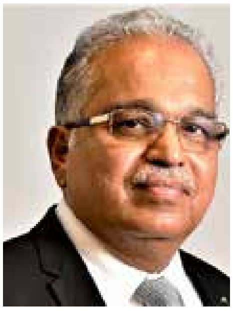
Crowe

Newsletter
Vol 2, 2021

Message from the Managing Partner



Davis Kallukaran
Founding and Managing Partner
Crowe Oman
davis.kallukaran@crowe.om

Dear Friends,

The G7 decision to push forward the mandatory implementation of a global corporate tax rate of at least 15% is a great achievement for the major economies. But this is not an encouraging news for tax heavens. Taxation will make them less attractive to the giant multinationals. Although a long shot, this decision will also have a major impact on free zones in various countries which has been designed to attract the foreign investors by offering them state of the art facilities with nil or very namesake tax rates. May be they may have to come up with new business models to sustain. Further the new requirements for Country by country reporting (CbCr), transfer pricing regulations and sustainability reporting will all add to greater transparency in financial reporting.

The value added tax implementation processes are going on in full swing in the Sultanate with the first reporting quarter ending June 30th for the first category of businesses with Rial Omani one million turnover and above. The tax returns along with the taxes collected are to be filed within the following month. The registrations for various categories are continuing.

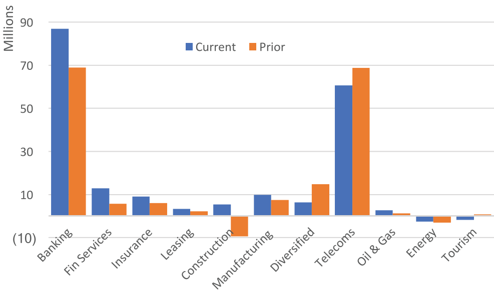
Annual value of taxable supplies for the Taxable Person	Registration windows	Effective registration date
More than OMR 1,000,000	1 February 2021 to15 March 2021 (Extended 31st March)	16 April 2021
Between OMR 500,000 and OMR 999,999	1 April 2021 to 31 May 2021	1 July 2021
Between OMR 250,000 and OMR 499,999	1 July 2021 to 31 August 2021	1 October 2021
Between OMR 38,500 and OMR 249,999	1 December 2021 to 28 February 2022	1 April 2022

Inside This Issue

The COVID 19 Pandemic
One Year On

Karl Jackson, FCA
Assurance & Advisory
karl.jackson@crowe.om

As the MSX listed SAOG companies have all now reported their preliminary unaudited 1st quarter 2021 results, we can try and unpick where the Oman economy stands one year after the COVID 19 Pandemic surfaced. The picture is actually mixed, with companies in the Financial Services, Construction and Manufacturing sectors posting improvements whilst all other sectors have posted declines.



In all economies, the Banking sector has exposure to all other sectors, so is often seen as the best universal barometer, as they book provisions in advance of expected credit losses (IFRS 9 ECL). Due to this advance accounting, the banks recorded large provisions in 1Q20 as the scale of the pandemic became apparent and have not subsequently required such large increases to provisions in 1Q21. However, care should be taken as the ECL models the banks use to make these advance projections have never been tested against such an unprecedented economic scenario. Also, hidden within the bank's portfolios of performing loans are a large volume of deferred loans (where borrower repayments have been suspended). Again, the ability of the ECL models to predict how many of these loans will eventually result in defaults is extremely questionable.

The improved results in the insurance sector had little to do with business operations and were instead primarily due to increases in the values of quoted investments held and recorded at fair value that were heavily discounted in the prior year when the MSX (like all other stock markets) witnessed large write downs in March 2020.

Another sector that is central to the Oman economy is Construction and which has also posted substantial improvements in profitability, returning from losses to profits. However, the explanation here is mainly due to the restructure of the balance sheets and operations, as 2020 saw the large companies take write downs on receivables from prior years that were quite obviously never going to be received. Also, with significantly reduced activities over the past year, many companies restructured their operations and are benefiting from the cost savings in 1Q21. However, the large construction firms, as we all know, are just the tip of the iceberg, as their activities ripple throughout the economic chain and particularly deep into the private family groups as well as the SME sectors, which are not captured in an analysis of MSX companies.

