

India
Weekly
Newsletter

January 16

2012

This document covers news related to India with a special focus on areas like mergers & acquisitions, private equity & venture capital.

Volume 119, January 16th, 2012

For the period January 9, 2012 to January 15, 2012

Content	Pages
Mergers & Acquisitions News	3-5
Mergers & Acquisitions Deals	5-9
Private Equity News	9-12
Private Equity Deals	12-13
Venture Capital News	13-13
Venture Capital Deals	13-14

Highlights

Pratibha Industries Plans To Sell Saw Pipes Biz For Rs110 cr...(3)

Oil India May Bid For Cove Energy Plc...(4)

Saga Music Acquires Punjabi Content Focused Company - Lucky Stars...(5)

Career Launcher Buys Noida-based G.K. Publications...(6)

France Based Vinci Acquires NAPC Ltd...(7)

Italy Based Fabbrica Italiana Acquires 18.5% Stake In Writefine Pencils...(8)

Evolve India Backed Sutures India To Raise Rs200 cr...(9)

Oman Fund Gets FIPB Approval For Rs13.75 cr Investment In UCX...(10)

Jacob Ballas May BuyOut IDFC PE's Stake In Karaikal Port...(11)

IFC Invests In Blackstone Backed - FINO...(12)

DaVita Inc, NEA Invests \$25 mn In NephroLife Care...(13)

Healthkart Raises Rs 27 cr From Sequoia Capital, Omidyar...(14)

Mergers & Acquisitions News

Aanjaneya Lifecare To Acquire Apex Drugs & Intermediates

Aanjaneya Lifecare may acquire Apex Drugs & Intermediates Ltd. Aanjaneya is negotiating the terms for the acquisition of 100% assets and business of Apex. Apex Drugs was originally incorporated as Agni Synthetics Pvt Ltd in the year 1989, the name was changed Apex Drugs & Intermediates Ltd in 1995 and subsequently controlling stake was acquired by Ghanshyam Kurmi - current MD of Apex along with his associates. Apex Drugs has production facilities in AP and manufactures APIs for use in therapeutic segments including cardiovascular, gastrointestinal, Antihistamine and non steroidal anti inflammatory drugs. Apex supplies its APIs to a number of domestic formulators and also sells its products to Spain, UAE, Bangladesh, Argentina and Egypt. Aanjaneya Lifecare was incorporated in 2006 by Kannan Vishwanath. In Aug 2009, Aanjaneya was acquired by Finaventure Capital through a share swap. The promoters of Aanjaneya sold 33.75% stake to FCL shareholders. Aanjaneya which started as an API manufacturer entered into formulation manufacturing by acquiring Prophyla Biologicals Pvt Ltd in March 2010.

Pratibha Industries Plans To Sell Saw Pipes Biz For Rs110 cr

Pratibha Industries Limited is planning to sell its saw pipes manufacturing business in order to reduce cost and improve net profit margin. In Oct 2010, ChrysCapital invested Rs50 cr (\$11.35 mn) in Pratibha Industries Ltd. It made preferential allotment of equity shares and CCPPS to "Van Dyck" a subsidiary of "ChrysCapital V, LLC" for Rs92 per equity share and CCPPS of face value up to Rs92. According to Pratibha Industries group director and head marketing Yogen Lal, the SAW pipe manufacturing plant has machines and equipment worth Rs50-60 crore and is working on orders worth the equivalent number. Established in 1982 by Ajit B. Kulkarni, Pratibha Industries is engaged in infrastructure construction and executing projects on a turnkey basis in water transmission and distribution projects, water treatment plants, elevated and underground reservoirs, mass housing projects, commercial complexes, pre-cast design and construction, road construction, real estate properties and airports. The saw pipe manufacturing plant is located at Wada with manufacturing capacity to 92000 pipes tpa.

Pearson In Talks To Buy Educomp's 50% Stake In Indiacan

Pearson Plc., the world's largest education service provider and one of the leading media groups, is in advanced stages of discussion with Educomp Solutions Ltd to buy out the latter's 50% stake in Indiacan, a vocational education company formed as a joint venture between the two companies. In 2009, Pearson Plc. invested \$17.5 million in Indiacan (then known as Educomp Vocational Education Pvt Ltd), thereby valuing the company at \$36 million. Indiacan

positions itself as the country's largest vocational education company and offers courses in English, broadcast journalism and IT, among others. The company has 308 centres as on September 2011.

