

After two years of very robust growth, India faces a modest slowdown of the economy from the trinity of social disharmony, economic slowdown and a global health epidemic. India's economy grew 4.7% in the December quarter, its slowest pace in nearly seven years. In such a downside scenario investors, industrialists and entrepreneurs are unwilling to undertake new projects and have lost their risk appetite. Moreover, global recession risks have also risen.

However, India has set an ambitious target of becoming a US\$5 trillion economy by 2024. Still, given the current slowdown, further productivity gains and stimulative measures will be needed to attain this goal.

Difficulty in raising capital in India from large investors, slower consumer cycles, and stringent regulatory policies are increasingly becoming bottlenecks and all add to entrepreneurs wanting to shift business out-side.

On the policies front, there have been some positive developments with strong potential to reinvigorate outbound investments from India. As per a media release dated March 14, 2020, the Cabinet approved a proposal to allow direct listing of Indian companies overseas. According to the Ministry of Corporate Affairs, the amendment would be carried out in Section 23 of the Companies Act, 2013 to include enabling provisions to allow direct listing of securities by Indian public companies in permissible foreign jurisdictions. Overseas listing of shares would allow an additional fund-raising avenue for the Indian corporates looking to expand and boost their business activities.

This policy development has also been accompanied by an equally interesting growth - Indian start-ups are expanding their businesses overseas. Companies such as OYO, Ola, Curefit, Lenskart, Byju's, Urban Company (previously UrbanClap) and Paytm First Games, which have grown firm roots, are also incorporating their businesses overseas.

Most of these start-ups are backed by large funds and blue-chip private equity investors. For instance, OYO is backed by the China Lodging Group, which was instrumental in its meteoric growth in China. Both Ola and OYO are backed by Japanese investing giant Softbank's Vision Fund. Byju's counts the Chan-Zuckerberg initiative and the World Bank's investment arm, International Finance Corporation, among its investors. The involvement of international investors helps Indian companies to better navigate international expansions by easing compliance of regulatory requirements in foreign markets.

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Start-ups are increasingly eyeing mature markets where service quality, customer experience, greater absolute margins are the differentiators. Some of these young Indian firms also face market saturation in the country; while others eye higher revenue by entering markets with more purchasing power. Moreover, the valuation also gets enhanced if a startup is globally focused, has global leadership with cross-country experience. This also gives them an option to later flip the entire entity to the overseas geography if required.

On the other hand, multiple Indian listed companies have made overseas investments in the past months and have seen their share value increase after making public announcements. For instance - Sterlite Technologies Ltd shares went up 3.50% after the company informed that it will acquire a stake in Israel-based ASOCS. The shares of Alkem Laboratories also increased by 1.81% it announced its plans to acquire Marinol, a new drug application, from US-based AbbVie Inc.

Tech Mahindra, another public listed company and an IT services major also announced its acquisition of 100 per cent stake in US-based Zen3 Infosolutions for USD 64 million. The company has also infused in several other foreign companies in the recent past to enhance its international footprint and supply chain to serve global customers.

In the past 3 years the top countries for outbound investments from India include Singapore, the United States (US), the United Kingdom (UK), Switzerland, the Netherlands, Mauritius, and the United Arab Emirates (UAE). These countries are being preferred due to stable regulations, subsidized tax rates, conducive public listing norms and increased global investor interest.





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Warburg Pincus-backed Vivtera acquires business process platform in debut deal



Vivtera, a business process management (BPM) firm, has bought majority stakes in Arise Virtual Solutions Inc., which is possessed by PE firm Strait Lane Capital Partners.

Arise Virtual, established in 1994, is an on-request client management BPM solutions provider which offers product support services and client management platform throughout United Kingdom and North America.

The Managing Director of Warburg Pincus, Viraj Sawhney stipulates that this is a chance to significantly enhance and differentiate the value proposition of Arise. Although the financial details of the acquisition could not be ascertained, the PE firm in 2018 had committed up to a billion dollars in acquiring companies in the segment.

ELGI Equipments acquires Michigan Air Solutions



The US wing of Chennai based ELGI Equipments Limited, a global supplier of compressed air solutions, has announced the acquisition of Michigan Air Solutions, one of the largest independent air compressor distributors in Michigan.