With the ongoing worldwide restrictions on travel, the Tourism sector remains subdued. However, looking at MSX companies alone provides only a limited view as the majority of the Oman hotels and airlines are privately owned. The downturn in the Diversified sector mainly reflects a large one-off insurance receipt recognized by Salalah Ports in the prior year.

The other sector worthy of special mention is Telecoms. With the increase in working from home and general social usage of the internet, it would be intuitive to expect this sector to benefit from the pandemic. However, unfortunately, the Telecoms revenue base is largely fixed as they charge per month but their cost base is variable, as they must pay based on usage, which has skyrocketed.

With the COVID 19 vaccination programs picking up pace in many developed countries, 2021 has potential to a see a return to normality and for economies and companies within them to make up for the lost year of 2020, where survival was the word on everyone's lips. In Oman, GDP suffered a record contraction of close to -10%, primarily because of the reduced global demand for oil. Many companies have restructured themselves for their survival but will they be able to react and rise to the challenges and potential that lies ahead?

After close to 30 years of audit, accounting, banking and risk management experience, as an Assurance and Advisory Partner at Crowe Oman, Karl Jackson has been assisting companies in Oman navigate the battle for survival through the pandemic. He can be contacted at karl.jackson@crowe.om.

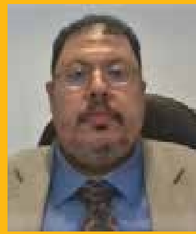
Antony Kallukaran

Antony Kallukaran, BCom, ACCA will be heading Crowe Oman's tax practice. An Alumnus of Loyola College Chennai, Antony had his Chartered Accountancy article ship with EY prior to Joining Crowe in 2012. Recently, Oman has introduced the Value added tax. More over further regulations are being introduced or expected to be introduced to streamline the tax regime by way of Transfer pricing mechanism, Country by Country reporting (CbCR) and strengthening of AML policies to peg the loopholes in the system . Crowe Global has a highly specialised international tax group consisting of professionals from across the member firms from over 130 countries. Our global reach with local talents will definitely help our clients to plan their businesses where ever they are with minimum tax implications.

Adel Maniar

Adel Maniar, BBA, ACCA will head the Hospitality travel and leisure practice of Crowe Oman. An Alumnus of University of Central Oklahoma, USA, Adel Maniar has taken over the reins of Hospitality, Travel and Leisure (HTL) practice to bring more vibrancy in the tourism potential area of the practice of Crowe which is one of the five pillars of growth envisaged in the Vision 2040 and further emphasised in the Medium term Fiscal plan and the tenth five year plan 20-24 of the Government of the Sultanate. Adel will provide quality solutions in hotel planning, development, asset management, valuation and health & wellness. Horwath HTL is world's number one service provider in the Hotel, Tourism and leisure industry established in the year 1915 which has evolved itself as Crowe through various mergers and acquisitions. But the HTL practice OF Crowe is still known as Horwath HTL worldwide.

New incentives to support the investment environment



Yasser El Gbaily, CA
Director – Audit & Assurance
yasser.elgbaily@crowe.om

The Sultanate of Oman announced a new stimulus package aimed at providing incentives to support the investment environment in various industrial cities, to mitigate the economic impacts resulting from the Coronavirus pandemic and the drop in global oil prices.

The Public Establishment for Industrial Estates "Madayn" stated that the new procedures include granting incentives to enhance investment opportunities in its industrial cities in (Al Buraimi, Ibri, Al-Mudhaibi, and Thumrait) and any industrial city to be announced later.

The facilities are: Exemption from The rental value for a period of two years for all new projects, followed by a 50% reduction in the rental value for a period of 3 subsequent years for contracts concluded during the period from 2021-2024 , as well as reducing all other fees listed in Appendix No. (1) of the investment regulations by 50% for all new projects during the period 2021-2024 , in addition to reducing the licensing fees for practicing information technology activities by 50% for a period of two years during the period from January 1 to December 31, 2022 for existing and new projects in Knowledge Oasis Muscat, in addition to waving off the fines for delayed payments of Madayn's dues for the years 2020 and 2021.

