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# *India: Automotive deals Q2 FY19*

Prepared for ACMA

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# Executive Summary of Automotive deals and FDI in India Snapshot

## Mergers and Acquisitions (M&A)

<b>Total M&amp;A deals count</b>	
<b>3</b>	
3 (Value disclosed)	0 (Value not disclosed)

<b>Value of disclosed deals</b>
<b>\$ 72 Mn</b>

<b>M&amp;A for Vehicle Manufacturers</b>
<b>\$ 41 Mn</b>

<b>M&amp;A for Components Manufacturers</b>
<b>\$ 31 Mn</b>

The M&A deals section in this report only contains the domestic, inbound and outbound M&A; any type of PE investments, equity infusion etc. is not the part of this section

## FDI investments in India

<b>Number of FDI transactions in the Automotive sector</b>	
<b>14</b>	
14 (Number of involved Indian entities)	14 (Number of involved foreign entities)

<b>Total Value of FDI</b>
<b>\$ 544 Mn</b>

<b>FDI into Vehicle Manufacturers</b>
<b>\$ 432 Mn</b>

<b>FDI into Components Manufacturers</b>
<b>\$ 112 Mn</b>

The total number of transactions covered in this report contains FDI investments in the vehicle manufacturing as well as automotive component manufacturing sector in India.

The FDI investments are tracked from the DIPP listings. Although, most of the major transactions have been covered, the list under consideration cannot be claimed as exhaustive.

## Domestic PE deals in India

<b>Number of domestic PE deals in the Automotive sector</b>	
<b>2</b>	
2 (Value disclosed)	0 (Value not disclosed)

<b>Value of disclosed deals</b>
<b>\$ 26 Mn</b>

<b>PE Deals -Vehicle Manufacturers</b>
<b>\$ 24 Mn</b>

<b>PE Deals -Components Manufacturers</b>
<b>\$ 2 Mn</b>

PE Deals constitute private equity, angel/seed and other individual/group investments PIPE (Private investments in Public Equity) deals and other large open market events (like QIBs – Qualified Institutional Buyers, IPOs etc.) – irrespective of size of stake sale/purchase - have not been included in this publication. Although, most of the major transactions have been covered, the list under consideration cannot be claimed as exhaustive.

## Automotive M&A deals in India

### M&A Deals in India

Automobile Manufacturers						
Date	Target	Buyer	Seller	Type of Deal	Deal Value (\$ Mn)	Stake (%)
29-Aug-18	Ampere Vehicles Pvt. Ltd.	Greaves Cotton Ltd.	Ratan Naval Tata, Senapathy Kris Gopalakrishnan	Domestic	21.78	80.00
25-Jul-18	Ather Energy Pvt. Ltd.	Hero MotoCorp Ltd.	Undisclosed	Domestic	18.89	Undisclosed

Component Manufacturers						
Date	Target	Buyer	Seller	Type of Deal	Deal Value (\$ Mn)	Stake (%)
9-Aug-18	Subros Ltd.	Denso Corp.	Undisclosed	Inbound	30.57	8.04

■ Largest Deal by Value  
■ Electric Vehicle Space

Scope of this report - Jul-18 to Sep-18

Source: PwC Research

## FDI investments in Automotive sector in India

### FDI investments in India

#### Vehicle Manufacturers

S. No.	Name of Indian Company	Name of Foreign Entity	Country	FDI (\$ Mn)
1	Daimler India Commercial Vehicles Pvt Ltd	Daimler AG	Germany	272.14
2	MG Motor India Private Limited	SAIC Motor HK Investment Limited	HongKong	82.72
3	PCA Automobiles India Private Limited	PSA Automobiles SA	France	33.23
4	India Kawasaki Motors Pvt Ltd	Kawasaki Heavy Industries Ltd	Japan	24.53
5	Ashok Leyland Limited	Hinduja Automotive Limited	United Kingdom	19

