

ACCESSING CAPITAL MARKETS

A three-phase approach

Initial Public Offers (IPOs) began flooding stock markets since mid 2020 and this trend continues even in 2021.

Going public can be an attractive and strategic option to fund growth and access deep liquidity pockets, however, getting there is often a time-consuming and daunting process. Preparation is the key to a successful IPO and developing a comprehensive and forward-looking strategy is critical for long-term success. Responsibilities, financial structures, and management policies also undergo fundamental changes before and after the process, thus requiring businesses to ensure readiness and preparedness before deciding to go public.


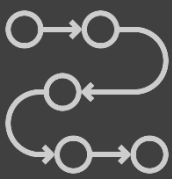

For businesses considering the 'Going Public' decision as a priority, it is imperative for managements to evaluate and address financial reporting, governance, regulatory & accounting considerations, amongst the many other items on the 'Going Public' checklist.

To provide businesses an overview of the key aspects that need to be addressed through this transition, we have divided this exhaustive process into three critical phases.

- ▶ **'Readiness' Phase:** The process of going public can be a long and exhausting one. Initiating and planning a capital markets transaction requires thorough and meticulous planning and adherence to procedures and regulations relating to its issuance. It is important to set up and follow a strategy in order to plan adequately, anticipate issues and prepare a variety of solutions. Preparing for the transition should begin early since responsibilities, financial structures, and management policies are fundamentally different before and after going public.
- ▶ **'During listing' Phase:** This journey entails the period during which the transaction is executed. There are also certain considerations once the kick-off meeting has been initiated. The effort required to prepare an organisation during this key phase is often underestimated, however, it is critical to maximise investor confidence and credibility to ensure that the issue is successful.
- ▶ **'Post Listing' Phase:** A newly listed entity has the luxury of a whole new beginning. However, along with the success of listing, comes responsibilities, stakeholders' expectations, regulatory compliances etc. The 'Post Listing' phase comes with its own set of challenges, and it is imperative to ensure stability in terms of processes and systems so that the entity can concentrate on fulfilling its business goals that it set out in the prospectus.

OUR SERVICES

At BDO in India, our team of cross-functional experts handhold businesses through this significant journey, right from the initial planning stage to the final filing of the offer document and even thereafter, providing complete assistance and guidance through each phase of the process.

	DEAL ADVISORY	ACCOUNTING & FINANCIAL REPORTING	TAX & RESTRUCTURING	RISK MANAGEMENT, INTERNAL PROCESSES, SYSTEMS & CONTROLS	PROJECT MANAGEMENT OFFICE (PMO)
READINESS 	<ul style="list-style-type: none"> SWOT analysis of various capital raising jurisdictions Preparation of the business plan taking into consideration industry analysis and financial ratios to pitch to I-Bankers Assess investor relations needs Assess working capital needs and advise on efficient working capital management 	<ul style="list-style-type: none"> Assess accounting & financial information gaps & needs Help identify, analyse, implement the required financial reporting (IND AS/US GAAP/IFRS) conversion impact areas Develop project plan & position papers Analyse the reporting and restatement requirements for the Offer Document in compliance with ICDR Identify the basis of preparation of proforma financial statements and related technical accounting issues in compliance with ICDR Evaluate existing processes to prepare financial information in a reliable and timely manner Corporate governance/Compliance gap analysis 	<ul style="list-style-type: none"> Assess & advise on corporate/promoter's shareholding restructuring Tax cost optimisation and compliance Tax Technology: Process digitisation and automation Prepare policies on related party transactions Evaluate alternative equity compensation structure 	<ul style="list-style-type: none"> Internal Financial Control framework SOX readiness Internal audit planning Business process design / SOP Operational functions MIS design IT process and control design 	<ul style="list-style-type: none"> Assist in identifying the stakeholders Guide/insights on the appointment of the appropriate legal counsel and merchant banker Assist in drawing up project plan
DURING LISTING 	<ul style="list-style-type: none"> Assist with drafting of the equity story, industry section, risk factors and MD&A in the offer document Perform independent business valuation, valuation of ESOPs Inputs on communications needs and investor relations protocols 	<ul style="list-style-type: none"> Assist in preparing financial information and disclosures in accordance with the identified reporting standards required for prospectus in compliance with ICDR & CA 2013 Prepare the Accounting Policy Manual, accounting position papers by analysing technical literature Assist in responding to SEBI/SEC comments 	<ul style="list-style-type: none"> Tax benefits certification for DRHP Develop an appropriate tax structure and strategy 	<ul style="list-style-type: none"> Help develop employee benefit & compensation plans and agreements Support in recruiting and reorganisation Advise on board/committee composition and requirements in compliance with LODR Develop necessary charters, code of conduct and a framework for board evaluation and training 	<ul style="list-style-type: none"> Liaise with underwriters and attorneys; participate in meetings with auditors Set up/manage data rooms
POST LISTING 	<ul style="list-style-type: none"> Advise the management to deal with stakeholders including investors Conduct perception study Provide advice on presentation of quarterly financial results Review of capital structure and debt financing alternatives 	<ul style="list-style-type: none"> Assist in preparing quarterly and annual financial statements within reporting timelines in accordance with LODR & CA 2013 Evaluate the impact of emerging accounting standards Update Financial Statement Closing Process as applicable to a listed entity Update Accounting Policy Manual Staff Loaning <ul style="list-style-type: none"> Finance team augmentation HR team augmentation Secretarial team augmentation Perform corporate governance compliance (ongoing & incremental) and transparency enhancement 	<ul style="list-style-type: none"> Global tax management Transfer pricing support Tax technology <ul style="list-style-type: none"> Tax process digitisation and automation Tax litigation management 	<ul style="list-style-type: none"> Enterprise risk management framework Internal Audit Operating cost efficiency, working capital cycle and treasury improvement Anti-bribery & corruption/Ethics framework Digital transformation and robotic process automation Network and data security IFC/ SOX testing Analytics and business intelligence 	

