



# Quarterly Newsletter

*Indian Investment Banking Industry (Apr- Jun 2015)*

***July 2015***

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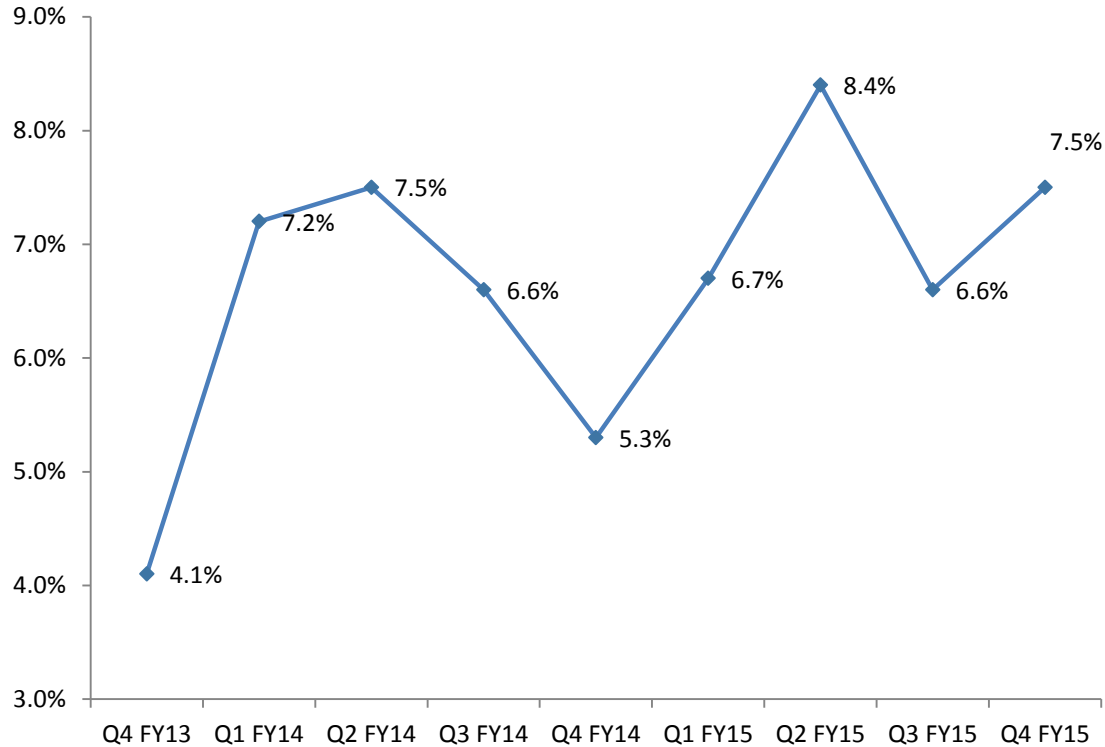
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# India Macroeconomics – Growth & Inflation

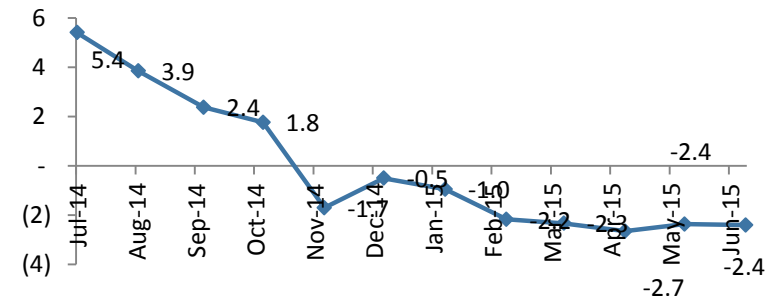
**Chart 1: GDP Growth (% YoY)**

**After recovery, growth is shaping up:** The mood has changed drastically over the three quarters as GDP growth is gaining traction and the economic indicators are growing stronger.



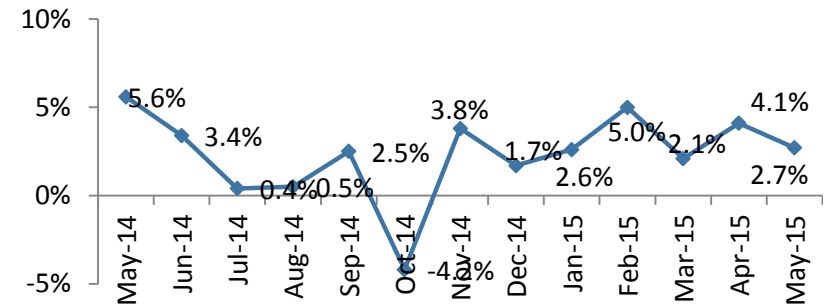
**Chart 2: WPI Inflation Trend (%)**

Over the last seven months, inflation based on WPI fell for the straight seven months, signaling the economy is entering into era of low inflation and high growth.



**Chart 3: IIP Growth (% YoY)**

IIP has shown modest performance over the last few quarters. However, sustenance of the trend holds the key for pushing the economy into high growth zone.

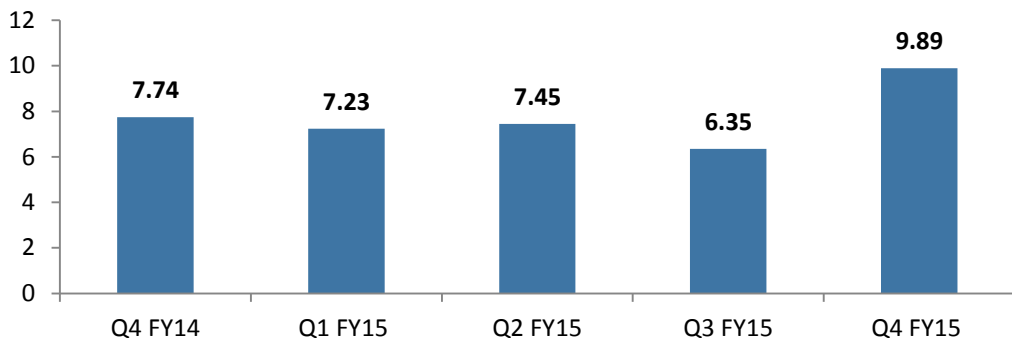


With the NDA led the government completing first year in the office, they are able to send a clear message of pro-growth. Falling inflation, a slower but definite pick up in industrial production, squeezing of CAD, and reduction in fiscal deficits are positive indicators for the economy. However, green shoots are missing in the corporate sector as earnings are yet to match the expectations.

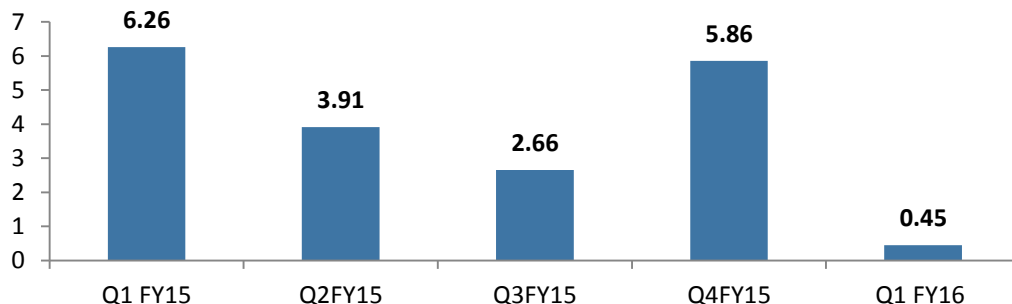
# Capital Flows and USD / INR movement

### Chart 4: FDI (in USD bn)

Overseas investors' confidence is surging with the government's pet projects 'Make in India' and 'Digital India' gaining ground. If the economic recovery gains pace, FDI investment is expected to continue into the domestic markets.