Oil India May Bid For Cove Energy Plc

Oil India Ltd may bid for Cove Energy Plc, which put itself up for sale last week. Cove has a market value of \$950 mn. Oil India may face competition from Chinese suitors. London based Cove Energy Plc was incorporated in 2003. Cove Energy plc, through its subsidiaries, engages in the exploration, development, and production of oil and gas reserves in Mozambique, Tanzania, and Kenya. The company also involves in the exploration of mineral properties. It holds interests in the Rovuma offshore gas wells and the Rovuma onshore concession in Mozambique; the Mnazi Bay/Msimbati gas fields in the Mtwara region of south-eastern Tanzania; and in five offshore blocks in Kenya. Blackrock Inc. backed Cove Energy holds an 8.5% stake in the Rovuma Area 1 off Mozambique, which is operated by Anadarko Petroleum Corp., and has Bharat Petroleum Corp. and Videocon Industries Ltd. as partners. The partners have found 15 trillion to 30 trillion cubic feet of recoverable gas, enough to support the setting up of a liquefied natural gas production facility. The U.K. explorer opened its data room last month to interested bidders in its Mozambique project. Cove is also working with Total SA of France and BG Group Plc to search for oil and gas off Kenya and with Etablissements Maurel & Prom SA in Tanzania. Oil India has \$2.6 bn cash and its finance director TK Ananth Kumar said recently the company could use the funds to acquire overseas assets. Oil India has held talks with Gabon's national oil company for a partnership to buy Maurel's assets in the African nation.

Sindicatum To Buy 49% In Simbhaoli Sugars' Co-gen Power Biz

Singapore's Sindicatum Sustainable Resources Group (a global developer, investor and operator of clean energy projects) is acquiring 49% stake in a proposed joint venture that will house co-generation power assets of Delhi-based sugar refinery Simbhaoli Sugars Ltd (SSL). Under the agreement, SSL will transfer the existing power assets of its co-generation plants at Simbhaoli, Chilwaria and Brijnathpur to Simbhaoli Power Ltd (SPL), the new joint venture, in consideration of cash, shares and other securities. The existing power assets are to be transferred at a value of Rs 196 crore. Sindicatum, through its subsidiary Sindicatum Captive Energy Singapore Pte Ltd, will acquire 49% of the share capital in SPL. Following the acquisition, SSL and Sindicatum will jointly carry out the power generation business via SPL. The newly formed JV will be managed by a board of directors which will include representatives from both SLL and Sindicatum. Incorporated in 1933, Simbhaoli Sugars operates as an integrated sugar refining company and is also engaged in biomass-based co-generation and export of power to the national grid. The expansion is expected to be complete within 18 months from financial closure and the power plants at Simbhaoli, Chilwaria and Brijnathpur will have the

capacity to generate 80 MW of surplus power, exportable to third parties. The total cost of expansion is pegged at Rs 330 crore, to be debt-funded by banks.

Mergers & Acquisitions Deals

Yatra Online Acquires Events Portal - Buzzintown.com

Yatra Online has acquired events and entertainment portal Buzzintown.com for an undisclosed amount. This acquisition will allow Yatra.com to expand its customer base by adding over 3 million registered users of Buzzintown.com. Buzzintown is owned by Intel Capital backed Wortal Technologies Pvt Ltd. Intel Capital invested through two rounds in Wortal. Intel is also an investor in Yatra Online. Buzzintown started as a ticketing site. The company offers information on deals and events in major cities of India that include Mumbai, Delhi (NCR), Chennai and Bangalore, among others. It is present in over 19 Indian cities and 16 cities across the US and Canada. It competes with BookMyShow and TicketPro among others. This is Yatra Online's third acquisition in three years. It acquired Magic Rooms Solutions (India) Private Limited, which runs MagicRooms.in, an online platform offering online hotel bookings in 2011 and a majority stake in Delhi-based wholesale ticket consolidator Travel Services International (TSI) in 2010.

