

PricewaterhouseCoopers India Pvt Ltd

MoneyTree™ India Report

Q4 2013

Data provided by Venture Intelligence

Technology Institute

*This special report
provides summary results of
Q4 '12, Q3 '13, and Q4 '13.*



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1. Overview

Interesting times ahead

Q4 proved to be an exciting quarter for PE investment with total flows exceeding 2 billion USD—the first time since post-Q4 2007.

Almost 80% of the deal value was in the IT and Healthcare space. The IT and ITeS sector topped, with investments worth 959 million USD across 37 deals, followed by the healthcare sector with a 729 million USD investment across 15 deals. Activity levels in other sectors were largely muted.

Whilst it is difficult to attribute any one specific reason for this sudden surge in deals, it just proved the point that investors, whilst closely watching the run-up to the elections, remain cautiously positive about the investment thesis for India. The hope is that the momentum witnessed in Q4 will continue to remain in early 2014.

In terms of sectors, IT and ITeS and pharmaceuticals will continue to attract investments given their strong export focus, particularly against a depreciating rupee.

As with new investments, the majority of the exits in Q4 were also in the healthcare and IT and ITeS space. Together, they contributed around 69% of the total exit value of over 1.1 billion USD, mainly through secondary sale.

From a tax and regulatory perspective, the industry continues to wait for clarity around the following:

- The treatment of put and call options: While SEBI has approved these, clarifications from the Ministry of Finance and RBI remains elusive
- Treatment of typical PE investor rights under the new control definition

In summary, 2013 ended on a positive note after a relatively dull first three quarters. Whilst it is difficult to say how the mood will swing following the elections, a lot will also depend on how the next government addresses the key issue that seems to bother every investor, i.e., certainty in regulations.

Sanjeev Krishan

Executive Director

Leader, Private Equity and Transaction Services

PricewaterhouseCoopers India Pvt Ltd

2. Analysis of private equity investments

Total equity investments in PE-backed companies

In the last quarter of the calendar year, i.e., Q4 '13, PE firms have invested 2.12 billion USD across 76 deals. After a relatively poor third quarter, investments value was up by about 19% despite a 19% drop in the number of deals. In the previous quarter, the investments were worth 1.78 billion USD from 94 deals. Typically, investments in the last quarter have been below 2 billion USD despite a higher volume of deals. This year has been a contrast.

Even when compared to the same period last year, i.e., Q4 '12, there has been an increase of 67% in deal value despite a 30% decrease in the volume of deals. In Q4 '12, the value of investments was 1.22 billion USD from 109 deals.

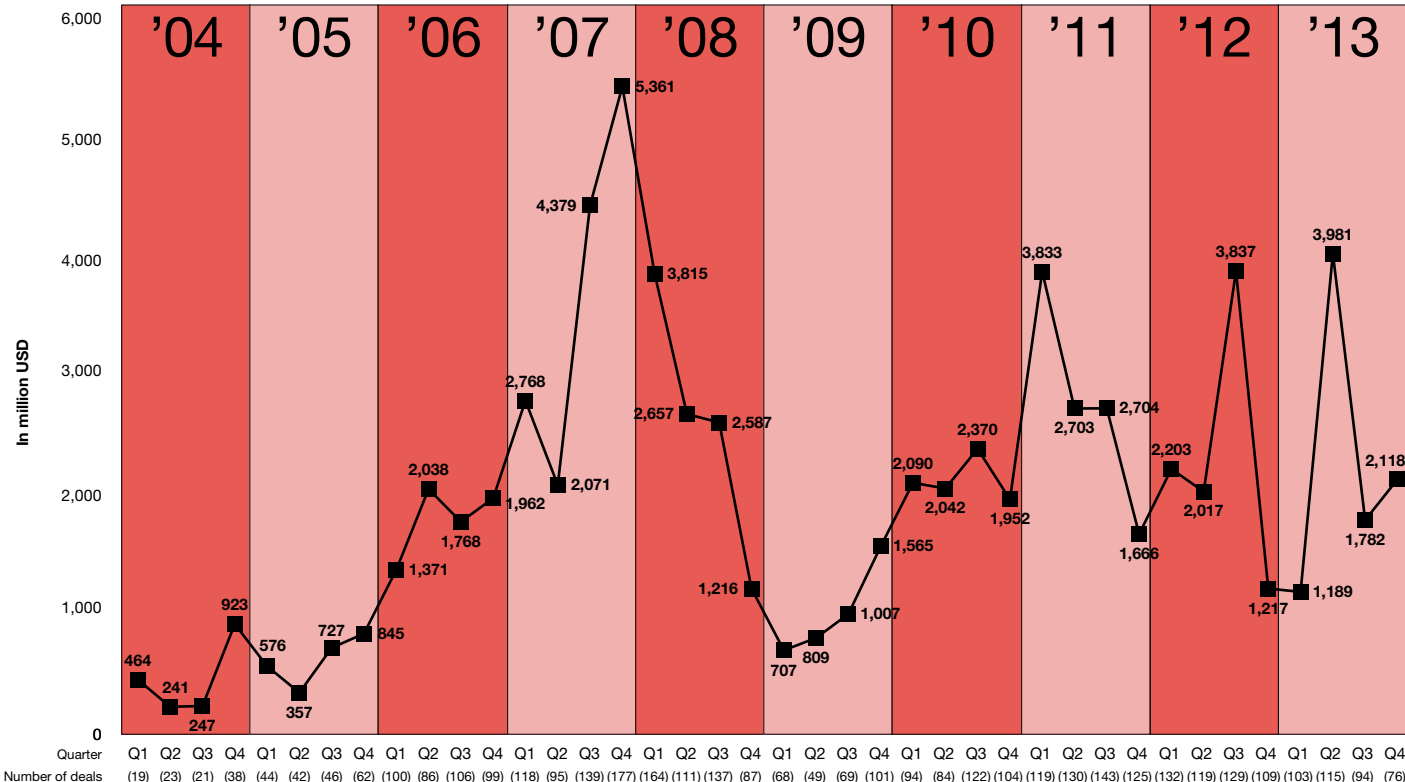
With 37 deals worth 959 million USD in Q4 '13, the information technology (IT) and IT-enabled services (ITeS) sector is yet again the leader in terms of value and volume. The sector has shown a 41% increase in value with two additional deals in this quarter as compared to the previous quarter.

The healthcare and life sciences sector has emerged second in terms of investment value with investments worth 729 million USD from 15 deals—which is an increase of about four times in value despite the same number of deals vis-a-vis the previous quarter.

The banking, financial services and insurance (BFSI) sector also witnessed an 8% increase in value despite a 44% drop in the volume of deals. The investments in this quarter stood at 88 million USD from five deals.

The food and beverages sector, which typically receives very low investment, has received an investment of 54 million USD from three deals, a 51% jump in value with the same number of deals as the previous quarter.

Except for the above mentioned sectors, the other key sectors such as energy, textiles and garments and manufacturing have shown a considerable drop in the value of investments in this quarter compared to the previous quarter. Only two sectors—IT and ITeS and healthcare and life sciences—have reported more than 100 million USD in investments this quarter.



Data provided by Venture Intelligence

Investments by industry

Q4 '12, Q3 '13 and Q4 '13

The IT and ITeS sector, as usual, has emerged as the leader in terms of value and volume of investments with an investment of 959 million USD from 37 deals in the last quarter of 2013. The sector witnessed an increase of 41% in value with two additional deals as compared to the previous quarter. When compared to the same period last year, the sector has grown over five times in value despite a 10% drop in the volume of deals. In Q4 '12, the investments in this sector were worth 176 million USD from 41 deals.

With the US market showing signs of recovery and with the increased attractiveness in the e-commerce space in India, there were not only an increased number of deals compared to the previous quarter, but also a substantial jump in the value. The steady increase of investments over the past few quarters in the Technology sector reinforces that this sector continues to be very attractive to the PE/VC community, and thus hints at the risk/reward relationship that it has to offer.

—Sandeep Ladda,
Leader, Technology, PwC India

The healthcare and life sciences sector has shown a surge in the investments with an increase of almost four times in value, from 191 million USD in the previous quarter to 729 million USD this quarter. The volume of deals remained the same. Even when compared to Q4 '12, the value of investments has grown by about four times with two additional deals.

In 2013, over a tenth of all PE investments were in the Healthcare space, a testament to lasting interest in the sector. Investments by KKR and Carlyle in Apollo Hospitals and Medanta, respectively, further reinforced their long-term bet in the sector. In the first quarter of 2014, we are likely to see further investments in hospital chains with pan-India networks. There is also a growing interest in models which use technology to make healthcare accessible. Mobile healthcare models focussing on disease management are likely to see investments in the coming year. The spectrum of single speciality hospitals is also likely to expand to include more clinical specialties and many of these models will seek early-stage funding.

