

As of this writing, the world is still in the grip of the Covid-19 pandemic which has rapidly spread across the globe, creating a once-in-a-generation public health catastrophe. It has upended the global economy, plunging even the most prosperous countries into near recession. It is exposing vulnerabilities in established supply chains, recalibrating manufacturing strategies, and re-focusing business coordination and collaboration not seen since war times – in short, changing the way business was done till today.

In the first week of April 2020, United Nations Conference on Trade and Development (UNCTAD) brought together investment promotion executives for a meeting focused on *“Investment Facilitation and Promotion: Challenges and Actions in Times of Pandemic Crisis”* with Heads of Investment Promotion Agencies (IPAs) and IPA associations, as well as Deputy Ministers of Investment from over 20 countries, for a high-level virtual brainstorming session to share experiences, insights, and prospect assessments amidst this unprecedented crisis.

A summary of the main challenges raised during this forum were:

- Significant decrease in new investor enquiries and lead generation.
- Struggle to redefine how daily activities can be conducted virtually and difficulties in setting up a dynamic online presence.
- Increased focus on investment facilitation and aftercare required to keep abreast of policy developments while at the same time understanding the evolving needs of investors.
- In the face of emergency national challenges, being called upon to support efforts to reallocate resources towards.
- New priority target sectors.

In this crisis, many government (through their diplomatic missions and Economic Development Offices) have gone more proactive in servicing investors because both, foreign and domestic stakeholders, are dealing with uncertainty. Businesses require information about a range of topics including access to government support measures, logistics, plant shut-downs, supply of essential goods and services, customs issues, etc. EDOs are, therefore, trying to supply reliable and updated information online, either through their websites or social media or through dedicated communications channels.

UNCTAD believes that, “India might be one of the two major economies least exposed to a global recession”. In fact, analysts also believe that India’s economic recovery will be “smoother and faster than that of many other advanced countries”.

Much against the conventional wisdom that investors claw back during rainy days, several Indian firms are striking deals and investing overseas as the coronavirus outbreak created headwinds in the global ecosystem.

According to the data provided by Reserve Bank of India (RBI), India’s outward Foreign Direct Investment (OFDI) in equity, loan and guarantee issued in Jan-Mar period in 2020, stood at USD 7.1 billion as compared to USD 5.07 billion in 2019.

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<sup>1</sup> UNCTAD – 7 April 2020: [https://unctad.org/en/PublicationsLibrary/diaepcbinf2020d2\\_en.pdf?user=46](https://unctad.org/en/PublicationsLibrary/diaepcbinf2020d2_en.pdf?user=46)

Some of the major overseas investments by Indian firms in recent times include:

- In April 2020, Computer vision startup Orbo.ai acquired photo-editing platform Gemia.
- In March 2020, consumer intelligence technology company Affle India acquired European programmatic marketing firm Mediasmart.
- In January 2020, Calleis Infrastructure invested USD 81.12 million in its wholly owned subsidiary in the UK.

If there is any prolonged downturn due to the current crisis, executives may be bolder in their ambitions and look to international markets that will help them accelerate into an upturn faster, as they need to look beyond the current crisis to secure long-term growth.

Indian companies continue to adopt a measured approach when it comes to investing in international markets, scouring the world for locations where strong States have shown themselves capable of managing black swan events effectively. The Covid-19 pandemic has made that tellingly transparent. As it happens, strong countries also supply other important public goods that Indian investors find valuable — macroeconomic and social stability, infrastructure, skilled labour, and relatively open trade policies.

On the domestic front, regardless of the economic slowdown, Indian start-ups have come out with ingenious advances, they have adjusted like chameleons to the circumstance and created new avenues for growth, reshuffled their creative outlook, and considered new needs.

In the post COVID-19 era, we expect an increase in technology adoption by enterprises that will lead to long-term productivity gains and should be a catalyst for the industry to adopt software in their operations at a greater pace.

Key trends spotted in recent times include:

- Point of care solutions and telemedicine are beginning to see a rise in adoption.
- Tech solutions for manufacturing are seeing increased activity.
- SaaS solutions around collaboration, security, infrastructure and productivity are growing as more companies move towards remote-working models.

