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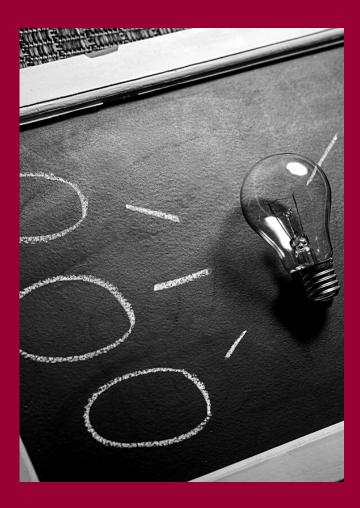
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COMPANY OVERVIEW

T&A Consulting is a global advisory firm with a proven track record of working with overseas enterprises towards achieving a successful and accelerated market entry. T&A is currently working with over 20 countries/Economic Development and Trade Promotion Organizations as their evaluated Partner. We have extensive experience of working with various Inward Investment Attraction agencies and have been delivering a range of programs to identify outward investment opportunities from India, Europe, North America, with focus on certain key sectors.

Headquartered in Gurgaon, and with pan-India offices in Mumbai, Bengaluru and Chennai, T&A also has a global footprint with a representative office in Zürich, Switzerland, and a subsidiary in Toronto, Canada.





CHANGING BUSINESS ENVIRONMENT

Virtual business environment as new normal leading to new methods of conducting business i.e. virtual – B2B meetings, investor roadshows, trade missions, investment seminars and networking events.

RECENT TRENDS IN OUTWARD FDI

Business environment in India vis-à-vis potential for investments overseas and how the pandemic has created niche outward foreign direct investment (FDI) opportunities.

CEO'S MESSAGE

Spring is in the air with its message of energy and positivity. However, there is a vast degree of variation in the mood across countries considering the pandemic situation and their response or lack of it.

Amongst large economies, the USA and UK are the clear winners, and all economic forecast indicates a stronger recovery. Roaring 20s !! May be ?.

The extraordinary stimulus package and proposed funding for infrastructure in the United States can be the "jet fuel" – pun intended !, which the world needs to chart out a fast economic recovery postpandemic.

Anticipating this strong recovery in the United States and backed by the most recent job data, Indian companies are revisiting their expansion plans, which had a hiatus over the last few months. Our discussions with a diverse set of Indian companies ranging from Engineering goods, Construction material, Metals and Advanced materials reaffirms this trend as they proceed with the site selection process.

Recent data indicates that Venture Capital investments in India during 2020 touched their highest level (excluding 2019) at USD 10 billion, albeit there was a drop in the value of exits. The number of active VC funds crossed 500, and India focussed VC funds raised further USD 3 billion. There is a dry powder of approx. USD 6 billion, ready for deployment for the right investment thesis. There are nearly 3,000 start-ups to date that have received Series A funding or higher.

The availability of private capital is a strong enabler for outbound investments as a provider of capital. It is also a validation of the company business model and technology stack in cases



wherein investment rationale is based on global business opportunities. The Indian VC ecosystem is moving from an India market opportunity led thesis to an Intellectual Property led thesis.

The most prominent examples are the Indian SaaS (Software as a Service) companies which have evolved from few start-ups in the early 2010s to multibillion-dollar companies today. Investments in SaaS grew by nearly 10% in 2020, and the average deal size has increased to nearly USD 25 million (from USD 14 million in 2019). Several Indian enterprise SaaS companies have a growing international presence.

A new and non-traditional route of capital for Indian companies is to join the bandwagon of SPAC (Special Purpose Acquisition Company) in the United States, with several players in India expected to use this vehicle. Traditional bellwether sectors of Indian outbound investments like Information Technology and Life Sciences continue to maintain their strong investment streak with a range of investments in non-traditional geographies like Latin America and the "Start-up Nation" – Israel.

Cloud, Collaboration and Cybersecurity is the trilogy for the expansion of Indian ICT companies.

Export and FDI led appears to be the path of economic recovery for several countries and regions. Investment Promotion Agencies will have an important role to balance the need for investment and geopolitical sensitivities around FDI from certain countries. Indian investments have largely stayed out of any major controversies and remain a preferred FDI source market.



<image>

At the time of writing this commentary, India is battling a major second wave of Covid with all assumptions of having gained natural herd immunity consigned to the growing basket of failed theories. Now is the time to prove our much-vaunted strength of immunisation programme and ensure a majority of the adult population is vaccinated over the next quarter.