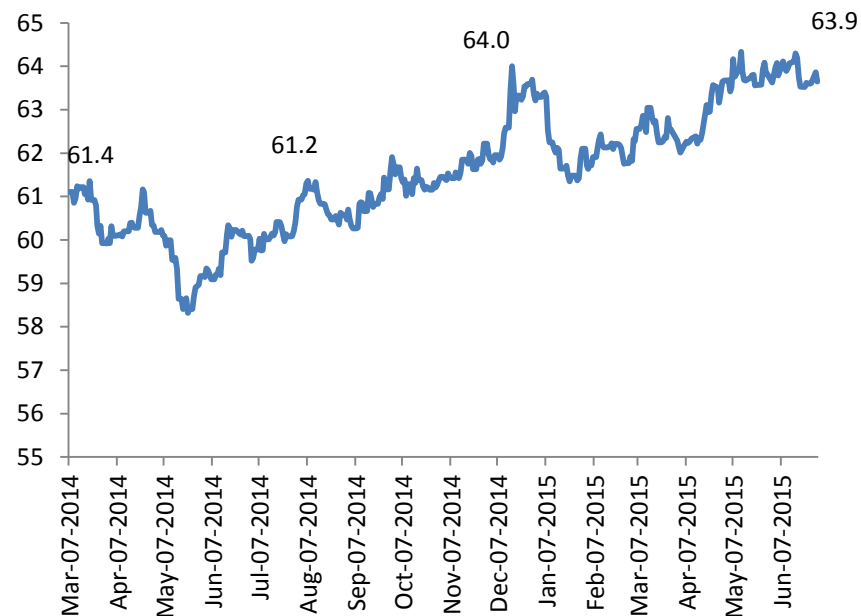
### Chart 5: FIIs (in USD bn)



FDIs have gained pace in Q4 FY15. FIIs remained flat in Q1 FY16 due to volatility in equity markets. With growth in the economy visible, overseas capital inflows are set to gain more pace. However, capex cycle is yet to mend and corporate earnings are not impressive, which remain concern areas for foreign financial and strategic investors.

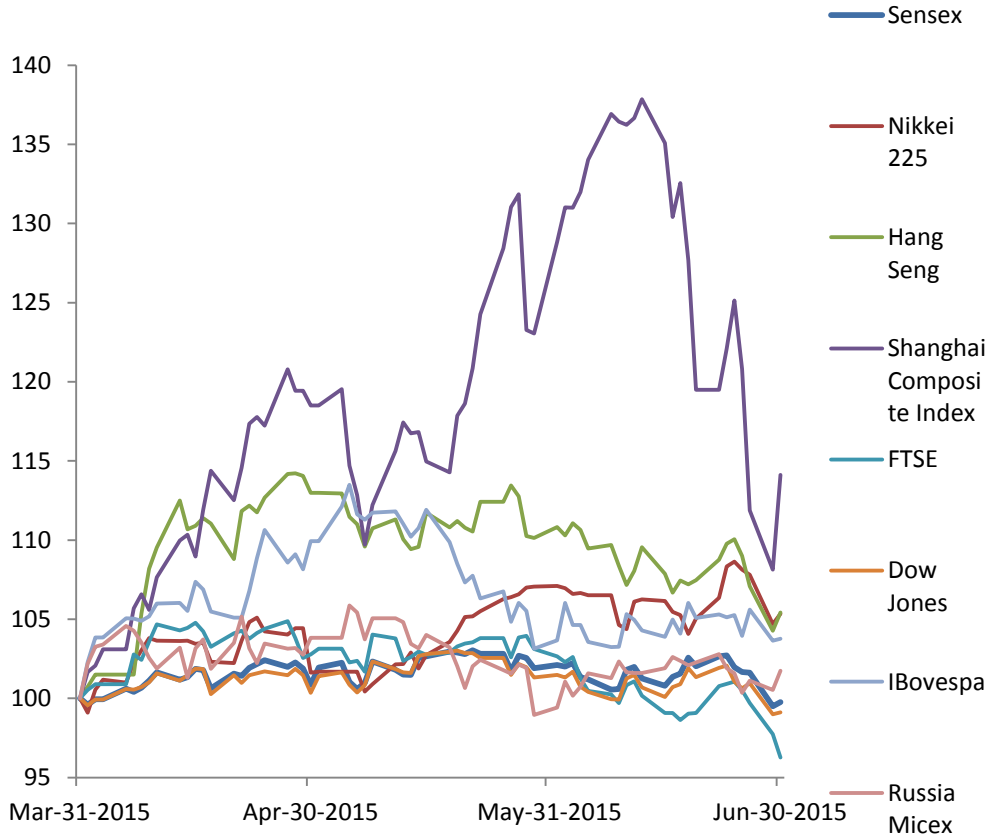
### Chart 6: Performance of INR against USD

The rupee remained volatile throughout the last quarter due to volatility in equity markets. Lower CAD, falling interest rates and increasing overseas fund flows should help the rupee to maintain its strength against the dollar.



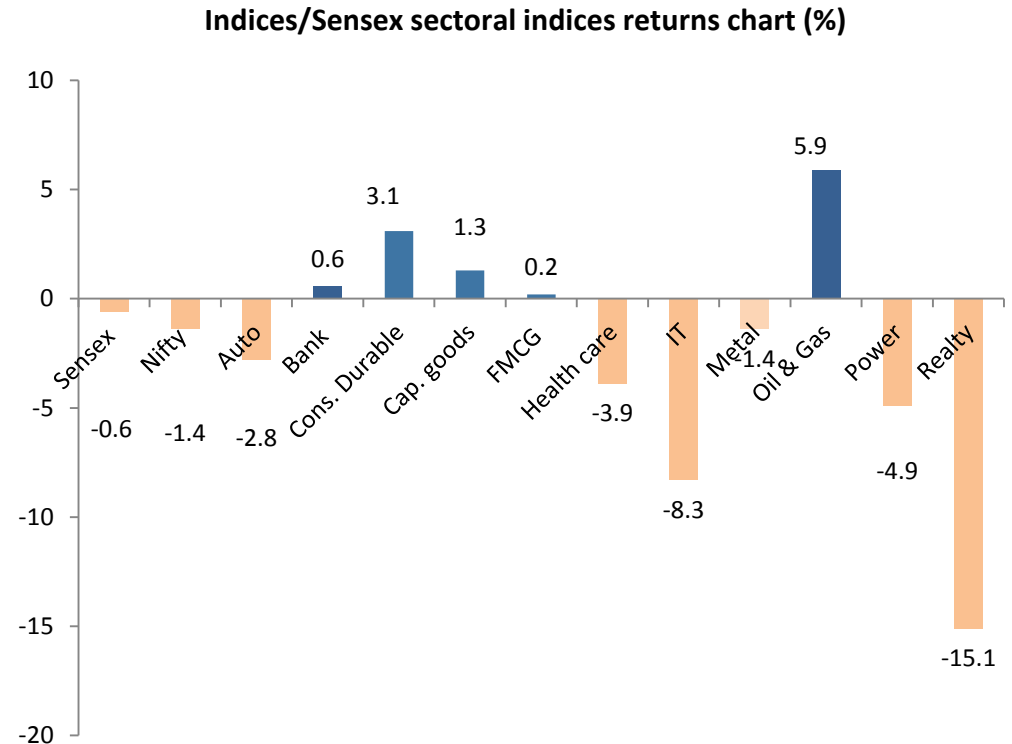
# Markets Movement and Global Peers

Chart 7: Performance of Sensex and Global Peers in Q1 FY16



**China continued to perform impressively:** Despite record volatility, Shanghai Composite Index and Hang Seng were top performing global indices with returns of 14.1% and 5.4% respectively. Dow Jones fell marginally during the quarter, while FTSE was the worst performer among the global indices. The Sensex fell marginally in the quarter.

Chart 8: Sensex sectoral indices returns chart (%) in Q1 FY16



**Oil & Gas and Consumer Durables:** Oil & Gas and Consumer Durables were the top performers among sectoral indices with 5.9% and 3.1% gains, respectively. Cap goods showed impressive performance with 1.3% returns and Bank posted 7% gains. Real estate nosedived with 15.1% and IT lost 8.3%.

