



**Financial Insights  
August, 2016**

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## M&A INSIGHT

Media.net, a player in the ad-tech space has been acquired by a Chinese Consortium from serial internet entrepreneur Divyank Turakhia's Starbuster TMT Investments in an all-cash transaction valued at approximately INR 60,300 Mn

Norway's Yara International ASA has entered into an agreement to acquire the Tata Chemicals Ltd.'s Babrala urea plant and distribution business in Uttar Pradesh for INR 26,700 Mn on a debt and cash free basis, including normalised net working capital.

Indian drugmaker Lupin Ltd. has purchased 21 branded drugs from Japan's Shionogi & Co. Ltd. for INR 10,050 Mn to expand in the world's second-largest pharmaceutical market.

Billionaire Ajay Piramal-led Piramal Enterprises Ltd. has acquired US-based Ash Stevens Inc. for up to INR 3,550 Mn in an all-cash deal that will boost its high-potency drug development business.

Credit rating firm ICRA Ltd. has sold its software development arm, ICRA Techno Analytics Ltd., to IT firm Nihilent Technologies Ltd. for INR 688 Mn

Morgan Stanley Infrastructure Partners-backed Continuum Wind Energy Pte. Ltd. has sold its Sangli-based unit Maharashtra Revangaon Windfarm Development (P) Ltd. (MRWD) to Dosti Group for INR 338 Mn

## PE INSIGHT

**Kavin Bharti Mittal's Hike Messenger raised series D financing of over INR 11,725 Mn in a funding round led by Tencent Holdings and Foxconn Technology Group**

**US-based private equity investor TA Associates Management Lp has invested INR 9,370 Mn in TCNS Clothing Co (P) Ltd., which owns the 'W' brand of clothing for women, to buy out shares from existing shareholders including Matrix Partners India**

**Delhi-based Oravel Stays (P) Ltd., which runs the branded budget hotels marketplace Oyo Rooms, has raised INR 4,154 Mn from existing Japanese investor SoftBank Group Corp.**

**ICICI Venture and Apis Partners have acquired a minority stake in Star Health and Allied Insurance Company for INR 3,150 Mn**

**Bengaluru-based developer Salarpuria Sattva Group and US-based private equity giant Apollo Global have formed a joint venture to acquire two real estate projects from a group of offshore investors for INR 2,750 Mn**

**South Africa-based payment services provider Net1 UEPS Technologies has invested INR 2,680 Mn in mobile payments start-up MobiKwik**

## M&A Deals- August 2016

Target	Buyer	Industry	Deal Value	Stake (%)
			INR in Mn	
Media.net	A group of Chinese investors	IT/ ITes/ Technology	60,300	N.A
Tata Chemicals Ltd's urea business	Yara International ASA	Chemicals	26,700	N.A
21 branded drugs from Japan's Shionogi & Co. Ltd.	Lupin Ltd.	Pharmaceuticals	10,050	N.A
Ash Stevens Inc.	Piramal Enterprises Ltd.	Pharmaceuticals	3,550	100
ICRA Techno Analytics Ltd.	Nihilent Technologies Ltd.	IT/ ITes/ Technology	688	N.A
Maharashtra Revangaon Windfarm Development (P) Ltd.	Dosti Group	Renewable Energy	338	N.A
Neonatal Care & Research Institute	IL&FS Investment Managers and Norwest Venture Partners.	Healthcare	330	N.A
Prasanna Purple Mobility Solutions (P) Ltd.	TVS Logistics Services	Logistics	240	N.A
Spice Online (P) Ltd.	Beijing Digital Telecom	IT/ ITes/ Technology	170	49
Klasspack	Borosil Glass Works	Packaging	N.A	60.3
Indecomm Global Services	Capital Square Partners	IT/ ITes/ Technology	N.A	55
Fitness and sportswear brand HRX	Myntra	Fashion	N.A	51
Puma India Retail	Puma	Retail	N.A	49
Cerestra Advisors Ltd.	The Capital Partnership Group Ltd. (TCP)	Financial Services	N.A	N.A

