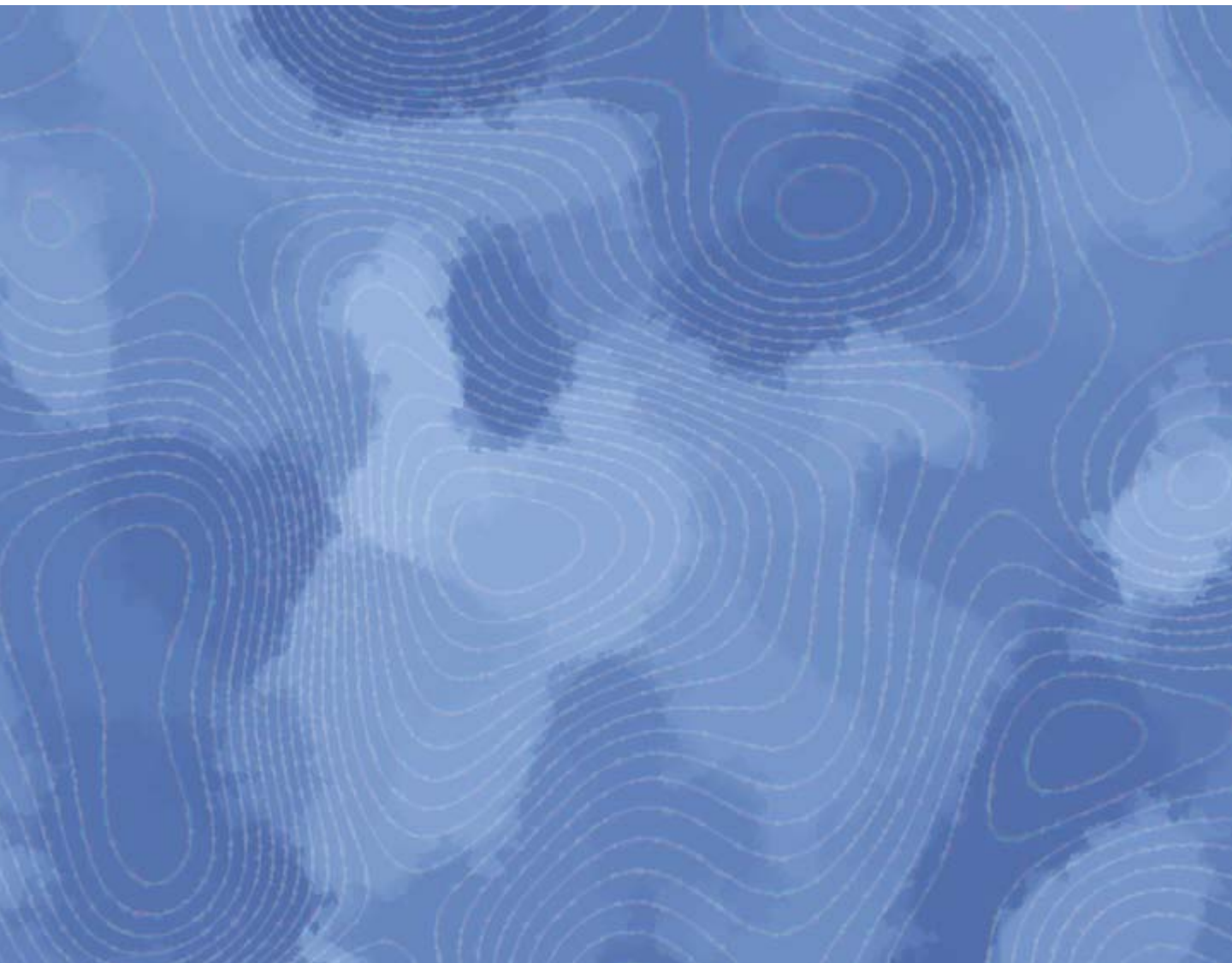




Mar 2010 Volume VI

India Deals Snapshot



Mergers & Acquisitions Update

Acquirer	Target	Sector	Stake	Size
SKIL Infrastructure	Pipavav Shipyard Ltd	Infrastructure	19.43%	Rs 656.4 crore
TRF Ltd	Hewitt Robins International	Industrial Goods	NA	\$ 4.5 million
Essar Group	Aries's coal mines	Industrial Goods	NA	Undisclosed
ArcelorMittal	Uttam Galva	Industrial Goods	4.90%	Rs 75-80 crore
Axis Bank	Max New York Life Insurance Company	BFSI	4.00%	Undisclosed
EdServ Softsystems	Sparkling Minds	IT / ITES	NA	Rs 1.25 crore
Murugappa Group	Cholamandalam DBS Finance Ltd	BFSI	37.48%	Rs 226.48 crore
Hitachi Construction Company	Telco Construction Equipment Company	Industrial Goods	20.00%	Rs 1,159 crore
Teamlease Services	Indian Institute of Job Training	Service	NA	Undisclosed
Crompton Greaves Ltd	Power Technology Solutions Ltd	Industrial Goods	NA	Undisclosed
GVK Power & Infrastructure Ltd	GVK Gautami Power Ltd	Infrastructure	9.50%	Undisclosed
Aqua Logistics Ltd	CIT Logistics Ltd; TAG Logistics Ltd; AGI Logistics Ltd	Logistics	NA	Undisclosed
Polaris Software Lab Ltd	IndigoTX	IT / ITES	NA	Undisclosed
Bajaj Holdings & Investment	Bajaj Electricals	Industrial Goods	18.80%	Rs 76.88 crore
BCCL.	Sanwaria Agro Oils Ltd	Consumer Goods	NA	Rs 35 crore
Hoechst GmbH	Aventis Pharma Ltd	Pharmaceutical	10.27%	Rs 414.11 crore
AT&T International Inc	Tech Mahindra	IT / ITES	8.70%	\$ 34.5 million
Piramal Healthcare Ltd	Cipla	Pharmaceutical	NA	Rs 95 crore
