



# Building on strong foundations

## Charting a new path forward

### Making support functions pay for themselves

As organisations grow their businesses, it is important that the management ensures:

- Leadership focus on business growth drivers instead of operating non-core functions
- Business is equipped and staffed appropriately to manage support functions, and they have the ability to be flexible to match the needs of the business during variable business cycles
- The support functions build their technology capability to add value through insights and data analytics, and in some senses become a profit center on their own

As businesses are pressured to deal with cost and growth issues, we observe that business are engaging service organizations to take care of their non-core business functions, to allow management to focus on business goals. Typically, it is accounting, Tax, IT and HR functions that are widely outsourced since these are the areas that constitute the majority of cost and headcount as far as non core activities are concerned.

The drivers for deciding whether to outsource or not vary by organization, but we have provided below some key aspects that have a bearing on the decision

- Level of difficulty in building and operating an internal finance function e.g. retention of key talent, continuous training, offering growth to employees and cost pressures
- Costs and reputational implications in the case of lapses in critical compliances
- Need for quality reporting on a timely manner
- Building process efficiency in order to be able to manage increased volumes at a lower per transaction cost
- Integration of technology capability into processes especially in the areas of data analytics to enhance the value proposition of non core activities

To be able to outsource these activities, organisations go through a quick analysis, typically start with a few processes in some key areas and then expand the range and scale of outsourced activities based on their experience.

### KPMG Managed Services

KPMG in India offers integrated Managed Services to address your Statutory Accounting, Bookkeeping, Tax and HR Compliance processes using its specialised and dedicated team - comprising accounting, secretarial, tax and HR/ payroll professionals.

Our offering is especially relevant for the Indian operations of foreign companies, start-up companies and investment funds. Such entities may find it beneficial to outsource their bookkeeping and compliance functions to be able to focus on their core business operations.

#### The offering encompasses broad range of services, including:



Maintenance of books of accounts



Monthly management information reports



Company secretarial compliance support



Preparation of annual financial statements



Support during the audit process



Assistance in group reporting



Assistance with HR and payroll processing



Support on direct tax, indirect tax and other regulatory compliances

# Highly customizable services basis unique requirement and scope specifics

## Accounting



- Regularisation of books of accounts for past periods
- Record day-to-day accounting transactions as required under Indian GAAP
- Manage accounts payable and accounts receivable function
- Record fixed assets and prepare depreciation schedules
- Record month-end accruals and manage the closure process
- Prepare and file eTDS returns
- Prepare bank reconciliation and inter-company reconciliation statements
- Prepare customised monthly/quarterly/annual MIS reports
- Prepare annual financial statements as per Indian GAAP
- Convert Indian GAAP statements to U.S. GAAP, IFRS or other international GAAP, as required
- Liaise with auditors as required to help facilitate the timely completion of an audit.

## Company secretarial compliance



- Preparation of share certificates and common seal
- Preparation and updation of statutory registers
- Preparation of board / shareholder meeting minutes
- Preparation of director's report
- Preparation of documents for appointment/resignation of directors
- Preparation of documents for change in share capital
- Assistance in filing for changes with respect to name, registered office address, main objectives, etc.
- Preparation and filing of annual and other statutory returns.

## Management accounting



- Prepare customized monthly / quarterly / annual MIS reports
- Review of annual financial statements
- Operational and finance support
- Support in preparation of business plan
- Support in compilation of annual budgets and periodic updates
- Support in cash flow monitoring
- Support in CMA data preparation and review
- Support in preparation of future cash flow forecasts
- Support in valuation activities for further issue of capital
- Support in accounting and finance recruitments (limited to shortlisting of candidates).

## HR & Payroll processing



- HR administration & compliance
- Assist with payroll processing
- Prepare pay slips
- Prepare customised payroll reports
- Prepare monthly bank transfer letters
- Assist with tax computation and other tax issues relating to the payroll cycle
- Maintain leave records
- Assist with statutory compliances with various applicable laws such as those pertaining to income tax, profession tax, provident fund, etc.
- Provide personal employee support services that enable resolving employee queries
- Provide a helpdesk for employees
- Assistance in calculating and filing expat tax.

## Direct tax



- Assistance with incorporation of subsidiary / liaison office/branch office / project office
- Assistance with tax compliance
- Assistance with advance tax working
- Preparation of tax returns
- Assistance with tax assessments
- Assistance with application for lower withholding certificates
- Assistance with other regulatory compliances
- Assistance with advance rulings
- Transfer pricing support.

