

India Serves

A Monthly Newsletter by

SEPC

SERVICES EXPORT PROMOTION COUNCIL

Setup by Ministry of Commerce & Industry, Govt. of India

VOL I ISSUE IV - AUG, 2020

INDIA'S ACCOUNTING
SERVICES
AT THE CUSP
OF CHANGE

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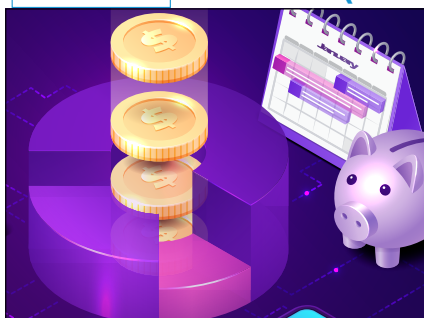
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India Serves

A SEPC NEWSLETTER

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CENTRAL GOVERNING COUNCIL MEMBER PROFILES

Tap here for detailed profiles

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Mr. Raj Kumar Gupta
(Environmental Services)

Mr. Sanjay Gulati
(Consultancy Services)

Editor

Dr. Abhay Sinha, DDG
abhay.sinha@servicsepc.org

Content

Ms. Geethanjali Nataraj, Director - Policy and Research
geethanjali.nataraj@servicsepc.org

Dr. Salahuddin Ayyub, Dy Director, Policy & Research
salahuddin.ayyub@servicsepc.org

Mr. Dhruv Singh, S. Executive Officer, Policy & Research
dhruv.singh@servicsepc.org

For membership:

Mr. Vikrant Wadhera, Dy Director (Membership)
vikrant.wadhera@servicsepc.org

For Events/Sponsorships/Advertisements

Mr. Mayank Sharma, Dy Director (Events)
mayank.sharma@servicsepc.org

SERVICES EXPORT PROMOTION COUNCIL

Setup by Ministry of Commerce & Industry, Govt. of India

Phone: +91 11-41046327-28-29
+91 11-41734632

Email: info@servicsepc.org

Website: www.servicsepc.org

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MESSAGE FROM THE CHAIRMAN



Maneck E. Davar
Chairman, SEPC

Despite the precarious nature of current times, SEPC is dedicated to promoting and upscaling services exports from India. Staying true to our commitment of fostering awareness, I present to you the latest issue of India Serves, our monthly newsletter. India Serves is an endeavour to stay connected with the domestic and international services industry on a regular basis, to keep our members updated on sector specific market information, business opportunities and SEPC's activities.

This edition features a cover story exclusively on ***'Accounting and Bookkeeping services.'*** As per Business Wire data the global accounting services market reached a value of nearly USD 574.4 billion in 2019, growing at a compound annual growth rate (CAGR) of 5.7% since 2015. The bookkeeping, financial auditing and other accounting services was the largest segment of the accounting market, accounting for USD 424.18 billion or 73.8% of the total market in 2019. It is also expected to be the fastest-growing segment going forward at a CAGR of 6.6%. North America was the largest region in the accounting services market, accounting for 42.6% of the global market in 2019. It was followed by Western Europe, Asia Pacific, and other regions. Going forward, the fastest growing regions in the accounting services market will be South America and Eastern Europe, where growth will be at CAGR of 8.4% and 7.7% respectively from 2019-2023.

The bookkeeping, financial auditing and other accounting services was the largest segment of the accounting market, accounting for USD 424.18 billion or 73.8% of the total market in 2019.

Tapping into India's potential and growing demand of Accounting services in the global market, SEPC and Institute of Chartered Accountants of India (ICAI) have signed an MoU to utilize their respective subject expertise for policy formulation and global market outreach to help Indian Firms in this sector capture global markets. We will be soon coming up with a series of interactive sessions on global market opportunities in close co-ordination with our Missions abroad.

% of the total in 2019. As one of the most significant developments, the New Education Policy is expected to bring in a paradigm shift in education services and most likely to stimulate Education Service providers to explore global business opportunities. The new policy opens avenues for Indian Institutions to align with the global education system. SEPC will be organising a webinar on this sector on August 25, 2020.

While we await the SEIS notification for 2019-20 we are in the process of drafting an alternative scheme for incentivising services which would be innovative, robust and inclusive. SEPC will be putting forth the recommendations for Foreign Trade Policy (2021-25).

Any suggestions from the industry in this regard will be highly appreciated.

Answer -





Services Export Promotion Council set up in 2006 by Ministry of Commerce & Industry, Government of India is an apex trade body to promote exports of services from India.