Jay Shree Tea & Industries Ltd	M P Chini Industries Ltd	Consumer Goods	100.00%	Rs 112.5 crore
Welspun Gujarat Stahl Rohren	MSK Projects India Ltd	Infrastructure	NA	Undisclosed
Religare Technova Ltd	Sobha Renaissance Information Technology Pvt Ltd	Healthcare	NA	Undisclosed
Elder Pharmaceuticals Ltd	Elder Biomeda AD	Pharmaceutical	10.00%	Undisclosed
HSIL Ltd	Havell	Consumer Goods	NA	Undisclosed
DMC International Ltd	Vsoft Services Pvt Ltd	IT / ITES	NA	Undisclosed
Wireless-TT Info Services	Tata Teleservices Maharashtra	Telecom	NA	Undisclosed

Deal of the fortnight

SKIL Infrastructure buys 19.43% in Pipavav Shipyard

SKIL Infrastructure, a leading infrastructure company has acquired 19.43% in Pipavav Shipyard Ltd (PSL) from Punj Lloyd for about Rs 656.4 crore through an inter-se promoter transfer. The deal was done at Rs 50.75 a share.

SKIL Infrastructure, promoted by brothers Mr Nikhil and Mr Bhavesh Gandhi, currently holds 18.27% in PSL. SKIL will also make an open offer to buy a further 20% of PSL at Rs 61.50 a share to comply with the norms set by capital markets regulator SEBI

The entire acquisition is set to cost SKIL around Rs 1,500 crore. If the open offer fetches full subscription, its stake in PSL will rise to 57.7%.

The funds raised from the share sale will enable Punj Lloyd partly stem its financial position. The company has been beset with delays in projects, debt burden and problems in its UK subsidiary.