The economic stimulus plan

Many businessmen in the private sector also expressed their satisfaction with the economic stimulus plan approved by the Sultanate with the aim of supporting efforts to mitigate the repercussions of the Covid-19 crisis on the national economy. This has been facilitated by providing a set of measures and incentive initiatives aimed at supporting economic recovery efforts by attracting foreign investment. Considering that the private sector is a key partner with the government in development, stressing the implementation of the plan would accelerate economic development in the post-pandemic period.

Boost for SME sector

The Stimulus plan will change the system significantly in favor of small and medium enterprises, as all government tenders with a value of up to RO 10,000, will go to the SME sector. There are also other incentives directed towards companies that outsource their work during the next two years to small and medium enterprises, indicating that this will serve the labor market, given that there are about 50,000 small and medium enterprises registered with "Riyadha". In addition, the economic stimulus plan and the incentives will positively affect the performance of companies listed on the Muscat Securities Market, as it will also activate real estate funds those have been listed on the market.

The most prominent incentives

The economic stimulus plan is based on 5 main axis, which are tax and fee-related incentives, improved business and investment incentives, incentives to support small and medium enterprises, labor and employment market incentives, and banking incentives aimed at supporting efforts to mitigate the effects of the Covid-19 crisis on the economy.

The plan also aims to enhance economic diversification in the manufacturing industries, agricultural & fisheries sector, mining and mining products & services, logistical activities, education and supportive sectors.

Among the most prominent incentives improving the business and investment environment is to allow the commencement of business and commercial activities, by obtaining an initial license without waiting for a final license. Moreover, companies are allowed to own five thousand square meters and more of land to setup the licensed activity and granting long-term residency to foreign investors.

Supporting the economic balance

The stimulus plan comes in support of the measures of the medium-term fiscal balance plan (2020-2024) announced by Oman last year, which are aimed at improving the financial position, reducing public debt and improving credit ratings. The business community has welcomed the support in a big way which is definitely will act as a catalyst for growth in the economy.

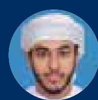
Congratulations!
to our Associate Partner Jim Joseph Itty for being elected secretary of ICAI Muscat Chapter…

> "Most great people have attained their greatest success just one step beyond their greatest failure."
>
> Napoleon Hill, author of "Think and Grow Rich"

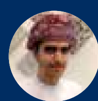
Our New Resources

Mohammed Nasser Al Rawahi - Auditor

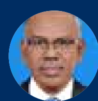
Mohammed Nasser Al Fannah Al Araimi - Associate Auditor



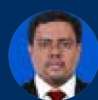
Said Al Brashdi - Assoicate Auditor



Muhammed Iqbal - Senior Consultant



Fredy Raj - Senior Auditor



Nikhil Mathew - Senior Auditor

Blessan George - Junior Auditor

Salalah

A tourist's paradise

Gibu Chacko, FCA
Resident Partner, Crowe Salalah

The poetic name Salalah, like a wave of fresh breeze is famous for its natural beauty made of vegetation, scenic meadows, waterfalls, and stunning beaches and architectural attractions.

Salalah, the land of frankincense, the fertile plain guarded by the majestic Dhofar mountains is a nature's boon. The favorable climatic conditions along with the rich natural and mineral resources, the strategic location in the rim of Indian Ocean are all factors that appeals to the foreign and local investments in the region. The southern tip of the Sultanate of Oman, is now a fast-developing city and has made a rapid progress in many sectors including tourism, agriculture, fisheries, mining, logistics, education and health.

Infrastructure

A robust economy requires an efficient and reliable infrastructure. Leveraging on its strategic location, Oman has invested in developing the infrastructure in Salalah, with a goal of becoming a global logistics center. Salalah is expected to evolve further into a multimodal transport center, with air, sea and road links to local and global markets.

The Port of Salalah is today a major regional and global transshipment hub, second only to Dubai in terms of size, and first in the Indian Ocean. It is also one of the biggest deep-water ports in the world. Salalah is located only 180 nautical miles from the Red Sea and the Suez Canal and offers almost zero deviation from the major trade lanes to Europe and Asia.

