

RETAIL INVESTORS IN INDIA



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- Timeline Of Major Events
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- Lack Of Investible Capital
- Financial Literacy In India
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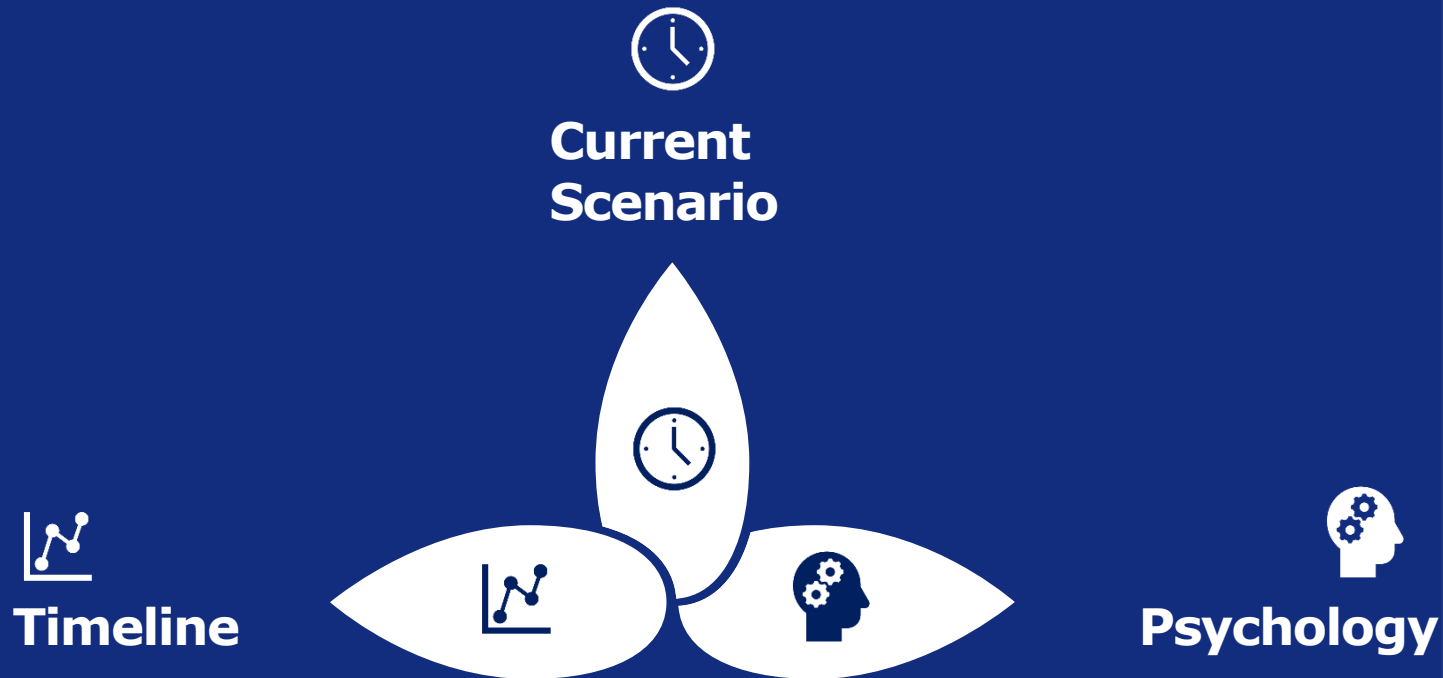
- Demonetization
- Fall of Financial Institutions
- Covid-19

Future Outlook:

- Government Initiative
- Accessibility To Technology
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- Increasing Popularity of Financial Education
- Conclusion

DISCUSSION OUTLINE

INTRODUCTION



The term “Retail Individual Investor” is defined in Section 2(ze) of the SEBI (Issue of Capital & Disclosure Requirements) Regulation, 2009 as an investor who applies or bids for specified securities for a value of not more than Two lakhs rupees.

A retail investor, also known as an individual investor, is a non-professional investor who buys and sells securities or funds that contain a basket of securities such as mutual funds and exchange traded funds (ETFs).

Retail investors have a significant impact on market sentiment, which represents the overall tone in the financial markets.

TIMELINE OF MAJOR EVENTS

1992

- Harshad Mehta Scam.
- Inception of NSE.
- SEBI conferred as a central stock market regulator.

1994

- Technology driven trading started on NSE.

2008

- Global Financial Crisis caused selling off by FIIs from the Indian stock market and its effects began from 21 Jan 2008 which tanked the Sensex by 1,430 points.
- Subsequently, Sensex plunged from 21,000 to 11,000 points (Jan to Sept).

2009

- Satyam Scandal brought down Sensex by 7.25% on 7 Jan 2009 from 10,335 to 9,586 Points.

2016

- On Tuesday 8 November 2016, after the announcement of Demonetization of currency, the panic among investors brought down Sensex by 1,689 points & Nifty plunged over 541 points.

2020

- On 23rd March 2020, due to the coronavirus led-nationwide lockdown which triggered the fear of recession.
- Sensex fell 13.15% to 25,981 points & NIFTY around 12.98% to 7,610 points.

CURRENT SCENARIO

- Currently, only 2.78 crore Indians invest in stock market directly or indirectly, which is around 2% of the country's population.
- Total turnover of retail investors is growing at around 12% from past 2 financial years.
- In July 2020, Retail investor turnover was 49% of total turnover of equity cash market.
- Surprisingly, the COVID-19 has given a boost to retail participation in stock markets as investors opened 3.4 million new Demat accounts in the September quarter of 2020 according to SEBI data.
- More than 13.2 lakh new retail investors were added in the Bombay Stock Exchange in the month of August 2020.
- Over 35.97 lakh new retail investors were added since 2nd quarter taking total registered investors number to over 5.42 Crore as per latest BSE data as on September 13, 2020.
- Around 1,605 listed companies such as RIL, L&T, HDFC etc. hit the 11 year high retail holding which is around Rs 10.58 trillion at the end of September 2020 as compared to Rs 9.15 trillion at the end of the preceding 3 months.



PSYCHOLOGY OF INVESTORS

“The Stock market is filled with individuals who know the price of everything but the value of nothing.” – Philip Fisher

- ❑ **Fear**
- ❑ **Greed**
- ❑ **Behavioral Biases**



Media present negative news in a very sensational & dramatic manner. This discourages the retail investors to participate in stock market.



Friends, family & colleagues discourage potential investors by explaining them only negative points and rumors, about both investing directly in stock market and through mutual funds.



There is always fear of stock market crashes and downturn, which prompts retail investors to sell stocks irrationally.

FEAR



- Most retail investors look at stock markets as a tool to acquire wealth in short span of time. While this might be true for few but it is well documented fact that most retail investors lose money in stock market.



- This misconception clouds their judgement and instead of focusing on the fundamentals they rely upon the rumors or their gut feeling while taking investment decisions.

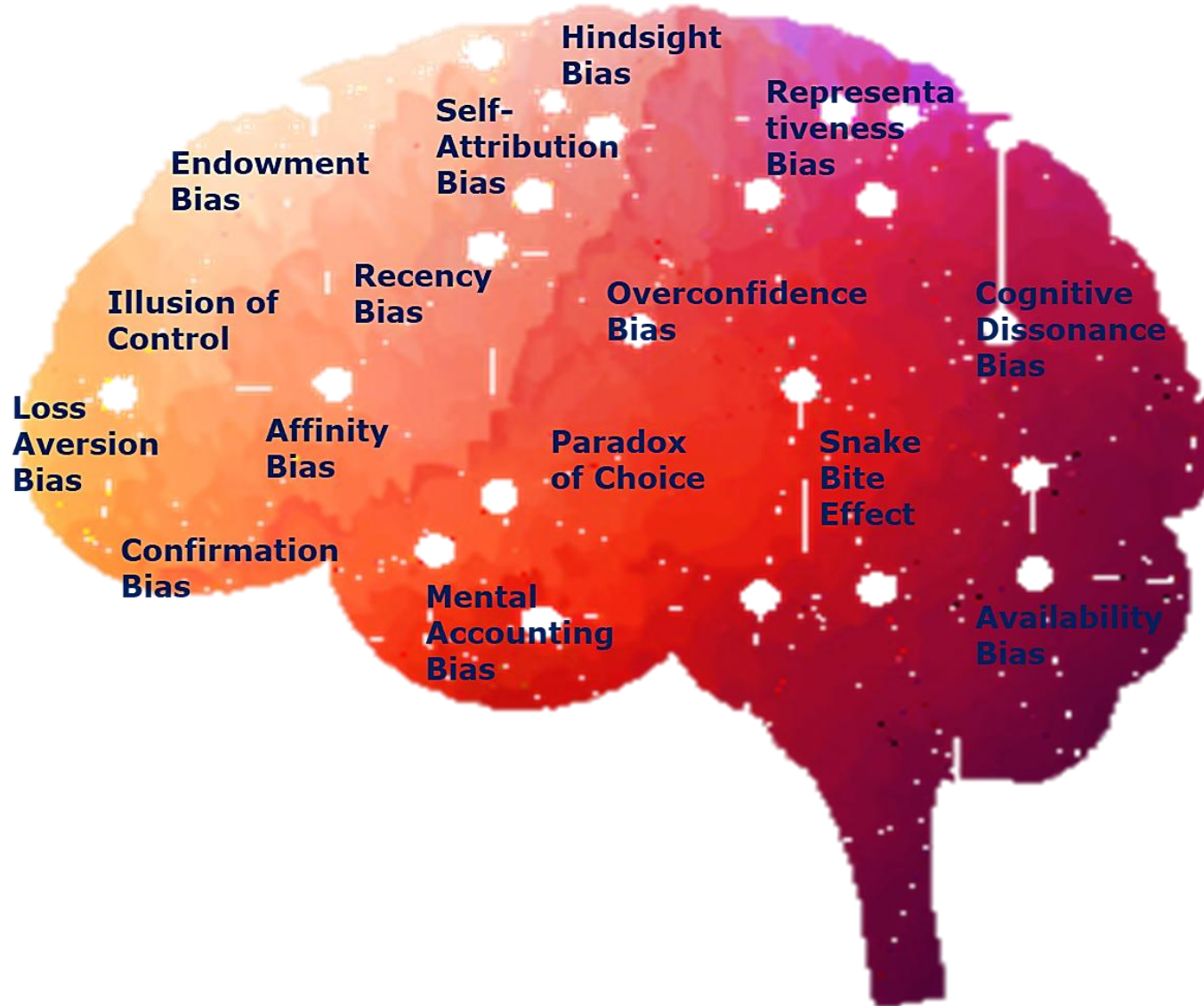


- They fail to understand that market is for building long-term wealth where one need to run a marathon, not a sprint.



- As a result, majority of investors lose money in stock market which ultimately discourage them to invest further.

