

As the world comes to terms with social distancing, industries across the globe face the attendant challenges of economic distancing, putting the global economy in the middle or possibly the beginning of a prolonged slowdown in global trade and investment.

Be that as it may, with India's Unlock 2.0, the second phase of the national reopening plan, underway, the country is carefully balancing the needs of economic revival and public health, and is showing early promises of a speedy economic turnaround.

On the global front, international trade in merchandise is expected to continue tracking low in the coming months as economies struggle to reopen, amidst continuing lockdowns, and recent resurgences in COVID-19 cases. As per the latest UNCTAD data, international merchandise trade dropped by ~5% in the first quarter of 2020 and the projections point towards a further 27% decrease for the second quarter and an annual decline of 20% for the year.

Likewise, global foreign direct investment (FDI), which has generally been on a downward trend since 2016, is expected to decline sharply in the wake of the COVID-19 crisis. As per UNCTAD's latest projections, global FDI could decrease by up to 40% in 2020, from USD 1.54 trillion in 2019, thereby slipping below the USD 1 trillion mark for the first time since 2005.

The Indian economy, however, despite the trying macroeconomic circumstances, is showing strong signs of resilience and recovery.

The purchasing manager's index (PMI) for manufacturing and services in India registered 30.8 and 12.6 respectively in the month of May, marking a sizable improvement over corresponding figures in April (27.4 and 5.4 respectively). Thereafter, the manufacturing PMI jumped to 47.2 in June, proving the effectiveness of Unlock 1.0, the first phase of the national reopening plan, which was implemented in June, and also indicating the potential for a quick economic recovery (provided the absence of further lockdowns).

Before the current crisis, India was one of the bright spots of outbound FDI in Asia. While investments from Asia witnessed a significant decline in 2019, triggered in part by geopolitical tensions, and China's restrictions on outbound investments, India remained among the few Asian nations to report an increase in outward investment.

In 2019, India also became the second-largest supplier of foreign direct investment to the United Kingdom, ahead of Germany, France and China, investing in 120 projects and creating 5,429 new jobs in the UK. Similarly, Confederation of Indian Industry reported in its *Indian Roots, American Soil* survey that 155 companies with origins in India are responsible for generating over \$22 billion in investments and nearly 125,000 jobs across the United States.

Business France's 2019 Annual Report on Foreign Investment in France reported that Indian investors have significantly increased their investment in France. In 2019, 18 Indian companies decided to invest/re-invest in France, creating or maintaining two times more jobs than in 2018, bringing the total number of Indian companies in France to more than 120, with a global employment level of 8,000 jobs.

While many businesses in India are struggling under the current global and domestic economic constraints, a good many businesses have also managed to leverage technology and innovation to maximize some of the new and emergent market opportunities of the mid-pandemic economy and to position themselves to emerge from the recession more competitive than before and with a larger global foothold.

Analysis of recent investment trends suggests that substantial action has been taken in policy correction and adaptation by leading Indian corporations in industries such as advanced manufacturing, life sciences, and automotive to fast-track new capital expenditure, with a view to occupying strategic positions in global supply chains.

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## Adar Poonawalla-backed clean-tech startup h2e Power acquires Swiss firm Hexis



Pune based Clean Tech Start-up h2e Power, which is backed by Serum Institute of India chief executive

officer Adar Poonawalla, has acquired Swiss Fuel Cell company Hexis AG through its German subsidiary mPower GmbH from Viessmann Group.

As part of the deal, mPower and Viessmann have also signed an agreement for Hexis to continue to supply solid oxide fuel cell (SOFC) modules to European markets. These modules will be used by Viessmann for applications in residential and commercial establishments.

The acquisition will help h2e Power in manufacturing zero-emission power generators, Poonawalla said. The acquisition represents the latest move in the fast-growing clean-technology segment, which is focussed on providing environmentally friendly solutions to companies and individuals.

## Affle India acquires Singapore-based app discovery platform Appnext



Affle (India) Limited, the consumer intelligence technology company announced the signing

of a definitive agreement to acquire full control of Appnext Pte. Ltd., Singapore and 100% IP of Appnext app discovery and recommendation platform with immediate effect. As per the agreement, Affle will initially acquire 66.67% equity ownership in Appnext Singapore for US \$17.25 mn.

Founded in 2005, Affle is a global technology company with a proprietary consumer intelligence platform that delivers consumer engagements, acquisitions and transactions through relevant Mobile Advertising.

For Elad Natanson, founder, Appnext, over the years, the company has built a robust platform that is deployed by leading global OEMs, on-device partners and thousands of apps. "India and SEA are our biggest business markets. This deal would allow us to further strengthen our position and provide us a greater platform for global growth," he explained.