The Sultanate's second- largest airport, Salalah Airport has an annual capacity to handle 2 million passengers and a cargo capacity of handling 100,000 tons. With the recent expansion, the airport has been receiving daily flights from the Middle-east countries.

Salalah is well connected with a network of roads leading to the capital city of Muscat and to international destinations of Saudi, UAE and Yemen. Salalah is therefore perfectly situated to capitalize on growing East-West trade activity.

Tourism

Salalah is a famous tourist destination in Arabian Peninsula and still has untapped protentional to promote the area to a next level tourist destination. The high-ranges and the seas that together offer a pleasant climate and scenic beauty and the historical relevance of the area along with the historical remains and artefacts on display, fascinates tourists from all over the world.

The poetic name Salalah, like a wave of fresh breeze is famous for its natural beauty made of vegetation, scenic meadows, waterfalls, and stunning beaches and architectural attractions. During the monsoons, Salalah develops a lush greenery and is sight to behold. The Integrated Tourism Complexes are developed with the aim of promoting this and Salalah has set its foot forward with these.

Agriculture

Salalah is blessed with favorable climate for farming. The cultivation on leased land with informal lease agreements and farming is done in a traditional manner. The plain is characterized by abundance of agricultural crops that are native to tropical and sub-tropical regions. With the use of scientific and modern farming technologies, the region can be turned to a bread basket for Oman.

Industrial activities

Raysut industrial estate is a planned industrial area located 12 kilometers from Salalah city. The estate spans across 3.9 Million square meters and 90% of the area has been rented out to the 205 businesses that are currently operating from the industrial estate.

The Salalah Free Zone is favorably located within the vicinity of the Port of Salalah, proximate to the airport and in the Yemen route. Al Mazunah Free Zone is the Gulf gateway for transit trade to the Republic of Yemen and East Africa and is situated 260 Kilometers from Salalah city. They offer investors several incentives including 100% foreign ownership and income tax exemptions and freedom of capital repatriation.

Business observations

The future of Salalah depends on the golden principle of offering "value-added" products for export and local use. Value added products can be offered in all sectors, including tourism, agriculture, fisheries, logistics, manufacturing, mining and oil and gas.

Yemen is largely reliant on Oman, particularly Salalah in recent years because of the its political and socio-economic situation. Hence, Salalah is favorably positioned to attract major investments from Yemeni entrepreneurs, looking to invest in a stable political environment in their proximity and for their food and other requirements.

Health sector

Salalah houses many hospitals and clinics managed by Ministry of Health as well as the private sector. The health sector can be advanced further by developing medical tourism.

Educational sector

The education sector in Salalah offers schooling in Omani and international curriculums managed by Ministry of Education and corporate houses. Higher education is offered by the Government through Salalah College of Technology and College of Applied Science managed by University of Technology and Applied Sciences and Salalah Nursing institute.

Recent major economic developments in the region

ASAAS has commenced the development of Al Hafa waterfront tourism project, covering an area of more than 50,000 square meters.

LPG extraction plant by OQ began its trial production and targets to cater to the Indian sub-continent.

Dhofar Desalination Company SAOC completed its trial run of reverse osmosis desalination plant and commenced commercial operation in March 2021 of 113,500 m^3/d of drinking water.

One of the upcoming major projects is the Salalah refinery project with a production capacity of 150,000 barrels per day, it is expected as one of the most important refineries in the Middle East.

Sustainability Reporting

looking beyond profit

James Ravi, FCA, CPA
Director - Audit
james.ravi@crowe.om

Historically, the primary responsibility of a corporation was to provide a reasonable return on investment to its owners and stockholders. This was measured through financial metrics like profitability and solvency as presented in their financial statements. In the past few decades, a broader view of measuring the non-financial metrics, beyond profits, has emerged that includes Sustainability Reporting. Initially some chemical and mining companies published such reports as a way of countering the negative image that had acquired by their treatment of the environment and of the local communities in which they operated. Today majority of the global corporate houses report on sustainability and in many jurisdictions around the globe, they are mandatory.

