

# INDCAP NEWSLETTER



June, 2015



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# NEWSLETTER

## PE \* INSIGHT

- ❖ Leading global PE firm Warburg Pincus has invested INR 8,500 Mn in Delhi based Ecom Express, a leading logistics solutions provider to India's e-commerce industry.
- ❖ Arpwood Capital has purchased 21% stake in German wind turbine maker Senvion (formerly RE Power) for INR 7,160 Mn.
- ❖ Morgan Stanley, through its Small Company Growth Fund has invested around INR 3,150 Mn in Country's largest ecommerce firm Flipkart India.
- ❖ Delhi-based solar power company Applied Solar Technologies India Pvt. Ltd. has secured INR 2,520 Mn in a fresh round of funding led by the Australian government's sovereign wealth fund Future Fund Management Agency.
- ❖ Delhi-based Solvy Tech Solutions Pvt. Ltd., the company behind hyper local mobile marketplace Zopper, has raised INR 1,270 Mn in its second round of funding from existing investors Tiger Global Management and Nirvana Venture Advisors.
- ❖ India-focused private equity firm CX Partners has made a fresh investment of INR 1,053 Mn in existing portfolio firm Barbeque Nation Hospitality Ltd (BNHL)

## M&A \* INSIGHT

- ❖ Bharti Enterprises has acquired a strategic minority stake in satellite operator OneWeb, becoming a founding member of the consortium that aims to provide affordable Internet access across the globe
- ❖ IT major Infosys completed INR 7,560 Mn acquisition deal with Kallidus Inc (Skava) and its affiliate, a leading provider of digital experience solutions.
- ❖ Radhakishan Damani's Derive Trading Pvt. Ltd. has bought five-star hotel Radisson Blu Resort & Spa in Alibaug, a popular coastal town some 100 km from Mumbai, for INR 1,350 Mn.
- ❖ Kellton Tech, an IT services and solutions firm, acquired US-based ProSoft Group, an enterprise solutions and business integration provider, for INR 882 Mn
- ❖ France-based medical devices manufacturer Peters Surgical SAS has acquired controlling equity stake in Gurgaon-based Stericat Gutstrings Pvt. Ltd. for INR 756 Mn.
- ❖ Swiss start up solar company Flisom, has received an additional investment of INR 680 Mn from Tata Industries and a group of strategic investors.

*\*An extensive list of M&A and PE deals announced in June 2015 is provided in the subsequent pages*

## M &amp; A Deals – June 2015

Target	Deal Type	Buyer	Industry	Deal Value INR in Mn	Stake (%)
OneWeb Ltd.	Acquisition	Bharti Enterprises Ltd., Others	Telecommunication	31,500	N.A
Kallidus Inc.	Acquisition	Infosys Limited	Information Technology	7,560	100
Radisson Blu Resort & Spa	Acquisition	Derive Trading Pvt. Ltd.	Hospitality	1,350	N.A
Prosoft Group Inc.	Acquisition	Kellton Tech Solutions Limited	Information Technology	882	100
Stericat Gutstrings Private Limited	Acquisition	Peters Surgical SAS	Medical Device	756	N.A
Flisom AG	Acquisition	TATA Sons Limited & Others	Renewable Energy	680	N.A
Market Motive	Acquisition	Simplilearn Solutions Pvt. Ltd.	Technology	620	N.A
BCB Finance Limited	Acquisition	Centrum Direct Limited	Banking/ Financial Services	155	52.16
InstaTruck Transportation Services Private Limited	Acquisition	Diptab Ventures Private Limited	Transport & Logistics	N.A	N.A
Delyver Retail Network Private Limited	Acquisition	SuperMarket Grocery Supplies Private Limited	Technology	N.A	N.A
T&K Machine	Acquisition	Aequs Private Limited	Auto	N.A	N.A
CrudeArea Web Private Limited	Acquisition	Encompass Design India Private Limited	Technology	N.A	N.A
Cucumbertown Software Labs Private Limited	Acquisition	Cookpad Inc.	Technology	N.A	N.A
PropTiger Realty Private Limited	Acquisition	News Corporation	Technology/ Real Estate	N.A	N.A
Letsgomo Labs LLP	Acquisition	Jasper Infotech Private Limited	Technology	N.A	N.A
Le Travenues Technology Private Limited	Acquisition	Micromax Informatics Limited	Technology	N.A	N.A

