CRESCORE WEALTH MANAGEMENT SERVICES:
YOUR GROWTH IS OUR BUSINESS
India has traditionally been a nation of savers. From a very young age, we are encouraged to save money to secure our future. However, we have not mastered the art of investing. Based on the fact that the average Indian household saves around 30% of GDP, Indians save around $300 billion annually. Yet the amount allocated to capital markets is currently negligible. As a result, the wealth management industry in India is still in its nascent stages, much like any other element of the financial market in India. In fact, reports suggest that only about 1% of the Indian population owns equities.

On the contrary, wealth is being created at a rapid pace, especially in second-tier cities. India today is home to more billionaires than Japan but the proportion of the wealth believed to be in organized wealth management is less than 5%. Reports also suggest that given the current growth rate, India will be the second-largest wealth management market in the world — after China.

The scenario provides a huge opportunity for wealth management consultants. Even if a firm taps into 2% of the market, it could translate into $5 billion in assets under management. The industry has awakened to the potential that the Indian market offers and is working to usher in more transparency and an open-architecture approach, as a consequence business models have evolved drastically.

Organizations today are also working to educate people into understanding that money is just like a plant. If cared for and nurtured in the right manner, it will bear sweet fruits in the future. Having identified this shift in the market, we at Consultants Review bring to you a list of 15 Most Promising Wealth Management Consultants.

The issue also brings to you the story of Crescore Wealth Management Services. Armed with a solid 20 years of experience in the financial services industry in the sectors of stock broking, mutual funds and insurance, Rajan Sareen, the current MD & CMO founded the organization with an aim to harbor trust among clients.

Do let us know your thoughts.
5 Easy Steps to Manage Expenses Smartly

Expense Management strategies for CFOs to implement in the beginning of the financial year

By Ramesh Iyer, MD, Concur Technologies India

Ramesh Iyer has over 22 years of experience in IT and Telecom, out of which 20 years have been with Tata Group in various capacities. Prior to joining Concur, as a Business President in Tata Teleservices, Ramesh was instrumental in steering the growth of Enterprise and SME Business lines.

When the best-laid plans begin to go astray, CFOs often wonder how to plan better. That’s the right approach to take as difficult times make it absolutely essential for a CFO to take a strategic view of the financial health of a company.

Since the time of the financial crisis, a CFO has evolved from being a scorekeeper to being a strategic partner to the CEO. In this role, his responsibility is to diagnose future scenarios and predict various outcomes.

Earlier, a CFO’s role was limited to managing the financial risks of the organization, overseeing the record keeping procedures and reporting the story behind those numbers to the management. However, globalized markets, technological advancements, increasing customer demands and improved communication and information systems have expanded that role to turn him into a strategic decision-maker and a business leader.

Any business, if it needs to run successfully, needs to increase its revenues and manage its expenses better. A CFO would be the best person to lay out a plan for this. While the marketing and sales team bring revenue to a business, the finance department has to manage expense more strategically. This includes all the policies that govern spending and process relevant data for assisting top leadership in critical decision-making.

It is important to start planning for expense management right at the beginning of a financial year, as this will give a CFO clear idea of what to anticipate and make all the stakeholders part of this process. Expense planning early on will make them aware of the inevitable costs, if any. Any alternatives or solutions can then be thought of and implemented to cut down unnecessary expenses, introduce fiscal discipline and deal with contingencies.

Equally important is to ensure that expenses are managed in an end-to-end manner and not in a piecemeal fashion. Limited visibility into expenses and their management costs companies in the long run.

Here Are Top Five Actionable Expense Management Steps:

Step #1: Bring Visibility into Expense Related Data:

It’s a known fact that an organization has various expenses, apart from employee salaries, inventory & infrastructure. For example, expenses incurred during employee travel like air tickets, hotel stay, food & beverage & taxi bookings are also the largest controllable cost for an organization. However, not many efforts are put in managing this better. CFOs need to have holistic visibility of all expenses at the start of the financial year. Expense data from all structured and unstructured formats will aid CFOs with dashboards and reports that provide complete visibility into spend. The idea is to distinguish inevitable from unnecessary and have control over expenses.

Step #2: Streaming Expense Reimbursement with Employee Collaboration

There is a need to understand at the CFO level that employees are more productive when they are provided flexibility in claiming entitlements. Policies regarding employee claims, therefore, need to be streamlined to provide clarity on the ease of reimbursement process. While not losing out too much, there is also a need to strike a balance between the policies, employees, as well as compliance adherence. The entire efforts need to be collaborative, rather than having to force employees in complying with this process.

Step #3: Focus on Mobility:

Embrace technology. Give your employees the tools to submit their expenses using mobile to process things faster and increase convenience remarkably. Adapting mobility will not only reduce time to reimburse but also help employees recover their expenses quickly. Additionally, this will also free up their valuable time spent on expense claims towards month end and benefit in gaining work productivity. Technological advancement has led the way to automated expense management systems that have made expense management quicker and error-free. By championing a few carefully-chosen technologies, CFOs can make bold, far-sighted decision in areas directly linked to profits.

Step #4: Laser Sharp Focus on Re-Negotiating With Vendors

Using analytical data and insights can help CFOs identify which suppliers are servicing them the most efficiently. Suppliers with the best deal providing the best possible cost can be separated from others. This is a critical insight as often lack of visibility into expense data can keep the CFO in dark on the most preferred vendor of choice. Additionally, deep insights into real-time expense data can help re-negotiate with present vendors. Thinking ‘out of the box’ and come up with short and long-term planning decisions on expense management will equip the CFO to guide the organization in strategic direction.

Step #5: Transforming Policies into Practices

After creating expense management policies, there is a need to convert these into good practices. The process can initially be slow, to build a reward programme for employees who toe the line, early on and can motivate others to follow suit. CFOs need to lead this transformation by making the policies simple and easy to understand, while making business sense. The objective is to make this a routine process which has a fewer risk for mistakes & duplication than an ad-hoc process.

Just having access to large format data can be overwhelming; however, effective management and deriving key insights will enable organizations to make informed decisions. CFOs who are able to codify the complex web of expense management with smart Travel & Expense management solution will play a key role in saving valuable organization resources.

The key here is to ensure end-to-end management and visibility into spend. The ones who drive the change with technology-enabled solutions will steer organizations to success.
Accenture Acquires Javelin Group to Fortify its Digital Transformation Consulting

Digital transformation market continues to remain as vibrant as ever. Recently, consulting industry giant, Accenture, has acquired a UK-based retail strategy consulting and digital transformation services provider, Javelin Group.

NYSE-listed Accenture has acquired Javelin Group to scale up its strategy division, Accenture Strategy. This acquisition will enable Accenture to deliver the world’s leading retailers and consumer brands to hasten their digital transformation

“The acquisition of the Javelin Group will help Accenture Strategy reinforce our ability to deliver large scale transformation in the retail industry,” said Mark Knickrehm, Group Chief Executive, Accenture Strategy.

Founded in 1997, Javelin Group is based in London. It offers an array of strategy services covering digital market assessment and potential evaluation, digital performance improvement, multi-channel retail planning, retail analytics, supply chain fulfillment and operations, along with location and international expansion strategy. In addition to that, the company also supports digital technology consulting, system implementation and support services. Tony Stockil, CEO of Javelin Group said, “As digital technologies intensify the scale of the challenges and opportunities facing consumer brands and retailers, the combination of Accenture’s global reach and Javelin Group’s digital transformation capabilities and Javelin Group’s specialist retail expertise will bring new value to those businesses.” Currently, Javelin Group employs around 160 people and generates about half its revenue from outside UK.

With the completion of the acquisition process, Accenture Strategy intends to offer a wide range of digital capabilities to define innovative retail strategies and prop-up the execution of large scale switch. The tie-up of Javelin Group’s skills and Accenture’s global reach will enable Accenture Strategy to assist a fast growing international retail market.

IBM Recognized as Leader for Worldwide Digital Transformation Consulting and Systems Integration Services

IBM, the NYSE-listed IBM, has received IDC global digital agency award for the second consecutive year. Paul Papas, Global Leader, IBM said, “IBM combines big data and analytics, industry consulting and world-class design to help our clients take an experience driven approach to digital transformation. At IBM, digital is in our DNA, and we are thrilled to be recognized by IDC as a leader for our unmatched digital transformation capabilities.” IBM has been ranked very highly for its ability to meet digital transformation project timelines.

The report published by IDC MarketScape states that “Future business and offering strategy of IBM as its greatest strengths.” The analysis model of IDC MarketScape is designed to give an overview of the competitive fitness of ICT suppliers in a given market. IDC MarketScape follows a well-defined model in which the product and service offerings, capabilities and strategies, and present and future market success factors of IT and telecommunications vendors can be meaningfully judged. In addition, the model also facilitates technology buyers with a 360-degree assessment of the strengths and weaknesses of current and prospective vendors.

Property Station to Raise Rs 60 Lakhs Through Angel Funding

Property station, a Gurgaon-based real estate consulting company which helps buyers and sellers to execute resale deals for, under construction, land purchase and ready to move in properties has recently raised an angel funding of Rs.60 lakhs. The investment was led by Care2Earn Services Pvt Ltd, a boutique financial service company. As a part of the deal, Vishal Gupta from Care2 Earn is joining the company’s board of directors. In addition to this, the company aims to utilize the new funds to upgrade its technology platforms and team size from 30 to 100 by year end; along with this within 6-8 months the firm will be opening 2-3 PropertyE Stores, to meet all real estate needs of people. Further, the group plans to open similar stores in all 8 metro cities by 2020.