## AGC Networks to acquire Fujisoft group for boosting presence in West Asia, Africa



AGC Networks Limited NSE 2.92 %, a part of Essar Group, will acquire Fujisoft (along with its associated companies in UAE) through its indirect subsidiary - Black Box Holdings Ltd. This move will strengthen AGC's presence and offerings in the Middle East and Africa region.

Target companies have a consolidated revenue of 46.46 million dirham (\$12.65 million) for the 12 months ended December 2019.

The company is engaged in the business of providing services in relation to information technology solutions, computer system & communications equipment software trading, internal communication network installations & maintenance, web designing, computer systems housing services and related and ancillary services.

"This acquisition accelerates our expansion in MEA region. In our pursuit to remain the customer's trusted partner in providing technology solutions and services, the combination of Fujisoft and AGC will strengthen our relationship and relevance with our combined customers in the region," Sanjeev Verma, Executive Director and CEO of AGC Networks and President and CEO of Black Box Corporation, said.

## Essar group bids for Brazil's second-largest oil refinery



Indian conglomerate Essar Group made a binding offer to Brazil's Petroleo Brasileiro

SA to buy the country's second largest oil refinery .

Petrobras, as Brazil's state-controlled oil producer is known, has received at least two offers for the 323,000 barrels per day Landulpho Alves refinery in Bahia, known as Rlam. The other is from Abu Dhabi's Mubadala Investment Company.

If Essar's bid is successful, it would mark the group's debut in Brazil. Essar has invested roughly \$28 billion in assets in energy, infrastructure, mining and services, according to the company's website.

In a recent note to clients, analysts from Bradesco BBI valued the RLAM refinery, based in the northeastern Brazilian state of Bahia, at \$2.5 billion.

## GIC-backed Endurance Technologies acquires Italian components maker



**ENDURANCE**  
*Complete Solutions*

Aurangabad-based Endurance Technologies announced that its Italian subsidiary, Endurance

Adler SpA, and a direct subsidiary of Endurance Overseas Srl, has acquired 100 percent stake in Grimeca Srl.

Grimeca is an advanced service company involved in designing and developing new braking products for motorcycle and light-vehicles, including 'co-design' with OEM customers. Grimeca has been a technology provider for braking solutions to the Company since 2015.

This strategic acquisition aims to strengthen technological prowess of Endurance around braking systems. The company said that acquisition would augment its casting capacity and backward integration processes. Endurance has also made acquisitions in the past to shore up its product and operational strength.

## Godrej Consumer takes full control of Kenyan home and personal care firm



**CONSUMER PRODUCTS**

Mumbai-based Godrej Consumer Products Ltd (GCPL), the consumer arm of the larger Godrej Group, has taken full control of a Kenya-based Canon Chemicals Ltd. that manufactures and distributes home and personal care products, four years after initially acquiring a 75% stake. This development comes after Godrej Consumer in February 2016 announced that it would acquire a 75% stake in Canon Chemicals for an undisclosed sum.

Incorporated in 2019, Canon is involved in the manufacturing and distribution of products such as petroleum jelly lotions, air fresheners, detergent, and candles.

The firm has also made several acquisitions and increased its stake in existing holdings in recent years to increase its control and geographical presence. In September last year for example, it increased its stake from 90% to 95% in two Mauritius-based units - Godrej West Africa Holdings Ltd (GWAHL) and Darling Trading Company Ltd (DTCL).

## Haldia Petrochemicals acquires US-based Lummus Technology for \$2.7 bn



Haldia Petrochemicals (HPL), a flagship company of The Chatterjee Group (TCG), along with its international partner Rhone

Capital has acquired US-based Lummus Technology at an enterprise value (EV) of \$2.725 billion (around Rs 20,590 crore) from McDermott International.

The 110 years old Lummus Technology is a master licensor of proprietary technologies in refining, petrochemicals, gas processing and coal gasification sectors, as well as a supplier of proprietary catalysts, equipment and related engineering services.

HPL is one of the largest petrochemical companies in India, having its manufacturing facility in Haldia, West Bengal. It has a total capacity of 700,000 TPA of ethylene. With the deal, Lummus and HPL together would be in a position to provide a 'value proposition' to the clients of Lummus in India and abroad.

## HCL Technologies commences operations in Sri Lanka, to create over 1,500 job opportunities



Noida-based HCL Technologies announced the beginning of its operations in Sri Lanka's booming

IT market.

Marking its presence in the region, HCL plans to create over 1,500 new local employment opportunities for both freshers and experienced professionals, within the first eighteen months of kick-starting its operations from its office in Colombo. A key part of HCL's business and development strategy in Sri Lanka will be to use local talent pool of Sri Lanka for global assignments.

Srimathi Shivashankar, Corporate Vice President of HCL Technologies said that the delivery centre in Sri Lanka will play an important role to serve our Fortune 500 and Global 2000 clients and partners throughout the globe. HCL will also implement its work-integrated education programme to foster growth by actively cooperating with local ICT and engineering institutions in order to develop and train the local talent pool.