Overview of Services offered by SEPC

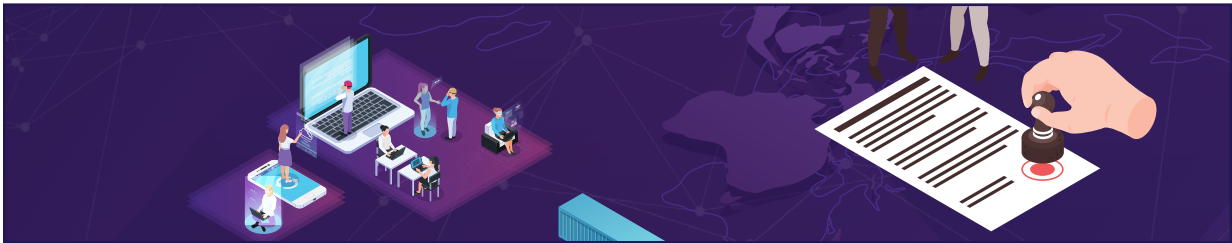
Trade Intelligence

Export Development

Export Promotion/ Investment

Enabling Business Environment

Nodal organisation of Service Export Promotion	
	Key role in Foreign Trade Policy, Export Strategy formulation by Department of Commerce and related Govt Departments.
	Interface between Services Sector and Government
	Provides inputs on Trade Negotiations
	Represents Services Sector in various Joint Trade Committees, Joint Business Councils and Joint Working Groups of Government of India to facilitate export.
	Creates Business opportunities in global market place for services exporters
	Providing commercially useful information and assistance to members in increasing exports.
	Organising visits of delegation of its members abroad to explore overseas market opportunities.
	Organising participation of Services exporters in specialised International Trade Fairs.
	Dissemination of government notification, orders, information on trade and other relevant information to members.
	Facilitates execution of Government Schemes like SEIS.



Services Covered under SEPC

In order to enhance the competitiveness of services exports and enable services industry to generate employment Union Cabinet chaired by Honourable Prime Minister Shri Narendra Modi in 2018 identified 12 Champion Services Sector.

The following table provides the mapping of identified Champion Services vis-a vis the services covered under SEPC.

Services covered under SEPC	Champion Services
Hotel and Tourism related Services	Tourism and Hospitality Services
Healthcare services including services by nurses, physiotherapist and paramedical personnel	Medical Value Travel Services
Maritime Transport Services	Transport and Logistics Services
Accounting/Auditing and book keeping services	Accounting and Finance Services
Entertainment services including Audio-Visual Services	Audio - Visual Services
Legal Services	Legal Services
Architectural Services and related services	Construction and Related Engineering Services
Environmental Services	Environmental Services
Others Services	Information Technology & Information Technology Enabled Services
	Communication Services
	Financial Services
Educational Services	Education Services
Consultancy Services	
Distribution Services	
Advertising Services	
Marketing Research and Public Opinion Polling Services/Management Services	
Printing and Publishing Services	



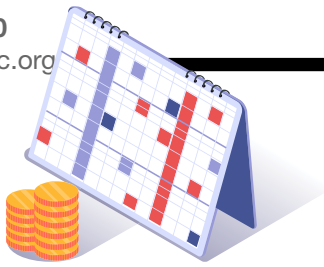
SERVICE EXPORTS FROM INDIA SCHEME (SEIS)

sector coverage
Accounting/Auditing and Bookkeeping Services

The SEIS scheme covers almost all CPC codes of UN CPC (Provisional) for Accounting/Auditing and Book Keeping Services under its ambit. A list of all UN CPC (Provisional) codes for ‘Accounting/Auditing and Bookkeeping Services’ up to five digits has been provided below with information in the last column over coverage of each code under Appendix 3D of SEIS;

SEPC Sectors	Champion Sectors	GATS (WTO) Classification	UN CPC Provisional CODE	Services Description	CPC Codes covered under Appendix 3D of SEIS
Accounting/Auditing and book keeping services	Accounting and Finance Services	Accounting, auditing and book-keeping services	862	Accounting, auditing and book-keeping services	Covered
			8621	Accounting and auditing services	
			86211	Financial auditing services	
			86212	Accounting review services	
			86213	Compilation of financial statements services	
			86219	Other accounting services	
			8622	Book-keeping services, except tax returns	
			86220	Book-keeping services, except tax returns	
		Taxation services	863	Taxation services	
			8630	Taxation services	
			86301	Business tax planning and consulting services	
			86302	Business tax preparation and review services	
			86303	Individual tax preparation and planning services	
			86309	Other tax related services	





ACCOUNTING SERVICES

Accounting Services Exports offered by India

Accounting, Auditing and Bookkeeping services		₹₹	Taxation Services	₹₹
Accounting and Auditing Services	Book-keeping services, except tax returns	\$\$\$	Business tax planning and consulting services	\$\$\$
Financial auditing services		¥¥¥	Buisness Tax preparation and reveiw services	¥¥¥
Compilation of financial statements services		€€€	Preparation and filling of Tax return of all kind (Buisness)	€€€
Accounting review services		₹₹₹	Individual tax preparation and plannings	₹₹₹
Other accounting services		\$\$\$	Other tax related services	\$\$\$
			Insolvency and receivership services	¥¥¥
Total		₹ ₹ ₹	Total	₹ ₹ ₹



Introduction

It is becoming an increasingly acceptable practice for firms to outsource their accounting services, and India is in the running to capitalize on this growing opportunity. Key to the future rate of growth in such services are competitive pricing, skilled services, software developments, technological advancement, global accounting standard and the succeeding fate of globalization in a world turning back to protectionism and self-reliance.

India has an edge over its competitors due to the comparative advantages offered in terms of levels of customer service and efficiency. India's outsourcing businesses match clients' requirements not only in terms of price, but also in terms of skilled professionals, enhanced productivity, service quality and business process excellence. Not only are markets across the world becoming more knowledge inclined, but the demand for knowledgeable and skilled manpower is not met by domestic resources in various developed economies, making outsourcing a viable option.

While sectors such as financial accounting, bookkeeping, taxation, etc., demand expertise in the subject matter, the dearth of trained professionals has created a growth restraint. According to a research report by Association of International Certified Professional Accountants (AICPA) in 2019, examination candidates for CPA has decreased 7% between 2017 and 2018 and the number of candidates who passed their 4th section in CPA decreased 6% in the same period. Decrease in the number of accounting graduates limits the growth of the accounting services market. On the other hand, India has envisaged a boom in the extension of the service sector and professional skill-sets. Due to its ability to adapt to the changing needs of the business process outsourcing (BPO) market and English proficient population, India continues to be the preferred destination for offshoring business and accounting processes.

