

Quarter 4 | Oct-Dec 2023

 **INDIA**

OUTBOUND

ON-THE-ROAD





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Foreword

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Executive Director

T&A
we go beyond



In 2023, the global economy displayed surprising resilience amid significant monetary tightening, pervasive policy uncertainties, geopolitical conflicts, and climate change. Despite these shocks, large developed economies showcased robustness, supported by strong labor markets and declining inflation, leading to lower interest rates in the US and Europe, hinting at lower cost of operation for businesses. This provided investors with a favorable opportunity to expand in economies that are exhibiting positive prospects.

The outlook for emerging industries in 2024 is promising, with sectors such as battery energy storage, green hydrogen, biotechnology, AVGC (animation, visual effects, gaming, comics), and semiconductor manufacturing poised for investment-led growth.

In this current global landscape, India's outbound foreign direct investments (OFDI) maintain a strategic focus. According to data from the Reserve Bank of India (RBI), India consistently directed its investments towards traditional destinations, with the USA, Singapore, the UK, Netherlands, and the UAE leading the OFDI chart. Notably, Canada has emerged as a significant addition to the top 10 list, indicating India's exploration of growth opportunities in the North Americas. The manufacturing sector remains a primary recipient of Indian equity-based investments.

The World Investment Conference 2023 held in New Delhi underscored India's pivotal role in addressing global FDI imbalances, with emphasis on investment-friendly policymaking and fostering inclusive growth. Aligning with the conference theme, "Investing for a Better World," investors were urged to prioritize sectors such as renewable energy, semiconductors and clean hydrogen, demonstrating a commitment to sustainable and impactful global collaborations.

It is in this context we can note that Indian companies venturing abroad are shifting their priorities from mere expansion to building resilient supply chains to mitigate risks. They are looking at geographies such as Canada and Latin America abundant in natural resources such as oil and gas, critical minerals, and biofuels – for expansion in both fossil-fuel and renewable energy projects. Besides, Indian corporations are also seeking opportunities to globalize their technology, with a strong focus on manufacturing technology.

In Q4 2023, there was a cumulative ~USD 100 Mn investment made by Indian companies in Latin America across energy, technology, agribusiness and automobile sectors.

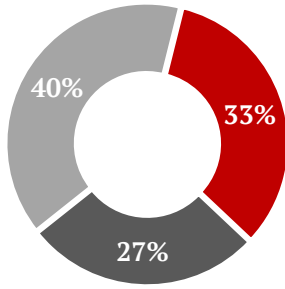
In response to significant political shifts and high debt levels in 2023, countries in Latin America implemented robust macroeconomic frameworks – positioning themselves as attractive destinations for foreign investment. For instance, Brazil is a magnet for investors, especially in international renewable energy projects with ~USD 115 billion investment in the 2015-2022 period. FDI boom is also evident in countries like Chile and Colombia experiencing the high inflows.

Given the outlook for the year, leaders in the global economic development space on various forums issued a compelling call to investors to take center stage in reshaping the global economy. They highlighted the imperative to capitalize on emerging opportunities arising from the energy transition, agrifood and health sector transformations, and evolving solutions for sustainable development. The call to action resonates with India's commitment to seize opportunities abroad to position itself as a global player.

Snapshot of Indian OFDI in Q4 2023

Total Volume of Outbound Investments from India : **USD 5,688 Million**

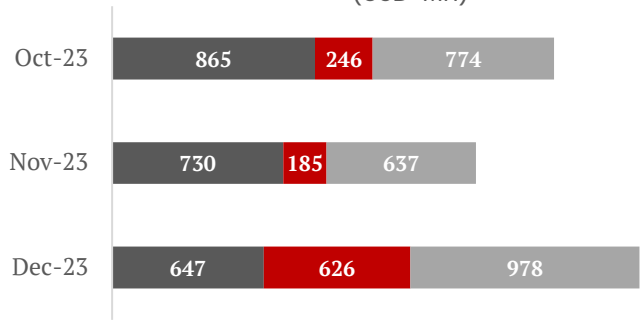
Month wise breakup of total outbound investments in Q4



■ October ■ November ■ December

Investment Breakup

(USD Mn)



