2020

Volume 12

APAS MONTHLY

THIS MONTH

Season’s greetings!

In this issue, we have two guest columns. Mr. T K Kurien, Managing Partner and Chief Investment Officer, Premji Invest, has presented his thoughts on ‘The Rise of ESG Investing’.

In addition, Mr. Vijay Chandok, MD & CEO, ICICI Securities, has presented his thoughts on ‘ESG’. We thank Mr. Kurien and Mr. Chandok for their contributions to the APAS Monthly.

This month, the APAS column presents its views on ‘ESG Investing in India’.

The economic indicators showed mixed performance. Manufacturing PMI fell to a 3-month low of 56.3 in November from 58.9 in October. India’s annual infrastructure output in November contracted by 2.6%. India's Index of Industrial Production (IIP) witnessed a growth of 3.6% in October. PMI services fell to 53.7 in November from 54.1 in October, while composite PMI fell to 56.3 in November from 58 in October. CPI inflation declined to 6.93% in November from 7.61% in October. WPI inflation rose to a 9-month high of 1.55% in November from 1.48% in October.

The Reserve Bank of India (RBI) (1) released Report on Trend and Progress of Banking in India 2019-20 (2) announced Extension of Specific Sectors under On Tap Targeted Long-Term Repo Operations (3) announced date for launching of RTGS 24x7 (4) announced Perpetual Validity for Certificate of Authorisation (CoA) issued to Payment System Operators (PSOs) under Payment and Settlement Systems Act, 2007 (PSS Act).

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The Insurance Regulatory Development Authority of India (IRDAI) announced Amendments to the Guidelines on Information and Cyber Security for Insurers. IRDAI announced guidelines for grant of fresh license / renewal of license to act as Insurance Surveyor and Loss Assessor.

Cabinet approved Atmanirbhar Bharat Rojgar Yojana (ABRY). IFSCA permitted Banking Units to transfer assets through participation agreements. IFSCA notified International Financial Services Centres Authority (Bullion Exchange) Regulations, 2020.

Securities and Exchange Board of India (SEBI) (1) conducted its Board Meeting (2) announced Operational guidelines for Transfer and Dematerialization of re-lodged physical shares (3) announced E-Voting Facility Provided by Listed Entities.

Our newsletter is focused on tracking the performance of the economy and the regulations and laws governing the Banking and Financial Services companies. We hope that this APAS Monthly is insightful.

We welcome your inputs and thoughts and encourage you to share them with us.

Ashvin parekh

On the cover

GUEST COLUMN

The Rise of ESG Investing

Mr. T K Kurien
Managing Partner and Chief Investment Officer
Premji Invest

GUEST COLUMN

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MD & CEO
ICICI Securities

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ESG Investing in India

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- *Index of Industrial Production – October*
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- *Core Sector – November*

BANKING

- Report on Trend and Progress of Banking in India 2019-20
- On Tap Targeted Long-Term Repo Operations – Extension of Specific Sectors
- RBI announces date for launching of RTGS 24x7
- Perpetual Validity for Certificate of Authorization (CoA) issued to Payment System Operators (PSOs) under Payment and Settlement Systems Act, 2007 (PSS Act)

INSURANCE

- Amendments to the Guidelines on Information and Cyber Security for Insurers
- Guidelines for grant of fresh license / renewal of license to act as Insurance Surveyor and Loss Assessor

INFRASTRUCTURE & OTHER GOVT. INITIATIVES

- Cabinet approves Atmanirbhar Bharat Rojgar Yojana (ABRY)
- IFSCA permits Banking Units to transfer assets through participation agreements
- IFSCA notifies International Financial Services Centres Authority (Bullion Exchange) Regulations, 2020

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CAPITAL MARKETS

- *SEBI Board Meeting*
- *Operational guidelines for Transfer and Dematerialization of re-lodged physical shares*
- *E-Voting Facility Provided by Listed Entities*

CAPITAL MARKETS SNAPSHOT

- *CNX Nifty, BSE Sensex, India VIX, $/₹, GIND 10Y*

Countries	GDP			CPI		Current Account Balance	Budget Balance	Interest Rates
	Latest	2016*	2017*	Latest	2016*	% of GDP, 2016*	% of GDP, 2016*	(10YGov), Latest
Brazil	-2.9Q3	-3.4	0.9	7.0 Nov	8.3	-1.1	-6.4	11.8
Russia	-0.4Q3	-0.5	1.2	5.8 Nov	7.0	2.4	-3.7	8.60
India	**7.3 Q3**	**7.2**	**7.5**	**3.6 Nov**	**4.9**	**-0.9**	**-3.8**	**6.51**
China	6.7 Q3	6.7	6.4	2.3 Nov	2.0	2.5	-3.8	3.10^
S Africa	0.7 Q3	0.4	1.3	6.6 Nov	6.3	-4.0	-3.4	9.00
USA	1.6 Q3	1.6	2.2	1.7 Nov	1.3	-2.6	-3.2	2.56
Canada	1.3 Q3	1.2	1.9	1.5 Oct	1.5	-3.5	-2.5	1.78
Mexico	2.0 Q3	2.1	1.9	3.3 Nov	2.8	-2.8	-3.0	7.31
Euro Area	1.7 Q3	1.6	1.3	0.6 Nov	0.2	3.2	-1.8	0.25
Germany	1.7 Q3	1.8	1.4	0.8 Nov	0.4	8.8	1.0	0.25
Britain	2.3 Q3	2.0	1.1	1.2 Nov	0.6	-5.7	-3.7	1.55
Australia	1.8 Q3	2.9	2.8	1.3 Q3	1.3	-3.5	-2.1	2.86
Indonesia	5.0 Q3	5.0	5.2	3.6 Nov	3.5	-2.1	-2.6	7.93
Malaysia	4.3 Q3	4.3	4.6	1.4 Oct	1.9	1.8	-3.4	4.31
Singapore	1.1 Q3	1.3	2.0	-0.1 Oct	-0.6	21.5	21.5	2.49
S Korea	2.6 Q3	2.7	2.5	1.5 Nov	0.9	7.2	-1.3	2.17

ECONOMIC DATA SNAPSHOT

- *Global GDP, CPI, Current account balance, budget balance, Interest rates*

The Rise of ESG Investing

Mr. T K Kurien
Managing Partner and Chief Investment Officer
Premji Invest

The tale of ESG Investing, as we know it today, began in January 2004 when the former UN Secretary-General Kofi Annan wrote to CEOs of over 50 major financial institutions, inviting them to participate in a joint initiative under the patronage of the UN Global Compact, with the support of IFC and the Swiss Government. The goal of the initiative was to integrate ESG into capital markets. A year later, a report published under this initiative made the case for embedding environmental, social, and governance factors in capital markets, opining that this makes good business sense while leading to a more sustainable society. However, the roots of sustainable or responsible investing date back over two centuries, to when John Wesley, founder of the Methodist movement, urged his followers to avoid partnering with or investing in entities that profit from operations in alcohol, tobacco, weapons, or gambling.

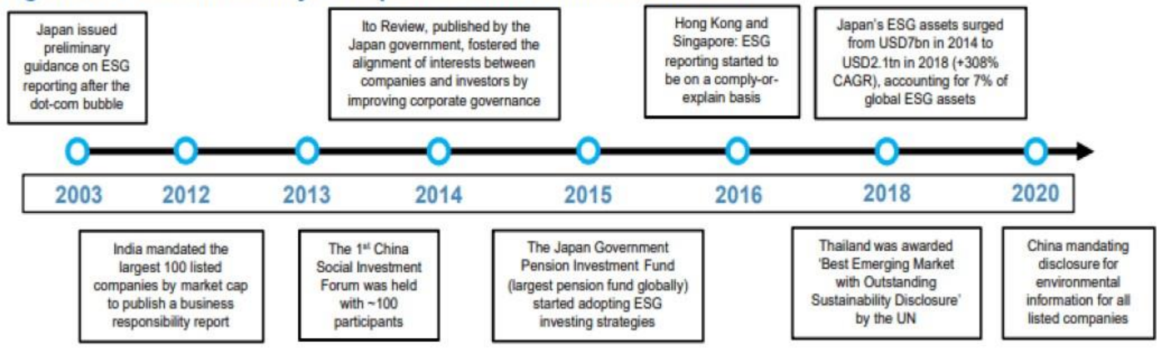
Today, ESG investing is broadly estimated at over $40tn in assets under management (AUM), or close to a quarter of all professionally managed assets globally. It is widely understood as the integration of environmental (e.g., emissions and waste, resource efficiency), social (e.g., human and labor rights, customer and community satisfaction, employment policy) and governance (e.g., risks and controls, capital management) factors into investment processes and decision making. These factors cover a wide array of issues that traditionally did not form part of financial analysis. While some believe that such factors are relevant to investing and are likely to lead to higher returns in the long run, others believe the intent is to fulfill a parallel goal alongside that of returns.