—Dr. Rana Mehta,
Leader, Healthcare, PwC India

The BFSI sector ranks third in terms of value and volume. The sector witnessed investments worth 88 million USD from five deals, an 8% increase in value from the preceding quarter despite a 44% drop in the deal volume in this quarter. In Q3 '13, BFSI investments were 81 million USD in nine deals. However, as compared to the same period last year, the investment value has grown by 15% despite a 38% drop in the number of deals this quarter.

The food and beverages sector has shown a 50% growth in value quarter over quarter despite the same volume of deals. It grew from 36 million USD to 54 million USD (from three deals). However, when compared to the same period last year, the sector has shown a fall of 41% in value and 50% in volume.

Apart from the above discussed sectors, the other key sectors like energy, textiles and garments and manufacturing, have shown a significant drop in the value of investments in this quarter when compared to the previous quarter.

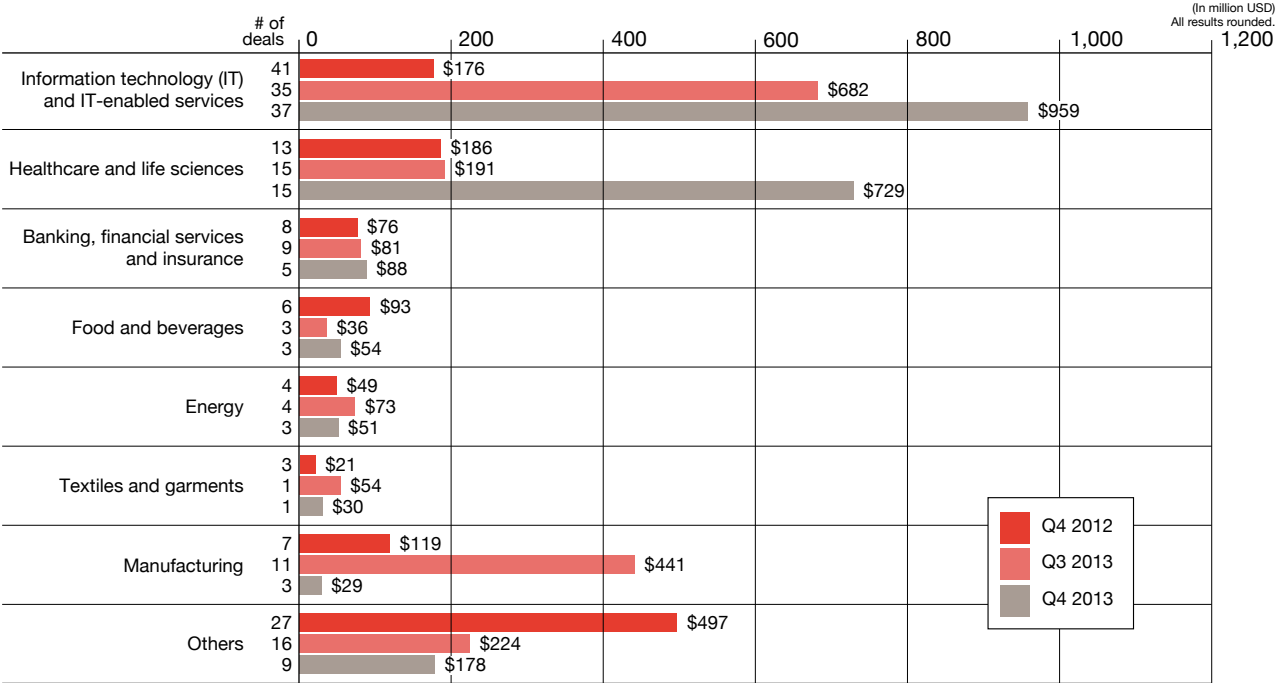
The manufacturing sector had the highest drop in the value of investments, from 441 million USD in the previous quarter to 29 million USD in Q4 '13. The volume too fell by about 73%, from 11 deals in Q3 '13 to three deals in this quarter. Even when compared to Q4 '12, the sector witnessed a drop of 76% in value and 57% in volume.

Manufacturing deals have fallen significantly echoing sector trends. Also, the trend in secondary deals reflects the challenge around providing exits to current investors. We expect improvement in the deal scenario around the manufacturing sector following a revival of positive sentiments after the general elections.

—Bimal Tanna,
Leader, Industrial Products, PwC India

The textiles and garments sector showed a drop of 44% in value, from 54 million USD to 30 million USD from a single deal in each quarter. However, when compared to Q4 '12, the sector witnessed an increase of 41% in value despite two deals less in this quarter. In Q4 '12, the investments in this sector stood at 21 million USD from three deals.

The energy sector, which had seen a spurt in investments in the previous quarter, showed an investment value drop of 30% with one deal less as compared to Q3 '13. However, when compared to Q4 '12, there was a meagre 4% increase in investment value in this quarter despite one less deal.



Note: 'Others' include other services, media and entertainment, fast-moving consumer goods, engineering and construction, hotels and resorts, agri-business, travel and transport, shipping and logistics, education, sports and fitness, advertising and marketing, telecom, mining and minerals, retail and diversified businesses.

Data provided by Venture Intelligence

Investments by stage of development

Q4 '12, Q3 '13 and Q4 '13

In Q4 '13, private equity investments in the late stage recorded the highest value, seeing 757 million USD from 22 deals, a significant growth of 61% in value and 83% in the volume of deals. In Q3 '13, the investments stood at 472 million USD from 12 deals. Even when compared against the same period last year, the investment value has grown by 48% with one additional deal in this quarter.

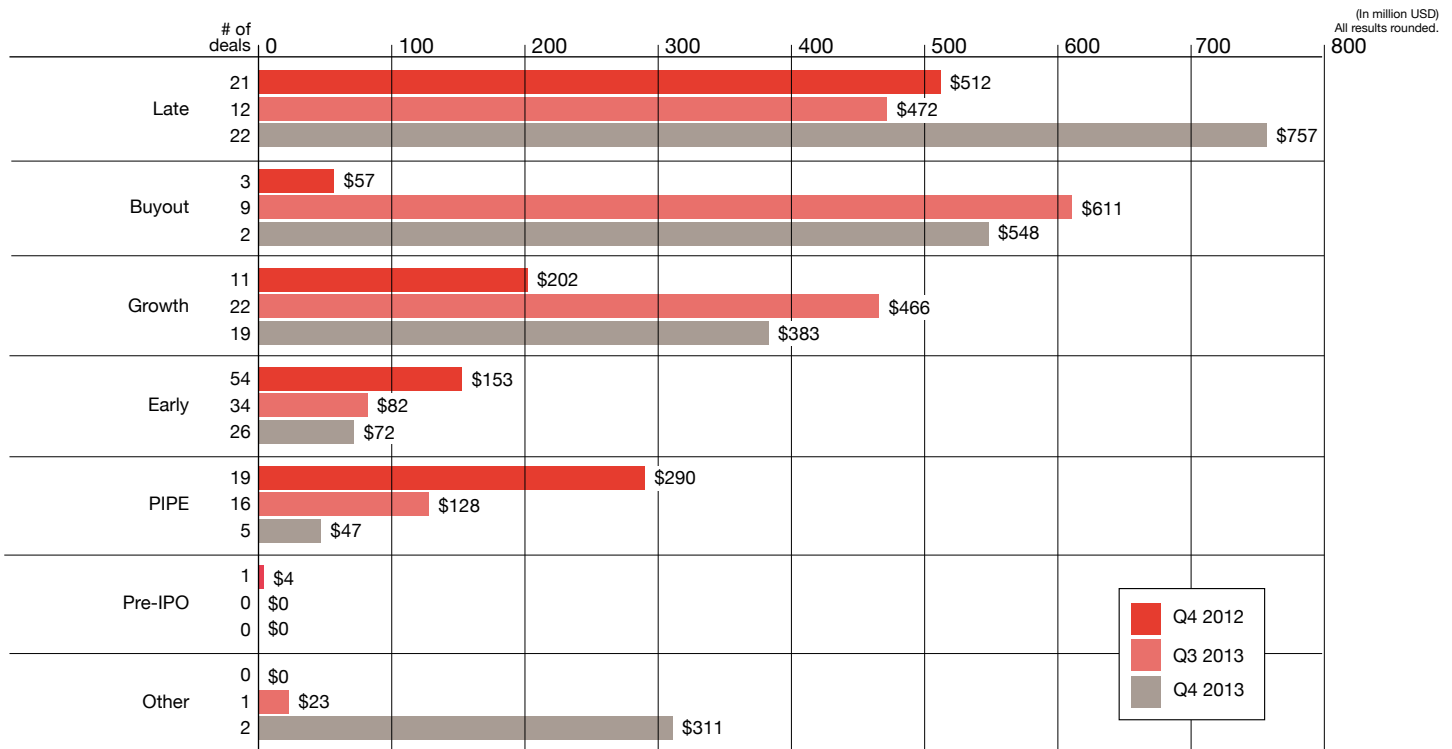
Buyout deals, with an investment of 548 million USD from two deals, ranked second in terms of value. However, the value and volume of investments have dropped by 10 and 78%, respectively, as compared to the preceding quarter. When compared to the same period last year, the value of investments have grown almost ten-fold, despite one deal less in this quarter.

