



Bengaluru Branch of SIRC of  
The Institute of Chartered Accountants of India  
(Set up by an Act of Parliament)



JNANA VIKASA  
■ ENDEAVOR TO EVOLVE ■ ENGAGE TO EXCEL

# HALF DAY MENTORSHIP PROGRAM FOR YOUNG MEMBERS

Topic:  
Opportunities for young members  
locally & Globally

Speakers: CA. Vijay Raja  
&  
CA. K.L. Prashanth

CA. Srinivasa. T  
Chairman

CA. Pramod R. Hegde  
Secretary

CPE: 3 hrs

OCT 2022

12

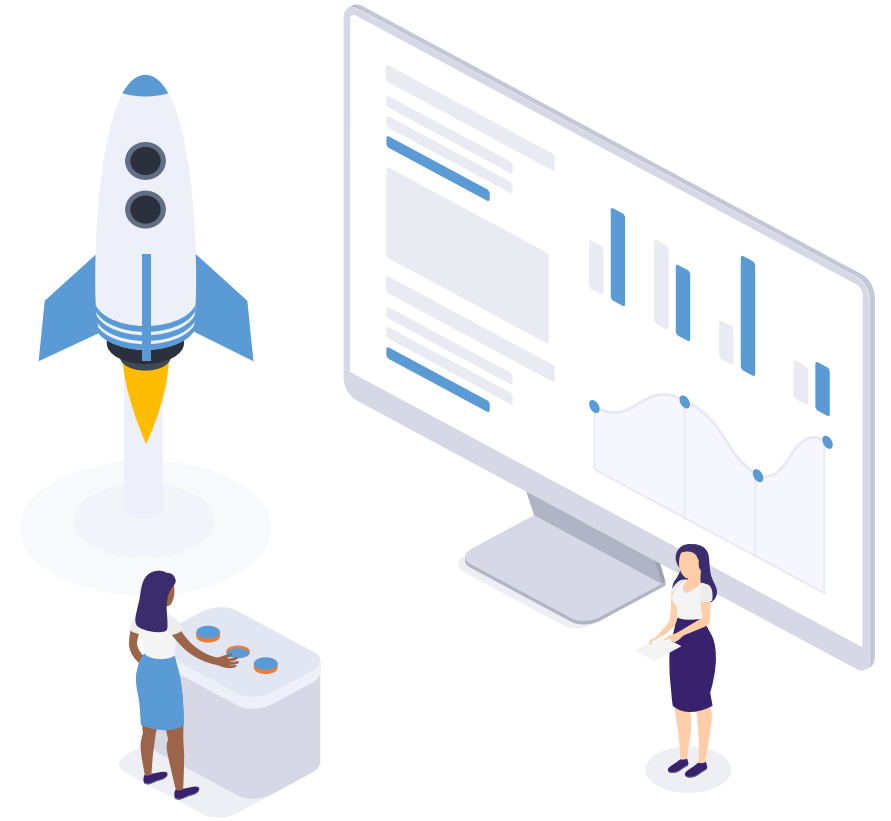
5pm - 8pm

Venue: S. Narayanan Auditorium,  
Vasanthnagar Branch, Bengaluru

**Delegate Fees -**  
**Rs 200/- Plus GST**

For Registration: please visit [www.bangaloreicai.org](http://www.bangaloreicai.org)

**Things which  
work!!!**



# What we 'always' think we should do



Develop a marketing plan



Getting referrals



Brand your accounting firm



**Things which work!!!**

# What we 'always' think we should do



Develop marketing materials



Improve your website



Network more



Things which work!!!



# What we 'always' think we should do



Embrace social media



Offer community services



Consider paid advertising



**WHAT WAS IN THE PREVIOUS 3 SLIDES ..... WOULD TAKE FABULOUS BUSINESS DEVELOPMENT**

**Things which work!!!**

# What we end up with



A big expenditure



Minimal result



Less/No business

Things which work!!!