Mergers & Acquisitions Update

Tata engineering firm acquires UK-based firm

TRF Ltd, an engineering solutions firm of Tata group will acquire UK-based firm Hewitt Robins International for about \$ 4.5 million. Hewitt Robins is engaged in design, manufacturing of screens, mobile crushing and related products in the quarrying, mining, recycling, iron and steel industries.

Essar Group to buy Indonesian coal mine

Essar Group has agreed to acquire Aries's coal mines in Indonesia as part of its efforts to secure raw material supplies for its proposed thermal power projects in India. The deal is estimated to be worth \$ 208 million. The Aries coal mines are estimated to have mine-able reserves of 64 million tonnes of high-quality bituminous coal, with low ash and low moisture and are located in the Kutai region of East Kalimantan in Indonesia.

ArcelorMittal hikes stake in Uttam Galva to 33.8%

ArcelorMittal has acquired additional 4.9% stake in leading galvanised steel maker, Uttam Galva for about Rs 75-80 crore, raising its total stake in the domestic firm to 33.8%. The Miglani family, promoters of Uttam Galva now hold about 38% stake.

Axis Bank picks 4% in Max New York Life

Axis Bank has picked up 4% in Max New York Life Insurance Company, a 74:26 joint venture between Max India and New York Life International Llc. This deal could be seen as a step by Axis Bank to make a small entry into the insurance space.

EdServ buys pre-school business

Chennai-based IT learning placement solutions firm EdServ Softsystems is acquiring pre-school business of Sparkling Minds in an all cash deal worth Rs 1.25 crore. Sparkling Minds is an on-line pre school business offering with a customer base spanning US, Europe and Australia.

Murugappa Group buys out DBS Stake in JV

Chennai's Murugappa Group is buying out its partner, Singapore's DBS Bank Ltd, in their financial services joint venture Cholamandalam DBS Finance Ltd. Murugappa Group firms, Tube Investments of India and New Ambadi Estates Pvt. Ltd, are buying out the 37.48% stake held by DBS for Rs 226.48 crore. The deal also involves purchase of Rs 150 crore worth convertible preference shares from the DBS Bank.

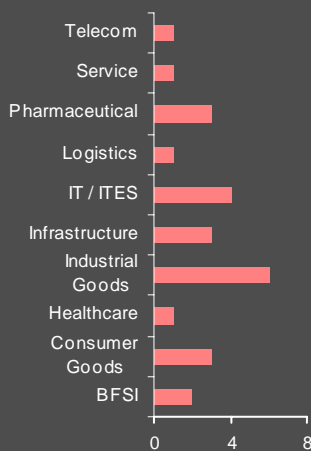
Hitachi buys 20% stake in Telcon

Hitachi Construction Company has acquired 20% stake in Telco Construction Equipment Company Ltd (Telcon) for about Rs 1,159 crore from Tata Motors. Following this deal, Telcon will become a subsidiary of Hitachi with the Japanese firm holding a 60% stake while Tata Motors will continue holding a 40% stake. The deal values Telcon at about Rs 5,800 crore (\$ 1.3 billion).

Teamlease buying out job training firm

Teamlease Services, a leading temporary staffing service provider is acquiring majority stake in Indian Institute of Job Training (IIJT), a large vocational training provider based in Gurgaon for an undisclosed amount. Post the deal, Teamlease will offer its corporate client base of over 1,200

No. of M & A deals by sector



Mergers & Acquisitions Update

companies three products; Hiring (Permanent and Temporary), Hygiene (Payroll, Benefits and Compliance Administration) and Productivity (Assessments and Training).

Crompton Greaves acquires UK-based electric company

Crompton Greaves Ltd is acquiring UK-based, Power Technology Solutions Ltd (PTS) for an enterprise value of about £ 30 million. PTS is a high voltage electrical engineering company which provides consultancy, technical and engineering support to Regional Electricity Companies (RECs). The acquisition will help Crompton Greaves become a significant player in this space.