The coronavirus pandemic has also impacted the venture capital (VC) industry in a way that will see VC firms not close for business or even wait and watch, but proactively chase deals in sectors they see as potential winners in the post COVID-19 world. Dozens of startups across sectors such as health, enterprise-tech, fintech, gaming, and education have been positively affected by the crisis and have become magnets for investment. Moreover, in April alone, over USD 120 million worth of deals were struck across 48 rounds across consumer, fin-tech and ed-tech space.

India's startup enterprises have what it takes to produce world-class technology and position India as an innovation garage on the map of the global digital economy. An interesting data that reinforces this argument is that the Indian start-up community raised a record USD 14.9 billion in 2019. A vast majority of these investments have been made in new-age technological capabilities like artificial intelligence, machine learning, industrial internet, cybersecurity, and vehicle technology. This is an indicator of the untapped technological prowess of India's startup sector.

To conclude, Outbound deal-making will regain momentum owing to the steps taken by IPA's to attract investment from India and the sanguinity of Indian startups about their prospects from an FDI perspective. Hence, we anticipate startups to be one of the principal propellers for outbound investments in the post-COVID-19 period.

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## Affle India acquires European firm programmatics marketing firm Mediasmart



Affle (India) Limited, the consumer intelligence technology company

announced the signing of a definitive agreement to acquire Spain headquartered Mediasmart, a self-serve mobile programmatic and proximity marketing platform.

Mediasmart provides advertisers, trading desks and agencies an integrated mobile advertising platform with unique incremental impact measurability for Proximity and App marketing campaigns.

This acquisition carries great strategic merit as it strengthens Affle's CPCU based platform and business model for omnichannel advertisers, and also enables Affle to expand into newer developing markets like Latin America and in Mediasmart's stronghold markets like Europe and US.

## Computer vision startup Orbo.ai acquires photo-editing platform Gemia



Mumbai, India-based computer vision and artificial intelligence (AI) startup, Orbo AI has acquired U.S.-based photo

editing startup Gemia from large AI research firm Arvi Inc.

Orbo Founder and CEO Manoj Shinde disclosed that the deal was finalized in early March and this acquisition will bolster Orbo's intellectual property (IP) and product portfolio.

The startup offers software development kits (SDKs) for image retouching, deep facial tracking and virtual makeup, in addition to services like background removal, face contouring, object removal, de-noising, and super resolution. Some of Orbo's clients include Intel, Cisco Webex, GE Healthcare, Samsung, Tata Consultancy Services, KPMG, and DataMatics.

Shinde added that the acquisition would enable the company to bring more advanced and consolidated offerings for users looking for automated experience.

## GIC-backed Endurance Technologies acquires Italian components maker



Indian auto parts manufacturer Endurance Technologies Ltd became the owner of Adler SpA by acquiring 99% controlling equity stake in the company. Adler SpA specialises in providing systems solutions for clutches, gears and other related components.

The acquisition has been made through Endurance Overseas Srl., Italy, a subsidiary of Endurance. It will help Endurance strengthen its engineering and product portfolio.

The acquisition will augment the auto components maker's technical know-how and intellectual property rights and will also provide Endurance with future growth opportunities in the European market. Adler has a manufacturing plant located in Rovereto, Italy.

With this purchase, Endurance is now the owner of ten manufacturing plants in Europe, of which seven are based in Italy and three in Germany.

Endurance – a public company based in Aurangabad (India) – is an automotive component manufacturer specialising in aluminium castings, aluminium alloy wheels, suspension and transmission systems, as well as braking systems.

## Hero Group's technology arm acquires chip design services firm T&VS



Hero Electronix, the technology arm of the Hero Group, acquired Test & Verification Solutions (T&VS), a supplier of chip configuration services. The

acquisition was made through Tessolve, a Hero Electronix venture, and a leading engineering solutions

The acquisition provides a catalyst to Tessolve's chip configuration taking the organizational headcount to over 2,000 engineers and cements Tessolve as a frontrunner end-to-end supplier of semiconductor engineering services.