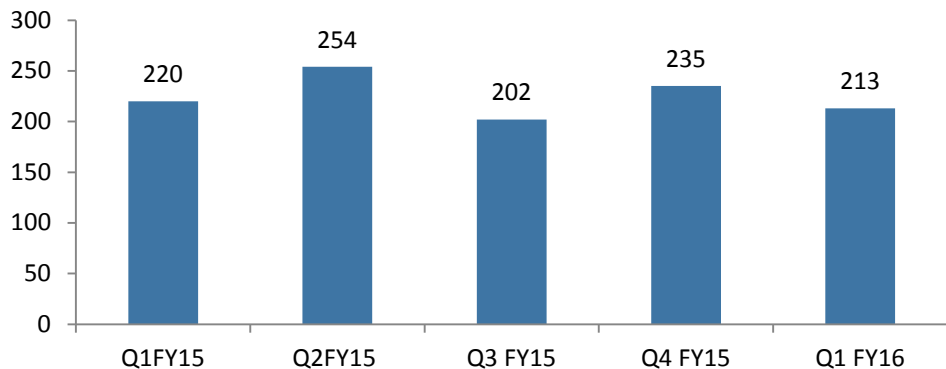
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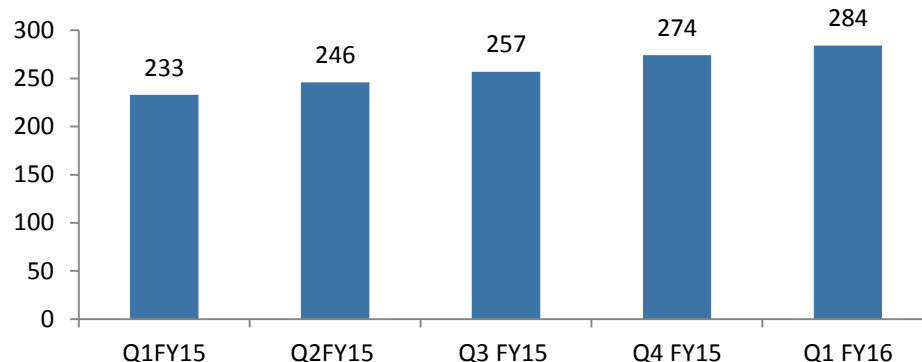
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# M&A and Private Equity Activity (Apr–Jun 2015)

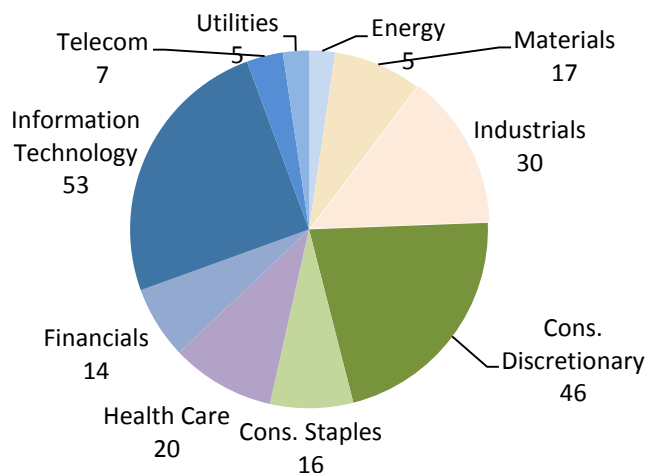
**Chart 9: India - M&A Trend (No. of deals)**



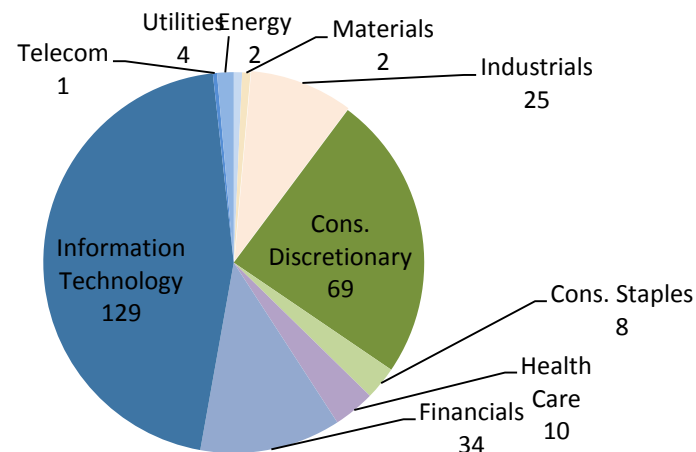
**Chart 10: India - PE Trend (No. of deals)**



**Chart 11: M&A Deals Break up (Q1 FY16) (No. of deals)**



**Chart 12: PE Deals Break up (Q1 FY16) (No. of deals)**



M&A activity almost remained almost flat in Q1 FY16 Vs Q1 2015. IT saw the highest number of deals while Consumer Discretionary and Industrials saw maximum number of deals.

PE activity showed impressive performance in Q1 FY16 as number of deals was 284 vs 233 deals in Q1 FY15. IT saw the highest number of deals while Consumer Discretionary saw the second highest deal volumes.

# Top Ten M&A Deals by Value (Apr-Jun 2015)

Date	Target	Buyer	Seller	Deal value (USD mn)	Industry
25/06/2015	OneWeb Ltd.	Bharti Enterprises Ltd. ,Qualcomm Inc. , Qualcomm Inc. , Airbus S.A.S. , Airbus S.A.S. , Virgin Group , Hughes Network Systems LLC ,	-	500	Alternative Carriers
15/06/2015	Lafarge India Pvt. Ltd.	Lafarge SA	The Baring Asia Private Equity Fund V	304	Construction Materials
21/05/2015	Aspen Pharmacare Holdings Ltd., Generic Pharmaceutical Business	Strides Arcolab Ltd.	Aspen Pharmacare Holdings Ltd.	300	Pharmaceuticals
2/6/2015	SBS Biotech Ltd., Hair and Scalp Care Business	Emami Ltd.	SBS Biotech Ltd.	259	Personal Products
29/05/2015	Bharti Airtel Ltd.	Bharti Enterprises Holding Pvt. Ltd.	Vodafone Group Plc	200	Wireless Telecommunication Services
1/4/2015	Maithan Ispat Ltd.	Mesco Steels Ltd.	Maithan Group	185	Steel
1/4/2015	Bharti Infratel Ltd.	-	KKR India Advisors Pvt. Ltd.	137	Integrated Telecommunication Services
5/5/2015	Bharti AXA Life Insurance Co. Ltd.	AXA Group	Bharti Insurance Holdings Pvt. Ltd.	135	Life & Health Insurance
1/4/2015	UCB S.A., Certain Product Business	Dr. Reddy's Laboratories Ltd.	UCB S.A.	128	Pharmaceuticals
24/04/2015	Kallidus Inc.	Infosys Ltd.	-	120	IT Consulting & Other Services



# Top Ten PE Deals by Value (Apr-Jun 2015)

Date	Target	Investor	Deal Value (USD mn)	Industry
18/06/2015	Atria Convergence Technologies Pvt. Ltd.	India Value Fund Advisors Pvt. Ltd. ,TA Associates Advisory Pvt. Ltd.	500	Broadcasting
22/06/2015	Magna Energy Ltd.	Carlyle International Energy Partners LP	500	Oil & Gas Exploration & Production
7/5/2015	Shriram City Union Finance Ltd.	Apax Partners LLP	386	Consumer Finance
23/04/2015	Crompton Greaves Consumer Electricals Ltd.	Temasek Holdings Advisors India Pvt. Ltd. , Advent India PE Advisors Pvt. Ltd.	316	Consumer Electronics
21/04/2015	Sun Pharmaceutical Industries Ltd.	Temasek Holdings Advisors India Pvt. Ltd.	299	Pharmaceuticals
25/06/2015	Faery Estates Pvt. Ltd.	SPREP Pte Ltd.	220	Real Estate Development
28/04/2015	Canaan Advisors Pvt. Ltd., Domestic Portfolio	JP Morgan Partners	200	Asset Management & Custody Banks
27/05/2015	Vikhroli Corporate Park Pvt. Ltd.	Blackstone Real Estate Partners	166	Real Estate Development
17/04/2015	Glenmark Pharmaceuticals Ltd.	Temasek Holdings Advisors India Pvt. Ltd.	151	Pharmaceuticals
7/4/2015	Quikr India Pvt. Ltd.	Investment AB Kinnevik , Tiger Global Management LLC , Steadview Capital Management LLC , eBay Inc.	150	Internet Software & Services

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# Regulatory Update (M&A and PE )

SEBI

## **Black Money Rules notification ([Circular 3<sup>rd</sup> July 2015](#))**

- The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Rules, 2015 (the Rules) has been notified.
- Tax evaders will have to make a declaration regarding the undisclosed assets abroad “on or before September 30, 2015” under the compliance provisions of the Act; they have been given three more months, till December 31, to pay the tax and penalty on such undisclosed foreign assets so declared.
- Tax evaders will not be prosecuted under other acts such as the Prevention of Money Laundering Act (PMLA), if found guilty.
- Those who do not declare their wealth in the window period will be liable to pay 30 per cent tax and 90 per cent penalty and could also face imprisonment that may vary from three to 10 years.