ELGI is hoping to access a considerable client base and set up a significant stronger establishment for further expansion in North America through this acquisition.

"Michigan Air Solutions complements ELGI's global growth strategy, and brings significant market reach and scale, that will add further value to our product offerings and go-to-market plans across the region," said Dr. Jairam Varadaraj, Managing Director, Elgi Equipments.

The organization intimated that it stays focused on the domestic market while continually checking for inorganic growth globally.

Tata Motors' JLR acquires UK based all-terrain performance car manufacturer Bowler



Tata Motors luxury vehicle arm, Jaguar Land Rover (JLR) has acquired Bowler, a UK-based manufacturer of all-terrain performance cars, parts and rally raid vehicles..

"For almost 35 years the Bowler name has stood for innovation and success, with a reputation forged by its participation in the world's toughest off-road motorsport competitions. It's exciting that we're now in a position to participate in and lead the Bowler brand's future as part of JLR," JLR Special Vehicle Operations Managing Director Michael van der Sande said in a statement.

The Bowler business, will function as a part of JLR's Special Vehicle Operations business., would continue to operate from its premises in Belper for the foreseeable future.

"Adding the Bowler team's skills and experience to those of SV, vehicle personalisation and classic is a key step in our strategy to create an exciting and diverse portfolio of products and businesses within Special Vehicle Operations," van der Sande said.

The organization's focus will remain on ensuring support for Bowler stakeholders during this transition to JLR, he included.

Alkem Labs to acquire API assets from American firm AbbVie



Shares of Alkem Laboratories increased by 1.81% to Rs 2025.50 after the company announced its plans to acquire Marinol, a new drug application, from US-based AbbVie Inc.

Alkem Laboratories said it went into an asset purchase agreement dated 30 December 2019 with AbbVie Inc., USA for securing specific assets identified with the active pharmaceutical ingredient (API), Dronabinol for a cash consideration of US \$10 million.

The company stipulates that the acquisition will help it to push the organization to industrially use the advantages of identifying with Dronabinol for the offer of both generic and branded medications in the US.

The pharmaceutical enterprise, established in 1973, became public in 2015. It boasts of 21 manufacturing facilities across India and the US and its capabilities include proprietary and generic medications, APIs, and differentiated products.

Sterlite Technologies shares rise 3.50% on stake buy in Israel-based ASOCS



Sterlite Technologies Ltd shares went up 3.50% after the company has informed that its subsidiary has entered into definitive agreements to acquire

12.8 per cent stake in Israel-based ASOCS.

"The joint solution of STL and ASOCS will empower mobile network operators to build best-in-class networks and enable them to build vendor-neutral, autonomous mobile networks using 5G radio, SDN, NFV and AI technologies", Anand Agarwal, Group chief executive officer at Sterlite Technologies said.

The cash consideration will be paid in two tranches - one as on date and one in May 2020, the release added.

The investment strengthens the company's offering in the promising and fast growing virtualised radio access space, the filing added. The company aims to offer full stack solutions to enterprise and telco customers, including STL's services and system integration capabilities with the technological aid from ASOCS.

NEI Expands Global Footprint, Acquires Kinex Bearings in Europe



National Engineering Industries Ltd (NEI), part of the US \$2.4 billion diversified CK Birla Group, has acquired Kinex bearings through its wholly-owned European subsidiary.

Kinex Bearings is an international bearing manufacturer headquartered in Slovakia with an annual turnover of about 60 million euros.

The acquisition includes two production plants in Slovakia (Bytca and Kysucke Nove Mesto) with the capability to produce bearings for railways, industrial segments and textile industry. The facilities also manufacture bearings for aerospace and water pump bearings for automotive sector.

Rohit Saboo, President & CEO, National Engineering Industries Ltd, said, "This acquisition is a significant step forward in NEI's vision and global ambitions. We are excited to have the complementary product portfolio, skills and capabilities of Kinex and we firmly believe that we can leverage the synergies between both companies to chart an exciting path ahead for growth and engineering excellence. This deal positions NEI on the global map with an international manufacturing footprint and the advantages of a more efficient supply chain to serve our global customers."