TECHNICAL ABBREVIATIONS

ICDR : SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

IFC : Internal Financial Controls

LODR : SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

SOX : Sarbanes-Oxley Act of 2002

CA 2013 : Companies Act 2013

WHY US

We are a PCAOB (Public Company Accounting Oversight Board) registered firm.

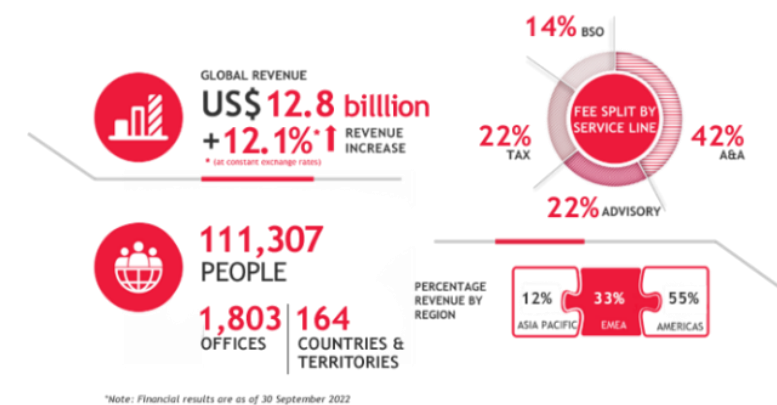
Our multi-disciplinary team of dedicated professionals are well poised to work with you through each phase of the journey; including creating an equity story and assistance with finding appropriate partners viz attorneys, investment bankers, registrars and team members.

Our experts work closely with your management and leadership teams on the development of corporate governance policies, prepare the business for auditing internal controls, review financial reporting requirements, and even assist in building the necessary digital backbone required for smooth operations.

ABOUT US

BDO Global

BDO is a leading professional services organisation and are global leaders of the mid-tier, with a presence in 160+ countries and over 111,300 people working out of more than 1,800 offices. We endeavor to deliver an exceptional client experience through a tailored solutions approach, while partnering with our employees and clients globally.



InSync with BDO India

Season 2 of InSync with BDO India focused on **Going Public**, discussing in detail each phase in the IPO journey. The season brought together views and insights from industry experts on decisions that prompted going public and experiences of launching IPOs.

In case you missed out on the season or an episode, you can **watch the recordings** of the sessions by clicking on the blocks below.

InSync with BDO India
Season 2 focus: **Going Public**

EPISODE 1
WILL INDIAN COMPANIES
FIND SPAC-E IN THE SPAC MARKET

26 May 2021, 6:00pm to 7:30pm IST

InSync with BDO India
Season 2 focus: **Going Public**

EPISODE 2
MISSION IPO: THE BEGINNING

30 June 2021, 16:30 to 17:45 IST

InSync with BDO India
Season 2 focus: **Going Public**

EPISODE 3
MISSION IPO: THE JOURNEY

29 July 2021: 16:30 - 17:45 IST

InSync with BDO India
Season 2 focus: **Going Public**

EPISODE 4
MISSION IPO: THE DESTINATION

31 August 2021: 16:30 - 17:45 IST

CAPITAL MARKETS TEAM

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