GREED



BEHAVIORAL BIASES

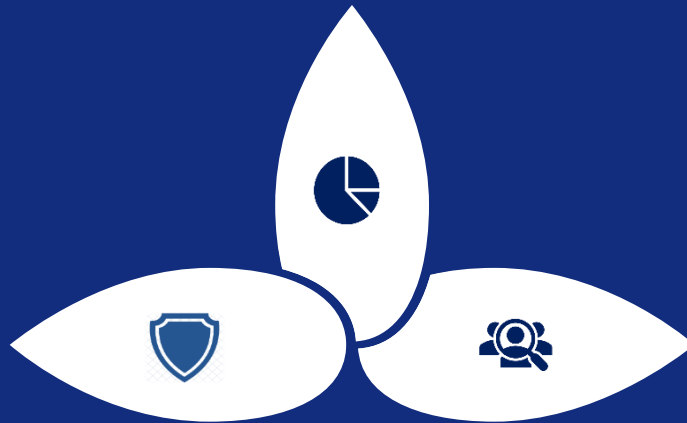


Source: Credit Suisse

Investment decision of individuals are impacted by both cognitive as well as emotional biases that exists deep within their psyche resulting in an irrational decision-making, which ultimately lead to losses. Cognitive biases stems from information processing errors whereas emotional biases stems from intuition & feelings. While one cannot eliminate the behavioral biases completely, one can certainly try to mitigate their effects by identifying the biases they have & following a disciplined investment approach.

INDIA VS THE WORLD


**Diversity On
Various Stock
Exchange**



**Investor Protection
Measures**



Observations



INVESTOR PROTECTION MEASURES



- ❑ Trading Rules & Regulations
- ❑ Listing Rules & Regulations

LISTING RULES & REGULATIONS

Parameters	NYSE	LSE	JEG	FSE	ISE	NSE	JSE	B3
Earning Requirements for Listing	\$2.5 Mil before federal Income Tax for recent year. \$2 Mil pre-tax for each of the preceding 2 years.	75 per cent of applicant's business supported by revenue earning record for the three-year period	Ordinary income of at least JPY 100 mil in most recent year.	N/A	Profit for last FY of at least IDR 1billion	At least 15cr. Average pre tax operating profit in at least 3 of the immediately preceding 5 years	At least R15 million profit before taxation	N/A
Free Float requirement	At least 1.1 Mn shares need to be publicly traded having a value of at least \$40 Mn.	At least 25% of Total Shares	At least 25% of Total Shares	At least 10% of Total Shares	At least 50 mil shares or at least 7.5% of fully paid up capital	At least 25% of Total Shares	At least 20% of Total Shares	At least 10% of Total Shares
Lock-in period for promoters	No lock-in mandated by SEC.	No lock-in mandated by law.	No lock-in mandated by law.	6 Months generally	Conditional lock up for 8 months.	3 years	No lock-in mandated by law.	6+6 months.
Audited financial Statements	N/A	3 years with unqualified audit opinion	N/A	3 years	3 years	3 Years	3 years	N/A

TRADING RULES & REGULATIONS

Parameters	NYSE	LSE	JEG	FSE	ISE	NSE	JSE	B3
Tick Size	\$0.01	Depends on stock price	Depends on stock price	€ 0.001	Depends on stock price	Rs. 0.05	1R	R\$ 0.01
Short Selling Restrictions	Restrictions on price at which stock can be shorted	No restrictions	Restrictions on price at which stock can be shorted	Uncovered Short selling is banned	Banned	Uncovered short selling is banned	Uncovered short selling is banned	Uncovered short selling is banned
Minimum Trading Unit	1 share	1 share	100 shares	1 share	100 shares	1 share	100 shares	100 shares
Settlement Cycle	T+3 days	T+2 days	T+2 days	T+2 days	T+2 days	T+2 days	T+3 days	T+2 days

STOCK MARKET CAPITALIZATION TO GDP RATIO

Stock market capitalization to GDP ratio is used to determine whether an overall market is undervalued or overvalued compared to a historical average. It also indicates contribution of organized sector in GDP. This ratio is also known as the **Buffet Indicator**.

$$\text{Market Cap to GDP} = \text{SMC}/\text{GDP} \times 100$$

SMC: Stock Market Cap

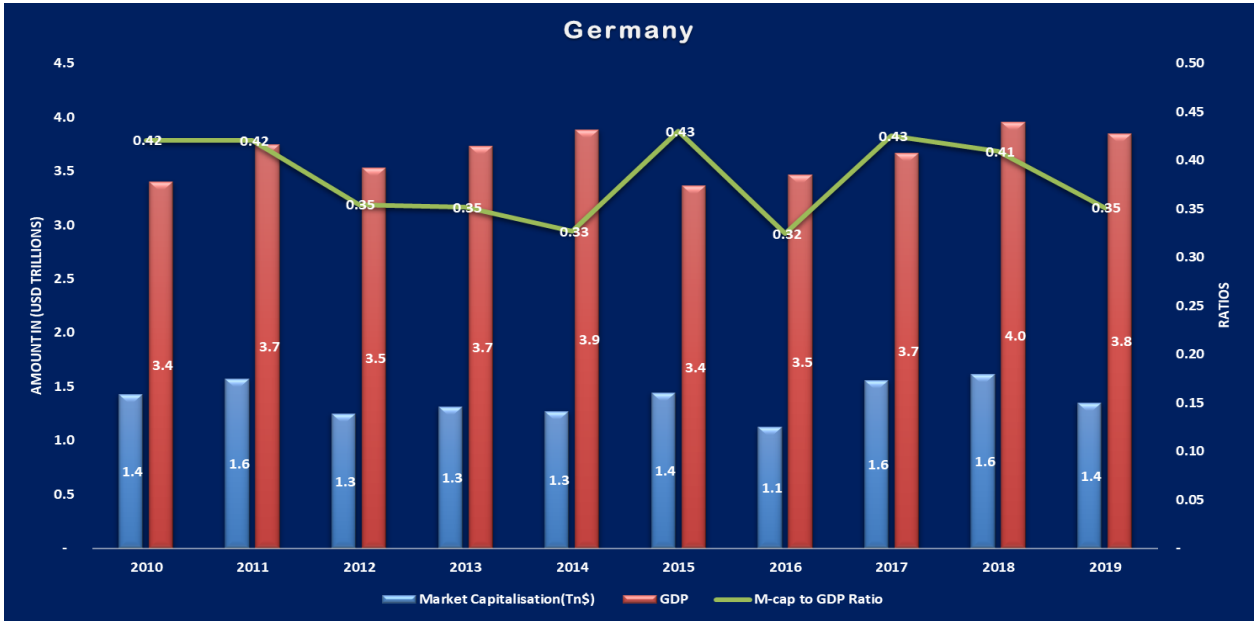
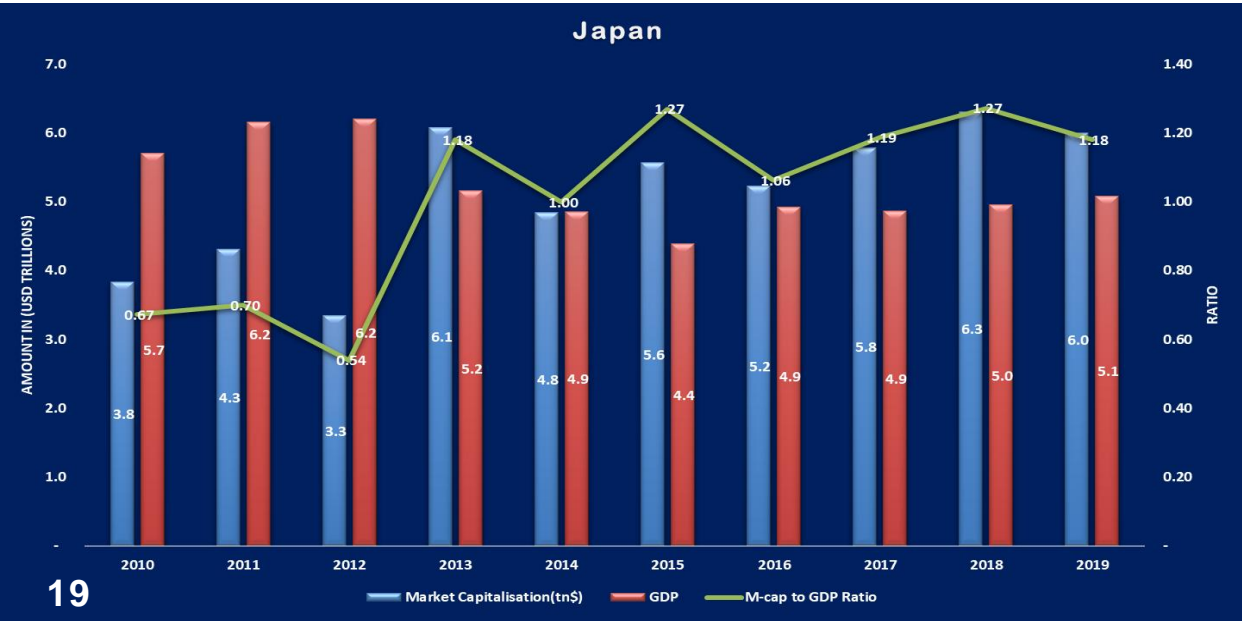
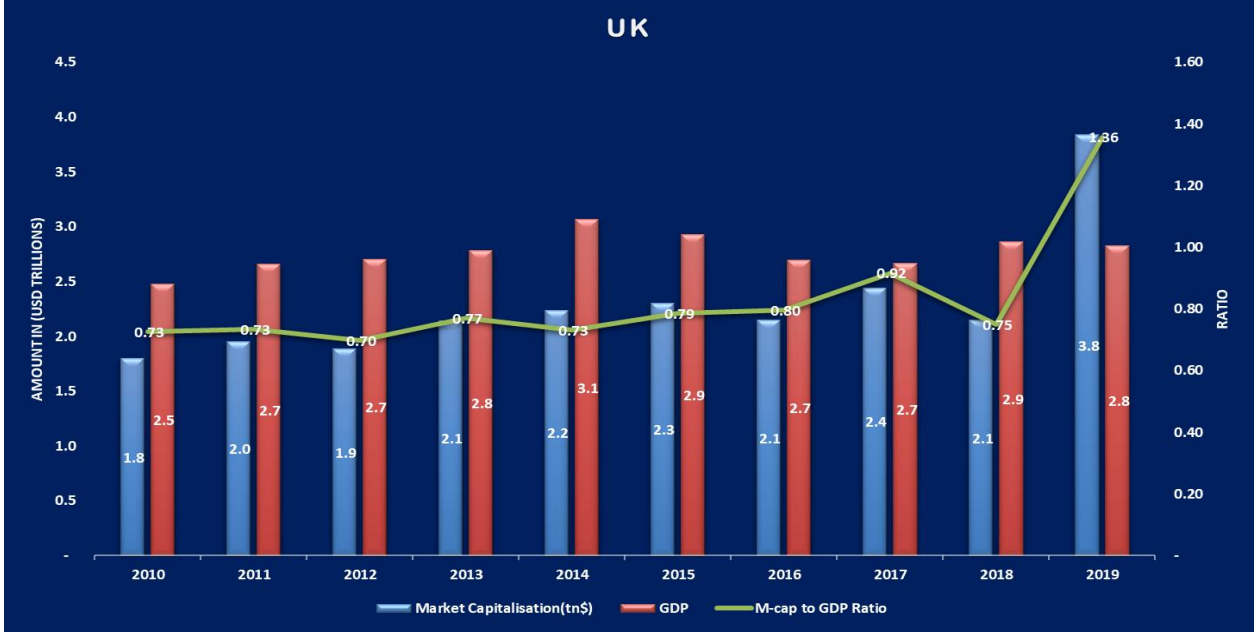
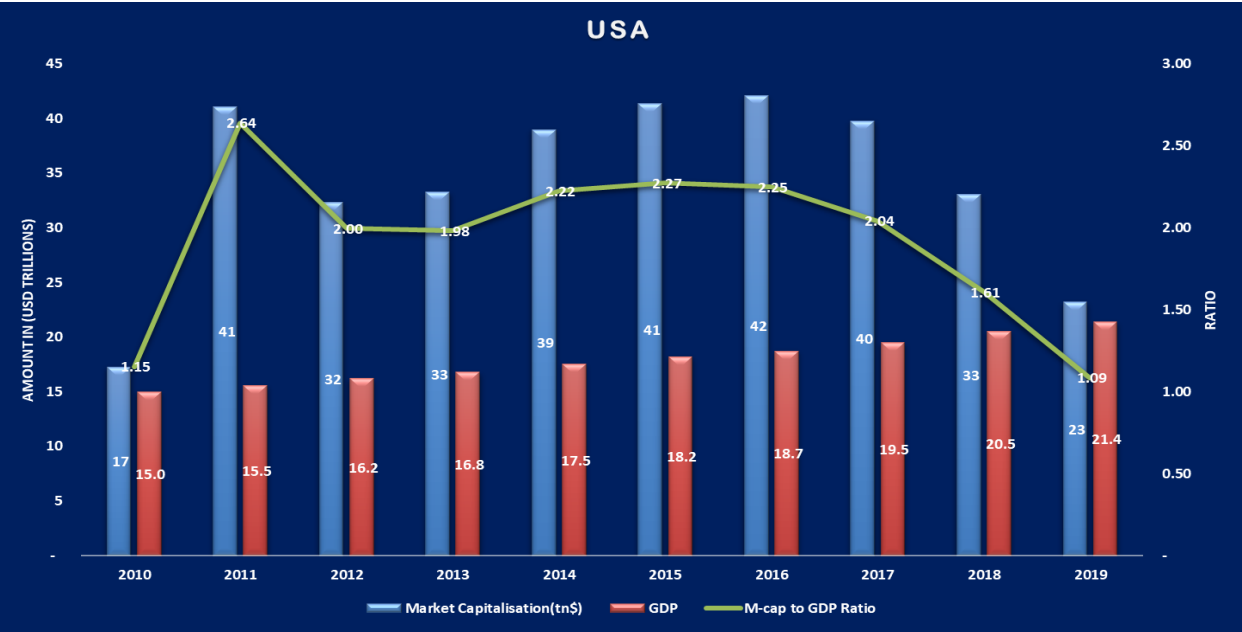
GDP: Gross Domestic Product