GVK Power buys Nagarjuna's 9.5% stake in power arm

GVK Power & Infrastructure Ltd has picked up Nagarjuna Construction's 9.5% stake in its subsidiary GVK Gautami Power Ltd. Following this transaction, GVK Power's stake has increased to 63.60% in the company. Gautami Power is a 464-MW gas-based power project located at east Godavari district in Andhra Pradesh

Aqua Logistics buys three firms in Hong Kong

Aqua Logistics Ltd, a Mumbai-based third party logistics solutions provider, is acquiring three logistics firms in Hong Kong, China which includes CIT Logistics Ltd, TAG Logistics Ltd, and AGI Logistics Ltd. The acquisition is expected to enable Aqua Logistics expand its presence globally and compete with other multinational firms in the same space. Besides, the acquisition will also help the firm to outsource certain operations from India, which has lower operational costs vis-à-vis other developed countries.

Polaris Software buys Chennai-based IndigoTx

Polaris Software Lab Ltd, a Chennai-based financial technology company, has acquired IndigoTX, a SaaS (software as a service) company that provides Go Tx, an enterprise brokerage solution for the securities market.

Bajaj Holdings hikes stake in Bajaj Electricals to 31.65%

Bajaj Holdings & Investment, the holding entity of the Bajaj group companies has increased its stake in Bajaj Electricals by 18.80% to 31.65% for about Rs 76.88 crore through open market transactions. This transaction values Bajaj Electricals at about Rs 400 crore.

Sanwaria Agro Oils makes preferential allotment to BCCL

Sanwaria Agro Oils Ltd is making a preferential allotment of shares worth about Rs 35 crore to media house BCCL. Bhopal-based Sanwaria Agro Oils is into soyabean based edible oil business and sells under brands such as Sulabh, Narmada and Sanwaria.

Hoechst GmbH to acquire 10.27% stake in Aventis Pharma

Hoechst GmbH, a wholly-owned subsidiary of France's largest drugmaker Sanofi-aventis SA will acquire 10.27% stake in Aventis Pharma Ltd from United Breweries group. The deal will be done at Rs 1,750 per share and the UB Group is expected to net about Rs 414.11 crore from this sale. The deal will help Hoechst consolidate its holding in Aventis from present 50.10% to 60.37% in the firm and become the sole promoters.

AT&T International acquires 8.7% stake in Tech Mahindra

AT&T International Inc, a provider of local and long distance telephone



Mergers & Acquisitions Update

services, has acquired 8.7% stake in outsourcing firm Tech Mahindra for \$ 34.5 million (Rs 160 crore). The company has acquired over 98 lakh equity shares of Tech Mahindra through an off-market transaction exercising a 2005 option agreement.

Piramal Healthcare buys Cipla's Contraceptive brand

Piramal Healthcare Ltd, one of India's largest pharmaceutical and healthcare company and part of diversified Piramal Group, has acquired Cipla's emergency contraceptive product (ECP) brand i-pill for Rs 95 crore. Cipla stated that the move of divesting the brand is in line with company's plan to focus on prescription drugs. For Piramal, the acquisition strengthens its over the counter (OTC) portfolio.

Jay Shree Tea to buy sugar firm in Bihar

Jay Shree Tea & Industries Ltd, a B K Birla group company engaged in the manufacturing of tea, is planning to acquire M P Chini Industries Ltd, a sugar manufacturing firm in Bihar. Jay Shree will pay around Rs 112.5 crore for buying all the shares of M P Chini. Jay Shree Tea plans to fund the acquisition through internal accruals and debt.

Welspun arm buys majority stake in construction firm

Welspun Gujarat Stahl Rohren (WGSRL), the flagship company of line pipe and home textile major Welspun, is acquiring a majority stake in MSK Projects India Ltd for an undisclosed sum. MSK is a Vadodara-based company, and is engaged in the construction of road and water pipeline. The acquisition will enable WGSRL foray into infrastructure space, as well as to expand its operation into line pipe segment.