Saga Music Acquires Punjabi Content Focused Company - Lucky Stars

Saga Music has acquired music label Lucky Stars, a regional music company with focus on Punjabi content. This acquisition will widen Saga Music's presence in Indian regional and devotional music distribution. The company will add to its catalogue over 125 albums released by Lucky Stars in 5 different languages, which include Punjabi chartbusters Lalan Di Qurbani and Roula Pai Gaya. The albums comprise tracks from more than 50 popular singers including Anup Jalota, Anuradha Podhwaal, Gur Sewak Mann, Manjit Roopowalia, Munna Aziz, Ravinder Grewal, Suresh Wadekar, Surjeet Khan, and Vipin Sachdeva. Saga Music owns music rights of a number of Hindi movies including, Jo Dooba So Paar, Allah Ke Banday, Tera Kya Hoga Johny, Bhindi Bazaar, West is West, Khap, Chala Mussadi Office Office, Stand By, and the soon-to-be-released 4 2 ka 1, amongst others. In addition to Bollywood, the company has released the music of over 15 Tamil movies including the mega blockbuster Poonar Shankar and of almost 100 Punjabi singers including Harbhajan Maan, Hans Raj Hans, Salim, and Gurdaas Maan.

PE-backed Innoventive Inds Picks 85% In Salem Steel For \$4.67 mn

Standard Chartered Private Equity-backed multi-product engineering company Innoventive Industries Ltd has acquired the business operations of the US-based steel products firm Salem Steel North America LLC. Innoventive, through a wholly owned arm, will own 85% in a new firm that has been floated for the transaction (Salem Steel NA LLC) and will pay \$4.67 million (Rs

24.7 crore) for buying the existing business of Salem Steel. The balance 15% stake will be retained by one of the existing promoters of Salem Steel. The new firm will acquire inventory, receivables, book debts, furniture, fixtures, machinery, intellectual property and other intangible rights besides the ongoing business of Salem Steel. Nine-year-old Salem Steel is the international producer of ERW-DOM and seamless tubing, supplied in carbon and alloy grades, as well as welded and seamless stainless steel tubing and pipe. It also specializes in cold drawn mechanical tubing, as well as hydraulic, pressure, bearing quality, among others. Its products are used in a variety of applications and industries including aircraft and automotive, decorative and medical uses, and oil & natural gas. Salem Steel was founded by Ronald S. Herman, who serves as the president of the company. In February 2011, Standard Chartered Mid-Market Mid-Cap Fund invested \$10 million in Pune-based Innoventive Industries Ltd in a pre-IPO transaction. The PE firm has raised its holding since, raising its stake to over 12% in October.

Career Launcher Buys Noida-based G.K. Publications

CL Educate Ltd, formerly known as Career Launcher India Ltd, has acquired Noida-based G.K. Publications Pvt Ltd that publishes competitive exams books. The deal will help CL Educate (one of India's oldest test preparation chains) in backward integration and content pool expansion. Founded in 1994, G.K. Publications is engaged in publishing books, study resources, guides, sample test papers and question papers for professional exams like GATE, IES, IAS, CAT, IIT, GRE and SAT, among others. The company annually publishes over 500 titles for these exams. G.K. Publications has on board a team of 50 people. In addition, it has a 150-strong distributors' network and a 750-strong dealers' network. The current deal will help CL Educate expand further into focus areas like civil entrance exams, GATE and PSU exams. Aarayaa Advisory was advisor to G.K. Publications on the transaction. Career Launcher is one of the first education companies to raise venture funding in India. While its original investor Intel Capital has exited, current shareholders include Gaja Capital Partners, Edelweiss Capital and Granite Hill. Last year, CL Educate said that it would raise more funding, either through a strategic sale or a public offering.