Source: J.P. Morgan, Pixabay, PRI

Investors approach ESG investing in multiple ways. The most popular strategies are, i) negative/exclusionary screening, wherein certain sectors or companies are excluded from the investable universe basis specific ESG criterion, ii) ESG integration, where investors explicitly consider ESG factors in investment analysis and decisions, and iii) corporate engagement, where investors utilize their powers as shareholders to influence corporate behavior. Other methods include norms-based screening, sustainability-themed investing, and impact investing. Holding close to half of the ESG AUM globally, Europe remains the largest region for ESG investing with negative screening as the most employed method. US is the second largest market and is fast accelerating. ESG integration dominates as the method in this region.

The growth in ESG investing is evident. However, a meaningful consensus of ESG metrics is yet to emerge. In fact, studies have shown a low correlation between ESG scores from different providers. Available data being of low frequency and with a short history too pose challenges. A study by researchers at MIT found that among ESG ratings of five prominent agencies (MSCI, Sustainalytics, Moody's, S&P, and Refinitiv), 50% of the divergence arose from measuring the same attribute using different indicators, and another 37% was a result of the scope of issues differing. This gives one insight into how the very definition of sustainability is not widely agreed upon. Involvement of regulators, with policy interventions on ESG investing having accelerated in the past decade, is likely to aid standardization of ESG metrics. In 2018, the European Commission released an action plan for financing sustainable growth, in line with global climate change commitments. In US, policy proposals by the Democratic Party in 2019 included the ESG Disclosure Simplification Act 2019, the Climate Risk Disclosure Act 2019, the Shareholder Protection Act 2019, among others.

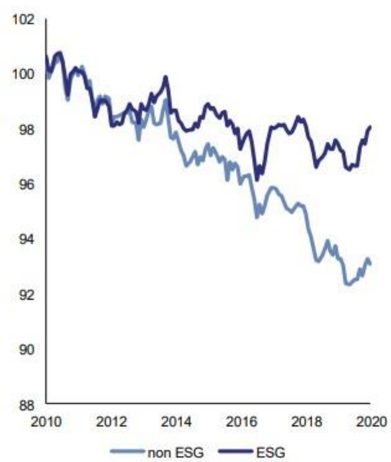
Figure 41: Timeline of key ESG policies and initiatives in Asia



Source: J.P. Morgan Asia ESG team

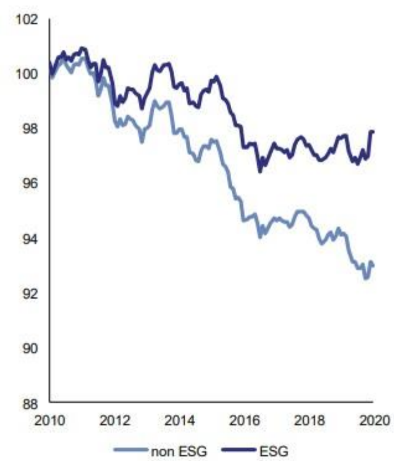
Stepping aside from the measurement of metrics, even the objective behind ESG investing varies among investors and fund managers. If the goal is to outperform through incorporating ESG, one may argue this is no different from traditional investing. In addition to the usual goal, it goes a step ahead to recognize that ESG attributes may become priced-in by societal or policy changes. For instance, rating agencies are starting to incorporate material ESG factors into their ratings (Moody's cited ESG concerns as an emerging threat to Exxon Mobil in their downgrade from Stable to Negative in 2019). While the lack of consensus on ESG scoring leaves any measurement of outperformance open to debate, a study by Bernstein shows that long-only equity strategies with a positive ESG tag (classified by Morningstar and Evestment) have outperformed the "non-ESG" peers over the last 10 years within their global sample by 4.95%. ESG mandates also outperformed non-ESG peers in the year to date (as on Sept'20), both through the Covid pandemic sell-off and in the aftermath. Flows into ESG also continue at a remarkable pace, in contrast to outflows seen in the rest of active equity, seemingly untouched by the pandemic.

EXHIBIT 1: **Active Return Index, global managers**



Source: eVestment, Morningstar, MSCI, S&P, Factset, Bernstein analysis

EXHIBIT 2: **Active Return Index – US managers**



Source: eVestment, Morningstar, MSCI, S&P, Factset, Bernstein analysis

EXHIBIT 3: **Active Return Index – European managers**

Source: eVestment, Morningstar, MSCI, S&P, Factset, Bernstein analysis

If the objective behind ESG investing is not higher returns but the pursuit of a parallel goal, then one worries about how the demand for ESG would hold in the face of poor returns. The clash with a fund manager's fiduciary responsibility is another area worth pondering. Skeptics have questioned whether the excitement around ESG investing is because investors think they can afford it, after the S&P having returned ~13.5% in the last 10 years.

However, Japan has had zero real returns for 30 years, and ESG is top of the agenda. We acknowledge that ESG goals are heterogonous, which could mean that funds would need to be optimized for a variety of discrete objectives. This would be a departure from the better part of the last century, where the assumption has been that investors are mean-variance optimizers.

Turning the lens closer home, ESG investing in India has started to gain traction with the launch of dedicated ESG funds and asset management companies signing up for the UN Principles for Responsible Investment (UNPRI). The size of ESG linked assets is estimated at $30bn. SEBI has mandated the inclusion of Business Responsibility Report for the top 1,000 listed companies. The Bombay Stock Exchange published a broad framework for ESG in 2018, taking a cue from global standards. This included voluntary ESG guidelines focusing on 33 metrics. The challenge in emerging markets is that our industries tend to be resource heavy in terms of fossil fuels, transport emissions, etc., while alternate technologies or mitigants are usually imported. There also exist challenges with affordability, as the cost of emissions compliance is likely to impact demand. For emerging markets, a glide path for ESG standards is perhaps more suitable. At a broad level, ESG indices in India have outperformed – CAGR of the Nifty ESG 100 Fund in the last 9 years was 11.8%, compared to 8.1% for the Nifty 50.

Once a niche market, ESG Investing is now ubiquitous in the industry, often portrayed as a crucial driver of growth. JP Morgan estimates that ESG could soon represent ~44% of the world's AUM. In 2020, BlackRock CEO Larry Fink emphasized the role of an asset manager to promote "long-term value" in his letter to corporates titled "A Fundamental Reshaping of Finance". Worldwide, there is a growing appetite for sustainability among consumers. Contrary to popular belief, surveys undertaken do not establish whether this is led by younger generations. When it comes to savings, a vast majority of consumers are convinced that their money can help induce a positive impact on the world. There is still a wedge among those who deem sustainability as a factor for investing and those who are currently invested in sustainable products, a gap likely to narrow over time. As evidence of a positive correlation between ESG and financial performance is growing, it is becoming harder for investors to ignore this trend. As stakeholders (consumers, companies, regulators, and investors) adapt to this change, the financial impact of sustainability issues is likely to further increase. It can be argued that the sheer volume of flows in ESG investing itself will support the pricing of ESG-friendly assets.

In conclusion, there is little doubt that ESG Investing is set to grow. Covid has underscored the need to evaluate the environmental and societal impact of our actions. Arguably, there is no such thing as a socially neutral investment decision. Who commercially wins from ESG investing remains unknown, but we look forward to careful articulation by ESG investors to ascertain their goals and strategy thereon. We believe this will be key in enabling the desired impact and prevent getting swept under the rug as another passing fad.

Acknowledgements – We would like to thank JP Morgan, Bernstein, and Morgan Stanley for aiding us with their insightful research on ESG Investing.

Environmental, Social and Governance (ESG)

Mr. Vijay Chandok
MD & CEO
ICICI Securities

Way beyond an evangelist agenda/ Way beyond evangelism/
Making money by doing good/ Doing well by doing good

It has been widely regarded for a long period of time that capitalism, profit generation, returns maximisation and such other objectives are at odds with do – gooding i.e. giving back to society, building business models with sustainability and of course saving the planet. Increasingly, this is not the case anymore; in fact there is a growing momentum towards and growing acceptance of the fact that ESG investing means making money by doing good. In fact, there is enough evidence building up which suggests strong correlation between ESG outlook of corporates and their ability to generate superior returns for their investors. It's seeming like a movement and with the rise of the 'responsible investment' movement, ESG considerations are being increasingly seen as part of investors' fiduciary duty.