Religare Technova buys SRIT's healthcare solution business

Religare Technova Ltd, the holding company of diversified business group Religare Enterprises, has acquired the healthcare solutions business of Bangalore-based Sobha Renaissance Information Technology Pvt Ltd (SRIT) for an undisclosed sum. Religare stated that the acquisition is in line with the company's long term plan to become the market leader in healthcare IT in Asia in the next three years.

Elder Pharma ups stake in Bulgarian arm to 61%

Elder Pharmaceuticals Ltd has hiked stake in its Bulgarian subsidiary Elder Biomeda AD to 61% from the present 51% for an undisclosed sum. This move will enable Elder Pharma to capitalise on the low infrastructure and production costs existing in EU & CIS markets.

HSIL to buy Havells' faucet business

HSIL Ltd, a Kolkata-based company engaged in manufacturing sanitaryware products, is acquiring Havells' manufacturing plant in Rajasthan which is engaged in the manufacture of chrome-plated brass bathroom fittings and accessories, for an undisclosed amount. HSIL stated that the acquisition will enable it grow in this segment to become the second largest player in faucet business in a year.

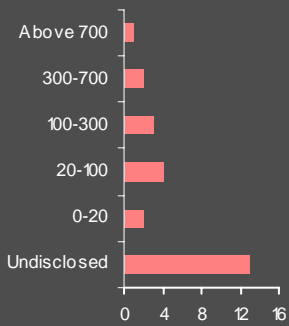
DMC International to acquire Vsoft

DMC International Ltd, a New Delhi-based company, is acquiring Vsoft Services Pvt Ltd, a software developing firm in Mumbai, for an undisclosed sum. The company plans to fund the acquisition through cash and equity. DMC believes the acquisition will help it reach rural and semi rural populations of India with the government's mission for compulsory elementary education under Sarwa Shiksha Abhiyan.



Mergers & Acquisitions Update

No. of M & A deals
by size (Rs crore)



WTTIL acquires tower business of TTML

Tata Teleservices Maharashtra (TTML), a subsidiary of Tata Teleservices, is selling its telecom towers for an enterprise value of Rs 1,318 crore to Wireless-TT Info Services (WTTIL). As per the deal, TTML will sell its 2,535 telecom towers, being run by its subsidiary 21st Century Infra Tele, to WTTIL. This transaction values the towers at Rs 52 lakh per unit. The transaction will give strategic advantage to WTTIL with lucrative towers network in Mumbai, Maharashtra and Goa.

RBSA Advisory

w w w . r b s a . i n

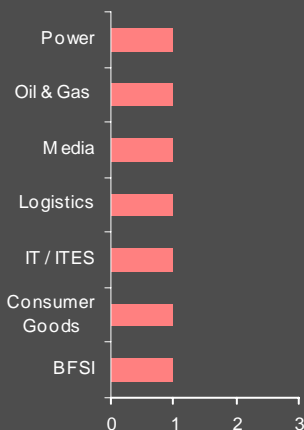


PE / VC Update

PE / VC	Target	Sector	Size
Franklin Templeton	Shiv-Vani Oil & Gas Exploration Services Ltd	Oil & Gas	\$ 20.6 million
Catamaran	SKS Microfinance	BFSI	Rs 28 crore
Norwest Venture Partners; Omidyar Network; Matrix Partners India; eBay Inc.	Quikr	Media	\$ 6 million
Sequoia Capital India	Stovekraft Pvt Ltd	Consumer Goods	Rs 50 crore
Mumbai Angels	Onward Mobility Solution Pvt Ltd	IT / ITES	Undisclosed
International Financial Corporation	Azure Power India Pvt Ltd	Power	\$ 10 million
Reliance Venture Asset Management	Reverse Logistics	Logistics	Undisclosed

PE / VC Update

No. of PE / VC deals by sector



Franklin Templeton invests \$ 20.6 million in Shiv-Vani Oil

Franklin Templeton, a US fund manager, has invested about \$ 20.6 million (Rs 93.4 crore) in Shiv-Vani Oil & Gas Exploration Services Ltd, a New Delhi-based company engaged in the exploration and production of oil and natural gas. The funds raised will be utilised to fuel fuel its growth plans in strengthening its position as a global player in the area of oil & gas exploration services.