■ Equity ■ Loan ■ Guarantee

In Q4, Top 5 companies accounted for **23%** of the total investments

1



USD 313 Mn



Lifesciences



UK

2



Bharat PetroResources



USD 309 Mn



Energy



Netherlands

3



COMMUNICATIONS



USD 262 Mn



Telecom



Singapore

4



USD 215 Mn



Lifesciences



USA

5



LUPIN



USD 210 Mn

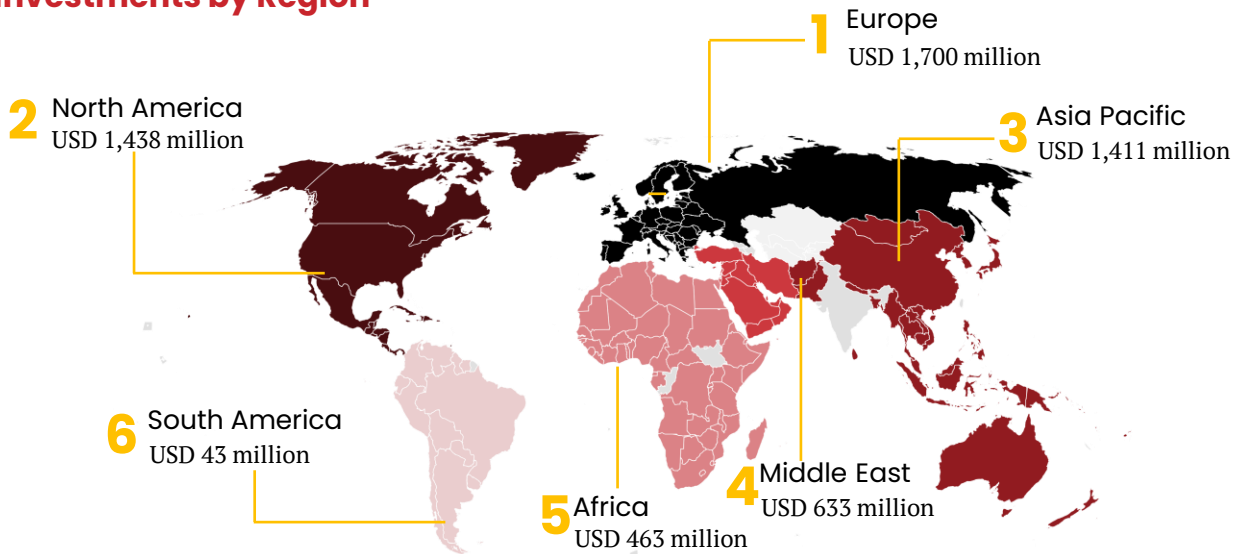


Lifesciences



USA

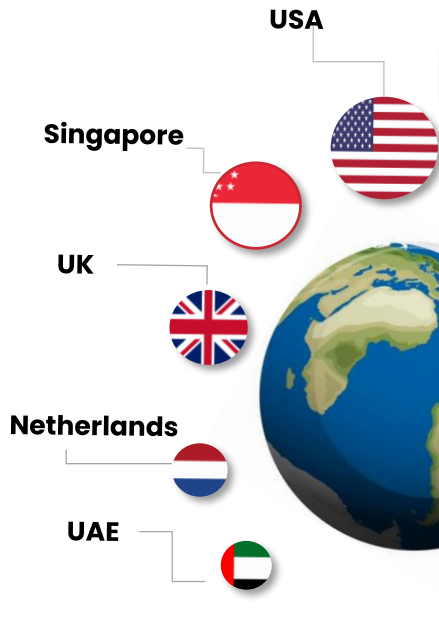
Investments by Region



Indian Investments Overseas

The table provides information about the FDI investment values of various countries in Q4 2023 as compared to the same period in the previous year.