What is Sustainability Reporting?

Sustainability Reporting is the practice of measuring and disclosing organizational performance towards the goal of sustainable development and being accountable to internal and external stakeholders. A Sustainability Report should provide a balanced and reasonable representation of the sustainable performance of an organization, including its positive and negative contributions. Sustainability Reporting includes a wide range of topics from ethical business practices to environmental biodiversity. The most common methodology to Sustainability Reporting is the "triple bottom line approach," which covers the three aspects of sustainability: economic performance, social responsibility and the environmental impact.

Global Initiatives for Sustainability Reporting

Over decades numerous initiatives have been taken worldwide by various organisations on corporate Sustainability Reporting. The European Union issued the EU Non-financial Reporting Directive and is in the process of developing non-financial reporting standards. The World Economic Forum has released its paper on common metrics and consistent reporting for sustainable value creation, defining core metrics.

Sustainability Reporting Standards

The Global Reporting Initiative (GRI), established in 1997, is often referred to as the de facto guideline for Sustainability Reporting. In the USA the Sustainability Accounting Standards Board (SASB) has developed standards for material sustainability issues designed for disclosure in mandatory filings. Additionally, the International Integrated Reporting Council (IIRC) is an entity consisting of international regulators, investors, companies, standards providers, accountants, and non-governmental organisations whose mission is to enable integrated sustainability reporting to

become a mainstream practice in both the public and private sectors. The major non-financial reporting organisations (GRI, SASB and IIRC) have published a Statement of Intent, committing to work together towards comprehensive corporate reporting. Recently, momentum has grown behind increased coalescence of the major non-financial reporting standards. Finally, the IFRS (International Financial Reporting Standards) Foundation started to update the Management Commentary Practice Statement that will emphasize the disclosure of factors affecting companies' prospects over the long term. The Foundation, which is increasingly being encouraged to take a global role in non-financial reporting, issued a consultation to gauge market views on a global standard for sustainability reporting to be set by a body under the Foundation's umbrella. The Exposure Draft from the consultation is due shortly which has already received strong support from other organizations, including IOSCO (International Organisation of Securities Commissions).

Sustainability Index

Company performance in sustainability reporting is monitored by independent organizations that award "sustainability index" rankings. They are now of considerable influence and are used as guides for environmentally and socially responsible financial investment. The leading indices are Dow Jones Sustainability World Index, Community's CR Index, FTSE4Good Index, Global Sustainability Index, etc. The Dow Jones Sustainability World Index identifies global sustainability leaders through their Corporate Sustainability Reporting. It is based on a consistent improvement in their strategies for climate change, energy consumption, human resources development, knowledge management, stakeholder relations and corporate governance. The Community's CR Index ranks companies on their environmental stewardship, their social contributions and the extent to which responsible business practice is integrated into their strategy.

Third party assurance

Sustainability Reporting is a tool for a company to report the economic, environmental and social aspects of what it does and the way it governs itself. But it can also be misused to suggest that a company has an environmental and ethical agenda when in reality little is done – a practice known as "green-washing". In addition to the self-declaration, reporting organizations can choose to have an independent assurance provider offer an opinion on the self-declaration to increase its credibility.

Our planet faces significant social and environmental challenges from growing economic inequality to climate change to the current pandemic. By doing business in a way that aligns long-term commercial strategies with care for people and the environment, companies can play a crucial role towards sustainable development. Corporate sustainability is not just a buzzword—for many industry leaders and corporations, it has become an invaluable tool for exploring ways to reduce costs, manage risks, create new products, and drive fundamental internal changes in culture and structure. It enhances brand image and the reputation of the company.

Anti-Money Laundering Awareness

Khalil Al Rawahi, ACCA CFE

The issue of money laundering has become a concern for many countries due to the increase and frequency of the number of crimes that occur. International organizations have increased monitoring, compliance regulations and tighten sanctions against countries that tolerate the establishment of the washing process in their territories.

