

MERGER AND ACQUISITION

CA. Sujal Shah, CA. Ushma Shah

Coforge to acquire stake in SLK Global Solutions

Coforge Limited (erstwhile NIIT Technologies Limited) announced that it has agreed to make a strategic investment in M/s. SLK Global Solutions Private Limited (SLK Global).

SLK Global is a business process transformation enterprise, offering BPM and digital solutions for the financial services industry. It has deep domain expertise in the banking and insurance segments in North America, enjoying multiple long-standing and scalable relationships with marquee clients, including with Fifth Third Bank, which in addition to being the largest customer is also a significant minority shareholder.

Turnover of SLK Global for the year ended March 31, 2020 on a consolidated basis was INR 434 Crore. Coforge filings with BSE specify that SLK Global is expected to report a growth of over 15% in its consolidated turnover during the year ended 31.03.2021.

Coforge has acquired equity shares representing 35% of the total issued and paid-up share capital as on the date hereof ("Tranche I") and will acquire equity shares representing 25% of the total issued and paid-up share capital within 23 business days from the date of Tranche 1. Further, the Company is under the obligation to purchase 20% of the total issued and paid-up share capital of Investee Company after 2 (two) years from the date hereof.

The transaction also provides for a minimum revenue commitment from Fifth Third Bank for 5 years (FY 21 to FY26).

Aggregate consideration paid by the Company for the acquisition of 60% of the total issued and paid-up share capital of the Investee Company is INR 9183.21 Mn

Bharti Airtel announces internal restructuring to focus on digital

Bharti Airtel Limited at its meeting held on April 14, 2021 announced the following:

- Amalgamation of Nettle Infrastructure Investments Limited, Airtel Digital Limited, and Telesonic Networks Limited, wholly owned subsidiaries with and into Bharti Airtel Limited; and
- Demerger of the Telecom Business Undertaking of Bharti Airtel Limited and vesting of the same with Airtel Limited, its wholly owned subsidiary on a going concern basis subsequent to the completion of the aforesaid amalgamations.

While tapping opportunities in digital arena, this may be an attempt to unlock value in line with other players like Reliance Jio which had raised more than INR 1.5 trillion from a clutch of investors including Facebook and Google (as reported in Business Standard dated April 15, 2021)

Adani Transmission proposes to acquire Warora-Kurnool Transmission for Enterprise Value of INR 3,370 crores

Adani Transmission Limited has signed definitive agreements with Essel Infraprojects Limited (EIL) for the acquisition of Warora-Kurnool Transmission Limited (WKTL) for an enterprise value of Rs 3,370 crore. It is understood that the Central Electricity Regulatory Commission has provided regulatory approval, and the lenders' consent and other regulatory approvals will be obtained before the closure of the deal. Warora-Kurnool Transmission proposes to develop, operate and maintain a transmission system aggregating to 1,750 circuit km in Maharashtra, Telangana and Andhra Pradesh and a 765/400 kV substation at Warangal.

Softbank invests in Swiggy

Softbank Group Corp to invest \$450 Mn in Swiggy at a valuation of \$5.5 billion. This marks Softbank's first direct bet in food tech in India. The infusion is an part of a larger \$1.25 billion round which has been in the pipeline for part few months. It is understood that Softbank and Swiggy's parent Bundl Technologies Pvt. Ltd. are still negotiating finer deal mechanics.

Citigroup exiting retail business in India

Citigroup announced that it would be exiting its consumer franchises (retail banking) in India, Australia, Bahrain, China, Indonesia, Korea, Malaysia, Philippines, Poland, Russia, Taiwan, Thailand and Vietnam to focus on its wealth management business as it lacked scale to compete in this space. It would continue to serve institutional market groups in these markets.

Amazon launches fund to support start-ups

Amazon India has launched a \$250 million Amazon Sambhav Venture fund to invest in start-ups and entrepreneurs focusing on technology innovations in small and medium businesses digitisation, agriculture and health care.

Open Footwear startup Solethreads raises INR 13 crores

Youth centric open footwear brand, solethreads has announced completion of its Series A funding amounting to INR 13 crores. Leading Venture Capitalists DSG Consumer Partners and Saama Capital participated in the funding. Solethreads is an innovative, digital-first brand that is known for its super comfortable yet stylish flip-flops.

Fundraising by Byjus

Edtech Start-up Byjus has raised over \$1 billion from investors Baron Funds, Facebook co-founder Eduardo Saverin's B Capital Group, and US-based investment hedge fund XN Exponent Holding. The latest funding values the company at \$1.5 billion. This amount raised is proposed to be used for inorganic funding.

WeWork India raises INR 200 crores from investors

WeWork India is a Bengaluru-based company that provides flexible workspaces to businesses and individuals. It sold 10,000 desks with around 7 lakhs of office space in the Quarter 4 of FY 2021. Co working major WeWork India said that it has raised Rs 200 crore from investors in the form of equity and debt to grow its business and become profitable this year.

Amplus acquires Rooftop Solar Projects from Sterling and Wilson

Amplus Solar, a part of Petronas Group of Malaysia has acquired 17 rooftop projects of capacity 7.2 megawatt (MW) from Sterling and Wilson. These operational projects are spread over Haryana, Rajasthan, Punjab, Madhya Pradesh, Rajasthan, Maharashtra, Telangana and Karnataka and supply solar power to 13 industrial, commercial and institutional consumers. Amplus Solar already has 800 MW+ projects in the distributed solar segment and this deal will increase their portfolio.

Elevation Capital invests in Pingthis

Elevation Capital (a venture capital and equity fund) has invested INR 25-30 crores in Pingthis Pvt. Ltd., based out of Bengaluru. Though the exact business model of Pingthis is not known, Pingthis is a hyperlocal platform connecting buyers and businesses. A hyperlocal model is typically an online business model in which the needs of customers are met through local offline shops via a digital platform.

Fuel buddy raises INR 12.5 crores from two investors

Online fuel delivery start-up based out of Delhi, Fuel Buddy raised INR 12.5 crores funding from Jaipuria Family Office and Rishi Kajaria. Fuel Buddy is an app based, IoT and cloud enabled fuel delivery service making available fuel delivery and fuel on demand as well as value added services.