funding in Singapore. Fintech is growing and will soon be a larger share of the overall investment pie.

FORBES, Aug 9, 2017 Article
Index released by Nestpick,
Berlin

VENTURE CAPITAL

Singapore venture investments totalled \$725.3 million in the second quarter of this year. Some Singapore-based VCs are moving beyond seed and early-stage investing as startups grow in size.

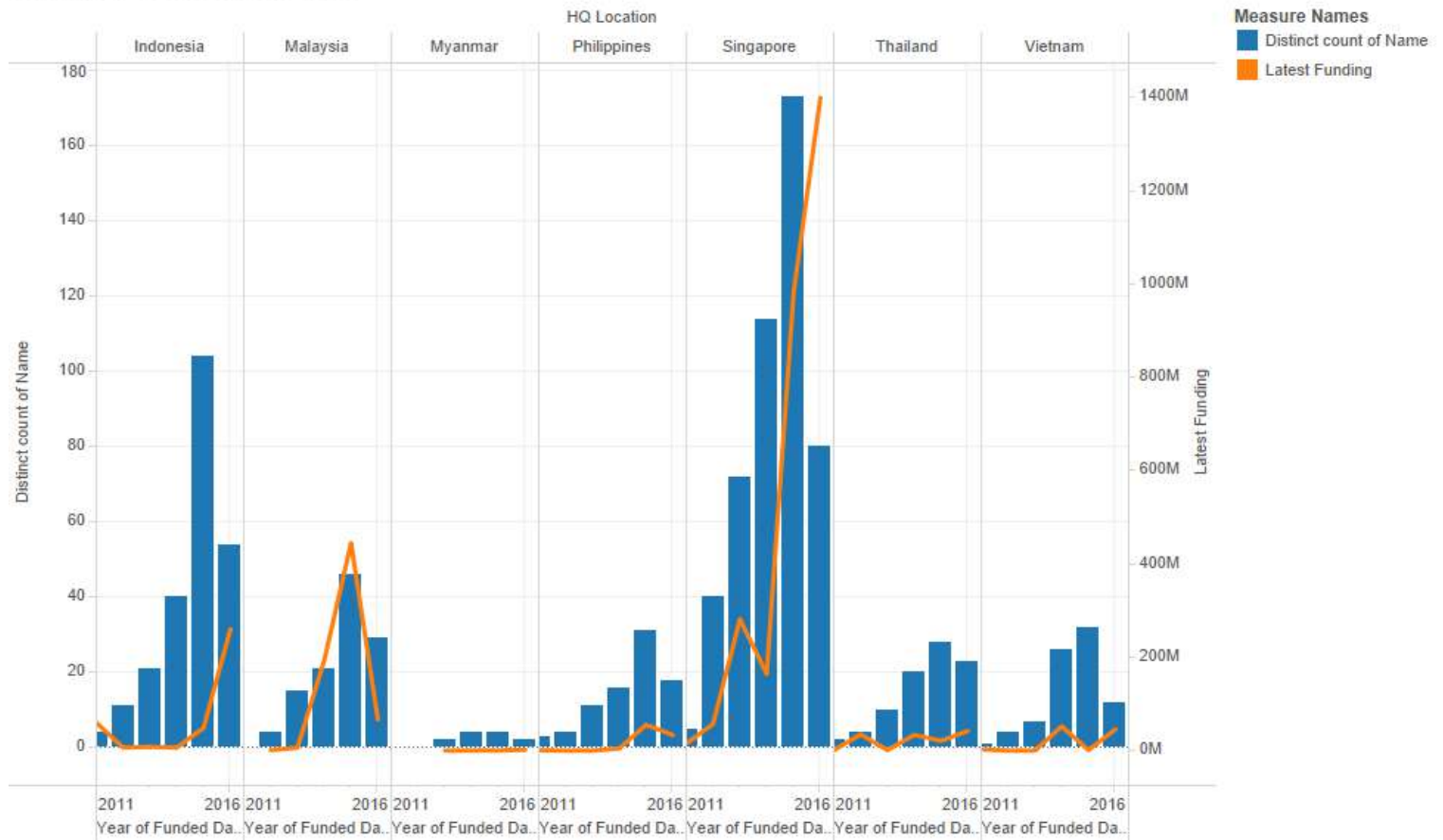
\$725.3M

(in Millions) Singapore venture investments in Q3, 2017.

Source: KPMG

SINGAPORE ATTRACTS THE MAXIMUM FUNDING IN SEA

Funding by Location 2011-2016



"WHAT WOULD HAPPEN IF SINGAPORE STARTUPS WERE FORCED TO GO GLOBAL FROM DAY ONE?"



Joel Ko Hyun Sik
Co-Founder and CEO at Marvelstone Ventures
Founding Partner at LATTICE80

Joel raised a powerful discussion with this question.

At TaxMantra we have seen several venture cycles across emerging markets. Singapore and India we believe have natural alignment. India presents the next billion users and Singapore, the growing SEA influence and global access.

SETTING UP BUSINESS IN SINGAPORE

"FUND RAISING, SAFE-GUARDING IP AND A HIGH ARPU USER BASE. THAT'S WHY YOU SHOULD BE HERE"



Alok Patnia
CEO and Managing Partner
TaxMantra, India, Middle East, Singapore

- To register in Singapore you require at least 1 resident director, 1 company secretary and an official local address
- Many companies do not have the above. In such cases you should work with a trusted tax-compliances-diligence firm that has local presence
- A Memorandum of Association/ Article of Association is prepared for your company according to Singapore regulations
- Your company is registered within a week

Singapore companies enjoy some of the world's best tax benefits and business reputations.