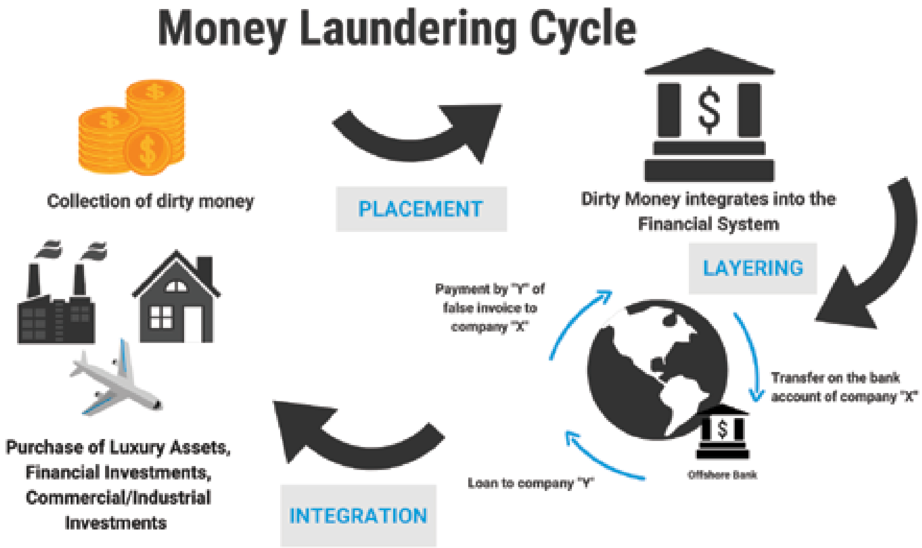
It is noteworthy that more than $2 trillion is laundered every year, so it is essential that there must be robust compliance and monitoring to mitigate such practices. Thus it is crucial for countries and international AML organizations to work in tandem.

The Sultanate of Oman has enacted multiple laws and regulations to compact the money laundering. Because money laundering is harmful to the interests of all countries, awareness programs and training sessions continue to play an important role. Many know about money laundering but assume it is mostly concerned to government entities such as NCFI, CBO, CMA, and financial institutions to combating, handling or managing it.

Numerous policies are in place such as the one where individuals and entities have to declare when entering the country to disclose about the sources of funds, details regarding beneficial owners and complete KYC details.

Money laundering is the process by which financial proceeds obtained from unlawful activities/sources ("dirty" money) is integrated into the legitimate economy by putting it through a series of transactions, so as to disguise the sources of Funds. Examples include Tax evasion, bribery, fraud, trade of illegal arms, smuggling and other activities of organized crime.

Stages of Money Laundering



Effects of Money Laundering

- Increased crime and corruption
- Undermine the legitimate private sector by undercutting their prices.
- Weakening financial institutions, possibly to the point of collapse (BCCI and Barings Bank for example). Reputational risk of dealing with criminals, costs of investigations and fines.
- Loss of control over monetary policy in smaller countries, as the size of money laundering transactions causes measurement errors. This can cause currency exchange rate and interest rate fluctuations.
- Economic distortion, because money launderers are not interested in the economics of a transaction, they will put their money into schemes that offers privacy rather than economic benefit.
- Loss of tax revenue, as the funds are disguised, so the collection of taxes is more difficult. This increases the burden of taxation on normal taxpayers.
- Risks to privatization, as criminals can outbid legitimate purchasers, so key assets come under criminal control.
- Reputation risk for the country
- Social costs e.g. treating drug addicts

Money Laundering is a nuisance to the society which has to be wiped off from the system for a healthy and sound economy.

Country by Country Reporting (CbCR) in GCC – Are Multinational Entities Shifting Sands?

Aastha Rangan
Director - VAT & Transfer Pricing
E: aastha.rangan@crowe.om

Globalisation coupled with e-commerce has led to enormous growth of Multinational Entities around the world which has given rise to bilateral dealings between related entities belonging to such Multinational groups located in difference jurisdictions. In context to the growing number of transactions happening among the Multinational Group entities, it came to limelight that most of these entities are shifting their profits to those tax heaven jurisdictions or where there is low tax rates. To combat the phenomenon of tax losses due to profit shifting, Base Erosion and Profit Shifting (BEPS) project by the

Tourism to spear head the economy post Covid

Adel Maniar, BBA (US), FCCA (UK)
Associate Partner - Hotel, Tourism & Leisure
adel.maniar@crowe.om

Nimit Ramaiya
Senior Consultant
nimit@crowe.om

The impact of COVID-19 on hotel, tourism, and leisure (HTL) industry has been severe as majority countries faced partial or complete lockdowns. Industry members are facing an uncertain path back to normalcy, with some questioning whether travel patterns will suffer with long-term effects.