# The way we present ourselves



No Advertising



No Blog



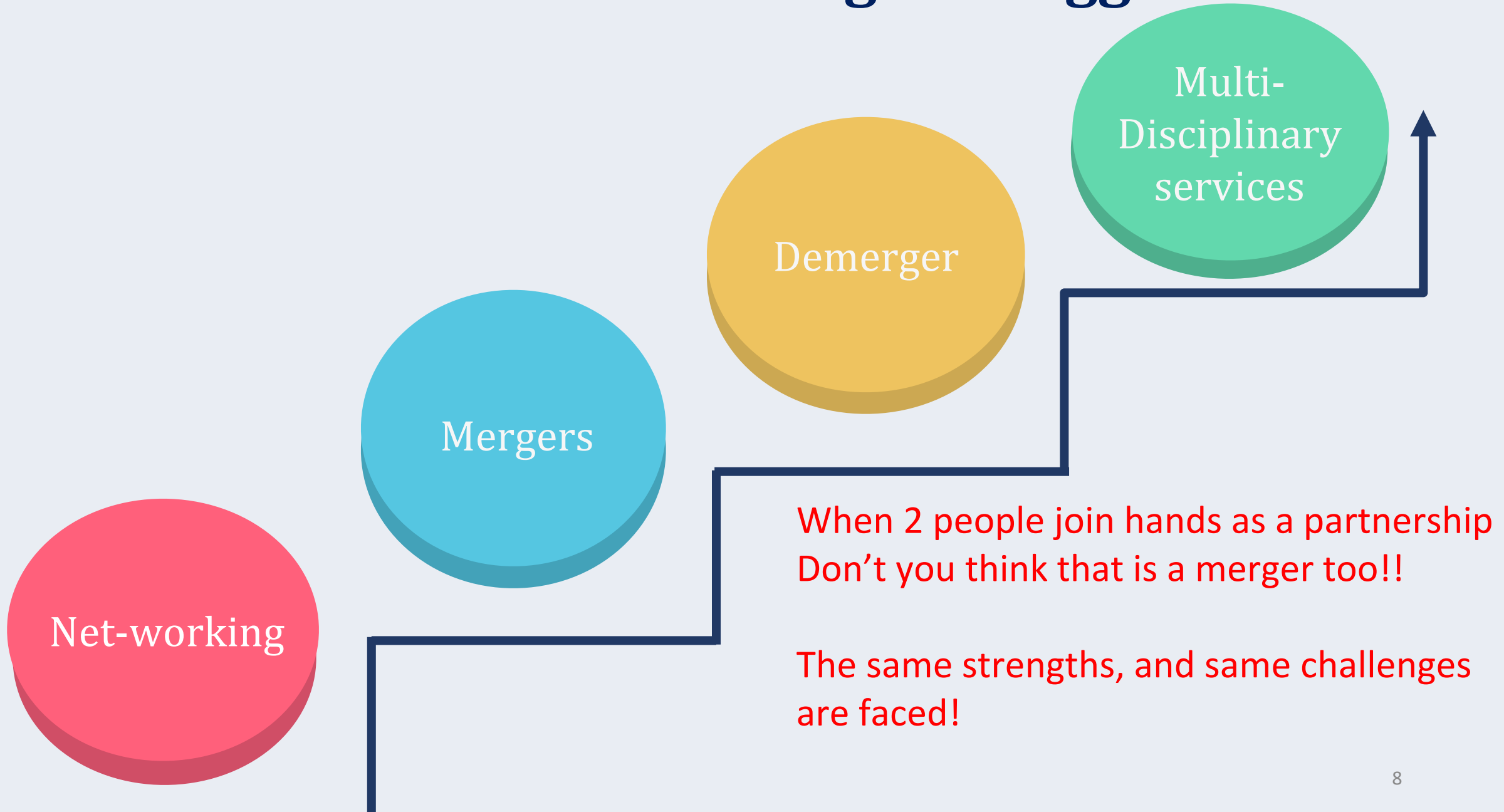
No Jazzy Website



No Visiting Card

*Blasphemy is what they term advertising done by us,  
not strategy*

# How can small firms grow bigger





# International Association

## How does it work ?



- Association of independent accounting firms.
  - Association does not provide professional services in its own name.
  - Each firm is a separate legal entity organized under the laws of the country in which it practices and is locally owned and managed
  - Member firms are not member/ partners of any one entity, nor legal Partners of each other nor is any one firm responsible for the services rendered to another firm
- 
- The Coordinating entity is usually organized as a LLP/ corporate entity and overseas the functioning of the network.
  - Cost of coordinating the network is funded by member firms.
  - The network does not wish to make profits out of its member firms.

# How to identify a Network?

## How global is a network?

- How many independent networks does the association boasts.
- In how many countries does the association have its presence.

## Fee sharing structure

What is the profit sharing basis and how beneficial is the association for you?

## Quality of members already present

What quality control measure does the association insist from its members?

## Range of services

What are the range of services the association provides specialized services in?

# What Steps you need to take to become a member?

01

One firm one state  
policy

02

Check for Local  
presence

03

Talk to a local  
member

Get a review of the  
association.