\*INR to USD conversion rate considered at USD 1 = INR 63

N.A. – Not Available



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## PE Deals – June 2015

Company	Industry	Investor	Amount INR in Mn	Equity (%)
Ecom Express Private Limited	Logistics	Warburg Pincus International	8,500	N.A
Senvion SE	Capital Goods	Arpwood Partners Fund I	7,160	21.00
Flipkart Pvt. Ltd.	Technology	Morgan Stanley Investment Management Inc.	3,150	N.A
Applied Solar Technologies (India) Private Limited	Renewable Energy	Bessemer Venture Partners, International Finance Corporation, Capricorn Libra Investment Group, Future Fund	2,520	N.A
Solvly Tech Solutions Private Limited	Technology	Tiger Global Management LLC, Nirvana Venture Advisors Private Limited	1,270	N.A
Barbeque-Nation Hospitality Ltd.	Consumer Services	CX Capital Management Ltd.	1,053	N.A
Bundl Technologies Private Limited	Technology	Norwest Venture Partners, SAIF Partners, Accel Partners, Unknown	1,040	N.A
La Renon Healthcare Private Limited	Pharmaceuticals	Sequoia Capital India	1,000	N.A
Indix Corp.	Technology	Nexus India Capital Advisors Pvt. Ltd., Avalon Ventures, Nokia Growth Partners	945	N.A
Arkin Net Inc.	Information Technology	Nexus India Capital Advisors Private Limited, B V Jagadeesh (Angel Investor)	945	N.A
Ather Energy Private Limited	Automobiles	Tiger Global Management LLC	756	36.13
Wealth India Financial Services Pvt. Ltd.	Financial Services	Inventus Advisory Services India Pvt. Ltd., Foundation Capital, Faering Capital Pvt. Ltd.	690	N.A
Urbanclap Technologies India Pvt. Ltd.	Technology	SAIF Partners, Accel India Management Co. Pvt. Ltd.	630	N.A

\*INR to USD conversion rate considered at 1 USD = 63 INR

N.A. – Not Available



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## Sell Side Opportunities

Sector	Location	Opportunity Brief	Key Highlights
Renewable Energy	Andhra Pradesh	The Company is an integrated construction, infrastructure development and management company in India	<ul style="list-style-type: none"> <li>✓ 5 MW operational solar power plant</li> <li>✓ Installed capacity : 5 MW</li> <li>✓ PV Technology : Multi crystalline</li> <li>✓ Land : 45 acres</li> <li>✓ Tariff : PPA with NRVN - Rs. 11.97 per unit (Fixed for 25 years since COD)</li> <li>✓ COD : 5th July 2013</li> <li>✓ PLF : 18%</li> </ul>
Stainless Steel	New Delhi	The Company is one of the leading manufacturers and exporters of Stainless Steel architectural fittings from India	<ul style="list-style-type: none"> <li>✓ Manufactures furniture Handles, door handles, escutcheons, knobs, flush pulls, numerals, brackets, bathroom accessories &amp; various other decorative hardware items in Stainless Steel</li> <li>✓ Plant in NCR – 1,900 sq mtrs of land, 23,000 sqft of build up area</li> <li>✓ Has a strong design competence with facility equipped to provide in-house designing and development</li> <li>✓ Long Standing relationship with large International Clientele including Fortune 500 companies.</li> </ul>

## Buy Side Opportunities

Sector	Location	Company Brief	Acquisition Criteria
Chemicals	Gujarat	The group is engaged into manufacturing of dyes, pigments, caustic etc.	<ul style="list-style-type: none"> <li>✓ The company is diversifying into API and is interested in acquiring USFDA approved API Unit.</li> <li>✓ Looking for running plant with all USFDA approvals for its API Products</li> <li>✓ Acquisition Size&lt;= INR 500-1,000 mn.</li> </ul>
FMCG	Gujarat	The company is a leading player in the Chemicals and Cement business	<ul style="list-style-type: none"> <li>✓ The company is looking to acquire large size cement unit having capacity of more than 3.0 mn tonnes</li> <li>✓ Preferred Location- Western Part of India</li> <li>✓ Lime reserve and captive power plant associated with cement plant would be most preferred</li> </ul>

