

GENERATED ON **23/12/2022**

RISK EXPOSURE REPORT

Prepared for
Mudit_Test_Company



Company Profile

Company Name: **Mudit_Test_Company**

Industry Type: **Engineering Workshop**

Industry Sub Type: **Metal Extraction, Ore Processing**

Estimated Annual Turnover: **1234567**

Estimated Asset Value: **1234567**

Number of Employees: **1234**

Industry Outlook

Engineering is one of the largest industrial sectors in India. According to the National Association of Software and Service Companies (NASSCOM), India's share in the global engineering and research and development (ER&D) market is likely to expand at a CAGR of 12-13% to reach US\$ 63 billion by 2025.

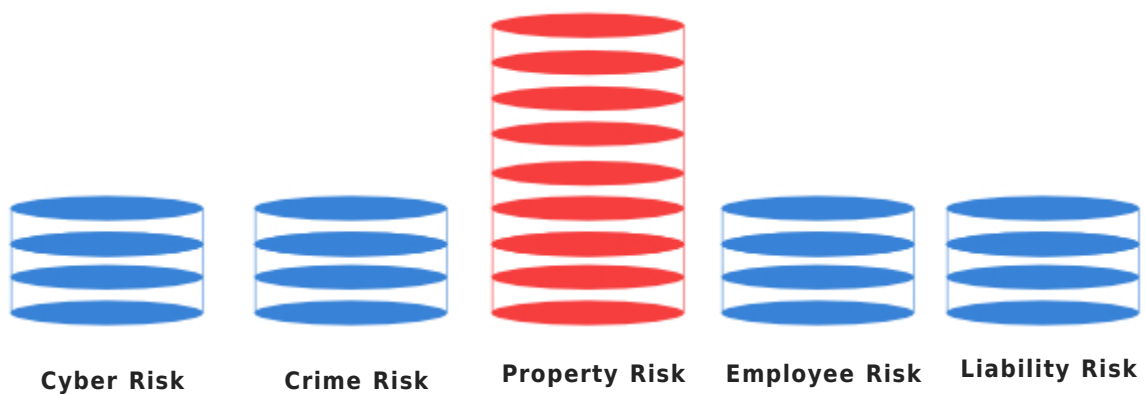
Some of the key market trends to look out for in 2022 and beyond are:

1. **Diversification** - Several companies in the engineering sector have diversified, either geographically (mainly to Middle Eastern countries) or sector-wise e.g., Larsen and Toubro (L&T) have diversified into power equipment manufacturing, Thermax has entered the power utility segment, Reliance Industries diversified into telecom, power generation, fertiliser and retail sectors.
2. **Entry of International Companies** - With 100% FDI allowed through the automatic route, major international players such as Cummins, GE, ABB and Alfa Laval have entered the Indian engineering sector due to growth opportunities.
3. **Partnership** - Companies across this sector are partnering with technology providers to enhance their capabilities and sustain the market uncertainties. E.g., In February 2022, Microsoft India and Larsen & Toubro (L&T) signed a Memorandum of Understanding (MoU) to build a regulated sector cloud product. The two businesses will collaborate with a select group of significant customers in regulated industries to design architectures and roadmaps to help them achieve their digital transformation goals and transition traditional data centres to hybrid cloud architecture.

Risk Outlook

 Extreme Risk

 Medium Risk



Risk Insights

- - Cyber attacks have been rated the top business risk in 2022 and become the new norm across public and private sectors.
 - This risky industry continues to grow in 2022 as IoT cyber attacks alone are expected to double by 2025.
 - Cybercrime will cost companies worldwide an estimated \$10.5 trillion annually by 2025, up from \$3 trillion in 2015.
- As per PwC's Global Economic Crime and Fraud Survey (GECS) 2022, 52% of Indian organizations experienced fraud or economic crime within the last 24 months:
 - Out of these 17% of the companies lost between USD 1Mn - 50Mn.
 - 43% of the frauds were caused by external perpetrators, 33% by internal perpetrators and 24% was caused due to a collusion between internal and external actors.
- - 2021 has been unparalleled when it comes to the talent exchange we are witnessing across sectors.
 - The overall annualized attrition number for 2021 stands at an astounding 20% which is a record high since 2011.
 - Engineering and manufacturing sector saw an attrition rate of 8% which was towards the lower side as compared to other industries.
- - Indian legal environment is changing very fast and the legal expenses of companies are also increasing each year. The legal requirement of industries varies from industry to industry.
 - As per the analysis of various costs incurred by different industries over a period of 10 years (2010-2019), the legal cost incurred by the engineering & construction industry was 0.44% of their total expenses and 0.47% of their 10 year average sales revenue.

Why Ragnall

We, at Ragnall, build partnerships with your organization that goes beyond pure risk transfer and offer a variety of additional services, like assessing your risk exposure, crisis management support or help with preventative measures. At Ragnall, we have specialized underwriters and product experts who take time to understand your business and procure protection from the most appropriate source according to your needs.

KNOW MORE

This report has been prepared by

Ragnall Insurance Broking and Risk Management Pvt Ltd. A-702, Rustomjee Central Park,
Andheri - Kurla Rd, Chakala, Andheri East, Mumbai 400093

For information, please visit - <https://www.ragnall.co.in>



Disclaimer:

This assessment is provided for informational purposes only. Risk-related analyses and statements in this assessment are statements of opinion of possible risks to entities as on the date they are expressed, and not statements of current or historical fact as to the security of any entity. You should not rely upon the material or information in this report as a basis for making any business, legal, or any other decisions. Ragnall or MSME Accelerate shall not be liable for any damages arising in contract, tort or otherwise from the use or inability to use this report, or any action or decision taken as a result of using the report. Neither Ragnall nor MSME Accelerate warrant that (i) the assessment will meet all your requirement; (ii) the assessment will be uninterrupted, timely, secure or error-free; or (iii) that all the errors in the assessment will be corrected.