T&VS is the fifth acquisition by Tessolve in the past four years. Complementing its aggressive approach in growing the capabilities organically, these strategic acquisitions have put Tessolve in a unique position to offer a comprehensive spectrum of services to semiconductor companies. The acquisition adds a strong team and capability depth in a critical area like chip design and expands Tessolve's presence into the UK and Japan markets.

## Hindalco unit Novelis set to complete Aleris acquisition



Novelis, the US-based subsidiary of Hindalco Industries, a flagship company of Aditya Birla Group has announced the completion of its acquisition of USA-based aluminium rolled products supplier, Aleris Corporation.

Novelis Inc. is the world leader in aluminium rolling and recycling. This acquisition has resulted in better positioning of Novelis to meet increasing customer demand for aluminium by expanding its innovative product portfolio; creating a more skilled and diverse workforce; and deepening its commitment to safety, sustainability, quality and partnership.

With the acquisition of Aleris' operational resources and workforce, Novelis is ready to more proficiently serve the developing Asia market by integrating corresponding assets in the region including rolling, casting, recycling, and finishing capabilities. The organization will likewise add aviation to its portfolio and upgrade its capacity to keep on offering innovative products to the market.

## M&M to buy into Algerian tractor distributor



Mahindra & Mahindra Ltd., the Mumbai-based automotive major has announced to acquire a 5% stake in Eurl LD Azouaou, an Algeria-based firm engaged in the business of tractor assembly and distribution.

This investment will help M&M direct its entry into the Algerian agricultural machinery equipment market. In an all-cash out deal, the automaker aims to complete the transaction by the end of May 2020.

This is M&M's second investment for the current calendar year. M&M had struck four investment transactions last year, including the additional Rs 316.5 crore-capital infusion in South Korean arm Ssangyong Motor Company in February 2019 in which it raised its stake to 74.65%.

The firm's other investments in 2019 were Swiss agri-tech startup Gamaya, strategic acquisition of Mumbai headquartered radio taxi operator Meru Travel Solutions, and Series-C investment in Smartshift Logistics Solutions Pvt. Ltd, which counts private equity firm Sequoia as its backer.

## Motherson Group hunts for new buys at low valuations amid Covid-19 global crisis



The Covid-19 pandemic has delivered difficulties for nations and organizations yet for a few strong and well-placed organizations, it offers an unequivocal opportunity to drive development through acquisitions.

Motherson Sumi Systems (MSSL), the globally placed automotive component manufacturer, has reported its readiness to handle the Covid-19 effect and given a brief look about the growth options that lie ahead.

Commenting on the present situation, Vivek Chaand Sehgal, chairman, Motherson said that the team has done a phenomenal job in almost doubling MSSL's turnover over the last 5 years. He added that the company's aspirational 5-year plans cannot be timed perfectly, and the unprecedented Covid-19 situation has caused hindrance in closing many target acquisitions. However, it believes that these same opportunities have become more attractive in valuations since the Covid crisis.

## Sonata Software to snap up Australian firm GAPbusters



Sonata Software, a Bengaluru-based infotech firm, has entered into definitive agreements to acquire GAPbusters Limited (GBW), a Melbourne-headquartered company in the Customer Experience (CX) space.

GAPbusters, which was set up in 1994, provides solutions including mystery shopping, brand and compliance audits, and competitor benchmarking programmes.

Sonata Software had earlier acquired Scalable Data Systems, a Brisbane-headquartered company. The latest acquisition not just strengthens Sonatas footprint in Australia but also opens up new geographies in South East Asia & Europe where GBW has large clients in the QSR, retail, automotive and oil & gas space.

Sonata, apart from its IT service offerings, also acts as a distributor of software products in India. The company has also invested in other firms to augment its services, product, and technology portfolio.

## TVS Motor Company acquires Britain's 'Norton' sporting motorcycle



The acquisition of iconic British motorcycle brand Norton in an all-cash deal brings the Chennai-based TVS Motor Company Ltd face-to-face with Royal Enfield in the niche category of age-old classic motorcycles not only in India but also in Europe and the UK, the original home market for both the brands.

Founded by James Lansdowne Norton in Birmingham in 1898, Norton Motorcycles is among the most popular British motorcycle brands of all time.