With springtime beckoning us, can "Indian Summer" be far behind!

Happy Reading

TARUN GUPTA Managing Partner T&A Consulting

OUTBOUND INVESTMENT

Amidst the ongoing global pandemic, global businesses continue to undergo a transformation, with entrepreneurs taking a closer look at rejigging supply chains.

While countries, businesses, individuals, and societies scrambled to adapt to extraordinary circumstances for much of 2020, the arrival of 2021 seems to be shaping back their confidence. The United Nations Conference on Trade and Development (UNCTAD) has indicated a sign of recovery in the global goods trade in Q4 2020. After a 9% decline in international trade in 2020, Q4 2020 registered an 8% increase in the global trade of goods. Services, however, have been hit particularly hard this time, and the bounce back is expected in Q1 2021. he United Nations Conference on Trade and Development (UNCTAD) has indicated a sign of recovery in the global goods trade in Q4 2020. After a 9% decline in international trade in 2020, Q4 2020 registered an 8% increase in the global trade of goods.

According to the UNCTAD world investment report 2020, the pandemic has led IPAs to lower their expectations for attracting new FDI projects. However, at the same time, there is a growing belief that Information and Communication Technology (ICT), food and beverage, agriculture and pharmaceuticals are more likely to yield investment projects.

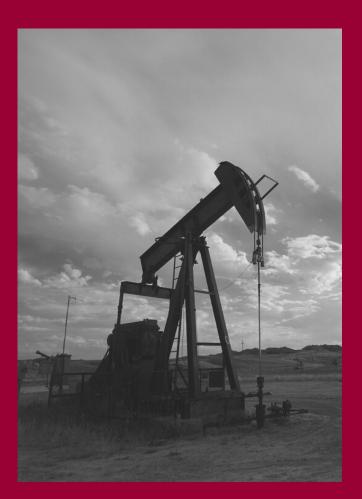
Meanwhile, the Indian economy moved out of the technical recession in the quarter of December, posting a growth of 0.4%. India, along with Vietnam, China and Taiwan, were the few countries that posted growth in Q3 2020.

Specifically in India, the government is bullish about India's V-shaped economic recovery due to strong fundamentals, huge domestic market and potential of Indian exports – both in goods and services. The latest forecasts by the International Monetary Fund (IMF) expect a strong rebound in 2021, with growth returning to the long-term trend of 7% to 8% over 2022 to 2025 However, the country's Outward FDI movement witnessed lower investments in Q3 than its pre-covid levels. During January and February 2021, Indian Outward FDI stood at USD 2.9 billion compared to USD 4.4 billion in January and February 2020.

According to the Reserve Bank of India, the top destinations for investments made in the last two months were Singapore (USD 1.2 billion), the USA (USD 400 million) and UAE (USD 300 million). Out of the total investments, USD 2.2 billion were made in wholly-owned subsidiaries and USD 721 million in Joint Ventures.

Loans, equity investments and corporate guarantees accounted for 61%, 23% and 16%, respectively, of the outward direct investments made in January and February of 2021. Sectorial investments seemed to be in favour of business services (primarily Information Technology), which accounted for 46% of the total investments, while manufacturing accounted for 28%. Meanwhile, wholesale, retail trade, restaurants and hotels had 13% of the total investments and agriculture and mining 8%.

Another important factor that has emerged amid the pandemic is the strong potential of India's start-up ecosystem, which has remained robust and is rapidly growing. Covid-19 played an important role in accelerating digital trends across sectors dramatically, which is reflected in venture capital (VC) money flows and the emergence of new, digitally founded business models across sectors. There is continued momentum in consumer tech and software as a service (SaaS) and a growing number of start-ups (approx. 7,000 new start-ups founded in 2020). According to the Reserve Bank of India, the top destinations for investments made in the last two months were Singapore (USD 1.2 billion), the USA (USD 400 million) and UAE (USD 300 million). Out of the total investments, USD 2.2 billion were made in wholly-owned subsidiaries and USD 721 million in Joint Ventures.



The pandemic put tremendous stress on businesses; however, it sparked a wave of innovation and launched new-age entrepreneurs, proving Plato that necessity is the mother of invention. The US saw a rise of 23% in new business registrations from 2019 to 2020, while Chile, the UK and China saw 14%, 9% and 3%, respectively.

Many countries are reinstating lockdowns, including India, albeit partially, and only a small population have been vaccinated until now. Outward FDI is likely to grow as economies recover from the covid-19, companies reconfigure their operations, and global economic activity takes hold.

