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***A wise man will make more opportunities than he finds . . .***

Opportunity knocks ur door only once... Really???

I Open every door, not knowing when dawn will come –  
Emily Dickinson

A pessimist sees the difficulty in every opportunity, an  
optimist finds an Opportunity in every difficulty - Winston  
Churchill

How much I missed, simply because I was afraid of missing it –  
Paulo Coehlo

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# ***Business Environment***

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## ***India and Global*** Globalised India

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# ***What is Business Environment ??***



## ***India and Global***

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***Whether India is better or any other developed nation is better for professionals***

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***Your View ??***

***The dais is yours***

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***Whether India is better or any other developed nation is better for professionals***

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***US and other developed countries are on an average are growing at sub 2% -- India is growing at more than 5%***

## ***Economy Growth\****

	annual growth in %		
	<b>2010</b>	<b>2011</b>	<b>2012</b>
India	10.3	6.6	4.7
Singapore	14.8	5.2	1.3
UK	1.7	1.1	0.3
US	2.5	1.8	2.8

## ***Growth in Service Sector***

Contribution in growth %

	<b>1950</b>	<b>2005</b>	<b>2012</b>
India	15	53.8	47

***Current Share is around 63%***  
***and it continues to grow . . .***

\* **Source: [data.worldbank.org](http://data.worldbank.org)**

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***Whether India is better or any other developed nation is better for professionals***

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***India is one of the worlds largest consumer markets in world***

***Every retailer in the world are keen to enter India  
- IKEA, Walmart, Amazon, ebay, .....***

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***Some stories . . .***



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# ***Detroit***

## ***General Motors, Ford, and Chrysler***

***16% unemployment -- 36% poverty -- 60% population decline***

*A major economic and demographic decline in recent decades*

*Population fall – 18,50,000 in 1950 to 7,01,000 in 2013*

*Automobile industry – suffered from global competition and has moved much of the remaining production out of Detroit*

*In 2013, Detroit filed the largest municipal bankruptcy cases in U.S. history*

*highest crime rates in the United States are now occurring in Detroit*

*Police response times average 58 minutes*

*40% of streetlights do not work*

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***Cyprus***

***Tax Ghost***

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***..... But, where is India today ???***

## *As per the report of World Bank:*

### *List of countries most suitable for doing business:*

Economy	Ease of Doing Business Rank	Starting a Business	Dealing with Construction Permits	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Resolving Insolvency
Singapore	1	3	3	28	3	2	5	1	12	4
Hong Kong SAR, China	2	5	1	89	3	3	4	2	9	19
New Zealand	3	1	12	2	3	1	23	21	18	12
United States	4	20	34	25	3	6	64	22	11	17
India	134	179	182	92	28	34	158	132	186	121

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***The Sweet Reality:***

***Till the time India reaches the top position from  
current level,***

***We all Chartered Accountants will have  
tremendous opportunity to take the country  
there!!!***

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*Services*

—

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*Manufacture*

# ***Theory of Progression***

***Generally, countries tend to follow a developmental progression:***



***from a heavy reliance on agriculture and mining***



***towards***



***development of manufacturing (automobiles, textiles, steel)***



***and finally towards***



***a more service-based structure***

***...India has followed this pattern...***

***India's GDP: Agri - 18.5% : Industrial - 26.3% : Services - 55.2%***

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# ***Manufacturing Sector . . .***

## ***What is happening ???***



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## ***Few Facts... – Indian e-commerce***

### ***redBus:***

***Aggressive valuations for redBus.in – \$ 110 mn/ Rs. 700 Cr***

- This is 11 times its average revenue numbers***
- revenue of around 55Cr***
- Infosys - 4 times | RIL - 0.7 times | ICICI Bank - 1.4 times***
- Expected profits in 2012-13 - \$ 0.33 mn /Rs. 0.50 Cr***

### ***FlipKart:***

***Estimated valuation – \$ 1.5 billion/ Rs. 9000 Cr***

***Recent funding – \$ 200 mn/ Rs. 1200 Cr***

- This funds to be burned out as working capital in next 2 years.***
- Another round of funding could be required !! ??***

- Expected to be profitable only from 2015***
- Expected annual revenue by 2015 – \$ 750 mn/ Rs. 4500 Cr***
- Annual revenue in 2012 – \$ 85 million***

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## ***Few Facts... – Global e-commerce***

### ***Market cap of Amazon – \$ 138 billion***

- Company incorporated in 1995, still not profitable***
- Experts think it is still a very young company***

### ***Alibaba is a Chinese e-commerce player, started in 1999***

- Valued in the range of \$55 billion to \$120 billion***
- Has not made any profits till date***

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## ***India Retail Opportunity***

***Current Indian E-Commerce market – ~\$ 600 mn***

***Current Indian Retail market – > \$ 500 billion/  
\$500,000 mn***

***Estimated Indian E-Commerce market size by 2021  
– \$ 76 billion/ \$ 76,000 mn***

***India's current internet penetration is sub 10%***

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## ***Emerging Services***

- Transaction advisory – tax, financial
- Due diligence – tax, legal, financial etc.,
- Setting up a new Company/LLP – form of investment – advisory services
- Corporate restructuring ideas – Mergers & Acquisitions
- Valuation for Stamp duty purposes
- Project Financing , Financial advisory, Capital Market – broking houses
- SOX Audit, Information Technology audit
- Certification related work
- Tax filings and compliances
- International Taxation and Transfer Pricing

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## ***Emerging Services***

- Performance measurement services – based on “non financial criteria”
  - ✓ Competitive Performance
  - ✓ Process Performance
  - ✓ Environmental Performance
- Data and system assurance services
- Management and regulation of e-commerce related transactions
- Information authentication – interpretation and evaluation
- Giving Opinions and Memo’s
- Forensic audit
- Personal tax planning for internationally mobile staff
- Global ETR management and planning

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# ***Emerging Services***

- **Banking and financial services**
  - ✓ insurance companies – risk advisory services, actuary, investigation and arbitration services
  - ✓ Valuation firms
  - ✓ Mutual funds
  - ✓ fund management
  - ✓ credit management
  - ✓ forex management
  - lack of CFA's in India
- **Investment Banking –**
  - ✓ Private equity
  - ✓ IPO Support
  - ✓ Portfolio management

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## ***New avenues of Scope***

- LLP Act
- Companies Act, 2013
- GST
- DTC
- GAAR
- TARC .... And a lot more

Untapped avenues – FEMA, FDI – investment advice

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# ***Abroad***

- Negotiations with
  - ✓ Singapore,
  - ✓ Ireland,
  - ✓ Canada
  - ✓ Turkey
  - ✓ Mongolia
  - ✓ Dubai
  - ✓ UAE and
  - ✓ America

*Water water everywhere – Not a drop to drink....*



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# ***Competencies***

- Necessary infrastructure
- *Forward looking strategic management skills*
- *Proactive approach to management*
- *Retain client base with succession planning*
- *Customize or tailor solutions for easy delivery*
- Support specialization
- Wider knowledge base - update recent happenings - store repository
- Networking, sharing and collaborating to succeed

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***Thank You!***

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