



April 2010 Volume VIII

India Deals Snapshot



Mergers & Acquisitions Update

Acquirer	Target	Sector	Stake	Size
JSW Energy	South African Coal Mining Holdings (SACMH)	Energy	NA	Rs 51 crore
Bharti Airtel	Zain	Telecom	NA	\$ 10.7 billion
Hertz Global Holdings Inc	Dollar Thrifty Automotive Group Inc	Automobiles	NA	\$ 1.2 billion
MindTree Limited	7Strata IT Services Pvt Ltd	IT / ITES	NA	Rs 7.2 crore
Piramal Healthcare Ltd	Bharat Serums and Vaccines Ltd (BSV)	Pharmaceuticals	NA	Undisclosed
Zee Entertainment Enterprises Ltd	9X - INX Media Private Limited	Media	NA	Rs. 64 crore
Reliance Industries Ltd	Deccan 360	Logistics	NA	Undisclosed

Mergers & Acquisitions Update

JSW Energy To Buy Majority In S African Mining Co For R85M

JSW Energy, that went public late last year, has hiked its offer price by 20% to buy South African Coal Mining Holdings (SACMH). It has struck a deal to acquire a majority stake in SACMH for around R85 million (South African Rand) (~ Rs 51 crore) from its largest shareholders that will help the company gain access to coal mines to feed its Indian power plants.

Under the deal, JSW Energy is purchasing majority stake from two shareholders including Royal Bafokeng Capital. It has acquired 49.8% in Royal Bafokeng Capital (Proprietary) Ltd and has the option to acquire the balance equity too. In addition, JSW Energy has also struck a deal and has the option to acquire entire holding of Mainsale 55 Trading (Proprietary) Ltd.

Bharti Airtel Sees Early Closure Of Zain Deal

Bharti Airtel Ltd, India's top mobile operator, expects it could have early closure of its \$9 billion deal to buy most of Kuwaiti Zain's African operations.

The Zain deal must be approved by regulators and governments in at least two of the African markets have weighed in against the deal. There is also a dispute about minority ownership of Zain's operations in Nigeria.

Hertz To Buy Dollar Thrifty For \$1.2B

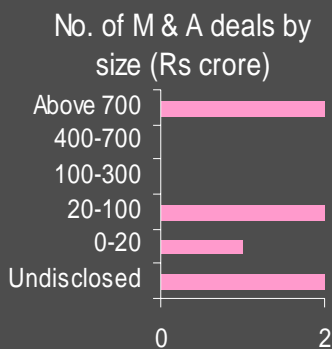
Hertz Global Holdings Inc agreed to buy smaller rival Dollar Thrifty Automotive Group Inc in a \$1.2 billion deal that will make it the second-biggest U.S. car rental company.

The deal, which has been in the works since November 2009, marks a significant consolidation in the car rental industry, just starting to recover from a downturn in the economy and the automobile industry in particular.

MindTree Snaps Up Sequoia-Backed Remote Infra Firm 7Strata

Deal-active IT services firm MindTree Limited has snapped up three-year-old, Sequoia-funded 7Strata IT Services Pvt Ltd, a Chennai-based remote infrastructure management (RIM) services co-founded by former Yahoo India MD and ex-Sify honcho George Zacharias.

MindTree will acquire the business, including people, customers and intellectual properties, of 7Strata. The 7Strata acquisition will strengthen MindTree's infrastructure management services and help it to foray into the RIM space, it said in a statement. The all-cash deal is worth about Rs 7.2 crore.



Mergers & Acquisitions Update

Piramal Healthcare To Buy Bharat Serums' Injectable Anesthetic Biz

Piramal Healthcare Ltd, part of the diversified Piramal Group, is acquiring the injectible anesthetic products business of Bharat Serums and Vaccines Ltd (BSV), a Mumbai-based bio-pharmaceutical company, it said in a statement. The financial details of the transaction were not disclosed.

BSV currently sells its anesthetic products in 30 countries including India, Columbia, Russia and Ukraine. Piramal and BSV have also entered into a long term agreement under which both the companies will together manufacture and supply anesthetic products globally

Zee Board Approved 9X Acquisition

Zee Entertainment Enterprises Ltd(ZEE) has acquired the general entertainment business of media house INX Media for around Rs 64 crore (~\$14.5 million). The transaction is through a stock-cum-debt assumption and does not involve any upfront cash payment by ZEE.