## **At least one women director norm become effective from 1<sup>st</sup> April 2015 ([Circular 15<sup>th</sup> Sept 2015](#))**

- As of April 1<sup>st</sup> 2015, all listed Indian companies must have at least one women serving as a director on their board to comply with the Companies Act, 2013
- The act came into effect on April 1 last year, but companies were given one year transition period to comply with the new law.
- Further from April 1<sup>st</sup> 2015, two independent directors are compulsory for public companies having at least Rs 10 crore paid up capital and those with a minimum of Rs 100 crore turnover, among others.

# Regulatory Update (FDI & FII)

## Ministry of Finance

### **Nod to composite cap on foreign investment ([Circular 16<sup>th</sup> July 2015](#))**

- The Union Cabinet allowed composite foreign investment caps, merging those on foreign direct investment and portfolio investment. The move will benefit companies in single-brand retail, credit information business and commodity and power exchanges; it isn't applicable to banks and defence companies
- The composite caps would do away with the sub-limits forever, while only the sector cap would be maintained
- However, separate limits for FPI and FDI will remain for banking and defence. As such, FPI could come up to 49 per cent in private banks within the overall sectoral limit of 74 per cent and 24 per cent with the overall cap of 49 per cent in the defence sector.
- The composite cap system will not impact FDI norms in print media, aviation, multi- and single-brand retail trading and telecom services, among others.

## Ministry of Finance

### **FDI Cap for B2C E-commerce to remain**

- Although the government allows 100 percent FDI in business-to-business (B2B) e-commerce, it does not allow any FDI in B2C e-commerce.
- The government has long sought to protect India's booming B2C e-commerce industry from foreign competition. Domestic e-tailers predictably voiced their opposition to any such reforms such as allowing FDI in E-commerce.

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# M&A Activity in the Consumer & Building Products Sector

Chart 13: M&A deals (No. of deals)

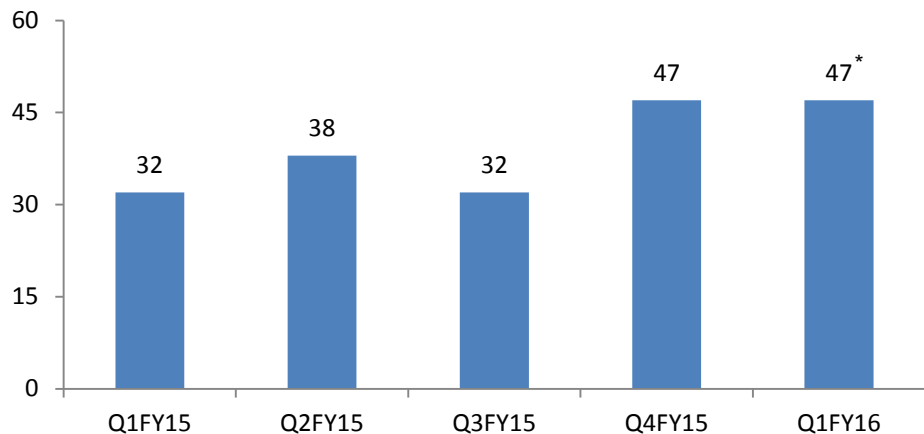
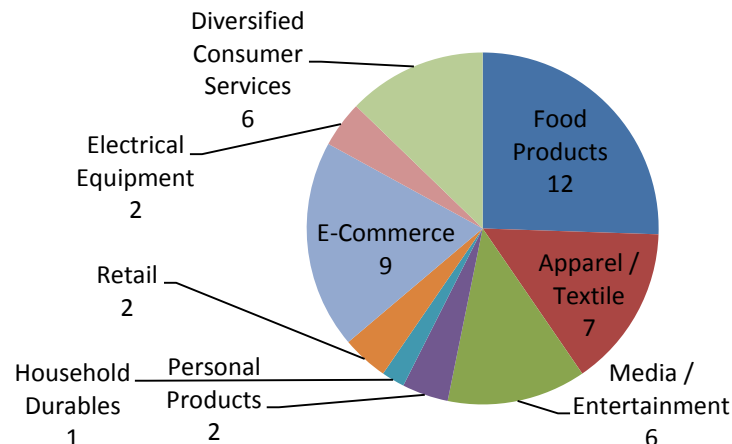


Chart 14: M&A (Q1 FY16) (No. of deals)



## Top Five M&A Deals (Consumer & Building Products in Apr– Jun 2015)

Date	Target	Buyer	Seller	Deal Value in \$mn	Industry
23-Apr-15	Crompton Greaves Consumer Electricals Ltd.	Temasek Holdings Advisors India Pvt. Ltd., Advent India PE Advisors Pvt. Ltd.	Crompton Greaves	316	Manufacturing
2-Jun-15	SBS Biotech Ltd., Hair and Scalp Care Business	Emami Ltd.	SBS Biotech Ltd.	259	FMCG
9-Jun-15	DLF Utilities Ltd., Cinema Exhibition Business	PVR Ltd.	DLF Utilities Ltd.	78	Media & Entertainment
10-Apr-15	Zomato Media Pvt. Ltd.	Info Edge India Ltd., Sequoia Capital India Growth Fund II, Vy Capital Management Company Ltd.	-	50	E-commerce
25-May-15	Bombay Dyeing and Manufacturing Company Ltd., Textiles Processing Unit	Oasis Procon Pvt. Ltd.	Bombay Dyeing and Mfg. Co. Ltd.	36	Textiles & Garments

# PE Activity in the Consumer & Building Products Sector

Chart 15: PE deals (No. of deals)

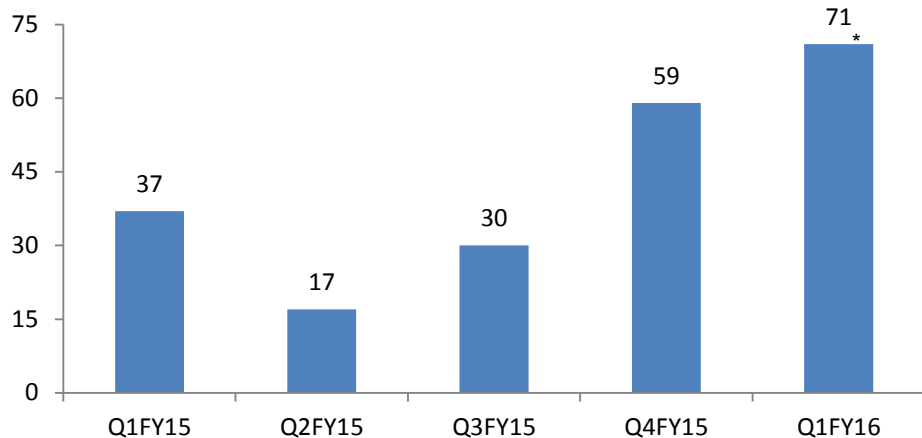
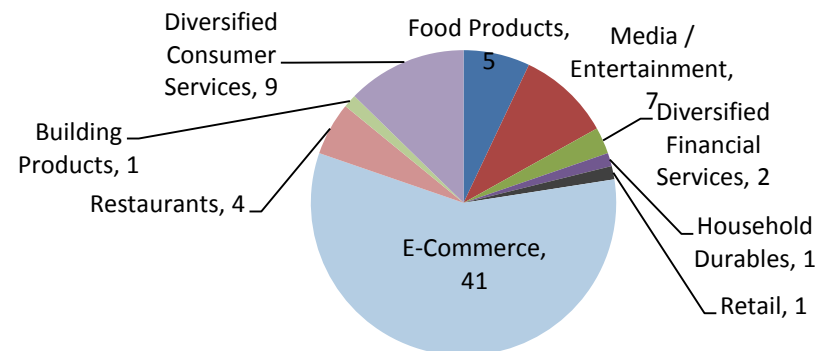