06

Write to the  
Secretariat

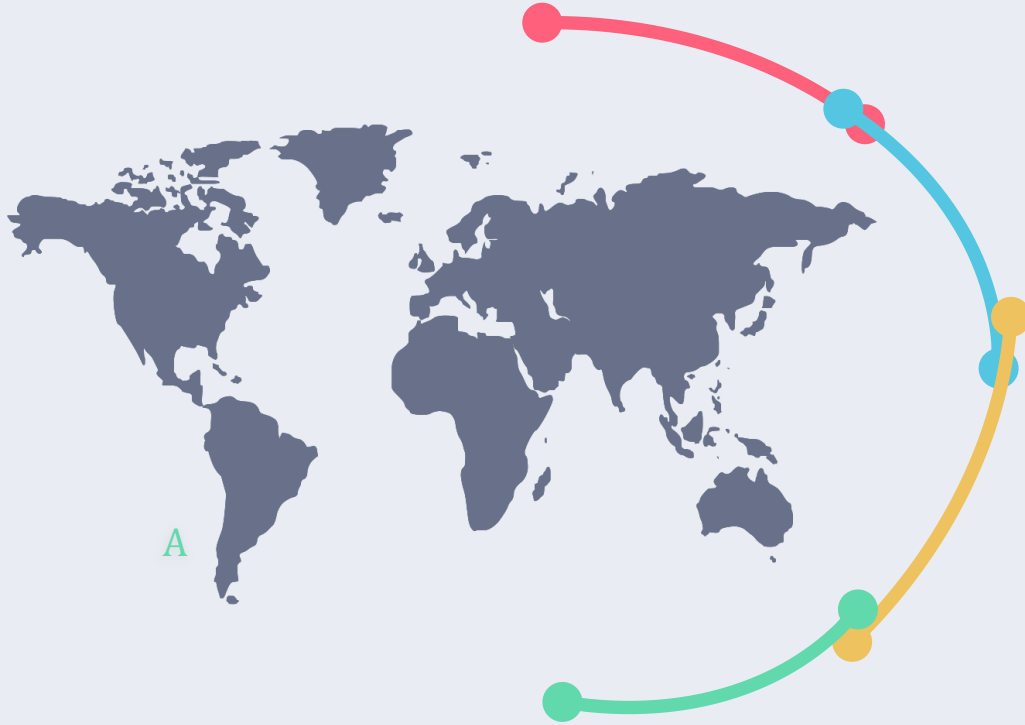
05

Be open for an  
Inspection –  
But sign NDA

04

Infrastructure  
to be pruned

# Forum of Firms



Membership in the Forum is open to networks and firms of all sizes that conduct, or have an interest in conducting, trans-national audits; promote the consistent application of high-quality audit practices and standards worldwide.

## Objective of the forum

- Promote consistent and high quality standards of financial reporting and auditing practices worldwide.
- The Forum brings together firms that perform trans-national audits and involves them more closely with the activities of the International Federation of Accountants (IFAC) in audit and other assurance-related areas.

# Some International Networks

## Part of the Forum of Firms

The below networks are also member of the Forum of Firms. The Forum of Firms Is an association of 23 International networks of accounting firms



# Some More International Networks





# How ready are you?

Answer these questions in your mind



Do you have internal quality control procedure?



Are partners of firm ultimately responsible for QC process?



Is communication of independence formalised?



Do you have a history of disengagement on independence or conflict of interest?



Are the firm's ethical governance practices documented ?



Is Technology used in the firm, and is there consciousness of its local brand?

# How ready are you?

Answer these questions in your mind

A grey circle containing a white dollar sign (\$).

It involves cost- Are you ready to pay the membership fees?

A light blue circle containing a white question mark inside a square box.

Extra Time – Are you ready to commit your time in addition to the daily routine?

An orange circle containing a white question mark inside a square box.

Travel- Are you ready for the travel it may involve, National/ International?

A yellow circle containing a white question mark inside a square box.

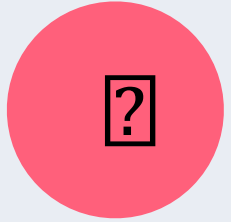
How quickly can you reply to queries? Do you have a plan?

A purple circle containing a white question mark inside a square box.

May require initiatives to contribute to the network, are you open to it?

# How ready are you?

Answer these questions in your mind



SPOC - can you be the one?



May not generate any business for a few years – Are you OK with it?



Punctuality – Would you be able to respond to queries on time?



Are you ready to adopt an international culture for better, which may require changes in the current procedure?



Are the employees and other members happy with the association?



Are you OK with monitoring of policies and internal framework.

# BUYERS

SORT BY ▼

## Details

Membership on [MergeOrSellCPA.com](#) allows buyers to view and connect with perspective sellers in a confidential, secure environment. Potential buyers, listed below, can perform extensive searches on the website platform based on criteria including size, industry niche, location, services and capabilities. Take your firm to the next level by exploring options and connecting in the digital marketplace.



\$ 14,000,000

### EAST BRUNSWICK, NJ

CPANJ1TLS1\_0

**Specialties:** Tax, MAS, Accounting & Audit

**Staff#:** 40      **Partner#:** 12  
**Manager#:** 11

Medium size full service accounting and consulting firm. Consistently ranked Best Place to Work - #1 in NJ



\$ 1.6M

### Silver Spring, MD

CPAMDSS\_0

**Specialties:** Tax, Accounting & Audit, Other

**Staff#:** 13      **Partner#:** 1  
**Manager#:** 2

We are a local firm that performs audit and accounting services for small businesses in IT, government



\$ 2,000,000

### New York, NY

CPANYN\_1

**Specialties:** Tax, Accounting & Audit

**Staff#:** 4      **Partner#:** 3  
**Manager#:** 1

Midtown Manhattan CPA firm.

[Read On...](#)



\$ 3.2 Million

### Syosset, NY

CPANYN\_0

**Specialties:**

**Staff#:** 11      **Partner#:** 4  
**Manager#:** 3

Mayer CPAs LLP provides accounting, tax, and business advisory services across a variety of industries. The firm



[Read On...](#)



# SELLERS

SORT BY ▼



## Nassau County, NY

CPANYNC\_0

**Specialties:** Tax, Accounting & Audit

**Staff#:** 7

**Partner#:** 2

Small full service firm providing accounting and auditing, tax and tax planning and bookkeeping services to

[Read On →](#)



## New York, NY

CPANY6JT\_0

**Specialties:**

**Staff#:** 12

**Partner#:** 4

The firm provides accounting, tax, and business advisory services across a variety of industries. The firm works

[Read On →](#)



## Garden City, NY

CPANYGC\_0

**Specialties:** Tax, Forensic, Accounting & Audit

**Staff#:** 50

**Partner#:** 2

This is a demo listing and therefore is only here for visual understanding of the process and function of the





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# Buying a Firm



## CPA FIRMS AND ACCOUNTING PRACTICES FOR SALE

We are currently promoting a large number of accounting firms and CPA practices for sale nationwide. Accounting Broker Acquisition Group possesses the breadth of experience and depth of knowledge that can only be obtained over many years of personally nurturing, facilitating, and enabling many millions of dollars in closed transactions. We have successfully represented hundreds of accounting practices for sale. You will not find a more knowledgeable or experienced accounting acquisition business broker in the nation.