Catamaran invests Rs 28 crore in SKS

Catamaran, a venture capital fund has invested about Rs 28 crore at a discounted price of Rs 300 per share in pre-IPO preferential issue of SKS Microfinance, a leading microfinance entity. Catamaran will hold about 1.3% stake in SKS post the IPO issue.

Norwest Venture Partners leads \$ 6 million Quikr deal

Quikr, India's leading horizontal classifieds player, has raised about \$ 6 million (Rs 27 crore) as third round of funding in Quikr Mauritius (a holding company of Quikr India) led by new investor, Norwest Venture Partners (NVP), and returning investors, Omidyar Network, Matrix Partners India and eBay Inc. With this round of financing, Quikr has raised in excess of Rs 50 crore since inception. Norwest Venture Partners, which led the round, has invested about \$ 4 million (Rs 18 crore) into the company

Sequoia Capital India invests Rs 50 crore in Stovekraft

Stovekraft Pvt Ltd, a kitchen appliances company with brands like Gilma and Pigeon, has raised Rs 50 crore from Sequoia Capital India, a venture and growth capital fund. The company plans to utilise the fund to have a pan-India presence.

Mumbai Angels invests in Onward Mobility

Mumbai Angels, a leading group of angel investors in India, has invested in Onward Mobility Solution Pvt Ltd, a mobile applications and solutions company in Mumbai. The company plans to utilise the fund to expand their product offering and to launch more innovative mobile products in both the consumer and enterprise segment.

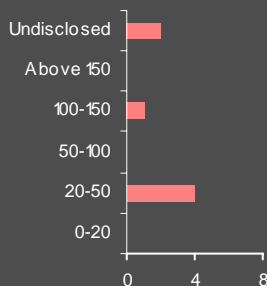
IFC invests \$ 10 million in Azure Power

Azure Power India Pvt Ltd, a New Delhi-based solar energy service provider, has raised \$ 10 million in its series B round of fund raising from International Financial Corporation, the private lending arm of the World Bank