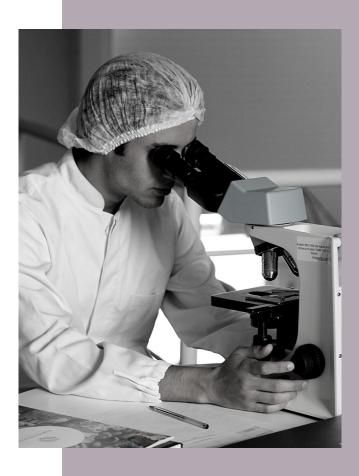
LATEST NEWS AND UPDATES

Camlin Fine Sciences' acquires a 65% stake in Dresen Quimica

Speciality chemicals firm Camlin Fine Sciences' Mexico-based subsidiary- CFS Antioxidants Mexico, acquired a **65%** stake in chemical firm Dresen Quimica for **USD 7.8 million**.

Dresen markets products through its own sales force directed from headquarters and branches a network of distributors in North, Central and South America and the acquisition will help Camlin Life Sciences expand its market reach in this area.

Camlin primarily deals with food antioxidants and has facilities in Italy, Brazil and Mexico.





Reliance arm raises stake in transportation firm SkyTran

SkyTran is a US-based, venture-funded developer of pod car transport systems. Pod taxi is a driverless personal rapid transit system, which runs along a predetermined course either through overhead suspension or magnetic levitation.

RIL's unit Reliance Strategic Business Ventures Limited raised its holding in SkyTran to **54.4%** from **26.3%** on a fully diluted basis for **USD 26.7 million**.

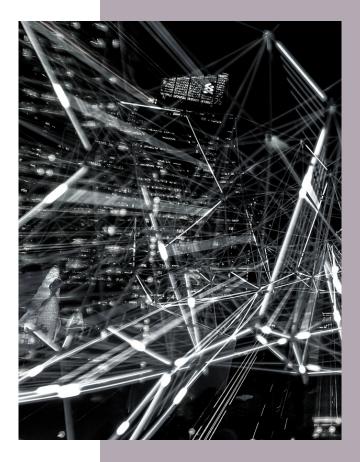
RIL had first invested in SkyTran in October 2018, acquiring a 12.7% stake in the company. In November 2019, it raised the stake to 17.3% and in April 2020, to 26.3%.

Happiest Minds acquires Pimcore Global Services for USD 8.2 million

Happiest Minds acquires a US-based Pimcore Global Services for **USD 8.2 million**. Pimcore Global Services is a Houston-based digital ecommerce and data management solutions company.

The acquisition will strengthen Happiest Minds' offerings and leadership in the digital transformation space. It also helps create greater digital capital for customers and onboarding more customer logos of strategic consequence.

The acquisition is subject to closing conditions.





THIS CURRENT PANDEMIC HAS RESHAPED TRADITIONAL CUSTOMER SERVICE AND HAS UNIVERSALLY INCREASED THE USE OF VIDEO ACROSS A RANGE OF APPLICATIONS," UMESH SACHDEV, CEO, UNIPHORE

John Chambers-backed Uniphore acquires Spain-based AI company

John Chambers-backed Uniphore, which automates customer service for businesses using artificial intelligence (A), acquired Emotion Research Lab — a Spain-based AI company that analyses human behaviour through facial recognition of emotions to understand customers better for an undisclosed amount.

Uniphore will combine its conversational service automation (CSA) solution with Emotion Research Lab's video-focused AI service to enhance its offerings.

The acquisition will also allow Uniphore to have a presence in Spain even as it intends to expand into other European markets in FY22.

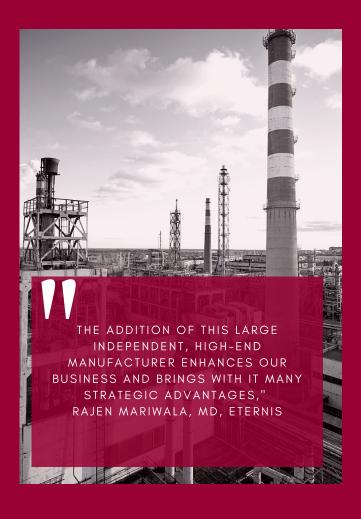
Affle India to acquire Israel based Discover Tech

Affle India announced that the company, through its wholly-owned step-down subsidiary Affle MEA FZ-LLC, a subsidiary of Affle International, has entered into a definitive Business Transfer Agreement to acquire the Business Assets of Discover Tech.