Private equity investments in the growth stage recorded the third highest value in this quarter, seeing 383 million USD from 19 deals. However, as compared to Q3 '13, the investments in this stage have fallen by 18% in value and 14% in volume. As compared against the same period last year, the investment value has increased by 90% and the number of deals has shown a 73% growth.

The early-stage category had the highest number of deals in this quarter (26 deals worth 72 million USD). The volume of deals in the early stage is about 34% of the total deal volume. This represents a decrease of 13 and 24% in value and volume, respectively, as compared to the previous quarter. Compared to Q4 '12, there has been a decline of more than 50% in value and volume of deals.

Private investment in public equity (PIPE) deals, with an investment valued at 47 million USD, has shown a steep decline in this quarter vis-a-vis the prior quarter, from 128 million USD to 47 million USD. The volume of deals has also shown a sharp decline of 64% (from 16 deals to five deals) in this quarter. Even when compared against Q4 '12, the story remains the same, a sharp decline of 84% in value (from 290 million USD to 47 million USD) and 74% in volume (from 19 deals to five deals).

This quarter did not witness any deal in the pre-IPO stage.



Note: Definitions for the stage of development categories can be found in the 'definitions' section of this report.

Growth stage in the above graph includes both growth and growth-PE stages.

Data provided by Venture Intelligence

Investments by region

Q4 '12, Q3 '13 and Q4 '13

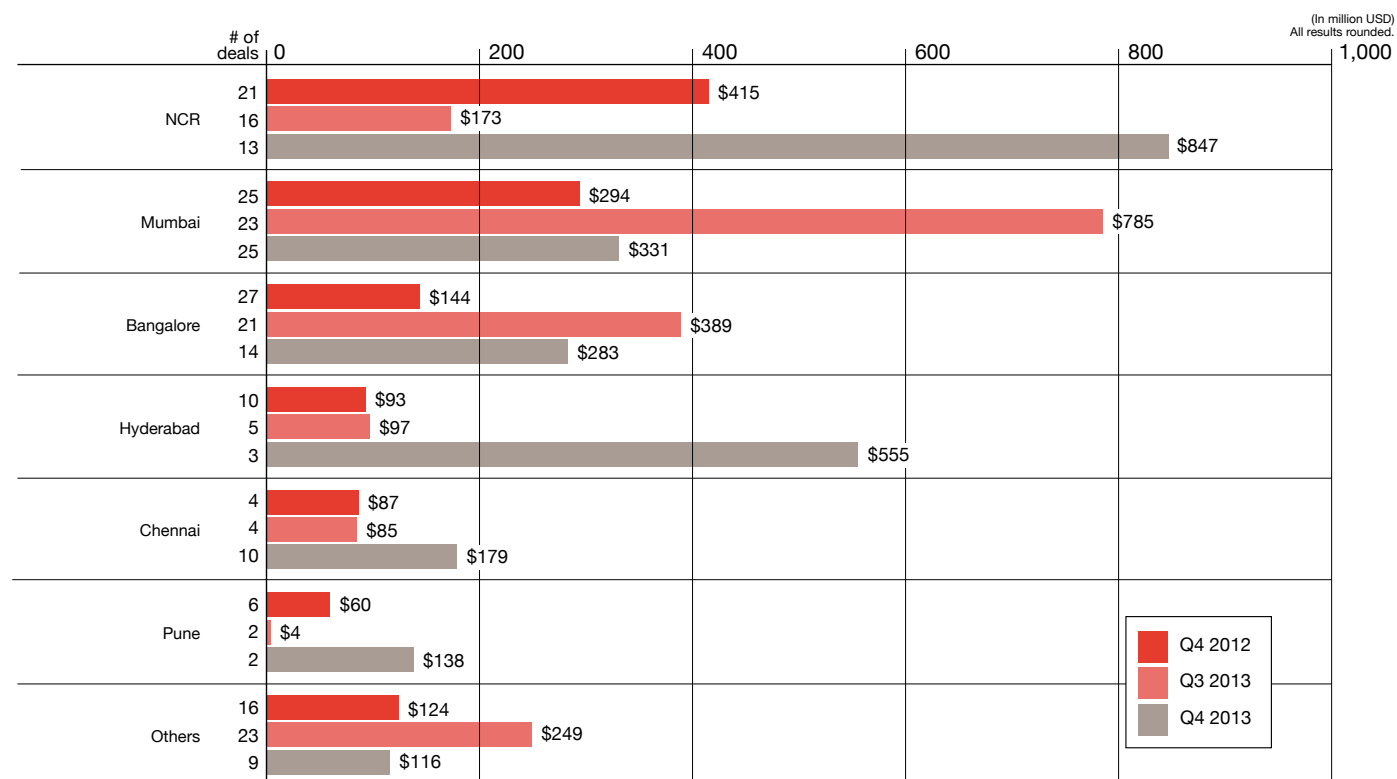
The National Capital Region (NCR) has emerged as the top region this quarter, with a nearly five-fold growth in value of deals despite a drop of 19% in volume. The investments in this region stood at 847 million USD from 13 deals compared with 173 million USD from 16 deals in the previous quarter. The investment value is about 40% of the total PE investments in this quarter. Compared to Q4 '12, the investments have doubled in value despite a 38% drop in the deal volume.

Mumbai has slipped to the second position this quarter, recording the second highest level of funding at 331 million USD, a drop of 58% in value despite two additional deals. In terms of volume, Mumbai stands first, with a count of 25 deals, almost one-third of the total deal volume. However, as compared to Q3 '13, investments have shown an increase of 12% in value with same number of deals.

Bangalore, in this quarter, saw a drop of 27% and 33% in value and volume, respectively, with an investment of 283 million USD from 14 deals. However, compared to the same quarter last year, the investments in Bangalore showed an impressive growth of 97% despite a 48% drop in the volume of deals.

Hyderabad and Chennai have more than doubled their investments in this quarter. The investments in Hyderabad stood at 223 million USD from three deals (as against 97 million USD from five deals in Q3 '13). Chennai witnessed an increase in the volume of deals, too (from four deals in Q3 '13 to 10 deals in this quarter). Even when compared to the same quarter last year, both regions have shown significant growth in the value of investments.

Pune has shown a spurt in investments in this quarter with 138 million USD going into two deals. Other Tier 2 and Tier 3 cities like Faridabad, Jaipur and Pithampur have shown over 10 million USD investment in this quarter.



Note: National Capital Region (NCR) includes Delhi, Gurgaon and Noida.

Data provided by Venture Intelligence

Top 20 PE deals

Q4 '13

The top 20 deals comprised 78% of the total deal value in Q4 '13. The top three deals constituted over 47% of the total top 20 deal value. About 90% of the deals in this quarter are below the value of 50 million USD.