Growth Potential and Export Challenges

The top growth potential in the accounting services market segmented by type of service will

INDIA'S ACCOUNTING AND BOOK KEEPING SERVICES: Issues and Challenges

Article by:



CA. Sunil H. Talati
VICE CHAIRMAN, SEPC

Accounting/Auditing/Book Keeping Services
vicechairman@servicesepc.org

arise in the bookkeeping, financial auditing and other accounting services, which is expected to gain USD 424.2 billion of global annual sales by 2023. India is also fast becoming the first choice for many Fortune 500 companies, many of whom have already outsourced their captive operations to the commercial hubs and tech parks in major cities of India. Earlier the market had been dominated by the big players but now there are lots of mid-size firms taking up the space and proving their mettle as vital players in the financial services sector.

There is a wide ocean of opportunity opening up in markets like US, UK other EU countries, Australia and Canada. Indian firms can explore these markets for business generation.

In spite of these competitive edges, the export of services faces impediments in the form of rules, laws, training and compliance, etc. Foreign companies may be discouraged by differentiable Indian business laws and regulatory compliances. They are also challenged to determine the

chart of accounts for bookkeeping & its reporting alignment with its mother company; appropriate accounting software to be used for fulfilling its various reporting and compliance requirements, and different local regulations like Indian accounting standards, etc. The absence of a unique global system of accounting and reporting and variation in regulations related to accounting, legal matters, taxation, etc., from the country of origin, impacts accounting and even the profitability of a company operating in India.

The export of India's IT and BPO services do largely survive on exploiting labour cost arbitrage. With the development in many formerly underdeveloped or slowly developing economies picking pace, India is losing to countries such as Bangladesh and Ethiopia, which not only have a competitive edge over labour cost but also have preferential access to top consuming markets such as Europe and North America.

Furthermore, numerous challenges in the export of accounting and bookkeeping services arise from a clout in the global exports due to global political and socio-economic environment. The EU is struggling with Brexit-related uncertainties and slowing growth in its larger economies such as Germany and France. The Middle East, another major export destination for Indian merchandise, is troubled by its over-reliance on oil and gas, and regional political disturbances, U.S.'s building insecurity towards south Asia and the damning trade war between the U.S. and China. Supply chains are now sourcing more locally than before.

Conclusion

In recent years technology has transformed and changed every aspect of business including marketing, management, web design and HR operations. The industry has finally begun to adapt to new practices and focusing on innovations. Another key

change witnessed in the accounting and bookkeeping industry is the Automated data entry. Automation is the key and driving force behind accounting and book keeping functions. The manual data entry system has nearly disappeared. This has led to more efficiency and has allowed businesses to better utilize their human capital.

The competition is becoming stiff and substitution, easy. The advent of a uniform tax system and welcoming policy initiatives like - Make in India, Skill Development centers can play a key role in reviving the edge that India has held in the sector, overall, the challenges are pertinent to the current scenario and can have a long lasting effect on the employment patterns, balance of payment and growth projections of the country.

In the context of opportunities and challenges the key focus would **"Preparedness."** This preparedness to tap the global opportunity would entail the followings:

Good office infrastructure with well - designed premises

Techno-savvy professionals with software knowledge and skill sets

Knowledge of accounts and being aware of evolving practices

Setting up of Big size firms having at least four partners, more Chartered Accountant professionals

In addition to these **utmost sincerity, devotion, integrity towards data protection, data security and safety** would be expected differentiators in the endeavour towards tapping the emerging opportunities in the global market.

As a significant step forward Institute of Chartered Accountants of India (ICAI) and Services Export Promotion Council (SEPC) formally signed a Memorandum of Understanding (MoU) on June 30, 2020. This synergy will pave the way for dissemination of market information, participation in export promotion events and programmes by large pool of professionals in their quest for tapping the export business opportunities in financial services.

INDIA'S ACCOUNTING SERVICES

AT THE CUSP OF CHANGE

Overview

Accounting services are covered under the Professional Services in General Agreement on Trade in Services (GATS) of World Trade Organization (WTO). As per WTO, Accounting & auditing services constitute the core activities of accountancy firms, a wide range of additional services may also be offered, most notably merger audits, insolvency services, tax advice, investment services & management consulting. Accounting services basically help firms with analyzing their business transactions and reporting the analysis and results to regulators and government agencies.

The accounting and auditing services as a business is largely accelerating due to increased demand for expertise on accounting standards that is compelling enterprises to take services of external accounting and auditing services providers. Specially the tax compliance and audit service segments companies have the majority share in given category. Stringent audit-related regulations and frequent outsourcing of the services by various sectors have promoted the category growth around the globe. According to Research and Markets.com, the global accounting services market reached a value of nearly USD 574.4 billion in 2019, having grown at a compound annual growth rate (CAGR) of 5.7 per cent since 2015. The accounting services market is segregated by the type of services offered which comprise of payroll services, tax preparation services, and bookkeeping, financial auditing and other accounting services. The bookkeeping, financial auditing and other accounting services was the largest segment of the accounting market, accounting for USD 424.18 billion or 73.8 per cent of the total market in 2019. It is also expected to be the fastest-growing segment going forward at a CAGR