Currently, users can search for the resale price index for different properties, builders or projects by the online dashboard that the site offers. With the help of this, the consumer can gain an idea about the size, resale prize, hot real estate projects and more before going ahead to a property. The startup which was founded by Rohit Goyal, focuses on facilitating the deals in the secondary market and also helps its clients in facilitating home loans and documentation for change the ownership of the property. Gurgaon has approx 0.5 million billet units, that are ready to move and under construction and approx 10 percent of them, are executed every year, thereby creating a huge opportunity in this market.
Leveraging an Opportunity
Called RuPay

By Venkatesh Srinivasan, Vice President, Oracle Financial Services Software Ltd

Venkatesh Srinivasan is responsible for driving sales across the identified Strategic market for Banking and Insurance. Prior to his tenure at Oracle he was the Sales Manager for Treasury Solution provider covering markets like Middle East & Africa.

India’s homegrown payment cards network, RuPay, was launched in 2012 by the National Payments Corporation of India (NPCI). While not yet in the credit segment, RuPay is part of the Reserve Bank of India’s (RBI) larger effort to create a low-cost electronic payments eco-system that could support the cost-effective delivery of welfare benefits efficiently through direct transfers. By creating an indigenous digital card network, with considerably lower payment processing costs, the NPCI believes RuPay would allow rural and co-operative banks to extend their services to the unbanked and most financially marginalized sections of society. This discussion is even more contextual now as the value of RuPay cards has been recognized by the new Prime Minister, Narendra Modi with the launch of the financial inclusion scheme, Jan Dhan Yojna last week. The objective is to take ‘RuPay’ cards to the international level and the success of this initiative will pave the way for its global acceptance. Eventually, since the NPCI hopes to address the credit card segment, the implications for RuPay are huge. The RuPay platform is already being used by Public as well as private banks like ICICI, State Bank of India, Punjab National Bank, among others, for clearings and settlements.

To compare, China’s own UnionPay debit and credit cards network was launched in 2002. Within four years, UnionPay could be used in more than a 100 countries outside China. By value of transactions processed by the network, it stands behind only Visa. If this success is anything to go by, RuPay holds much promise.

Banks stand to benefit from RuPay in several ways. By paying for their participation in the local currency, banks would be able to save on the dollar payments they pay foreign networks. Moreover, since the processing charges and processing fees would be minimal with RuPay, there would be an across-the-board lowering of costs to follow. International payment card networks such as Visa and Master would indeed have to offer innovative, India-centric products and services which are sure to broaden the scope and availability of payment services in India. RuPay, in that respect, raises the bar for competition in this space in India. For consumers, differentiated services are in the air. But there are larger benefits for the economy in general.

RuPay lays the ground for banks (as indeed telecom, retail and other enterprises) to offer payment services as a banking product, especially through payments-only banks. When issuing fresh banking licenses in 2014, the RBI noted that such differentiated banking licenses are in the offing on an on-tap basis. RuPay also fits into the RBI’s vision of increasing the drive towards cashless transactions. It introduced mobile payments on the back of electronic funds transfers and real-time gross settlements. Given RuPay’s potential for growth in India, customers are also likely to settle down to using it more frequently. If RuPay were to gain greater currency in terms of transaction volumes and values, the share of cashless transactions in the economy would rise.

Since electronic transactions leave an audit trail, black money and financial crime can be better tracked and curbed. Also, systemic expenses in terms of currency printing and transportation, physical security, counterfeit detection, etc., will dramatically decrease as RuPay extends its reach. Finally, customer and transaction data will remain in the country when customers use RuPay. Given that data protection and privacy issues are attracting customer and regulatory attention around the world, RuPay will certainly influence policy guidelines for payment networks operating in India.

But where is the real opportunity in all this for banks?

Because RuPay provides a much-needed fillip to banking in rural areas and to financial inclusion, banks have a tremendous opportunity to (a) grow their business in rural areas and (b) innovate within their existing set up. While foreign card payment networks met and grew demand substantially in urban pockets feeding on the purchasing power of the upwardly mobile, Indian banks, especially those in the public sector, desperately needed a low-cost alternative to meaningfully touch the rural hinterland. The potential for growth in cashless transactions in India is limitless (as Exhibit One illustrates). And even as card usage becomes endemic and voluntary, banks need to continually design, create and launch deposit and loan products to remain competitive. The insights they gain from spend patterns on cards would be crucial to structuring loan and deposit products and offering them on-the-fly. In fact, these insights would also help banks review and improve their risk management practices.

How do banks achieve this?

Increasingly, fee-based transactions are a key area of revenue for banks. The proliferation of cards offers banks an excellent avenue for growth. With volumes are bound to rise, especially if one factor in the potential growth in rural areas, banks need to invest in a technology platform that offers them real-time insights into spend patterns. This is what limits and collateral management system and a revenue management and billing system, working in tandem, can achieve for a bank. In fact, the best transaction banks globally all have such systems in place. This allows them to (a) price their products based on usage and profitability and (b) accurately determine the value of collateral or other assets a customer has with the bank, and offer need-based products in real time. These banks deliver these products to customers over their mobile devices.

Working in tandem with a revenue management and billing solution, limits, and collateral management systems can help banks identify revenue opportunities and plug leaks as well. In that respect, such a technology ecosystem could well aid a bank’s efforts to integrate its risk and finance functions—the Holy Grail that all modern banks are after.
Money is akin to a plant. When cared for and nurtured in the right manner, it promises to bear fruit in the future. However, not everybody has the understanding or the knowledge about investment and thus the need arises to put your trust in the subject matter experts i.e. financial advisors. With the volatility in the financial markets coupled with the economic slowdown it becomes even more imperative to find a trustworthy organization that would help you make the right choices with regards to investing your hard earned money. This is where industry experience can make a difference. An organization run by an industry veteran can build trust among clients owing to their in-depth knowledge about the tricks of the trades. Crescore Wealth Management Services is one such organization. Armed with a solid 20 years of experience in the financial services industry in the sectors of stock broking, mutual funds and insurance, Rajan Sareen, the current MD & CMO founded Crescore in 2005.

An entrepreneur at heart, Rajan felt the zeal missing in his work. This is when he decided to take the road less travelled and build an organization from scratch on the foundation of trust and knowledge.
“In my interactions with several people, I realized that lack of trust was a major concern. Often, the relationship manager with a bank, handling a portfolio of investors, would switch jobs making their portfolio orphaned,” he explains. In such a scenario clients were left in the middle of the sea without knowing how to swim. They often had to move along with their RM to their new organization which was a tedious process. There was a lack of trust and focus in such a situation. Rajan wanted to alleviate this challenge faced by HNIs through his company. Keeping this in mind he has built Crescore Capital to address all financial services needs under one roof backed by trust. The company today aims to put focus on its clients by maximizing their after-tax investment return while developing investment solutions which are appropriate to one’s risk tolerance. The Crescore Capital group, comprising the holding company Crescore Wealth Management Services (P) Ltd and its subsidiaries, straddles the entire financial services space with offerings ranging from Equity research, Equities and derivatives trading, Commodities trading, Portfolio Management Services, Mutual Funds, Life Insurance, Fixed deposits, GOI bonds and other small savings instruments to loan products. The team works hard to render personalized services and add value to investments by providing cutting-edge technology features. Owing to their work ethic, positive attitude and specialized services, the company has grown by leaps and bounds in the past 10 years. Crescore had a modest beginning in a small office in 2005. But there has been no looking back for the organization that today handles assets worth over 600 crore as compared to 3 crore in 2006. “We have never lost any client till date. People who had moved to our competitors have also come back to us after being disappointed by the services rendered by other organizations,” Rajan adds proudly.

The company today aims to put focus on its clients by maximizing their after-tax investment return while developing investment solutions which are appropriate to one’s risk tolerance without the numerous commission charges. However, low customer awareness and financial literary pose as the biggest challenge for investors. Crescore works hard to help alleviate these challenges and provides mutual fund advisory and execution to HNIs. Apart from this Crescore Capital also has expertise in providing advice to them on equity broking. Adding to that, the company also provides income tax return, capital bonds and real estate services. The company has an association with several leading real estate manufacturers in the country which gives them an upper hand in terms of real estate investments. “We also provide succession planning which helps the client manage what would happen to his wealth after him,” adds Rajan. He adds, “Since the beginning of 2016 we have told most of our customers to move their money from fixed income to equity gradually. I always believed that the equity market will perform better and the rupee will stabilize. About 80 percent of our customers have taken our advice and have found value in doing so.”

Rajan also believes that his organization has left its competition behind and today does not compete with independent financial advisors. “Our competition is majority with banks and not within the community of financial advisors,” says Rajan. He further adds, “HNIs usually prefer to associate with banks in terms of investment. However, it is very easy for us to get through to a client after initial discussions as we are confident that they will see value in our services. Once we meet them and explain how we can add value to their portfolio, they are convinced.” The organization is also known to be aggressive in their business approach. This has helped them in terms of acquiring, employees, management and clients as well. The organization is led by Soniya Gupta, Executive Partner who came on board in 2008. In a short while, she grew up the ladder and today takes care of the business and leads the team. “She has taken the team along with her very well. Her contribution has been very significant,” adds Rajan.