(USD Million)



Rank	Country (Rank)	Q4 23	Q4 22	% change
1	USA (+5↑)	1,289	459	180
2	Singapore (+1↑)	929	927	0.2
3	UK (-2↓)	860	3,639	-76
4	Netherlands (+1↑)	705	467	51
5	UAE (-3↓)	623	995	-37
6	South Africa (+16↑)	214	20	970
7	Mauritius (-3↓)	147	472	-68
8	IFSC Gift City (+21↑)	121	11	1,009
9	Canada (+27↑)	91	7	1,200
10	Vietnam (+10↑)	73	11	564

A surge in outbound investments from India to the US has been observed. India and the US, as leading market economies acknowledge the need to diversify their supply chains amid shifting geopolitical dynamics in the Indo-Pacific. As of 2023, **~163 Indian companies have invested around USD 40 Bn in the US**, with a focus on **pharmaceuticals** and **IT** sectors.

Top 5 Indian companies that invested in the US in Q4 2023

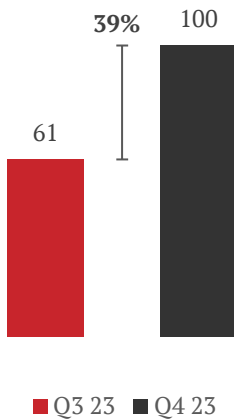
Company	Type	Sector	USD Mn
 Inventus KNOWLEDGE SOLUTIONS®	WOS	Lifesciences	216
 LUPIN	JV	Lifesciences	210
 JSW Steel	WOS	Manufacturing	181
Sundaram-Clayton Limited	WOS	Automotive	105
 COMMUNICATIONS	WOS	Telecommunications	100

India- Latin America Corridor

Latin America stands at the forefront of global economic opportunities, boasting strategic commodities, renewable energy sources, and a skilled workforce near the U.S. market. Startups and established companies in the region are spearheading innovation, attracting foreign investment as the world recognizes its potential for growth and change. Key sectors attracting FDI include renewable energy, information and communications, and logistics.

Total Outbound Investments from India to Latin America in Q4 2023: **USD 100 Million.**

Quarter on Quarter % change of total OFDI from India to Latin America (USD Mn)



In the past few years, India has strengthened ties with Latin American and Caribbean (LAC) countries. India’s External Affairs Minister S Jaishankar visited eight nations in the region, and often emphasized India’s investments in LAC’s energy, mining, agriculture, and automobiles sectors. With total investments USD 12 billion+ till date, Indian companies have contributed to economic growth and job creation in the region.

There is a growing business opportunity in Brazil, Argentina, Colombia, Panama, Dominican Republic, among others, that is built on diplomatic relations established through these visits and enhanced through BRICS and MERCOSUR blocs.

Top 5 Latin American Countries attracting Indian investments (USD Mn)

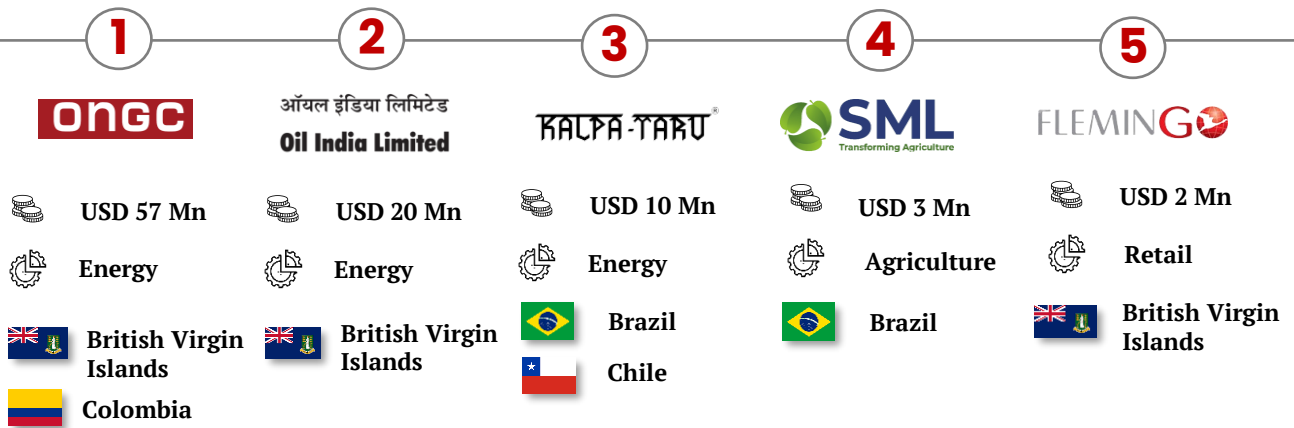
Rank	Country (Rank)	Q4 23
1	British Virgin Islands	56
2	Colombia	26
3	Brazil	11
4	Chile	4
5	Peru	1