\*INR to USD conversion rate considered at USD 1 = INR 67

August, 2016

## PE Deals- August 2016

Company	Industry	Investor	Amount
			INR in Mn
Hike	IT/ ITes/ Technology	Tencent Holdings, Foxconn Technology Group, Tiger Global, SoftBank Group, Bharti Enterprises	11,725
TCNS Clothing Co (P) Ltd. (W Brand)	Apparels	TA Associates Management Lp	9,370
OyoRooms	IT/ ITes/ Technology	SoftBank Group	4,154
Star Health and Allied Insurance Company	Insurance	ICICI Venture and Apis Partners	3,150
Two real estate projects from a group of offshore investors	Real Estate	Salarpuria Sattva, Apollo Global JV	2,750
Mobikwik	IT/ ITes/ Technology	Net1 UEPS Technologies Inc.	2,680
Puro Wellness	IT/ ITes/ Technology	Torrent Group	2,479
Mitra Biotech (P) Ltd.	IT/ ITes/ Technology	Sequoia India, Sands Capital Ventures & RA Capital Management and Accel Partners, Tata Capital Innovations Fund	1,836
Fusion Microfinance	Financial Services	Creation Investments, GAWA and existing investors BIO and Oikocredit	1,620
ZoomCar	IT/ ITes/ Technology	Ford Smart Mobility Llc	1,608
Quikr	IT/ ITes/ Technology	Brand Capital	1,340
Maini Precision Products (P) Ltd.	Engineering- Auto	Paragon partners and co-investors	1,110
Innovaccer	IT/ ITes/ Technology	Westbridge Capital Partners	1,045

\*INR to USD conversion rate considered at USD 1 = INR 67

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## Indcap Sell Side Opportunities

Sector	Location	Company Brief	Acquisition Criteria
Renewable Energy	Odisha	The Group has diversified business interests	<ul style="list-style-type: none"> <li>✓ 5.5 MW operational solar power plant</li> <li>✓ Land : 30 acres (100% owned by developer)</li> <li>✓ Tariff : PPA with GRIDCO - Rs. 7.00 per unit (Fixed for 25 years since COD)</li> <li>✓ COD : 19th August 2014</li> <li>✓ PLF : FY 16- 16%</li> </ul>
Sandalwood	Madhya Pradesh	The company is engaged into Plantation of Sandalwood and Amla and Trading in agricultural commodities and medicinal & aromatic plants.	<ul style="list-style-type: none"> <li>✓ Sandalwood Plantation established in 2006</li> <li>✓ Location: Madhya Pradesh</li> <li>✓ Area: 226 Acres</li> <li>✓ 95000 live trees including about 40,000 Mysore quality sandalwood trees and 45,000 Amla trees.</li> </ul>
Steel	Odisha	The company is engaged in the manufacture of sponge iron	<ul style="list-style-type: none"> <li>✓ A 2x100 TPD Sponge Iron Plant set in an area of approx. 25 acres</li> <li>✓ Well connected with major modes of transport</li> <li>✓ Availability of railway siding at distance of 4 kms</li> </ul>
Infrastructure	Madhya Pradesh	The Company operates in commodities and Infrastructure domain	<ul style="list-style-type: none"> <li>✓ Signed Concession Agreement with Madhya Pradesh Road Development Corporation ("MPRDC"). for executing Road projects on DBFOT, (Design – Build – Finance – Operate – Transfer) basis</li> <li>✓ Length : 40.50 km</li> <li>✓ Status : Operational</li> <li>✓ Revenue Model: Both Toll and Annuity. Semi-annually Annuity is Rs. 5.46 crores</li> </ul>
Edible Oil	West Bengal	The company is into manufacturing of edible oil	<ul style="list-style-type: none"> <li>✓ An edible oil and Vanaspati manufacturing plant spread over an area of 12 acres</li> <li>✓ The unit has the following facilities                             <ul style="list-style-type: none"> <li>• Vegetable oil refinery</li> <li>• Vanaspati Plant</li> <li>• Rice Bran Oil Plant</li> <li>• Fractionation plant for manufacturing of palmolien oil</li> </ul> </li> </ul>