Background/ Humble beginnings of the ESG wave

In some forms, the concept of responsible investing has existed for centuries. The Methodist movement protested against investing in companies that made weapons, tobacco, etc. over 200 years back. We also have recorded instances of shareholders of The East India Company protesting against the way it treated its colonial subjects.

The story of current form of ESG investing began in January 2004 when the then UN Secretary General Kofi Annan invited over 50 CEOs of major financial institutions to find ways to integrate ESG into capital markets. In 2005, Mr. Annan's initiative produced a landmark report entitled "Who Cares Wins," with Ivo Knoepfel as the author. The report made the case that embedding Environmental, Social and Governance factors in capital markets makes good business sense and leads to more sustainable markets and better outcomes for societies.

At the same time United Nations Environment Programme Finance Initiative (UNEP FI) produced the so-called "Freshfield Report" which showed that ESG issues are relevant for financial valuation. These two reports formed the backbone for the launch of the Principles for Responsible Investment (PRI) at the New York Stock Exchange in 2006 and the launch of the Sustainable Stock Exchange Initiative (SSEI) the following year.

Today, it is estimated that the value of global AUM applying the ESG principals is over $40 trillion, which has grown 2x in four years and 3x in eight.

Importance of ESG/ Why ESG makes sense

The term "ESG" is oft understood or rather misunderstood to connote practices linked to environment like climate change and resource scarcity. It is of course all of that but not just that; in reality it means much more. It covers social issues like a company's labour practices, community engagement, talent management, product safety, data security, and governance issues like board expertise and diversity, suitable oversight and reporting on policies like on Related Party Transactions, Prevention of Sexual harassment, Working environment, customer service etc.

Picture an organisation which is at the forefront of all these practices and much more and it's easy to see a correlation why such a corporate is more likely to outperform their peers. For starters, a corporate with such focus is generally well managed, principle driven, have sound business practices built on strong Governance principles and ethics, it's a caring and listening organisation which keeps its employees, customers and society in its considerations while conducting business.

Research has shown that a loyal and motivated workforce creates enterprise value over the long term through increased productivity, lower voluntary turnover and improved labour costs.

Sustainably run businesses typically take their ecosystems of supply chain partners, vendors, contractors and other associates along with them in the ESG journey as they endeavour to deliver through them. In turn they develop strong relationships and arguably are better adept at dealing with business cycles, responding to challenges, speed to market, cost of production etc.

The ongoing pandemic has also brought another under appreciate aspect of ESG practices and that is resilience, capability to deal with disruptions and this is because these organisations have better disaster management protocols and continuity planning.

ESG in India:

India has made its start on the ESG journey but it's still early days. What started probably more as a risk management or positive perception exercise is rapidly morphing into the next important new concept for fund managers with the launch of dedicated ESG funds and asset management companies signing up for the United Nations Principles for Responsible Investment. This rapid change is in part due to large volume of empirical evidence now getting generate globally about outperformance of ESG companies and in part due to an even wider focus from institutional investors now exercising preference for ESG considerations while making investing decisions.

Our regulator is also steadily taking steps towards more disclosures and its proposal on Business Responsibility and Sustainability reporting, has ESG at its heart. It is voluntary this year and would be mandatory thereafter and would apply to the top 1,000 listed entities.

The norms require that businesses conduct themselves with integrity and transparency, provide goods and services in a safe, sustainable manner, and respect the interests of all their stakeholders. It's a clear nudge towards being equally responsible towards a wide cross section of stakeholders by focusing on diverse set of matrices like policies and practices on complaints/grievances of shareholders/customers; employee wellbeing practices such as skill building, inclusion and diversity, provision for insurance, maternity, paternity and day-care facilities etc., environment consciousness by focusing on waste disposal, energy and natural resource consumption, carbon footprint and investments in environment friendly manner.

The next leap is when corporates at large start realizing the fundamental merits and business rationale of ESG practices rather than just a positive perception and a reporting exercise. The Boards have started playing a more assertive role in pushing managements towards sustainable practices. With more corporates adopting voluntary ESG disclosures and with more standardization and widely understood disclosure norms, the next year we could see a wider participation and buzz around ESG. Shareholders, Boards, regulators, fund managers, equity research houses, Institutional investment community and corporates need to play their decisive part for us to witness a strong impetus to the ESG journey in India.

ESG at ICICI Securities:

We at ICICI Securities, recognize our responsibility to play a crucial role in contributing to the well-being of all stakeholders. We realize that a sustainable business model has the potential to unleash multi-dimensional benefits of mitigating risks, enhancing brand image, strengthening competitiveness and boosting employee morale, all of which in turn helping us achieve long-term sustainable growth.

We are looking to meaningfully scale sustainability practices by integrating ESG principles into its business strategies and decisions. With this view, we have begun the practice of defining, measuring and monitoring ESG parameters and have also mapped our disclosures against the United Nations Sustainable Development Goals (UN SDGs).

In our maiden ESG report issued in FY2020, we laid out the material ESG issues and initiatives we are taking in each area for various stakeholders. Appending to the strong governance architecture and cultural ethos, we have laid out our environment management policies and principles although our business model is inherently environment friendly.

It is our firm belief that the only way to a sustainable value creation is a responsible business model and we have committed ourselves to this journey of doing well by doing good.

ESG Investing in India

ESG investing, or investing based on environmental, social and governance parameters, is an investment philosophy that has gained popularity across the world in the past few years. ESG investing is synonymous with sustainable investing. It is an umbrella term for investments that seek positive returns by engaging with ethical firms. ESG stands for Environment, Social and Corporate Governance, the three themes in measuring the sustainability and societal impact.

ESG is not just about socially responsible business, but a much broader way of capturing sustainable business practices. Investors can bank on ESG analysis to identify the long-term sustainability of a business as well as any risks involved with it.

A healthy ESG practice helps an organisation to maintain good credibility or reputation. They carry lower risk probability because they incorporate sustainability as a core value. This results in steady and more long-lasting performance for the business over the years. On the contrary, organisations with a weak ESG run the risk of instability, high risks and more significant potential for sudden losses over the long term.

For ESG investing, the environment stands for a company's environmental disclosure, environmental impact and any efforts to curb pollution or carbon emissions. Social refers to the workplace mindset such as diversity, human rights and management. This also includes any relationship surrounding the community – philanthropy and corporate citizenship. Governance accounts for shareholder rights, compensation and the relationship between management and shareholders.

ESG investing has gained currency across the world in recent years, with funds following the model surpassing USD 1 trillion in assets in August 2020. ESG accounts for one quarter of all the professionally managed assets around the world.

In India, too, ESG investing increased manifold over the last several years, due to better policy reforms and awareness. Several factors have led to the growth of ESG investments in India.

Under the Paris Agreement, in 2015, India filed its Nationally Determined Contributions, for the period 2021-30. This states an investment of an estimated USD 2.5 trillion between 2015-30. India is also committed to achieving the Sustainable Development Goals (SDGs) to carry forward its mission of development without destruction.

Factors like business ethics awareness, corporate governance and business risks, are prompting businesses to be more proactive. More companies now know the benefits of ESG investing. Incidentally, global ESG funds are also investing in India. According to the Global Sustainable Investment Alliance (GSIA), 41 Global E&S seeking funds have invested on an average 25% of their funds in India equities. In the future, there could be more ESG investing in India.

Increasingly, domestic investors such as SBI, Quantum, Avendus, Kotak Mahindra are taking a significant part in ESG investing. They are warming up to sustainable investments. Asset management companies are signing up to UN-supported principles for responsible investment. Over the last few years, the Indian investment market has seen the entry of quite a few ESG funds. Consultants including the Big 4 firms are assisting and advising companies in this direction by establishing practices of ESG advisory services.

India has been witnessing a slew of reform measures to drive investments in emerging sectors such as renewable energy, several voluntary and mandatory guidelines to drive ethical corporate behaviour and reporting on material ESG factors.

In recent years, quite a few indices have come up to track, motor and measure the ESG performance of various companies. Some of those are S&P BSE Greenex, S&P BSE Carbonex, S&P BSE 100 ESG Index, NIFTY 100 ESG Index, NIFTY 100 Enhanced ESG Index.

These developments and measures have led to the growth of ESG investing in India and the world. In the US, net flows into sustainable funds reached USD 20.6 billion in 2019, more than 4 times that in 2018. In India, the size of the Socially Responsible Investment (SRI) asset base stands at USD 28 billion, which is 0.1% of the global SRI assets. Domestic asset managers mainly drive this growth.

An EY research has said that financial services companies will have to increase their focus on ESG and will also have to share data around it with all its stakeholders in the post Covid pandemic time. The report said that integrating investor expectations on ESG parameters as a part of stakeholder engagement practices and sustainability initiatives will be a key in the post pandemic times.