- If the valuation fall between 50% to 75%, the market can be said to be modestly undervalued.
 - Market can be fair valued if the ratio falls between 75% and 90%.
 - Modestly overvalued if it falls within the range of 90 and 115%.
-
- ❑ However, the shortcoming of this ratio is, it shows only relative value. Determining its accuracy level for overvalued or undervalued is still debated.
 - ❑ Some analyst believes that the new base should be around 100% or more. In past 30 years, it was set as around 75% as the ratio levels vary from country to country .
 - ❑ It doesn't take into account the profitability of businesses, top line can be misleading.

The ratios of major economies across the world including emerging and developed economies is represented in the slides below.

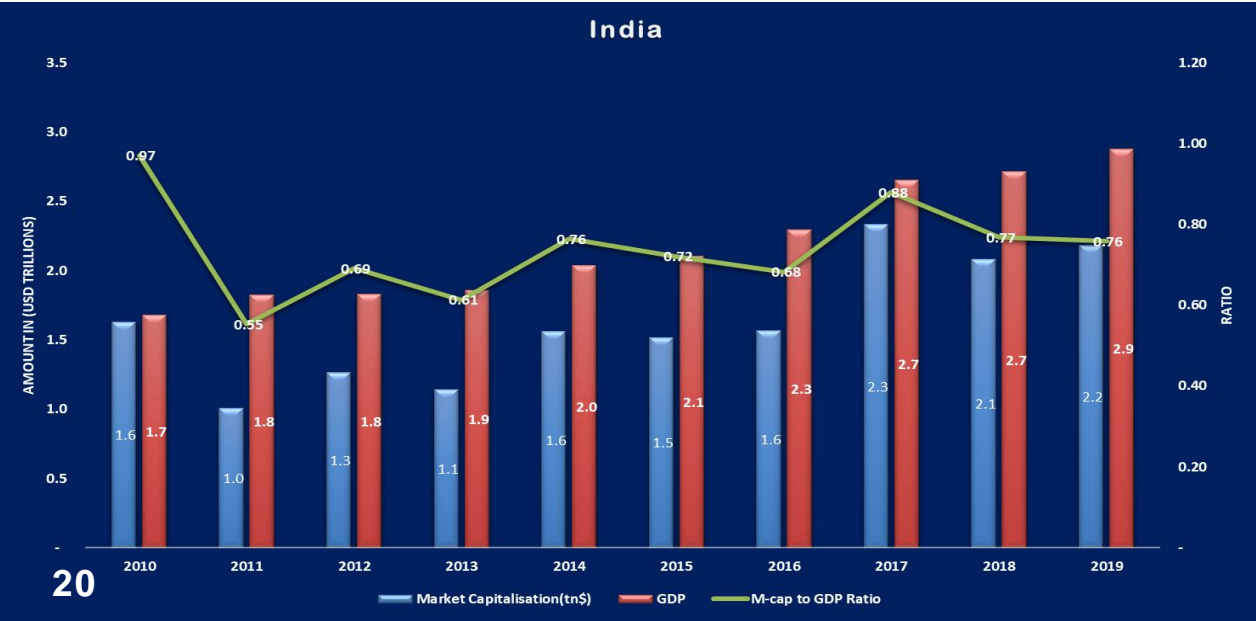
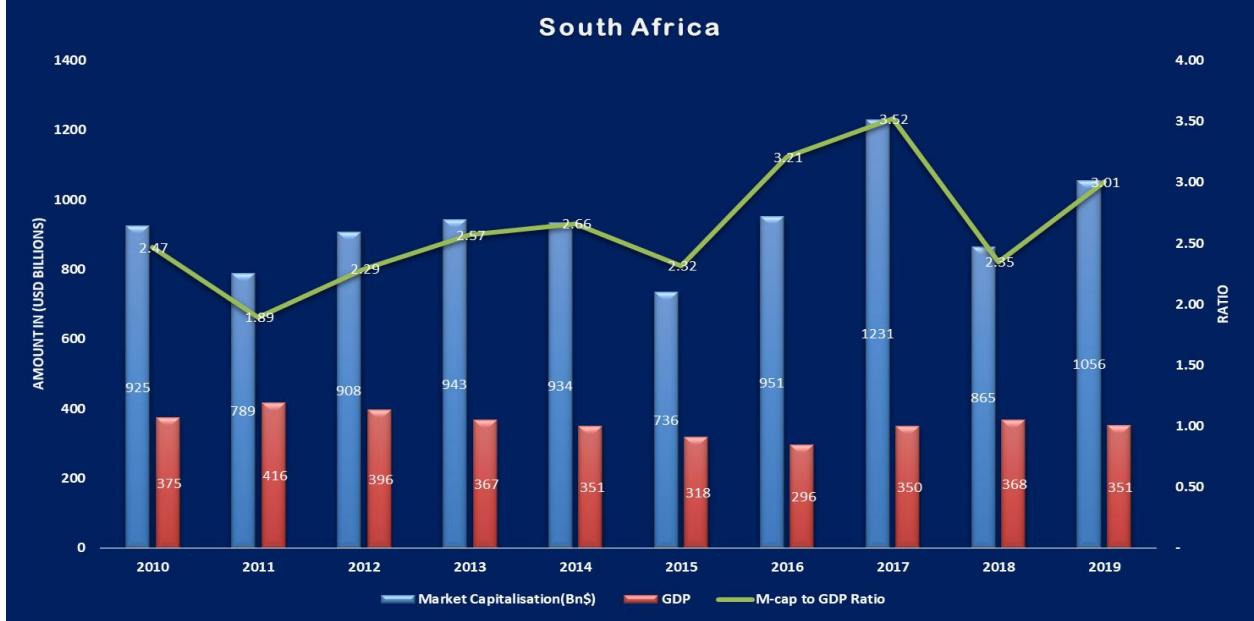
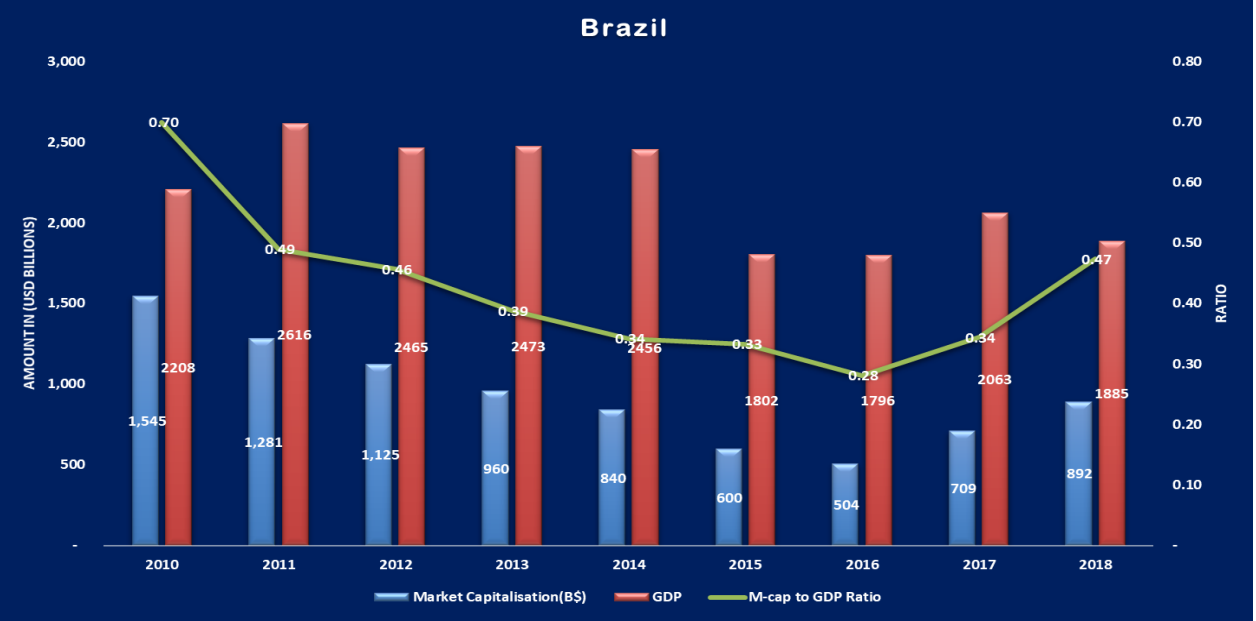