Chart 16: PE Investments (Q1 FY16) (No. of deals)



Top Five PE Deals (Consumer & Building Products in Apr-Jun 2015)

Date	Target	Investor	Deal Value in \$mn	Industry
18-Jun-15	Atria Convergence Technologies Pvt. Ltd.	India Value Fund Advisors Pvt. Ltd., TA Associates Advisory Pvt. Ltd.	500	Media & Entertainment
7-Apr -2015	Quikr India Pvt. Ltd.	Investment AB Kinnevik, Tiger Global Management LLC, Steadview Capital Management LLC, eBay Inc.	150	E-Commerce
12-Jun-15	PVR Ltd.	Multiples Private Equity Fund II LLP	55	Media & Entertainment
4-Jun-15	Flipkart Pvt. Ltd.	Morgan Stanley Investment Management Inc.	50	E-Commerce
9-Apr-15	Urban Ladder Home Decor Solutions Pvt. Ltd.	Kalaari Capital Fund II, SAIF Partners Fund IV, Steadview Capital Master Fund Ltd., TR Advisors Ltd., Sequoia Capital India Advisors Pvt. Ltd.	50	E-Commerce

# Systematix's Coverage in the Consumer & Building Products

Within the Consumer & Building Products sector, we focus on Fast Moving Consumer Goods (FMCG), Food & Beverage, Restaurants & Leisure, Retail, Personal Care, BFSI, and Building Materials.

We expect F&B, Restaurants & Leisure, Building Materials and E-commerce to witness increasing PE & M&A activity going forward.

## Restaurants & Leisure

- Rising urbanization, disposable income and young population is driving the demand for Restaurants & Leisure services in India; companies are looking to build a strong foothold in this industry.
- Large Indian businesses are strengthening their Indian presence besides expanding in other developing economies, with investors backing restaurant chains, fine dining etc.

## Food & Beverage

- The Food & Beverage industry in India has attracted significant attention from the Indian Government, that has announced a slew of measures over the last few quarters for the development of this sector.
- In the vision-2015 document, the government envisages trebling the size of investment in the processed food sector.
- With profound government support, the sector is attracting significant interest from both domestic & global players – ex of latest deals: acquisition of Sonarome Pvt. Ltd. by Frutarom Industries Ltd.

## Building Products

- Since resuming its office in April 2014, the new government at the center has cleared over 16 infrastructure and coastal projects, besides relaxing norms for the FDI in real estate sector.
- This together with government's plan of developing Indian infrastructure (smart cities, bullet trains, bridges and highways) is likely to boost the building products sector in India.
- Expect to see more traction in the sector - large domestic players expanding in India through capacity additions (tile companies planning INR 100-150 cr. for capacity expansion) besides foraying into "premium" product categories, while international companies looking at Indian entry.
- Latest deals in the sector: Private Equity investment in Cera Sanitaryware, Acquisition of controlling stake in HSGIL.

## E-Commerce

- India is on route to becoming world's fastest growing e-commerce market – driven by robust investment and rapid increase in internet users (Internet users in India have increased from 50 mn in 2007 to 300 mn in 2014).
- Sector has witnessed strong capital market activity in the first quarter of FY 2016 (c.40 transactions worth US\$340mn).
- With gradual consolidation in the sector and the need for growth capital, capital market activity in this sector is expected to remain strong in FY16 and beyond.
- Latest deals in the sector: Private Equity investment in Flipkart.com and UrbanLadder.com



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# M&A Activity in the Logistics Sector

Chart 17: M&A Trend in the Sector (No. of deals)

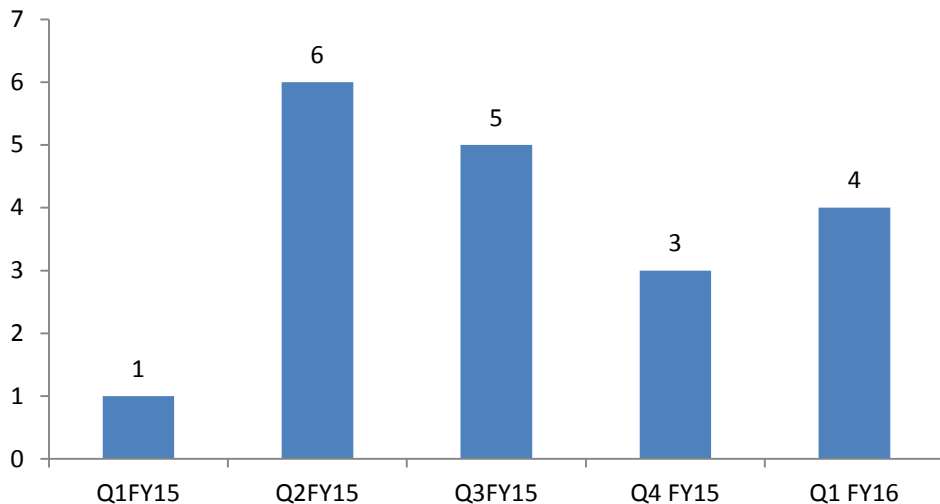
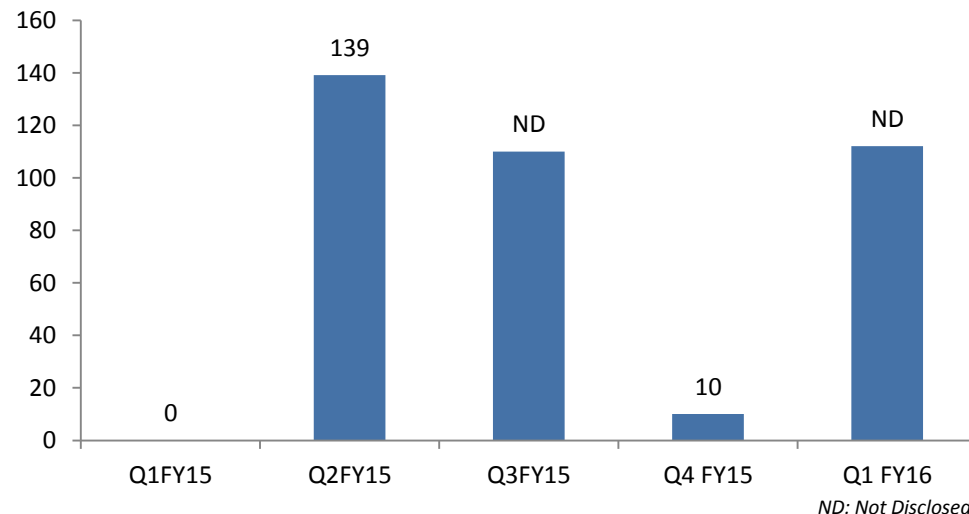


Chart 18: M&A Trend in the Sector (Value in USD mn)



Top M&A Deals by Value ( Apr- Jun 2015)

Date	Target	Buyer / Investor	Seller	Deal Value (USD mn)
25-May-15	Quikjet Cargo Airlines Pvt. Ltd.	Farnair Switzerland AG	Quikjet Cargo Airlines Pvt. Ltd. - Stakeholders	2.22
29-Apr-15	LCL Logistix India Pvt. Ltd.	Cma Cgm Logistics	Tuscan Ventures Fund	
8-May-15	Dharamtar Infrastructure Ltd.			
26-May-15	Drive India Enterprise Solutions Ltd.	TVS Logistics Services Ltd.	Tata Group	

# PE Activity in the Logistics Sector

Chart 19: PE Trend in the Sector (No. of deals)