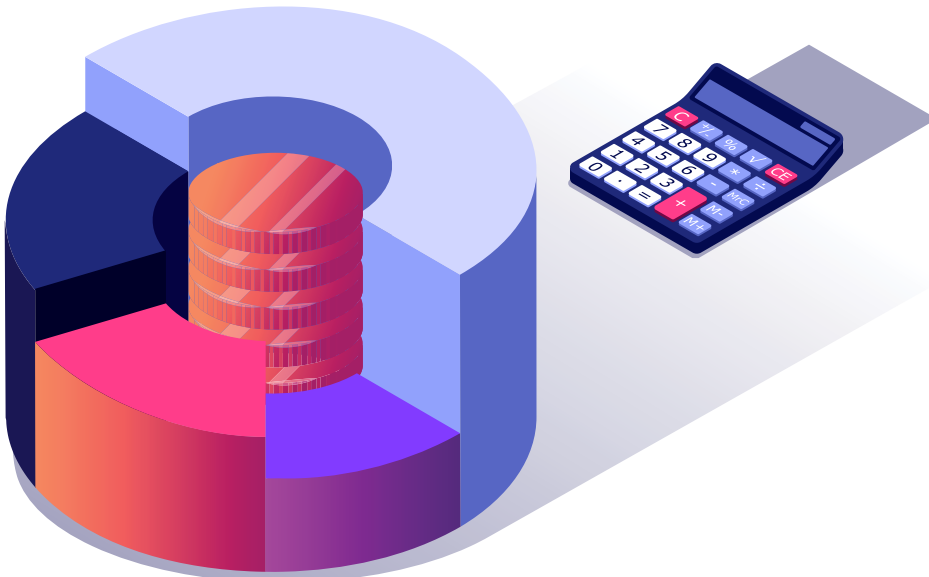
\$574.4 billion

THE VALUE GLOBAL ACCOUNTING SERVICES MARKET REACHED IN 2019


THE BOOKKEEPING, FINANCIAL AUDITING AND OTHER ACCOUNTING SERVICES WAS THE LARGEST SEGMENT OF THE ACCOUNTING MARKET

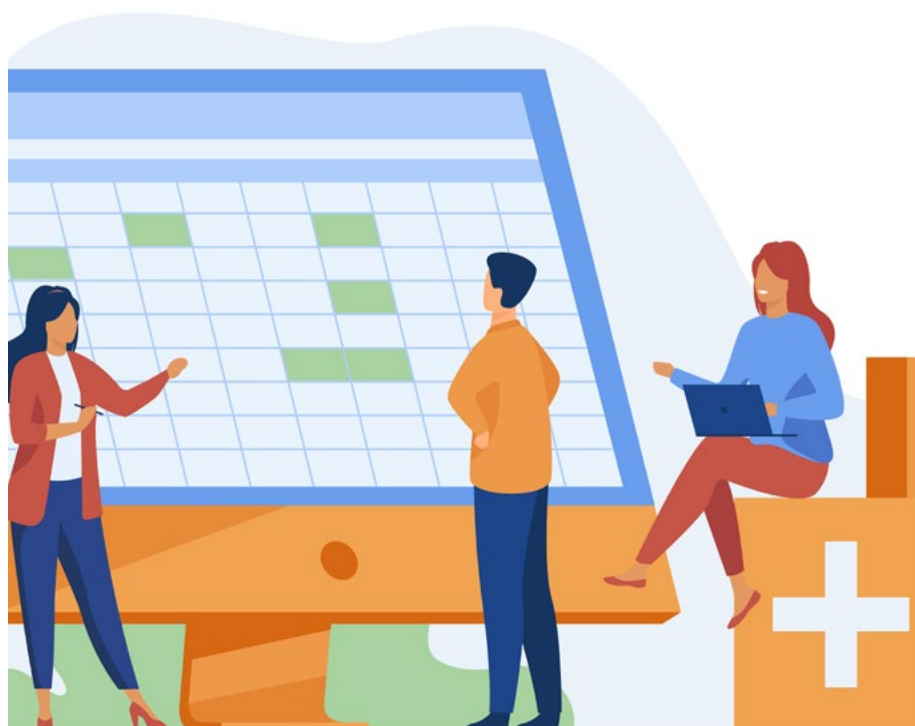
of 6.6 per cent. As per WTO, top exporting countries of Accounting services are UK, Netherlands, Poland, USA, Belgium, France, Germany, Hungary, Italy and Luxemburg. Trade in services, including professional services like accounting has been expanding rapidly in recent years. North America was the largest region in the accounting services market, accounting for 42.6 per cent of the global market in 2019. The accounting services market expected to reach a value of nearly USD 868 billion by 2022, significantly growing at a CAGR of more than 9 per cent during the forecast period. The demand for accounting services in the near future based on market trends is expected to be in areas such as cloud based accounting software, blockchain technology, communication technology, and artificial intelligence where investments would take place making it imperative for companies to adapt to automating the redundant processes that involve manual labor. Every company in the accounting services business would need to

invest in technology to digitalize their business, explore new markets and be open to acquisitions and mergers to strengthen their services and remain competitive in the business.