# Types of Mergers- In India

Delhi/  
Bangalore/  
Kolkata/  
Mumbai.

Visiting card Mergers

Empanelment Merger

CAG + Bank

My Firm +  
Your Firm

India firm and local  
firm is different

Overhead Mergers

Polyclinic

# Real Mergers

What should we do to Merge and Network

Process

Informal Friendship

Study groups and clarification stage

Toe in water approach – Engagements



Referral Practice

Formal Network

Merger of firms

It is not an arranged marriage it is a love marriage

# Basic Parameter For Mergers

## Value Proposition

Is it for Money?



## Good timing

Synergy of firm

Are you ready for the Merger ?

Who would be the partners



## Vision

Value systems  
Culture – Can it be policy  
Culture owner



## Success

Profit sharing ratios

Liability

Client reference

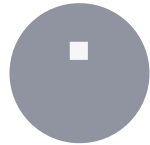


# How Ready are You?

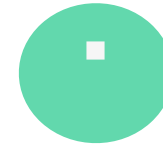
Answer these questions in your mind to know if you are Merger ready



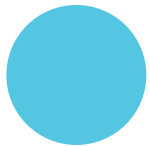
Post Merger, a Partner can become Manager



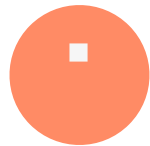
ME or is it the Organization? Which is more important for you?



Are you willing to come out of the comfort zone and fight it out.



Work life balance



Capital for Merger – Do you have it?



My freedom – I don't want any one to enter.



You need to report to someone?



Risk – Can we start from ground 0



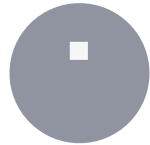
Travel- Around 6-8 days or more in a month.

# How Ready are You ?

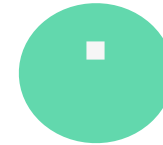
Answer these questions in your mind to know if you are Merger ready



Sentiments about the existing firm



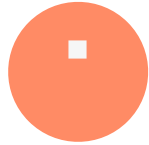
Society - would you feel difficult to face, as you got sucked in?



Existing fun will go



Adopt new culture – Are you ready?



What does the Family say?  
Are they supportive of your decision?



Are you open to criticism – constructive or destructive.



Would you like to be policy driven



I get success myself, or should I call it team success and join.



Are you hungry for more work, exposure, more knowledge.

# How Ready are You ?

Answer these questions in your mind to know if you are Merger ready



Are you ready to take up the BIG GAME



Do you need to invest lot of time in meetings, and conference calls.



Do you think Merger is alternative for Corporates



Do you enjoy All India Meetings instead of office meetings



# Strategies for Networking and Merger

1

Things which work

2

Organisation structure

3

Legal & VETO Structure

4

Organisation Character

5

Segmentation &  
Positioning

6

Death of Old Times

7

HR Strategies





8

Tech Strategies







| How to Grow your career

# Client data analysis

Company	Burn Rate	Resources
Delivery App	1.7 Crores	4.5 Crores
Aggregator	4.5 Crores	2 Crores
Data analytics	6 Crores	0.5 Crores
Micro Finance	1 Crore	?

Clients	Segment	Impact
ABC builders	Property	
XYZ auto	Automobile	
Captive Co	TP Billing	
Captive Co	TP Billing	

- Can we estimate what could happen to our clients
- Consequently what would happen to our fee
- Some sectors would not do well.
- Health, online education, IBC would be **Green**
- US Captive companies – Tread with caution
- Japan, China would look at opportunities

Nature of clients	Pay immediately	Pay after lot of persuasion	Pay after one next year
Property Company			
Foreign Company			
Startup company			
Consulting company			
Automobile company			
Delivery Apps			

- BUILD COMPETENCIES
- BUILD MATERIALS
- NOW IS THE TIME



Hospitals &  
Pharma Industries



Restructurin  
g of Loans



IBC, 2016

Applicable for larger  
firms as threshold  
increased to Rs. 1 crore

Donations  
through  
FCRA



Webinars &  
Teachings



# OUR NEW AREAS OF WORK

## Hospital and Wellness sector

- IFC process
- Funding Arrangements and investments
- ESOP structures for consultants
- Automation of hospitals
- Internal and Profit maximisation audits
- Online Courses for consulting doctors

## IBC Cases

- Forensic audits for IBC
- Accounting work for IBC cases
- Representation would go up in these cases
- Voluntary winding up of foreign captive companies shutting shop
- Valuation work in IBC



# OUR NEW AREAS OF WORK

## NPO and NGO sectors

- Capacity building measures for NGO
- Specific audit engagements for FCRA
- FCRA registration, and governance work
- Section 135 Covid contribution work
- Gates foundation, Clinton, millions of dollars funding
- A new era of philanthropist in India, only the Indian corporates donated.

## Financial Arrangements

- Conversion of WC to Terms loans
- CDR – Corporate debt structuring
- Switch of debts to bank
- Spurt of mails “almost on grounds of threat in rating agencies”
- Getting clients ready for CARE or ICRA etc

# OUR NEW AREAS OF WORK

## Automation engagements

- Stock take on remote basis
- Do your own portals
- WFH is going to be a norm
- Cyber security and cyber audits
- Even basic things like can I move your tally or QB to cloud
- Even basic things like Data rooms, clients now know – they have no data control

## Succession planning and family

- Succession planning jobs
- Will and testaments work
- Family agreements and arrangements
- Flipping structures would be new work
- My son went abroad to study syndrome may die.

