

Indian Outbound Direct Investments have seen a great shift over the last couple of decades, with investment strategies moving from natural resource-focused foreign investments to tax-arbitrage to access to global markets/supply chains to technology acquisitions.

Some of the leading sectors of interest to Indian companies in the last decade have been Information Technology, pharmaceuticals, automotives, consumer goods and business/financial services.

With the Indian Information Technology sector facing muted domestic growth, and staring at the end of a long era of international labor-cost arbitrage in the sector, the IT majors in India, including TCS, Wipro, Infosys, HCL, Tech Mahindra are looking to diversify and reposition themselves as global innovation leaders, through domestic and overseas technology acquisitions. As a case in point, in July, Tech Mahindra, acquired a US-based strategic design consultancy firm to strengthen its capabilities in customer experience, digital transformation, and data science and analytics.

The pharmaceutical sector, likewise, while still experiencing steady domestic growth is facing a slowdown in foreign markets due to a decline in the generic business (especially in the US, on account of mounting competition and growing regulatory challenges), thereby necessitating a move up the pharmaceutical value chain for Indian companies through investments in new formulations and pharma technologies.

In Jul-Aug, multiple outbound investments were made by Indian companies in the healthcare sector. These investments, in addition to bolstering the R&D and production capabilities, are also expected to create access to newer and more niche markets for the Indian pharma companies, thereby expanding their global customer base.

On the domestic front, manufacturing (and consequently economic) activity in India continued its skid in July and August, with the Purchasing Managers' Index (PMI) declining to 51.4 in August from 52.5 in July. However, despite the continued decline, the PMI stayed well above the 50-point mark, allaying any immediate fears of contraction in the economy.

*On another note, we are pleased to inform our readers about the SelectUSA 2020 Investment Summit to be hosted in Washington D.C. by the U.S. Department of Commerce's International Trade Administration in June next year. Registration for the Summit is now LIVE and even more exciting is the SUPER EARLY DISCOUNT offer. You are invited to register by applying on the link : [Click Here](http://www.selectusasummit.us) or kindly visit [www.selectusasummit.us](http://www.selectusasummit.us) before December 31st, 2019.*





# FEB 26-28.2020

## 9TH SC AUTOMOTIVE SUMMIT

Hyatt Regency, Greenville, SC

Hosted in Greenville, the event will draw C-level executives and key decision makers of OEMs, tier one, two and three suppliers, leading research institutions and other corporations directly linked to the automotive industry. The event includes a matchmaker segment for providing suppliers already present in SC an opportunity to meet with desired OEMs and tier one companies.

### Keynote Speakers

A full roster of community leaders and industry experts including SC Secretary of Commerce Bobby Hitt and top execs from KPMG, Magna International, Silicon Valley Mobility, SC Technology and Aviation Center and SC Ports Authority.

### Event Overview

The event aims at facilitating the state's network of automotive companies in collaboration with the SCAC to promote the continued growth and strengthening of the automotive industry by partnering with state and local organizations in workforce and economic development efforts.

Presented By



**Automotive related companies and suppliers**

**State's manufacturing employed by the sector**

**Total Economic impact by Automotive cluster**

**Automotive jobs from 2011-2018**

### FOR MORE INFORMATION

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## Tech Mahindra to acquire US design consultancy MadPow



Software services company Tech Mahindra Ltd has acquired a majority stake in US design consultancy MadPow Media Solutions LLC .

The Indian company has acquired a 65% stake in MadPow and may buy the remaining stake over the next three years depending on the US firm's financial performance. The enterprise value of 100% of the target company is USD 5.3 million.

The deal is likely to bolster the company's capabilities in customer experience and digital transformation such as research and testing, content strategy, data science and analytics

MadPow, which was founded in 2000, offers user-centric design services to a wide range of clients in the US. It has a headcount of around 70 employees. The company clocked revenue of USD 14.7 million as on 31st December 2018.

## OYO acquires Copenhagen-based data science company Danamica



OYO Hotels & Homes has acquired Danamica, a Copenhagen-based data science company. OYO, operated by Oravel Stays Pvt. Ltd, said the acquisition would help it drive its top-line growth by

leveraging Danamica's dynamic pricing capabilities across all its brands. The move is also in line with its global vacation rentals strategy, and the company is committed to spending \$328.15 million on the vacation homes business in Europe.