Hero Cycles buys into German e-bike maker in overseas push



Hero Cycles Ltd, the bicycle manufacturing unit of Hero Motors Company, has acquired

a stake in German premium e-bike maker HNF Nicolai as part of its move to capture a share of the global market.

Hero Cycles and HNF will together seek to become a full-range supplier for e-bikes in European markets. Hero said the acquisition of the German firm is in line with its objective of achieving a 5% market share by 2022.

After Germany, the largest e-bike market in Europe, Hero Cycles will expand its footprint in the European Union with more acquisitions and partnerships.

Ludhiana-based Hero Cycles, which was incorporated in 1966, says it has a manufacturing capacity of 7.5 million bicycles per year. It has manufacturing units in Ludhiana, Bihar's Bihta and Uttar Pradesh's Ghaziabad.

Wipro Digital acquires US-based Rational Interaction



Wipro Digital, the digital business unit of Bengaluru-based Wipro Ltd said that it has acquired Washington-based Rational Interaction, a full-service digital customer experience (CX) company.

With more than 300 employees worldwide, Rational Interaction will continue to grow and service its clients, with no plans to reduce its current staff as it integrates with Wipro.

"The acquisition will scale Wipro Digital's offering for chief marketing officers (CMOs), connecting Rational Interaction's ability to map and orchestrate the customer journey with Wipro Digital's ability to design and build experiences at global scale. Together, the companies will provide bespoke and effective solutions for the marketing suite," Wipro Digital said.

The end-customer in almost every industry, but especially the hi-tech industry, is being constantly redefined. As a result, customer and channel partner journeys need to be re-imagined.

Cactus Communications acquires Denmark-based AI firm Unsil



Cactus Communications, a worldwide scientific communications organization, declared that it has acquired UNSILO, a Denmark-based Natural Language Processing (NLP) and Artificial Intelligence (AI) organization that has expertise in text analytics, etymology, and data science.

CACTUS Communications has, previously, created exclusive proprietary tools and platforms focused on the pharma and publishing environment. Its author-resource framework is utilized by 3 million researchers globally and its workflow management portal handles over a million assignments annually. Cactus's correlative products suite includes ADA, an Automated Document Assessment solution for assisting publishers to survey scientific content, and PubSURE, an AI-powered instrument that assesses the manuscript's proclivity to journal submission.

On the eve of the announcement, Anurag Goel, CACTUS Co-founder and Executive Chairman, said, "CACTUS has evolved into a full-spectrum solutions provider for creators, publishers, and consumers of scientific content. AI algorithms will play a key role in helping us consume and make sense of rapidly increasing content. The acquisition of UNSILO allows us to increase the pace and quality of the AI products we are building for our target industries."

Infosys to buy Simplus, brand that operates under US based Outbox Systems Inc. in its second-biggest acquisition

Infosys Infosys Limited has agreed to acquire Simplus, a frontrunner in Salesforce consulting and advisory firm in the U.S. and Australia, in an up to \$250 million arrangement.

The deal size is “\$200 million including contingent consideration to be paid for the acquisition of shares subject to closing adjustments”, according to the Bengaluru-based company’s exchange filing.

This acquisition, coupled with the acquisition of Fluidio announced in September 2018, further elevates Infosys’ position as an end-to-end Salesforce enterprise cloud solutions and services provider, offering clients unparalleled capabilities for cloud-first digital transformation.

The acquisition will bring to Infosys the globally recognised Salesforce expertise, industry knowledge, solution assets, deep ecosystem relationships and a broad clientele across industries including high-tech, financial services, retail, healthcare, life sciences and manufacturing, it added.

The acquisition is expected to close during the fourth quarter of the current financial year, subject to customary closing conditions..

Simplus has offices across North America, Sydney, Melbourne, London, and a large delivery centre in Manila.

KEC buys power transmission tower factory in Dubai



RPG Enterprises' infrastructure company KEC International has acquired a transmission tower manufacturing facility with a capacity of 50,000 tons a year in Dubai for Rs 100 crore, the Harsh Goenka-led company said.