## HCL Technologies to acquire network technology from Cisco for 5G push



Software services company HCL Technologies Ltd said it will acquire products and services built on Cisco Systems Inc.'s self-optimizing network technology for almost \$50 million (Rs 378.5 crore) in cash.

The company said that the acquisition will help HCL meet the growing needs of its customers in the telecommunications industry as the technology has become a major component in the move towards 5G networks.

Cisco's self-optimizing network technology uses machine learning and a set of applications to automate the Radio Access Network, HCL said.

Sukamal Banerjee, corporate vice president at HCL, said the products and services the company is buying will help it expand its footprint in the telecom industry as it moves towards adopting 5G networks.

The Cisco business unit is based in San Jose, California, and has offices in Israel and India. As part of the deal, some employees who work in this business unit will move to HCL.

## Piramal Pharma acquires G&W Laboratories' drug manufacturing facility in US



The pharma solutions business of Piramal Enterprises Ltd. (PEL) has entered into a pact with G&W Laboratories Inc. to

acquire its solid oral dosage drug product manufacturing facility located in Sellersville, Pennsylvania.

"This acquisition broadens the offering of Piramal Pharma Solutions (PPS) by adding solid oral dosage form capabilities (tablets and capsules) in North America," PEL said in a statement. It will help expand PPS's product offerings by adding solid oral dosage capabilities such as tablets and capsules, Piramal said in a statement.

PPS, which has operations in North America, Europe and Asia, provides services including drug discovery solutions, process and pharmaceutical development services, clinical trial supplies and the commercial supply of active pharmaceutical ingredients (APIs).

## Ola Electric acquires Dutch scooter maker Etergo



Ola Electric Mobility Pvt Ltd, the electric vehicle arm of Ola, has acquired Denmark-based Etergo, manufacturer of electric scooters.

With this acquisition, Ola Electric will enter the premium electric two-wheeler market and look to manufacture these scooters.

Etergo has built a scooter that uses swappable, high energy battery that delivers a range of up to 240 km (149 miles). The scooter's built, design, and efficiency is so impressive that its maker has been called "the Tesla of the scooter world" — by many.

"This acquisition will further bolster Ola Electric's strong engineering and design capabilities with the Etergo team's extensive vehicle development experience with leading automotive companies like Tesla, General Motors, Ferrari, Jaguar, and BMW. Etergo's team will continue to be based out of Amsterdam as they join Ola Electric," it said in a statement.

## Tata Consumer to buy out PepsiCo from beverage joint venture



Mumbai-based Tata Consumer Products Limited (TCPL) has announced to acquire PepsiCo's stake in NourishCo Beverages Limited—a 50:50 joint venture between the two companies as it moves to build a strong play in the packaged beverages market.

"This move is consistent with Tata Consumer's focus on widening its portfolio in the food and beverages space," Tata Consumer Products Ltd said in a filing to the stock exchange on Monday.

Over time, Tata Consumer Products intends to use its sizeable resources, the capabilities acquired and the brands it now has, to give wings to its ambition in the value added liquid refreshment beverages space in India, the company said in its statement.

The move comes as India's leading conglomerate Tata Group has moved to consolidate its packaged consumer goods business to form Tata Consumer Products that now has a wide play across foods and beverages.

## INDIA OPPORTUNITIES: MOMENTUM IN INDIA - SWISS SMES WEBINAR SERIES

A series of 12 webinars were organized and presented by the Embassy of India, Berne, in close collaboration with T&A Consulting (as Knowledge Partner) for the ‘Momentum in India: Swiss SMEs Programme’ (MISSP 2.0) to facilitate Swiss SMEs to explore, enter, and expand in the Indian market.

The webinars, scheduled in two phases and saw participation from numerous Swiss SMEs, national industry experts, stakeholders, and government agencies and covered major industry sectors like Packaging, Food Processing, Medical Technology, Fintech, Blockchain, IT & ITeS, Chemicals, Precision Components amongst others.

The Embassy of India, Berne, along with the MISSP team at T&A Consulting curated topics, crafted infographic presentations and handouts for participants and also contacted external Indian industry experts to deliver sector specific presentations.