Global Trends

- Association of Chartered Certified Accountants (ACCA), UK launched a nationwide #LeaveNoBusinessBehind campaign with a call to support every business, to get back to business health and start thriving again with their expertise. (Source: ACCA)
 - Financial Accounting Standards Board (FASB), USA issued a proposed new chapter to its Conceptual Framework that defines 10 elements of financial statements. The proposed chapter is titled Concepts Statement No. 8, Conceptual Framework for Financial Reporting: Chapter 4, Elements of Financial Statements. It is being claimed by FASB that the proposed new chapter of the FASB's Conceptual Framework will provide a useful reference in the board's future standard-setting process and may help setting standards that improve the understandability of information companies and organizations provide to existing and potential investors, lenders, donors, and other resource providers. (Source: FASB)
 - Chartered Accountants Australia and New Zealand (CA ANZ) is helping members to make a difference throughout the crisis and importantly during recovery. They are providing a topical online CPD that will assist their members during this challenging period.
 - Chartered Professional Accountants (CPA), Canada is providing Free online Virtual Learning Resources for the accounting professionals to Sharpen Professional Skills with the help of on-demand collection of publications, webinars, and podcasts. (Source: CPA Canada)
 - In Spain, there are 21,000 licensed auditors—5,000 of them rendering audit services. Moreover, according to the BOICAC 110 Situation of Audit in Spain these auditors issued a total of 60,500 audit reports, of which 53,600 were of small and medium-sized entities (SMEs). This indicates that 88% of audit work is being undertaken for SMEs that are not legally obliged to audit their annual accounts as it benefited SMEs to be aware that having their annual accounts subject to audit is a benefit when they go to a bank to ask for a credit or loan. (Source: IFAC)

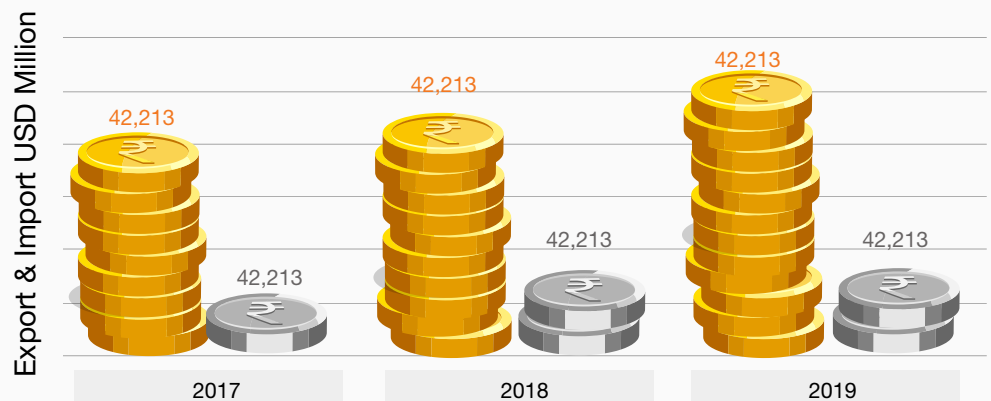


India's Accounting, Services

India's position in Global 'Accounting, auditing, bookkeeping, and tax consulting services'

India has been performing well in the export of Accounting and Bookkeeping services. Since the data at sub-sector level is not available, we have relied on broad category of sector, 'Professional and management consulting services' which includes legal, accounting, management consulting, and public relations services, advertising, market research, and public opinion polling services. Though the data is not specifically for Accounting sector but it gives a reflection of the sector. As may be seen in the Figure-1, India is a net exporter of these services and export volumes are as high as USD 54 billion in 2019 growing at the rate of 9 percent from USD 42 billion in 2017.

FIGURE 1:
INDIA'S TRADE OF 'PROFESSIONAL AND MANAGEMENT CONSULTING SERVICES'*

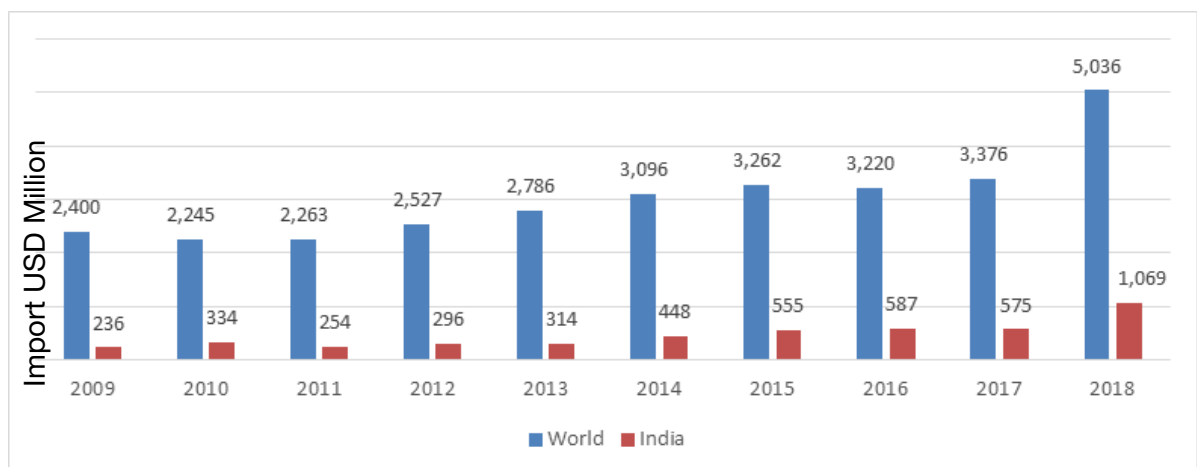


Source: I-ITIP, WTO. *It includes legal, accounting, management consulting, and public relations services, advertising, market research, and public opinion polling services.