Wolters Kluwer Sells Pharma-related Publishing Biz to Springer

Netherlands-based global information services company Wolters Kluwer has completed the sale of its pharma-related marketing & publishing services business of Wolters Kluwer (India) Pvt Ltd to Springer Science+Business Media (Springer) for an undisclosed sum. Wolters' marketing & publishing services division is a global provider of strategic marketing, publishing and business intelligence products and services. It caters to the pharmaceutical industry, as well as medical libraries and academic & research institutions. The proceeds of the global stake sale would be used for general corporate purposes, such as debt reduction in line with the company's stated objectives and fresh investments in the business. The sale is also a part of Wolters' strategy to focus on core health markets through its health & pharma solutions division. Springer

Science+Business Media is a global scientific publisher, delivering content through innovative information products and services. In the science, technology and medicine (STM) sector, the group publishes around 2,000 journals and more than 7,000 new books a year, besides producing the largest STM eBook collection worldwide. Springer has operations in about 20 countries in Europe, the USA, and Asia, and more than 5,500 employees. In 2010, it generated annual sales of around €866 million.

Nalanda Capital Ups Stake In Great Eastern Shipping To 5.11%

Nalanda Capital, a Singapore-based private equity firm founded by former Warburg Pincus India MD Pulak Prasad, has increased its holding in Great Eastern Shipping Company to 5.11%. Given the average share price during the period, the PE firm that mostly invests in Indian public listed companies, would have invested around Rs 180 crore to build its stake in the company through secondary market purchases. Mumbai-based Great Eastern Shipping is engaged in transportation of crude oil, petroleum and gas products, as well as dry bulk commodities. The company also offers offshore exploration and production services to oil companies. Last week, Great Eastern Shipping took the delivery of the crude oil carrier with 318,000 dwt from Hyundai Heavy Industries. With this delivery, the company's current fleet stands at 34 vessels including 24 tankers (9 crude carriers, 14 product carriers, 1 LPG carrier) and 10 dry bulk carriers (1 Capesize, 3 Kamsarmax, 1 Panamax, 4 Supramax and 1 Handymax) with an average age of 8.9 years aggregating 2.62 million dwt.

France Based Vinci Acquires NAPC Ltd

France based construction major - Vinci has acquired 100% stake in Chennai based NAPC Ltd for an undisclosed amount. Varun Manian - Vice Chairman, NAPC Ltd, has resigned from the Board and Vice-Chairmanship. His father, Mr K.S. Manian, who is today the Chairman, will however continue as NAPC's Managing Director for three years. Manians will deploy the proceeds into the family's real estate and renewable energy businesses. The company was founded in 1949 as National Asphalt Products & Construction Co (a partnership firm) by BS Manian to undertake road projects. NAPC Limited was founded in 2005 by KS Manian (BS Manian's son). It took over the partnership's firm business in 2007. Currently NAPC undertakes civil construction projects involving construction of roads, airport runways, buildings and mining contracts. NAPC has been working with Renault-Nissan Automotive, Ford India, MRF and Nerolac Paints. It has also executed projects for Tamil Nadu Public Works Department, Tamil Nadu Water Supply Department, Airports Authority of India, Kerala State Transport Project, TNRIDC, Military Engineering services etc. NAPC also holds a 10% stake in GMR Chennai Outer Ring Road Private Limited, a SPV floated by GMR group and NAPC Limited. It also has a JV with Sweden based Lackeby Water Group of Sweden to execute water management projects.

Italy Based Fabbrica Italiana Acquires 18.5% Stake In Writefine Pencils

Italy based Fabbrica Italiana Lapis ed Affini (FILA) has acquired 18.5% stake in RR Group's Writefine Products Pvt Ltd with the option to increase its stake up to 50%. Writefine Products will now operate as a JV. RR Industries. RR Group's flagship company was incorporated in 1974 for manufacturing of pencils by Rasiklal Raveshia and Manubhai Rajani. In its initial years, the RR Group was focused on manufacturing of quality pencils on private label basis for a various leading stationery manufacturers in India. In 2005, RR Group successfully enhanced its product portfolio by introducing plastic stationery products such as erasers, sharpeners, scales and pens. S. Tech Industries in Umbergaon was specifically set-up for this purpose. Writefine Products Pvt Ltd was formed after RR Group consolidated its operations in Umbergaon. Writefine Products manufactures stationery products including pencils, sketch pens, geometry boxes and mathematical instruments. The products are sold under DOMS brand. Established in 1920 and managed since 1956 by the Candela family, FILA is based out of Pero and manages more than twenty categories of products through its five production facilities fourteen commercial offices worldwide. The products are sold under Giotto, Das, Dido, Pongo, Tratto, Lyra, Vinci and Mapita brands. Overall, FILA employs about 2600 people globally. In 2010, consolidated core business revenues reached a total of 200mn euros.