India- Latin America Corridor

The broad motives behind Indian investment in Latin America are market expansion, maintaining energy security and also to build regional value chains. Although many Indian companies, specifically in the IT sector, first entered the region due to its proximity to the US market, today their motives are to court regional clients in Latin America.

Top 5 Indian companies investing in Latin America in Q4 2023



Featured Deals

LTIMindtree expands presence in LATAM, opens delivery centre in Mexico

Sector: IT and ITES

LTIMindtree, an IT services company, is expanding its presence in Latin America with a new delivery centre in Mexico City. The over 100-seater facility in the financial district will facilitate workforce transformation and localization, supporting services in SAP and Digital Engineering. Mexico's skilled workforce and favorable business environment make it an ideal location for bridging the gap between nearshore and local customers, leveraging global domain experience.



Rationale: LTIMindtree has chosen to expand its presence in Mexico for various reasons.


Firstly, LTIMindtree views Mexico as a rising star in global tech, citing its **skilled workforce** and **business-friendly environment** as a perfect fit.

Secondly, with clients in diverse sectors like telecom, media, manufacturing, and banking, LTIMindtree's expansion in Mexico aligns with its commitment **to cater to varied industries**. The company's existing offices across the Americas and a client base including 103 Fortune 500 companies reinforce its strategic positioning.

Investment Snapshot

Company Name	Sector	Type	Value	Country
	Lifesciences	Acquisition	USD 200 Mn	USA
<p>Rationale: Healthcare platform IKS Health, backed by the Jhunjhunwala family, acquired US-based tech firm AQuity Solutions for USD 200 million. AQuity specializes in clinical documentation, medical coding, and revenue integrity solutions, complementing IKS Health's administrative and clinical services for clinicians. The combined entity is projected to generate over USD 330 million in annual revenue, serving 150,000 clinicians globally. IKS Health aims to revitalize clinician-patient relationships and enhance financial well-being via this acquisition.</p>				
	Technology	Acquisition	USD 133 Mn	USA
<p>Rationale: Mphasis, the India-based IT solutions provider, has acquired New York-based digital transformation consultancy Silverline for USD 132.5 million. This move enhances Mphasis's capabilities in salesforce and diverse industries, including financial services, retail, healthcare, and media. The acquisition aligns with Mphasis's focus on applied technology and trend prediction, fostering growth and innovation in the salesforce ecosystem. The integration aims to drive customer experience transformation, contact center modernization, and AI-enabled automation, providing compelling digital experiences for clients.</p>				
	Lifesciences	Acquisition	USD 86 Mn	UK
<p>Rationale: Ahmedabad-headquartered Zydus Lifesciences acquired the UK-based LiqMeds Group. The acquisition, made through its subsidiary Zydus Pharmaceuticals UK Ltd, aims to strengthen Zydus' presence in the global market for oral liquid products. LiqMeds runs a manufacturing unit in Northampton where it specializes in the development, manufacturing, and supply of oral liquid formulations. The move aligns with Zydus' focus on expanding in the liquid orals market, catering to unmet needs, and enhancing convenience for geriatric and pediatric patients.</p>				
	Travel	Acquisition	USD 27 Mn	Spain
<p>Rationale: Mumbai-based travel platform acquired Spain's Jumbo Tours Group's online business in a USD 27 million deal, expanding its international reach. The acquisition grants TBO access to Jumbo's diverse client network and premium content in key European and Caribbean destinations. It aligns with TBO's global growth strategy while simplifying and enriching the travel ecosystem, while the company remains focused on partnerships, talent acquisition, and customer experience improvement.</p>				