There has been a shift in focus of many businesses and investors from profits to people as the pandemic unrolled. The most concerning issue was the safety of the people. Issues like access to healthcare and societal welfare were topping the list. The transmittance of this instability has affected the carbon economy the most. Industries intensive on carbon, including airlines, mining, steel, etc. were drastically impacted. However, it is believed that in the post-pandemic era, ESG factors will remain central to driving the economy upwards.

ESG challenges such as climate change have profound implications for businesses, the economy and society at large, thus offering opportunities for both, the society and businesses, to achieve long-term economic and social growth. The financial sector is in a great position to drive this transition to a sustainable economy and a stable future.

One of the challenges that corporate India has to contend with and will continue in the future (which is great for investors) is the fact that regulations are going to get stricter and adherence to them is going to get tougher. Be it environment norms or impact on society or actual accounting bells and whistles, the regulators are going to come down hard on companies who flout the rules and penalize those who are out of line.

If the company adheres to the highest standards of ESG, then there are advantages of investing in those companies. They do not need to incur any additional costs and are on a safer wicket if the regulator tightens norms. An ESG compliant company can take advantage of the situation to increase market share while other non-compliant companies struggle due to violating strict regulatory protocol. Being ESG compliant enhances the reputation of the company multi-fold, not only amongst investors, but customers and stakeholders alike.

ESG is good for companies, investors and the society, thereby achieving a triple bottom line and could be the 'new normal' in the world of investing.

-APAS

ECONOMY

IIP (Index of Industrial Production) – October

Index of Industrial Production (IIP) or factory output for the month of October 2020 witnessed a growth of 3.6%, compared to 0.2% in September 2020 and a contraction of 6.6% in October 2019.

The General Index for the month of October 2020 stands at 128.5, which is 3.6% higher as compared to October 2019.

The manufacturing sector, which constitutes 77.63% of the index, jumped by 3.5% in October, to 130.7.

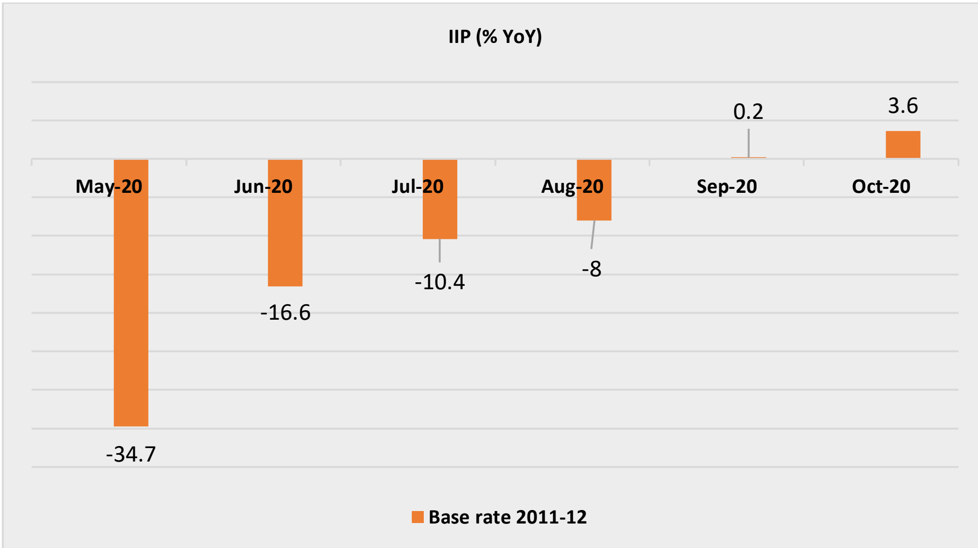
Mining sector output contracted by 1.5%, to 98.

Electricity generation rose by 11.2%, to 162.2.

As per Use-based classification, the indices stand at 117.7 for primary goods, 91.4 for capital goods, 137.5 for intermediate goods and 140 for infrastructure/construction goods for October.

Further, the indices for consumer durables and consumer non-durables were at 133.2 and 149, respectively.

The IIP for April-October period has contracted by 17.5%. It had registered a growth of 0.1% during the same period last fiscal.



Source: APAS BRT, www.mospi.gov.in

CPI (Consumer Price Index) – November

India's consumer price index (CPI) or retail inflation declined to 6.93% in November 2020, compared to 7.61% in October 2020.

The corresponding provisional inflation rates for rural and urban areas are 7.2% and 6.73% respectively.

The core CPI inflation rose slightly to 5.51% in November 2020, compared with 5.46% in October 2020.

The Consumer Food Price Index (CFPI) eased to 9.43% in November from 11% in October.

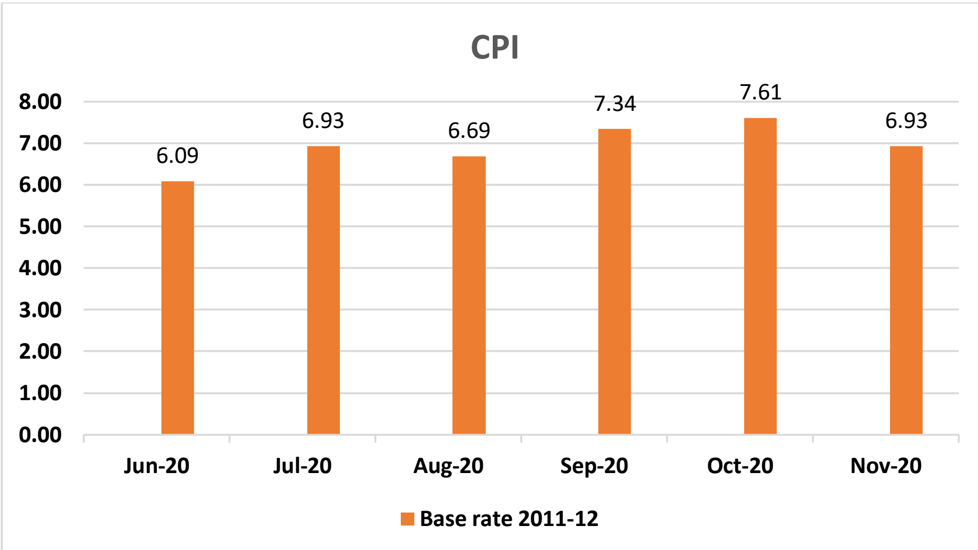
Among the CPI components, inflation for food and beverages dipped to 8.76% in November from 10.09% in October.

Within the food items, the inflation declined for vegetables to 15.63%, cereals and products to 2.32%, meat and fish to 16.67%, milk and products to 4.98%, spices to 10.68%, sugar and confectionery to 0.88%, eggs to 20.26% and pulses and products to 17.91%. However, the inflation moved up for oils and fats to 17.86%, non-alcoholic beverages to 10.13%, prepared meals, snacks, sweets, etc. to 4.57% and fruits to 0.27% in November 2020.

The inflation for housing eased to 3.19%, while that for miscellaneous items was flat at 6.94% in November.

Within the miscellaneous items, the inflation declined for transport and communication to 11.06%, personal care and effects to 11.97%, recreation and amusement to 4.57%, while it rose for household goods and services to 2.96%, education to 2.38% and health to 5.54% in November 2020.

The inflation for clothing and footwear rose to 3.3%, while that for fuel and light declined to 1.9% in November.



Source: APAS BRT, www.mospi.gov.in

WPI (Wholesale Price Index) – November

India's wholesale price index (WPI) inflation rose to a 9-month high of 1.55% in November 2020, as compared to 1.48% in October 2020 and 0.58% in November 2019.

The rate of inflation based on WPI Food Index decreased to 4.27% in November 2020 from 5.78% in October 2020.

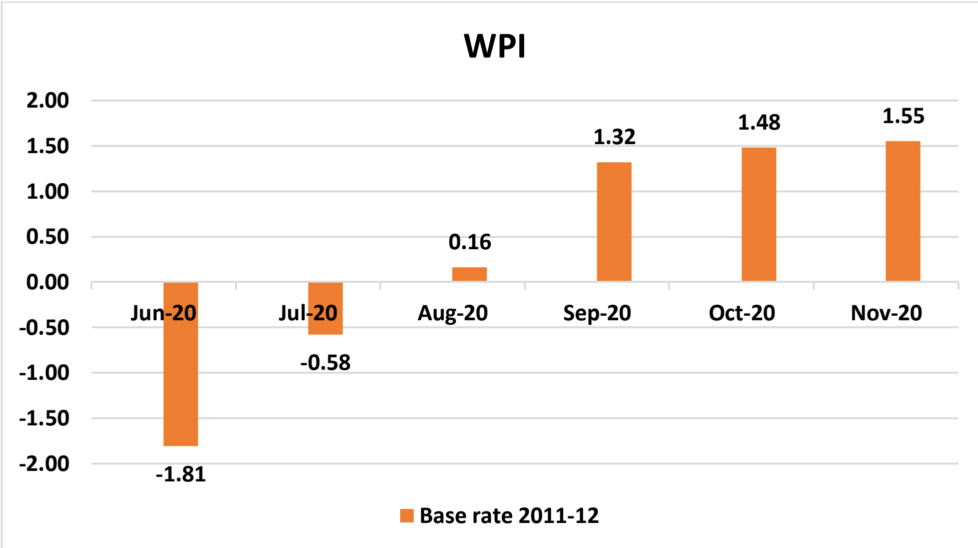
The index for primary articles declined by 0.79% from the previous month.