## Buy Side Opportunities

Sector	Location	Company Brief	Acquisition Criteria
FMCG	India	The company is engaged in the manufacturing of FMCG products and is exploring to diversify into new businesses.	<ul style="list-style-type: none"> <li>✓ <b>In FMCG</b> <ul style="list-style-type: none"> <li>• Sector includes Personal care products (natural and Ayurvedic), Baby Care Products, Vitamins, Minerals &amp; Dietary Supplements (VMS)- Natural &amp; Herbal, Consumer Durables, Food Sector</li> <li>• Revenue Size – INR 250 Mn to INR 1000 Mn.</li> <li>• EBIDTA – Should be positive</li> <li>• Scalable Business</li> <li>• Should have regional or Pan India presence</li> </ul> </li> <li>✓ <b>In Healthcare</b> <ul style="list-style-type: none"> <li>• Clinical Diagnostics centers, Fertility centre etc.</li> </ul> </li> <li>✓ <b>In Cement</b> <ul style="list-style-type: none"> <li>• Cement Grinding unit of about 1.0 mn tonne capacity</li> <li>• Sufficient land preferably with railway siding</li> <li>• Location: W.B, Jharkhand, Odisha &amp; Bihar</li> <li>• Captive Limestone mine would be preferred</li> </ul> </li> <li>✓ <b>Renewable Energy</b> <ul style="list-style-type: none"> <li>• Solar Power plant with crystalline technology</li> <li>• PPA scheme should be under central Govt. Scheme like JNNSM-Batch</li> </ul> </li> <li>✓ <b>Any new disruptive technology oriented business</b></li> </ul>
Real Estate	Gujarat	They are a group of ultra HNIs running large chain of multiplexes and hospitality services in Gujarat	<ul style="list-style-type: none"> <li>✓ Interested in acquiring 5 Stars Property in Goa, Kerala or any of the metro cities</li> <li>✓ Looking for any sizable commercial real estate property fetching good lease rentals</li> <li>✓ Looking for IRR of around 12-15%</li> </ul>
Architectural Hardware Fittings	New Delhi	The Company is one of India's most popular Architectural Hardware Solution provider through a wide range of standard & customized products	<ul style="list-style-type: none"> <li>✓ The company is looking for acquisition in the following space: <ul style="list-style-type: none"> <li>• Door manufacturers- Fire door, clean room used in pharmaceutical and hospital</li> <li>• Kitchen manufacturer - Prefer into retail but can also look in commercial</li> <li>• Electronic home security- example door phone</li> </ul> </li> <li>✓ Looking at companies with revenue INR 500-1000 Mn</li> </ul>

- ✓ Indcap has successfully assisted a leading Iron & Steel Manufacturing Company, based out of Kolkata, in Debt Restructuring worth INR 994 Mn with additional funding of INR 282 Mn, through a Leading Public Sector Bank which had opted for exit option earlier, out of the total INR 12,753 Mn debt under Corporate Debt Restructuring Mechanism

Stock Indices	Opening (1 <sup>st</sup> June'15)	Closing (30 <sup>th</sup> June'15)	Change %	
Sensex	27,770.79	27,780.83	0.04%	↑
Nifty	8,417.25	8,368.50	-0.58%	↓
FTSE	6,984.40	6,521.00	-6.63%	↓
Nikkei	20,444.54	20,235.73	-1.02%	↓
Dow Jones	18,017.82	17,619.51	-2.21%	↓
Gold ( INR/10 Grams)	26,827.00	26,356.00	-1.76%	↓
Silver (INR /1 Kg)	37,838.00	35,632.00	-5.83%	↓
USD (\$)	63.61	63.78	0.27%	↑
Euro (€)	69.40	71.37	2.84%	↑
GBP (£)	96.58	100.30	3.85%	↑

Sources – Global Indices, BSE, NSE, RBI, MCX INDIA



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