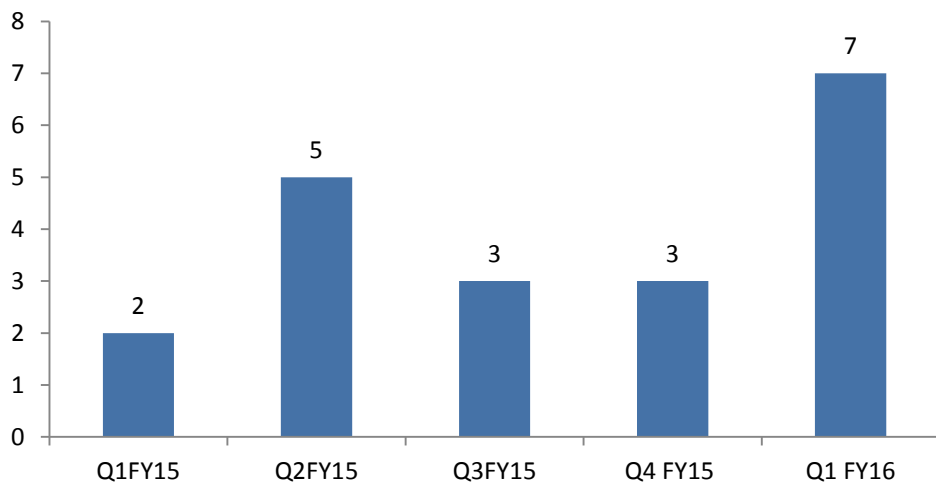
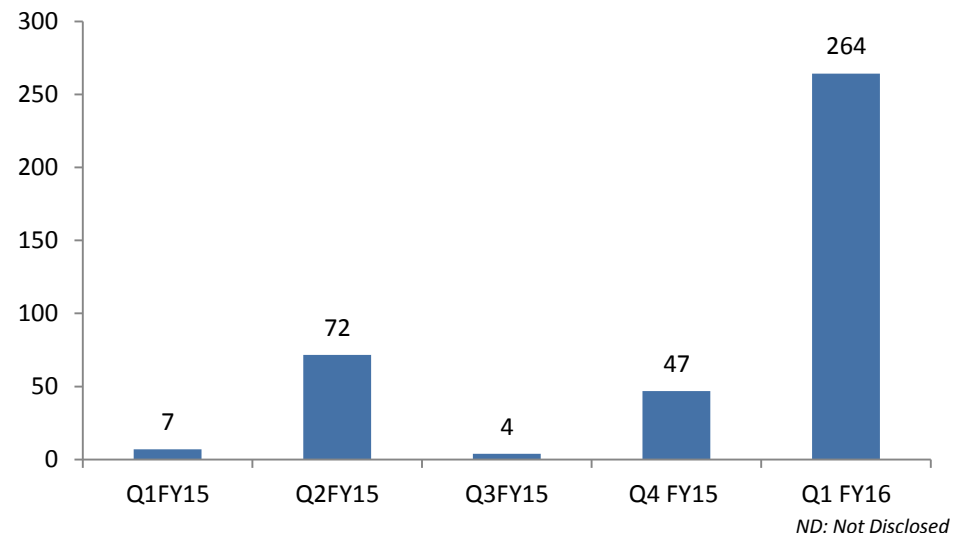


Chart 20: PE Trend in the Sector (Value in USD mn)



Top PE Deals by Value (Apr-Jun 2015)

Date	Target	Buyer / Investor	Deal Value (USD mn)	% Stake	Deal Type
15-May-15	Ecom Express Pvt. Ltd.	Warburg Pincus India Pvt. Ltd.	132.66	Private Equity	15-May-15
6-May-15	SSN Logistics Pvt. Ltd.	Times Internet Ltd., Nexus Ventures III, Ltd., Tiger Global Management LLC, Multiples Private Equity Fund, Nexus Opportunity Fund Ltd.	85	Venture capital	6-May-15
26-May-15	TVS Logistics Services Ltd.	Tata Opportunities Fund	39.23	Private Equity	26-May-15
10-Jun-15	Resfeber Labs Pvt. Ltd.	KAE Capital Management Pvt. Ltd., Sequoia Capital India Advisors Pvt. Ltd., Anupam Mittal, Sandeep Tandon, Rajeev Chitrabhanu	5.46	Venture capital	10-Jun-15
27-Apr-15	Grab a Grub Services Pvt. Ltd.	Oliphans Capital, Haresh Chawla	1	Venture capital	27-Apr-15
27-Apr-15	Carthero Technologies Pvt. Ltd.	Nexus Ventures III, Ltd., Blume Venture Advisors Pvt. Ltd., Adit Parekh	0.78	Angel/Seed	27-Apr-15

# Systematix's Coverage in the Logistics Sector

Within the Logistics sector, we focus on Cold Chain , Distribution, Renting and Pooling of MHE business and few niche businesses.

We expect Integrated Cold Chain business, Renting and Pooling of MHE and last mile distribution verticals to witness increased P.E activity & supply chain ( Store & Move) business to witness increased M&A's.

## Supply Chain Management

- Implementation of GST, ongoing growth in e-commerce in the future are strong signs of changes in Supply Chain industry esp. in Retail and FMCG sector.
- With the GST implementation in the future, large Indian companies have initiated post GST supply chain model to capture a larger share of the market. Further, overseas logistics companies are standing on the fence and awaiting for GST to implement.
- Technology advancement, reduce cost, integrated model incl. last mile connectivity and horizontal expansion are the keys to the success.

## Integrated Temperature Controlled

- Organized corporates specializing in temperature controlled transportation are looking to offer integrated solution across India.
- Creation of PAN India warehousing capacities from regional warehouses would lead to integrated offering to clients thereby significantly changing the dynamics of service offering.
- Entry of global players in Food & Beverage industries , would support the Cold Chain growth in near future.

## Niche Logistics

- Niche logistics services such as First mile collection, Renting and Pooling of MHE, consolidation of Courier carrier, reverse pick up services, repair and refurbished and drop services and other ancillary logistics services
- Unorganized and regional logistics services are slowing getting organized which in turns is re-defining the value proposition for the customer.
- Industry dynamics has renewed interest of private equity investors for investment in such value added services.

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# M&A Activity in the Pharma & Healthcare Sector

Chart 21: M&A Trend in the Sector (No. of deals)

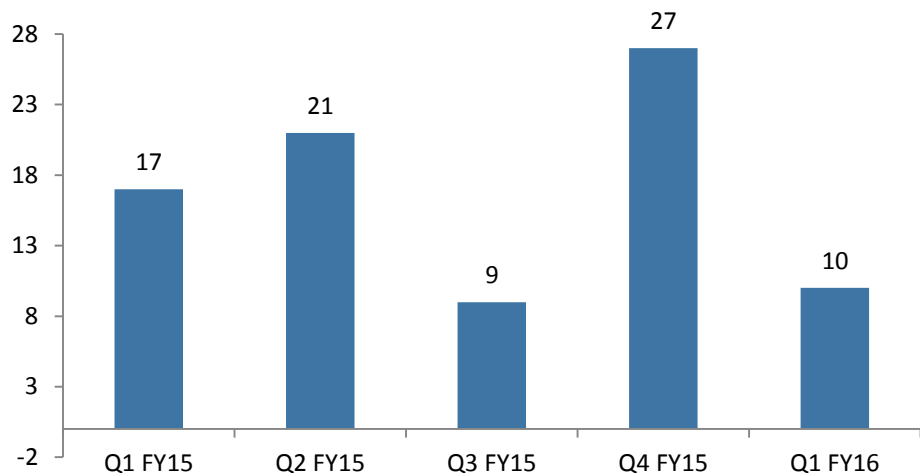
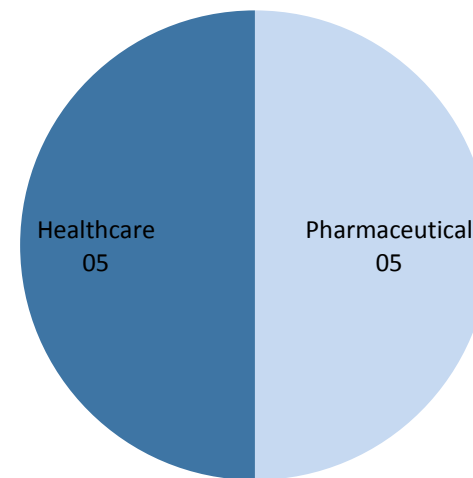


Chart 22: M&A Deals Break up (Q1 FY16) (No. of deals)



Top Five M&A Deals (Pharma & Healthcare in Apr - Jun 2015)