As per the deal, shareholders of INX Media will get 1 share of ZEE for every seven shares owned in INX Media. Pursuant to the transaction, ZEE will issue new shares that are worth Rs 4.2 crore as per current market price. In addition it would also assume debt of Rs 60 crore, pushing up overall enterprise value of the transaction.

Reliance Acquires Stake In Cargo Venture Deccan 360

Reliance Industries Ltd (RIL), India's largest private sector company, has invested an undisclosed sum in Deccan 360, the cargo airline venture floated by aviation entrepreneur Captain G R Gopinath. Reliance Industries has made this investment through a wholly owned subsidiary, a company statement said.

RIL's stake in Deccan 360 is expected to be above 26% but below 50%. Two RIL representatives will be on the board of the cargo venture. A Reuters report pegs the investment by Reliance at \$20 million to \$30 million.

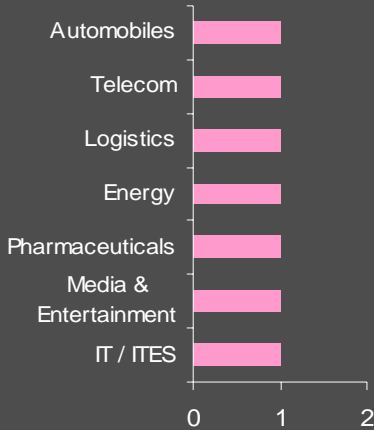
Commenting on the initiative, Mukesh D. Ambani, Chairman & Managing Director, Reliance Industries Ltd, said, "we believe that our collaboration with Deccan 360 will see a transformation in the logistics domain in India. We are sure that this initiative will propel the customer experience to the next level in India in the logistics domain."

Capt Gopinath, chairman and managing director of Deccan 360,said, "Deccan 360's strategic partnership with Reliance will enable us to realise our dream of creating world class logistics reach to every nook and corner of India faster."

By acquiring more than 26% in Deccan 360, RIL seems to be exploring the high potential of logistics business, especially in air cargo to strengthen its retail business, where it is gaining traction.

It's a win-win deal, said an aviation analyst, who did not wish to be quoted. For RIL, it means synergies with its retail business, that can benefit from a presence in the logistics space. Deccan 360 brings on board a marquee strategic investor.

No. of M & A deals by sector



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PE / VC Update

PE / VC	Target	Sector	Size
Aavishkaar India Micro Venture Capital Fund (Aavishkaar)	G V Meditech Pvt Ltd	Healthcare	Undisclosed
Actis	Integreon	IT / ITES	Undisclosed
New Silk Route	Coffee Day Resorts	Hospitality	Rs. 360 Crore
AIF Capital	Famy Care Ltd	Healthcare	Rs. 175 Crore
India Alternatives Investment Advisors Pvt. Ltd.	Education Care	Education	Rs. 28 Crore

Aavishkaar India Invests In Hospital Chain G V Meditech

Aavishkaar India Micro Venture Capital Fund (Aavishkaar), a Mumbai-based private equity fund focused on rural and social enterprises, has invested an undisclosed sum in G V Meditech Pvt Ltd, a Delhi-based company providing affordable healthcare services. Without divulging financial details of the transaction, Aavishkaar said it had picked up a significant minority in the company.

Aavishkaar fund primarily invests in commercially viable enterprises that also have a social impact including sectors such as technology for development, agriculture, rural innovations, handicrafts, health and education.

Actis-Backed Integreon Eyes Organic Growth This Year

Integreon, a Mumbai-based back office outsourcing firm backed by Ayala Corporation of Philippines and private equity firm Actis, plans to invest more in developing internal proprietary solutions, rather than aggressively looking at overseas acquisitions. The firm raised \$50-million private equity funding two months back from Actis and plans to utilise the fund to strengthen its own capabilities. It plans to invest the funds in developing new technologies, better products and solutions to meet the growing demand of its clients

New Silk Route Invests Rs 360Cr In Coffee Day Resorts

New Silk Route (NSR), a leading growth capital firm with \$1.4 billion assets under management focussed on India, South Asia, Middle East and other emerging economies of Asia, has made an investment of Rs 360 Crores in Coffee Day Resorts.