With this acquisition, KEC International aims to scale up its power manufacturing capacity and expand its presence in the Middle East and Africa. This unit was previously owned by Gulf Jyoti International LLC Dubai, a joint venture of Jyoti Structures, which is currently undergoing insolvency proceedings in India, and Gulf Investment Corporation of Kuwait.

“This facility will help us in expanding our business at a time when we are clearly witnessing resurgence of tendering activity in Middle East and North Africa. We believe this acquisition to be value accretive to our stakeholders,” said Vimal Kejriwal, managing director and chief executive officer.

KEC International expects to leverage its technical know-how to expand the offerings in the region and hopes to benefit from the pre-qualifications of the newly acquired unit.

With this acquisition, KEC now has manufacturing units for transmission towers, railway and solar structures, monopoles and hardware spread across India, UAE, Brazil and Mexico with a total manufacturing capacity of up to 4,22,200 tons a year.

Sonata Software to pick up stake in logistics-tech startup SemiCab



Sonata Software, Bengaluru-based IT services provider to the US, Europe, West Asia, and Asia Pacific, has decided to invest up to US\$ 1.4 million for acquiring stake up to 17% in

SemiCab Inc., a US-based startup that offers technology platforms to logistics providers.

The arrangement is in accordance with Sonata's strategy to put resources into companies that are carefully transforming and adapting to global demands. It will likewise enable the organization to offer services to clients in sectors such as retail and distribution, Sonata said.

SemiCab was established by Jagan Reddy and Ajeesh Kapoor in 2018. It provides technology platforms for logistics solution providers like carriers, drivers and shippers. The company said that its digital freight environment integrates with enterprises beforehand to understand demand. It also renders supply optimisation and real-time responsiveness, as per its website.

Sonata will also spend an additional \$300,000 (around Rs 2.15 crore) for SemiCab's services over the course of next year.

The company has also infused in several other companies to enhance its services and technological portfolio.

Tech Mahindra to acquire AI, machine learning firm Zen3 Infosolutions



IT services major Tech Mahindra said that it will acquire 100 per cent stake in US

-based Zen3 Infosolutions for US\$64 million in an all-cash deal. The company will complete the acquisition through its subsidiary, Tech Mahindra (Americas), Inc.

"The board of directors of the company has approved the proposal to acquire 100 per cent stake in Zen3 Infosolutions (America) Inc. directly and through its wholly-owned subsidiary, Tech Mahindra (Americas), Inc," Tech Mahindra said in a filing to the Bombay Stock Exchange.

Headquartered in Seattle, Zen3 is a software solution company with offices in Dublin, Hyderabad, Vishakhapatnam and Bengaluru. The acquisition of Zen3 Infosolutions will help Tech Mahindra in bolstering its enterprise application practice and capabilities, the company said. "It has strong capabilities in artificial intelligence (AI) enablement services, AI Speech solutions, Cloud engineering, software product engineering and DevOps," it added.

Tech Mahindra expects the deal to close by April 1, 2020.

PRESS RELEASE

T&A CONSULTING EXPANDS GLOBAL OPERATIONS TO NORTH AMERICA AND EUROPE

Growing demand from Export Promotion Organisations and companies looking to enter Indian market leads to expansion of T&A in Toronto, Canada, and Zurich, Switzerland

With the start of a new decade, T&A Consulting, a leading Market Entry and FDI Advisory firm headquartered in Gurgaon, India, announced the opening of its North American and European operations.

T&A currently represents several US states as their India office and was instrumental in organizing 3 successful gubernatorial visits mandated to boost bilateral trade and investment between India & US. T&A also works with over several European regions/export development organizations as their approved advisor in the Indian market.

As part of the global expansion, T&A will provide support to its clients in the following domains:

- Investment Promotion
- Export Development/ India Market Entry
- University Representation
- Tourism Representation
- M&A and India Greenfield Investment

On this occasion, **Tarun Gupta**, Founder and Managing Partner, T&A Consulting, said *"We are expanding our branch offices in North America and Europe at an incredibly exciting point in the digital 4.0 era. Our key priority in both these geographical locations will be to cater to the global market demands with elite customer service and fostering mutually-beneficial relationships with our partners."*

The new North American operation shall further boost T&A's global client engagement practices and is also a testimony of its commitment to serve its rapidly growing client base and strategic relationships in the North and Latin American markets.