The Road Ahead
Crescore has come a long way since its inception and is gearing up to become a significant player in the internationally as well. “Our international operations have already started two years back. We are planning to diversify to two other locations in the years to come,” explains Rajan. He also adds a word of caution about the current condition of the financial advisory business in India. “The current scenario is not conducive to scaling up. It is a non-scalable business particularly the Mutual Funds industry. This is because of the regulatory changes happening often,” he says. However, the company is positive about growth in the future. Rajan has built Crescore with a lot of grit and dedication. He derives inspiration from the work of Dhirubhai Ambani. “It is through his work that I have learnt never to give up when the times become tough,” he says. “He once said that, between past, present and future what is common is the hard work,” he adds. Crescore also moves forward with the same philosophy, “never give up on hard work”. Given the stability of the team, their work ethic and wide gamut of expert services, the company is on an upward growth trajectory.
Client Alley – Private Wealth Management: The Future Leaders in the Private Wealth Management Arena

By CR Team

The International Monetary Fund (IMF) reporting on the Indian economy indicated that India will be surpassing China to become the fastest-growing major economies in the world in 2015-16. In coming decades, India’s economic performance is forecasted to be at par with the world’s largest economies. According to a PwC report, India by 2030 is set to be tagged as the world’s third largest economical power. The broadening share of investable wealth is a sign of the impressive times ahead. Resulting in growth opportunities for every industry sector, and Wealth Management is no different.

Wealth management is one of the fastest emerging industries of the country. In wealth management services, wealth managers provide the core expertise as they implement strategies allowing individuals or corporations to achieve their financial goals. Understanding these responsibilities of a financial advisor and with an eye for excellence Private Bankers Nitin Avasthi and Achin Jain founded Client Alley – Private Wealth Management in 2014. Client Alley – Private Wealth Management is a thriving wealth management organization specializing in Private Account Investment Management. The company’s major presence is in Tier 2 & Tier 3 cities where there has been a constant lack of trusted wealth management firms. The HNWIs are now in sizable count in those cities and the company has been laser focused in providing them appropriate financial products and services.

The company through its modern investment models and strategies constructs portfolios that specifically meet the clients individual financial needs. Nitin Avasthi, Co-Founder of Client Alley says, “Our vision is to make ourselves capable enough to fix the status quo and present challenges that the industry face while servicing High Net Worth individuals.” With a dedicated approach to do quality work, the dynamic company has risen through the ranks to establish itself as a leading provider of world class services in the arena of private wealth management. Achintells, “It has always been our endeavor which we have been pursuing religiously for more than 5 years to set and plan an organization with an aim to do quality work in the wealth management arena.”

Keeping in mind the investment style of clients, possible returns, existing investment patterns, saving parameters, the company does extensive analysis to get them the best financial services and products. Nitin adds, “Our main purpose is to satisfactorily service the client’s wealth in line to his/her expectations and requirements.”

Deriving the Best Possible Financial Solutions for HNWIs

The perception of HNWI clients in tier 2 tier 3 cities towards investment products developed with modern marketing concepts has never been very encouraging. Investors often believe that these products are yet to be market tested. They oversee an unidentified risk factor involved in it that can possibly have a negative impact on their future financial goals. So, in majority of instances, they cautiously stick to traditional investment products. To break these notions of HNWIs, the company patiently addressed every concern, procured a result oriented approach and worked tirelessly that opened up a brand new source of financial benefits for them.

Over the years, the company’s diligence, perseverance and a running motive of providing true wealth management services has kept bringing in new business.

Client Alley’s immaculate professionalism is an added advantage to the company. Achin says, “We have kicked off with proper planning and professionalism in all parameters to provide clients timely services and response. We have never hesitated to show the bitter facts of markets and have been more transparent in showing the cons and then the pros.... We have always believed in under commitments and over deliverance.”

The company primarily caters to HNWI clients which has been their main strength. As the wealth management industry is evolving, we can see a number of players dealing with HNWI but Client Alley is strongly positioned due to its uniquely personalized services. The company’s complete focus on providing a personalized service experience to clients has helped them understand their needs very closely. This attribute as we know holds the key in every customer centric service, more so in the private wealth management industry. When managing investors portfolio, the company draws on the immense expertise of its 38 member team. Client Alley posses a diversified team from different backgrounds such as banking, broking, insurance, media, real estate and hospitality.

Client Alley continues to live up to the expectations of delivering trust and confidence by constantly working towards building life time relationships with clients. The young company is performing exceedingly well, prioritizing transparency in all their financial services, and developing as a leader in the market space. Headquartered in Dehradun, it achieved the Fastest AUM Growth in the State of Uttarakhand. In the years to come, the company is striving to move into technological innovations on a larger scale. “We will focus on innovating at the technological front and want to make ourselves a system based technology driven organization,” concludes Nitin.
Indian Stock Market Soaring and Captivating Again

Retchet execution of both equity and debt markets was keeping retail investors wary and away until now. With the Modi government intent on speeding up economic reforms, the Indian economy is all set for a transition. If experts are to be believed, the recent reduction of interest rates by RBI may spur renewed interest in equities and debt markets. The mood can easily be gauged by the fact that the recent stock market rally saw the Bombay Stock Exchange (BSE Index) rise by as much as 27% after the BJP government came to power at the Centre.

The Union Budget of 2015 clearly reflects the government’s undaunted intentions of bringing about changes in every segment, a move which is pivotal to the country’s growth. Among other strategies, uplifting the economy was one of the prime focuses of the government. Additionally, favourable global and domestic macro-economic environment, such as softening global commodity prices, a stable rupee, and comfortable fiscal and current account deficit, have contributed to a renewed sense of euphoria among the retail investors. Furthermore, a combination of lower interest rates, lower NPA’s and capital infusion provide ample incentives for reforms in the financial sector. Obviously, retail investors optimism is at an all-time high and it is evident from the in-flow of Rs 62,500 crore in equity mutual funds between March 2014 and February 2015.

Quite intelligibly, a shaky and uncertain economy until now made investors abjure equity markets and most of the Indian household savings went into fixed deposits and gold investments. However, with the new government initiatives, many fresh investors are trying to ride the stock market. To add to that, the fall of returns from other asset classes such as real estate and gold, has also diverted investors’ focus towards stock market. In the past one year, an increasing number of individual investors are foraying into stock market, with mutual fund’s assets growing from Rs 3.93 lakh crore to Rs 5.52 lakh crore in February 2015.

Equity funds in particular have done exceedingly well; the category fund average returns ranges from 35% to 75%, while debt mutual funds provided 25% returns, compared to gold funds losing nine per cent during the same period.

However, stock valuation remains a concern as earnings have not picked up sufficiently to justify the current pricing. An escalation in earnings growth will depend on the speed with which government reforms are implemented and capital expenditure is utilized. Experts, though, point out that the Indian economy is in a much better shape since current account has been improving, inflation is on a downturn, forex reserves are much higher and growth impulses are picking up. The actions taken by the government is likely to start reflecting on corporate earnings over the next three to four quarters, with a consensus among market experts at 16-20% profit growth for 2016/17. The actions taken by the government is likely to start reflecting on corporate earnings over the next three to four quarters, with a consensus among market experts at 16-20% profit growth for 2016/17. Obviously, retail investors need to tread carefully when investing directly in the equity market. Mutual fund investment remains the safest option for them. With the interest rates set to be revised further downward, experts believe that bond market yields should also bring home handsome returns for the investors.
India’s Wealth Management industry never had, in actual terms, a fairy tale story to drive home, until quite recently. It was largely fragmented, over-reliant on its out-of-date financial instruments. Even the mutual funds, first introduced in India in 1961, got the real boost only after 1998. With liberalization and regulatory laws relaxed in 1992, the industry slowly indicated its emergence to regularly create new and more organized wealth management players. Wealth Managers grabbed whatever opportunities were present for taking and whenever they presented themselves. According to a report, India – The Future of HNWIs to 2015: Bourgeoning Wealth and Wealth Management Opportunities:- India currently has the fourth-highest number of HNWIs in the Asia-Pacific region, after Japan, China and Australia. As of 2011, there were 251,000 HNWIs in India, who, together, hold a total of US$1.083 billion. Such developments further assure the immense potential the industry holds. Wealth management industry is evolving, and many are relying on it to play a constructive role in driving the Indian economy forward in the coming years. By adhering to global standards, providing customized financial solutions, delivering seamless investment models, and infusing innovation and technology into the financial scheme of things, wealth managers have put the best foot forward and have rightfully been appreciated by all for the success it brought. The current edition of Consultants Review brings you the “15 Most Promising Wealth Management Consultants in India”. The list features some of the prominent consultants in the industry who are capable of helping clients achieve their financial goals by supporting them beyond an advisory level. The proposed list aims to help individuals and corporations to choose the felicitous consulting partner, who suit their specific requirements and helps their enterprise generate wealth efficiently, by providing astute financial services, sound financial planning and a clear road map to their financial objectives.

