

The background of the cover is a dark blue and black grid with various financial data points and line graphs. In the top left, there are two logos: 'VCC' in white on a black square and 'EDGE' in white on a red square. The main title '2020 ANNUAL REPORT' is in large white letters. Below it, a subtitle describes the report's content. The background features faint, glowing blue and red lines and numbers, suggesting a financial or data-driven theme.

VCC

EDGE

2020 ANNUAL REPORT

Snapshot of deal activity in private equity,
venture capital, mergers & acquisitions and
equity capital market deals in 2020

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Executive Summary

The year 2020 with the unfortunates of COVID-19 and economic slowdown found markets crashing, yet the Indian deal ecosystem has performed adequately with the uprise of deal value across Equity Capital Markets, Private Equity and Mergers and Acquisitions. Equity Capital Market deals have shown the highest improvement in this year where deal value touched an all-time high at \$26.84 billion with a recorded increase of 144% on a Y-o-Y basis. Public Markets, in terms of value, which were majorly driven by Initial Public Offerings (IPOs) previously, created an impression of losing charm by IPO's with qualified institutional placement taking its place followed by Rights Issue and Initial Public Offerings for another subsequent year after 2018. This year the offering of \$26.84 billion is attributed to 70 deals among which 7 deals were part of the billion-dollar deal value club accounting for 66% of the overall deal value.

The year though sluggish for the economy, hasn't dampened investments. Private Equity investments in terms of value have performed well and reached its five-year high at \$38.34 billion whereas, in terms of volume, it registered a drop of 9.41%. The Information Technology sector continued to rule the roost in terms of attracting maximum attention from investors. It accounted for 57% of the total PE deal activity registering a growth of 7% on a Y-o-Y basis.

Mergers and Acquisition deals have also shown an improvement in terms of deal value. It registered an improvement of almost 19% in terms of deal value and a decline of 27% in terms of volume on a Y-o-Y basis. M&A deal activity continued with the dominance of domestic players accounting for 61% of the total deal activity with Inbound, Outbound, and other types of deals accounting for the rest.

The investments this year showed a considerable influence of big-ticket deals. Private equity witnessed 8 deals crossing the one billion mark which accounts for 29% of overall deal value whereas Mergers and Acquisitions witnessed 9 deals crossing the one billion mark which accounts for 51% of the overall deal value.

Reliance's Jio and Retail Ventures have emerged as the largest contributors to private equity and mergers and acquisitions this year. Together, both have contributed to 43% of the total PE deal value and 23% of the total M&A deal value. It cannot be denied that PE and M&A have performed well this year on account of a major chunk of the overall deal value being attributed to Reliance's deals. However, if Reliance's deal is excluded, it can be said that private equity witnessed a drop of 37% and mergers and acquisitions witnessed a drop of 8% on a Y-o-Y basis.

Exits were proven to be a pain point for private equity firms this year. The year recorded a drop of almost 22% in terms of exit activities and 39% in terms of exit value. CY 2020 witnessed only 136 exits where private equity investors have been seen unlocking \$4.07 billion of value.

The quantum of funds launched this year was also down by 37.50%. The targeted capital also witnessed a slump of 83% on a Y-o-Y basis. The targeted capital of the newly launched funds of 2020 was \$2.33 billion as against \$13.36 billion in 2019.

PRIVATE EQUITY INVESTMENT



Private Equity Investments - Overview

CY 2020, though itself a roller coaster ride for the whole deal ecosystem, recorded the highest deal value for Private Equity in the last five years. In terms of volume, however, it recorded the lowest number of deals in the last five years. The number of deals for 2020 stood at 1,338 as against 1,477 for the same period last year, showing a decline of 9%; whilst the deal value increased from \$34.96 billion to \$38.34 billion, showing an increase of 9.67%.

The year recorded 78 deals with a deal value of \$100 million and more, amounting to a total of \$38.34 billion. This accounted for 80% of the overall private equity funds raised by companies in 2020. This trend

clearly depicts that investors are nowadays more cautious to invest in startup companies, as major startups failed due to the COVID-19 pandemic effect on the Indian economy.