## Indirect tax

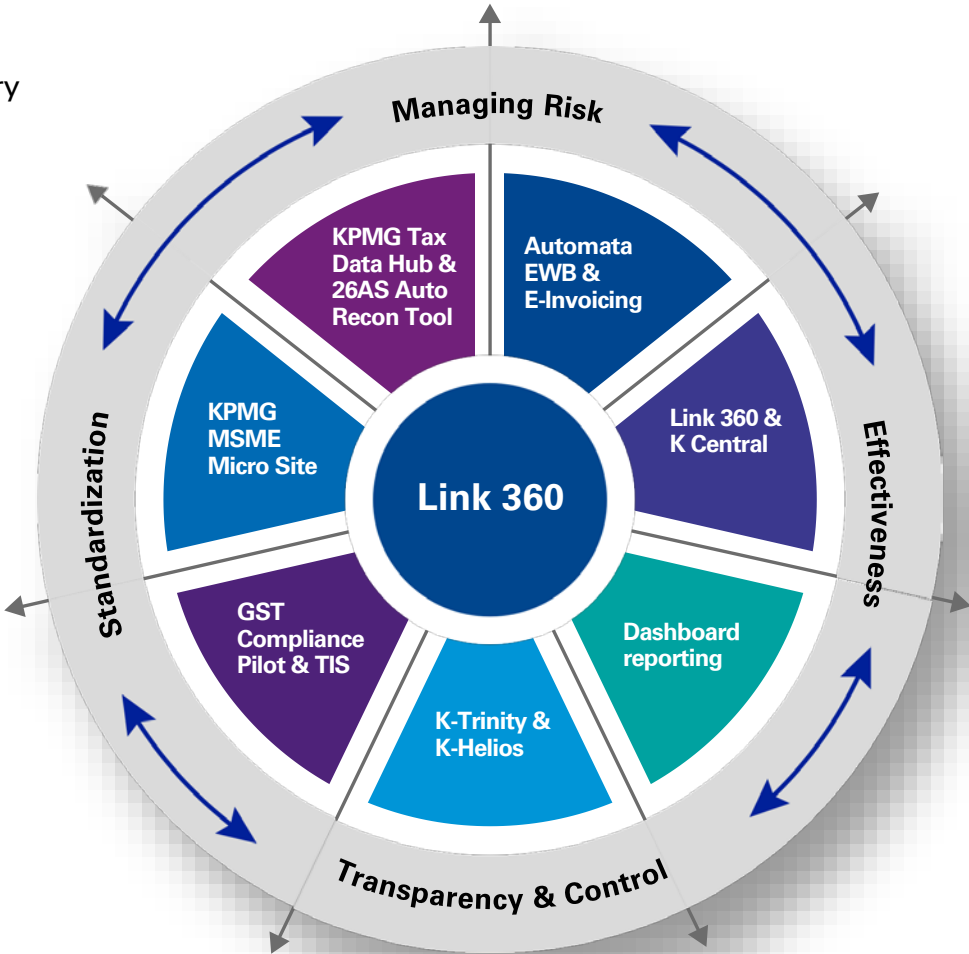


- Assistance with GST and other Indirect tax compliance
- Assistance with the preparation of returns
- Procurement of statutory forms from the tax authorities such as Form C/F
- Review of required registers and records
- Assistance with tax assessments
- Assistance with drafting of responses to preliminary queries from the tax department
- Assistance with other regulatory compliances
- Impact assessment and suggesting the way forward for GST.

# KPMG's proprietary suite of tools and technology to enable seamless and integrated services

Our technology driven operations are enabled by a proprietary suite of tools that are customizable basis organizational specificities

Secure environment with controlled access rights and fully compliant for all data privacy regulations	Provides data insights and business outcomes
	End-to-end Tax and compliance automation
Eliminates manual efforts, human errors and Improves accuracy	Dashboards provide a bird's eye view of the business performance and compliance status with drill down options

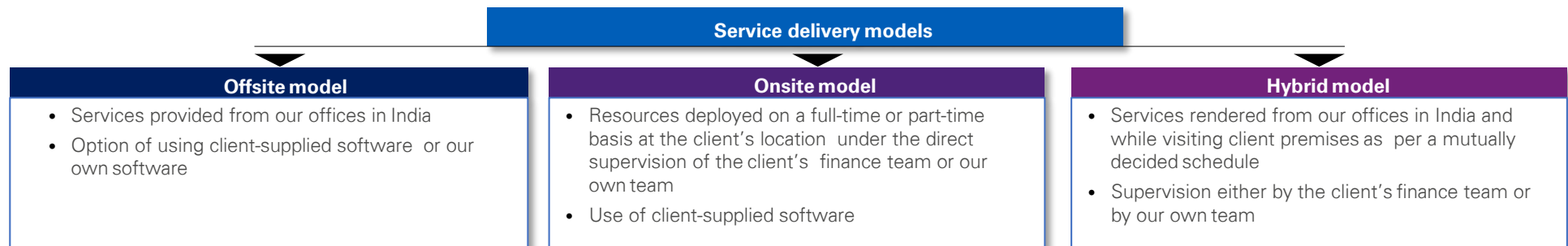


## KPMG Automata - a key enabler

The KPMG Automata digital finance platform provides seamless and integrated capabilities to empower every organization, irrespective of its size or nature of business, to fully transform and automate their finance processes, end-to-end, helping derive insights that catalyze business development priorities.



# Customized service delivery models



## Flexibility in the nature of services



Integrated suite of statutory accounting and bookkeeping compliance



Only bookkeeping services / only financial statement preparation



Short-term project requirements



Ongoing retainer arrangements

## What organizations want...



World class operations at an affordable price point



Efficient process, self-reliant, well-utilized resources to allow retained organization focus on business partnering roles



Service provider behaving, acting as business partners who can collaborate seamlessly with business



Intelligent Controls and Compliance operations for improving accuracy, reliability and predictability of financials



Operations that leverage technology to deliver quick and accurate financial and business information



A partner who takes responsibility, accountability and willing to invest in the relationship and has scalable operations to accommodate future growth

## ...and what KPMG offers.

- Integrated managed services – one stops shop to address all your compliance needs
- Dedicated and experienced team to support you through out the process
- Ability to leverage our diverse experience and client base to benchmark and improve processes
- Access to KPMG's global network allows member firms to offer dedicated bookkeeping and outsourcing services locally around the world
- Robust tools, technology and methodology for control and transparency
- Confidentiality and data security due to established internal risk policies and guidelines
- Smooth transition and delivery mechanism to help ensure that there are no surprises.

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