It fortifies Affle's vernacular on-device consumer experiences and strengthens the ecosystem connect with advertisers, OEMs, and MNOs across India, global emerging markets in general, and Africa.

The business transfer's fixed consideration is **USD 1.1 million** in cash, and the company will pay a maximum success fee of **USD 3.3 million** over a maximum of four years. The company expects to complete the transaction in 90 days.





Eternis acquires UK-based aroma chemicals manufacturer

Eternis Fine Chemicals Limited, a Mumbai-based aromatic compounds manufacturer, acquired United Kingdom-based speciality chemicals company Tennants Fine Chemicals Limited.

Eternis has also bought the company's whollyowned subsidiaries in Singapore and China from Tennants Consolidated Limited.

The acquisition will help Eternis and Tennants Fine Chemicals complement each other's offerings and leverage aspects such as their multi-location manufacturing and distribution platforms.

There has been an upward trend in this segment in the last few years, highlighting India's growth as a speciality and aroma chemical industry hub.

Cure.fit acquires Onyx to improve international offerings

Fitness startup Cure.fit has acquired Onyx, a San Francisco, based fitness company, to improve its computer vision technology for its at-home fitness product.

Onyx specialises in body tracking technology and the personalisation of workout feedback. Cure.fit will get access to Onyx's computer vision technology to improve its product offering.

Cure.fit is India's largest and most-funded healthtech company. Cure.fit recently launched in the US with its energy-meter tech wherein the phone camera tracks users' movements as they try to follow guided content from trainers.





Hero Motors acquires strategic stake in Hewland Engineering

Auto components maker Hero Motors Company acquired a strategic stake in UK-based transmission design technology firm, Hewland Engineering for an undisclosed sum.

The acquisition will enable Hero Motors to create a competitive single source entity to design and manufacture high-quality transmission products, particularly in the emerging EV segment, to OEMs across North America, Europe and India. It will also help the company to access Hewland's established motorsport customer base in the UK.

Hewland has significant transmission design and manufacture strengths, full structural and gear-train analysis and efficiency modelling capabilities for internal combustion-engine cars and, increasingly, for electrified vehicles.

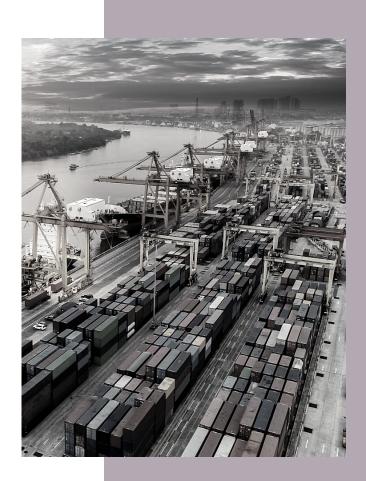
Ecom Express invests USD 11 million in Paperfly to expand to Bangladesh

Logistics solutions provider Ecom Express has invested **USD 11 million** in Bangladesh's largest third-party e-commerce logistics firm- Paperfly.

Through this investment, Ecom Express is foraying into the Bangladesh market, marking its maiden venture outside India. The company sees many growth opportunities in adjacent markets.

The investment will further accelerate the company's implementation of advanced supply chain and logistics processes, agile solutions in delivery and warehouse management, and other operational facets in the logistics and supply chain.

Ecom Express works with eCommerce companies, including Amazon, Flipkart, Paytm and Udaan, to provide express delivery and fulfilment services.



Quick Heal to invest more in Israeli startup L7 Defense

IT security company Quick Heal Technologies has signed a definitive agreement to invest **USD 2 million** in L7 Defense, an Israeli API security startup. This is the second round of investment by the Pune Headquartered company, after infusing USD 300,000 in the startup in November 2019.

The investment will enable strategic alignment between the two companies for Quick Heal to expand its enterprise solutions under the Seqrite platform and introduce L7's flagship products in India and other APAC and EMEA regions.

Founded in 2015, L7 utilises an unsupervised AI/ML technology to actively protect APIs and API-based applications from attacks such as distributed denial-of services (DDOS) and BOT attacks.