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<thead>
<tr>
<th>Company</th>
<th>Management</th>
<th>Description</th>
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<tr>
<td>Advantage Enterprises LLP</td>
<td>Santosh Lonkar Director</td>
<td>A firm that offers Trading Account management Services, Metal Commodity Index, National Stock Index, BSE / NSEX, IPOs / BONDS, Mutual Funds etc.</td>
</tr>
<tr>
<td>ASK Wealth Advisors Pvt. Ltd. Mumbai, Maharashtra askwealthadvisors.com</td>
<td>Rajesh Sakja CEO &amp; MD</td>
<td>A firm that offers Portfolio management services, Financial planning services, Investment &amp; Insurance advisory, Real estate advisory and Art advisory services.</td>
</tr>
<tr>
<td>AU Mutuals Financial Planners Pvt. Ltd.</td>
<td>Aji Kumar Singh Director</td>
<td>A firm that provides goal specific investment solutions through blend of diversified investment avenues.</td>
</tr>
<tr>
<td>Capitalink Financial Advisory Indore, Madhya Pradesh</td>
<td>Abhayit Bagai CEO &amp; Co-Founder</td>
<td>A financial advisory providing recommendations for stocks, future and option (F&amp;O) traded in NSE and BSE, commodities including bullion, agri and metals traded in MCX and NCDEX.</td>
</tr>
<tr>
<td>Cerebral Advisors Bengaluru, Karnataka</td>
<td>Tejas GV Owner/Partner</td>
<td>An independent wealth management firm offering advisory and executionary platform for Equities and Derivatives, Commodities, Wealth Management, Asset Management, Financial Planning Services, etc.</td>
</tr>
<tr>
<td>Client Alley – Private Wealth Management Dehradun, Uttarakhand clientalley.com</td>
<td>NiteshKashyap &amp; Achin Jain Founders Partners</td>
<td>A firm providing value added services, and tailor made solutions in financial planning areas with a focused aim to manage investment portfolios for Select High Net worth Individual and institutional investors.</td>
</tr>
<tr>
<td>Crescore Wealth Management Services Pvt. Ltd. New Delhi</td>
<td>Rajan Saron MD &amp; CMO</td>
<td>A company that offers services in Equity research, Equities and derivatives trading, Commodities trading, Portfolio Management Services, Mutual Funds, Life Insurance, Fixed deposits, GIL bonds and other small savings instruments to loan products.</td>
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<tr>
<td>Finstem India Pvt. Ltd. NoDa, Uttar Pradesh</td>
<td>ManishShunday Founder &amp; CEO</td>
<td>A wealth management firm that provides services in investment, insurance, real estate, loans and taxation.</td>
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<tr>
<td>HB2 Capital Services Pvt. Ltd. Bengaluru, Karnataka</td>
<td>KumarHarendra Founder &amp; CEO</td>
<td>A firm providing wholesome Equity Research &amp; Advisory services.</td>
</tr>
<tr>
<td>Hexagon Capital Advisers Pvt. Ltd. Bengaluru, Karnataka hexagongrowthwealth.com</td>
<td>SrikanthBhagavat Founder &amp; MD</td>
<td>A wealth management and financial planning company offering a Multi-asset investment strategy including mutual funds, equities, bonds, insurance and realty, along with alternative investment products like angel investing etc.</td>
</tr>
<tr>
<td>Right Horizon Financial Services Bengaluru, Karnataka</td>
<td>Anil Rego Founder &amp; CEO</td>
<td>An end to end investment advisory catering to a range of wealth solutions for individuals, Corporate customers and Non Resident Customers through planning and strategizing.</td>
</tr>
<tr>
<td>Trifid Research Indore, Madhya Pradesh trifidresearch.com</td>
<td>Vivek Tyagi Director</td>
<td>A firm providing real time market advice in Indian equity and commodity market.</td>
</tr>
<tr>
<td>Vinexam Financial Services Pvt. Ltd. Hyderabad, Telangana</td>
<td>V.V.K Prasad Chairman &amp; MD</td>
<td>A product-driven advisory firm providing advisory services that include need based financial planning and investment management strategies for capital building. The interface is simple to understand, easy to follow and ensures complete peace of mind to investors.</td>
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Advantage LLP Enterprise: Empowering Wealth Creation
By CR Team

Wealth creation is predominant to every commercial activity. But once created and acquired, wealth needs meticulous management. Companies, as well as high-net-worth individuals (HNI) often face wealth management challenges and they need experienced professionals with expertise to manage their wealth. Foreseeing the opportunity and the pitfalls in the wealth management industry, four highly motivated and skilled individuals set out on their entrepreneurial journey and founded Advantage LLP Enterprises. These professionals—Santosh Lonkar (Managing Director), Aditya Subramani (Director Marketing), and Amitabh Babar (Director Strategic Planning and Finance) were driven by passion to render exceptional services to their clients. With technical and fundamental research on equities and commodities, the company set for itself the vision to enable its clients to create wealth in the long run. Headquartered in Navi Mumbai, the firm started with services such as sub-broking, trading, portfolio and wealth management for their clients.

Founded in 2012, Advantage LLP provides an array of services which includes Trading Account management Services catering to Metal Commodity Index, National Stock Index, and BSE / NSEDE, IPOs and bonds, Mutual Funds, Portfolio management services, Insurance management Services, NRI service and independent research services. With its plethora of services, the company also strives to ensure its clients the best brokerage rates and concessions by collective bargaining methods.

Lacking prior experience of entrepreneurship, the company founders initially suffered operational issues and faced difficulties while building trust in the market. With a limited number of client, meager revenue, and difficulties in shaping the organizational structure and influencing the clients, the company stumbled at the beginning. Aditya says, “But very soon, the company achieved its first major milestone, and gained momentum in ensuing years by witnessing a significant rise in revenue, an exponential growth of 3 folds within 3 years”. The team’s prior experience of working with few broking houses helped as they recognized the gap and started keeping track of the client’s investment and informed them, whenever, they felt the clients can make profit in their business. Explaining the company’s strength Santosh confidently says, “Advantage LLP believes in providing personalized service. So far, in our journey, the company has neither issued any advertisement nor approached any marketing media. This discussion with Consultants review magazine is the first time we are doing it.”

The company, which now mostly handles individual clients, foresees to cater services to proprietor and larger companies. Advantage is currently operating from Mumbai, but has huge clientele from Punjab, Tamil Nadu, West Bengal, the抱抱, and Delhi. In the coming years, the company plans to start offices across major cities and try to have a pan India presence,” Amitabh concluded.

With its plethora of services, Advantage LLP Enterprise strives to ensure its clients the best brokerage rates and concessions by collective bargaining methods.

ASK Wealth Advisors: Nourishing HNI Wealth Management Sector with Customized Solutions
By CR Team

Wealth management and right investments have always been a paramount priority for almost everyone who own a sizable amount of money. From corporate giants to high-net-worth individuals; the flow of wealth is not always through the same streams. However, when it comes to managing their wealth, everyone ends up in the same circle – proper wealth management.

Eight years ago, the wealth management sector and the HNI segment in India, saw a new ray of hope when Rajesh joined hands with ASK group to incorporate ASK Wealth Advisors Pvt Ltd. (ASKWA). “The market was dominated by a few wealth management firms who were primarily distributing financial products without having a deep understanding of the clients profile or requirements,” says Rajesh Saluja, CEO & Managing Director, ASK Wealth Advisors Pvt. Ltd. Through its inception in the year 2007, ASK Wealth Advisors, which is a subsidiary of ASG Group, was not only aiming to bridge this gap but was also addressing the growing need for financial planning and wealth advisory in the HNI segment in India.

Today, this Mumbai headquartered firm nourishes the areas of portfolio management, real estate investment & advisory and wealth advisory services by managing the wealth of some of the richest families in India. However, by understanding the need to revamp the business model and strategize when the global financial crisis shook the Indian economic shores in the year 2008, ASK transtled from catering to mass affluent segment to the ultra HNI segment. Through this well planned approach the firm succeeded in evolving as a full-fledged financial service advisory firm.

As an independent wealth advisory firm, ASKWA offers customized solutions for their clients. By offering three engagement models - Private Wealth Management, Private Wealth Advisory and Multi-Family office; the firm keeps its client’s interest first and helps them to attain their financial expectations. Private Wealth Management is designed for clients who want to start a relationship on a productized basis, and then scale it up to a level where they avail wealth advisory services as well. Whereas, through Private Wealth Advisory the firm not only helps clients become a successful long-term investor but also helps to create the right asset allocation and diversification strategy. While, the Multi-Family Office model takes care of Family Constitution & Governance, Estate, Investment, Philanthropic goal alignment with succession strategy, author and co-investing opportunities.

Since its inception the organization has witnessed a steady growth in terms of revenue from operations, “Our wealth management/advisory business has progressed to boast of Assets under Management and Advisory of INR 10000 crs in 8 years. We became profitable by 2011 and currently have an ROC of 35% in the business and our AUM and Revenues have grown by 45% CAGR,” proudly says Rajesh. ASKWA now plans to enhance client experience by building capabilities in terms of product offering, services and technology infrastructure. Further, the firm plans to embrace the technology by launching a mobile app and iPad Platform to help clients to have real time access to their overall portfolios. “We aspire to become the trusted advisor for at least 1000 families in India with investable surplus of over 100crs of each by the year 2020. We are in the process of establishing an NBFC which will further enhance the value proposition for our clients,” Rajesh concludes. 
Public - Private Partnership - The Middle Path to Sustainability and Development

By Bhaskar Bodapati, Director - Finance, Bangalore International Airport Ltd

Bhaskar Bodapati currently chairs the Executive Committee of the airport on behalf of the Managing Director and is responsible for the Financial and Accounting functions of the airport. Procurement & Contracts, Regulatory Matters, Legal, Corporate Affairs and Corporate Communications also come under his purview.

The journey of PPP model in India

India is now among the top five countries attracting private investment for PPP infrastructure development, a sector that has lent itself well to this model. While roads constitute the highest PPP investment in India, today we have ports and airports that have been successfully built or modernized through this model to deliver public services, in order to stimulate economic growth and enhance efficiency. One of the biggest factors in the adoption of the PPP model is an assessment of capital requirements. During the 11th Plan period, it was estimated that the projected investment in airports would increase from Rs 6,771 crores in the previous plan to Rs 30,968 crores. This is a significant increase in outlay, and the private sector where capital is available, is the route to pump in investment. This investment would cater to the prime concerns that the Planning Commission has identified as the deficits in the areas of inadequate runways, aircraft handling capacity, parking space and terminal buildings.

With steep targets, including modernization of four metro and 35 non-metro airports, development of three greenfield airports in the Northeast and seven other greenfield airports, the only way progress can be achieved within aggressive timelines and quality parameters is with the participation of multiple stakeholders. Although the share of airports in PPP projects is under 2%, given the complexity, scale, risk and capital requirements their success is a lever of confidence in the model. The Kempegowda International Airport, Bengaluru was the first Greenfield airport in India to be built on the PPP model and handles over 35 million passengers per annum. It has pioneered many operational innovations such as collaborative decision-making, which requires significant process investment and management commitment. The outcome is better on-time performance, faster turnaround, greater efficiency and smarter decisions.