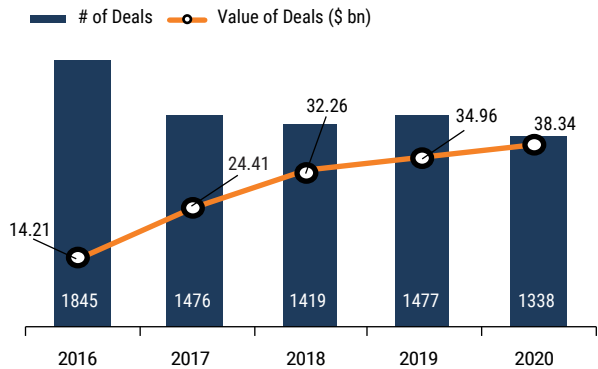
Angel/seed contributed a major chunk of deal activity during the year, and witnessed 748 deals representing 56% of total PE investments in 2020. This was followed by Venture Capital at 410 deals and Private Equity at 119 deals.

The Information Technology sector (which includes online businesses and software companies) has again maintained its legacy and topped the sector chart at 764 deals contributing to 57% of the overall private

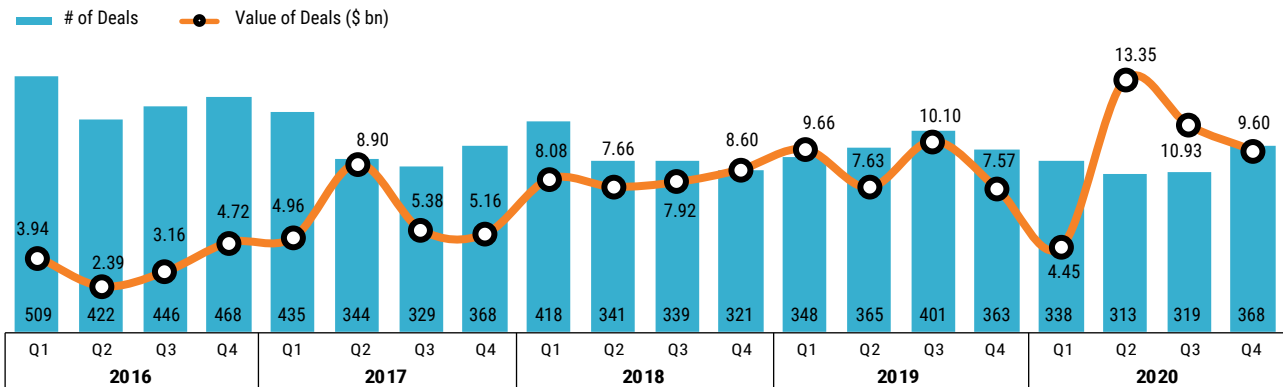
equity activity. However, if compared to last year, it witnessed a growth of 7%, while 70% increase was registered in terms of deal value. The reason behind this is the Jio Platforms multiple fundraising from various investors. Consumer Discretionary came in second with 227 deals worth \$10.43 billion.

The largest PE deal of the year was the investment of \$1.82 billion by Mubadala Investment and Silver Lake Management in Jio Platforms; followed by the second largest investment of \$1.51 billion by Vista Equity Partners in Jio Platforms, and the third-largest investment of \$1.51 billion by Omicron Asia Holdings II Pte. Ltd. in Jio Platforms.

PE Overview - Yearwise Split



PE Overview - Quarterwise Split



Valuable Insight



Vivek Soni

Partner and National Leader, Private Equity
Services at **EY India**

“ The better than expected economic revival coupled with the spate of deals closed by PE and VC investors in the last 3-4 months of 2020 sends a very bullish signal on expected PE/VC investment activity in 2021, more so when one takes into account the excess liquidity unleashed by central banks of US and Europe. Our view is that in 2021, PE/VC investments will set a new high.

Caveat: If the vaccination drive is unsuccessful / second wave of pandemic hits India, then situation would turn different.