Date	Target	Buyer	Transaction	Deal Value (USD mn)	Industry
28-May-15	Crosslay Remedies Ltd.	Max Healthcare Institute Ltd.	Domestic	44.8	Healthcare
30-Jun-15	Alivira Animal Health Ltd.	Sequent Scientific Ltd.	Domestic	37.7	Pharma
23-Jun-15	Stericat Gutstrings Pvt Ltd	Peter Surgicals SAS.	Inbound	12.0	Healthcare
2-Jun-15	Assam Hospitals Ltd.	Apollo Hospitals Enterprise Ltd.	Domestic	9.0	Healthcare
23-May-15	GKB Vision Ltd.	Essilor India Pvt. Ltd.	Domestic	3.6	Healthcare

# PE Activity in the Pharma & Healthcare Sector

Chart 23: PE Trend in the Sector (No. of deals)

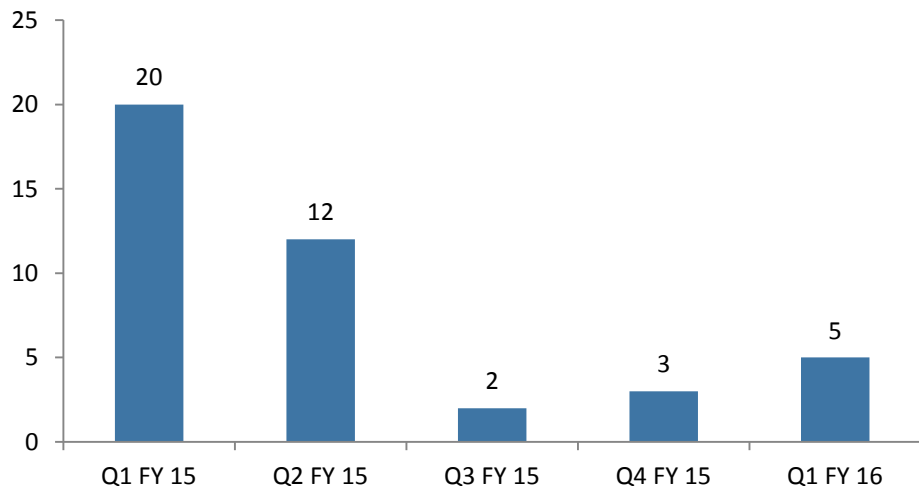
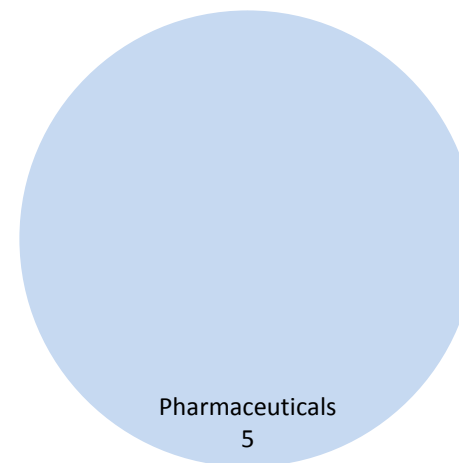


Chart 24: PE Deals Break up (Q1 FY16) (No. of deals)



Top Five PE Deals (Pharma & Healthcare in Apr- Jun 2015)

Date	Target	Buyer	Deal Value (USD mn)	Industry
21-Apr-15	Sun Pharmaceutical Industries Ltd.	Temasek Holdings Advisors India Pvt. Ltd.	298.58	Pharma
17-Apr-15	Glenmark Pharmaceuticals Ltd.	Temasek Holdings Advisors India Pvt. Ltd.	151.48	Pharma
21-Apr-15	DR Shikhas Nutri-Health Systems Pvt. Ltd.		2.0	Pharma
23-Jun-15	Expedient Healthcare Marketing Pvt. Ltd.	YouWeCan Technologies LLP		Pharma
28-May-15	Mankind Pharma Ltd.	Capital International Inc.		Pharma

# Systematix's Coverage in the Pharma & Healthcare Sector

Within the Pharmaceutical and Healthcare sector, we are focused on advising Indian and global companies operating in the areas of Active Pharmaceutical Ingredients (API), Formulations (including Injectables), Med Tech and Healthcare Facilities.

We expect the M&A activities to remain strong as Pharmaceutical, Medical Devices/Technologies and Healthcare Facilities companies have become more aggressive with regard to acquisitions, with companies looking to replenish their pipelines, strengthen their leading businesses

India's growing respect and legal / regulatory framework for IPR, favorable economic policies resulting into attractive investment destination and availability of huge talent pool for sustaining and growing operations is making India an attractive destination for multinationals.

## Pharmaceuticals

- Off late the pharmaceutical industry has witnessed renewed interest from the MNC's, which in turn has made the market more competitive.
- Compared to their European and American counterparts, Indian pharma companies are undervalued and that makes them interesting targets. Foreign companies are ready to pay higher multiples for the interesting & potential strategic opportunity.
- With one of the latest being, PE investment of USD 299 mn by Temasek Holdings Advisors India Pvt. Ltd.in Sun Pharma Industries Ltd

## Medical Devices Technology

- Easing of norms for medical devices industry (100% FDI allowed) would encourage FDI inflows in this space. This intern would help the foreign investor for setting up the new facility or to acquire an existing company in the medical devices sector.
- With profound government support, the sector is attracting significant interest from both domestic & global players.
- The latest transaction being – Péters Surgical SAS, France based medical device company has acquired controlling stake in our client –Stericat Gutstrings Pvt. Ltd for INR 750 Mn

## Healthcare Facilities

- Strategic and private equity acquisition appetites for strong healthcare companies continue to grow, thereby offering value to the good business models
- Despite significant challenges in reimbursement and other operating factors, many healthcare providers continue to grow profitably by scaling their businesses



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# Overview of Systematix Group

**Systematix is a 27-year old financial advisory firm, founded by Mr. C.P. Khandelwal in 1987**

## Investment Banking/Advisory

- Established corporate advisory, capital markets advisory and fund raising capabilities.
- Closed transactions aggregating to USD 1.5 bn over the last years.
- SEBI Registered 'Category I' Merchant Banker.

## Institutional Broking

- Serving a majority of the top institutional money managers: FIIs, DIIs, Insurance, Mutual Funds, etc.
- Well experienced Research Team and Expertise in identifying hidden gems from small cap and mid cap space.

## Retail Broking

- Pan India presence, servicing over 62,652 clients.
- 'Customer First' philosophy is the cornerstone of the firm's success.

## Wealth Management

- Structured finance solutions to Corporates and HNIs.
- Managing investment portfolios of over USD 200 million for Corporate, UHNI / HNI clients.

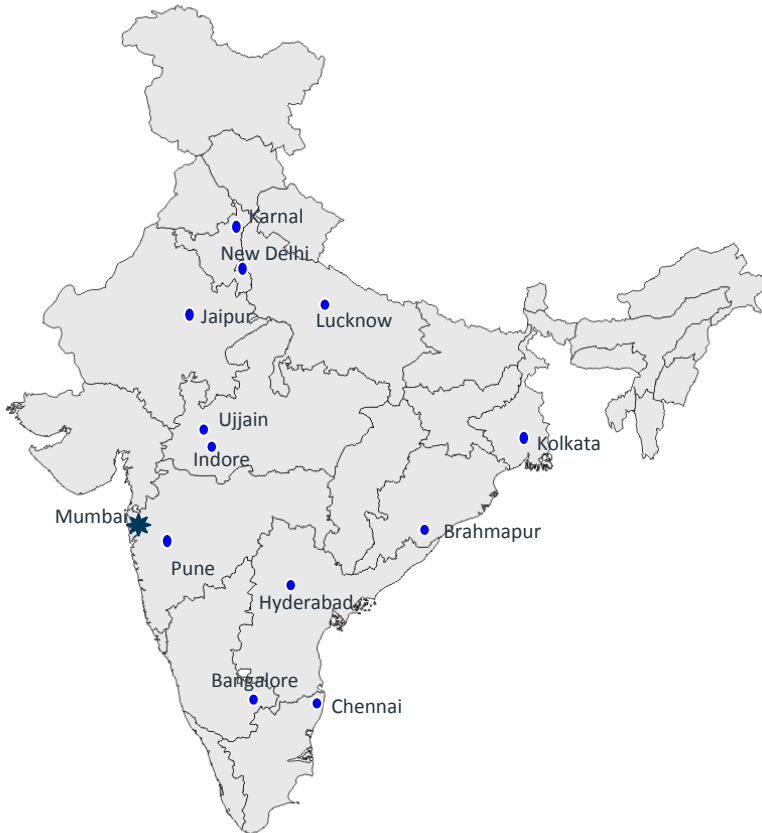
## Venture Capital Funds/Private Equity

- SEBI registered Venture Capital funds:
  - USD 30 mn Real Estate fund

# The Systematix Network

Systematix has offices in 20 locations across 13 cities in India

## Systematix's India Presence



Note: Cities may have more than one office

## Systematix's Global Presence



Systematix Capital and Bridge & Sun Partners have formed exclusive partnerships for Indo-Japan M&A transactions.

