



## Monthly Newsletter

### Business News

# Axis Bank Snaps Up Citigroup's India Consumer Business



Citibank, which started its India operations back in 1902 in Kolkata, has completely sold its retail banking assets to Axis Bank. Private lender Axis Bank has completed the acquisition of Citigroup's India consumer business for an overall consideration of Rs. 11,603 crore. Last year, the US bank Citigroup announced the sale of its consumer banking business, including wealth management, and loans to Axis Bank as part of its plans to exit retail operations in 13 markets.

After completion of this deal, Axis Bank would get 30 lakh unique customers of Citibank India, seven offices, 21 branches, and 499 ATMs across 18 Indian cities. Citibank India has on its official website informed its customers that "Citi India has transferred ownership of its consumer banking business to Axis Bank with effect from 1 March 2023".

**Read more at:** <https://www.businesstoday.in/latest/corporate/story/axis-bank-completes-acquisition-of-citibanks-india-consumer-business-371828-2023-03-01>



**AAA Valuation Comment:** FAxis Bank is the third largest private sector bank in India. The Bank offers the entire spectrum of financial services to customer segments covering Large and Mid-Corporates, MSME, Agriculture and Retail Businesses. Axis Bank is one of the first new generation private sector banks to have begun operations in 1994. The Bank has a large footprint of 4,758 domestic branches (including extension counters) with 10,990 ATMs & 5,972 cash recyclers spread across the country as of 31st March 2022. With a balance sheet size of Rs. 11,75,178 Crores as on 31st March 2022, Axis Bank has achieved consistent growth and with a 5-year CAGR (2016-17 to 2021-22) of 14% each in Total Assets & Advances and 15% in Deposits.

Citi began operations in India over a century ago in 1902 in Kolkata and today is a significant foreign investor in the Indian financial market. As promoter-shareholder, Citi has played a leading role in establishing important market intermediaries such as depositories, credit bureau, clearing and payment institutions. Citi helped lay the foundation of the Indian software industry by establishing Citicorp Overseas Software Ltd. and Iflex Solutions Ltd.; it pioneered the ITES industry in financial services through Citigroup Global Services Ltd. (CGSL).







## Jio-Owned Radisys Acquires WiFi Tech Player



Radisys Corp, a unit of Reliance Industries Ltd (RIL) owned Jio Platforms, will buy Mimosa Networks from US-based IT services company Airspan Networks Holdings Inc for \$60 million on a debt-free, cash-free basis. Airspan acquired Mimosa in 2018 to target cost effective fixed wireless access network connections. Mimosa has a diverse portfolio of point-to-point and point-to-multi-point products based on Wi-Fi 5 and the newer Wi-Fi 6E technologies as well as related accessories, such as twist on antennas, PoE Injectors, etc. These solutions have use cases in the backhaul requirements for 5G and FTTX/ FWA rollouts. Jio has been a major customer of Mimosa in the past.

Mathew Oommen, president, Jio said, "Acquisition of Mimosa will further accelerate Jio's innovation and leadership in the production of telecom network products that deliver value to consumers and enterprises across the globe with cost-effective, rapidly deployable fixed and mobile broadband."

**Read more at:** <https://www.fortuneindia.com/enterprise/reliance-jios-radisys-to-acquire-us-based-mimosa-networks/111852>



**AAA Valuation Comment:** Radisys is a wholly-owned subsidiary of India-based Reliance Industries. Radisys is based in Oregon and provides software and services for original equipment manufacturers such as Mavenir, Parallel Wireless and Airspan. It also works with Taiwanese companies such as Foxconn and QCT. Radisys is involved with several open source groups, including the Telecom Infra Project (TIP) and O-RAN, as well as the ONF. The company's leaders are big champions of disaggregation in networks, using white box hardware that runs open source software.

Airspan is a U.S.-based provider of groundbreaking, disruptive software and hardware for 5G networks, and a pioneer in end-to-end Open RAN solutions that provide interoperability with other vendors. As a result of innovative technology and significant R&D investments to build and expand 5G solutions, Airspan is well-positioned with 5G indoor and outdoor, Open RAN, and private networks for enterprise customers and industrial use applications, fixed wireless access (FWA), and CBRS solutions to help mobile network operators of all sizes deploy their networks of the future. Airspan has global scale with over one million cells shipped to 1,000 customers in more than 100 countries. Geographically, it derives a majority of revenue from Japan. Eric Stonestrom, chairman and CEO of Airspan said, "We are excited about this transaction. It not only puts a very capable product team with one of the world's most innovative and transformative technology and telecommunications companies, but it also strengthens Airspan's balance sheet enabling the company to pursue 4G and 5G private and MNO networks which have been our main focus."