# Income-Tax Litigation



Increased losses for most of the taxpayers



Fall in Tax budget



Vivaad se Vishwas – correct issues addressed during wrong time



Increased Assessments order

# INSOLVENCY BANKRUPTCY CODE

## CASES UNDER IBC,2016 - DETAILS

SI No.	Total No. of cases	
1	Admitted into the CIRP	3312
2	Closed by appeal, review or settlement	246
3	Withdrawn u/s 12A	135
4	For which resolution plan has been approved	190
5	Resulted into liquidation	780
6	No. of cases Ongoing CIRP	1961

## THE IBC,2016 – RESULTS

SI No.	Particulars	Amt in INR. Crores
1	Total Admitted Claims of FC*	351527.98
2	Liquidation Values of the entities	76685.79
3	Realisable by FC*	151691.86
4	Realisable by FC* as a % of Claims Admitted	0.4315
5	Realisable by FC* as a % of Liquidation Value	1.9781

## IMPACT OF THE IBC,2016

SI No.	Disposed No. of Cases before Admission to CIRP	
1	Under Section 7	894
2	Under Section 9	5102
3	Under Section 10	83
	<b>Total</b>	<b>6079</b>

**Amount Involved in Settling the above cases**

**2,84,000  
Crores**

# INSOLVENCY BANKRUPTCY CODE

12 large accounts – Initiated by banks as directed by RBI

Table 14: Twelve Large Accounts

(Amount in Rs. crore)

Name of Corporate Debtor	Claims of Financial Creditors Dealt Under Resolution			Realisation by all Claimants as a percentage of Liquidation Value	Successful Resolution Applicant
	Amount Admitted	Amount Realised	Realisation as Percentage of Claims		
Completed					
Electrosteel Steels Ltd.	13175	5320	40.38	183.45	Vedanta Ltd.
Bhushan Steel Ltd.	56022	35571	63.50	252.88	Bamnipal Steel Ltd.
Monnet Ispat & Energy Ltd.	11015	2892	26.26	123.35	Consortium of JSW and AION Investments Pvt. Ltd.
Essar Steel India Ltd.	49473	41018	82.91	266.65	Arcelor Mittal India Pvt. Ltd.
Alok Industries Ltd.	29523	5052	17.11	113.96	Reliance Industries Ltd., JM Financial Asset Reconstruction Company Ltd., JMFARC - March 2018 - Trust
Jyoti Structures Ltd.	7365	3691	50.12	387.44	Group of HNIs led by Mr. Sharad Sanghi
Bhushan Power & Steel Ltd.	47158	19350	41.03	203.39	JSW Ltd.
Under Process					
Amtek Auto Ltd.	CIRP re-commenced				
Era Infra Engineering Ltd.	Under CIRP				
Jaypee Infratech Ltd.	Under CIRP				
Lanco Infratech Ltd.	Under Liquidation				
ABG Shipyard Ltd.	Under Liquidation				