Investment Snapshot

Company Name	Sector	Type	Value	Country
	Retail	Greenfield	Not disclosed	USA
<p>Rationale: Tata-owned jewelry brand Tanishq expanded its global footprint by opening stores in Houston and Frisco, Texas, tapping into the US' second-largest Indian community. The move is in line with the company's international business strategy, which began with its Dubai store in November 2020. Besides, this is first of its stores among the upcoming stores in Chicago and the Bay Area, targeting 20 to 30 new locations in North America and the Middle East in the next 2-3 years.</p>				
	Technology	Greenfield	Not disclosed	Bulgaria
<p>Rationale: Infosys, a global leader in next-generation digital services and consulting, launched a new proximity center in Sofia, Bulgaria, reinforcing its European growth strategy. The state-of-the-art center aims to attract, re-skill, and up-skill 500 local talents over four years, focusing on next-generation digital technologies. The center will serve as a hub for its digital transformation efforts, supporting global and European customers, particularly in manufacturing, retail, and financial services.</p>				
	Energy	Acquisition	Not disclosed	Belgium
<p>Rationale: Aditya Birla Group-led Birla Carbon has acquired Belgium-based Nanocyl SA, a leading manufacturer of multi-wall carbon nanotubes. The move aims to bolster Birla Carbon's position as a leader in materials crucial for lithium-ion batteries and other conductive applications. Nanocyl's expertise and successful track record in developing unique performance characteristics for various applications, particularly in energy systems like lithium-ion batteries, make it a valuable addition to Birla Carbon's portfolio.</p>				
	Energy	Acquisition	Not disclosed	Germany
<p>Rationale: Battery materials manufacturer Epsilon Group acquired Johnson Matthey's lithium-ion phosphate (LFP) cathode active material technology center in Moosburg, Germany. The move underscores Epsilon's commitment to sustainable and reliable material production, complementing its earlier investment in anode research. The Moosburg facility provides best-in-class technical capabilities and a skilled workforce. The acquisition also aids in meeting Epsilon's ambitious plan to meet energy demand of 100 GWH.</p>				

Investment Promotion Activities

ANUGA | Germany

7th- 11th October 2023

T&A Consulting, as official representatives of New Jersey India Centre and New Jersey Europe Centre, attended ANUGA- the world's leading trade fair for food and beverages in Cologne, Germany. This year's event focused on sustainable industry solutions and had thousands of exhibitors from across the globe. It provided an opportunity for networking and connecting with the top players in the food and beverages industry, along with understanding new innovations. The event provided T&A with valuable opportunity to exchange ideas and gain insights into the future of the industry.



CPHI | Spain

24th - 26th October 2023

Representing the New Jersey India and Europe Centers, **T&A Consulting** attended the renowned global pharmaceutical event, CPHI in Barcelona. The event presented a unique opportunity not only to learn about a wide range of topics from next generation biomanufacturing and formulation to sustainability, but also connect and network with industry leaders that drive innovation and change. The team had discussions and prospects for Indian and European pharma firms looking to extend their presence in the US.



GITEX Global | UAE

16th - 20th October 2023

T&A Consulting attended GITEX Global— the world's most established and iconic large-scale tech exhibition, held for over four decades. The event brought together innovators, industry leaders, and tech enthusiasts from around the globe to explore advancements, discuss emerging trends, and shape the digital landscape. T&A gained insights into the technology and AI advancements, along with meeting and networking with tech pioneers.



Investment Promotion Activities

Bengaluru Tech Summit | India

29th November - 1st December 2023

T&A Consulting, whilst representing New Jersey India Centre, attended 26th edition of BTS – Asia’s largest technology event where innovation and transformation converge in the heart of India’s technology capital - Bengaluru. Themed ‘Breaking Boundaries’, the event drew leaders, startups, investors, and research labs from across the globe. During the event, T&A engaged with startups and companies across diverse sectors such as Biotech, Deeptech, IoT, SaaS, and space tech, as well as witnessing the emergence of innovative Indian startups. The summit served as a robust platform for T&A to connect with industry leaders and build relationships to explore opportunities for collaboration.



COP 28 | UAE

30th November – 13th December 2023

T&A Consulting had the pleasure of attending the United Nations Climate Change conference held in Dubai. The conference had several heads of states and delegations, discussing pressing climate change issues. Having shown that progress was too slow across all areas of climate action – from reducing greenhouse gas emissions, to strengthening resilience to a changing climate, to getting the financial and technological support to vulnerable nations – countries responded with a decision on how to accelerate action across all areas by 2030. It provided T&A to collaborate with global leaders and learn from their collective expertise.