Oberoi Hotels Sells Entire 6.84% Stake In Nepal's Soaltee Hotel

Indian hospitality chain Oberoi Hotels Pvt Ltd has sold its entire 6.84% stake in Nepal's Soaltee Hotel Ltd to Sibkrim Land and Industrial Company Pvt Ltd, for a consideration of \$1.68 million, the company has said in a statement. A total of 14,924,063 shares owned by Oberoi Hotels were transferred at Rs 140 per unit. While Soaltee Enterprises owns the largest stake in Soaltee Hotel, Nepal Airlines Corporation holds 12% stake and Holiday Inn Investment Nepal, a subsidiary of Holiday Inn, has around 10% stake. Soaltee posted a profit of around Rs 110 million during FY2010-2011 and currently employees 700 people.

Synthite Industries Acquires Chinese Natural Colors Maker For Rs159 cr

Kochi based Synthite Industries Ltd has acquired a China based undisclosed natural specialties and color manufacturer for Rs159 cr. The firm is based at Xinjian in the southern Jiangxi province. Apart from other plans for natural products, Synthite planning to manufacture colour extracts from paprika for the international market out of the new China facility. Set up in 1972 by Mr. C V Jacob, Synthite (erstwhile Synthite Industrial Chemicals Ltd) began operations as a manufacturer of oleoresins from Indian spices, such as pepper, turmeric and cardamom. Today, Synthite offers more than 500 products, ranging from spice oleoresins, essential oils, floral concretes/absolutes, seasonings, resinoids (for the perfume industry), health and functional ingredients and application-oriented, value-added products. Synthite has facilities in Kolenchery, Kakkanchery, Pancode (Kerala), Harihar (Karnataka), Maradur (Tamil Nadu) and Khammam (Andhra Pradesh). In January 2009, Synthite's wholly owned subsidiary Synthite Properties and

Investments Ltd was merged with Synthite. Synthite has also diversified into other business segments, including realty and hospitality. The realty division is engaged in constructing and selling residential complexes through Spice Villas. The firm's hospitality division includes Riviera Suites and the three-star boutique, Ramada Resort, in Cochin. The company is now scouting for opportunities to expand its presence in Indonesia, Sri Lanka and Brazil either through acquisitions or setting up JVs.

Private Equity News

Evolve India Backed Sutures India To Raise Rs200 cr

Private Limited is planning to raise Rs132-211 cr (\$25-40 mn) PE funding for expansion by selling a minority stake in the company. In 2009, Evolve India Life Sciences Fund invested Rs35 cr in the company. Bangalore-based, Sutures India is a manufacturer and exporter of all types of surgical sutures like absorbable sutures and non absorbable sutures. It manufactures absorbable and non-absorbable sutures, surgical tapes, gloves, surgical needles, skin staplers among other products. Sutures exports to over 50 countries in Europe, South America, Africa & Asia. It employs 120 sales personnel & supplies its products to hospitals & nursing homes through over 400 distributors. The company manufactures latex glove manufacturer through its wholly owned subsidiary - Truskin Gloves Pvt Ltd.

REC May Acquire 16% Stake In UCX

Rural Electrification Corporation may acquire 16% stake in Universal Commodity Exchange for Rs16 cr valuing UCX at Rs100 cr. The deal is subject to approvals from the finance ministry and capital markets regulator Sebi. This deal will enable UCX to comply with the equity structure norms which requires 26% shareholding by one or more government companies as partners to the promoter and 20% by government companies, cooperative societies, federations marketing agri inputs, commodity or stock exchanges. Currently, IDBI Bank holds 10% stake and Indian Farmers Fertilizers Cooperative owns 15% stake in UCX. UCX main promoter Ketan Seth holds 40% stake in the bourse through IT People India, financial and exchange technology solutions provider, which he has to reduce to 26% within five years of the bourse coming on line. If the deal goes through, it will be REC's second investment in a commodity exchange. It holds 5% stake in Financial Technologies promoted - Indian Energy Exchange. UCX is the sixth national level commex which received the in-principle approval from the commodity futures market regulator, Forward Markets Commission (FMC), to go live last August.

