



**TRANSACTION
SQUARE**

Transaction Square Opens Family Office Vertical, Eyes IPO

*Homegrown M&A Advisory Firm Carves Out
Niche In Vacuum left by Big firms*

By Pavan Lall



It's no secret that India's financial services sector started to evolve more significantly only after the markets and the economy opened up in the early nineties. Investment banks, stock brokerages and other parts of the financial ecosystem grew in both scale and sophistication along with the economy. In that context, large auditing practices have been the mainstay of 'the Big 4', but there has been movement with the growth of smaller home-grown firms who are striving towards carving out a niche. A case in point is **Transaction Square** which was founded in 2018 by a handful of former execs from the Big 4 Firms - Girish Vanvari, Vikram Naik, Saloni Khandelwal, Amol Khanna and Chirag Shah.

By the numbers:

2018: Team- 30 Offices- 6 Clients- 30+

2019: Team- 150 Offices- 9 Clients- 300+

2020: Team- 200 Offices- 13 Clients- 700+

2021: Team- 250 Offices- 14 Clients- 900+

2022: Team- 350 Offices- 14 Clients- 1200+

Source: Company

Girish Vanvari, Co-founder at the firm says that at the very onset the idea was to build an outfit with like-minded people. *“Four people from KPMG, one from EY, and one from PwC, felt that you need a firm which is client focused, without too many procedures and systems. The market was evolving. We saw clients wanting answers, not just options, and they wanted people to handhold them till the end, and not just give advice and move on”*, he says. Transaction Square was comprised of 30 people who left EY, KPMG and PwC and in five short years, it has grown into a team of 350 employees, 13 offices in India and 1 overseas with over 1200 clients here.



“The firm is called Transaction Square because that’s how the thought-process was conceived”, says Vanvari. But it’s also a full-fledged tax accounting and regulatory process at work. *“We do valuation, diligence, all complexities of M&A various kinds of tax, accounting, and we advise people on IPOs, on complex M&A restructuring, and complicated tax regulatory accounting issues. Then we also look at family offices, where we*

help HNI's for their tax and regulatory and migration, and so on", Vanvari adds.

According to the Founders the most important differentiator with Transaction Square is its dynamic service-delivery style. **Amol Khanna**, Co-founder at Transaction Square who is based in Gurgaon says that the biggest differentiator with Transaction Square is being there for clients as a trusted business advisor. *"We were with a client at their office in person against all odds of COVID since that deal/ that issue meant life to the client. Seeing the client through the finish line has always been how we approach a case and that makes us a reliable partner for the client", he says.*

Clients concur.

"The kind of comfort and personal attention that Transaction Square provide to their clients is unique... typically a normal Investment Banking team's focus is generally first on commercials than the deal itself, but Transaction Square puts the client's needs first and goes way beyond in ensuring all hurdles are resolved in time and deal gets successfully concluded", says Nikhil Nanda, Chairman and Managing Director, Escorts Kubota. *"The philosophy of 'Client First' is something we have experienced personally."*

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That sort of service becomes all the more valued in times when markets are challenged.

During the COVID period, many large transactions took place which involved rigorous brainstorming, negotiations, documentations, implementation steps which needed the advisor's physical presence. *"We had situations where the counterparty was overseas or in a different city*



and due to travel restrictions could not travel, but this did not deter us from being available in-person with the client in their critical decision-making moments, be it day or overnight if the job demanded happens.

Personalized attention at the end makes all the difference and no matter how small or big a transaction for that client it's their everything", Khanna says, adding that one can never underestimate that.

In some ways, the pandemic actually helped the firm. *"At the time we worked from the office, we travelled and met clients, and the base kept growing here. So one client referred us to another. And as clients grow, so do the opportunities and to be very fair, and honestly you know, just focusing on clients with a no-frills approach works for us",* Vanvari said.

Key clients include **Aurobindo Pharma, Sequoia, Zydus Group, TVS Group, The Murugappa Group, the Hero Group, Cipla, Sun Pharma** and others. Transaction Square has advised on deals worth more than \$20 billion in total to date, its officials state.

How does Transaction Square prevent being spread too thin? Khanna says the strong founding team that includes five Founders means all clients get the Founder's attention whenever they need it. *"There's also a strong senior management team right below the founders which then allows the founders to focus bandwidth on the big picture."*

Who is the competition for them?

Vanvari says it would be different for different services. *“So the Big 4 would compete with us for M&A restructuring. And for family offices, there are individuals who compete with us. There are a few similar firms like ours but which are more into international taxation. We are a more M&A restructuring kind of firm.”*



There's also another facet that sets Transaction Square apart.

“Unlike the Big 4, we don't have a global parent, we don't have global funding, so we are agile, nimble, and client focussed. We get what we choose to work on,” Vanvari says.

That also influences how they end up working and their corporate culture. *“We don't have designations. We don't have appraisals. We all do it together. So there is no, like the head of Bombay and all that...we work as a team together. So everybody looks at everything. We are all client focussed, and that's the key”,* Vanvari adds.

The Long-Term Plan



But it's not just growth and profit that Vanvari and his Co-founders are chasing; they have bigger plans. *“Going public isn't just a prospect for Transaction Square, it is a goal. We are waiting for EY (Ernst & Young) to list, and We will be the first (Indian) listed company. We want to create history”,* Vanvari says.

If his team and firm keep up the kind of growth they have been showing they may well be able to do so.