Besides access to a premium heritage brand, TVS Motor's Norton deal is in the interest of long-term growth and value creation while bringing to its table technological capabilities to make bigger engines - especially two- and four-cylinder powertrains, umbrellas like Commando and Dominator range, several new models in the pipeline and immediate credible entry into the lucrative UK and other European markets.

TVS Motor already has a technical arrangement with BMW Motorrad wherein it makes 310cc bikes branded under BMW and its own Apache brands.

## Tiger Global-backed Urban Company acquires assets of Australian beauty startup



Online home services marketplace, Urban Company which is owned and operated by UrbanClap Technologies has successfully acquired the assets of Australian on-demand beauty organization Glamazon.

Urban Company had expanded its business in the Australian market in November a year ago. Apart from India, its home market, the organization also has its presence in the United Arab Emirates and Singapore, and at present has operations in roughly 22 cities over the four markets it works out of, the official

statement said.

Abhiraj Bhal, co-founder of Urban Company said that Australia is an attractive market and holds great promise for Urban Company with its demographic advantages.

Founded in 2014 by IIT Kanpur and Boston Consulting Group alums Bhal and Varun Khaitan, and University of California, Berkeley graduate Raghav Chandra, Urban Company has cumulatively raised an estimated \$215 million in funding so far, and is valued at over \$900 million, according to Tracxn.

## MISSP COMPLETED ITS HALF CENTURY ON SWISS SMEs ON-BOARDING



# MISSP



**MISSP is a facilitative platform led by Embassy of India, Berne to connect Swiss SMEs, making up more than 99% of Swiss companies, with the vibrant New India. For further information, please write to [missp2@missp.ch](mailto:missp2@missp.ch)**

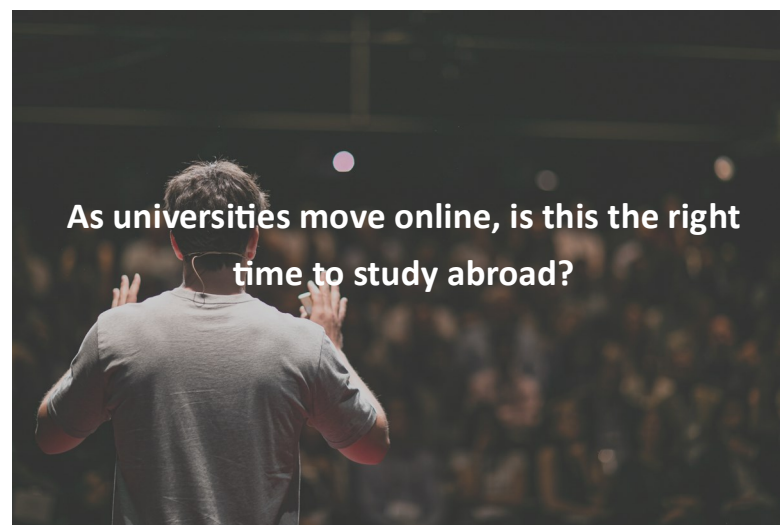
T&A in partnership with the Embassy of India in Switzerland is currently mandated to act as the knowledge partner for the MISSP 2.0 Program. The aim of the program is to promote India as an active economic partner and investment destination for Swiss SMEs, which make up 99% of the Swiss companies.

MISSP provides facilitation services to Swiss SMEs to explore, enter, and expand in the Indian market. Swiss companies get the opportunity to participate in specialized workshops, access the MISSP network and exchange platforms, and get a work plan for entering the Indian market.

Due to the traveling and gathering restrictions placed in Switzerland, workshops planned for the month of March were postponed to May, during this time, T&A team held one to one meetings with several prominent Swiss SMEs and Industry associations to further the agenda of MISSP and inform them about the current state of Indian market due to COVID-19, how COVID-19 was impacting their industry as well as what all opportunities existed for them. Through this, T&A was able to onboard 50 Swiss SMEs on MISSP, mainly from the sectors of pharmaceuticals, aerospace, defence, clean technology, and industrial automation. T&A is currently working with these companies to make their India market plans a reality!