Canaan Partners Closes \$600 mn Technology & Healthcare Fund

Canaan Partners will invest two thirds of this new fund in technology in fields including digital media, consumer Internet, enterprise, mobile and communications companies in the U.S., India

and Israel, while the balance will go to health care investments in biopharmaceutical, medical device and health care infrastructure companies.

Oman Fund Gets FIPB Approval For Rs13.75 cr Investment In UCX

Oman Investment Fund's application to invest Rs13.75 cr in Universal Commodity Exchange has been approved by the FIPB. The investment is being made through Funderburk 2 Mauritius Ltd. Oman Investment Fund had first announced its interest to acquire a stake in UCX in April last year. UCX promoters had an August deadline for tying up Rs100 cr equity capital, a year after receiving the government's in-principle approval to start operations. They sought an extension for roping in government companies as shareholders. The promoters - IT People India need to sell around 16% to government companies to meet the 26% shareholding criteria for this class of shareholders. In July, they sold 10% to IDBI Bank for Rs10 cr. Of the mandatory Rs100 cr equity, Rs65 cr has been tied up. Shareholders include IT People (40%), Indian Farmers Fertilizer Cooperative (15%) and IDBI Bank (10%). Rural Electrification Corporation may also acquire 16% stake in the commodity exchange.

Muthoot Fincorp To Raise Rs500-600 cr PE Funding

Muthoot Fincorp is planning to raise about Rs500-600 cr PE investment by offloading 5-6% stake. The proceeds will be used to fund its expansion plans over the next one year. It is looking to add 1000 more branches in next one year. Muthoot Fincorp Ltd is the flagship company of the Muthoot Pappachan group, which is also into hospitality, real estate and power generation. The company's main business is lending against gold, however the company also distributes mutual funds, and general and life insurance products, and is also present in the money-transfer business. The outstanding portfolio of gold business is currently at Rs6500 cr and the company targets to increase it to Rs8500 cr by March 2012. Muthoot Fincorp currently has a branch network of 1,650, which it plans to increase to 2,600 by March 2012 and to 4,500 by March 2013. The company is also looking to hive off its microfinance business into a separate MFI to meet regulatory requirements. It is in the process of acquiring another NBFC for this purpose, as it would be quicker than registering a new MFI. The microfinance portfolio of about Rs100 cr is spread across Kerala, Karnataka and Tamil Nadu.

Sunteck Realty To Raise PE Funding For Goregaon Project

Sunteck Realty Limited is planning to raise funds for Goregaon project in Mumbai. The company has signed agreement to acquire 10 acres land in Goregaon suburb of Mumbai for nearly Rs350 cr and is in talks with PE firms to joint development. Sunteck Realty was established in 1999 by Mr. Kamal Khetan. It is primarily involved in development of real estate projects in the Mumbai Metropolitan Region. It operates under the Brand names Sunteck, Signia and Signature across the commercial, luxury and premium housing segments respectively.

Clearwater Capital May Acquire 26% Stake In Kamat Hotels

Clearwater Capital Partners has made an open offer to acquire 26% post conversion equity share capital of Kamat Hotels. Clearwater is offering a price of Rs135 per equity share for the acquisition of 4,964,283 shares aggregating to Rs67 cr. Systematix Corporate Services Ltd is managing the open offer for Clearwater Capital Partners. Kamat Hotels had raised \$18 mn by issuing 5 year and 1 day, 5.50% FCCBs to Clearwater Capital Partners, with an option to the investors to convert the FCCBs into ordinary shares at Rs225 per share. Clearwater Partners converted 5629 FCCBs on August 25,2010 into 18,43,810 shares. This conversion gave Clearwater 12% stake of Kamat Hotels. Later on November 13, 2011, Clearwater converted 6405 FCCBs into 20,97,993 shares aggregating to 24.50% stake in Kamat Hotels. Conversion of the remaining 5966 FCCBs will give Clearwater 32.23% stake, triggering an open offer. Incorporated in 1986, Kamat Hotels India Ltd categorizes its business under four heads viz owned hotels, management of hotels owned by other parties, catering services and others.