The move would help the company achieve higher efficiency and provide value for all stakeholders, including real estate owners and customers of its platforms.

The acquisition comes after the company acquired a majority stake in European vacation rental company @Leisure Group from German media house Axel Springer SE in May.

Founded in 2013 by Ritesh Agarwal, Oyo operates more than 18,000 franchised and leased hotels in more than 500 cities across 10 countries including India, China, Malaysia, the UK, the UAE and Indonesia.

## Strides Pharma buys Micelle BioPharma's manufacturing facility in the US



Strides Pharma Science Ltd has acquired a manufacturing facility in Florida from Micelle BioPharma Inc to expand its presence in the USA. The Indian company has acquired the manufacturing unit under the asset purchase agreement for a consideration of \$0.5 million and will invest up to \$10 million to build incremental capabilities and add additional dosage formats.

The acquisition is made by the Strides Pharma's step down subsidiary Strides Pharma Inc. Strides Pharma Sciences has over two billion annual capacity of Soft Gel Capsules (SGC) at its flagship site in Bengaluru. The recent acquisition will boost this capacity and provides an alternative site to support the company's growth plan. With the addition of the Florida site, the company now has eight formulation sites globally catering to the regulated and emerging markets.

Headquartered in India, Strides Pharma Science Limited (Formerly Strides Shasun Limited) is a pharmaceutical company with a major focus on development and manufacture of IP-led niche finished dosage formulations. It is also among the world's largest manufacturers of soft gelatine capsules.



## SoftBank– backed OYO to rebrand Hooters Hotel in the Las Vegas



OYO Hotels and Homes has purchased Hooters Casino Hotel in Las Vegas which was operating under Highgate-Real Estate Investment and Hospitality Management company. The hotel has 657 rooms across 19 floors and 35,000 square-foot casino.

Hooters Hotel in Las Vegas will be rebranded to OYO Hotel and Casino for USD 135 million. Highgate will assume the management of the property and Paragon Gaming will operate the Casino. According to Mr Abhinav Sinha– COO, OYO Hotels, the investment in Las Vegas will help the company connect with different stream of customers, from millennials to young executives and families.

Founded in 2013, SoftBank-backed OYO Hotels and Homes had announced in June to invest USD 300 Million in the US. The company currently has 112 hotels in more than 60 cities and 21 states in the US.

## Reliance controlled Haptik acqui-hires US AI based start-up Convrq

Haptik an AI-based conversational platform has acquired Los Angeles based AI start-up Convrq Technologies Inc.



The company has realised the need to dedicate full time operations team in the US. The deal will help Haptik to grow in the North American market.

Haptik was founded in 2013 by Vaish and Swapan Rajdev. It offers an AI-based conversational chatbots to the organisations to interact with their customers through voice or text. Haptik offers customer services, customer feedback and user engagement software to companies like Samsung, KFC, Amazon Web Services, ICICI Bank and the Times of India.

Convrq Technologies Inc is an omni-channel automated voice and text platform for enterprises that want to use their brand voice to be in the voice assistants. Convrq's founding team Audrey Wu, Liz Snower, and Timothy Carey will now be a part of Haptik North America team.

## Infosys acquires contact centre company Eishtec in Ireland



Indian software services company Infosys has acquired a 1,400-employee contact centre company in Ireland for an undisclosed amount. Eishtec's employees would be transferred to the Bengaluru-based IT services firm. The merger would provide an opportunity for growth, with Eishtec and Infosys BPM already sharing some key clients.

Eishtec was established in 2011 and specialises in providing services to the telecom, social media, healthcare, edtech and fintech sectors. It has offices in Waterford, Wexford, Clonmel and Craigavon in Northern Ireland. After the

acquisition, the current management team at Eishtec will remain in place.

Analysts say that the acquisition would be part of Infosys's strategy to expand its BPO services in the Irish market. The transfer of the Eishtec employees will enable Infosys to better serve its clients from the UK and Ireland, further leveraging its deep expertise in technology, analytics, and digital. As per Mrinal Rai, Principal Analyst at technology researcher, ISG Infosys has strong capabilities in back-end business process services, while contact centre services are more of a front office operations; hence, there is a pressure to bring back-office and integrate with front-office and providers are strengthening their capabilities across.