Voluntary

Insolvency Cases

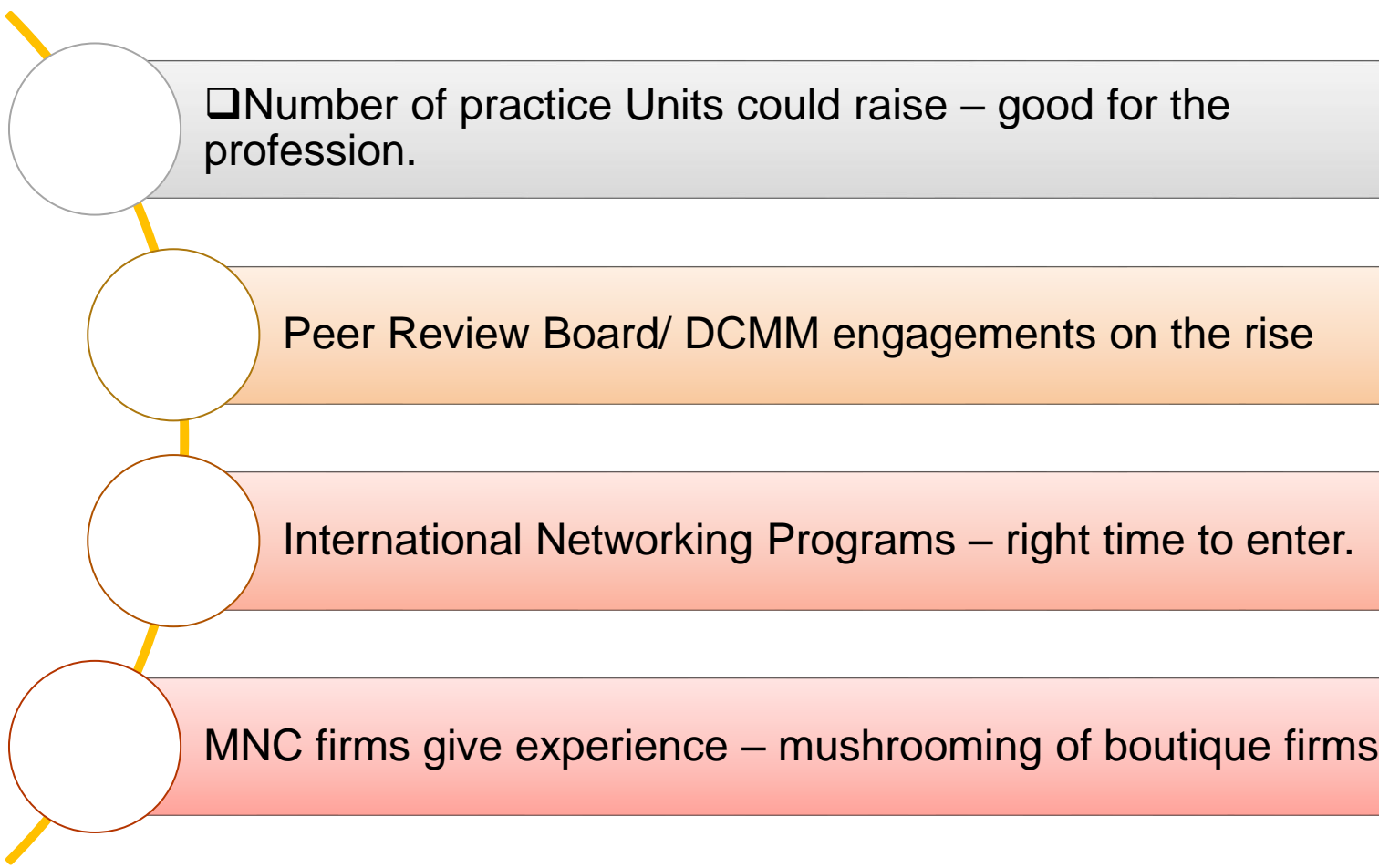
Forensic Audit

Liquidation Cases

New Areas you can Venture into

- Revolution Witnessed

# Changes in demography of ca firms



❑ Number of practice Units could raise – good for the profession.

Peer Review Board/ DCMM engagements on the rise

International Networking Programs – right time to enter.

MNC firms give experience – mushrooming of boutique firms

## Newly Qualified

- own practice
- Client acquisition by lower fees
- Increase by collaborating working will take place

Concentrate on NGO/NPO space

Concentrate on Corporate guys starting fresh

# Size of the firm

444 firms now

## Firms having potential to grow as BIG 8/20

No of Partners	No of Firms	No of Partners	No of Firms	No of Partners	No of Firms
10	135	21	4	32	2
11	76	22	2	38	1
12	73	23	3	39	1
13	35	24	4	44	1
14	22	25	NIL	61	1
15	19	26	NIL	63	1
16	17	27	2	66	4
17	11	28	3	67	1
18	6	29	2	92	1
19	9	30	2	139	1
20	5				

Visiting card firms, poly clinic firms, Bank & CAG audit firms

# ROLE in FUNDING

Working capital to Term Loans

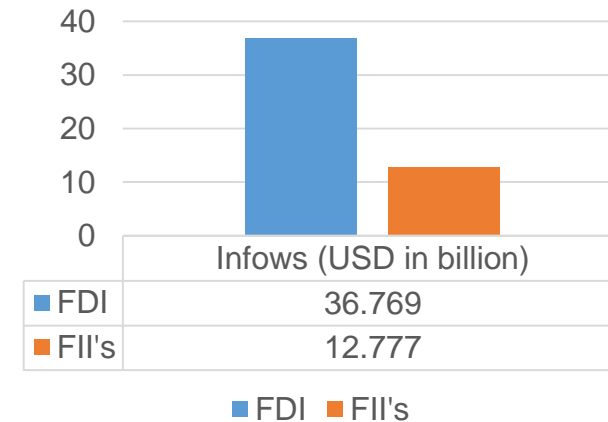
Emergence of bridge financing

Funding agencies – review assignment

Investments through VC/PE (USD 36.96 bn)  
and through FDI (USD 47.63 bn) in 2019

Impact of COVID – 19 →→→

Investments in India in  
2019



- Drop in fresh investments
- Impact on transaction advisor services
  - Reduction in filing FCGPR
  - Reduction in data room
  - Drop in Due diligence reviews