The Chairman, Coffee Day Resorts Ltd, said, "this investment will be used across the various current and future business of the group, Cafe Coffee Day, Luxury resorts, and infrastructure."

AIF Capital Invests \$40M In Famy Care

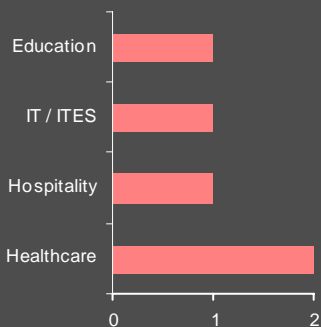
AIF Capital, a Hong Kong-based private equity fund, has invested \$40 million (about Rs 175 crore) in Famy Care Ltd, a Mumbai-based company engaged in female health care products. The investment is made through AIF Capital Asia III, LP, said a company statement.

The fund, however, did not disclose the quantum of stake it had picked up in the company. A recent report in Economic Times said, Baring Private Equity Partners India was in the race to pick up 15% stake in Famy Care for a similar amount.

Famy Care manufactures a wide range of products in reproductive healthcare and oral contraceptive segment including emergency contraceptive pills, intra uterine devices, and cancer detection kit. It sells the products through its own distribution channels, and also has partnership with ministries of health & family welfare and several other social organisations to supply its products globally.

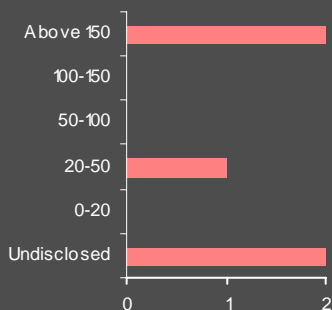
Famy Care will invest the funds in expanding its operations in developed

No. of PE/VC deals by sector



PE / VC Update

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



market. It has also been upgrading its products to meet the regulatory requirements in the US and Europe, according to the information given on the company website. It believes the move will help it to become a dominant player in the hormonal and reproductive health care segment in the world. Recently, the company has entered into a strategic alliance with Mylan Inc in the US to tap the market in the region.

India Alternatives Debuts With Rs 28Cr Deal In Education

Frameboxx Animations and Indian Institute of Financial Management come together as part of this deal.

Interesting niches in education continue to attract the alternative asset class. India Alternatives Investment Advisors Private Limited, sponsored by the promoter of Centrum Group Chandir Gidwani, has made its debut investment of Rs 28 crore in the education sector.

The investment follows the creation of a platform by way of a merger between Frameboxx Animations, an animation training firm, and the Indian Institute of Financial Management (IIFM), which offers MBA programmes and vocational training in financial services. The PE firm is investing in the combined entity, which will provide training and higher education courses in diverse fields ranging from media to financial services.

The CEO of India Alternatives, said, in a statement, "The education sector in India is an \$80-billion dollar opportunity. We have created this exclusive transaction by combining two players to form a unique platform in the education sector."

The Framboxx-IIFM merger will create an entity that will provide training and higher education in diverse fields including MBA, financial services as well as media and animation. It will have over 50 centres offering animation training and more than 20 offering vocational programmes in finance (wealth management, financial planning and insurance management) and a pan-India presence of MBA centres.

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Real Estate Update

Jay Shree Tea To Buy Three Estates In Africa

Jay Shree Tea & Industries Ltd, a Kolkata-based tea manufacturer, is acquiring three tea estates in Africa. These acquisitions follow Jay Shree's Rs 112.5-crore domestic buy last month. The financial details of these transactions were not disclosed.

Jay Shree is acquiring 100% shareholding of Kijura Tea Co Ltd in Uganda, and another 60% stake each in two other estates, Mata Tea Co Ltd and Gisakura Tea Co Ltd in Rwanda.

DLF Buys SC Asia's Stake In DLF Assets For \$696 Million

One of the units of DLF Ltd, India's largest-listed real estate firm had bought 245 million compulsorily convertible preference shares in a group company, DLF Assets, from private equity firm SC Asia Pte Ltd for 30.85 billion rupees (\$696 million).

After the deal, the DLF unit's stake in DLF Assets has risen to 91.9 percent, while SC Asia through its investment arm would continue to hold a 4.59 percent stake, the real estate firm said in a statement to the stock exchange.



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 (SEBI Registered – Category I Merchant Bank)

- (Investment Banking & Corporate Finance)
- Merchant Banking
- 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



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