**Welcome to MISSP 2.0 Webinar Series**

- Business support services under a single platform for your India entry/expansion strategy:**
  - Strategy consulting
  - M&A
  - Operational market entry support
  - Tax & legal support
  - Financial services
  - Project financing
  - Location services
  - Technology collaboration
  - Partner Search and Due diligence
- Participation in Specialized Common Workshops by subject matter experts**
- Regular tax & legal updates, exchange of information on visiting delegations & business events**
- Facilitation of approvals from Central & State agencies and access to Central and State government agencies**
- Access to the MISSP Network and Exchange Platforms to facilitate member companies to share their experiences, best practices, success stories and network among themselves.**

**Major Sectors which have evinced interest under MISSP 2.0**

- Industry 4.0
- Machinery & Equipment
- Food & Food Technology
- Cleantech
- Defence & Aerospace
- Pharma, Biotech & Medtech

**MISSP 2.0 Webinar Series**

- Food Processing
- Medical Technology
- Nutraceuticals and Wellness
- Packaging
- Fintech
- Blockchain
- Information Technology
- Information Technology Enabled Services
- Plastics
- Chemical
- Microelectronics and Precision Components
- Electronic

## UNIVERSITY ADMISSIONS: HOW WILL COVID-19 AFFECT MY APPLICATION?

As global economies start to re-open, the new realities are unravelling across dimensions, impacting the way businesses function. Challenges and uncertainties are expected to persist in the recent future. It is thus imperative for businesses and educational institutions to pro-actively assess the impact and plan for the new reality to emerge stronger from the crisis.

Addressing these uncertainties, T&A Consulting organized a webinar in collaboration with Queen’s University Belfast, on Transition to the New Normal, designed specifically for school counsellors to discuss key issues for education in the UK and how Queen’s University Belfast is working on the safety measures to welcome international students in moving to the “new normal”.

“In view of the extraordinary circumstances posed by the COVID-19 pandemic, we felt the need to inform and support the prospective international students in pursuing their academic dreams. T&A Consulting wants to ensure students that we are with them, every step of the way in making their dreams a reality and helping them adjust to the new normal” - Ashish Vats, Director Education T&A Consulting and India Representative for Queen’s University Belfast.





## AXISCADES ESTABLISHES OPERATIONS IN SOUTH CAROLINA, USA

In a collaborative effort with the South Carolina's regional economic development alliances, T&A Consulting, India representative for the South Carolina Department of Commerce assisted AXISCADES Engineering Limited, to establish operations in Greenville County, South Carolina.



Incorporated in 1990, Bengaluru-based AXISCADES is one of the leading end-to-end engineering solutions and product company with headquarters in Bangalore, Karnataka. The company offers expertise in catering to digital, engineering, and smart manufacturing needs to clients in aerospace, defence, heavy engineering, automotive, energy & medical equipment sectors.

AXISCADES participated in the state's Landing Pad program, which aims to assist established companies looking to enter U.S. or South Carolina markets for the first time. This program helps companies with issues and services, including regulation, taxation, and translation as well as finding suitable office space.

## DOING BUSINESS WITH INDIA: JAPAN BUSINESS WEBINAR SERIES

T&A Consulting organized a two-part webinar series in collaboration with Japan Business Portal, an M&A Advisory Firm with extensive reach across Japan, on emerging and existing business opportunities along the India-Japan business corridor.

The first India-Japan Business Webinar was held on 8th May 2020 and featured a presentation (in English, and



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, followed by a Q&A session. The second webinar held on 4th June 2020, covered the bilateral business opportunities in 'Chemicals, Plastics and Polymers', 'Pharmaceuticals and Medical Technology' and 'Food Processing' sectors.

“As India and Japan emerge from the global pandemic, they face new challenges and opportunities, a lot of them, complementary. While Japan looks to diversify its supply chains and export markets, India seeks to ramp up its manufacturing capabilities through investments and technological collaborations in order to become a global manufacturing hub. T&A is happy to collaborate with Japan Business Portal to help Japanese businesses explore trade and investment opportunities with India.”, said Debpriya De, Senior Engagement Manager, T&A Consulting.

**VIRTUAL LAUNCH OF NASSCOM LAUNCHPAD IN NEW JERSEY**

The National Association of Software and Services Companies (NASSCOM) has partnered with VentureLink@NJIT and Choose New Jersey launch of NASSCOM Launchpad in New Jersey. This partnership aims to facilitate partnerships between New Jersey and India and will promote technology-based Foreign Direct Investment between the two regions as well as amplify global competitiveness between the companies operating in both geographies. This strategic move will be facilitated by T&A Consulting, the India Centre for Choose New Jersey, its Board members and NJEDA.

The prime focus of the NASSCOM Launchpad will be to provide a platform for member companies to use as a home base while exploring opportunities to do business in New Jersey and the greater New York area. Member companies will gain a hands-on understanding of market opportunities within the New Jersey tech ecosystem, assistance with site selection, government regulations, incentives and tax planning to establish permanent operations in the region while operating out of their home location in India. The initiative will also support collaborative research and development in areas of common interest between the organizations of these regions.

The initial companies participating in the Launchpad were Batoi Systems Pvt Ltd, Eminenture Pvt Ltd, Mucleo, NeenOpal Inc, ITSYS Solutions. It is expected that during the course of a year around 20 companies will utilize the platform.



**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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