# ROLE in FUNDING

Compliance of SHA

Emergency of ESCROW funding

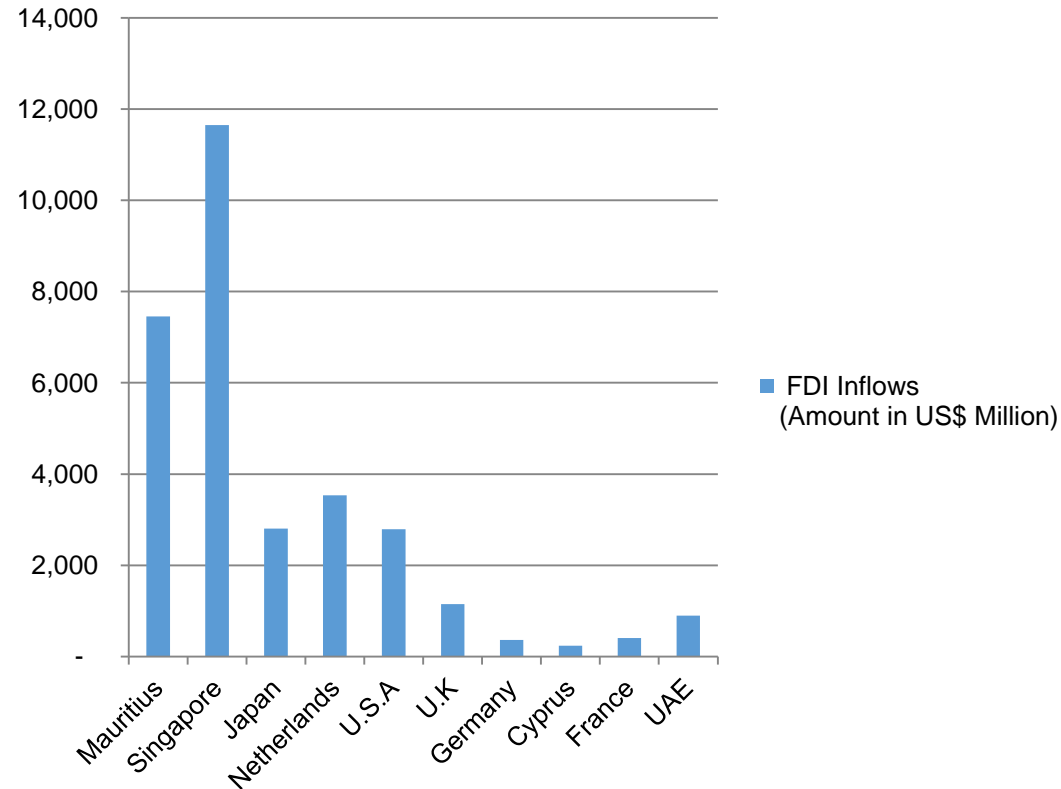
Increase of “professional director  
engagements”

Cost rationalization engagements

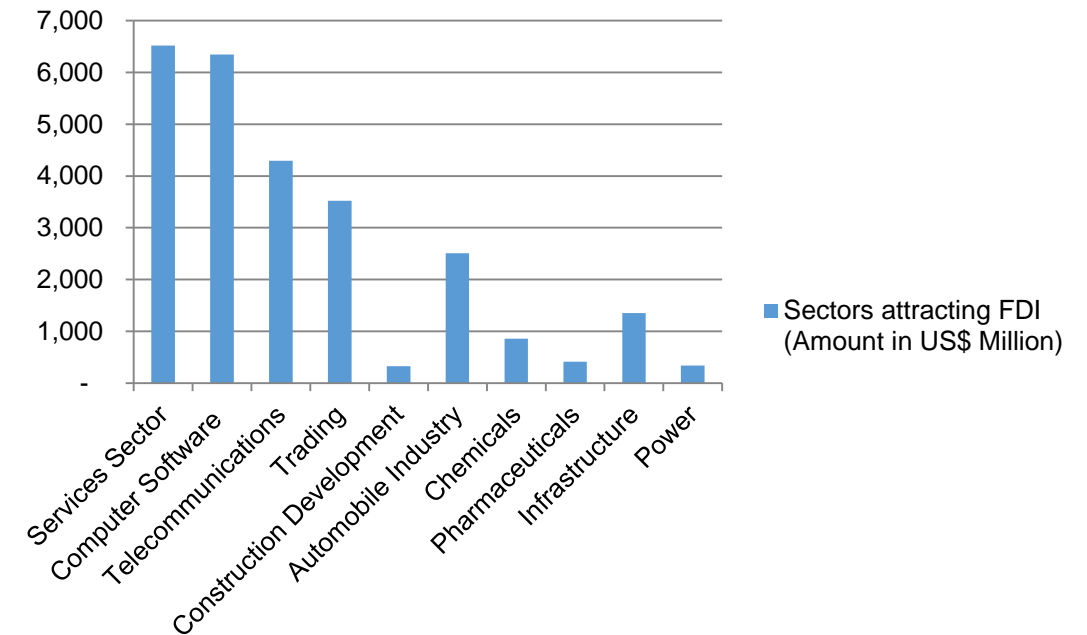
PE VC Dash boards engagements

# ROLE in FUNDING

April 19 – December 19



April 19 – December 19



- ✓ All of the countries except Mauritius and Cyprus are COVID-19 affected countries.
- ✓ FDI from all of such COVID-19 affected countries would be impacted in future -

FDI

# Venture Capital Industry

## What is Venture Capital Fund?

### It is a Niche Area – so risky

- Demand and Supply is low
- Growth has gestation – Can you wait for 5 to 10 years?
- Unique compliances – SEBI, RBI, Income Tax
- Options -
  - a. Venture Capital Work as is
  - b. Compliance work for Venture capital
  - c. Advisory to Venture Capital



## **What is SAP?**

- SAP is Enterprise Resource Planning software developed by German company SAP.

## **Role of CA in SAP**

- Chartered Accountant with his deep knowledge in Finance and Costing has great scope to work as Functional specialist in SAP in Finance & Controlling (SAP FICO).

## **SAP as Career**

- Large corporations across industries like Retail, Oil & Gas, Automobile use SAP as their core Software (Ex: Shell, British Petroleum, Walmart, Robert Bosch, Daimler, Mercedes Benz etc.).