\$1 bn
To USA
INDIAN EXPORTS OF ACCOUNTING, AUDITING, BOOKKEEPING AND TAX CONSULTING SERVICES

The biggest global markets for Accounting services is European Union and United States of America. India exports more than USD one billion of Accounting, Auditing, Bookkeeping and Tax consulting services to USA which is more than 20 per cent of USA's total global imports. India's exports to USA has increased from merely USD 200 million in 2009 to more than USD one billion in 2019 growing at the rate of 9 per cent. (See Figure-2)

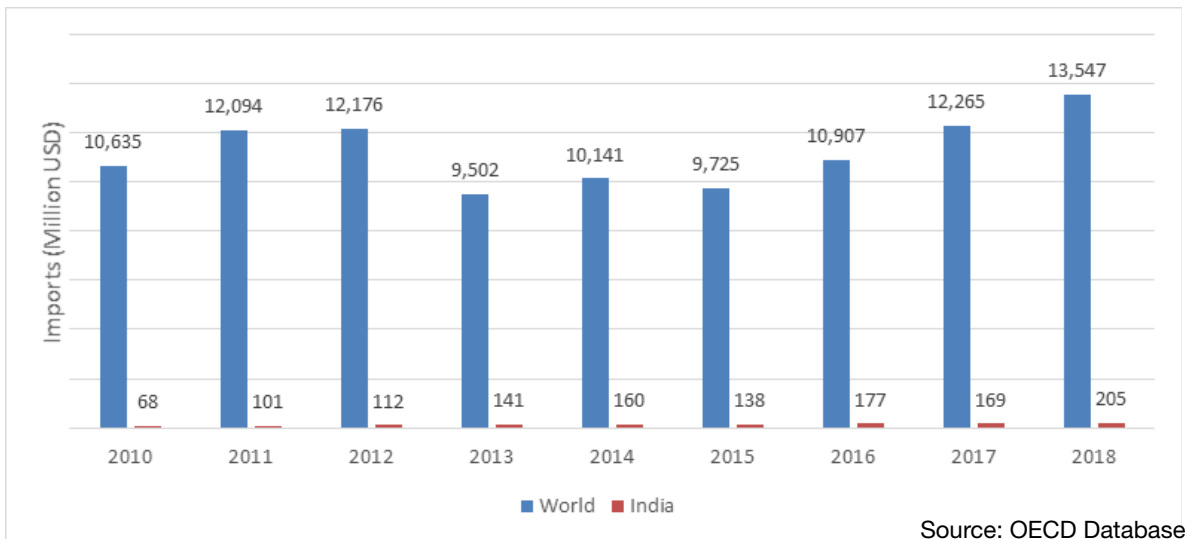
FIGURE 2:
INDIA'S SHARE IN USA'S TOTAL IMPORTS OF 'ACCOUNTING, AUDITING, BOOKKEEPING, AND TAX CONSULTING SERVICES'



Source: OECD Database

European Union is a USD 13 billion market but Indian exporters have not been able to tap this market. India exported only USD 200 million worth of services to EU in 2019. Though most of trade in this service happens within the region of EU among the member countries but they import around USD 4 billion worth of Accounting, Auditing, Bookkeeping, and Tax Consulting services from Non-EU countries. (See Figure-3)

FIGURE 3:
INDIA'S SHARE IN EU'S TOTAL IMPORTS OF 'ACCOUNTING, AUDITING, BOOKKEEPING, AND TAX CONSULTING SERVICES'



Factors that have influenced the growth of Indian Accounting and consultancy services:

India's accounting and finance services revenue has increased by 7% due to expanding Indian business sector. The industry anticipates around 8% growth over 2016-2021 due to India's rapid economic development, proliferation of digital accounting, and changing business regulations, growing professional workforce, increased Foreign Direct Investments and government initiatives to boost and attract businesses such as Start-up India, Make in India, Goods and Services Tax (GST), Digital India, etc.

India's Accounting services market is expected to witness high growth in professional workforce in coming years. The Institute of Chartered Accountants of India (ICAI) has 2nd highest number of professionals in the world with 2,53,369 members which is higher than Institute of Chartered Accountants in England and Wales (ICAEW) that has 1,47,000 members.

According to tax experts in India, around 9 million companies have come under the jurisdiction of GST regulations. Thus, encouraging more of the tax and accounting consultants to crop up. An estimation of 1.3 million tax and accounting consultancies will be needed to meet the demands of not only Indian companies but foreign companies looking to expand its businesses in India.

According to Silicon India, The Indian Tax Consulting market grew at a rate of 9 per cent over the last year accumulating total revenue of Rs. 42,500 Crore. Globally, four companies are dominating the Tax and Accounting Consultancy servicing sector - PwC, Deloitte, EY and KPMG. These four players are also dominating the Indian market. The largest Indian consultants in this segment are BMR Advisors, Dhruva Advisors and Nangia & Company.

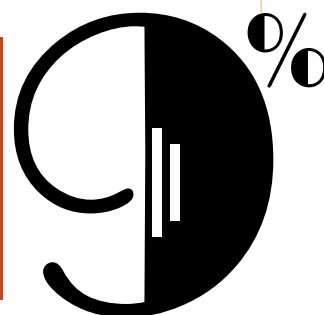
According to WTO data, Accounting services exports from India was pegged at USD 28 million with top destinations being USA, Netherlands, Germany and Italy in the year 2017.

High Skilled Professionals: India has the highest number of accounting professionals – 2nd largest in the world after USA. The Institute of Chartered Accountants of India have members more than the Institute of Chartered Accountants in England and Wales.

Accounting syllabus aligned with Global standards: Indian Syllabus of Chartered Accountancy, Cost Accountancy & Company Secretary courses are aligned to the global standards creating tremendous opportunities for Indian accounting & auditing professionals to cater to the global markets. This is why big MNC's prefer to have their shared services in India.