Reliance Venture invests in logistics firm

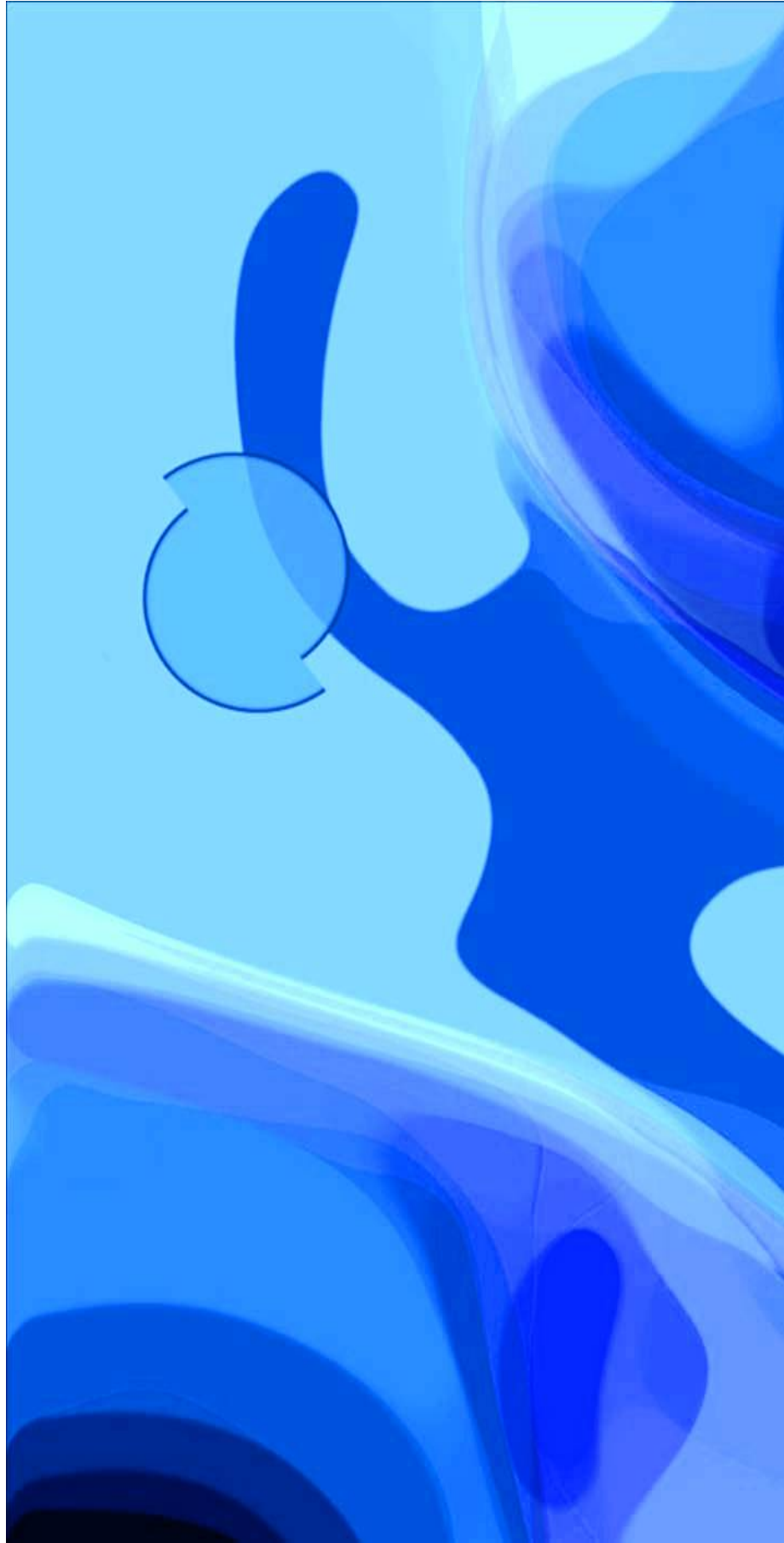
Reliance Venture Asset Management, an Anil Dhirubhai Ambani Group (ADAG) enterprise has successfully completed the first round of venture funding in Reverse Logistics, a technology enabled end-to-end reverse supply-chain solutions firm.

No. of PE / VC deals by size (Rs crore)



RBSA Advisory

w w w . r b s a . i n



Real Estate Update

Godrej Properties sells 49% in unit to HDFC PMS

Godrej Properties Ltd (GPL), the listed real estate arm of diversified Godrej Industries Ltd, is selling 49% equity stake in its subsidiary Godrej Sea View Properties Pvt Ltd (GSVPPL) to HDFC PMS for Rs 55 crore. HDFC is acquiring the GSVPPPL stake in two tranches of 22.27% and 26.73%, respectively.

UBS-Raheja Corp PE realty JV on prowl for realty assets

Swiss investment banking giant UBS and Indian real estate developer K Raheja Corp are stepping up the gas on their private equity real estate joint venture. The equal joint venture, with estimated commitments of up to \$ 200 million, is now scouting for deals in the market.