## Eurolife acquires Teva's European intravenous infusion plant



ObiMed backed Eurolife Healthcare Pvt Ltd has acquired European intravenous infusion plant of Israel based Teva Pharmaceuticals Industries Ltd. Eurolife will invest USD 54 Million in the next three years. The acquisition of the Hungary based plant of the company will cater to European and US markets for intravenous infusions in a better way. The plant is currently manufacturing 2.1 Million nags of intravenous infusion per month.

Eurolife was founded in 2001 by Mr Shyam Toshniwal. The company manufactures formulations, intravenous infusions, ophthalmics, sterilised water, tablets and capsules. The company has plants in Roorkee, Uttrakhand; Waluj, Maharashtra; and Alathur, Kerela.

## Cisco to acquire US-based Customer Experience Platform CloudCherry

Cisco has announced its intent to acquire US-based Customer Experience Management (CEM) company, CloudCherry. The acquisition announced is expected to close in the first quarter of Cisco's fiscal year 2020, subject to closing conditions and approvals. Upon completion of the transaction, the CloudCherry team will join Cisco's Contact Center Solutions business, led by Vasili Triant, Vice President and General Manager.

Based in Salt Lake City, CloudCherry is focused on developing tools for brands to enhance customer experience on their websites. Among other functions, it offers products that predictively understand how customer experience changes sales outcomes and impacts financial metrics of companies.

According to Cisco, the predictive analytics will help its contact center agents with cross-selling products, discounts, service modifications and improve loyalty, among other applications. The acquisition will also allow Cisco to help companies transform their contact center from "delivering reactive care to providing predictive support.



## Mahindra Finance to acquire 58.2% stake in Sri Lanka's Ideal Finance



**Mahindra**  
Finance

Mahindra & Mahindra Financial Services Ltd has entered into a joint venture deal with Sri Lanka based Ideal Finance Ltd to pick up a majority stake of 58.2%.

The investment is a significant step in Mahindra Finance's global expansion strategy. Sri Lanka, with its cultural and geographical similarity to India and its vibrant financial service market came as the first choice for the company.

Ideal Finance Ltd started its operations in 2012 and has 10 branches in the Sri Lanka. The company has an asset base of USD 24 million and an equity base USD 6 million. Ideal Finance caters to rural and semi-urban sectors with enterprises such as commercial motors, three wheelers, two wheelers, gold loans, and personal loans.

Mahindra & Mahindra Financial Services Limited (MMFSL) is a Rural NBFC headquartered in Mumbai, India. It is amongst the top tractor financier in India and offers a wide range of financial products to address varied customer requirements.

## Sleepwell mattress maker Sheela Foam to acquire Spanish firm Interplasp



Sheela Foam's board has approved a plan to acquire a majority stake in Spanish company Interplasp SL for USD 46.7 million to expand in Europe, the world's largest polyurethane foam market. Sheela Foam, through a unit, will acquire a 93.67% stake while three key managers will continue to hold the balance.

Interplasp, which was established in 1987, makes polyurethane foam for bedding, furniture and other applications in Spain and Portugal. The company has a manufacturing facility in Yecla, in Spain, with a capacity to produce 22,000 tons of polyurethane foam. It also markets some of its foam to Morocco. The Spanish company's turnover rose to USD 35 million last year from USD 26 million and USD 17 million in 2017 and 2016.

## HCL Technologies picks up minority stake in London-based startup Kalido

Software services firm HCL Technologies Ltd has picked up a 6.64% stake for USD 2 million in London-headquartered artificial intelligence (AI)-enabled business networking app Kalido. The company said in a stock-exchange filing that the investment will boost its network capabilities, improve customer features and enhance its digital workplace solutions.

Om Mobile Ventures, which operates the app Kalido, was founded in 2014. Kalido is a matching platform that helps people connect within their enterprise, community, charity or general public to help build meaningful connections. Kalido is currently in pre-revenue product development stage. HCL has been one of the most prolific acquirers among India's IT services companies. It has struck almost a dozen deals in India and overseas since 2015, according to VCCEdge, the data research arm of Mosaic Digital.