Prices increased for non-food articles (6.17%). Prices declined for minerals (13.19%), crude petroleum and natural gas (11.11%) and food articles (0.82%).

The index for fuel and power increased by 0.22% from the previous month.

Prices increased for mineral oils (0.39%) and coal (0.08%), while prices of electricity remained unchanged.

The index for manufactured products increased by 0.83% from the previous month.



Source: APAS BRT, www.eaindustry.nic.in

Manufacturing PMI – November

The Nikkei India Manufacturing Purchasing Managers' Index (PMI) fell to its lowest in 3 months, reflecting the slower increase in sales and production.

The Manufacturing PMI fell to a 3-month low of 56.3 in November 2020 from 58.9 in October 2020. It stayed above the 50 level, that separates expansion from contraction, for the fourth straight month.

The reading was consistent with a sharp rate of expansion, amid ongoing loosening of Covid-19 restrictions.

Although softening rates of expansion seen in the latest month does not represent a major setback, since these are down from over decade highs in October, a spike in Covid-19 cases and the possibility of associated restrictions could undermine the recovery.

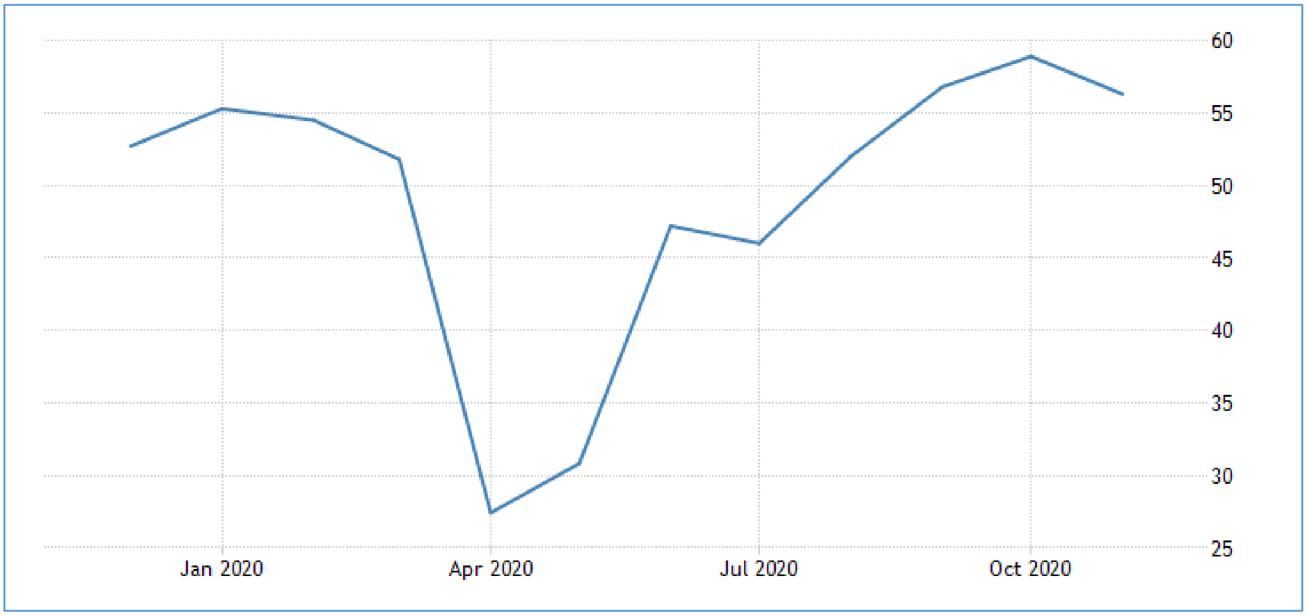
Output expanded at a softer pace, while new orders rose at the slowest pace in 3 months, with export sales rising at a softer pace.

Meanwhile, employment continued to decline.

Input cost inflation accelerated to the strongest in 2 years, due to a faster rise in prices of chemicals, metals, plastics and textiles.

As a result, selling prices rose to a 9-month high.

Finally, business confidence faded slightly in November.



Source: www.tradingeconomics.com

Services PMI – November

The Indian services sector activity expanded for the second consecutive month in November 2020.

The Nikkei India Services Purchasing Managers' Index (PMI) Business Activity Index fell to 53.7 in November 2020 from 54.1 in October 2020. The index stayed above the neutral mark of 50, which separates expansion from contraction, for the second straight month.

Output continued to expand, while new orders rose for second straight month, amid the loosening of coronavirus pandemic restrictions.

At the same time, employment increased for first time in 9 months.

On the price front, the rate of input cost inflation picked up to a 9-month high and outpaced its long-run average.

Meanwhile, selling prices increased at an above trend rate. The latest increase was the quickest since July 2017.

Looking ahead, business sentiment strengthened to a 9-month high, due to hopes that a vaccine for Covid-19 will be rolled out.

The seasonally adjusted Nikkei India Composite PMI Output Index fell to 56.3 in November from 58 in October.

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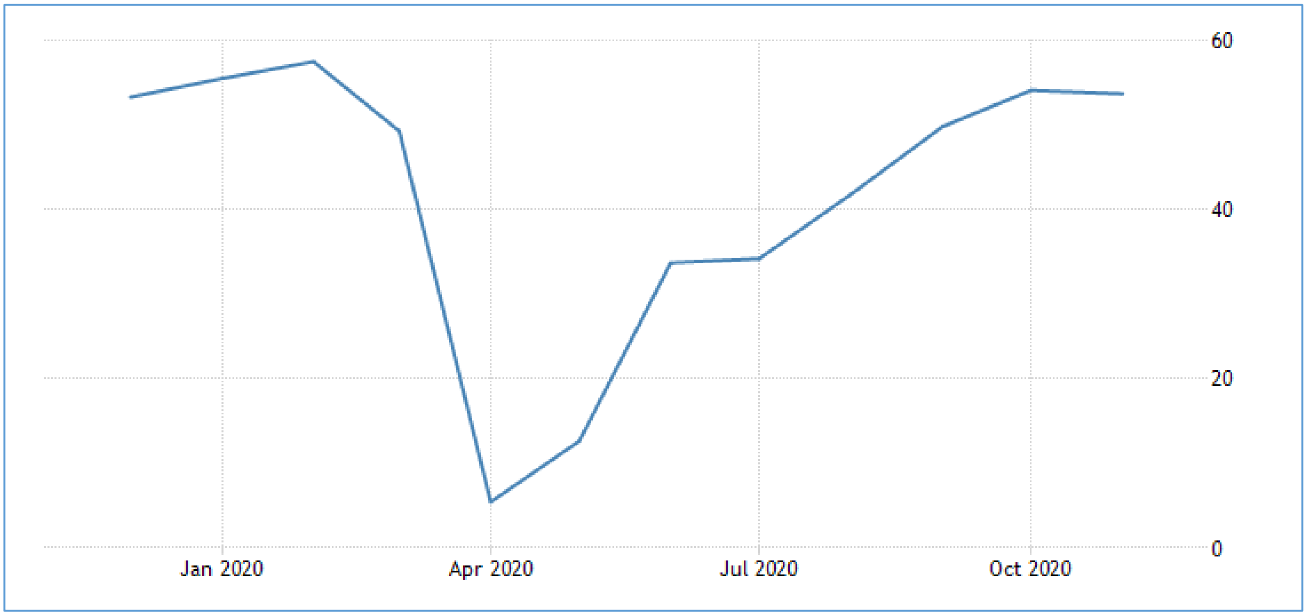


Source: www.tradingeconomics.com

Core Sector Data – November

Growth of eight infrastructure sectors contracted by 2.6% in November 2020, shrinking for the ninth straight month.

The eight core sectors – coal, crude oil, natural gas, refinery products, fertilizers, steel, cement and electricity – had declined by 0.9% in October 2020 and grown by 0.7% in November 2019.