# Systematix - Deal Announcement



  
**Has acquired**  
  
**INR 750 Mn**  
**23<sup>rd</sup> June 2015**  
**Sole Advisor to Stericat Gutstrings**  
**Pvt. Ltd**

  
Investments Re-defined

## **Péters Surgical SAS**

Péters Surgical SAS based in France develops manufactures and distribute medical devices. It offers sutures, meshes, device dedicated to aesthetic surgery, drainage/suction, catheters, accessories for surgical procedures, dressings and solvent, cryotherapy, antibedsores, orthoses, and urodynamic disposables. The company is particularly recognized for its products for cardio-vascular and thoracic, ophthalmic, aesthetic, digestive, urology gynecology, maxillo-facial, and ortho-traumatology treatments. The company is the 2nd largest wound care company in France, with its products being distributed in 150+ countries with a direct presence in the US and Belgium. The company was founded in 1926 and is based in Bobigny, France.

## **Stericat Gutstrings Pvt. Ltd.**

Stericat Gutstrings Pvt. Ltd., based in Gurgaon, India, is engaged in manufacturing and marketing of absorbable and non-absorbable surgical sutures. Its products include braided coated polyglycolic acid, braided coated polyglycolic acid-undyed, monofilament polydioxanone, catgut chromic, catgut plain, monofilament polypropylene, braided silk, braided polyester, monofilament stainless steel, monofilament polypropylene and transobturator sling system. The products are sold primarily to dealers in the export and domestic market. The company was founded in 1983.

## **Transaction Details**

Péters Surgical SAS, France based medical device company has acquired controlling stake in our client – Stericat Gutstrings Pvt. Ltd for INR 750 Mn. Systematix advised Stericat’s promoters on identifying the right fit global partner, analyzing the benefits of a global partnership in the wound care industry and thereafter leading the negotiations on valuation and structuring of a long term strategic partnership. This is also amongst the largest and the first notable cross border M&A transaction in the Indian Medical Devices Industry, post 100% FDI approval accorded to the sector by the GoI and RBI in February 2015.

## **Systematix Capital Services Pvt. Ltd.**

Systematix Capital is the Investment Banking arm of Systematix Group. Systematix Capital offers full spectrum of investment banking services ranging from M&A, Private-Equity Syndication, Equity Capital Markets and Restructuring. The team has strong domain expertise in certain focus sectors, including Pharmaceuticals, Medical Devices, Logistics, Consumer Products / Services, E-commerce, Financial Services and Building materials.

# Systematix Investment Banking

## Select Transaction Experience

### FY 2015-2016

**Healthcare and Pharma**  
June 2015



Acquired



Sole Advisor  
to Stericat Gutstrings Pvt. Ltd

USD 12 mn

**Financial Services**  
April 2015



Valuation

**IT & ITES**  
April 2015



Fair Market Valuation

### FY 2014-2015

**Consumer**  
Jan 2015



Raised Venture Capital from



Sole Advisor  
to Manash Lifestyle Pvt Ltd

USD 2.5 mn

**Logistics**  
April 2014



Acquisition of 5% stake in



Sole Advisor to KWE

USD 5.9 mn

**Logistics**  
Dec 2014



Raised Venture Capital from



Sole Advisor  
to LEAP

USD 4.1 mn

**IT & ITES**  
Apr 2014



Kellton Tech Solutions Ltd.  
ESOP Advisory

### FY 2013 -2014

**Tours & Travels**  
Mar 2014




Thomas Cook (India) Ltd  
ESOP Advisory

**Consumer**  
Jan 2014



Future Life Style Fashions Ltd  
ESOP Advisory

**Hospitality**  
Feb 2014



Marriott International Inc.  
Fair Market Valuation

**Private Equity**  
Jan 2014




Carlyle Group Valuation


### FY 2012 -2013

**Healthcare and**

**Pharma**  
Mar 2013



Goa formulation unit has been acquired by



Sole Transaction Advisor

USD 36.8 mn

**Consumer**  
Feb 2013



Secondary Placement of Shares to



Sole Transaction Advisor

USD 22.3 mn

**Insurance**  
Mar 2013

FUTURE RETAIL has sold 22.5% stake in




to




Sole Advisor

USD 62.5 mn

**Consumer**  
Dec 2012



Open Offer



Sole Advisor to Clearwater

USD 12.3 mn

**We have closed transactions aggregating to USD 1.5 billion**

# Systematix Group – Leadership Team



**Mr. C.P. Khandelwal**  
Chairman

- Founded the company as an advisory business in 1987.
- With over 27 years of experience in financial services, he has been instrumental in aiding the company achieve several key milestones including obtaining a merchant banking license in 1994-95, initiating its broking desk in 2000, starting NBFC operations in 2007, portfolio management (SEBI Registered) in 2008 and the recent foray into Venture Capital / Private Equity business.



**Mr. Sunil Sarda**  
Managing Director

- More than 18 years of experience at various levels in the financial services industry.
- Currently overseeing the Brokerage (Stocks, Commodities & Currency), Wealth & Portfolio management and NBFC business within Systematix.
- Previously, Executive Director with Anand Rathi Securities and Manager-Finance with Indian Rayon and Industries Ltd., part of the Aditya Birla Group.



**Mr. Nikhil Khandelwal**  
Managing Director

- Leads the Investment Banking Advisory business of Systematix and has ~10 years of rich experience in M&A, Private Equity and Strategic Advisory for a wide variety of industries and clients in India and internationally.
- Has been instrumental in building Systematix's advisory business into an Industry Focused Cross Border M&A platform – with strong engagements with several mid to large India, US, Japan and Europe based companies.
- Nikhil holds a degree in management studies (MBA) from the ISB, Hyderabad and Bachelor in Engineering (BE) from Manipal Institute of Technology (MIT).

# Systematix Investment Banking – Leadership Team

## Senior Bankers



**Mr. Abhishek Dhanesha**

- Leads the Logistics, Consumer & Building Materials initiatives for the firm.
- Before joining Systematix group, he was part of Avista Advisory/Houlihan Lokey and Aarayaa Advisory Services in Mumbai where he worked on fund raising, cross border M&A and buyouts.
- Abhishek is a Chartered Accountant (CA) and a Law graduate (LLB).
- Major prior transactions include:
  - Advisory to Classic Stripes on their buyout by Navis Capital
  - Fund raising for Astarc Group Companies from various lenders to the tune of INR 2,250 million
  - Pre-IPO equity placement for Pipavav Shipyard Limited to the tune of INR 320 million
  - Advisory to Sheel Gems & FineFacet, India for their acquisition of Kaprisa International
  - Strategic consulting for Emerson Network Power, India, for setting up an additional manufacturing facilities.
  - Advised Shin-Etsu Polymer India , (subsidiary of Mitsubishi) for their India Entry Strategy



**Mr. Souvik Chatterjee**

- Leads the Pharmaceuticals & Healthcare initiatives for the firm.
- Previously worked with major Indian financial organizations like SMC Global, Proactive Universal Group (India) and CNBC TV 18.
- He is a Chartered Accountant (CA) and Holds an MBA - Finance from one of the premier institutes in India.
- Major prior transactions include:
  - Acquisition of Stericat Gutstrings Pvt. Ltd by Peters Surgical SAS
  - Acquisition of Parenteral Drugs' Goa Formulation Unit by Fresenius Kabi

# Thank You

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## Our Offices

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