MARKET CAP TO GDP RATIO DEVELOPED ECONOMIES



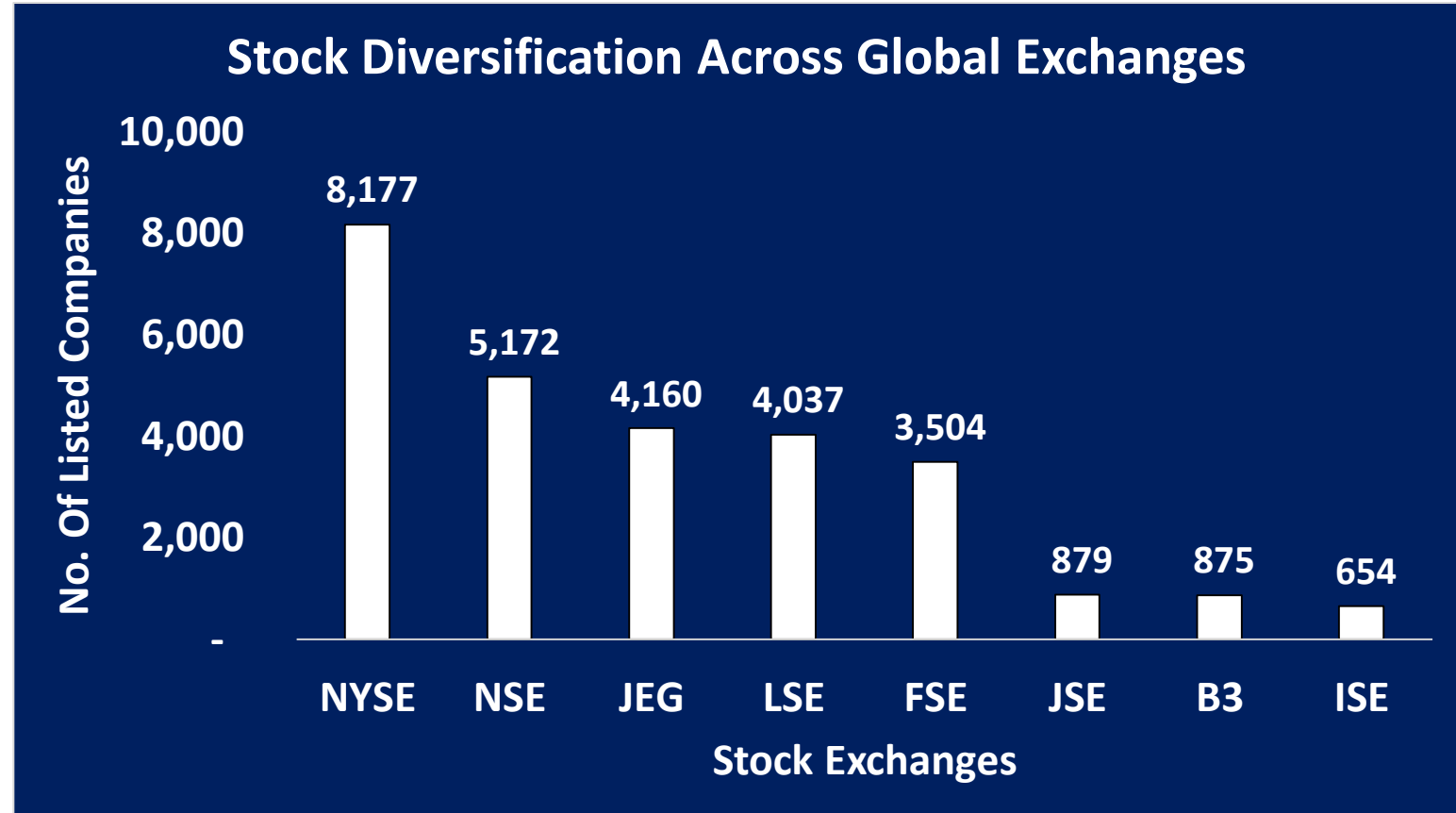
MARKET CAP TO GDP RATIO DEVELOPING ECONOMIES

GAA
ADVISORY



STOCK DIVERSIFICATION ACROSS GLOBAL EXCHANGES

In this Graph, diversity of listed companies on the basis of 20 sectors on various exchanges around the world is represented. It is noticeable that NYSE has maximum number of listed companies. NYSE is well known for their listing criteria as it offers rich opportunity to every sector's industry. Same is noticeable in case of NSE which has more listed companies than it's Asian peers. The diversity by industry provide vast opportunity to investors for maintaining healthy diversification in their portfolio.



The graph consist sample of 20 sectors which includes but not limited to Consumer, Technology, Electronic Manufacturing, Energy, Mining, Finance & Health sector. The diversity of U.S NYSE is considered as a base for this Graph.

- Most of the stock exchanges has T+2 settlement days(except JSE & NYSE), which is considered good for execution of trade.
- Like most exchanges, NSE requires audited financial statements for past 3 years either with qualified or unqualified opinion to protect investors from any malpractice by companies. Being an exception, LSE has much more stricter norms as it is mandatory for a company to have an unqualified opinion.
- Uncovered short selling is banned on NSE to protect retail investors from steep fall in prices.
- Requirements for free float varies among exchanges. NSE has one of the highest free float requirements which acts as safeguard for retail investors from the promoter's manipulative tactics & provides ample liquidity.
- Like most exchanges, NSE also allows trade of minimum 1 share which reduces capital requirement to invest in stock market.
- Unlike developed countries like USA, UK and Japan, NSE has lock-in period of 3 years for promoters holdings from the date of IPO in order to protect retail investors from steep fall in prices in case promoter decides to offload his shares.
- Historically, India's market cap to GDP ratio has always been below 1, accurately representing that the contribution of organized sector in GDP is less than the unorganized sector. As opposed to developed nations where organized sector contributes to GDP more than the unorganized sector.

REASON FOR LESS PARTICIPATION



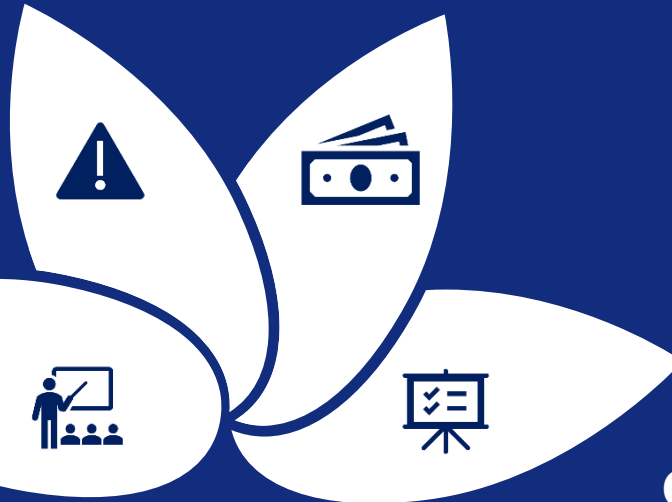
**Systemic Risk
Events**



**Lack Of Investible
Capital**



**Financial Literacy
In India**



Cost Of Information

SYSTEMIC RISK EVENTS

- ❑ Harshad Mehta Scam
- ❑ Ketan Parekh Scam
- ❑ NSEL Scam

HARSHAD MEHTA SCAM

Overview of scam:

- It was the first major stock market scam of Rs. 4,000 crore which came to light in 1992. The main accused Harshad Mehta diverted funds from banks to stock markets & artificially increasing the prices of stocks.
- Harshad Mehta was considered as a “Big Bull” & a market guru. Investors blindly invested in stocks he recommended or he himself invested.
- The funds was used to invest in stocks of well-established companies like ACC, Sterlite Industries and Videocon.
- Huge investment by Harshad Mehta & investors confidence in him pulled the prices of stocks to astronomical levels such as stock of ACC rose from Rs. 200 to Rs. 9,000 in a span of 3 months, a rise of 4400%.
- When the scam came to light, Sensex nosedived from 4,500 to 2,500 points representing the loss of Rs. 1 Trillion to investors wealth.



KETAN PAREKH SCAM

Overview of scam:

- The Ketan Parekh Scam was a classic case of stock manipulation & insider trading. Ketan Parekh a mentee of Harshad Mehta was involved in price manipulation of so called "K-10" Stocks which led to the crash of SENSEX in 2001.
- He jacked up prices of the K-10 stocks through circular trading & loans he had taken from banks & corporates.
- Some of the stocks Zee Tele-films that zoomed up to Rs. 6,740 from Rs. 127, Visualsoft rose to Rs. 8,448 from Rs. 625 and Sonata Software rose to Rs. 2,936 from Rs. 90 and later dumped these stocks, making huge profits.
- Like Harshad Mehta, Ketan Parekh was also trusted by many who followed him blindly & burned their hands in the wake of scam.



Overview of scam:

- NATIONAL SPOT EXCHANGE LIMITED (NSEL) a spot commodity exchange whose broker defaulted on payments of Rs. 5,600 crore, pursuant to an order by Forward Markets Commission (FMC) that ban the trading of one day forward contracts on NSEL in 2013.
- Since 2013, a payment default had spiraled into a scam in which some big names have come up like former finance minister P. Chidambaram.
- Over 13,000 investors allegedly lost money due to alleged malpractices by the directors & promoters of NSEL.
- It all started when (Serious Fraud Investigation Office) SFIO, an organization dedicated to detecting white collar crimes, approached SEBI to put a number of commodity brokerage house through its 'Fit and Proper' test. The test examines the capabilities of broker companies and their promoters or directors as a broker.