Valuation Advisory

- Business Valuation
- Valuation of Financial Securities, Instruments & Derivatives
- Valuation of Intangible Assets & Intellectual Property
- Valuation of Industrial Assets, Plant & Machinery
- Valuation of Real Estate
- Valuation of Infrastructure Assets & Specialized Assets
- Purchase Price Allocations for Mergers & Acquisitions
- Impairment Studies for Tangible Assets
- Impairment Studies for Intangible Assets & Goodwill
- Mines, Mineral Advisory and Valuation

Capital Advisors

(Investment Banking & Corporate Finance)

- Transaction Advisory & Due Diligence
- Fairness Opinions
- Corporate Finance & Advisory
 - Private Equity and Venture Capital
 - Debt Solutions, Syndications
- Restructuring

Brand & Intangible Advisory

- Financial Reporting & Valuation
 - Purchase Price Allocations
 - Impairment Reviews
- Tax planning
- Transactions and dispute resolution
- Transaction Support
 - Brand Due Diligence for acquisitions, disposals and bid defense
 - Pre-Disposal Brand Evaluation
 - Selling a Brand
 - Royalty rate determination
- Banking & Finance
 - Due Diligence
 - Securitization of Intangible Assets
 - Leveraging the brand for raising funds

Infrastructure Advisory

- Identification and analysis of potential opportunities
- Partner Identification – Joint Venture, Public Private Partnerships
- Financial Modeling
- Commercial and Financial Due Diligence
- Bid Advisory and Bid Process Management
- Preparation of Information Memorandums
- Preparation of Detailed Project Reports
- Financial Closure and Project Financing
- Project Appraisal and Monitoring
- Independent Review & Assurance – Lender's & Investor's Engineer

Technical Advisory & Assurance

- Technical Due Diligence Reviews for Mergers & Acquisitions
- Lender's and Investor's Engineer Services
- Impairment Services
- Project Cost Investigations & Forensic Advisory
- Feasibility Studies
- Technical Analysis, Opinions & Audits
- Chartered Engineers Opinions and Certifications
- Environment, Safety & Quality

Real Estate Advisory

- Valuation & Advisory Services
 - Opportunity Investigation
 - Financial Modeling
 - Highest & Best Use Studies
 - Business Plan Formulation
 - Feasibility Studies
 - Investment Related Due-Diligence
 - Location / Entry Strategies
- Institutional Broking – Sale, Purchase & Leasing
- Transaction Management



RBSA Advisory

w w w . r b s a . i n

Mumbai Office:

21-23, T.V. Industrial Estate,
248-A, S.K. Ahire Marg,
Off. Dr. A. B. Road, Worli,
Mumbai – 400 025.
Tel : 022 4343 6800
Fax: 022 4343 6801

Delhi Office :

B 218, Ansal Chambers – I,
Bhikaji Cama Place,
New Delhi – 110 066
Moblie: 09958562211

Bangalore Office:

Raheja Arcade,
No.137, 1st Floor,
5th Block Koramangala,
Bangalore - 560 095.
Tel : 080 4211 4177

Ahmedabad Office:

912, Venus Atlantis,
Pralhadnagar,
Anand Nagar Road,
Satellite,
Ahmedabad – 380 015
Tel : 079 4050 6000
Fax : 079 4050 6001

Surat Office:

37, Meher Park 'A',
Athwa Gate,
Ring Road,
Surat – 395 001.
Tel : 0261 3016366
Fax : 0261 2464491

Jaipur office:

Karmayog, A-8,
Metal Colony,
Sikar Road,
Jaipur – 302 023
Tel : 0141 2335892
Fax : 0141 2335279

Disclaimer

To the extent this report relates to information prepared by R B Shah and Associates (RBSA), it is furnished to the recipient for advertising and general information purposes only. This report and other research material may also be found on our website at www.rbsa.in. Each recipient should conduct its own investigation and analysis of any such information contained in this report. No recipient is entitled to rely on the work of RBSA contained in this report for any purpose. RBSA makes no representations or warranties regarding the accuracy or completeness of such information and expressly disclaims any and all liabilities based on such information or on omissions there from