Company	Industry	Investor(s)	Deal amount (In million USD)
GlobalLogic	IT and ITeS	Apax Partners	420
Gland Pharma	Healthcare and life sciences	KKR	200
Medanta Medicity	Healthcare and life sciences	Carlyle	161
Flipkart	IT and ITeS	Morgan Stanley, Tiger Global, Dragoneer Investment Group, Vulcan Capital, Others	160
Hexaware Technologies	IT and ITeS	Baring Asia	128
Emcure Pharmaceuticals	Healthcare and life sciences	Bain Capital	113
Apollo Hospitals—Promoter Holding Co	Healthcare and life sciences	KKR	89
Medica Synergie	Healthcare and life sciences	DEG, Swedfund International, Quadria India	64
Eka Software Solutions	IT and ITeS	Nexus Ventures, Silver Lake, Others	40
Zomato Media	IT and ITeS	Sequoia Capital India, Others	37
Equitas Micro Finance India	BFSI	IFC, FMO, CDC Group, MicroVentures	32
Komli Media	IT and ITeS	Norwest, Helion Ventures, Peepul Capital, Nexus Ventures, DFJ	30
Capital Foods	Food and beverages	Invus Group	29
Druva Software	IT and ITeS	Sequoia Capital India, Nexus Ventures, Tenaya Capital	25
Green Infra	Energy	CDC Group	25
Trivitron	Healthcare and life sciences	India Value Fund	25
NCDEX	BFSI	IDFC PE, Old Lane, Oman India Joint Investment Fund	23
BTI Payments	BFSI	ICICI Venture	19
DANS Energy Consulting	Energy	Equis Asia Fund	19
Natco Pharma	Healthcare and life sciences	CX Partners	18

Data provided by Venture Intelligence

3. Analysis of PE exits

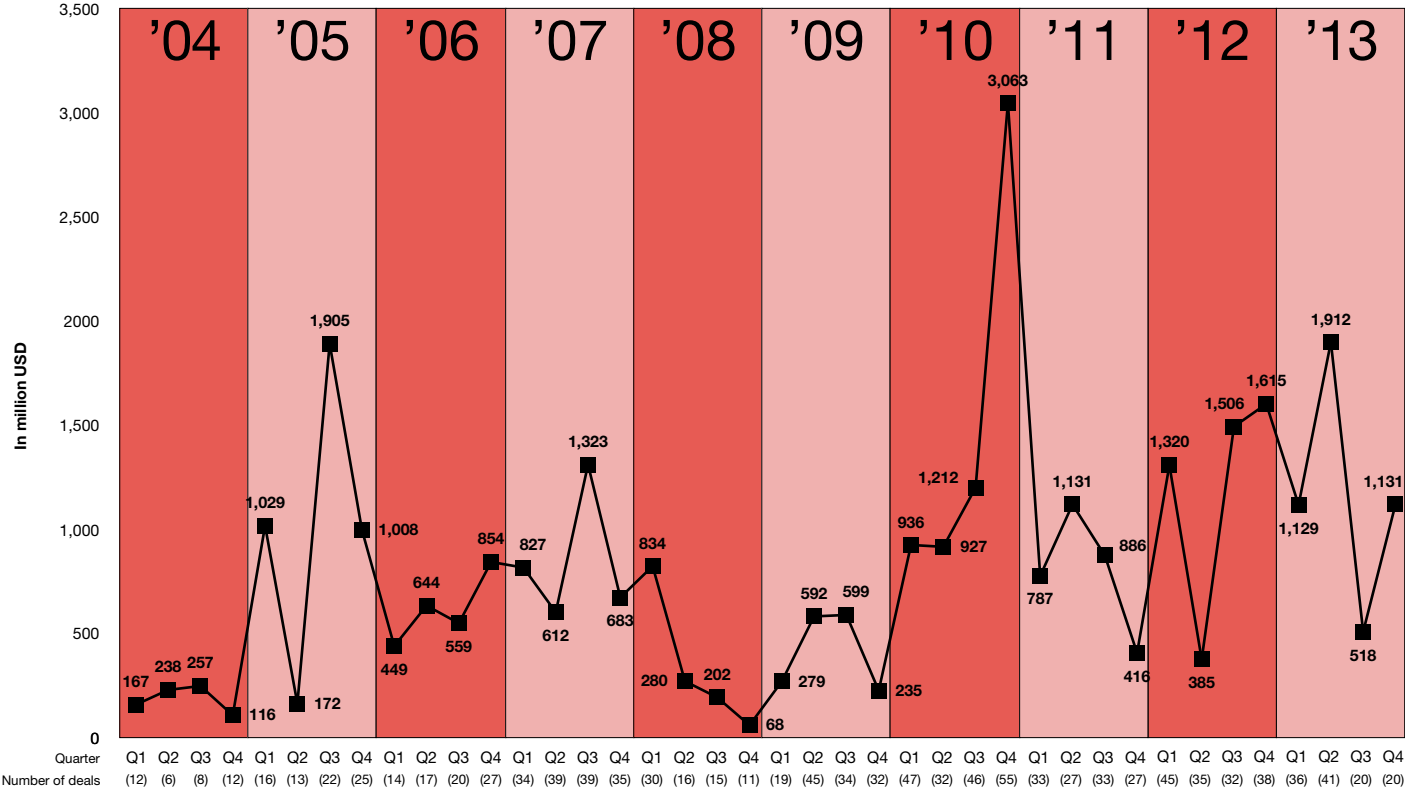
Total PE exits

The exit activity in the final quarter of 2013 has doubled in terms of value as compared to the prior quarter despite the same number of deals. In Q3 '13, PE exits were worth 518 million USD from 20 deals as compared to 1.13 billion USD from 20 deals in this quarter.

Compared to the same period last year, the exits have shown a decline of 30% and 47% in value and volume, respectively. In Q4 '12, there were 38 exits worth 1.62 billion USD.

The majority of the exits in this quarter came from the healthcare and life sciences and the IT and ITeS sectors which together contributed around 69% of the total exit value and 50% of the total volume.

In this quarter, over 70% of the exits by value and 45% by volume have been through secondary sale (802 million USD from nine deals). Exits through strategic sale reported the next highest share, with 18% of total value and 25% of total volume of exits with 200 million USD from five deals.



Data provided by Venture Intelligence

Exits by industry

Q4 '12, Q3 '13 and Q4 '13

The healthcare and life sciences sector tops the list of PE exits, in terms of both value and volume, with six deals worth 513 million USD. This constitutes 45% of the total deal exit value. When compared to the preceding quarter, the sector has shown a spurt in the exit value; from 17 million USD (two exits) in the prior quarter to 513 million USD (six exits) in this quarter. The story remains the same even when compared to the same period last year. In Q4 '12, the exits were worth 53 million USD from three deals.

The IT and ITeS sector stands second, in terms of both value and volume, with four deals worth 264 million USD. However, when compared to Q3 '13, the exits in this sector have dropped by about 3% in value and 50% in the volume of deals. As against the same period last year, the exit value in this sector has increased by 5%, despite the volume going down by half. In Q4 '12, the exits were worth 250 million USD from eight deals.

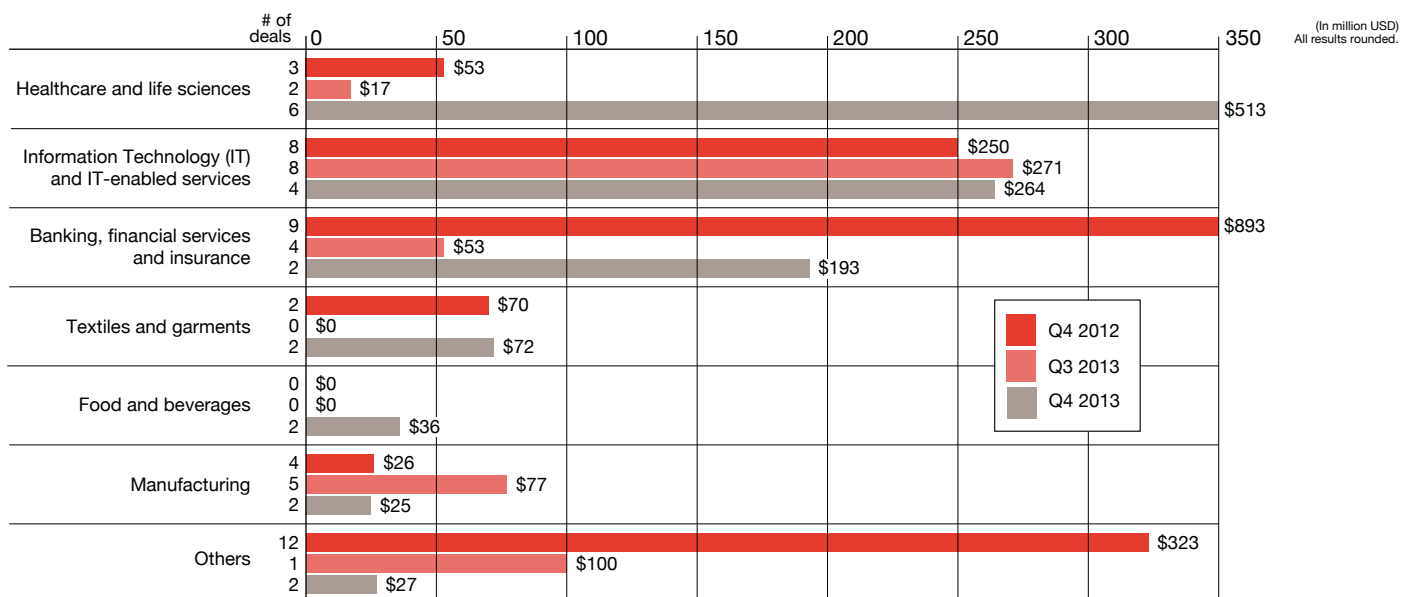
In terms of exit value, the BFSI sector ranks third with a couple of exits worth 193 million USD; almost four times the value despite half the number of deals as compared to the previous quarter. However, when compared to same period last year, the exit value and volume both have dropped by around 78%.