LACK OF INVESTIBLE CAPITAL

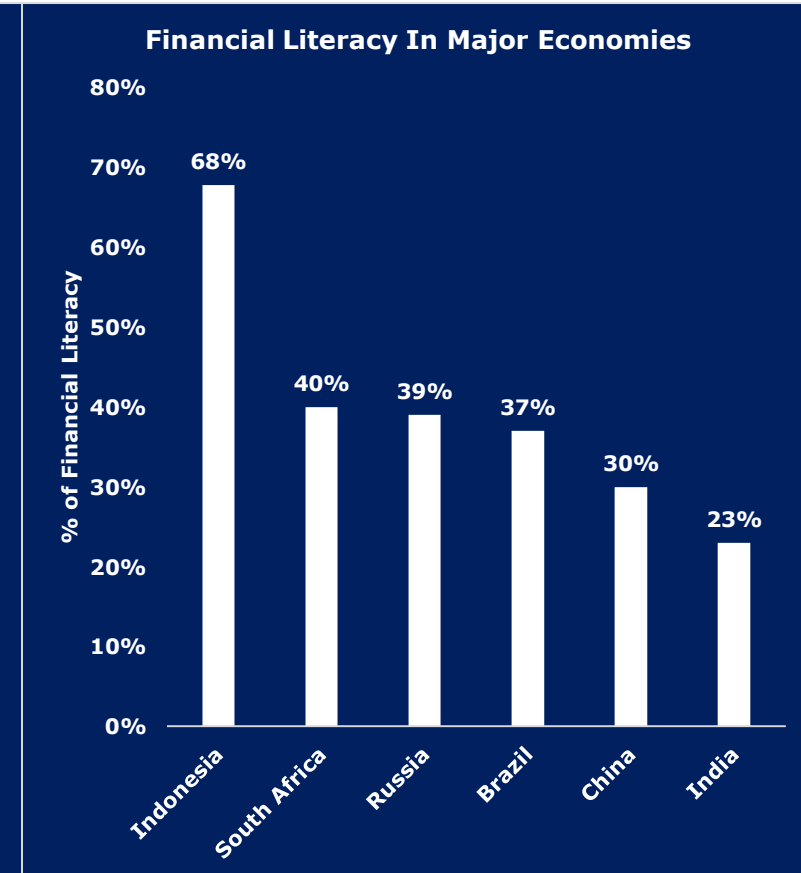
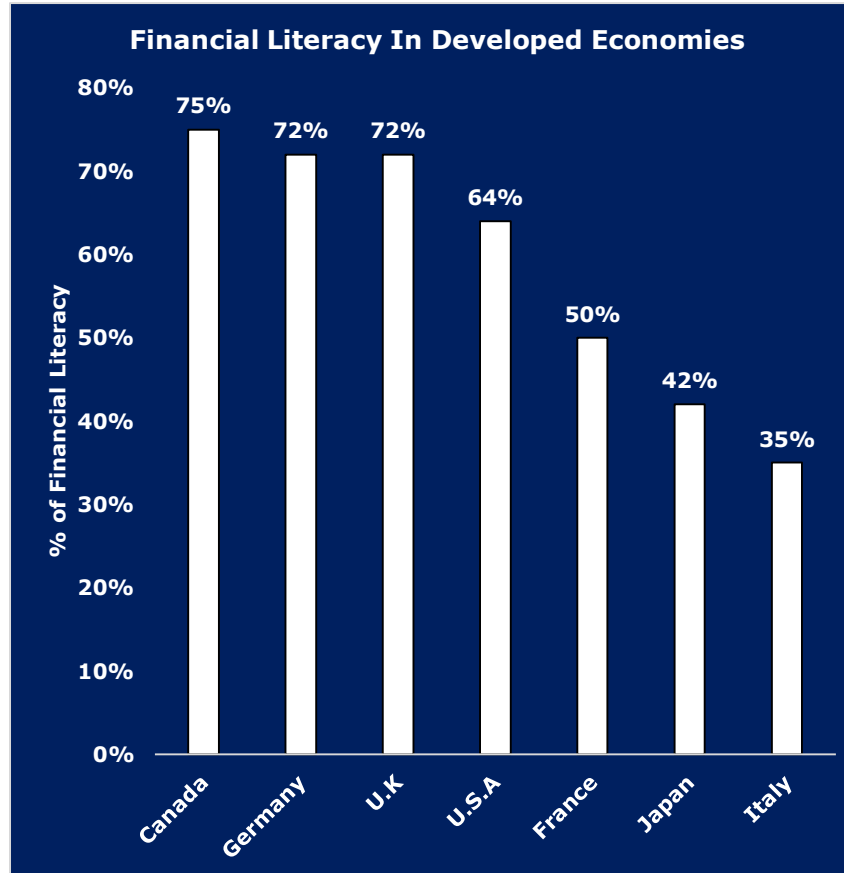
- India is a developing nation, it has some complications in its long expedition like Poverty, Hunger, Corruption, Terrorism & Unemployment. As of now, it is a low income economy. Generally, saving is less due to low income, which ultimately become an obstacle in capital formation.
- As per PRS website, the poverty rate in India is around 21.9% (25.7% in Rural and 13.7% in Urban) in 2013.
- India ranked 94th among 107 countries in the Global Hunger Index 2020 and it is in 'serious' hunger category with score of 27.2. However, India has climbed 8 ranks upward from previous year.
- It's GDP per capita income is low as compared to other emerging economies and BRICS's peers.
- Therefore, it is usual for general Indian public to not seek equity market as an investment destination.

Emerging & BRICS Nation	GDP per Capita (in USD) 2020
China	10,839.00
Russia	9,972.00
Argentina	8,433.00
Mexico	8,069.00
Turkey	7,715.00
Thailand	7,295.00
Brazil	6,450.00
South Africa	4,736.00
Indonesia	4,038.00
India	1,877.00

Source: As per the IMF research report on the October 2020.

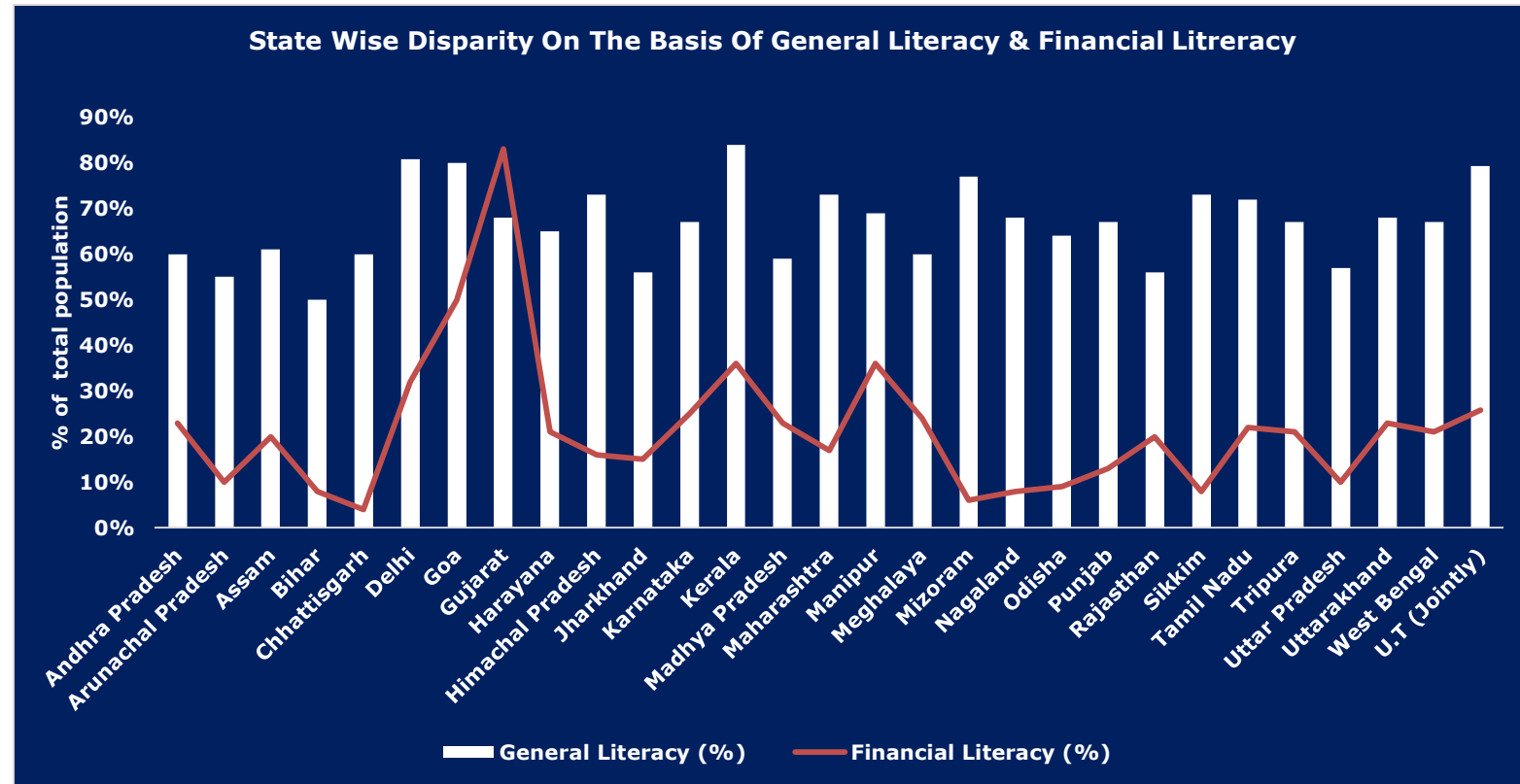
FINANCIAL LITERACY IN INDIA

- As per the 2011 Census, 74.04% of the total population is literate, but financial literacy is even lower.
- India has high rates of financial illiteracy in comparison with other developing or developed nations.
- According to Global Financial Literacy Excellence Centre, only 24% of the Indian adult population is financially literate.
- While Goa has the highest literacy rate of 50%, Chhattisgarh is lacking financial education and has the lowest literacy rate of 4%.
- States like Bihar, Jharkhand and Uttar Pradesh where poverty is rampant have low literacy rates.



FINANCIAL LITERACY IN INDIAN STATES

- On the basis of graphical representation, we conclude that Lakshadweep has general literacy of 87.95% with financial literacy of 22% which is extremely low in comparison with its general literacy.
- In all states only Gujarat has maximum level of financial literacy that is around 83%, which is much higher than their general literacy of 68%.
- The lowest financial literacy is recorded by Chhattisgarh which is around 4%, despite it has 60% of general literacy.
- Even UT combined has a low Financial Literacy around 26%.
- This disparity shows us, there is quite low relation between General literacy & financial literacy. Financial literacy can be enhanced through the help of awareness campaigning and creating the educational opportunities toward this field.



Source: Data Compiled from the National Centre for Financial Education Report, 2015

Cost of Information

The Information

Bloomberg.com

Opportunity
Cost

Monetary
Cost

Time required to
obtain & analyse
information

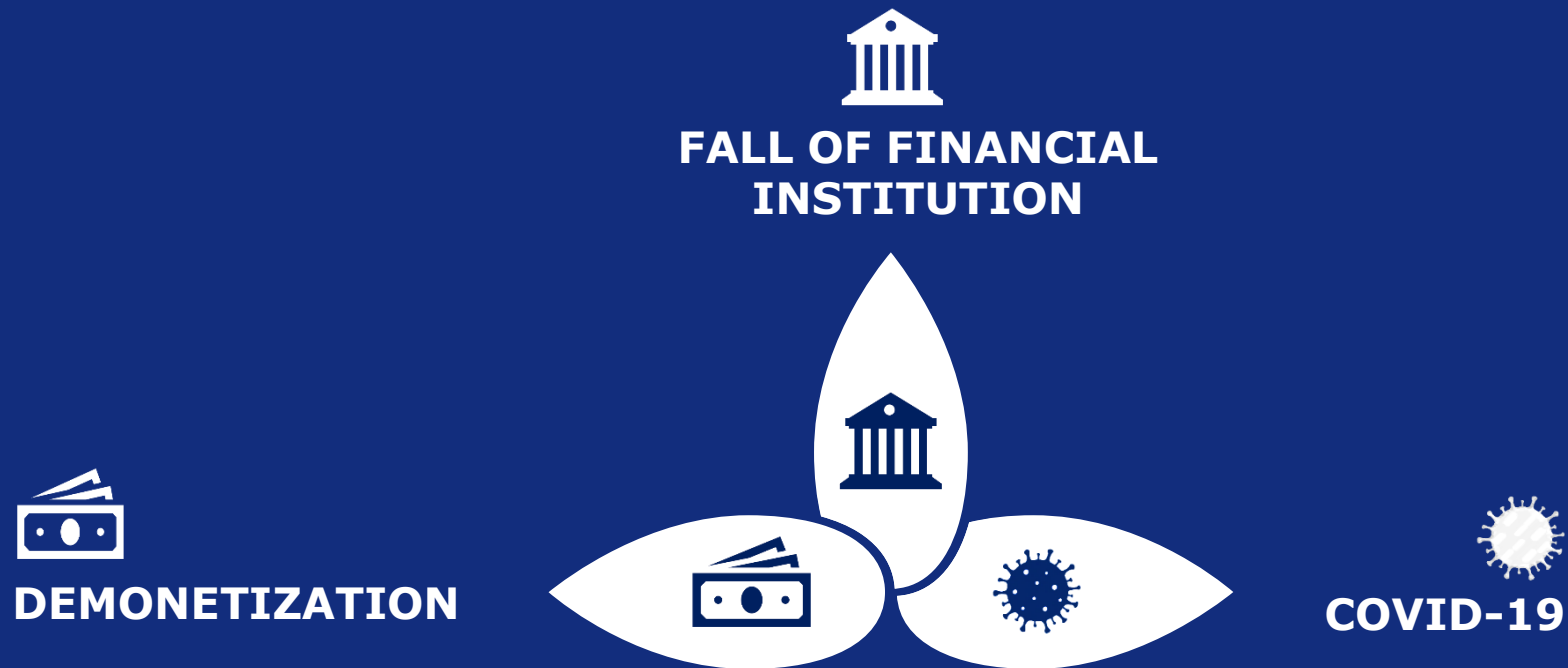
Cost of
acquiring
information

For most retail investors,
opportunity cost of
investing time for taking
investment is more than
its benefit.