# HSBC To Acquire SVB's UK Unit For GBP 1

HSBC bought the UK arm of Silicon Valley Bank for a symbolic one pound on Monday, rescuing a key lender for technology start-ups in Britain, as the biggest bank collapse since the financial crash continued to roil markets. The deal, which sees one of the world's biggest banks, with \$2.9 trillion of assets, take the doomed British arm of



the tech lender under its wing, brought to an end frantic weekend talks between the government, regulators, and prospective buyers. SVB UK has loans of around 5.5 billion pounds and deposits of around 6.7 billion pounds, HSBC said, adding the takeover completes immediately. The Bank of England said SVB UK had a total balance sheet size of around 8.8 billion pounds. According to HSBC CEO Noel Quinn, "This acquisition makes excellent strategic sense for our business in the UK".

The rescue of SVB UK was welcomed by British government ministers, regulators and technology start-ups, who said customers would be able to bank as normal. Britain's finance minister Jeremy Hunt said, "HSBC is Europe's largest bank, and SVB UK customers should feel reassured by the strength, safety and security that brings them. We were faced with a situation where we could have seen some of our most important companies - our most strategic companies - wiped out, and that would have been extremely dangerous."

**Read more at:** <https://www.businessinsider.in/international/news/silicon-valley-banks-uk-unit-has-been-sold-to-hsbc-for-1-21/articleshow/98602709.cms>

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**AAA Valuation Comment :** London-based HSBC Established in 1865 in Hong Kong, It is one of the largest banks in the world with assets of USD 3 trillion and 40 million customers worldwide. It serves approximately 39 million customers through its global businesses: wealth and personal banking, commercial banking, and global banking & markets. HSBC's network covers 62 countries and territories in Europe, Asia, the Middle East, Africa, North America, and Latin America. It is listed on the London, Hong Kong, New York, and Bermuda stock exchanges. Shares in HSBC Holdings plc are held by around 180,000 shareholders in 126 countries and territories.

Silicon Valley Bank (SVB) was founded in 1982, is a specialized commercial bank headquartered in Santa Clara, California. The bank provides financial services and solutions to technology and life sciences companies, venture capitalists, and private equity firms. SVB offers a range of banking and financial services such as deposit accounts, lending services, treasury management, and international banking services. Additionally, SVB has professional services divisions, including investment banking, asset management, and brokerage services. Since its inception, the bank has expanded its presence globally, with additional offices in the United States, China, India, Israel, and the United Kingdom.

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## General Atlantic-Backed Digital Insurer Acko Acquires Parentlane



General Atlantic-backed online insurance platform Acko has acquired Parentlane, a digital health platform for new mothers and infants, for an undisclosed sum. The platform claims to currently have over 2 million users consuming personalized content and healthcare services. Acko, which is in talks to raise up to \$150 million, forayed into retail health insurance, a sector dominated by offline players, besides offering motor and embedded insurance. The latest acquisition will be an add-on to its offerings, aligning with its strategy of building its healthcare product.

Vijay Anand, co-founder and chief executive of Parentlane, will join the Acko leadership team as per the terms of the deal. "As we offered comprehensive care to young couples during one of their most important life milestones, we discovered the value that insurance brings to customers and how it could potentially become the primary gateway for consumers to access healthcare services," said Anand.

According to founder of Acko, Varun Dua, "Parentlane has built a successful engagement-led technology platform for maternal health, which we believe will play a significant role in helping us provide comprehensive healthcare services to our customers and expand beyond the core insurance offerings".

**Read more at:** <https://www.cnbc18.com/business/companies/acko-acquires-parentlane-to-strengthen-its-content-healthcare-delivery-capabilities-16196621.htm>

“ **AAA Valuation Comment** : Acko is a digital-first insurance company based in India, founded in 2016. It uses technology extensively to simplify the insurance buying and claim processes for consumers. The company offers a range of insurance products including motor insurance, health insurance, and travel insurance, to 50 million unique customers. It has raised over \$200 million in funding from prominent investors such as Accel, Amazon, and SAIF Partners.

Bengaluru-based Parentlane, founded in 2015 by Anand and Neeraj Kumar Gupta, is a technology platform that offers healthcare solutions, personalized assistance and support to new parents starting from preconception to the most critical early childhood development phase. It partners with hospitals across the country to offer these services. It is designed to make parenting easier by providing a comprehensive digital platform that includes expert advice, practical tips, and tools tailored to the needs of parents.