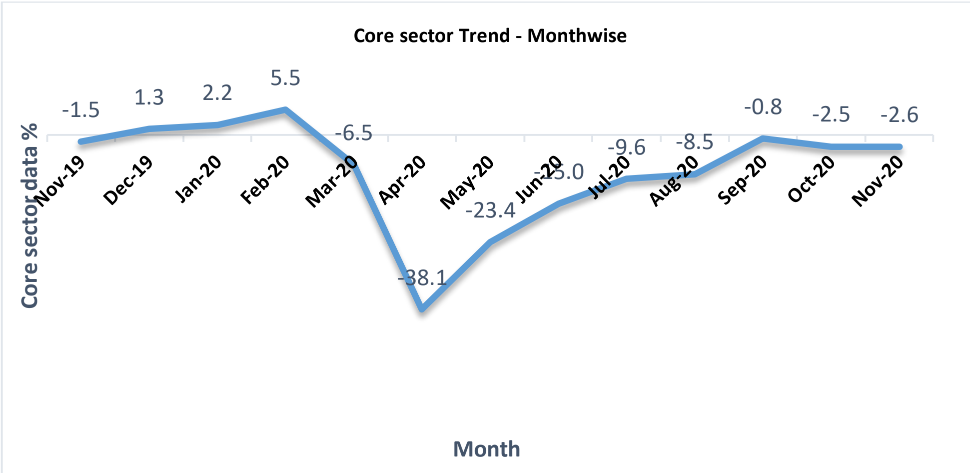
Barring coal, fertiliser and electricity, all sectors – crude oil, natural gas, refinery products, steel and cement – recorded negative growth in November 2020.

The output of crude oil, natural gas, refinery products, steel and cement declined by 4.9%, 9.3%, 4.8%, 4.4% and 7.1%, respectively.

On the other hand, coal and electricity sector output grew by 2.9% and 2.2%, respectively.

Fertiliser sector growth stood at 1.6%, as against 13.6% last year.

Cumulatively, the growth in the eight core sectors during April-November 2020-21 contracted by 11.4%, as against an expansion of 0.3% in the same period last financial year.



Source: APAS BRT, www.eaindustry.nic.in

BANKING

Report on Trend and Progress of Banking in India 2019-20

The Reserve Bank of India released the Report on Trend and Progress of Banking in India 2019-20. This Report presents the performance of the banking sector, including co-operative banks, and non-banking financial institutions during 2019-20 and 2020-21 so far.

The broad theme of this year's report is the impact of COVID-19 on banking and non-banking sectors, and the way forward. The highlights of the Report are as below:

- During 2019-20 and first half of 2020-21, scheduled commercial banks (SCBs) consolidated the gains achieved after the turnaround in 2018-19.
- SCBs' gross non-performing assets (GNPA) ratio declined from 9.1 per cent at end-March 2019 to 8.2 per cent at end-March 2020 and further to 7.5 per cent at end-September 2020.
- Capital to risk weighted assets (CRAR) ratio of SCBs strengthened from 14.3 per cent at end-March 2019 to 14.7 per cent at end-March 2020 and further to 15.8 per cent at end-September 2020, partly aided by recapitalization of public sector banks and capital raising from the market by both public and private sector banks.
- Net profits of SCBs turned around in 2019-20 after losses in the previous two years; in H1:2020-21, their financial performance was shored up by the moratorium, standstill in asset classification and ploughing back of dividends.
- The Reserve Bank undertook an array of policy measures to mitigate the effects of COVID-19; its regulatory ambit was reinforced by legislative amendments, giving it greater powers over co-operative banks, non-banking financial companies (NBFCs), and housing finance companies (HFCs); and it also undertook a series of initiatives to bolster its supervisory framework.
- The recovery process gained traction with the resolution of large accounts through the Insolvency and Bankruptcy Code (IBC); the Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI) channel also aided the process of recovery.
- The balance sheet growth of Urban Co-operative Banks (UCBs) moderated in 2019-20 on lower deposit accretion and muted expansion in credit; while their asset quality deteriorated, increased provisioning resulted in net losses.

- The performance of state co-operative banks improved, both in terms of profitability and asset quality.
- The consolidated balance sheet of NBFCs decelerated in 2019-20 due to near stagnant growth in loans and advances although some improvement became visible in H1:2020-21; notwithstanding a marginal deterioration in asset quality, the NBFC sector remains resilient with strong capital buffers.
- The Report also offers some perspectives on the evolving outlook for India's financial sector.

On Tap Targeted Long-Term Repo Operations – Extension of Specific Sectors

As per announcement in Statement on developmental and regulatory policies, RBI has decided to cover stressed sectors under the On Tap TLTRO Scheme, in synergy with the credit guarantee available under the Emergency Credit Line Guarantee Scheme (ECLGS 2.0) of the Government. Accordingly, in addition to the five sectors announced under the On Tap TLTRO Scheme on October 21, 2020, the twenty-six stressed sectors notified under ECLGS 2.0 (identified by the Kamath Committee of RBI) have been brought within the ambit of the sectors eligible under the On Tap TLTRO scheme. The stipulation under ECLGS 2.0 that only entities with outstanding between ₹50 crore and ₹500 crore shall be eligible for the credit guarantee shall, however, not apply to funds availed under On Tap TLTRO.

RBI announces date for launching of RTGS 24x7

RBI announced in its Statement on developmental and regulatory policies, that hat the Real Time Gross Settlement System (RTGS) will be available round the clock on all days of the year. Accordingly, RTGS 24x7x365 will be launched with effect from 00:30 hours on December 14, 2020. India will become one of the few countries in the world to operate its RTGS system round the clock throughout the year. This comes within a year of operationalizing NEFT 24x7 by the Reserve Bank.

RTGS, which began its operations on March 26, 2004 with a soft launch involving four banks, presently handles 6.35 lakh transactions daily for a value of ₹4.17 lakh crore across 237 participant banks. The average ticket size for RTGS in November 2020 was ₹57.96 lakh making it a truly large value payment system. RTGS uses ISO 20022 format which is the best-in-class messaging standard for financial transactions. The feature of positive confirmation for credit to beneficiary accounts is also available in RTGS.

Round the clock availability of RTGS will provide extended flexibility to businesses for effecting payments and will enable introduction of additional settlement cycles in ancillary payment systems. This can also be leveraged to enhance operations of Indian financial markets and cross-border payments.

Perpetual Validity for Certificate of Authorisation (CoA) issued to Payment System Operators (PSOs) under Payment and Settlement Systems Act, 2007 (PSS Act)

This is as per an announcement in Statement of developmental and regulatory policies, wherein Reserve Bank of India (RBI) had announced granting of authorisation for all PSOs under PSS Act on a perpetual basis, subject to certain conditions.

Currently, RBI grants authorisation to new entities desirous of operating a payment system for specified periods up to five years. Similar approach is adopted for renewal of validity of authorisation to existing entities. To reduce licensing uncertainties and enable PSOs to focus on their business as also to optimise utilisation of regulatory resources, it has been decided to, hereafter, grant authorization for all PSOs (both new and existing) on a perpetual basis, subject to the usual conditions.

For existing authorised PSOs, grant of perpetual validity shall be examined as and when the CoA becomes due for renewal subject to their adherence to the following:

- Full compliance with the terms and conditions subject to which authorisation was granted;
- Fulfilment of entry norms such as capital, networth requirements, etc.;
- No major regulatory or supervisory concerns related to operations of the PSO, as observed during onsite and / or offsite monitoring;
- Efficacy of customer grievance redressal mechanism;
- No adverse reports from other departments of RBI / regulators / statutory bodies, etc.

Existing PSOs who do not satisfy all conditions will be given one-year renewals to enable them to comply; if any entity fails to do so in a reasonable time, its authorisation may be withdrawn.

INSURANCE

Amendments to the Guidelines on Information and Cyber Security for Insurers

Based on the review of the compliance process for cyber security by insurers and their subsequent feedback, the following sections of guidelines are amended as below.

1. Platform / infrastructure security

The Vulnerability Assessment and Penetration Testing (VAPT) on the entire ICT infrastructure should be conducted by the insurers on a periodic basis. Also, VA & PT has to be conducted on the software applications whenever there are changes in the configurations / applications.

In order to streamline the security assessment process, the following sub sections have been added to the circular:

- Procedure for conducting VA&PT
- Closure of VA&PT gaps
- Information system audit
- Frequency of Conducting Assurance Audit

Additionally, Insurer shall have to submit the closure report to IRDAI on the identified audit gaps within two months of completion of Annual Assurance Audit.