India has flexible & supporting outsourcing policies which is promoting accounting & finance services outsource from India. Security & confidentiality of financial data is completely ensured in India. Use of secure FTP server or encrypted e-mails are used while document upload/download to protect the privacy of data.

THE INDIAN TAX
CONSULTING MARKET
GREW THE
LAST YEAR BY



India is providing best professional accounting services at 40-50% lower cost than other developed countries. Outsourcing Accounting services for this cost do not only help big businesses to grow but also help small businesses & start-ups who are looking to save cost through streamlining accounting processes & focusing on priority areas of business.

Quality & customized service with the use of latest technology - Indian companies provides high quality services with latest technology & customized solutions to foreign businesses as per their business needs. India is a One stop destination for all accounting & finance business requirements like financial analysis, payroll processing, tax preparation or book-keeping, etc.

Indian Government's Initiatives

- Open FDI - 100% FDI through automatic route is allowed in Accounting and Book Keeping services to boost investments and exports.
- The implementation of Companies Act 2013 and convergence of New Indian accounting standards (Ind AS) with International Financial Reporting Standard (IFRS) has been a catalyst of growing demand for Indian Chartered Accountants in West Asia, Singapore and Australasia.
- Allowing foreign audit firms through 'Joint Audit' to work in collaboration with domestic audit firms. It has provided great opportunity for domestic firms to interact and compete on global scale.
- The government of India is also likely to allow



multinational firms to register as auditors, which is expected to drive competition in the market and act as a driver for the accounting services market.

- ICAI along with WTO has initiated 'Committee for Export of CA Services and WTO' for Professional Development of Indian Chartered Accountants to serve overseas and those serving abroad, facilitate networking of Indian chartered accountants globally and to protect interests of profession and Chartered Accountants in WTO/GATS era.
- ICAI along with ICWA and ICSI exploring feasibility and modalities for formation of Multi-Disciplinary Partnership among the members of ICAI, ICWAI and ICSI for multi-dimensional growth of Indian accounting professionals.

Open FDI

%

FDI THROUGH AUTOMATIC
ROUTE IS ALLOWED IN AC-
COUNTING AND BOOK KEEPING
SERVICES
TO BOOST INVESTMENTS
AND EXPORTS

QuickBooks Online Accountant follows the launch of QuickBooks Online in 2012, which is one of India's leading on-line financial management solutions for small businesses. The two products allow CAs and their clients (small businesses) to work together in real-time and share information securely. With over 4.5 million customers powered by more than one million accounting professionals globally, Intuit's flagship offering, QuickBooks Online Accountant, allows CAs to manage their practice and also helps them to grow it.

Tally Solutions is known to be India's largest company in the accounting software realm. The accounting software major aims to help small businesses access critical data anywhere, anytime, with remote access technology, and wants to focus on improving the experience of the software by building a multi-device access. It is investing in the cloud, and will be making a slew of announcements soon. Apart from customizing the accounting software, it is using technology to replace manual entries. It is also planning to open its network of two million SMEs to entrepreneurs who want to connect for business. According to Gartner, the SaaS business is a USD 152 billion industry. But Tally is planning to expand globally. It will continue to use remote access technology to expand to global markets like Asia, Africa, and the Middle East.

The first SaaS product was an IT filing self-service platform that helped taxpayers file their taxes online. In October same year, the team launched EZTax Books to help SMEs to maintain their books, including invoicing, GST returns, and accounting. The team claims to have over 1,10,200 B2C consumers and over 5,000 GST consumers, including International, Manufacturing, etc.

SUCCESS STORIES

Source: Your Story

Recent amendments and trends in accounting standards in India

- The government has amended certain Indian Accounting Standards (Ind-AS), including the standard relating to leases amid the coronavirus pandemic. Ind-AS 103, 116 and some other standards have been amended by the Corporate Affairs Ministry.
- Agreement between India and Brunei for Exchange of Information notified: The Agreement between India and Brunei for the exchange of information and assistance in collection with respect of taxes, was signed on 28th of February, 2019. The Agreement enables exchange of information, including banking and ownership information, between the two countries for tax purposes. The Agreement also provides for representatives of one country to undertake tax examinations in the other country. The Agreement will enhance mutual co-operation between India and Brunei by providing an effective framework for exchange of information in tax matters which will help curb tax evasion and tax avoidance.
- Income Tax Department designates Income tax Authority before whom particulars of parent entity and alternate reporting entity to file Country-by Country Report would be notified:
- In order to ensure that a multinational enterprise would report its profit correctly where it is earned, the OECD had developed an Action Plan called “Base Erosion and Profit Shifting (BEPS) Action Plan 13”, under which all large multinational enterprises (MNEs) are required to prepare a country-by-country (CbC) report with aggregate data on the global allocation of income, profit, taxes paid and economic activity among tax jurisdictions in which they operate.



Way Forward

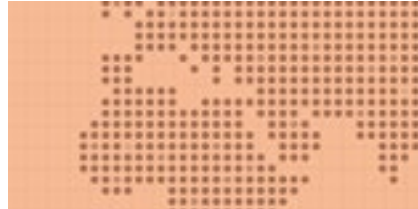
- The accounting space in India is undergoing massive changes. The industry is currently focusing on converging Indian Accounting standards with International Financial Reporting Standards (IFRS) which sets common rules globally so that financial statements can be consistent, transparent and comparable around the world.
- Apart from tax advisory the Indian accounting business is largely driven by technology and the profession has become highly competitive.
- The Indian accounting services industry is well on the course to adapting global technology with focus on data analytics and cyber security.
- India has a large pool of accountants with proven qualifications, certifications, skills and experience in domestic as well as international markets and offer services at a very competitive cost compared to other countries.
- This opens wide range of opportunities for Indian accountants to offer their services globally.

