

# PMO brainstorms on regulatory changes for establishing big *desi* MDP firms

**DELIBERATIONS CONTINUE.** Principal Secretary-2 to Prime Minister, Shaktikanta Das, chairs second meeting

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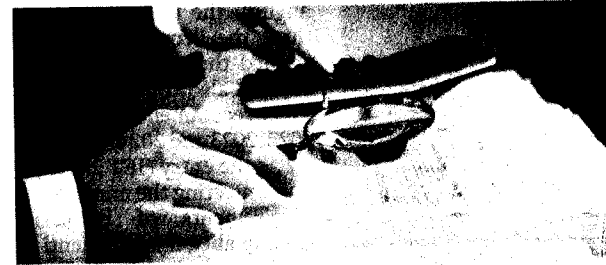
Days after the Corporate Affairs Ministry invited suggestions on the establishment of Indian Multi-Disciplinary Partnership (MDP) firms, the Prime Minister's Office (PMO) on Tuesday held a meeting to deliberate on the regulatory changes.

Sources confirmed to *businessline* that Principal Secretary-2 to the Prime Minister, Shaktikanta Das, chaired a meeting for the second time. It was attended by top officials of the Finance Ministry and the Corporate Affairs Ministry, besides others. Although not much details are available, it is believed that the meeting took note of the progress till date and the future road-map.

Earlier last week, to help homegrown accounting, auditing and advisory firms compete with global biggies, the Corporate Affairs Ministry invited suggestions on the establishment of Indian

MDP firms. An office memorandum by the Ministry identified six key issues that needed to be addressed to help Indian firms grow to an international level. These include advertising and marketing bans, restrictions on MDPs, fragmented licencing, public procurement and empanelment processes, standalone operations, and the absence of global collaboration platforms.

The Ministry has raised nine questions for suggestions. First, it focuses on specific changes in the rules/regulations governing different professionals in India, aiming to ensure that Indian firms become globally-competitive players in the consultancy field. The second question concerns the type of regulatory safeguards necessary for the successful implementation of the MDP framework. "What should be the mechanism to settle disputes among professionals in an MDP? Are you aware of successful MDP models in other countries? If yes,



**INVITING SUGGESTIONS.** The Corporate Affairs Ministry has raised questions to ensure Indian firms become globally competitive in the consultancy field GETTY IMAGES/ISTOCKPHOTO

which of the best practices should be adopted in India," asked the third and fourth questions.

The fifth question is about the measures the government/professional bodies can take to ensure Indian firms develop into globally-competitive players. The sixth point concerns the regulations of governing bodies/associations that prevent Indian firms from offering services in India, similar to global consultancy firms operating both domestically and internationally. "What is the status of presence of In-

dian consultancy firms in international market? How can brand building for Indian firms be encouraged without opening the sector to solicitation/advertising," said the seventh and eighth questions, while the ninth question is about any other issue.

## LEVEL PLAYING FIELD

Sharing his views, Devroop Dhar, India CEO & Co-Founder, Primus Partners, suggested that the government, while framing policies, must clearly differentiate between the needs of consulting and audit, and device

enablement must be fine-tuned for each segment. Moreover, the definition of what constitutes an "Indian firm" must be clear. Going beyond mere registration in India, firms must reflect genuine Indian ownership, control and ethos. This will help safeguard authenticity and ensure that the vision of an Indian Big Four is firmly rooted in national capacity.

Lastly, providing opportunities and a conducive business ecosystem is critical. A level playing field must be created for all by removing artificial barriers and shifting the focus in tenders from revenue as sole decisive factors to people skills, expertise, quality certifications and domain knowledge. Indian firms today bring strong expertise across emerging technologies, critical infrastructure and public procurement. With the right support, it is possible to scale globally, proving yet again that when solutions are designed for India, they are solutions for the world.