Guidelines for grant of fresh license / renewal of license to act as Insurance Surveyor and Loss Assessor

These guidelines set out the procedure for obtaining fresh license or renewal of license to act as a surveyor and loss assessor**.**

Key components of the circular include:

1. Licensing procedure
2. Fit and proper criteria
3. Issuance of license

INFRASTRUCTURE & OTHER GOVT. INITIATIVES

Cabinet approves Atmanirbhar Bharat Rojgar Yojana (ABRY)

The Union Cabinet, chaired by the Prime Minister, Shri Narendra Modi, has given its approval for Atmanirbhar Bharat Rojgar Yojana (ABRY) to boost employment in formal sector and incentivize creation of new employment opportunities during the Covid recovery phase under Atmanirbhar Bharat Package 3.0.

Cabinet has approved an expenditure of Rs. 1,584 crore for the current financial yearand Rs.22,810 crore for the entire Scheme period i.e. 2020-2023.

The salient features of the Scheme are as under:

i. Government of India will provide subsidy for two years in respect of new employees engaged on or after 1st October, 2020 and upto 30th June, 2021

ii. Government of India will pay both 12% employees' contribution and 12% employers' contribution i.e. 24% of wages towards EPF in respect of new employees in establishments employing upto 1000 employees for two years,

iii. Government of India will pay only employees' share of EPF contribution i.e. 12% of wages in respect of new employees in establishments employing more than 1000 employee for two years.

iv. An employee drawing monthly wage of less than Rs. 15000/- who was not working in any establishment registered with the Employees' Provident Fund Organisation (EPFO) before 1st October, 2020 and did not have a Universal Account Number or EPF Member account number prior to 1stOctober 2020 will be eligible for the benefit,

v. Any EPF member possessing Universal Account Number (UAN) drawing monthly wage of less than Rs. 15000/- who made exit from employment during Covid pandemic from 01.03.2020 to 30.09.2020 and did not join employment in any EPF covered establishment up to 30.09.2020 will also be eligible to avail benefit,

vi. EPFO will credit the contribution in Aadhaar seeded account of members in electronic manner,

vii. EPFO shall develop a software for the scheme and also develop a procedure which is transparent and accountable at their end.

viii. EPFO shall work out modality to ensure that there is no overlapping of benefits provided under ABRY with any other scheme implemented by EPFO.

IFSCA permits Banking Units to transfer assets through participation agreements

The International Financial Services Centres Authority (IFSCA) today allowed Banking Units (BUs) to transfer assets to/from other financial institutions, persons resident in India and persons resident outside India through any internationally recognised standard risk participation agreement.

Transfer of assets through the risk participation agreement route is a common practice in many jurisdictions especially in the field of trade finance. Such risk participation is undertaken as a bilateral contract under a standard document called a risk participation agreement between the two institutions (buying and selling entity). One of the common standard risk participation agreement is the Master Risk Participation Agreement (MRPA) developed by the Bankers Association for Finance and Trade (BAFT).

The above dispensation is expected to encourage risk participation of foreign currency assets through BUs in IFSC instead of banks in foreign jurisdictions.

IFSCA notifies International Financial Services Centres Authority (Bullion Exchange) Regulations, 2020

In the Union Budget 2020, Union Minister of Finance Corporate Affairs Smt. Nirmala Sitharaman had made an announcement for setting up an International Bullion Exchange at the International Financial Services Centre in GIFT City, Gandhinagar, Gujarat.

Subsequently, the Government of India had notified the bullion spot delivery contract and bullion depository receipt (with bullion as underlying) as Financial Products and related services as Financial Services under the International Financial Services Centres Authority (IFSCA) Act, 2019.

IFSCA has been entrusted with the responsibility of operationalization of this Exchange. In this regard, International Financial Services Centres Authority (Bullion Exchange) Regulations 2020 were approved by the Authority in its meeting held on October 27,2020. The said regulations have been notified and published in the Gazette of India on December 11, 2020.

The regulations inter alia cover the Bullion Exchange, Clearing Corporation, Depository and Vaults. The regulations are divided into the 16 chapters. First half of the regulation deals with the Exchange and Clearing Corporations while the second half pertains to the Vaults and Depositories and related provisions.

The complete text of the notified regulations is available here.

CAPITAL MARKETS

SEBI Board Meeting

Following items were decided in the Securities and Exchange Board of India (SEBI) Board meeting:

I. Amendments to SEBI (Mutual Funds) Regulations, 1996

SEBI, in consultation with various stakeholders, undertook a detailed exercise on review of SEBI (Mutual Funds) Regulations, 1996. Under the exercise, The Board approved various amendments to MF Regulations, which, inter-alia, are as under:

1. Eligibility criteria for sponsoring a mutual fund: To facilitate innovation and enhanced reach to more investors at a faster pace including tech-enabled solutions, sponsors that are not fulfilling profitability criteria at the time of making application, shall also be considered eligible to sponsor a mutual fund subject to having a net-worth of not less than INR 100 Cr. for the purpose of contribution towards the net-worth of the Asset Management Company (AMC). This net worth of the AMC has to be maintained till the time AMC makes profit for 5 consecutive years.

2. Net-worth of the AMC: To streamline the manner of computation of net-worth of the AMC and make it mandatory for all AMCs to maintain the minimum net worth on a continuous basis.

3. Segregation and ring - fencing of assets and liabilities of mutual fund schemes: All assets and liabilities of each scheme shall be segregated and ring-fenced from other schemes of the mutual fund in addition to the existing requirement of segregating bank accounts and securities accounts.

II. Recalibration of Minimum Public Shareholding norms for listed companies going through Corporate Insolvency Resolution Process (CIRP)

III. Doing away with the applicability of Minimum Promoters' Contribution and the subsequent lock in requirements for issuers making a Further Public Offer - amendments to SEBI (ICDR) Regulations, 2018

IV. Amendment to SEBI (Investment Advisers) Regulations, 2013

V. Amendment to SEBI (Alternative Investment Funds) Regulations, 2012

VI. Amendment to the Securities and Exchange Board of India (Intermediaries) Regulations, 2008

VII. Repeal of Securities and Exchange Board of India (Central Database of Market Participants) Regulations, 2003

Operational guidelines for Transfer and Dematerialization of re-lodged physical shares

The operational guidelines for crediting the transferred shares into the respective demat account of the investor, with inputs from stakeholders, include following:

i. Guidelines to credit the transferred physical shares in demat mode
ii. In case of the shares that are required to be locked-in, the RTA (Registrars to an Issue & Share Transfer Agents) while approving / confirming the demat request, shall also incorporate / intimate the Depository about the lock-in and its period. Such shares shall be in lock-in demat mode for 6 months from the date of registration of transfer.
iii. In case of non-receipt of demat request from the investor within 90 days of the date of Letter of Confirmation, the shares will be credited to Suspense Escrow Demat Account of the Company
iv. Depositories shall;
    a. Make necessary amendments to the relevant byelaws, rules and regulations for the implementation of the above directions, as may be applicable; and
    b. Bring the provisions of this circular to the notice of their participants and also disseminate the same on their websites.

E-Voting Facility Provided by Listed Entities

Listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, SEBI has observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, SEBI has decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication. but also enhancing ease and convenience of participating in e-voting process. The same shall be implemented in a phased manner as under:

I. Phase – I

Direct registration with Depositories – Shareholders can register directly with the depository. Shareholders would be able to access the e-voting page of various ESPs through the websites of the Depositories without further authentication by ESPs for participating in the e-voting process.

OR

Through Demat Accounts with Depository Participants – Demat account holders will have the option of accessing various ESP portals directly from their demat accounts.

II. Phase – II

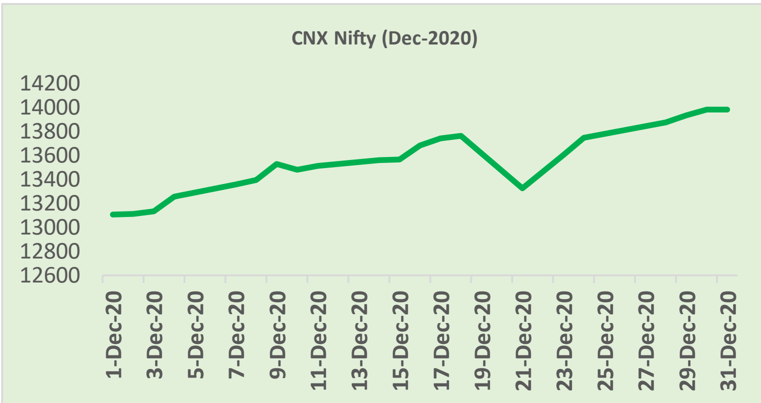
In order to further enhance the convenience and security of the e-voting system, the depository shall validate the demat account holder through a One Time Password (OTP) verification process as under.