AT QUICK HEAL TECHNOLOGIES, WE ARE ALWAYS ON THE LOOKOUT FOR THE RIGHT INVESTMENT OPPORTUNITIES BY EVALUATING NEW PLATFORMS AND TECHNOLOGIES THAT ENABLE US TO SUPPORT THE DIGITAL TRANSFORMATION JOURNEY OF OUR CUSTOMERS," KAILASH KATKAR, CEO, QUICK HEAL

Jubilant Foodworks to acquire Fides Food

Jubilant FoodWorks Limited, which operates Domino's Pizza and Dunkin' Donuts outlets in India, is set to fully acquire the Netherlands-based Fides Food Systems Cooperative UA.

The acquisition will be made via its wholly-owned subsidiary, Jubilant Foodworks Netherlands B.V., for approximately **USD 34.5 million**.

The acquisition of Fides by Jubilant Foodworks Netherlands B.V. will enable Jubilant FoodWorks Limited to indirectly hold **32.8%** shares in DP Eurasia, the exclusive master franchisee of Domino's Pizza brand in Turkey Russia, Azerbaijan, and Georgia.





Infosys McCamish acquires underwriting platform from STEP Solutions

Infosys McCamish, an Atlanta, Georgia, headquartered subsidiary of Infosys BPM that provides solutions, services for the insurance and financial services industry, announced the purchase of an underwriting platform from STEP Solutions Group for an undisclosed amount.

STEP Solutions Group, an affiliate of the Dillon Kane Group based in Chicago, Illinois, builds technology solutions in insurance underwriting and new business.

The deal is expected to ease the complexity of all types of insurance products, such as life, annuity, and health, for individuals and groups across North America.

Motherson Sumi to enter Turkey via two acquisitions

Motherson Sumi, the Noida-based company through its subsidiary, Samvardhana Motherson Automotive Systems Group BV, will acquire majority stakes in Plast Met Plastik Metal San. İmalatveTic.A.Ş. (PM-Bursa) and Plast Met Kalıp San.veTic.A.Ş. (PM-Istanbul), collectively known as the Plast Met group.

Motherson Sumi is set to acquire **75%** of the two companies, which reported combined revenues of **USD 39.8 million** in 2019.

The acquisition will help Motherson Sumi with its expansion into Turkey, which holds long-term growth potential.

THIS ACQUISITION OF FASTTEL IS

OF STRATEGIC FIT TO KPTL IN ORDER TO CAPTURE LOCAL MARKET

OPPORTUNITIES IN BRAZIL AND

EXPAND BUSINESS IN THE LATIN

AMERICAN MARKET," SANJAY DALMIA, EXECUTIVE

DIRECTOR, KPTL



KPTL to acquire 51% stake in Brazil's Fasttel Engenharia

Kalpataru Power Transmission Limited (KPTL) will acquire through its wholly-owned subsidiary in Brazil a **51 per cent** stake in Fasttel Engenharia Limited for **USD 8.8 million**.

Fasttel, founded in 1988, specialises in engineering, procurement, and construction (EPC) and maintenance of power transmission lines, substation and distribution systems across various voltage range up to 750 kV.

The acquisition of Fasttel is in line with the company's strategy to strengthen its core EPC business and have a greater geographical presence in stable and growing markets.

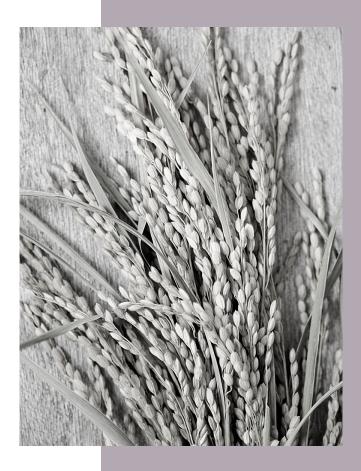
LT Foods picks 30% stake in Netherlands-based Leev

LT Foods Limited, which sells packaged rice under the Daawat, Heritage and Royal brands, has acquired a **30%** stake in Leev.nu, a Netherlandsbased packaged foods company, through its subsidiary Nature Bio Foods BV.

The transaction allows Nature Bio Foods (NBF BV) an option to acquire a further 21% stake in Leev.nu at the end of five years.

Leev.nu sells organic breakfast products, baking mixes, and health snacks largely in the Netherlands.

For LT Foods, the deal will help Nature Bio Foods foray into the branded snacking market. Leev.nu will now have access to organic produce grown by Nature Bio Foods' network of over 60,000 organic farmers.





Jaykay Enterprises forms metalprinting JV with German firm

Jaykay Enterprises Limited, part of the JK conglomerate, has formed a joint venture with the Singapore unit of Germany- based metals and plastics industrial printing manufacturer EOS.