World Investment Conference | New Delhi

11th – 14th December 2023

T&A Consulting had an opportunity to attend the 27th edition of WAIPA’s prestigious World Investment Conference in New Delhi. WIC is a forum where investment promotion agencies convene to address current economic and social issues that may affect global investment flows and other strategic and policy considerations. Apart from engaging knowledge-sharing sessions, T&A could network with IPAs around the world and understand their investment propositions to attract foreign direct investments in their respective regions.



Investment Promotion Activities

Investor Roadshows

Within India

Mandate	No. of days	Month	Meetings Held	Cities	Sectors
US State EDO	5	December	55	Bangalore, Hyderabad, Mumbai	Lifesciences, Technology

Global

Mandate	No. of days	Month	Meetings Held	Country	Sectors
US State EDO	4	October	15	Germany (Frankfurt, Munich)	Fintech, Lifesciences, IT, Clean Energy, Manufacturing
Canadian Province	4	November	12	Ireland (Dublin)	Technology, Agriculture, Biotechnology
Central American EDO	1	December	10	Canada	F&B, Semiconductors, Lifesciences, Technology



Upcoming Investment Promotion Activities

SPOTLIGHT EVENT

Arab Health

29th January – 1st February 2024

As the corner stone for healthcare growth, Arab Health is the Middle East's largest healthcare trade event offering unparalleled access to do business, learn, and network. It provides a platform to address and outline global healthcare challenges while providing attendees with opportunities to network with industry leaders from around the world. Its reputation as the best healthcare trade show is a result of its comprehensive approach, global reach, focus on innovation, and the valuable opportunities it offers for learning, networking, and collaboration within the healthcare sector.



Convergence Expo

New Delhi, January 17-20

Gulf Food

Dubai, February 19-23

Bio Asia

Hyderabad, February 26-28

Mobile World Capital

Barcelona, February 26-29

Bio Europe Spring

Barcelona, March 18-20

Anuga Foodtec

Cologne, March 19-22



About T&A

T&A has assisted numerous Investment Promotion Agencies (IPAs) from Europe, Asia and North America to develop prospects and project pipelines that have ultimately led to new investments and jobs growth, ranging from start-ups and scale-ups to manufacturing SMEs and larger companies. Through our efforts, we have secured over 2,500+ jobs and investment of over USD 800 million for our clients across multiple geographies.



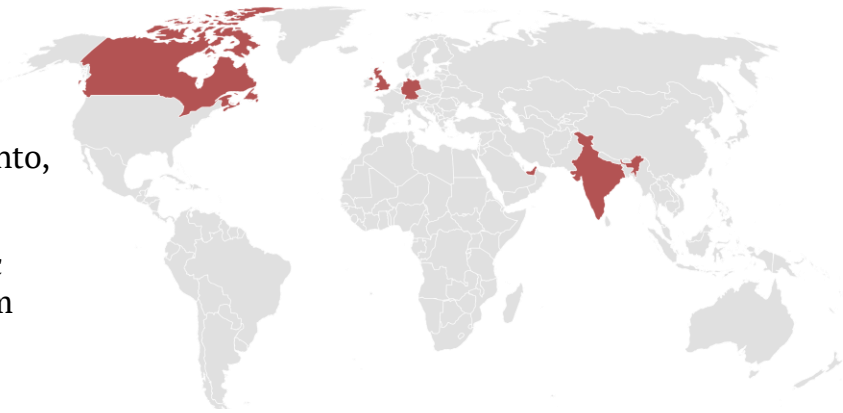
60 + people



5 offices: Gurugram, Toronto, Belfast, Berlin, Dubai



Fully integrated economic development advisory firm



1

Market Intelligence

2

FDI Lead generation

3

Investment Seminar

4

Investment-led Roadshows

5

Due-Diligence

6

Delegation Visits

Are you looking forward to attract investments in your region?
Write to us on rmahajan@taglobalgroup.com



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