PPP success in aviation industry as a role model

With the government’s focus on creating growth opportunities through initiatives such as Digital India, Make in India, Jan DhanYojana and more, inclusive development has become increasingly important. In fact, the 12th Plan period (2012-2017) has accounted for 50 per cent of the infrastructure outlay of USD 1 trillion to come from the private sector, of which PPP will play a significant part. Typically, projects with large capital requirements, long gestation periods, uncertain returns predicated on incomplete information are ideal for PPP, since it allows for risks to be shared.

A role model for clarity of vision is the Karnataka government, which has put in an institutional framework to conceptualize, identify and recommend projects for PPP and has put in place single-window clearance, demonstrating a high level of commitment to potential partners. Transparency is critical in instilling confidence among stakeholders. It lends clarity in concession agreements to simplify processes and language to help the common man, in comprehending risks and rewards in an objective manner. Transparency is particularly important in areas such as tariff-setting, which can be addressed with a consistent and objective regulator. Stability in the policy environment lays a consistent and objective regulator. Stability in the policy environment lays a consistent and objective regulator. Stability in the policy environment lays a consistent and objective regulator. Stability in the policy environment lays a consistent and objective regulator. Stability in the policy environment lays a consistent and objective regulator.

Risk allocation is another area of potential conflict between the stakeholders. Any large project involves multiple levels of risk exposure, which should be conditions; incentivizing private sector to adhere to physical standards and accreditation, and creating regulatory framework for the plans to materialize successfully. While the PPP policy, institutional structure, and institutional capacity for contracting are essential conditions, incentivizing private sector to adhere to physical standards and accreditation, and creating regulatory framework for the plans to materialize successfully. While the PPP policy, institutional structure, and institutional capacity for contracting are essential conditions, incentivizing private sector to adhere to physical standards and accreditation, and creating regulatory framework for the plans to materialize successfully. While the PPP policy, institutional structure, and institutional capacity for contracting are essential conditions, incentivizing private sector to adhere to physical standards and accreditation, and creating regulatory framework for the plans to materialize successfully. While the PPP policy, institutional structure, and institutional capacity for contracting are essential conditions, incentivizing private sector to adhere to physical standards and accreditation, and creating regulatory framework for the plans to materialize successfully.

Project viability and feasibility should be assessed after objectively taking into account all factors.

This would help avoid overruns of time and cost, minimize potential litigation and remove bias. The way forward for PPP

The national debate around PPP typically revolves around the government passing on the responsibility that the private sector is expected to own up to. Citizen interest and corporate interest are seen at odds with each other. The other side of the argument focuses on allowing the government to decide what it must by relinquishing non-core responsibilities and overhead costs to domain experts.

In its ideal avatar, PPP is a third way: flexible in its definition of responsibilities depending on the need at hand. Operational efficiency and growth responsibility rests with the private sector, while the government continues to play a regulatory role demanding an accountability for the service. Rather than looking at PPP as a way for the private sector to take advantage of public funds, it should be looked at as a means to leverage private capital for public benefit.

If PPP’s are to be a long-term sustainable strategy employed by the government, the need of the hour is to lay an essential foundation as well as create enabling conditions through policies and regulatory framework for the plans to materialize successfully. While the PPP policy, institutional structure, and institutional capacity for contracting are essential conditions, incentivizing private sector to adhere to physical standards and accreditation, and creating regulatory framework for the plans to materialize successfully. While the PPP policy, institutional structure, and institutional capacity for contracting are essential conditions, incentivizing private sector to adhere to physical standards and accreditation, and creating regulatory framework for the plans to materialize successfully. While the PPP policy, institutional structure, and institutional capacity for contracting are essential conditions, incentivizing private sector to adhere to physical standards and accreditation, and creating regulatory framework for the plans to materialize successfully. While the PPP policy, institutional structure, and institutional capacity for contracting are essential conditions, incentivizing private sector to adhere to physical standards and accreditation, and creating regulatory framework for the plans to materialize successfully. While the PPP policy, institutional structure, and institutional capacity for contracting are essential conditions, incentivizing private sector to adhere to physical standards and accreditation, and creating regulatory framework for the plans to materialize successfully.

By CR Team

In India, terms like financial planning and personal finance have emerged as buzzwords of sorts, over the last few years. From budgeting, planning for retirement, saving for education, managing taxes and insurance coverage, ‘finances’ doesn’t mean just one thing. From examining current financial situation, to setting goals, to deciding how to measure progress, bringing all the pieces of an individual’s financial life together is a challenging task. While working in the financial sector, Ajit Singh and Santosh Tiwari, realized the gap in the sector, that pulls away individuals from attaining their goals. With a mindset and passion to furnish financial management and to help individuals frame their future the duo ventured into the wealth management sector. However, this small step paved the way for the inception of a dynamic firm- AU Mutuals Financial Planners Pvt. Ltd.

Incorporated in the year 2011, the firm diagnoses, plans and helps individuals implement suitable financial plan to meet their financial objectives keeping in view their risk profile and most suitable investment vehicle. “We realized that there was a lot of push selling happening in the wealth management sector. People working in financial sectors were not treated with high respect; they were more or less known as a product seller. Apart, from providing advisory in wealth management, the firm also provides unbiased solutions to an array of individual clientele and pierces more into the private wealth segment. “The approach is to recommend client’s product solutions within their overall asset allocation in an unbiased manner after evaluating all the options available in the market,” adds Santosh.

Headquartered in Ghaziabad, the firm has a strong compliance culture to make sure that the advisory services delivered are compliant with the current regulations and benchmarked against the best practices. Identifying and bridging the gap with vast product range and enhanced capabilities, AU Mutuals provides services in mutual fund, risk management, S&CE bonds, corporate deposits services, infrastructure bonds service and taxation service. Within the next few years the firm wants to serve 2000 happy costumers and over 100 cores under the advisory. “Bringing awareness about long term wealth creation through disciplined investing is among our top priorities. It’s a main area of focus for us. The analytical skill level of our research team has been our biggest strength.”

The company delivers customized services in the form of investing strategies, recommendations and tips to each of its individual retail customers according to their risk appetite. An important objective of the company’s services is to understand the risk appetite and the trading style of the client, so that it can develop their existing trading portfolio and strategies, reduce capital loss and help them achieve best returns in the market. The company’s expert business analysts continuously assist customers over SMS service or telephone by providing them detailed information of the stock and commodity market which helps the investors study the stock market trends and take wise decisions. The experienced analysts use state of the art technologies and softwares to find the right opportunities in the market. Talking about their services, Abhijeet says, “We provide intraday recommendations in equity, commodity and forex market. Retail traders who do trading in day to day basis we provide them tips through SMS, phone, email, text messages and telephonic assistance.”

The company founded in 2011 is rapidly emerging to become one of the best stock tips provider in India. CapitalAim currently also operates in United States and Singapore. Abhijeet says, “We understand what kind of support customer need and we have customized our services according to that.” Going forward, CapitalAim is all set to bring in technological advances using mobile apps to make sure that customers get every detail about the right stock. With strong determination, the growing company is taking its services to the next level and customers to a global platform.
CFO - A Transformation Agent

By Neeraj Basur, CFO, Blue Star Limited

Before Neeraj took on his current role with Blue Star in July 2014, he was in the role of CFO with Max Bupa Health Insurance since its inception in 2008. In his previous stints he has worked with HCL Technologies, Spice Telecom and Escorts Ltd. Neeraj has rich and diverse experience in industries like manufacturing, telecom, software technology, life insurance and health insurance.

Who would have imagined that crude oil prices would fall from the high of $120 per barrel in April 2012 to $56 per barrel in April 2015? Geopolitical volatility in several countries has only contributed to making the business environment more complex. Predicting the consistent flow of capital is no longer an easy task. Globally the banking system is still recovering from the aftermath of the economic tsunami that followed the subprime crisis of 2008.

In the last few years, the global business environment has undergone rapid changes, which continue. An environment where volatility, uncertainty, complexity and ambiguity are the new buzzwords and also new realities, the businesses are required to transform at a pace never experienced before. Businesses have been exposed to risks that they have traditionally never been exposed to managing before.

Governance requirements, norms and expectations of the investor community and regulators from the boards and management teams have changed exponentially. Business transformation in this environment is inevitable and the CFOs are increasingly being expected to transition from the role of a mere ‘change’ agent to becoming a ‘transformation’ agent for the business.

CFO’s can focus on the following 10 point agenda to pursue transformation in their business.

1. Funding sources – While raising funds and capital is a basic function, it is important for the CFO to ensure that there is a proper balance between expected returns and ability of the underlying investment to deliver. The cost of funds in a volatile business environment can be pretty unpredictable therefore, undertaking proper asset/ liability matching before committing capital would help the business maintain adequate solvency. The CFO needs to moderate investment plans in line with the external capital market realities on the one side and business performance abilities on the other.

2. Embedding risk assessment based decision making – The CFOs are in a unique position to help key decision makers understand and assess the risk impact of decisions. Business managers need help to understand the underlying risks embedded in their decisions and how that could impact the business in the short, medium and over long term. By making risk assessment at the core of all business decisions, the CFOs can usher in transformative resilience in the business.

3. Usage of analytics for strategy validation – There is no dearth of data availability with most businesses.

Business transformation is inevitable and the CFOs are increasingly being expected to transition from the role of a mere ‘change’ agent to becoming a ‘transformation’ agent for the business.

Strategy formulation and validation based on a deep understanding of past performance and trends, both within the business and also at an industry level would adapt to the shifting environment in a nimble manner. CFOs need to deploy data analytics capability to validate the hypothesis and potential impact of strategic shifts.