To ensure success in the HTL industry post pandemic, a multitude of things shall have to be considered from operational changes to strict hygiene measures. The stakeholder's role shall include planning for operational optimisation, reconfiguring business model, build effective marketing strategies, take financial planning decisions, and consider mergers and acquisitions.

There continues an imbalance of demand/supply in the HTL industry, with drop in demand of hotels and the increase in supply with opening of new hotels in Oman. Many of the hotel chains are now focusing to attract the local customer base to meet minimal operational costs.

Oman has initiated the vaccination campaign for people working in the Government especially in the health and educational sector and soon to be followed up by the hotel and tourism related industries. With countries and international authorities discussing strategies of enabling travel without quarantine measures, we can expect travel to increase leading to a welcome demand for HTL and its related industries.

Though the opening of HTL industry is inevitable, the consumer spending and behaviour is definitely to change. This would be a crucial factor when strategizing the way forward.

The HTL industry need to seek professional expertise in certain critical areas, but not limited to:

Crisis Management – In identifying immediate operational risks, valuation of assets for banks and providing support to management teams.

Asset Management - on how to improve business performance while evaluating the businesses internal processes against the best the industry can offer.

Operational Advisory –audit and operational review, search for investors, assistance in project set-up, search for operating brands, etc.

Offering Transaction Advisory - Due Diligence for both the buyer and the seller to mitigate the risks and understand the true value of the transaction.

Sales and Marketing strategies – to Develop a new sales and marketing mix strategies to attract customers, in particular a more domestic clientele.

Conducting Feasibility studies - Through a detailed market and financial evaluation of upcoming projects under the Hotel, Tourism & Leisure segments.

Hotel Planning & Development – Recognising development opportunities, recommending hotel themes and concepts that designing products that will realise its full potential.

The Tourism industry being one of the pillars identified to spearhead the economic growth in the 2040 vision and the subsequently released midterm and tenth five year plan, there are huge opportunities in the tourism sector for a willing entrepreneur.

Organisation for Economic Cooperation and Development (OECD) and the G20 was developed under which there are 15 action plans to address the issues concerned with tax avoidance to ensure that the profits are taxed where the economic activities generating the profits are performed and where the value is created.

One of the cornerstones of the OECD's action plan is a Country by Country Reporting (CbCR) requirement that is detailed in Action Plan 13. As per the CbCR the large multinational entities who meet the revenue threshold will have to provide an annual return, the report, that breaks down key elements of the financial statements by jurisdiction. A CbCR provides local tax authorities visibility to revenue, income, tax paid and accrued, employment, capital, retained earnings, tangible assets and activities of the Multinational Group for each jurisdiction. The CbCR aims to provide tax authorities information to assess the transfer pricing risks among the associated enterprises. The aim is to develop new transfer pricing documentation to enhance transparency for tax administration.

CbCR has gained world's attention towards the GCC countries which are considered as low tax region or tax havens – the UAE being the one of the world's fastest-growing tax havens, with over $200bn flowing into the country, according to the Tax Justice Network. There being no corporate taxation in UAE, many Multinational entities having significant operation in high tax jurisdiction like US have operation in UAE as well, are shifting/reporting profits in UAE to gain the benefit of the tax free jurisdiction; wherein the main country where the economic activity is carried out is losing heavily on the tax revenue. Recently in 2019, UAE has made CbCR filing mandatory for Multinational Entities with consolidated revenue of more that AED 3.15 bn. Similarly, KSA, Qatar and Egypt also have joined the CbCR mandate of the OECD.