# IFRS / Ind AS versus US GAAP

## IFRS / IND AS



- ❖ Accepted globally in around 144 countries, Framework issued by International Accounting Standards Board.
- ❖ Person with qualification of ACCA, Chartered Accountancy can practice IFRS / Ind AS.
- ❖ Based on principles
- ❖ Comparative information must be disclosed in the financials

## US GAAP

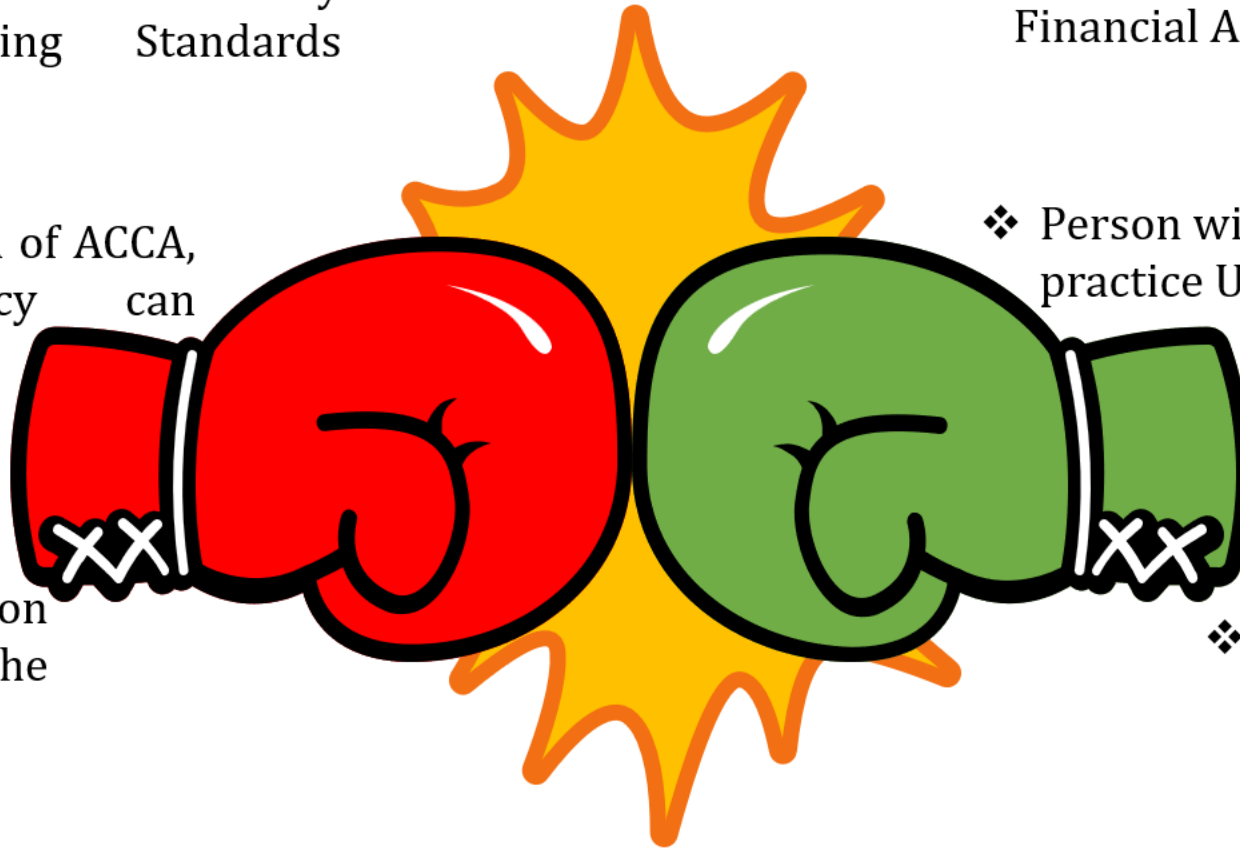


- ❖ Generally accepted accounting principles in united states. Framework issued by Financial Accounting Standards Board.

- ❖ Person with qualification of AICPA can practice US GAAP.

- ❖ Based on Rules

- ❖ Generally, comparative financial statements are presented, however, a single year may be presented in certain circumstances.



# Pointers

## Ind AS vis a vis IFRS

- ❑ Way back in 2006, ICAI initiated the process of moving towards the IFRS issued by International Accounting Standards Board (IASB) with a view to enhance acceptability and transparency of the financial information.
- ❑ Government of India decided to converge and not to adopt IFRS to suite the financial information needs of stakeholders in India.
- ❑ Resulting which Ind AS i.e converged IFRS was issued by central government under supervision and control of Accounting Standards Board(ASB) of ICAI

## Scope for practise of Ind AS, IFRS and US GAAP

- ❑ Members can practise Ind AS / IFRS in India, as currently Ind AS is applicable to most of the listed entities and large organisations in terms of net worth and turnover.
- ❑ Members can also explore the opportunities of practising IFRS in continents such as countries such as UAE, UK, Ireland, Qatar, etc. by pursuing ACCA along with CA.
- ❑ Members can obtain licensing from AICPA to get expertise in USGAAP and can look for opportunities in United States

# Governmental Audits



Government distribution relief –  
Audit (like PM-CARES)



Grants from AYUSH, funding from  
SIDBI



Audits of wages 25% for EPFO <  
15000

## Website of Gujarat State Highway Project-II



Suggest Tags



Comment



Share This



The Government of Gujarat (GoG) in Roads and Buildings Department (R&BD) assigned to it. Users can find detailed information about the Gujarat State Hig



Substantial thrust in  
infrastructure by government  
– would lead to large audit

# Audit, Accounting and Corporate law seem to be faced with disruptive trends



**In the age of growing machine IQ, anything that is vaguely repetitive, will not last**

**DISTANCE MATTERS**



Thank you....