4. Segmenting markets to play – Each business needs to identify and play in those markets where sustainable growth opportunities can be identified. In addition to general market research, the CFOs can contribute by helping specify and define various performance parameters for market segmentation. Continuous review of segmental performance would help the business optimally deploy capital and resources.

5. Predicting performance accurately – In the current business environment, it is no longer sufficient to rely only on MIS to understand the business performance. Using predictive analytics along with an analysis of current performance by the CFO would help draw insights that can provide a business sufficient early warning signals and avoid sudden shocks and surprises. The CFOs need to transform the performance measurement, monitoring and reporting systems to make them deliver a proactive outcome.

6. Benchmarking performance – It is no longer good enough for businesses to gloss over achieving their own plans or registering year-on-year growth. Benchmarking various performance parameters with the industry best would help identify improvement opportunities continuously. The onus is on the CFO to identify and establish norms for relevant benchmarks and ensure that the internal performance trends not only get compared but improvement opportunities established as a continuous process.

7. Productivity focus – The CFOs would do well to own the productivity improvement agenda across the business. Their role is no longer about executing cost reduction plans in the businesses. In a volatile environment, the business can least afford wastages or inefficiencies. Productivity improvements need innovation and creative thinking to be at the core of all such initiatives and the CFOs need to identify and sponsor innovative projects in the organization.

8. Raising the bar on governance standards – In the new age, investors, board members, government authorities, financial institutions, customers, suppliers, employees expect an enhanced level of transparency, adequate disclosures and ethical play by business enterprises. The CFOs need to own the governance agenda to provide all stakeholders confidence and comfort around quality and standard of corporate governance and compliance.

9. Grooming finance talent – It is no longer sufficient for the CFOs to develop talent in their own team to meet the current business needs only. The finance talent needs to be made future-ready as well and accordingly imparted with skills and competencies to be able to handle increasing business complexities and ambiguities. Intersection management is a key art that finance managers in the CFO’s team must learn in order to champion transformative projects across the business.

10. Act as the conscience keeper – Lastly, the CFO has to play the role of a conscience keeper of the business with great diligence. While continuing to be an integral part of the management team, the CFO needs to call out decisions or short term actions that might boomerang in the long term. This is not an easy part of the role. Transformation and change can be painful. It is the CFO’s job to ease the pain and provide the business a safety and security net for sustainable and profitable growth.
Cerebral Advisors: Imparting Astute Financial Advice
By CR Team

As the financial goals of individuals are changing, the need for investment solutions is starting to grow more significant in ascertaining resourceful use of wealth. This increasing demand has resulted in wealth accumulators vying for astute financial advices. However, sound financial knowledge is not that easy to be found timely and utilized purposefully. Cerebral Advisors, deriving from its strategic application of knowledge builds on a strong foundation of extensive analysis, disciplined investment approach and prompt action to produce superior wealth creation solutions for clients. The company does an extensive personal consulting while maintaining a characteristic approach in prioritizing client’s requirement, risk appetite and time horizons to suggest them with the best investment advice. Founded in June, 2011 by Tejas GV, Arun & Rajesh the firm’s tailor made management services follow a need based approach emphasizing on a long term philosophy of quality and diversification.Tejas says, “We believe in building a lifelong relationship with our clients based on a solid foundation of trust, knowledge and excellence; which we believe will translate into wealth creation for generations.”

The services provided by the company are end to end solutions catering to a diverse list of clients. Their service offerings include wealth management, financial planning, risk management, tax planning and retirement planning. Under the Wealth Management services, Cerebral accesses the financial needs of individuals and advises on areas such as Mutual Fund investments, Debt market instruments, Insurance services, Tax/Retirement planning and Direct Equity. In financial planning they take up the determined role of an independent financial advisor by detailing the goals and objectives one has in life and matching them with present assets and income, after factoring the expenses and liabilities that need to be paid. Also factored in are taxation and inflation. The company makes risk management an important practice in identifying and analyzing potential risks. In doing so, it explores new avenues of minimizing the risk that clients might face in the future. Tejas says, “The key is to understand which product suits the client’s risk appetite and is required for them.”

The company dedicates a great amount of financial research to zero in on the right quality product from a whole lot of options available in the market. The company’s responsibility driven services helps in building a successful retirement plan focused on insuring stability and optimizing saving initiatives. “The end result of these services is to provide financial comfort and make sure each and every client attains their goals in a life and creates a wealth for themselves and lead a happy retired life,” adds Tejas. Cerebral Advisors is counted among the top independent financial advisors in Bangalore today. Within four years of starting operations in the competitive financial industry, the company’s book values of assets are now crossing over 120 crores. Tejas candidly adds, “This is a challenging field to work in, with several regulatory restrictions. We want to add more happy clients into our kitty and provide them with the best products deserving of their unique requirements.” Going forward, the company intends to deliver its full proof financial management in the same vein and repeat the growth it has achieved over the years.

We are INDIAN

We are SK Robotics
Website: www.skrobotics.in
Call us: (+)91-9870959554
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Finstem India: Inspiring with Integrity

By CR Team

A n individual can derive wealth in various forms;
people who possess huge wealth usually opt for
complex financial arrangements, wherein their assets are spread out
and diverse in nature. It is not just about having huge bank balances
in your account or an inherited property, but the insight to invest
the wealth in the right manner. With his experience spanning over seventeen
years of contribution at several senior positions in banking sector,
Manish Shoundik took a befitting decision which paved the way to
the inception of Finstem India Pvt Ltd. Incorporated in the year 2013,
the firm provides complete financial solutions, real estate management
and outsourcing solutions to individuals and corporate. “We adopt
a structured and disciplined advisory approach and provide our clients
with portfolio solutions which meet their desired financial goals and
life stages,” explains Manish, Founder & CEO, Finstem.

Headquartered in Noida, the firm provides soup to nuts, in wealth
management sector with well regulated and unbiased solutions.
Equipped with the essence of strategic planning, management
skills, Manish succeeded in crafting the pillars of his dream company.
Helping clients to achieve financial goals; Finstem provides complete
turnkey solutions right from the wealth creation to protection plans.
“At Finstem, we offer a complete range of solutions that complement our clients advisory services. The range includes
a combination of best of breed proprietary and non proprietary
(third party) products,” he defines. Dedicated to deliver impeccable
services, the firm follows a four step process of financial planning
which includes – risk profiling, goal planning, profile structuring and
profile tracking.

Providing unbiased financial planning solutions while keeping
focus on customised advice, Finstem provides absolute services in
the wealth management sector. According to Manish, the firm spread
its wings of services over investment, insurance, real estate, loans
and taxation. With the unique proposition in wealth management control, the
firm enables and provides clients with solutions within overall asset
allocation in an unbiased manner. “We offer the most structured and
unbiased financial planning solutions that help clients map their hard
earned money and investments to their future goals,” he elucidates.

While Manish’s past experience and confidence plays a major role in
carving Finstem’s success, he doesn’t forget to acknowledge that the
company stands firm with the support of felicitious hands of his employees.
The company provides it’s full circle wealth management support with a
strong and experienced team.

Delivering value with purpose, today the firm unleashes an array of
services to frame specific needs of investment advisory services such as
MF, fixed deposits, equity shares, life and general insurance, real estate
advisory and loans. However, keeping in mind the dream of building homes
and township, Finstem Infrastructure came into existence after gaining
expertise in the field of real estate broking, underwriting and leasing.
“Our estate planning, insurance, and wealth management expertise are
designed to put clients in the best position to succeed while allowing
them to maximize their time devoted to focusing on the pursuits that are
most important,” explains Manish. Stitching services that are designed to
help individuals and cooperates alike, Finstem’s client list consists of
middle and senior management employees and corporates like
HCL, Shiv Nadar, Groupon, TMI, Bombardier, Home credit, and
Nectar. Though the company has been witnessing substantial growth
since its inception, in upcoming future Finstem is focused to provide
cost effective solutions and rising up on the growth ladder.

HBJ Capital: Assuring Equity Research & Advisory Services to Clients

By CR Team

I n our aversion to earn a livelihood, most of us are often forced to focus
donarily on our daily occupations. With looming deadlines, rarely do
we find time to get ourselves engaged in the stock market activities. As a
result our hard earned money is not channelized well to fetch more returns
for our future. Kumar Harendra, a Software Engineer by profession at Infosys, was no exception. But soon,
Kumar realized the value of Employee Stock Ownership Plan (ESOP), which proved to be the turning point in his
life. He started HBJ Capital as a free stock advisory company in 2005, and
with his passion for and inquisitiveness towards capital markets, he continued to
discover new frontiers of the domain. After acquiring deep understanding of
the industry for 5 years, Kumar decided to quit his Infosys job and
formally launch the company, HBJ Capital, in 2010 with a vision to create
an enterprise that specializes in Equity Research & Advisory.

Back in early 2000, broking companies provided advisory services
to clients in only large cap stocks, and the small & mid-cap stocks were mostly left untouched. Kumar
identified the gap and structured the company to unveil the Small & Mid-Cap Stocks, which he realized
had huge potential of retentive wealth creation. The company also acquired top management people involved in designing, executing and
delivering quality research. Attracting and retaining the right talent, and
building the right channel for clients was obviously difficult initially. Over
a period of time, the company has successfully solved these issues and
strengthened its communication channels with its clients. Kumar noted,
“We have been exclusively focusing on building brand awareness and
positioning our company as a trustable advisory firm with strong research and
robust backend channel.”