A few category of businesses require a special license in Singapore:

- restaurants
- educational institutes
- travel agencies
- financial services
- import/export of goods
- employment agency

INDIA

HOME TO THE NEXT BILLION USERS

450 MILLION MOBILE INTERNET SUBSCRIBERS BY
2017. THIS NUMBER WILL DOUBLE BY 2021.

SOURCE: LIVEMINT, CISCO-YOURLSTORY

"The Goods and Services
Tax (GST) is going to have
a hugely positive impact
on the Indian economy"
- **World Bank President
Jim Yong Kim**



The Digital India push by
the current government is
transforming India.

75% of all internet
users in India fall
within the age bracket
of 16 to 35 years.

Almost 17% of the
worldwide share of
time spent on Android
apps came from India
last year.

THE TRANSFORMING ENTERPRISING INDIA

Key sectors in India that are ready for transformation via technology and global vision.

Global investors are realising the yet unlocked potential that India presents.

- Education
- Renewable Energy
- Transportation
- Roads
- Internet Access In Tier 2&3 Cities
- Agriculture
- Broadcasting
- Defence & Manufacturing
- Civil Aviation

"INDIA TODAY IS A PHENOMENAL OPPORTUNITY. SOME OF US WILL CREATE HISTORY"



Alok Patnia
CEO and Managing Partner
TaxMantra, India, Middle East, Singapore

TaxMantra over its 3 decades of existence has worked with 40,000+ customers to manage their taxation, regulatory compliances and due-diligence for raising external capital.

98% of our customers are GST ready and we take pride in that.

"We aim to be the bridge between Indian and Singaporean entrepreneurs, investors and innovators that are changing the world."

SETTING UP BUSINESS IN INDIA

**"INDIA IS ON A GROWTH PATH.
EXPLORE THE USER BASE OF OVER
A BILLION PEOPLE."**



Alok Patnia
CEO and Managing Partner
TaxMantra, India, Middle East, Singapore

- The steps to register a company in India depends upon the exact nature of the company that needs to be established. The most common are:
 1. Private Limited Company
 2. Public Limited Company
 3. Sole Proprietorship
 4. Partnership
 5. Limited Liability Partnership
 6. Co-operatives
- The fundamental steps involve establishing proof of the directors that form the company. The Digital Signatures (DSC) and Director Identification Number (DIN) are the most important. This is when your company name is applied for
- In under 2 weeks your incorporation documents reach you and upon your agreement the company is incorporated in India

The Ministry Of Corporate Affairs is the official entity responsible for managing all information about companies registered in India.

With the inclusion of GST in India, the taxation structures have changed. Please ensure that you work with a partner with at least 90% of their client base active and well managed on GST

\$2 MILLION AND DUE DILIGENCE / CASE STUDY

"ONLY IF THEY FOCUSED ON DUE
DILIGENCE FROM DAY 1, TODAY
THEY WOULD BE ONE OF THE
KNOWN GLOBAL STARTUPS"

As a founder what do you choose?

1. Putting out a fire when it erupts?
2. OR be ready such that the chances of the fire erupting are the minimal?

Due diligence for a start-up often attracts attention only when there is a fire - like bank loan, funding, mergers. The fact, however, is, that due diligence is not a one day affair. The corporate and statutory health of a company is an ongoing process and so should be the due diligence process. Irregularity in this often digs up grave skeletons if done at the last moment.

This was a promising start-up founded by 3 friends in their college days. Two of them were actively involved in the business operations. They had reached an agreement among them that the third founder would exit the company when the company receives external funding and this would be an easy exit in terms of compensation and share transfer.

It was then when it started grabbing the limelight and attracted funding opportunities from some renowned VCs. The due diligence process kick started and so did the exit process of the third co-founder. Here is when the third founder downright refused to transfer his shares at face value and demanded that either his stake had to be kept constant or compensation to be increased.

\$2 MILLION AND DUE DILIGENCE / CASE STUDY

"THE MEDIA TALKS ABOUT THE MONEY RAISED. FOUNDERS DON'T HEAR COMPLIANCE AND DUE DILIGENCE. THEY ARE NOT SEXY ENOUGH."

TaxMantra on deeper analysis realised that the founders agreement was never documented. It was merely a verbal understanding that they had arrived at, as it happens with most friends starting a company. Even after several negotiations the founders couldn't reach an agreement. Ultimately, the investor took back the term-sheet on grounds that the company failed due diligence.

This is not just the case of one start-up. Most young companies get so busy building their idea that they miss basic fundamentals. Also the media never talks about these subtle and critical aspects.

A strong due diligence process may not have immediate short term benefits (rather might seem cost and time intrinsic). However, it prepares the organisation for a long term impact and avoids quantitative losses (like the one in this case study).

TaxMantra strongly suggests Due Diligence to be a consistent effort that founders must make to be ready with the health of the company.

3 decades. 40K customers.
India . Singapore . Middle East

Taxation & Regulatory Compliances

- Tax planning & Filing
 - GST Compliances
 - Book Keeping
 - International Taxation Including Transfer Pricing
 - Audits & Due Diligence
-

Business Set-up/ Startup

- Registration in United States, Singapore, India, Middle East
 - All local compliances
-

Fund Raising/ Specialised Services

- Due Diligence
- Drafting Agreements
- Legal compliances
- Trademark Filing
- Patent Filing
- Business Valuation



3 decades. 40K customers.
India . Singapore . Middle East

Leadership Contacts



Alok Patnia
CEO and Managing Partner
TaxMantra



Kenneth Ho
Country Partner
Singapore

Email: alokpatnia@taxmantra.com
Whatsapp: +91 9830-549-484

"We have been engaging TaxMantra for our India and Singapore compliance needs. We have found them to be very professional and efficient.

They are a great compliance partner for growth stage companies".

- Abhishek Rungta
CEO, Indus Net Technologies
A Global Technology Company