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## UBS to buy Credit Suisse in a historic deal brokered by Swiss government



UBS agreed to buy rival Swiss bank Credit Suisse for 3 billion Swiss francs (\$3.23 billion) and agreed to assume up to \$5.4 billion in losses, in a shotgun merger engineered by Swiss authorities to avoid further market-shaking turmoil in global banking. UBS Group AG, Switzerland's largest banking group, has agreed to acquire the crisis-hit Credit Suisse Group AG in a historic, government-brokered deal.

The 167-year-old Credit Suisse is the biggest name ensnared in the turmoil unleashed by the collapse of US lenders Silicon Valley Bank and Signature Bank over the past week, spurring a rout in banking stocks and prompting authorities to rush out extraordinary measures to keep banks afloat. Credit Suisse shares lost a quarter of their value in the last week. It was forced to tap \$54 billion in central bank funding as it tries to recover from a string of scandals that have undermined the confidence of investors and clients.

**Read more at:** <https://economictimes.indiatimes.com/news/international/business/ubs-to-buy-credit-suisse-for-nearly-3-25b-to-calm-turmoil/articleshow/98788853.cms>



**AAA Valuation comment:** UBS, formerly known as the Union Bank of Switzerland, Founded in 1862, is a multinational diversified financial services company with headquarters in Zurich and Basel. UBS is involved in virtually all major financial activities, including retail and commercial banking, investment banking, investment management, and wealth management. It operates in over 50 countries worldwide with close to 60,000 employees. As of May 2022, UBS is the third largest bank in Europe with a market capitalization of \$63 billion. It is one of the nine global "Bulge Bracket" banks. It has over CHF 3.2 trillion in assets under management (AUM), approximately CHF 2.8 trillion of which are invested assets. In June 2017, its return on invested capital was 11.1%, followed by Goldman Sachs' 9.35% and JPMorgan Chase's 9.456%.

Credit Suisse Group, which Founded 1856, is Switzerland's largest bank and one of the ten largest financial services companies in the world. The group is organized into five business units: Credit Suisse Volksbank, which provides consumer and business banking within Switzerland; Credit Suisse Private Banking, which is one of the largest private banking operations in the world; Credit Suisse First Boston, which handles the group's worldwide investment banking activities; Credit Suisse Asset Management, which manages funds for institutional investors worldwide; and Winterthur, which was acquired in mid-1997 and is a global insurance group and one of the largest insurers in Europe. The bank was at the center of multiple international investigations for tax avoidance which culminated in a guilty plea and the forfeiture of US\$2.6 billion in fines from 2008 to 2012. By the end of 2022, Credit Suisse had approximately CHF 1.3 trillion in assets under management.







## PhysicsWallah Strikes Maiden Overseas Bet With UAE Firm Knowledge Planet

Edtech unicorn PhysicsWallah has acquired United Arab Emirates (UAE)-based edtech startup Knowledge Planet, marking its foray into the global market with an undisclosed amount. PhysicsWallah said in a



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statement that it will leverage Knowledge Planet's established school partnership machinery to reach the maximum number of students in the MENA (Middle East and North Africa) region. PhysicsWallah will offer SAT preparation to students looking toward the West for higher education with the acquisition. The deal will also help the company provide one-on-one STEM courses.

According to Bharti Gupta, "Knowledge Planet has been on a mission to provide excellent higher education opportunities to Indian expats in the Middle East through in-depth training to help them succeed. We are well-aligned with Alakh Pandey's vision to offer high-quality education at scale in the Middle East".

**Read more at:** [//www.vccircle.com/physicswallahstrikes-maiden-overseas-bet-with-uae-firm-knowledge-planet](https://www.vccircle.com/physicswallahstrikes-maiden-overseas-bet-with-uae-firm-knowledge-planet)

“ AAA Valuation Comment : PhysicsWallah, founded in 2020 by Prateek Maheshwari and educator Alakh Pandey, helps students prepare for engineering and medical entrance exams through lectures and sessions on YouTube, the PhysicsWallah app, and its website. It competes with Byju's, Unacademy, and Vedantu, among others. It became a unicorn in June last year after raising \$100 million in its Series A funding round from Westbridge and GSV Ventures. It had previously acquired medical preparation platform PrepOnline, books publisher Altis Vortex, upskilling platform iNeuron.ai, and doubt-solving startup FreeCo.