## QUEEN'S UNIVERSITY, BELFAST PARTICIPATED A WEBINAR TO ASSESS POST-COVID FOREIGN EDUCATION SCENARIO

Mr. Ashish Vats, Director of Education at T&A Consulting and Regional Manager (South Asia), Queens University Belfast presented a webinar hosted by Collegedunia, a leading educational portal. The webinar answered various questions arising in a student's mind who aspires to study in the best of the countries out there like changes in government policies to counter the current pandemic situation, and financial aid and scholarship policies.





# QUEEN'S UNIVERSITY, BELFAST PARTICIPATED A WEBINAR TO DISCUSS THE IMPACT OF COVID-19 ON STUDY PLANS FOR INDIAN STUDENTS

Mr. Ashish Vats, Director of Education at T&A Consulting and Regional Manager (South Asia), Queens University Belfast participated in a webinar as a panellist on the first Global Online Interactive Hangout Session organized by Shiksha.com. The webinar discussed and answered various questions on the "Impact of Global Lockdown on Sep 2020 intake".

# WEBINAR ON BUSINESS OPPORTUNITIES FOR JAPANESE BUSINESSES IN THE 'ELECTRICAL AND ELECTRONIC GOODS', AND 'MECHANICAL AND CONSTRUCTION EQUIPMENT' SECTORS IN INDIA

T&A Consulting conducted an exclusive, first of its kind, India-Japan webinar organized by Japan Business Portal in partnership with T&A Consulting. The webinar featured presentation (in English, and translated in Japanese) on business opportunities for Japanese businesses in the 'Electrical and Electronic Goods', and 'Mechanical and Construction Equipment' sectors in India by Mr. Tarun Gupta, Managing Partner, T&A Consulting which was followed by a Q&A session.

# TOURISM REPRESENTATIVE AT T&A PENNED DOWN HIS THOUGHTS ON THE TOP MICE TRENDS IN 2020

Mr. Arjun Mukund, Senior Engagement Manager of Tourism Representations at T&A Consulting decoded the key industry trends that will prevail this year. The article mentions how personalised experiences will now be more important than the overall event. He talks about how enhanced technologies and sustainable event planning will take the front seat in the global tourism front.



## Top MICE Trends 2020

A MICE specialist decodes the key industry trends, which are prevailing this year

BY ARJUN MUKUND



### Personalised experiences

From drink orders to personalised gifts and invitations, people want their events to be bespoke, just like their Spotify and Netflix playlists. Technology has made personalisation easier, focusing not on the overall event but on each participant's individual experience. Event organisers now need to be specialists in the art of curating.

### Incorporating the destination

Delegates have started to prefer local destination experiences that are immersive. Team-building exercises like cooking a meal with locals, learning a local art form or heritage walk are a few examples. Event organisers these days even set up pop-up markets with local handicrafts to promote the local culture. There is a constant search for new ways to market and present venue capabilities.



Conservation of the environment is the need of the hour. Technology and sustainability go hand in hand. MICE planners are required to incorporate the green factor and hence seek sustainable options to reduce the impact of their event on the environment. Energy conservation, reduction of food and water wastage are points of concern for big events. It is interesting to note that hotels and meeting venues are using advanced technology to monitor waste levels and energy usage. Hotels are also selling 'green' meeting packages and giving an analysis of the impact at the end of the event. Return gifts are being seen in the form of seeds or a potted plant. CSR activities have been integrated into the sustainable MICE agenda and often done through team-building exercises.

### Enhanced technologies

There was a time when venues only needed to provide all equipment and prep work. Now things like live streaming, networking, virtual and augmented reality are becoming requirements. MICE organisers are developing mobile apps to ensure smooth registration processes, and to drive interactions and conversations, before, during and after the event. Twitter, Facebook and Instagram hashtags are put in place by organisers to create a buzz. A case in point is the Renaissance Marathi Convention Centre Hotel, which has its own app, RMCN Meetup, which connects MICE event hosts and hotel staff to customise service requests and make the organising process seamless. Or the Four Seasons Hotel Bangalore, which relies on its Four Seasons Club to interact between hotel staff and guests.





**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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