#### Component Manufacturers

S. No.	Name of Indian Company	Name of Foreign Entity	Country	FDI (\$ Mn)
1	Valeo India Pvt Ltd	Valeo Bayen	France	79.35
2	Veoneer India Private	Veoneer AB	Sweden	11.65
3	Aisan Fiem Automotives India Pvt. Ltd.	Aisan Industry Co. Ltd	Japan	9.55
4	Nagata Auto Engineering India Pvt Ltd	Nagata Auto Parts Co. Ltd	Japan	2.98
5	AP Clutches India Private Limited	AP Automotive Products Srl	Italy	2.18
6	ADR Axles India Pvt Ltd	R.P.F Spa	Italy	2.16
7	Yanfeng Adient (India) Pvt Ltd	Yanfeng Adient Seating Co Ltd	China	1.73
8	Napino Control Systems	Continental	Netherlands	1.40
9	Kongsberg Automotive	Kongsberg Automotive	Norway	1.11

- Largest Deal by Value
- Electric Vehicle Space

Scope of this report - Jul-18 to Sep-18 List includes FDI of > \$ 1.0 Mn per target entity | Source: PwC Research, DIPP

## PE Deals

### Domestic PE deals in India

Vehicle Manufacturers						
Date	Target	Buyer	Seller	Type of Deal	Deal Value (\$Mn)	Stake (%)
1-Jul-18	TVS Motor Co. Ltd.	Westbridge Crossover Fund LLC	Undisclosed	Inbound	24	0.62

Component Manufacturers					
Date	Target	Buyer	Seller	Deal Value (\$ mn)	% Sought
1-Jul-18	Fiem Industries Ltd.	SAIF Partners India V Ltd.	Undisclosed	2.06	1.44

Scope of this report - Jul-18 to Sep-18

Source: PwC Research

## Technology Transfers/ Strategic Collaborations

### Technology Transfers/ Collaborations in India

All technology transfers, collaborations, etc. have been bucketed into five main component areas – Engine, Suspension, Transmission, Interiors, Body & Chassis and Electrical & Electronics as per the technology flow to take place in each automotive deal.

Similarly, all technology transfers, collaborations, etc. between or led by vehicle manufacturers have been bucketed into five main vehicle segments – Passenger Vehicles, Commercial Vehicles, Two-Wheelers, Three-Wheelers and Tractors. In addition, electric mobility as a category encompasses all deals in the EV space.

Vehicle Manufacturers				
S. No.	Category	Name of Entities Involved		Technology In Focus / Strategic Intent
1	Electric mobility	Hero MotoCorp	Ather Energy	Electric two-wheelers and network of charging infrastructure
2	Electric Mobility	Greaves Cotton	Ampere	Electric two-wheelers
3	Electric Mobility	TVS Motors	Ultraviolette	Electric two-wheelers
4	Commercial Vehicles	Daimler India Commercial Vehicles Pvt Ltd	Daimler AG	BS VI technology for next growth phase in buses and trucks
5	Passenger Vehicles	MG Motor India Pvt Ltd	SAIC Motor HK Investment Ltd	Part of INR5000 cr investment over 4-5 years to launch new models, expand production and distribution, etc.
6	Passenger Vehicles	PCA Automobiles India Pvt Ltd	PSA Automobiles SA	Part of investments towards furthering India market plans
7	Two-Wheelers	India Kawasaki Motors Pvt Ltd	Kawasaki Heavy Industries Ltd	Renewed focus on motorcycle imports and sales
Component Manufacturers				
S. No.	Category	Name of Entities Involved		Technology In Focus / Strategic Intent
1	Electricals & Electronics	Subros Ltd	DENSO Corporation	New product design for car air conditioners and other systems

Scope of this report - Jul-18 to Sep-18

Source: PwC Research



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PwC contacts for ACMA Knowledge Partnership

- Kavan Mukhtyar, Partner & Leader-Automotive, PwC India - [kavan.mukhtyar@in.pwc.com](mailto:kavan.mukhtyar@in.pwc.com) / +912261198735
- Somnath Chatterjee, ACMA Knowledge Partnership Manager – [somnath.chatterjee@in.pwc.com](mailto:somnath.chatterjee@in.pwc.com) / +91124620724