Cost of obtaining real time and
accurate data runs in lakhs of
rupees which makes it out of
reach of retail investors.

Bloomberg
PROFESSIONAL

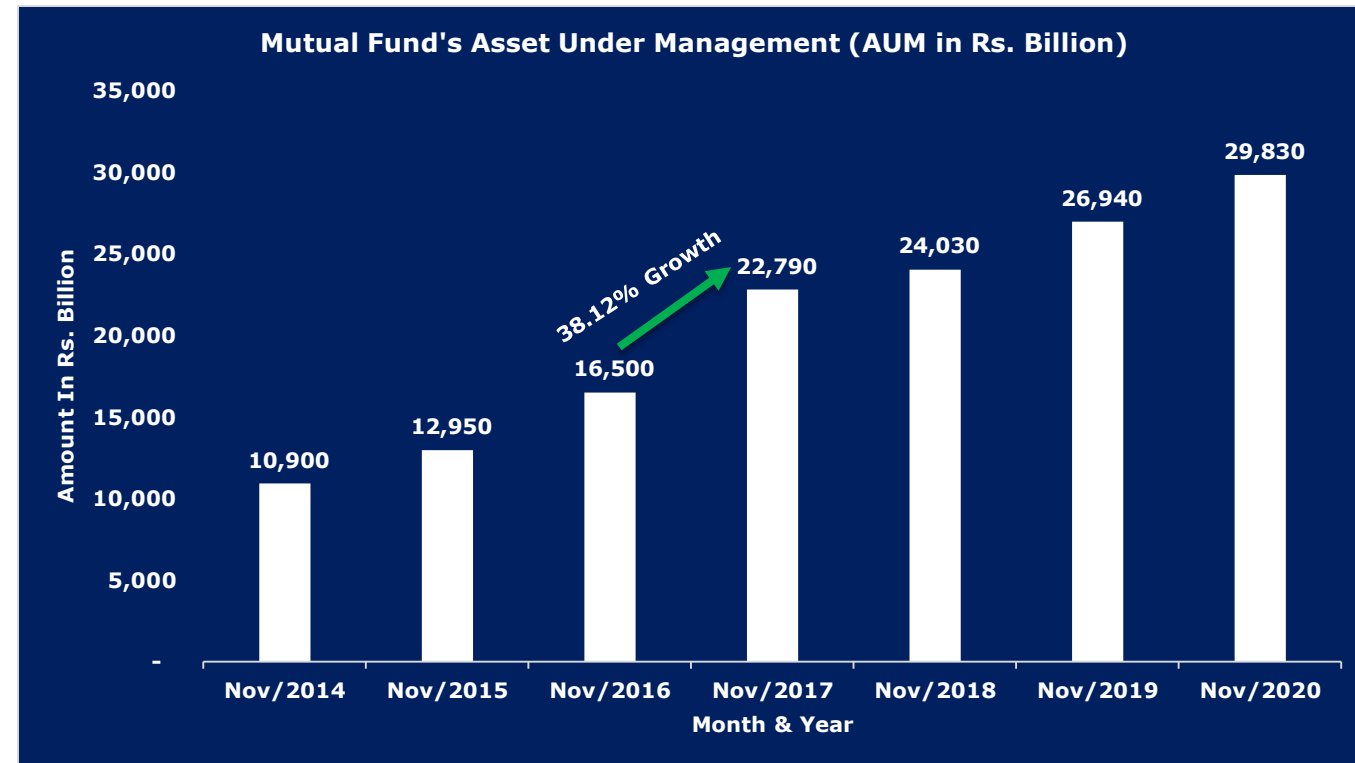
SILVER-LINING OF ADVERSE EVENTS IN INDIA



The government demonetization decision of Rs. 500 and Rs. 1000 currency notes in the year 2016, initiated the process of changing dynamics of household savings by affecting the saving habits of investors. Before demonetization people generally hoard their hard earned in to real estate and gold:

As per Association of Mutual Funds in India (AMFI):

- AUM of Indian mutual fund industry is stood at INR 29.83 trillion as on November 2020, it was at INR 10.90 trillion as on November 2014.
- The total number of account as on October 31, 2020 stood at 9.37 crore (93.7 million), wherein the maximum investment is from retail segment stood at about 8.05 crore (80.5 million).
- A white upline in graph showing 38.12% jump in AUM after demonetization.



The graphical representation of Mutual Fund growth in India.

FALL OF FINANCIAL INSTITUTIONS

- The finance and banking sector of the country has recently faced lot of controversies. With the PMC crisis, the country's financial system already took a big hit in November'19, and the next big blow came in the form of Yes Bank collapse hinting that Indian economy might be hanging by the cliff.
- Adding to this, IL&FS collapse has further added to the pain of the Indian Financial Sector.
- The reasons for such failures are quite transparent. In essence, the sloppy regulatory oversights, weak supervision, absence of accountability, susceptibility to misuse by prominent figures and the ineptitude to learn from past mistakes keep adding to the woes of the financial system.
- These unanticipated failures have led to decreased faith of the Indian Public in the money-saving products offered by the banks as these are now considered equally risky. All of this has created the Indian Stock Markets, a preferred place to park the savings of a common man which in-turn is churning benefits from the present bull-run.
- In PMC case, they had allegedly created fictitious accounts to hide over Rs 4,355 crore of loans extended to the almost-bankrupt HDIL.
- The IL&FS with over 100 subsidiaries were sitting on a debt of Rs 94,000 crore.



EFFECTS OF COVID-19

Return of traditional investment destination are giving lower returns.

- Real estate sector has been largely stagnant over the last few years with property prices falling and huge unsold inventory of properties.
- Returns of small savings schemes such as PPF, post office deposits and bank fixed deposits too have fallen from 6.5-7.5% interest in 2015 to 4.90-5.30% currently.
- This has made investment in equity market in India more attractive.



Real estate comprises of four sub sectors- housing, retail, hospitality and commercial. The growth of this sector is complementary to growth in corporate sector and household sector income. However, after global financial crisis of 2007-08, Indian real estate market has seen major downfall in demand, and sluggish growth among home buyers has been recorded. Moreover, advent of Covid-19 has further worsened the situation.

Most of the investor's disenchantment from real-estate happened due to the following reasons:

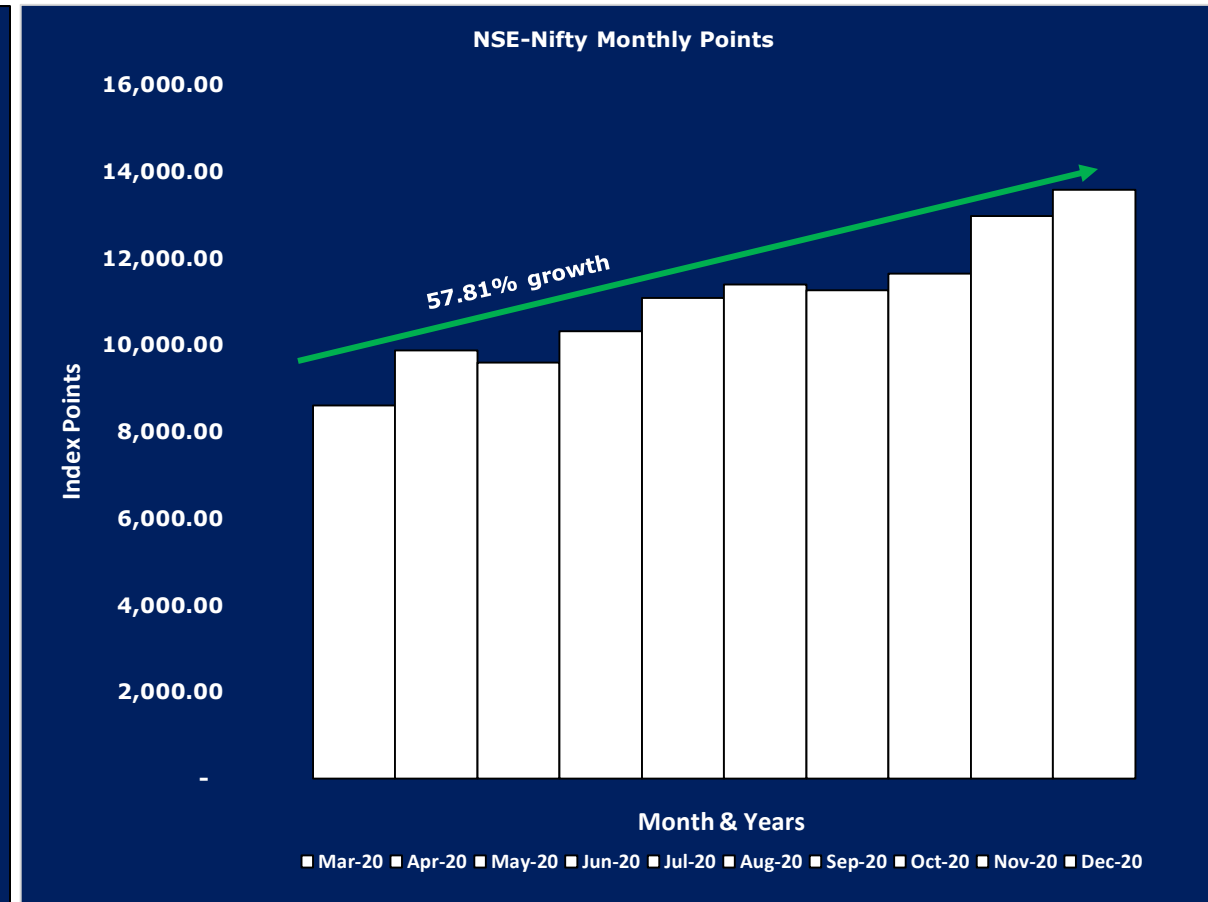
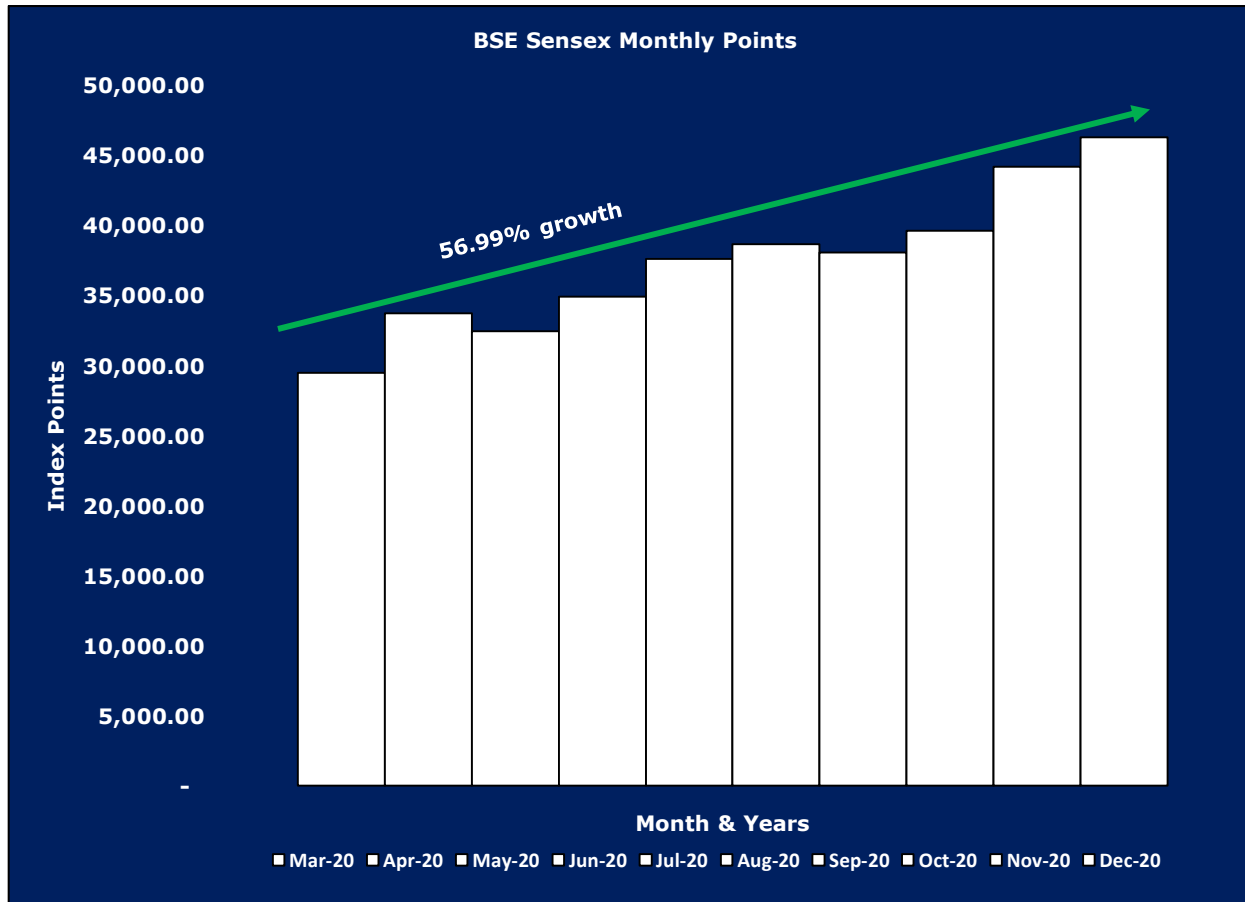
- **Negative ROI:** While, the ROI from favorable real estate market have fallen to 2-3% only, other markets in the similar segment performed poorly & gave negative returns. This naturally keep away investors from real estate market.
- **The economic slowdown:** Due to high inflation rate and unemployment, India has witnessed a fall in purchasing power. After nationwide lockdown, around 27 million youth lost their jobs. This has killed the demand for residential houses.
- **Growing awareness of other investment options:** Real estate sector was the preferred investment option amongst the Indians, but falling returns over the time fade the charm, and now they are exploring more investment options such as Mutual funds, ETF's which are providing returns of 10 to 11 % and are also considered as early affordable investments.