Earlier in March, HCL agreed to acquire US-based Strong-Bridge Envision to enhance its digital transformation consulting capabilities. In December 2018, the Indian IT firm sealed one of the biggest deals by agreeing to buy some of the software businesses from IBM Corp for \$1.8 billion.

## Liberty Steel acquires Arcelor Mittal assets in Europe

Liberty Steel has acquired seven steel making units and five service centres from LN Mittal's owned ArcelorMittal in Europe for USD 818 Million. These five service centres are based in France and Italy.



According to Mr Sanjeev Gupta , CGF, Executive Chairman, the acquisition is a key part of their global steel strategy, this will help in building sustainable steel business with a fully integrated value chain, from raw materials to high value finished products that will be distributed in high quality markets. Liberty Steel aims to boost the sales from France and Italy sites by over 50 per cent in the next three years.

Liberty steel's recent acquisition makes it one of the top ten producers globally excluding China with a total rolling capacity of 18 Million tonne covering a wide range of finished products.

**T&A CONSULTING HAS BEEN APPOINTED BY THE GOVERNOR OF NEW JERSEY AS ITS OFFICIAL REPRESENTATIVE IN INDIA**



The opening of the New Jersey India Center was announced on 16th September 2019, at the Reception Dinner held at Oberoi Hotel in New Delhi, during the governors' seven-day, five-city economic mission trip to India. Governor Murphy is the first Governor in New Jersey history to visit India on official business.

The appointment supports New Jersey's objective to increase global trade and investments and deepen the cultural and educational ties between India and New Jersey.

As the official representatives of New Jersey in India, T&A Consulting will serve as a single point of contact, providing resources to Indian companies seeking opportunities in New Jersey. T&A Consulting will strive to cultivate and strengthen New Jersey's message to the Indian diaspora of inclusivity and greater economic opportunity.

"Today's historic announcement charts a new course and effort to increase economic opportunities and build relationships between New Jersey and India," said Governor Murphy. "With this new office, we will be able to bring our state's message of economic prosperity directly to India."



## SINGAPORE TOURISM BOARD—SOUTH INDIA OFFICE LAUNCHED THE “SOCIALISER TRIBE” OF PASSION MADE POSSIBLE CAMPAIGN

T&A Consulting is an Official Representative of Singapore Tourism Board (STB) in South India. T&A Consulting helped in launching the “Socialiser Tribe” of Passion Made Possible campaign in South Indian cities - Chennai and Bengaluru through an on-ground activation event for the media, social media influencers, stakeholders and key travel trade partners.

The main objective was to reinforce Singapore’s position as a vibrant lifestyle destination targeting the “Millennials and young at heart citizens” by showcasing the “Socialiser” Passion Ambassadors through music, entertainment, and cocktail culture of Singapore. The event was also an opportunity to thank the travel trade for their support towards STB’s initiatives in promoting Singapore’s never-settling spirit of enterprise.



## MARINA BAY SANDS INDIA OFFICE REPRESENTATIVE AT ITB ASIA 2019

T&A Consulting as an India office of Marina Bay Sands (MSB) participated at ITB Asia 2019. The objective of participation at the event was to engage with Indian travel trade partners apprising them about Marina Bay Sands- Asia’s most spectacular meeting events and entertainment destination. MBS is home to multiple unique and vibrant venues, creating a world-class experience for the guests.

ITB Asia is the premier meeting place for the travel trade industry and a forum for establishing high-quality customer contacts and conducting businesses. This is where international exhibitors of all sectors within the travel-value chain commerce, Asia Pacific’s leading travel companies and emerging small and medium-sized enterprises meet with top international buyers from the MICE, Leisure and Corporate Travel markets.





**T&A Consulting** is a boutique advisory firm headquartered out of Gurgaon (India). We identify outward investment opportunities from India with focus on certain key sectors and also provide consulting & operational support to overseas companies aiming to enter the Indian market

## Contact Us

Call us for more information

### T&A Consulting

Emaar Digital Greens

Tower A, 4th Floor, 416-18

Sector 61, Gurgaon 122001

India

P: +91 124 4314960

E : [contact@insideindiatrade.com](mailto:contact@insideindiatrade.com)

W: [www.insideindiatrade.com](http://www.insideindiatrade.com)



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