Despite a reduction in the number of exits from the previous quarter, the exits in the BFSI sector of approximately 193 million USD for the quarter ended 31 December 2013 represented normal activity that is expected to continue for the near term. The BFSI sector continues to react to recent regulatory developments as well as to asset quality and capital challenges.

—Manoj Kashyap,
Leader, Financial Services, PwC India

The manufacturing sector has shown a drop of 67% and 60% in value and volume, respectively, in this quarter as compared to Q3 '13. As against Q4 '12, the value has remained almost the same despite the volume going down by half.

The other sectors, textiles and garments and food and beverages, also witnessed a couple of exits in this quarter, valued at 72 and 36 million USD, respectively.



Notes: Others include shipping and logistics, media and entertainment, agri-business, energy, other services, education, telecom, travel and transport and hotels and resorts.

Data provided by Venture Intelligence

Exits by type

Q4 '12, Q3 '13 and Q4 '13

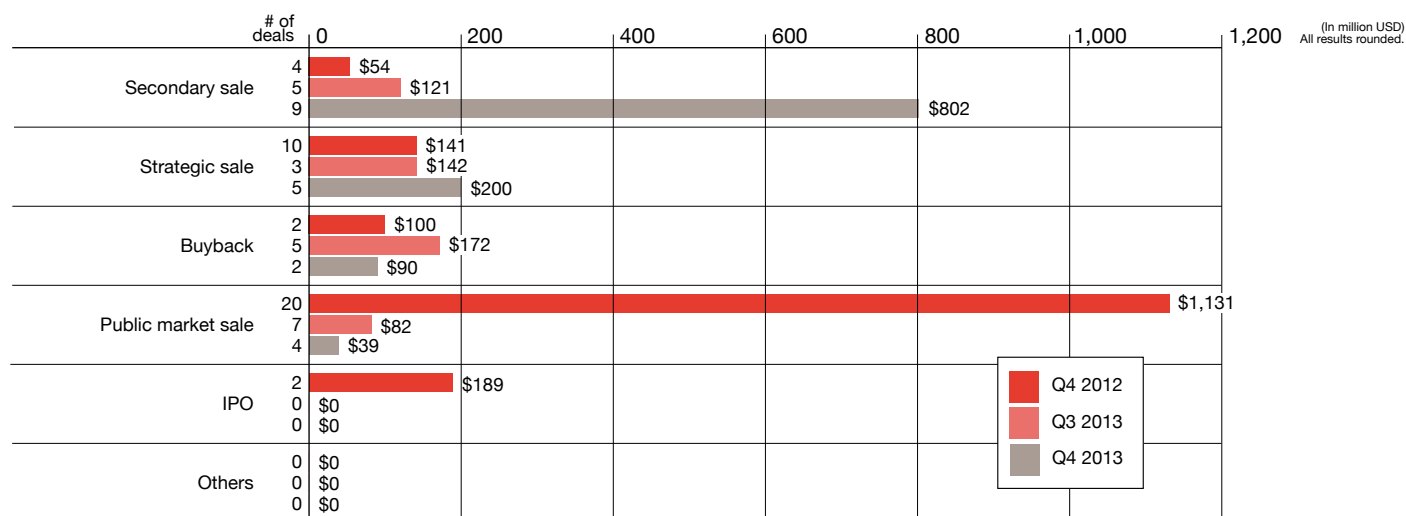
The preferred mode of exit in this quarter has been through secondary sale (nine exits). The other modes were strategic sale (five exits), public market (four exits) and buyback (two deals).

Exits through secondary sale also fetched the highest value, worth 802 million USD (about 70% of the total exit value) in Q4. There has been significant growth from the 121 million USD of the prior quarter. The volume of deals, too, is up by 80%. The growth story is significant even when compared against the same period last year.

Strategic sale ranks second in terms of both value and volume, with exits worth 200 million USD from five deals. The value and volume have grown by 41% and 67%, respectively, as compared to the previous quarter. As against Q4 '12, the value has shown a growth of over 41% despite a 50% drop in the volume of deals.

Exits through buyback and public market sale, too, have shown a steep decline in this quarter. In Q4 '13, buyback exits were worth 90 million USD (from two exits), a 48% drop in the exit value of 172 million USD (five deals) in the previous quarter. Public market sale witnessed a drop of 52% in value and 43% in exit volume in this quarter as against the preceding quarter. The exits through public market fell from 82 million USD (seven exits) to 39 million USD (four exits).

This quarter did not see any exits through IPO.



Note: Definitions of the types of exit can be found in the 'definitions' section of this report.

Data provided by Venture Intelligence

Top five PE exits

Q4 '13

The top two exits comprised 35% and the top five constituted close to 64% of the total exit value in Q4 '13.

Company	Industry	PE firm(s)	Deal amount (In million USD)
GlobalLogic	IT and ITes	Goldman Sachs, NEA, Sequoia Capital India, New Atlantic Ventures	252
Medanta Medicity	Healthcare and life sciences	Avenue Capital	141
Gland Pharma	Healthcare and life sciences	Evolve India Life Sciences Fund	120
Emcure Pharmaceuticals	Healthcare and life sciences	Blackstone	113
Prizm Payment Services	BFSI	Sequoia Capital India, Saama Capital	100

Data provided by Venture Intelligence

4. Active PE firms

Based on the volume of deals, Sequoia Capital has emerged as the most active investor for Q4 '13.

The most active PE investors in the last quarter of 2013 include the following:

Investors	Numbers of deals*
Sequoia Capital India	11
Matrix Partners India	6
IDG Ventures India	6
Accel India	5
Nexus Ventures	4
Future Ventures	4
Kalaari Capital	3
Kae Capital	3
IFC	3
KKR	2
Oman India Joint Investment Fund	2
NEA	2
Tata Capital	2
ICICI Venture	2
Tiger Global	2
Blume Ventures	2
India Quotient	2
General Atlantic	2
Intel Capital	2
Helion Ventures	2
CX Partners	2
CDC Group	2
FMO	2
IIML	2
Inventus Capital Partners	2

* Number of deals includes both single and co-investments by private equity firms. In cases where two or more firms have invested in a single deal, it is accounted as one deal for each of the firms.