With its Scale, Skill and Speed, the company has so far been able to create
and maintain its leadership position in the industry. Headquartered in
Bangalore, the company advises its clients on long term investment stocks
and short term trading stocks. In addition, the company with its technical
analysis guides the clients on proper money management so that they
can earn profit in short term

With personalized counseling, stock portfolio reviews, stock
recommendations and regular market outlooks; HBJ has retained almost 60 percent of its clients. The company
has also won some of the prestigious awards in the industry such as “Asia’s Most Promising Brands & Leaders - 2014”
and “Best Equity Research & Advisory Company of the Year 2014”
by providing unique fundamental and technical research. At present,
the company boasts of approximately 14,000 retail clients. Some of their
B2C Clients are Retail Investors/ Traders and HNI/NRI from both India
and abroad.

The company has grown immensely over the years. Currently, the company
has 600 resources and has witnessed an annual turnover of 50 Crore. Eying the
opportunities that lay ahead in retail investment and traders segment,
the company has aggressive plans for the future. Foreseeing the company’s plans, Kumar says, “By end of 2015
we will be 1000 strong workforce with expected turnover for FY16 will be
100 Cr.” HBJ envisions being a multi-billion dollar company by 2017.
Dealing with Change: Change is the Only Constant and is a Journey and not a Destination

By Sandeep Kumar Sarawgi, CFO, Multi Commodity Exchange of India

In a global business world with modern organizations evolving, the external environment has become more dynamic as compared to say 20 years ago, and forces organizations to adapt and stay ahead of change. The future is no longer as linear as it used to be, but has become volatile. The world is far more inter-connected and lack of information is no longer valid. Change is the only constant and is a journey and not a destination. As in life, one has to adapt in different life cycles and stages, so do organizations. Good organizations go through seamless transitions and have change experts or change catalysts. Their role is to be disruptive towards the present and keep challenging the status quo. This could be a think tank and / or strategy executioners. Organizations are represented through its people and it is they who lead it.

Leadership in an organization becomes critical and can either lead like a captain on a ship or can wither away in a storm. For e.g. Blackberry and Nokia could not adapt to the changing landscape and fell behind their leadership positions. In contrast, Apple re-defined customer experience by looking ahead with a change in the array of their products.

Change Produces a Step by Step but Measurable Impact

The impact of a change in an organization can be measured in various ways and benchmarks. These could be across metrics like products (for e.g. Wipro’s transition from a vegetable oil company to an IT giant), employee diversity (for e.g. the male-female ratio), geography (for e.g. spread across the best markets geographies), regulatory domains (for e.g. shift from Indian GAAP accounting to Ind AS which is based on IFRS accounting standards), change in processes and databases (for e.g. use of core banking platforms in banks), change to on-line banking, change of e-commerce which is all over us where shopping has not only been redefined but the cushy margins of layers of distributors are passed on to the customers, multiple TV channels as an options, multiple telecom providers, and so on. The organizations have to constantly redefine their core strengths and the shareholders have to keep their vision for the organization and drive towards it.

Change is tarnished by Negative Attitudes - It should be carefully avoided

If the organizational culture is towards cultivating change and adapting newer dimensions, its leadership would be continually looking...
Employees can choose to remain stagnant and become obsolete (and thereby form cartels and politics) or move along the journey of change and also enrich their careers. Hence, the response to change and employee career perspective depends how relevant he or she stays for the future. Although, much more prevalent in the public sector, even in the private sector there would be such pockets where employees not only do not contribute in the change but interfere with it. The employee unions play a big part in all this and the challenge is that if the job security is offered, irrespective of performance and accountability, then it is breeding ground for politics and falling behind. Unfortunately, bigger political games get played especially with the blue collar work force, which gets in a unionized mode and worse gets attached to the political party. However, the white collar professionals and working employees have to be careful not to fall prey to these activities which would interfere with the interests of the stakeholders and ultimate sustainability of the very same organizations. There are many examples in history where the organizations have suffered and withered away when controlled by other than linear factors.

The organizations have to constantly redefine their core strengths and the shareholders have to keep their vision for the organization and drive towards it.

Organizing Change Itself is a Recipe towards Upgrading Future Business

While there is no defined, scientific formula for making ‘change’ successful, it certainly helps to remain ahead of the curve, abreast of the various developments (external and internal) and also have an element of vision into the future. Resistance to change is not the answer, but embracing it with opportunities is. Organizations should anticipate change and keep some bandwidth to deal with the uncertain future. Change is inevitable and there is nothing permanent in this world. All things undergo a change with passage of time – longer the time frame, more apparent is the change. One can adopt the age-old theory of survival of the fittest and see how one can move from one peak to another. This is really a tough task and the best of organizations have failed across the world, across the time periods. Now the time is most appropriate to visualize change not as a sudden transformation but a reliable path that is to be taken one way or another.}

Hexagon Capital Advisors: Guiding Customers to a Brighter Financial Future

By CR Team

Mutual funds had a slow rise to prominence in India. Due to a lack of advisory services, investors were initially doubtful about the benefit they could derive from it and about the credibility of the investment tool. Srikanth Bhagavat, a veteran in the Indian financial industry and the founder of Hexagon Capital Advisors points out how the lack of advisory expertise in investment products was concerning. He explains, "Back in 1998-99, mutual funds were really taking off in our country. With the advent of mutual funds we had a wonderful instrument for the retail investors. But there was a huge gap in investment advisory services due to which most people had very little idea about investing and savings.”

Hexagon was founded in 1998 with an objective to provide adequate advice and guidelines for retail investors. The investment advisory firm offers a broad range of financial products including mutual funds, equities, bonds, insurance and realty as well as alternative investment products such as angel investing opportunities. The company’s strategy based advisory services benefit HNI clients, NRI clients and also clients interested in retirement planning.

During the 17 year journey, Hexagon has repeatedly tried to be one step ahead of the industry trends. The company was among the very few in the country who spent money on technology in the business of mutual funds as a distributor or advisors. In 1998, they were among the first in India to use risk adjusted returns to evaluate mutual funds. Then in 2000, they were the first in India to offer an online portal for performance reporting to client. The company was judged as South India’s Best Independent Financial Advisor by CNBC TV18 in 2006. They became a registered investment advisor with SEBI in 2014. The wealth management firm is thriving on its research to generate new strategies and sophisticated models to better serve clients. Going forward, Hexagon is making fast inroads in advising startups, NRI clientele and looking at leveraging technology and global partnership.
Pinnacle Wealth Management:
The Perfect Fit for your Financial Planning and Investment Advisory Requirements

By CR Team

Kavita Bothra and Nina Kotian’s professional career graphs are living testimony to the adage, “Alone we are smart, together we are brilliant”. After having headed their respective financial services companies, Bothra Consulting and Sterndale Financial Services successfully for ten years apiece, the two entrepreneurs, both established in their own right decided to synergise their collective experiences and formed Pinnacle Wealth Management, a financial planning and investment advisory firm with a difference. The financial acumen that Kavita brought to the venture found great support in Nina’s expert knowledge of personal wealth management and the company soon started it’s journey towards success and growth.

With the many options presented to the average investor today, the need to carefully evaluate and select a reliable financial advisory firm has never been more critical. A wrong selection can drag down the growth of an individual’s investment, sometimes even eroding the principal, whereas the right partner can act as a catalyst to generating handsome returns and capital appreciation. Pinnacle, with the wealth of experience brought in by it’s promoters is one such firm with a proven track record of adding value to customers’ portfolio, while at the same time keeping associated risks in check.

The company provides unique, client centric services with it’s ample and well trained staff. Over the years, Pinnacle has earned itself strong goodwill among its clients, and a large percentage of business is either repeat or generated out of the referrals of satisfied customers. Elaborating on the company’s working style, Nina adds, “We are able to develop a strong bond with our customers by providing personalised services that go well beyond the duties of an agent.” The Navi Mumbai based company meticulously evaluates clients’ investment goals, risk appetite and concerns, suggesting investment avenues accordingly. Right from providing guidance on different asset classes, creating the portfolio, reviewing it periodically, revamping it when needed to introducing new products when they appear, Pinnacle handles it all for its clients.

Although Pinnacle provides an entire gamut of financial services, real estate advisory services is what the company considers its forte. Kavita explains, “We have the unique expertise in land dealings as land can be a game changer, taking clients’ net worth to the next level.” The company guides their clients in identifying opportunities in land, arranging loan, and also helps them maximise the yield. She further adds, “Customers who invested in land through us in 2011 have already seen their portfolio jump 4-5 times.” When presenting its customers with investment options in land, Pinnacle pursues a policy of utmost transparency in making the customer aware of any bottlenecks or risk factors associated with these investments.

Over the last few years, the company has seen a steady growth of about 20% YOY. Stepping ahead, the company plans to diversify its services by adding asset creation services to its list. Nina adds, “We aspire to be among the top financial advisors in the near future. For the next two years, we want to strengthen our existing customer base and increase the assets entrusted under our management”. Right Horizons: Building Customer Centric Investment Advisory and Wealth Management Solutions

By CR Team

India’s growing economy has resulted in robust growth in assets of investors. The wealth management industry in India is one of the fastest growing globally. To ensure that this growth is well channelised, various regulatory and compliance regulations have been put in place to protect investors. There is a clear focus on encouraging quality advisory. One company that had the vision to start an advisory business in 2003 is Right Horizons. The company was started by Anil Rego when advisory was in a very nascent stage and financial planning was almost non-existent. Financial planning is the backbone of their wealth management service. They both plan and implement their customers’ plans in order to help them achieve their dreams and goals like children’s education, retirement, property purchase, covering medical expenses, becoming debt free, etc. They also provide specialized wealth management services to High Net Worth Individuals, based on the strength of their structuring expertise. They have a whole range of regulated products with licenses across different services and have strong track record of asset appreciation evident from their ISO certification.

The company’s strong research team helps deliver superior value to customers and their customer centric approach has several marquee customers on their list. They believe in the giving back to society, and run the Right Horizons Foundation (RH-foundation.org) that supports the education of over 100 under privileged children.

