

## MERGER AND ACQUISITION

CA. Sujal Shah, CA. Ushma Shah

### **Tata Sons acquires National carrier Air India**

Tata group has emerged as the successful bidder of the divestment process of the national carrier Air India. Tata Sons, through its wholly-owned subsidiary Talace Pvt. Ltd, submitted a winning bid of INR 18,000 crores as the enterprise value of Air India. Consequent to the acquisition, Tata group will own 100% stake in Air India (a full-service airline operating in domestic and international markets) as also 100% in its subsidiary Air India Express (a low-cost carrier airline that focusses on short-haul international operations especially in the Middle East market) and 50% in the joint venture Air India SATS (airport services on ground and cargo handling) from the Government of India.

### **Dr Lal Path Labs buys Suburban Diagnostics in all-cash deal**

Dr Lal Path Labs (LPL) has acquired Sequoia Capital backed Suburban Diagnostics in an all-cash deal for an enterprise value of Rs 925 crore and a cap of Rs 1,150 crore. LPL said it had paid 18.5x of FY22 audited Earnings Before Interest Taxes Depreciation and Amortisation (Ebitda) of Suburban as a valuation matrix for the acquisition.

### **Swiss Re to buy a 23% stake in Paytm's Insurance arm**

Switzerland-based reinsurance company Swiss Re will invest ₹ 920 crore (USD 127 million) in Paytm's general insurance business for a 23% stake on a fully diluted basis. Swiss Re will invest ₹ 397.3 crore (USD 52.9 million) upfront in Paytm Insuretech Pvt. Ltd (PIT) and the remaining in tranches, subject to the fulfilment of certain milestones.

### **Tech Mahindra Acquires Lodestone and WMW To Strengthen Digital Capabilities**

IT services major Tech Mahindra Ltd announced that it has acquired two companies – US-based Infostar LLC (Lodestone) and London-based We Make Websites Ltd (WMW) by Born London Limited for USD 105 million (Rs 789 Cr.), and £9.4 million (about Rs 97 Cr.) to respectively strengthen its digital portfolio. Lodestone is a digital engineering quality assurance provider,

### **IHCL to buy balance stake in Roots Corp.**

Indian Hotels Co. Ltd (IHCL) propose to buy the 40% stake it doesn't own in unit Roots Corp. Ltd, which runs the Ginger brand of economy hotels, for ₹ 500 crore. In a statement to the stock exchanges, IHCL said its board approved the purchase of 39.84% of Roots Corp. from Omega TC Holdings, Tata Capital, Tata Investment Corp. and Piem Hotels.

### **Tata Motors proposes to raise USD 1 Billion From TPG For Electric Vehicles Unit**

TPG Rise Climate and Abu Dhabi's ADQ propose to invest USD 1 Billion for a 11-15% stake in Tata Motor's electric-vehicle. Tata Motors said it would invest over USD 2 billion in its EV business as part of its plan to expand its portfolio of 10 models over the next five years.

### **Online pharmacy startup PharmEasy raises USD 350 million**

Online pharmacy startup PharmEasy has reportedly raised USD 350 million or about ₹ 2,600 crore ahead of its initial public offering (IPO). The company is said to be underway to file its draft red herring prospectus (DRHP) soon in order to flag off the public issue. Steadview, Amansa Investments, SARV Investments, Neuberger Berman Emerging Markets Equity Funds participated in the round

### **BetterPlace acquires OLX People, Waah Jobs**

Betterplace has acquired OLX People and Waah Jobs to strengthen its portfolio of workforce management solutions and become one of the largest providers of solutions in the blue- and grey-collar gig staffing ecosystem.

### **Nykaa acquires skincare brand Dot & Key**

Beauty and fashion ecommerce platform Nykaa has acquired the Indian skincare brand Dot & Key Wellness. This is the first D2C (direct to consumer) beauty brand acquired by Nykaa and following this investment by Nykaa, Dot & Key will join Nykaa's stable of owned brands.

### **Edtech startup Scaler Academy acquires Coding Minutes for USD 1M**

Edtech upskilling startup Scaler Academy has acquired online learning platform Coding Minutes for USD 1 million in an all-cash deal. This is the second acquisition for Scaler Academy, which had acquired Coding Elements in August this year. Founded in early 2021, Coding Minutes offers short duration digital learning courses for young coders at an affordable price in areas such as data structures, algorithms, and programming languages like Python, C++, Java, version control systems, data science, machine learning, and competitive programming.

#### **US fintech giant Stripe acquires Bengaluru-based startup Recko**

US-headquartered fintech startup Stripe, has acquired Bengaluru-based startup Recko for an undisclosed value. Founded in 2017, Recko provides payments reconciliation software and has clients such as Deliveroo, Meesho, PharmEasy, etc. According to a statement, Recko's team will join Stripe's remote engineering hub to build and scale its products globally.