Saurabh Khanna, Managing Partner, T&A Americas, added that *"It feels proud to be part of a rapidly growing organization. As a flag bearer of T&A in this part of the world, my aim will be to support mid to large corporations, state and provincial governments and education and tourism boards to explore business opportunities with India."*

Further, working with T&A's office in Switzerland, **Andy Kasper**, Partner, T&A Europe, shall be able to provide clients with seamless lead generation service covering the European and Middle Eastern markets and co-ordinate European operations in conjunction with the North American and Indian offices.

T&A CONSULTING JOINTLY-ORGANISED THE 'BRAZIL & INDIA: COMPLEMENTARITIES AND PARTNERSHIP ON FOOD SECURITY' CONFERENCE WITH THE EMBASSY OF BRAZIL IN INDIA AND THE BRAZILIAN ASSOCIATION OF ANIMAL PROTEIN (ABPA)



T&A Consulting today jointly-organised the 'Brazil & India: Complementarities and Partnership on Food Security' with the Embassy of Brazil in India and the Brazilian Association of Animal Protein (ABPA).

The high-level business dialogue was attended by the Brazilian Agriculture, Livestock and Food Supply Minister Tereza Cristina, Brazilian Ambassador to India, Andre Correa do Lago and ABPA Vice President, Ricardo Santin.

The dialogue brought together both Brazilian and Indian stakeholders from animal protein sector, giving a rare platform to Brazilian companies from meat and poultry sector to explore opportunity with potential Indian partners in India.

The conference coincided with the arrival of the Brazilian President Jair Bolsonaro, who was on a four-day visit to India, most notably as a chief guest on Republic Day 2020. India and Brazil signed 15 agreements including in the fields of animal husbandry and dairying as the two countries looked to increase their bilateral trade from the current USD 8.4 billion to USD 15 billion by 2022.

MARINA BAY SANDS (MBS) INDIA OFFICE HOSTED A GROUP OF TOP TRAVEL AGENTS FROM INDIA

Marina Bay Sands (MBS) India office hosted a group of top travel agents from India, in partnership with Singapore Airlines.

The objective of participation at the event was to engage with the 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.



NEW JERSEY INDIA CENTRE (NJIC) OFFICE PARTICIPATED IN THE ARAB HEALTH EXHIBITION AND CONFERENCES 2020

New Jersey India Centre (NJIC) participated at Arab Health Exhibition and Conferences 2020.

NJIC was involved in a series of meetings at Arab Health with companies exploring entry into the US market.

Arab Health is a healthcare conference and trade show in the Middle East. It had 4250+ noteworthy companies exhibiting and saw thousands of industry players congregate in Dubai for four days of business and knowledge sharing.



T&A CONSULTING - THE IN MARKET REPRESENTATIVE OF SINGAPORE TOURISM BOARD IN SOUTH INDIA CONDUCTED A DESTINATION UPDATE SESSION FOR THE STAFF OF THOMAS COOK INDIA (TCIL)

T&A Consulting - the in-market representative of Singapore Tourism Board (STB) in South India conducted a destination update session for the staff of Thomas Cook India (TCIL).

As a part of the strategic partnership between TCIL and STB, a destination update session was conducted for the leisure outbound sales team in Chennai.

The session was attended by 25 TCIL staff from Tamil Nadu and Kerala branches. The session was intended to train the TCIL staff about the new and upcoming attractions and other vibrant offerings of Singapore as a destination.



SOUTH CAROLINA DEPARTMENT OF COMMERCE INDIA TEAM, RECENTLY ATTENDED THE GLOBALLY ACCLAIMED AUTO EXPO IN NEW DELHI

The South Carolina Department of Commerce India Team, recently attended the globally acclaimed Auto Expo in New Delhi.

Auto Expo is Asia's largest automotive show, which presents an unparalleled podium for business opportunities in the automotive sector and saw participation from above 1,200 exhibitors and over 1.15 lakhs visitors.

The team presented South Carolina's proposition to Indian companies looking at the US as a strategic location for potential expansion.





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

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