The focus of this Bengaluru-based JV – NeuMesh Labs Private Limited – will strengthen the two companies' presence in the country's metal printing segment.

NeuMesh Labs will help customers adopt this technology by offering EOS' solutions in areas including design for additive manufacturing, part screening and selection, and topology optimisation. The venture will look to secure both domestic and international clients.

Tech Mahindra to acquire Payments Technology Services

Pune-headquartered, Tech Mahindra, is set to acquire Payments Technology Services (PTSL), a step-down subsidiary of the Fortune 500 fintech giant, for **USD 9 million**.

The deal will give Tech Mahindra access to IPs and licenses for two key products - Open Payment Framework (OPF) and Multi-Bank System (MBS).

The acquisition is in line with its strategy of pivoting the business towards product and platform implementations and participating in the banking transformation programmes. It also expects the deal to open up other opportunities with FIS across several areas in the BFSI sector.





EVENTS & ENGAGEMENTS

Virtual Investors Meet 2.0. -Aerospace and Defence sector in South Carolina

T&A Consulting, the official India representative of the South Carolina Department of Commerce, successfully hosted the first episode of the Virtual Investors Meet 2.0. on 23rd Feb 2021, focusing on the Aerospace and Defence sector.

The event's objective was to highlight investment opportunities in South Carolina for Indian companies evaluating the U.S. as a location to setup their manufacturing or distribution facility.

This session was organised in association with the Society of Indian Aerospace Technologies & Industries and the Society of Indian Defence Manufacturers.

Click **HERE** to watch the video.



An Immersive Experience Anytime, Anywhere!

TECHNOLOGY & LEADERSHIP FORUM 2021 SHAPING THE FUTURE FOR A BETTER NORMAL 17th - 19th February 2021

New Jersey India Center exhibiting at Nasscom Technology and Leadership Forum

T&A Consulting, representative of the New Jersey India Center' (NJIC), exhibited live at Nasscom Technology and Leadership Forum, the first virtual edition of the event. The event took place from 17th February to 19th February 2021, with the theme being "Shaping the future towards a better normal".

More than 600 CXOs and 500+ companies attended the event, with recorded participation from across 30 countries.

The three-day virtual event provided a great platform for Indian companies looking to be a part of the USA's growing and robust tech companies cluster. It brought together IT supporters and professionals from across the globe.

Aero India 2021 – Virtual Exhibition for Aerospace and Defence Industry

T&A Consulting, the official India representative of the South Carolina Department of Commerce, participated in Aero India 2021, a virtual exhibition for the aerospace and defence industry. The event was held from 3rd February to 5th February 2021. The two-day event offered a platform for networking with the world's leading companies.

The event saw an exhibitors list of 602 companies from 14 different countries – with 78 exhibitors from abroad.

The virtual booth witnessed about 120 visits from the Indian Aerospace and Defence diaspora, which allowed the team to present South Carolina's strengths as an attractive investment destination with them.



AERO INDIA 2021

Opportunities in South Carolina: Aerospace & Defence



MISSP 2.0 Webinar - Opportunities in the Indian Commodities Trading Sector

T&A Consulting is the knowledge partner of the Embassy of India, Berne's MISSP 2.0 - 'Momentum in India: Swiss SMEs Programme', and the program helps Swiss SMEs expand in the Indian market. It is a one-stop source for companies requiring support services for their Indian access strategy with the benefits of special workshops and webinars, networking events, information exchange, and so on.

The webinar was hosted on 21st January 2021 and shed light on the overview of the Indian economy during the current crisis, the overview and opportunities in the Indian Commodities Trading Sector and doing business in India. The webinar had speakers from T&A Consulting, Rödl & Partner and the Embassy of India, Berne.

Embassy of India, Berne, Concurrently accredited to the Principality of Liechtenstein

has pleasure in inviting you to a

Webinar on

Opportunities in the Indian Commodities Trading Sector

On Thursday, 21 January 2021 at 10.00 a.m. (CET)

Participation is by registration only. Please register by clicking on the below.



UPCOMING EVENTS

ACMA AutoMechanika New Delhi

22nd April - 25th April 2021

<u>Japan IT Week</u> 26th April – 28th April 2021

<u>BTL - International Tourism Exhibition</u> 12th May – 16th May 2021

Integrated Systems Europe – ISE 1st June – 4th June 2021

IMTEX & Tooltech - Machine Tool Technology 17th June - 23rd June 2021

Arab Health Exhibition & Congress 21st June - 24th June, 2021







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