General Atlantic To Invest Up To \$125 mn In Fourcee Infra

Kicking off a big-ticket transaction in India in the New Year, global private equity major General Atlantic is investing up to \$125 million to buy a minority stake in Fourcee Infrastructure Equipments Pvt Ltd, a Mumbai-based freight and logistics company. The investment will be through a mix of fresh capital infusion into the company and a secondary transaction to buy out some stake of the existing investors, the sources add. This will be the third round of funding for the company. Mayfield Fund, a Mumbai-based mid-market private equity firm, was the first institutional investor in the company and invested around \$5 million in 2010. It was followed by India Equity Partners investing up to \$25 million, with the original institutional investor Mayfield also participating in a funding round last year. Fourcee transports non-petroleum oil and lubricants (non-POL) like fatty acid, crude palm oil, molasses and chemicals via special tank containers on rail as against the earlier practice of moving those via road. It claims to be the only company in India that is into the movement of non-POL products on rail. The company's key clients include Continental Carbon India Ltd, Hindustan Unilever Ltd, Adani Wilmar Ltd and Philips Carbon Black Ltd.

Jacob Ballas May BuyOut IDFC PE's Stake In Karaikal Port

IDFC Project Equity had invested Rs150 cr through it's India Infrastructure Fund in March 2010. In September2011, it raised Rs200 cr from Ascent Capital. According to the agreement with Ascent Capital, it would invest Rs200 cr into Karaikal Port by way of secondary purchase of promoter equity shares for Rs150 cr and by way of primary infusion of capital amounting to Rs50 cr by subscribing to CCPS.

Violet Arch Capital To Raise \$500 mn PE Fund

Violet Arch Capital Advisor is set to raise a \$500 mn sector agnostic PE fund - Violet Arch Strategic Themes (VAST) fund. VAST fund, a mix of offshore and domestic, will invest in the range of \$50-75 mn. Violet Arch Capital is founded by Varun Bajpai, former SBI Macquarie Infrastructure Fund chief executive. Violet Arch provides Investment Banking, Securities Trading, Research, Funds Management and other related products to institutional, corporate, and high net worth clients. Violet Arch started its operations by acquisition of Alchemy Shares & Stock Brokers from its promoters and Rakesh Jhunjunwala.

Private Equity Deals

IFC Invests In Blackstone Backed – FINO

IFC has invested in Financial Inclusion Network And Operations Limited. The funds will be used for scaling up its low-income group remittance, deposit and insurance business. Formed in 2006, by 17 ICICI employees, FINO offers technology IP (Intellectual Property) and services to enable financial inclusion. FINO is promoted by multiple banks and financial institutions including Union Bank, Corporation Bank, Indian Bank, LIC, ICICI Bank and ICICI Lombard. FINO has two main lines of business that include Technology Products and Business Correspondent Services. FINO as a technology solution provider provides solutions to enable financial inclusion, microfinance, remittances. As a Business Correspondent services provider, FINO provides the agent network to facilitate the last mile services for banks and financial organizations. FINO claims to have a customer base of 43.66 mn across 24 states, is targeting to reach 100 mn clients in the next three years by linking payments to a broader range of financial services.

Fourcee Infra Raises \$104 mn From General Atlantic

Fourcee Infrastructure has raised \$104 mn of growth capital from General Atlantic. The funds will be used to expand tank terminals, add more containers and to strengthen its infrastructure. Ranjit Pandit, managing director at General Atlantic will be joining the board of Fourcee. Fourcee Infrastructure, incorporated in 2002, is focused on providing end-to-end logistics solutions for liquid cargo through road and railways using its own specialized designed containers. The company is promoted by Vinay Singh.