Prateek Maheshwari, Founder of PhysicsWallah, said, "We're looking to build across categories, primarily test prep, upskilling, and international. Our acquisition strategy is evolving continuously."

Knowledge Planet was founded in 2011 by Monika Oli and Sachin Bharti Gupta. The company provides test preparation for entrance exams such as Joint Entrance Examination and National Eligibility cum Entrance Test. It currently has 13 centers operating across the Middle East and also works in school partnerships.







## First Citizens Bank Agrees To Buy Silicon Valley Bank



First Citizens BancShares Inc will acquire Silicon Valley Bank's deposits and loans as well as certain other assets from the Federal Deposit Insurance Corporation (FDIC). Under the deal, unit First-Citizens Bank & Trust Company will assume SVB assets of \$110 billion, deposits of \$56 billion and loans of \$72 billion. The FDIC said the purchase of about \$72 billion of SVB's assets came at a discount of \$16.5 billion.

**Read more at:** [https://www.reuters.com/markets/deals/first-citizens-said-be-near-deal-silicon-valley-bank-bloomberg-news-2023-03-26/#:~:text=March%2027%20\(R%20euters\)%20%2D%20First,ripped%20through%20global%20financial%20markets.](https://www.reuters.com/markets/deals/first-citizens-said-be-near-deal-silicon-valley-bank-bloomberg-news-2023-03-26/#:~:text=March%2027%20(R%20euters)%20%2D%20First,ripped%20through%20global%20financial%20markets.)



First Citizens Bank, a financial institution headquartered in Raleigh, North Carolina, United States was founded in 1898 and has since grown to become one of the largest family-controlled banks in the country, with over 550 branches and offices in 19 states. First Citizens Bank offers a range of banking products and services, including personal and business checking and savings accounts, loans, mortgages, wealth management, and investment services. The bank is known for its focus on customer service and has consistently received high ratings in customer satisfaction surveys. First Citizens has around \$109 billion in assets and total deposits of \$89.4 billion. As of December 31, 2019, the company operated 574 branches in 19 states; however, 72% of the bank's deposits were in North Carolina and South Carolina.

Silicon Valley Bank (SVB) was founded in 1982, is a specialized commercial bank headquartered in Santa Clara, California. The bank provides financial services and solutions to technology and life sciences companies, venture capitalists, and private equity firms. SVB offers a range of banking and financial services such as deposit accounts, lending services, treasury management, and international banking services. Additionally, SVB has professional services divisions, including investment banking, asset management, and brokerage services. Since its inception, the bank has expanded its presence globally, with additional offices in the United States, China, India, Israel, and the United Kingdom.







## **AAAVP MONTHLY HIGHLIGHTS**

### **Knowledge sharing Sessions by Partner :**

- Founder Partner Ankit Goel addressed a virtual session on "Good practices prescribed in European Valuation Standards [EVS]" presented by Assessors and Registered Valuers Foundation on Saturday, March 04, 2023.

### **Valuation Assignment Received :**

- Secured assignment for valuation under all asset class i.e. Securities and financial asset, Plant and Machinery & Land and Building of companies engaged in the business of Machinery & equipment, Metals & Minerals, Chemical, Textile, Energy, Real-estate and agro-food companies with combined Book value of assets valued at Rs.105.03 Crores.

### **Valuation Assignment Completed :**

- Report on Valuation of companies engaged in the industries of Entertainment, Renewable Energy, Real Estate, Paper Manufacturing and Electricity distribution under all asset class i.e. Securities and financial assets, Plant and Machinery & Land and Building.





## Interesting Trivia :

- 1 India is building 26 Green Expressways.
  - 2 Indian Airlines are expected to Order 1,500 to 1,700 Planes in the Next Few Years.
  - 3 Saudi's Qiddiya entertainment city is going to stretch over 334km. 34 km<sup>2</sup> of the total area will be developed while the rest will be allocated to the safari area and for future developments.
  - 4 Unreserved Tickets and Platform tickets can be purchased online through the UTS App.
  - 5 One of the quirkiest office buildings in the world is the Cybertecture Egg in India.
  - 6 India's Defence Export Crossed \$1.5 Billion (Rs. 13,000 Crores) till March 2023 to more than 80 countries.
  - 7 Big Basket is the biggest Indian e-Grocery Market Player with 37% Share.
  - 8 India's 5G rollout is among the fastest in the world. It has been expanded to over 125 cities just within 120 days of the launch.
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