Data provided by Venture Intelligence

5. Sector focus: IT and ITeS

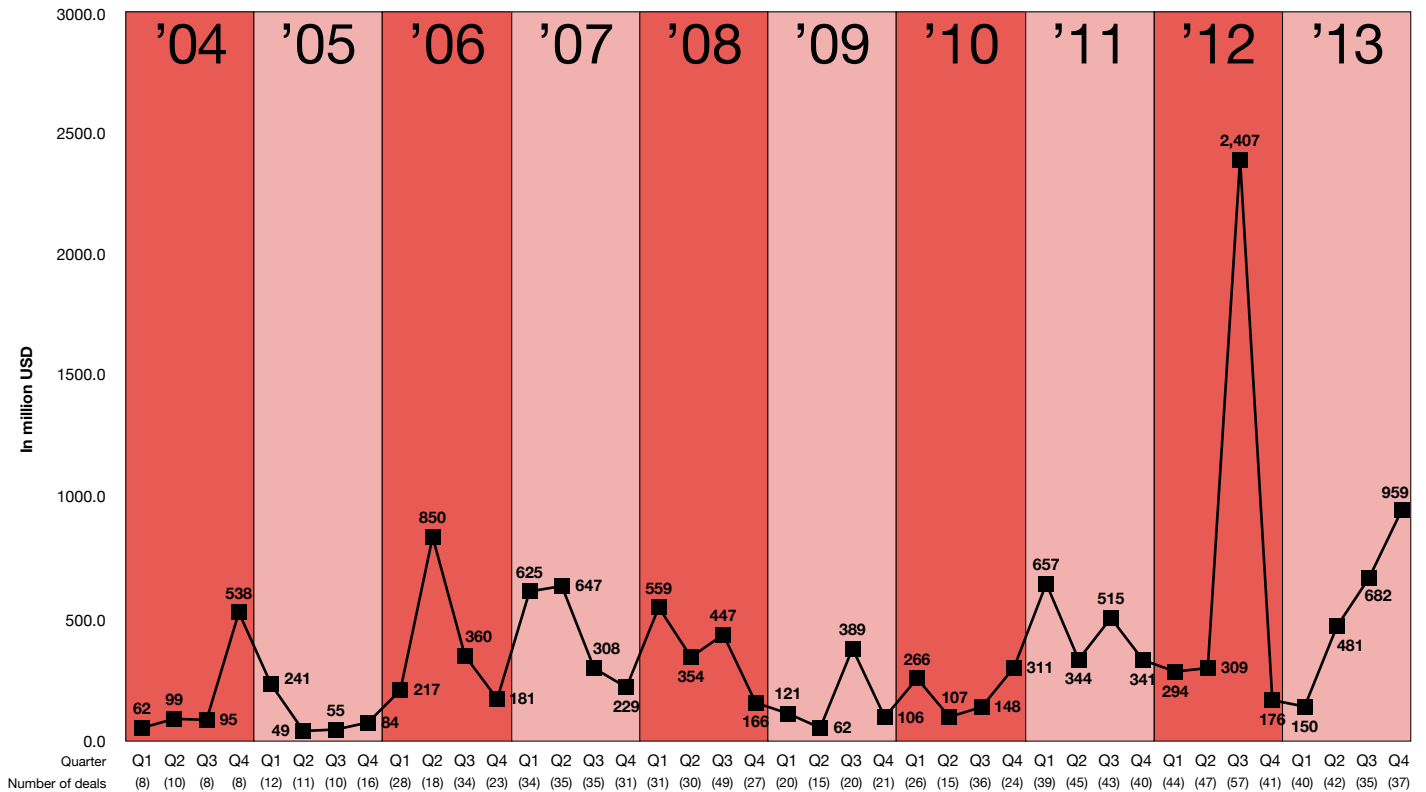
Total PE investments

The IT and ITeS sector, yet again, has emerged as the leader in terms of value and volume of investments, with an investment of 959 million USD from 37 deals in the last quarter of 2013.

The sector witnessed an increase of 41% in the value of investments with just two additional deals in this quarter as compared to the preceding quarter. When compared to the same period last year, the sector has grown over five times in value despite a 10% drop in the volume of deals. In Q4 '12, the investments in this sector were worth 176 million USD from 41 deals.

The average deal size in this sector has also shown a significant increase, from 19.5 million USD in the prior quarter to 26 million USD in this quarter. In Q4 '12 the average deal size in this sector was a meagre 4 million USD.

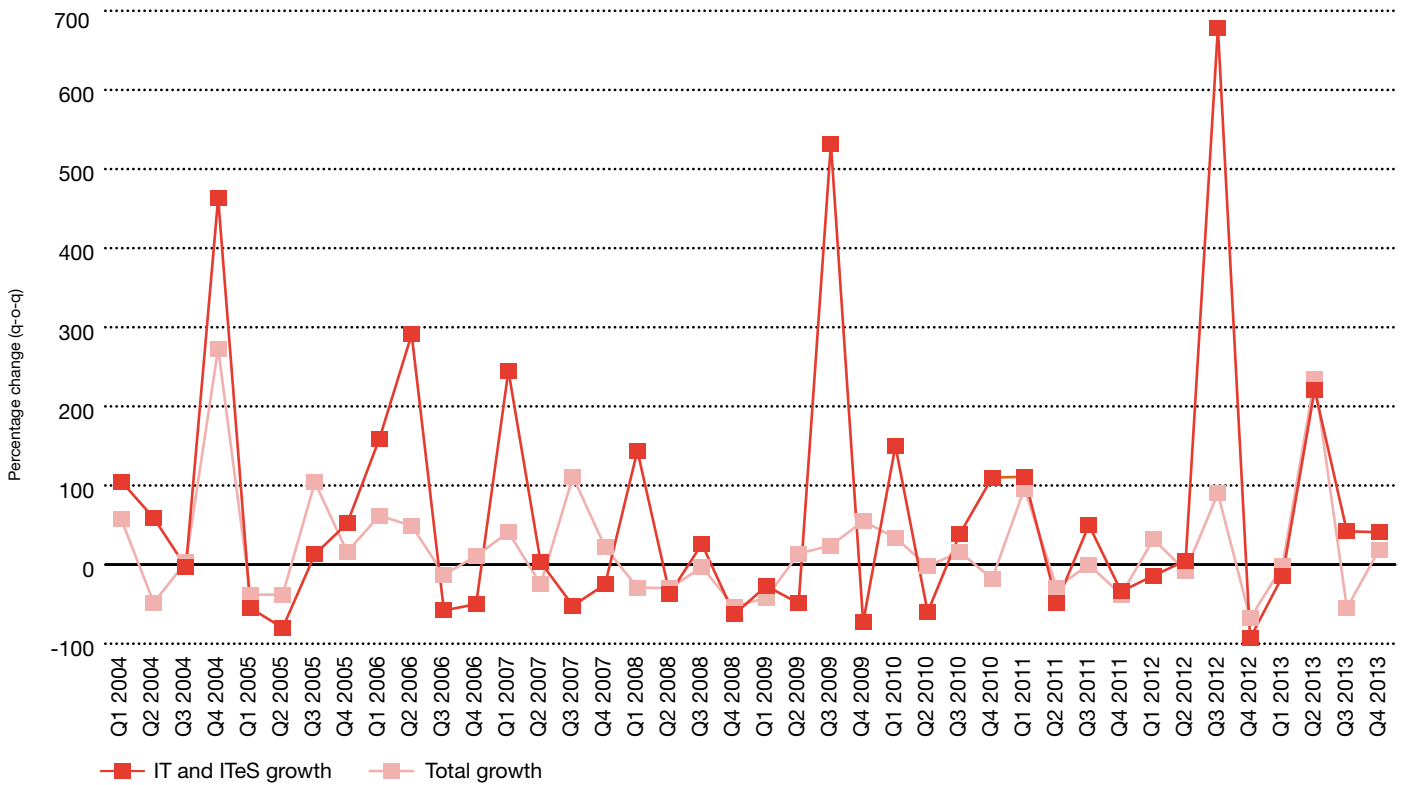
As in previous quarters, the IT and ITeS sector saw mainly early-stage deals with smaller values. This pattern continued in Q4 '13 as well. The average early-stage deal value for the last two years has been in the range of 1 million to 3 million USD.



Data provided by Venture Intelligence

Sector focus: IT and ITeS

In the last decade, a comparison between quarter-on-quarter growth rates of the IT and ITeS PE investments and the total PE investments reflects that the sector funding has outpaced the growth of total PE funding in most quarters. In the last quarter, investments in the IT and ITeS sector improved significantly, while the funding overall fell drastically. However, in this quarter, both the IT and ITeS sector and the overall funding have shown growth, with the IT and ITeS sector funding showing a much higher increase.