Anil Rego, Founder and CEO, says, “I started Right Horizons because I found most investors making fragmented investments without an overall strategy and attention to managing risk. Right Horizons’ approach is to provide a financial planning foundation to investors to help them achieve their financial goals. I would like my customers to achieve their financial goals just as I was able to achieve my goal of retiring from corporate life at 30 years”.

Right Horizons has built a strong research backbone. Its research reports are published on global platforms and accessed by some of the largest global investment banks. Timely switches have helped cushion impacts of market falls and enhance returns. Along with the varied financial services that they provide, they also offer financial advice for third party products, and bring to the foray its own range of customized products. On the Portfolio management side, the company has its own equity funds and also high yield debt investment funds. Anil adds, “We basically work on the whole range of financial products and assets available. We want to provide various options to customers, so that it helps us take care of the customer needs in a better way.” Apart from services to individuals, Right Horizons also provides a wide range of solutions for organizations including Corporate Treasury, Strategy, Mergers & Acquisitions, etc.

Headquartered in Bangalore, with six branches spread across four cities, the company is currently managing over Rs.650 crores of financial assets. Right Horizons major offering comes with all the necessary regulatory licenses. The company’s discipline towards certifications is more credible, if we analyze the existing restrictions on fund management in the Indian Financial Services Industry. The firm is certified with portfolio management license, investment advisor license, and also holds an insurance broking license. The company’s PMSC license today stands to grown to 12% from asset under portfolio management. Counted among the foremost financial planners in India, Right Horizons is striving towards excellence by building its high quality advisory services to perfection and is gearing itself to introduce new and specialized products with a number of licenses under its belt.
Trifid Research: Rendering Impeccable Stock and Commodity Advisory Services

By CR Team

Trifid Research is a privately held research house which is SEBI registered and offers assistance in equity tips, futures and optionsNSE and BSE, commodity tips-MCX and NCDEX, Forex tips, Comex and currency tips. Based in Indore, the well qualified and dynamic team provides immaculate analysis, to supply tips and recommendations in the domestic as well as international market. Commenting on the company’s values, Vivek points out, “Adhering to client satisfaction & zero compromise, imbuing innovation & creativity, maintaining transparency, providing knowledge, information insight and high quality service with trust & reliability, the company helps clients achieve their vision and goal.” With a rigorous discovery, development, and delivery of applications, the company provides customer-focused research based services.

Vivek pioneered the boutique firm unaware about the market risk involved and client’s mindset. Initially, the business model followed by company i.e. telephonic conversations landed them in a struggle. However, by providing specific oriented services, the company curtly earned the much needed confidence among its clients. Counting on to the company’s approach of less risk and more return, Trifid Research helps organizations assemble knowledge about the risk associated with the product, their profit or loss margin and maintain transparency in the services.

“Retaining our priority i.e. the expectation of clients to be realistic, the cost comparison to the benefit of having more profit and limited risk involved,” explains Vivek. Trifid Research’s process is designed well, giving foremost priority to the safety of clients.

Across the years, the company has grown leaps and bounds by providing services to brokers, full time traders and HNI clients. The company in its long way has not only matured in terms of the size of office premises, but has also grown in terms of the number of employees as well as client. Currently, the company has 200 resources and 10,000 clients. Already having tasted success the company looks to pursue the same principles in the future. Trifid Research wishes to win a larger share of the market by providing higher returns to clients, while bearing branches all over India. Given Vivek’s industry expertise and Trifid Research’s past track record the sky is the limit for this ambitious company.

Vivekam Financial Service: Handling Over Financial Decision Control to Clients

By CR Team

The financial sector of late has been aiming to gain more flexibility in providing financial solutions to organizations and individuals. However, in the current state there exists very little scope for a diversified investment portfolio. The assets tend to be invested every quarter; helps clients manage their portfolios by providing them timely advice; renders services that Scans and restructures their portfolio for better returns. For Asset managers / Brokers, it extends its research capability and enables them replicate the model portfolios and help advise their clients on relative strength or weakness of stocks.

Brokers with exposure to retail clients will derive the maximum benefit by tying up with Vivekam to extend the extensive personalized research capability at much affordable cost.

Vivekam’s powerful systems are defying the very concept of portfolio managers by setting their own standards and eliminating human intervention. The unique proposition of Vivekam has been its ability to assign fair values for all listed companies based on their announced quarterly results. To ease the work of investors, the best 10 stocks that should be invested in is provided at all times. Vivekam started operations with a single minded focus on crafting transparency and has kept it so by developing system oriented models and processes in place. The company also proudly states, “Vivekam’s models are free from emotion, anxiety and bias.”

Another special feature found nowhere is Vivekam’s back end enabled model. It provides a facility to system how different investment strategies could have performed on user’s hypothetical dates of investments showcasing the company’s unique time tested and validated investment strategies. Vivekam’s consistency and performance has been lauded with over 2000 plus happy investors holding assets of over 200 Cr. Vivekam was recently awarded the “Business Leader Award 2014-2015” in AP & Telangana from Financial Services Category. Adding to the silverware is Vivekam’s company’s growing partnership with Sharekhan, a top broker in India. The company’s stature is on a distinctive rise and it’s only a matter of time before Vivekam achieves its goal of becoming one of the largest investment advisors in the country.
How to Get the Best from your CFO

By Vijay Krishnamurthy, Executive Director & Lead CFO Partner of MyCFO

Vijay has 30 years of operational and strategic experience in Finance, Taxation, Corporate Structuring, Legal and Secretarial functions with oversight responsibilities for other departments such as facilities and procurement. He has worked with companies across Industry segments, sizes and formats such as Smartplay Technologies, Tata Elxsi, Advanta India, VST Industries, Voltas and Price Waterhouse in the course of his career.

Traditionally, the CFO represents the Finance function, just as the CMO represents the Marketing function, the CTO the Technology function and so on. Within the finance function, the CFO is expected to deal with accounting, taxation, banking, auditing, working capital management, risk management, corporate governance, internal controls, investor relationships, budgeting, costing. He has also to deal with various tax authorities, external stakeholders, Board members, company executives, CFO’s of other companies (to share knowledge/information that may be useful to each other etc).

Many of the areas described above require specialized expertise and act as a powerful magnet attracting the CFO’s time and efforts. The CFO is required to be a specialist in these areas and at the same time, a generalist who has to deal with the variety of people and speak their language. He has to also visualize the current pace of the company and whether at the end of the year, it will achieve the targets it had planned at the beginning of the year and accordingly, adjust all the other parameters that will be impacted by the estimated results.

In essence, the CFO is required to maximize the “bang for the buck” of all transactions undertaken and in that sense, can be regarded as the Chief Efficiency Officer of the company. To illustrate with examples, if the company is planning to buy high-value assets, the CFO needs to assess whether the assets should be leased or bought outright, based on various factors eg. funds availability, cost, impact on financial ratios etc. Equally important, if not more, the CFO needs to be aware of the company’s operational requirements due to which the asset is being acquired and be satisfied that the process for justifying the asset purchase has been complied with. Otherwise, the company may land up acquiring an asset that was not required although the asset acquisition was done on the most efficient financial terms. The same principle applies in case of high value expenditures. The CFO is required to satisfy himself that the internal control processes proposing such expenditures are complied with and then assess whether those expenditures will have the highest impact before actually incurring the expenditures eg. before approving spending from the advertising budget, the CFO should assess the internal control process followed for selection of the advertising medium and satisfy himself that the advertising medium selected will have the maximum
impact for the expenditure incurred. While the CFO is not responsible for operational decisions, the CFO is required to satisfy himself regarding compliance with the internal control processes on which such operational decisions are based. Otherwise, a company may incur several crores on advertising on TV (as an example) whereas it should have actually used some other medium which had a higher effectiveness. This represents an inefficient use of money for which the CFO is responsible.

What therefore emerges is that for the CFO to be the Chief Efficiency Officer, the CFO has to be fully involved in the company’s operations and not confined to an ivory tower within which the CFO and his team will deal with the various specialized areas listed above. For this purpose,

* The CFO should be a part of various internal meetings where the functioning of each department is reviewed. This will enable the CFO to provide inputs to increase the financial effectiveness of that department’s performance and also help the CFO to evaluate better asset acquisition/expenditure proposals for that department. The CFO should not be kept out of such meetings on the logic that these meetings are for reviewing operations and do not involve any of the traditional CFO areas.

* The CFO should be involved in the legal negotiations or at least be made aware of the key issues in any long term contract with a vendor/customer before the agreement is signed. This is to avoid committing to any transaction regarding which the CFO may have some objection eg. if a contract with a vendor is assuring a particular quantity of purchases every quarter in order to avail lower purchase rates (which may enable the purchase department to lower the cost of procurement), before signing that contract, the CFO needs to be satisfied that the quantity assured to be purchased will not be in excess of the company’s requirements. Otherwise, the company will be left with unutilized inventory and storage costs.

* As a principle, the CFO should not be looked upon as a problem solver but as a problem avoider. Thus, rather than involving the CFO after the transaction has resulted in a problem that requires to be solved, the CFO should be involved at the early stage/before finally signing the contract in case of all transactions above a particular value.

CFO needs to be aware of the company’s operational requirements due to which the asset is being acquired and be satisfied that the process for justifying the asset purchase has been complied with financial effectiveness of that department’s performance and also help the CFO to evaluate better asset acquisition/expenditure proposals for that department. The CFO should not be kept out of such meetings on the logic that these meetings are for reviewing operations and do not involve any of the traditional CFO areas.

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The company will truly obtain the benefit of the CFO’s role if he plays the role of the Chief Efficiency Officer and for that, the CFO needs to be involved in key operational decisions also in addition to handling the traditional elements of the finance function.
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