RETURN FROM FIXED DEPOSITS

- It is financial instrument provided by banks or NBFCs which provides higher rate of interest than a regular savings account, having a specific maturity duration.
- In the period way back to 1990s, many banks were offering 10 to 12%.
- However, presently the nominal interest rate is between 4.90% to 5.35% & inflation (CPI) itself is around 5.1% leading to negative real interest rates.
- This has forced the investors to divert the funds from fixed deposit to other investment avenues.

Major Public Sector Bank's Fixed Deposit rate (as on 11-DEC-2020)			
Bank Name	Interest Rate		
	1-year tenure(%)	3-year tenure(%)	5-year tenure(%)
State Bank of India	4.90%	5.10%	5.30%
ICICI Bank	4.90%	5.15%	5.35%
Bank of Baroda	4.90%	5.10%	5.30%
Bank of India	5.25%	5.30%	5.30%
Central Bank of India	4.90%	5.00%	5.00%
Punjab National Bank	5.20%	5.20%	5.25%

Indian equity market has seen a massive bull run in the last five years. From the month of April 2020 to December 2020, the Indian indices (Sensex & Nifty-50) have touched new high from 29,468.49 & 8,597.75 to 46,263.17 & 13,567.85 respectively. This has attracted many new retail investors.



FUTURE OUTLOOK



GOVERNMENT INITIATIVE

- ❑ **Government Initiative to Increase Financial Literacy**
 - ❑ **Legal Initiatives By The Government**

GOVERNMENT INITIATIVES TO INCREASE FINANCIAL LITERACY

- The RBI has released National Strategy for Financial Education 2020-2025 which is intended to support the vision of Government of India and Financial Sector Regulators by empowering various sections of the populations to develop adequate knowledge, skills, attitude and behaviour which are needed to manage their money better and plan for their future

❑ Strategic objectives of the report are:

- Encouraging acting saving behavior.
- Encourage participation in market to meet financial goals & objectives.
- Develop credit discipline & availing credit from financial institutions.
- Improve usage of digital financial services in safe and secure manner.

❑ The document recommends adoption of a '5 C' approach:

- Content.
- Capacity.
- Community.
- Communication.
- Collaboration.

ADOPTION BASED ON '5 C' APPROACH:

1. Content

Financial Literacy content for school children (including curriculum and co-scholastic), teachers, young adults, new entrants at workplace/entrepreneurs (MSMEs), senior citizens, persons with disabilities, illiterate people, etc

2. Capacity

Develop the capacity of various intermediaries who can be involved in providing financial literacy
Develop a 'Code of Conduct' for financial education providers.

3. Community

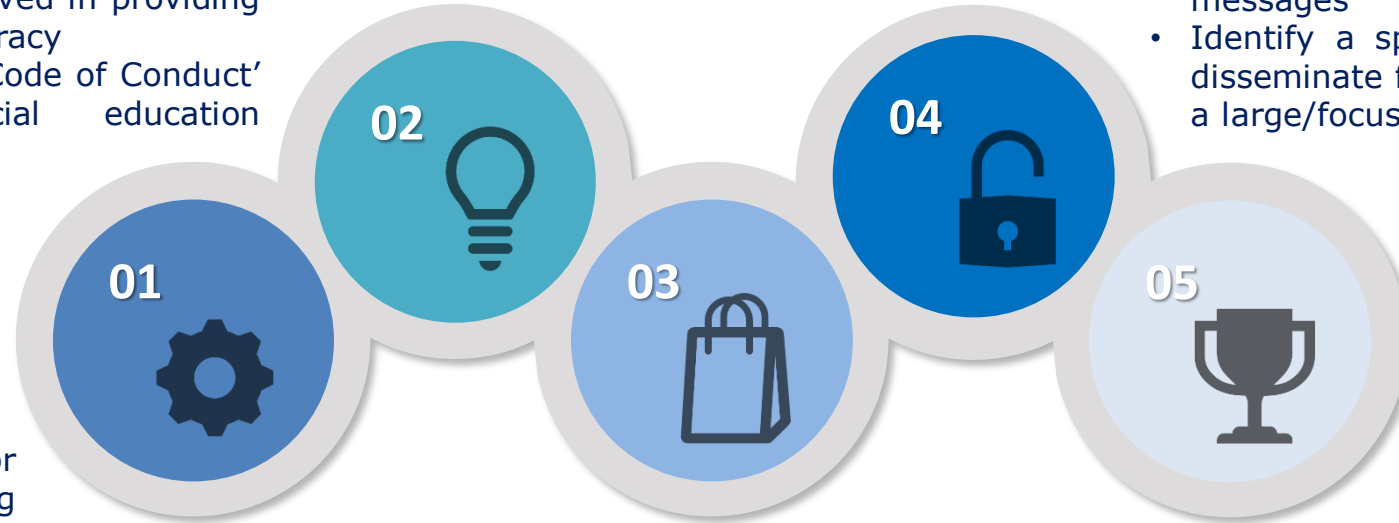
Evolve community led approaches for disseminating financial literacy in a sustainable manner

4. Communication

- Use technology, mass media channels and innovative ways of communication for dissemination of financial education messages
- Identify a specific period in the year to disseminate financial literacy messages on a large/focused scale

5. Collaboration

- Preparation of an Information Dashboard
- Integrate financial education content in school curriculum, various Professional and Vocational courses (undertaken by Ministry of Skill Development and Entrepreneurship (MSD&E) through their Sector Skills



Indian capital markets have come a long way from fly-by night operators to the companies having billions of dollars in market cap. Regulators & government have brought slew of measures over the years to boost investor confidence & reduce systemic risk in Indian Capital Markets. Further, they have provided various incentives for investing in stock markets.