Direct registration with Depositories – Depositories shall allow login through registered Mobile number / E-mail based OTP verification as an alternate to login through username and password.

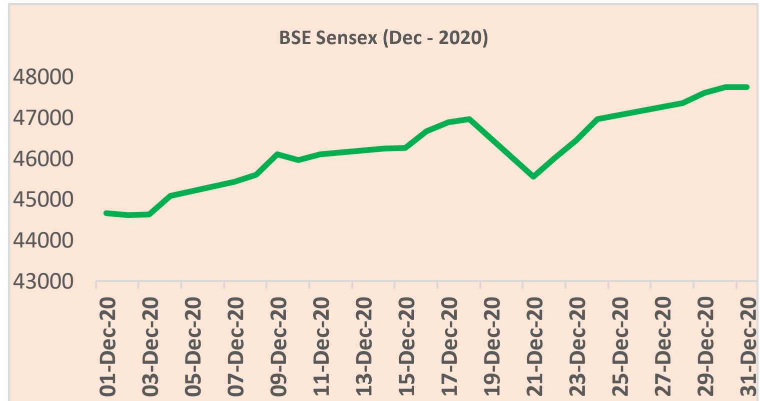
Through Demat Accounts with Depository Participants – A second factor authentication using Mobile / E-mail based OTP shall be introduced before the demat account holders can access the websites of the Depositories through their demat accounts.

The above shall be implemented within 12 months from the completion of the process in phase 1.

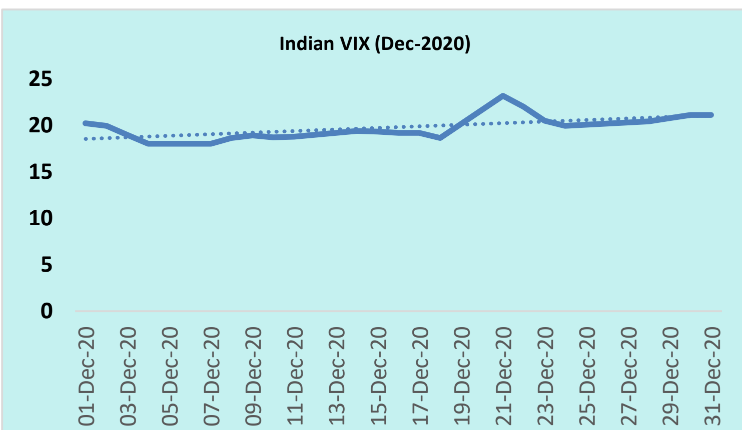
CAPITAL MARKETS SNAPSHOT



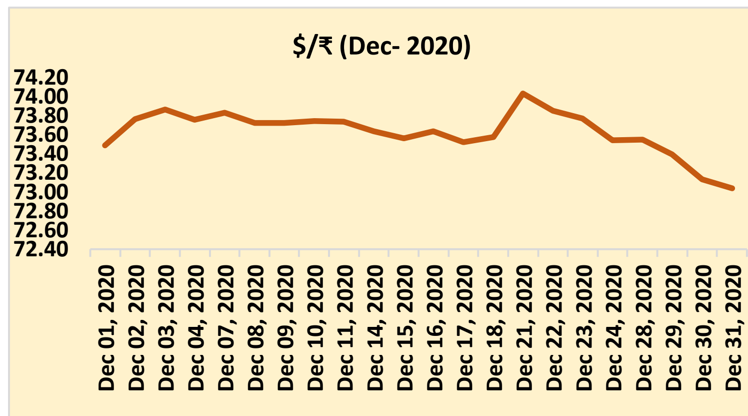
Source: National Stock Exchange



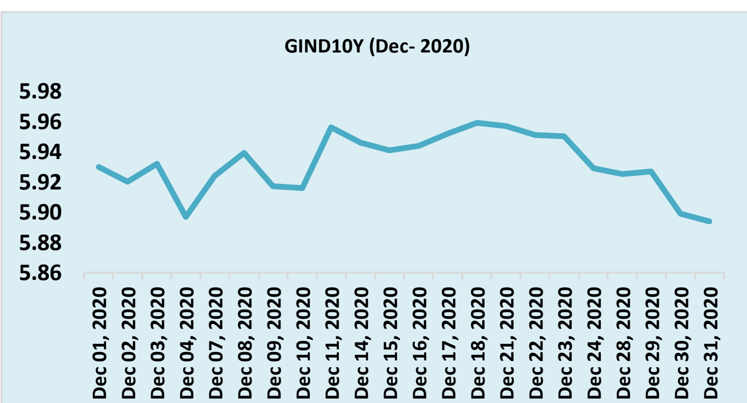
Source: Bombay Stock Exchange



Source: National Stock Exchange



Sources: APAS Business Research Team



Sources: APAS Business Research Team

Rally in the global equities following the signing of a $2.3 trillion stimulus package by US President Donald Trump, and a trade deal between the UK and the European Union boosted domestic markets. Market was pulled down earlier, following news of rise in coronavirus cases due to a new strain of the virus in the UK. The National Council of Applied Economic Research (NCAER) revised upwards its GDP projection for fiscal 2021 to a 7.3% contraction from the 12.6% dip estimated in September, with the expectation that the economy will register marginal growth in the December quarter. The centre allowed additional borrowing to the tune of INR 16728 crore through open market borrowings to five states.

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ECONOMIC DATA SNAPSHOT

Countries	GDP			CPI		Current Account Balance	Budget Balance	Interest Rates
	Latest	2020*	2021*	Latest	2020*	% of GDP, 2020*	% of GDP, 2020*	(10YGov), Latest
Brazil	-3.9 Q3	-4.5	3.7	4.3 Nov	3.2	-0.8	-15.8	2.27
Russia	-3.4 Q3	-3.8	2.8	4.4 Nov	3.3	1.9	-4.3	6.27
India	**-7.5 Q3**	**-7.9**	**6.9**	**6.9 Nov**	**6.7**	**1.3**	**-7.2**	**5.90**
China	4.9 Q3	1.9	8.7	-0.5 Nov	2.9	1.3	-5.2	2.95^
S Africa	-6.0 Q3	-7.2	1.8	3.2 Nov	3.2	-2.1	-16.0	8.76
USA	-2.8 Q3	-3.7	3.3	1.2 Nov	1.2	-2.3	-14.9	0.93
Canada	-5.2 Q3	-5.8	4.0	1.0 Nov	0.7	-1.7	-13.5	0.71
Mexico	-8.6 Q3	-8.9	3.5	3.3 Nov	3.4	2.3	-4.5	5.24
Euro Area	-4.3 Q3	-7.5	4.8	-0.3 Nov	0.3	2.6	-9.1	0.0
Germany	-4.0 Q3	-5.4	4.6	-0.3 Nov	0.4	6.9	-7.0	0.0
Britain	-8.6 Q3	-11.3	6.2	0.3 Nov	1.0	-1.5	-19.6	0.27
Australia	-3.8 Q3	-4.1	2.0	0.7 Q3	0.7	0.8	-7.9	0.98
Indonesia	-3.5 Q3	-2.2	3.3	1.6 Nov	2.0	-1.4	-7.1	5.90
Malaysia	-2.7 Q3	-5.3	4.5	-1.7 Nov	-1.1	4.8	-7.2	2.69
Singapore	-5.8 Q3	-6.0	5.1	-0.1 Nov	-0.3	18.0	-13.9	0.84
S Korea	-1.1 Q3	-1.1	3.0	0.5 Dec	0.5	3.8	-5.7	1.71

Sources: The Economist

**** The Economist poll or Economist Intelligence Unit estimate/forecast;***

^ 5-year yield

Quarter represents a three-month period of a financial year beginning 1st April

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ABOUT APAS

APAS is a management advisory firm specializing in banking, financial services and the insurance space. APAS assists business leaders of some of the leading domestic and global organizations, acting as an extended arm to the management in coping with the ever changing internal and external dynamics. Leveraging deep business insights APAS develops business and operational strategy for its clients. APAS provides transaction advisory services (Buy, sell and merge), and also specializes in governance and board training. APAS facilitates investors and sellers with directional guidelines of pursuing transactions, by utilizing subject knowledge, vast experience and deep market outreach. APAS has capability to identify and analyze key transaction drivers, recognize possible partnerships, and initiate discussions with them for possible growth opportunity. We help major insurance companies, payment institutions, and other financial organizations to identify their growth potential, innovative opportunity and possible benefits of consolidation, and hence comprehend the possible merger or acquisition. Buying or selling a major asset or a business, undertaking a merger, or performing an IPO can be risky and complex especially in this globalization era. Hence, the need of a trusted advisor who can help clients preserve, create and enhance value in transactions.

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