1. **Govt. Compliance**
   1. **Annual Compliance**
      1. **Foreign subsidiary:**
         1. **Basic information:**

Foreign subsidiary companies are mandatorily required to maintain compliance as per Income Tax Act, Companies Act, transfer pricing guidelines and FEMA guidelines. Hence, maintaining compliance for a foreign subsidiary company would include filing of income tax return with the Income Tax Department, annual return with the Ministry of Corporate Affairs and other filings with authorities like Reserve Bank of India or Securities & Exchange Board of India (SEBI). Finally, like all companies, foreign subsidiaries would also have to comply with other Indian tax regulations like TDS regulations, GST regulations, VAT / CST regulations, Service Tax regulations, ESI regulations and others. The compliance requirement for a foreign subsidiary company would vary based on the industry, state of incorporation, number of employees and sales turnover.

* + - 1. **Important Compliances for a Foreign Subsidiary Company:**
         1. **Income Tax Filing:** Income tax filing must be filed by foreign subsidiary having a taxable income over the exemption threshold.
         2. **TDS Filing:** Quarterly TDS returns must be filed by foreign subsidiary that have TAN and are required to deduct tax at source as per TDS Rules.
         3. **Service Tax or VAT:** In case foreign subsidiary has service tax or VAT registration, it must file the respective returns. Service tax returns are due half-yearly while VAT return due date changes from state to state.
         4. **GST Filing:** The foreign subsidiary having GST registration would be required to file monthly, quarterly and annual GST returns as per the applicability.
         5. **ESI and EPF Return**: If the foreign subsidiary has ESI or EPF registration, it shall file ESI or EPF returns. ESI or EPF registration is required once the foreign subsidiary employs over 20 employees whereas the number of employees varies State to State.