



GENERATED ON 31/01/2023

RISK EXPOSURE REPORT

PREPARED FOR MUDIT_TEST_COMPANY



COMPANY PROFILE

Company Name:	Mudit_Test_Company
Industry Type:	Real Estate & Housing
Industry Sub Type:	Mortgage Company
Estimated Annual Turnover:	1000000
Estimated Asset Value:	1000000
Number of Employees:	100

INDUSTRY OUTLOOK

Real estate sector in India is expected to reach US\$ 1 trillion by 2030. By 2025, it will contribute 13% to the country's GDP. Some of the key market trends to look out for in 2022 and beyond are:



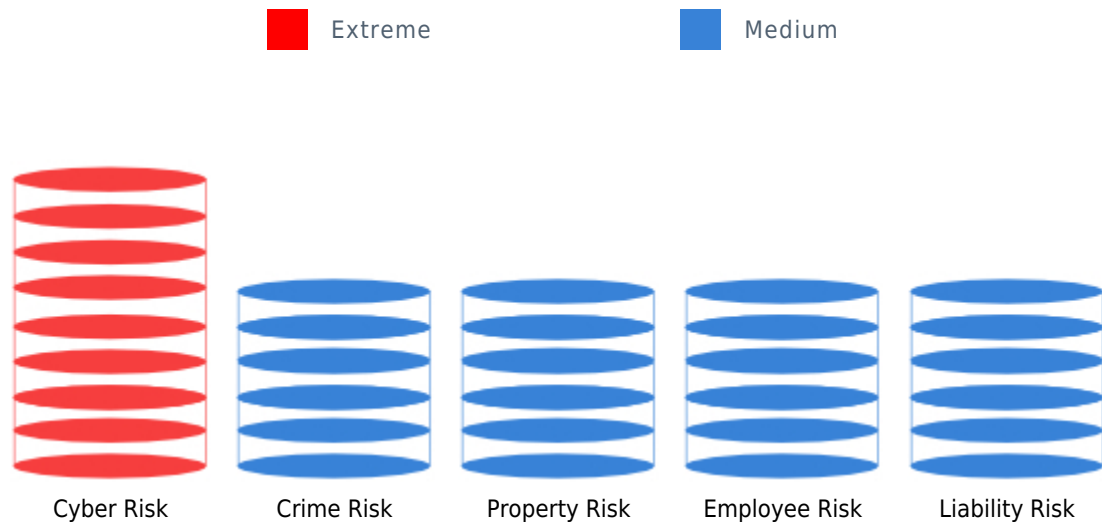
Demand for residential space expected to grow sharply - Share of the top listed developers in the Indian residential market is expected to increase to 29% in FY24, from 25% in FY21, driven by a strong pipeline for residential project launch.

Metros driving demand for commercial space - Within the Commercial Real Estate space the operating model has shifted from sales to lease & maintenance. By 2023, commercial space is expected to reach at 50 million sq. ft. mainly driven by sectors - IT-BPO, pharma, engineering and manufacturing.

Retail space likely to see strong growth - Currently, retail accounts for a small portion of the Indian real estate market. However, owing to a boom in consumerism in India, this sector is expected to witness string growth in the coming years. According to Anarock, a property consultant, India is likely to have 100 new malls by 2022. Of this number, 69 malls will be built in the top seven metropolis and the remaining 31 malls will be in Tier 2 & 3 cities.

Hospitality market to witness large incremental capacity - NCR and Mumbai are by far the biggest hospitality markets in India, followed by Bengaluru, Hyderabad and Chennai. However, Government initiatives to promote tourism in tier II and tier III cities is generating significant demand for hotels in such cities, especially budget hotels.

RISK OUTLOOK



RISK INSIGHTS

Liability

- 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 real estate & construction industry was 0.44% of their total expenses and 0.47% of their 10 year average sales revenue.

Employee

- 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.
- Global talent shortages has reached a 16-year high as 3 in 4 (75%) employers report difficulty finding the talent they need.

Crime

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.

Cyber

- Cyber attacks have been rated the top business risk in 2022 and have become the new norm across public and private sectors.
- Between November 2020 and October 2021, 5212 organizations worldwide experienced data breaches out of which 1.4% belonged to the real estate industry.
- 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.

WHY RAGHNALL



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