- Social media giant **Facebook** has entered into an agreement with artists representative body Indian Performing Rights Society (IPRS) to license its music repertoire for video, music stickers and stories across Facebook and Instagram. The alliance will allow Facebook and Instagram users to choose music from IPRS's library to add in their own videos, music stickers or stories they share on the platforms. (Source: Economic Times)
- Educational Initiatives' (EI) **Mindspark** has been selected as a finalist of the 2019 UNESCO King Hamad Bin Isa Al-Khalifa Prize for the "Use of ICT in Education", India's leading edtech company, was shortlisted among the top 10 out of 113 nominations. It is a personalized adaptive learning software, which helps students improve their Math and Language skills. The edtech company uses pedagogical research, and data on learning patterns; and using the power of AI and Big Data, provides adaptive and personalized remedial path for each child. (Source: Higher Education Digest)
- Workers in the information technology and associated sectors can work from home until the year-end in view of prevailing COVID situations. "In view of the ongoing concerns due to Covid-19, the department has decided to further extend these relaxations upto December 31, 2020 (Source: The Week)
- The recent quarterly results of many top-notch IT services companies in India indicate positivism and the fact that IT services companies have not been greatly affected by the ongoing COVID-19 pandemic. There have been healthy multi-million-dollar deal wins, robust deals pipeline and better-than-expected guidance by some of them. The results also indicate healthy cash flows, solid balance sheets and earnings comfort in the current volatile and disruptive times. (Source: The Week)

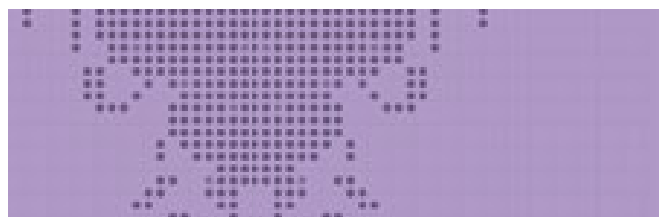


- **Zoom Video Communications** will be setting up a new technology centre and hire key talent over the next few years to expand its presence in India. The decision was taken following Zoom's increased level of adoption by users across India. (Source: Business Standard)
- Oyo Hotels & Homes announced that the firm has moved to a hybrid workplace model for the foreseeable future. The company is "reconsidering office spaces". The hybrid model includes a mix of work from home, work from anywhere and work from flexible co-working spaces is helping the company operate in full capacity. (Source: Financial Standards)
- **India's National Institute of Design** has been included in Anabin database. It is a database where all the foreign degrees and higher education qualifications in relation to German diplomas and degrees are provided. It helps foreign students to easily apply for work permits in Germany for working in the fields relevant to their education. (Source: Business World)
- **The World Bank and the Government of India signed USD 750 million agreement for the MSME Emergency Response Programme to support increased flow of finance into the hands of micro, small, and medium enterprises (MSMEs), severely impacted by the COVID-19 crisis.** (Source: World Bank)
- The Ministry of HRD conducted the first ever Indian Scholastic Assessment (Ind-SAT) Test 2020 under its 'Study in India' programme. Nearly five thousand candidates from Nepal, Ethiopia, Bangladesh, Bhutan, Uganda, Tanzania, Rwanda, Sri-Lanka, Kenya, Zambia, Indonesia and Mauritius appeared for the exam conducted in the proctored internet mode by the National Testing Agency. (Press Information Bureau)

GOVERNMENT NOTIFICATIONS AND INDUSTRY NEWS UPDATES



- PMO launched Aatmanirbhar Bharat Innovation Challenge, to identify the best Indian Apps that are already being used by citizens and have the potential to scale and become world class Apps in their respective categories.
- Film makers will get permission of shooting within 3 weeks after applying online on the ASI website (asiegov.gov.in/login). This initiative is planned to promote shooting of films in India, and will also increase the popularity of Indian monuments.
- The Union Cabinet has given its approval for extending the contribution both 12% employees' share and 12% employers' share under Employees Provident Fund, totaling 24% for another 3 months from June to August, 2020, as part of the package announced by the Government under Pradhan Mantri Garib Kalyan Yojana (PMGKY)/ Aatmanirbhar Bharat in the light of COVID-19, a Pandemic.



- The Ministry of Road Transport and Highways has issued a notification for amendment to National Permit regime under the Central Motor Vehicles Rules 1989 for promoting tourism across the country. The Ministry is in the pursuit of providing seamless movement to the tourist passenger vehicles after the success of goods carriage vehicle under National Permit Regime. This motive has culminated into a new set of rules, which henceforth will be known as, "All India Tourist Vehicles Authorization and Permit Rules, 2020" published vide GSR 425(E) dated 01 July 2020 for public and stakeholders consultation, which shall go a long way in promoting tourism across the States in our country on one side, while enhancing the revenue of State Governments.



SERVICES EXPORT PROMOTION COUNCIL
Setup by Ministry of Commerce & Industry, Govt. of India

SERVICES EXPORT PROMOTION COUNCIL

3rd Floor, 6A/6, NCHF Building,
Siri Fort Institutional Area,
August Kranti Marg
New Delhi-110049

Phone: +91 11-41046327-28-29, +91 11-41734632
Email: info@servicesepc.org
Website: www.servicesepc.org