Beacon India Acquires Stake In Sterling Holidays For Rs4.56 cr

Beacon India Private equity Fund has bought stake in Sterling Holiday Resort India Limited from Leena Investments through a bulk deal on BSE. Beacon India purchased 5.4 lakhs shares at a price of Rs84.50 per share aggregating to Rs4.56 cr. Sterling Resorts is engaged in vacation

ownership business and has a network of 14 resorts in 12 holiday destinations across India and membership base of over one lakh. It has already identified 13 new sites in addition to its existing portfolio of 14 resorts. Of the 14 resorts, 10 are owned and four are leased.

DaVita Inc, NEA Invests \$25 mn In NephroLife Care

Kidney Care provider - DaVita Inc. and New Enterprise Associates have invested \$25 mn in Bangalore based NephroLife Care Pvt Ltd. The funds will be used to expand its presence across the country. NephroLife was started in 2009 by Shriram Vijayakumar. It runs 10 renal care clinics across Bangalore, Hyderabad, Chennai, Puducherry, Hosur and Tumkur. Its flagship clinics have 20-25 beds. The company intends to have 50 centres across India by 2015. DaVita Inc. is a provider of dialysis services in the US for patients suffering from chronic kidney failure. DaVita also provides acute inpatient dialysis services in approximately 720 hospitals and related laboratory services.

Venture Capital News

FICCI To Raise \$15 mn Venture Capital Fund

Federation of Indian Chambers of Commerce and Industry (FICCI) along with civilian foreign aid agency of the US federal government, USAID has launched \$15 mn (Rs78 cr) venture capital fund - Millennium Innovation Fund. The fund will support, sustain and scale up grand local ideas and innovations that can also be commercialized for India and other emerging markets. The key stakeholders in the fund are Vijay Mahajan (BASIX CEO), Infinity Innovation Fund (IIF), managed by Saurabh Srivastava and DST (Department of Science and Technology). The contributions will be through a range of vehicles and financial assistance like grants, loans, technical collaborations and even equity investments in four key sectors: health, food security, climate change/energy and education. The alliance aims to raise \$50 mn (Rs260 cr, approx) in the next 12 months from other corporate sponsors, foundations and government bodies.

Venture Capital Deals

Healthkart Raises Rs 27 cr From Sequoia Capital, Omidyar

Ten-month-old Gurgaon-based start-up Bright Lifecare Pvt Ltd, which runs the online health store Healthkart.com, has raised Rs 27 crore in second round of funding from existing investor Sequoia Capital and another new investor Omidyar. The fund raised is expected to be used for expansion of its product portfolio and developing an online magazine. Healthkart was reportedly looking to raise as much as \$10 million. Last April, the company raised \$1 million as seed fund



from Kae Capital and Sequoia Capital. Co-founded by IIT alumni Prashant Tandon, the e-commerce portal went live in March 2011, aiming to be a one-stop shop for all consumer healthcare needs. Incidentally, Healthkart does not want to restrict itself as an online chemist store. It has started with diabetes, home medicines and baby care products, but has gone ahead to expand its portfolio. It currently offers nutrition products and other items essential for elderly care, personal care, chronic care, eye care and skin care.

Disclaimer

This document is being communicated to you solely for the purposes of providing the current market trends and developments based on generally available information. This document is being communicated to you on a confidential basis and does not carry any right of publication or disclosure to any third party. By accepting delivery of this document each recipient undertakes not to reproduce or distribute this presentation in whole or in part, nor to disclose any of its contents without the prior written consent of LKP Securities Limited. The recipient will keep permanently confidential information contained herein and not already in the public domain.

This document is not an offer, invitation or solicitation of any kind to buy or sell any security and is not intended to create any rights or obligations. Nothing in this document is intended to constitute legal, tax, securities or investment advice, or opinion regarding the appropriateness of any investment, or a solicitation for any product or service. The use of any information set out in this document is entirely at the recipient's own risk and should not be regarded as a substitute for appropriate detailed professional advice.

LKP Securities Limited or any of its associates or employees do not accept any responsibility for any errors whether caused by negligence or otherwise or for any loss or damage incurred by anyone in reliance on anything set out in this document. We have not independently verified the accuracy of the contents contained in this document.

The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially however we assume no obligation to update you of any information pertaining to the contents of this document.

Visit us at: www.lkpsec.com