Data provided by Venture Intelligence

Sector focus: IT and ITeS

Investments by stage of development

Q4 '12, Q3 '13 and Q4 '13

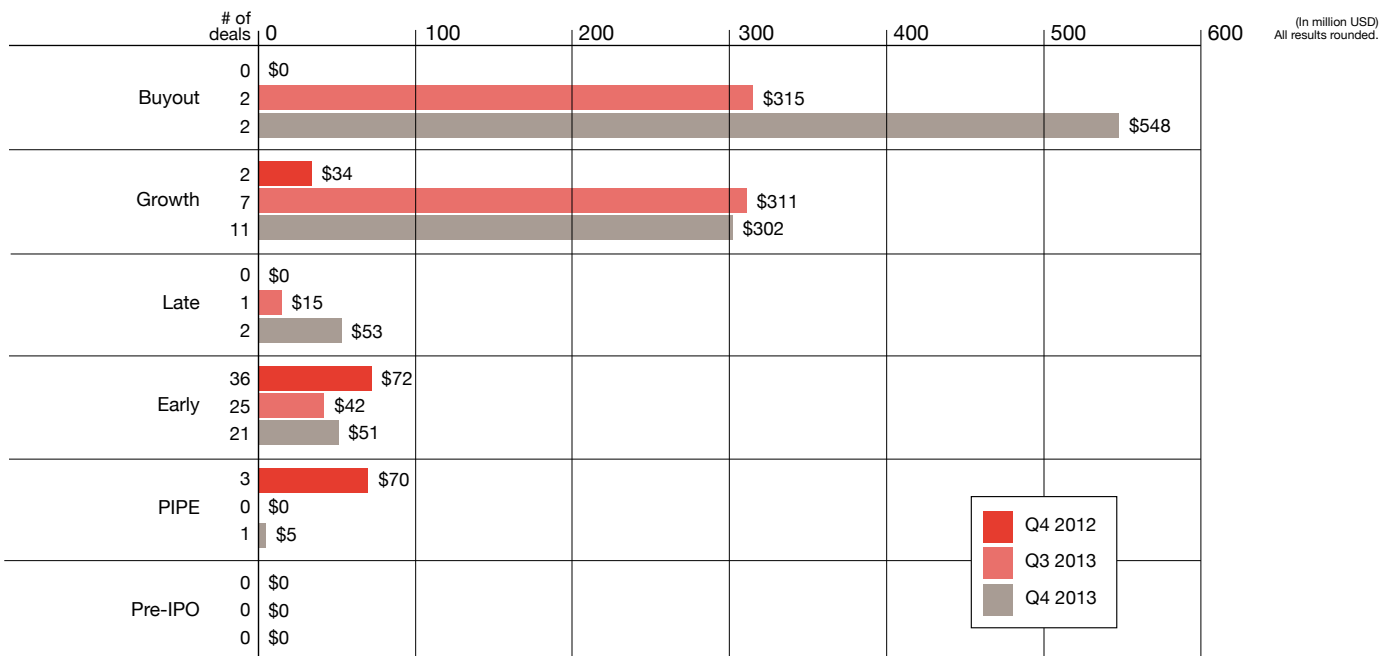
The IT and ITeS sector, as usual, witnessed a large volume of deals, but with relatively low value per deal. The average deal size for this sector for the past decade has been a little over 13 million USD.

Because IT and ITeS companies do not require a large amount of start-up money, we witness most low-value deals occurring in the early stage. In this quarter, i.e., Q4 '13, too, there were 21 deals worth 51 million USD in the early stage, with an average deal size of around 2.5 million USD. In the previous quarter, the sector had seen early-stage investments of 42 million USD in 25 deals.

Buyout-stage deals saw highest investments in terms of value, 548 million USD from just a couple of deals in this quarter. This represents about 57% of the total investment in the sector. As compared to the preceding quarter, value has grown over 74% with the same volume of deals in this quarter.

Growth-stage deals stood second, with an investment of 302 million USD from 11 deals. However, the value of investments have fallen by about 3% in this quarter vis-a-vis Q3 '13 despite a 57% increase in the volume of deals.

The sector witnessed a couple of late stage deals worth 53 million USD in this quarter. One PIPE deal worth 5 million USD was seen in this quarter for the IT and ITeS sector. The sector did not witness any investment in the pre-IPO stage in this quarter.



Data provided by Venture Intelligence

Sector focus: IT and ITeS

Investments by region

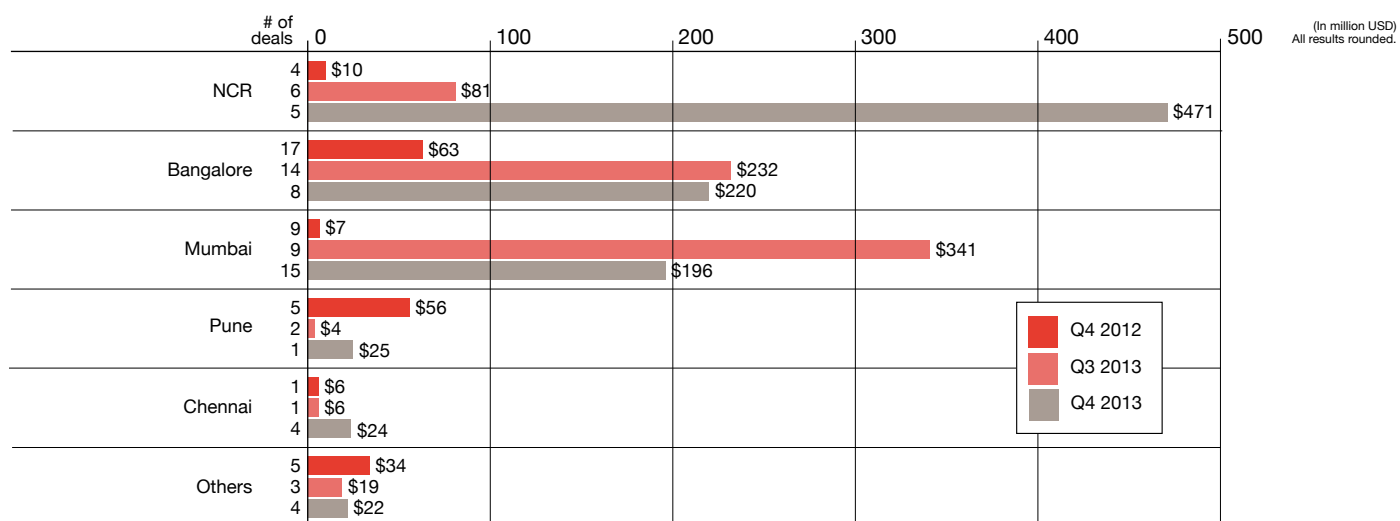
Q4 '12, Q3 '13 and Q4 '13

NCR captured the largest investment this quarter, a total of 471 million USD from five deals, an almost six-fold increase in terms of value (despite one less deal) as compared to the preceding quarter. Even against the same period last year, there has been a huge increase in the value of investments in this region; from 10 million USD (four deals) in Q4 '12 to 471 million USD (five deals) in this quarter.

Bangalore retains its second position with an investment of 220 million USD from eight deals. In Q3 '13, the investments stood at 232 million USD from 14 deals, a drop of 5% in value and 43% in volume of deals in this quarter.

Mumbai, with an investment of 196 million USD from 15 deals, has shown a significant drop of 42% in value despite an increase of 67% in number of deals. However, when compared to Q4 '12, the growth in value is enormous, from a meagre 7 million USD in Q4'12 to 196 million in this quarter.

In this quarter, other key regions like Pune and Chennai have also seen investments in the range of 25 million USD each. The volume of deals for these regions stood at four deals (for Chennai) and one deal (for Pune).



Note: National Capital Region (NCR) includes Delhi, Gurgaon and Noida.

Data provided by Venture Intelligence

Sector focus: IT and ITeS

Investments by subsegments

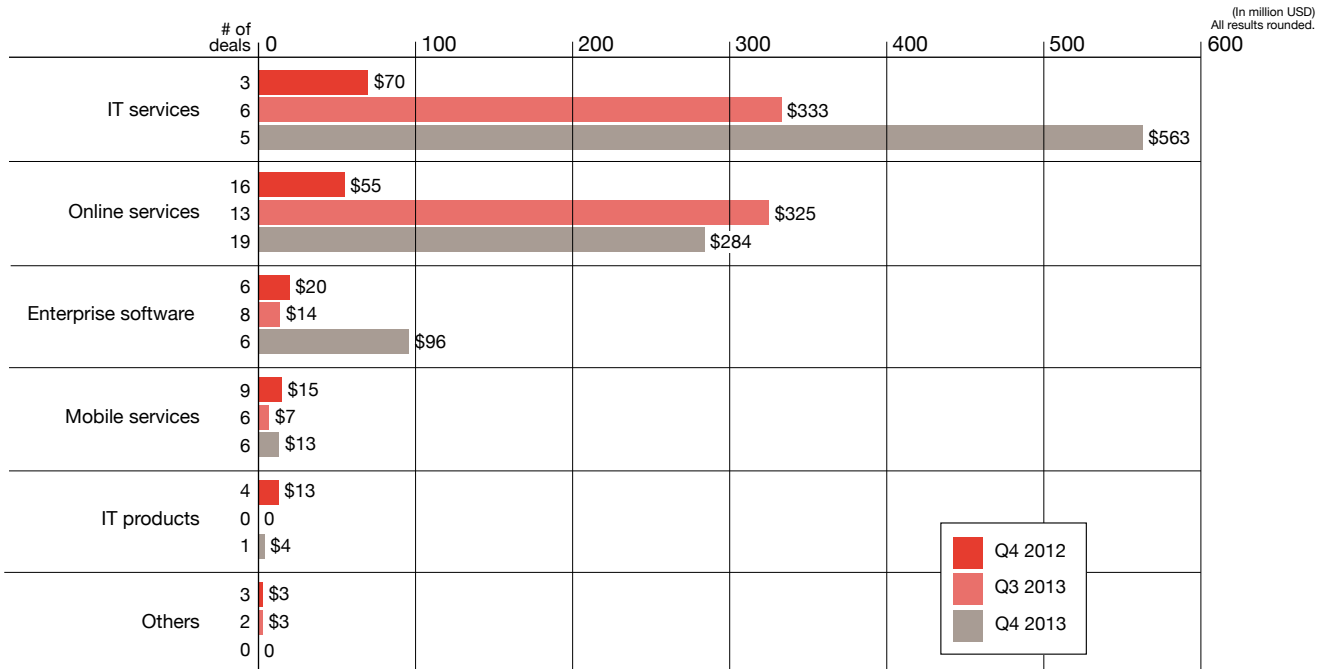
Q4 '12, Q3 '13 and Q4 '13

The IT services subsegment received the highest level of investment worth 563 million USD from five deals. As against the preceding quarter, the value of deals has grown by over 69% in value despite one less deal in this quarter.