On 27 September 2020, Oman also introduced CbCR requirements vide Ministerial Decision 79/ 2020. The CbCR requirements apply to entities that are tax resident in Oman and are part of a Multinational Entity Group with consolidated revenues equal to or exceeding OMR 300 million (approx. EUR 670 million / USD 780 million) in the financial year preceding the reporting year. The CbCR requirements are applicable for reporting years beginning on or after 1 January 2020. Accordingly, for the reporting year starting on 1 January 2020, the CbCR must be submitted latest by 31 December 2021.

About us

Crowe Global is ranked among the top 10 global accounting networks with more than 35,000 professionals and people in over 130 countries around the world. Crowe Global's member firms are committed to impeccable quality service, highly integrated service delivery processes and a common set of core values that guide decisions daily. Each firm is well established as a leader in its national business community and is staffed by nationals, thereby providing a knowledge of local laws and customs which is important to clients undertaking new ventures or expanding into other countries. Crowe member firms are known for their personal service to privately and publicly held businesses in all sectors and have built an international reputation in the areas of audit, tax and advisory services.

Audit

- External Audit
- Reviews and Compilations
- Agreed-upon Procedures
- Corporate Governance Reporting
- Transaction accounting
- Financial reporting
- Personal Net worth
- Employee benefit plan audit
- Personal Net worth
- Performance measurement

Tax

- Income Tax Advisory
- Withholding Tax Advisory
- Transfer Pricing
- Value-Added Tax
- Corporate Tax Compliance
- International Tax Restructuring
- Tax Filing Obligation
- Tax Assessments
- Tax Disputes
- Double Taxation Avoidance

Advisory

- Due Diligence
- Transaction Support
- Business Valuations
- Purchase Price Allocation
- Feasibility Study
- M & A Advisory
- HTL Advisory (Hotel, Tourism & Leisure)
- Deal Structuring
- Business Planning & Strategy
- Holding Company Structure

Risk

- Enterprise risk management
- Operational Risk
- Financial Risk
- Internal Audit
- External Quality Assessment of Internal Audit
- Independent monitoring
- Regulatory and compliance services
- Board Evaluation

Forensic & IT

- IT and Forensic Audit
- Fraud Risk Assessment & Compliance Practice
- Piracy and counterfeit
- Fraud & Misconduct
- Anti-Money Laundering
- Anti-Bribery ISO 37001 Consultation & Audit
- Cyber Security Consultation & Audit
- Technology Advisory
- IT Compatibility Reviews

Office Directory

Davis Kallukaran FCA, CFE
Founding and Managing Partner

Muna Al Ghazali
Founding Partner

Dr. Khalid Maniar FCCA
Founding Partner

Tom C Mathew FCA
Partner Audit & Assurance Services

Jose Chacko FCA, CIA, CFE, ACDA, CFAP, CFIP, ISO 37001 LA & LI
Partner - Forensic Technology Services

Jim Joseph Itty FCA
Associate Partner - Corporate Finance & Assurance

Karl Jackson FCA
Associate Partner - Audit & Assurance

Gibu Chacko FCA
Associate Partner, Salalah Office

Adel Maniar BBA (US), FCCA (UK)
Associate Partner - Hotel, Tourism & Leisure

Antony Kallukaran, ACCA
Associate Partner - Tax Advisory

P.R. Pillai MCom, CAIIB, ACS
Director Banking Advisory Services

Aastha Rangan, FCA
Director VAT Advisory Services

Ramya K FCA
Director Tax Advisory Services

Yasser El Gbaily CA
Director Audit & Assurance Services

James Ravi FCA, CPA
Director - Audit & Assurance

Jojie T. Sunga CPA
Director - Finance & Admin

Taysir Nasib AL Rawahi
Director Tax Services

Crowe Mak Ghazali llc
Auditors & Business Advisors

Main Office :
Level 5, "The Office", Opp. Muscat Grand Mall, Al Khuwair
P.O. Box 971, P.C. 131, Muscat, Sultanate of Oman
Tel: 24036300, Fax: 24587588
contactus@crowe.om

Branch Office:
104, Al Baz, (Bank Sohar Building), 23 July Street,
P.O. Box 2987, PC 211, Salalah, Sultanate of Oman
Tel: 23291341, Fax: 23292150
contactus@crowe.om