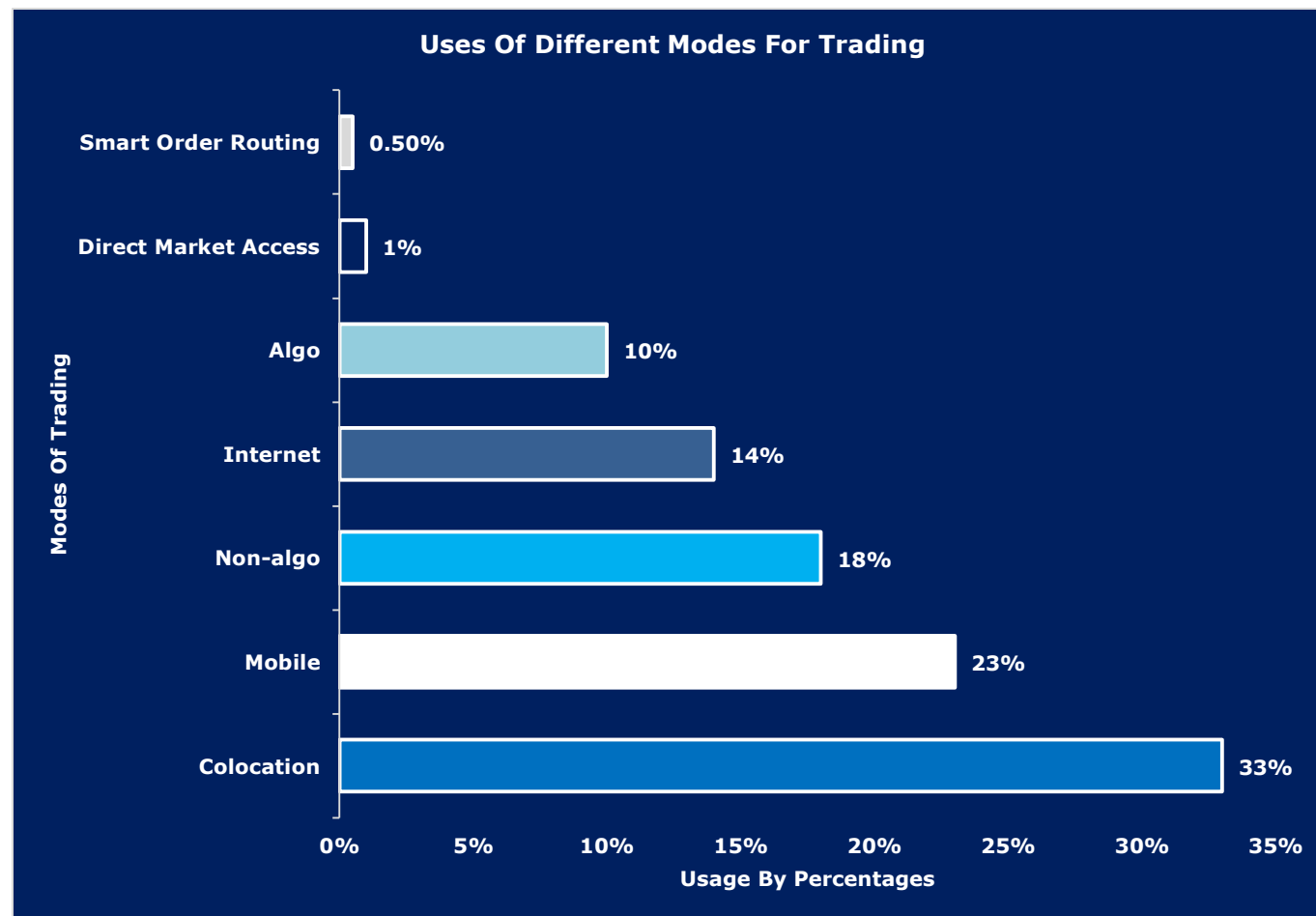
❑ Tax Holidays –

- Rajiv Gandhi Equity Savings Scheme available to first time investors under section 80CCG. Deduction of 50% of investments up to Rs. 50,000 can be claimed by individuals whose income is less than 12 lakh.
- Equity linked savings scheme gives tax deduction under section 80C. Investments of up to 1.5 lacs done in ELSS mutual fund schemes are eligible for deduction.
- LTCG on sale of listed securities is exempt up to Rs. 1 Lakh in India.

❑ Reforms –

- Constitution of NFRA (National Financial Reporting Authority) to put a check on auditors of companies to regulate audit & improve the quality of Corporate Financial Reporting in India.
- In 2018, SEBI has capped the Total Expense Ratio (TER) for equity-oriented mutual funds at 1.25% and 1% for close-ended & other schemes respectively. No upfront commissions rather trail commissions will be charged.
- It has cut the time period for listing of shares after an IPO to 3 days from 6. This will free the locked-up funds early. Also, investors can invest in IPO using UPI.

- Today India has a very huge number of young smartphone users around 448.2 million with seamless internet connectivity. It becomes very much easy to invest in equity market on a finger-tips and also gather information.
- Online trading via mobiles in the cash markets jumped almost 9% to 23% since February 2020.
- As per Business-Insider, India will cross the 900-Mn mark which would be 66% of total population by 2023.
- Smartphone users will grow at the 5% compounded annually.



DISCOUNT BROKERAGE

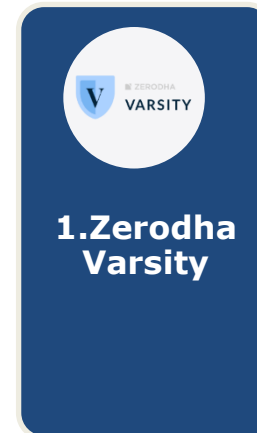
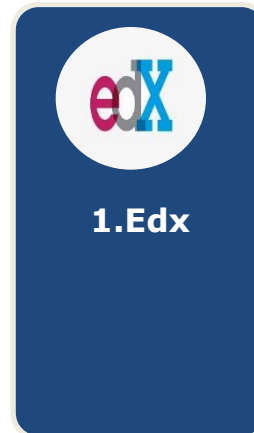
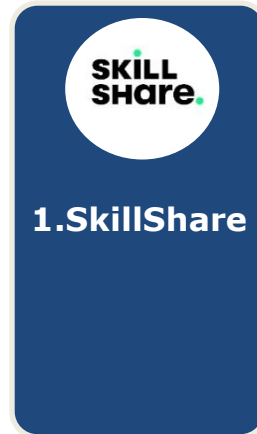
- Brokers who carry out buy & sell order at reduced commission rates are called as discount brokers.
- The primary benefit of discount brokerage is low commissions, digital interface & unbiased service.
- They also provides extensive educational material at free of cost on their apps and websites.
- They are attracting more new earners than traditional brokers like Upstox registered 30 % growth in their users.

Zerothda	
Particulars	Brokerage
Equity Delivery	0
Intraday Trades	Lower of Rs.20 or 0.03%
Equity Futures	Lower of Rs.20 or 0.03%
Equity options	Rs. 20
AMC	Rs.300
Upstox	
Particulars	Brokerage
Equity Delivery	0
Intraday Trades	Lower of Rs. 20 or 0.01%
Equity Futures	Lower of Rs. 20 or 0.01%
Equity options	Lower of Rs. 20 or 0.01%
AMC	Rs. 300

5paisa	
Particulars	Brokerage
Equity Delivery	0
Intraday Trades	Rs. 20
Equity Futures	Rs. 20
Equity options	Rs. 20
AMC	Rs. 540
Edelweiss	
Particulars	Brokerage
Equity Delivery	Rs. 10
Intraday Trades	Rs. 10
Equity Futures	Rs. 10
Equity options	Rs. 10
AMC	Rs.500

INCREASING POPULARITY OF FINANCIAL EDUCATION

- As India becomes more digitally inclusive there is an explosion of ed-tech startups providing financial education from basic to very advanced levels.
- Prominent business schools around the world, like IIM, Harvard, Wharton business school, London school of economics are offering their finance courses online for free of cost on platforms like Edx & Coursera.
- Sites like elearnmarkets.com & Zerodha varsity also offers their courses in regional languages of India like Bengali, Gujarati, Telugu, etc.
- Public Awareness Campaign by regulatory bodies like SEBI, RBI and IRDAI is being run to increase awareness about govt. initiatives & policies regarding banking & financial systems using social media, seminars and advertisement.



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- A faint, stylized illustration in the background. On the left, a blue bull is depicted in a running or charging pose. On the right, a person is shown from the waist up, wearing a light blue shirt and dark pants, holding a laptop and looking towards the left.
- The current participation of retail investors in stock market is quite low, only 2% of total population of India participate in stock markets due to lack of financial literacy, high cost of information, less amount of investible capital and mistrust among general public. However, India is slowly improving on these fronts.
 - In the last decade, India gradually improved their financial literacy (8% to 22% in 2015) as well as general literacy (65% to 75%) that has led to increase in retail participation in stock markets either directly or indirectly. Further, the GOI has launched the National Strategy of Financial Education to increase financial awareness among masses.
 - The Indian regulatory authorities and exchanges have been keeping up pace with global best practices and have taken extra measures to safeguard investors interests.
 - India has better trading and listing regulations as compared to it's peers and at par with advanced nations in some parameters.
 - Increasing smartphone penetration and low data cost has given a boost to retail participation in equity markets.
 - A decade long bull run and falling returns on other asset classes has attracted a lot of retail investors toward the equity markets.
 - Additionally, several major events like COVID-19, Demonetization & collapse of financial institution has given a nudge to retail investors to look for opportunities in stock markets.

SERVICES

VALUATION

Business & Business Interests

- Business & Equity Valuation
- Valuation of Start-up / IPO / REIT / M&A, Leverage Buyout Valuation
- Valuation of ESOPs and Sweat Equity
- Valuation for Tax, Capital Gain, Transfer Pricing
- Valuation for Financial Reporting, Fairness Opinion, Purchase Price Allocation (PPA) for M&A
- Determination of Swap Ratio under Merger and Demerger
- Valuation of Inventory / Stocks and Debentures / Receivables
- Litigation and Dispute Support

Intangible Assets

- Valuation of Brands, Goodwill, Trademark, Copyright, Patents, Other Intangible Assets & Intellectual Property
- Valuation for Financial Reporting, Fairness Opinion, Purchase Price Allocation (PPA) for (M&A)
- Impairment Studies of Intangible Assets

Financial Instruments

- Valuation of Financial Securities, Instruments & Derivatives
- Valuation for M&A Transaction, under Insolvency & Bankruptcy Code

Immovable Assets (Real Estate)

- Valuation of Land, Building Residential / Commercial / Industrial Estates
- Valuation of Infrastructure Assets, Expressways / Toll Ways & Specialized Assets
- Valuation for Capital Gain Tax, Stamp Duty, Litigation & Dispute
- Impairment Studies for Financial Reporting, PPA, Cash Generating Units
- Mines, Mineral Advisory and Valuation
- Valuation under Insolvency & Bankruptcy Code (IBC)

Movable Assets (Plant & Machinery)

- Valuation of Industrial Assets and Plant & Machinery
- Valuation of Infrastructure Assets & Specialized Assets, Power Plants
- Fairness Opinion, Purchase Price Allocation for M&A
- Impairment Studies for Financial Reporting, Cash Generating Units
- Valuation under Insolvency & Bankruptcy Code (IBC)

TRANSACTION ADVISORY

- Buy side due diligence and closing due diligence
- Vendor due diligence and vendor assistance
- Sale Purchase agreement (SPA) and Business Transfer Agreement (BTA)
- Assistance in deal negotiation

SERVICES

RISK CONSULTING

Strategic & Risk Advisory Services

- Techno Economic Feasibility Studies
- Economic Viability & Financial Appraisal
- Business Plan Review

Technical Support Services

- Lender's & Investor's / Independent Engineer Services
- Technical Due Diligence, Technical Opinions
- Chartered Engineers Opinion & Certification
- Project Cost Investigations
- Project Appraisal & Monitoring

Agency for Specialized Monitoring (ASM)

- Term Loan Monitoring
- Working Capital Monitoring
- Cash Flow Monitoring

Financial & Treasury Risk Advisory

- Assessment Of Credit Risk, Market Risk & Interest Rate Risk
- Assets Quality Review & Stress Testing
- Assessment of Expected Credit Loss
- Assessment of Asset Liability Management & Liquidity Risk

INVESTMENT BANKING

- M&A Advisory:
 - Sell Side, Buy Side
 - Domestic & Cross Border
- Partner, Joint Venture & Strategic Alliances
- Government Disinvestment & Privatization
- Fund Raising – Equity, Mezzanine, Structure Finance & Debt
- Distress Investment Banking – One – Time Settlement, Priority and Interim Funding, Rescue Financing and Buyouts

DISPUTE & LITIGATION SUPPORT

- Valuation Services
- Damages & Loss of Profit Assessment
- Independent Expert Testimony
- Anti – Trust & Competition Advisory
- Post – Acquisition Disputes, Joint Venture & Shareholder Disputes
- Civil & Construction Disputes, Real Estate Disputes
- Intellectual Property Rights Dispute

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