## Indcap Buy Side Opportunities

Sector	Location	Company Brief	Acquisition Criteria
Healthcare	Mumbai	The group has an extensive experience in the field of healthcare and pharmaceuticals.	<ul style="list-style-type: none"> <li>✓ The company is looking to expand into Pharma, Healthcare, Consumer, Renewable, BFSI, NBFC</li> </ul>
Pipes & Tubes	India	The company manufactures a wide range of welded and seamless stainless steel tubes and pipes & carbon steel pipes	<ul style="list-style-type: none"> <li>✓ Actively scouting targets with similar product lines</li> <li>✓ Preferably in southern and western India</li> <li>✓ Investment Size: ~USD 25-50 Mn.</li> <li>✓ Prefers to acquire total management control</li> </ul>
Auto Component	Mumbai	One of the country's largest bearings manufacturer and is a part of US\$ 2 Bn conglomerate.	<ul style="list-style-type: none"> <li>✓ Looking to acquire company engaged in manufacturing of bearing used in automotive and railway industries, and for general industrial applications.</li> </ul>
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>✓ Looking for some Regional brands in the categories like Personal Care, Health Care, Health Food (like Nutraceuticals, Dietary Supplements, etc.)</li> <li>✓ Minimum turnover ~ Rs. 40-50 Crs.</li> <li>✓ The brand should have good visibility in the market.</li> </ul>
Diversified	Tamilnadu	A diversified group engaged in the manufacture of different industrial products	<ul style="list-style-type: none"> <li>✓ Looking to acquire companies in the Thermocol packaging and prefab verticals.</li> </ul>
Electric Distribution	Bangalore	Provide its customers a One stop sourcing option for all their requirements right from active components, RF / Microwave components, Passive components, Displays, Connectors and PCB etc	<ul style="list-style-type: none"> <li>✓ Looking at Electronics distribution Companies that are having B2B sales of products of high margins</li> <li>✓ Company engaged in the related space and can provide synergy to its existing business</li> <li>✓ Company engaged in manufacturing of product which are currently being marketed by them</li> <li>✓ Target Investment Size: USD 50-100 mn</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>
Renewable Energy	Gujarat	The Company is a diversified player based out of Gujarat	<ul style="list-style-type: none"> <li>✓ Looking to acquire wind and solar assets in Gujarat and Rajasthan</li> <li>✓ Hydro assets in Himachal Pradesh</li> </ul>



## INDCAP at "Financial Modelling" Workshop

Indcap was invited as a speaker to discuss on "Financial Modelling" in a workshop organised by Neoleap Business Ventures LLP, the first structured accelerator for start ups in Eastern India, on 11<sup>th</sup> August, 2016.

Mr. Vikram Kumar Singh, Senior Vice President, represented Indcap in the event and made presentation on Financial modelling, focusing on start-ups. He interacted with the vibrant and budding entrepreneurs who attended the workshop and addressed their queries.

The start-ups who participated were:

- Priyanka Khanna , Priyanka Khanna, Designer and Stylist
- Manish Jain, Tea Raja, Online Tea selling business
- Hemant Poddar and Rishabh Bajaj, Machine Hire, online B2B marketplace for equipments

Neoleap Business Ventures LLP, founded by two Kolkata based upwardly mobile entrepreneurs and co-founders of Calcutta Angel Network, Raghav Kanoria and Kumar Vardhan Patodia, and Chandradeep Mitra, IIM-C professor, aims to act as an enabler and facilitator to help create sustainable young startups which in turn will create employment in this part of the country once they are adequately funded.













Our representative Mr. Vikram Singh (second from left) with Mr. Raghav Kanoria (First from left), Founder & Partner, Neoleap with other participants at the event



Our representative Mr. Vikram Singh (second from left) with the other participants at the event

**MARKETS/ COMMODITIES**

Stock Indices	Opening (1 <sup>st</sup> Aug'16)	Closing (31 <sup>st</sup> Aug'16)	Change %
Sensex	28,083.08	28,452.17	1.31% 
Nifty	8654.3	8786.2	1.52% 
FTSE	6,724.43	6,781.51	0.85% 
Nikkei	16,415.31	16,887.40	2.88% 
Dow Jones	18,434.50	18,400.88	-0.18% 
Gold ( INR/10 Grams)	31,450	30,741.00	-2.25% 
Silver (INR /1 Kg)	47,770.00	44,080.00	-7.72% 
USD (\$)	66.70	66.95	0.37% 
Euro (€)	74.54	74.62	0.11% 
GBP (£)	88.10	87.89	-0.24% 

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

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