Online services recorded the second highest investment in value amongst the subsegments, with a total of 284 million USD invested in nineteen deals, which is the highest in terms of volume this quarter. However, it is a drop of 13% in value despite a 46% increase in the volume of deals. In the preceding quarter, the online services subsegment received an investment of 325 million USD from 13 deals.

The enterprise software subsegment received investments worth 96 million USD from six deals, a seven-fold increase in value despite a 25% decrease in the volume of deals. Even when compared to the same period last year, there has been a five-fold increase in investment with the same volume of deals in this quarter.

The mobile services and the IT products subsegments received investments of 13 million USD (from six deals) and 4 million USD (from a single deal), respectively, in this quarter.



Data provided by Venture Intelligence

Sector focus: IT and ITeS

PE exits in the sector

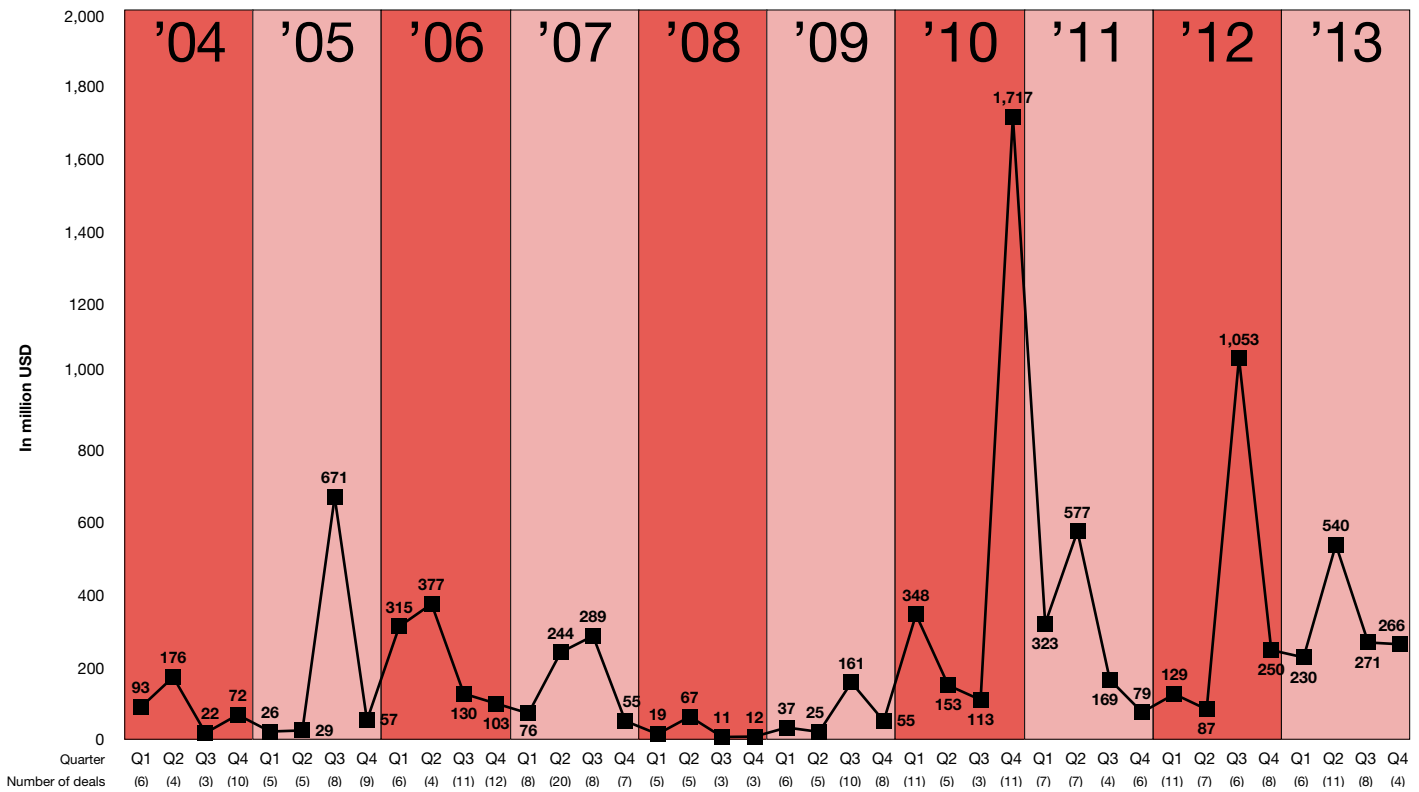
Q4 '12, Q3 '13 and Q4 '13

The IT and ITeS sector saw four exits worth 266 million USD in this quarter. The value of exits fell slightly from a total of 271 million USD across eight deals in the prior quarter. For the same period last year, i.e., Q4 '12, the sector had eight exits worth 250 million USD.

The majority of exits (in terms of value) in this sector and in this quarter were through secondary sale with an exit value of 252 million USD (from a single deal), which is about

95% of the total exit value. In terms of volume, two out of the four exits were through strategic sale and valued at 2 million USD. The quarter also saw one exit through public market sale.

The IT services subsegment witnessed two exits worth 264 million USD in this quarter. The mobile services and the online services subsegments saw one exit each in this quarter.



Data provided by Venture Intelligence

Definitions

Stages of development

Early stage: This refers to the first or second round of institutional investments in companies that adhere to the following:

- Less than five years old
- Not part of a larger business group
- Investment is less than 20 million USD

Growth stage: This refers to investments of less than 20 million USD. Also, investments meeting the following criteria are considered in the growth stage:

- Third or fourth round funding of institutional investments
- First or second round of institutional investments for companies that are more than five years old and less than 10 years old or spin-outs from larger businesses

Growth stage—PE: This includes the following:

- First or second round of investments worth 20 million USD or more
- Third or fourth round funding for companies that are more than five years old and less than 10 years old or subsidiaries or spin-outs of larger businesses
- Fifth or sixth rounds of institutional investments

Late stage: This comprises the following:

- Investment in companies that are a decade old
- Seventh or later rounds of institutional investments

PIPEs: The following constitute as PIPEs:

- PE investments in publicly listed companies via preferential allotments or private placements
- Acquisition of shares by PE firms via the secondary market

Buyout:

- This is an acquisition of controlling stake via purchase of stakes of existing shareholders.

Buyout – large:

- This includes buyout deals of 100 million USD or more in value.

Other:

- This includes PE investments in special purpose vehicle (SPV) or project-level investments.

Types of PE exits

Buyback:

- This includes purchase of the PE or VC investors' equity stakes by either the investee company or its founders or promoters.

Strategic sale:

- This includes sale of the PE or VC investors' equity stakes (or the entire investee company itself) to a third-party company (which is typically a larger company in the same sector).

Secondary sale:

- Any purchase of the PE or VC investors' equity stakes by another PE or VC investors constitutes secondary sale.

Public market sale:

- This includes the sale of the PE or VC investors' equity stakes in a listed company through the public market.

Initial public offering (IPO):

- This includes the sale of PE or VC investors' equity stake in an unlisted company through its first public offering of stock.

Contacts

Sandeep Ladda

Leader, Technology
PricewaterhouseCoopers India Pvt Ltd
sandeep.ladda@in.pwc.com

Sanjeev Krishan

Leader, Private Equity
PricewaterhouseCoopers India Pvt Ltd
sanjeev.krishan@in.pwc.com

This report was researched and written by the following:

Pradyumna Sahu

Director, Technology
PricewaterhouseCoopers India Pvt Ltd
pradyumna.sahu@in.pwc.com

Rajendran C

Knowledge Manager, Technology and Telecom
PricewaterhouseCoopers India Pvt Ltd
rajendran.c@in.pwc.com

Sibi Sathyan

Knowledge Manager, Private Equity
PricewaterhouseCoopers India Pvt Ltd
sibi.sathyan@in.pwc.com

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