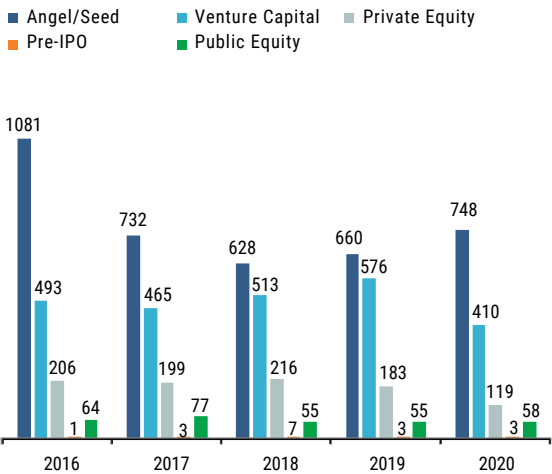
2020 saw a record of all-time high deal value in PE/VC investments and this is a big endorsement of India as a preferred destination in the eyes of global India. Now with other macro factors like excess liquidity in the global financial system, ultra-low yields in developed countries, need for global corporations to diversify supply chains and the changing geo-political dynamics put India in a sweet spot. “

Since the past 3 years, large deals (>100mIn) have accounted for over 70% of total deal value, and average deal sizes have been rising yoy. If one excludes the Reliance entity deals, PEVC investment activity in months of March - sept was fairly muted as funds were more focused on helping their portfolio companies navigate the lockdown inducted disruptions. Things really began to pick up post Sept and now investment teams of most funds are firing on all cylinders. The overwhelming share of Reliance entity deals as a % of total PE investments skewed the data. However, this is an outlier, which is also a good indicator of the attractiveness of the Indian market in the eyes of global investors. ”

Deal Type Analysis

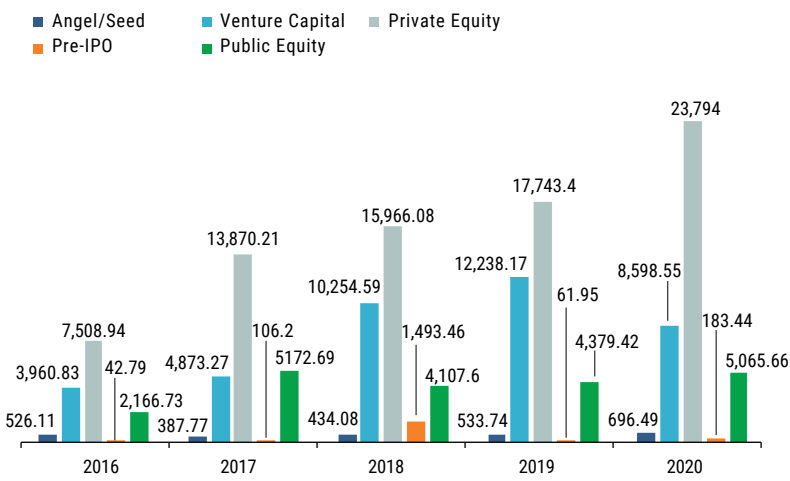
Private Equity Breakdown – Number of Deals

Venture Capital and Private Equity at their five years low in terms of the number of deals at 410 and 119 respectively. In angel/seed deal activity and public equity increased to 13.33%, and 5.45% respectively. While venture capital and private equity deals declined to 28.82% and 34.97% respectively in 2020, when compared to 2019.



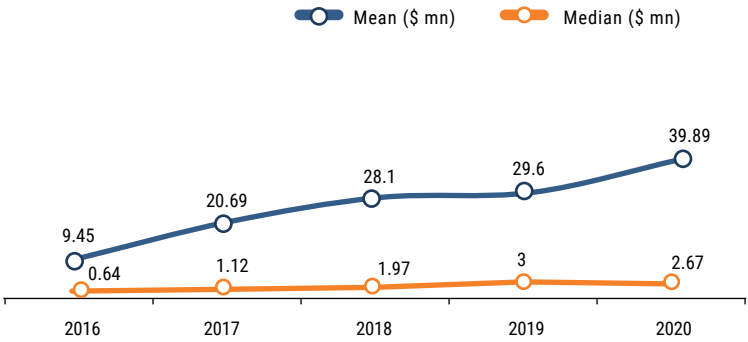
PE Deal Type Split - Value of Deals (\$ mn)

PE funding contributed to a total value of 62% of the private equity investments during the year. Angel/seed, private equity, pre-IPO and private equity increased by 30.49%, 34.10%, 196.11% and 15.65% respectively, while venture capital value witnessed a decline of 29.74% when compared to 2019.



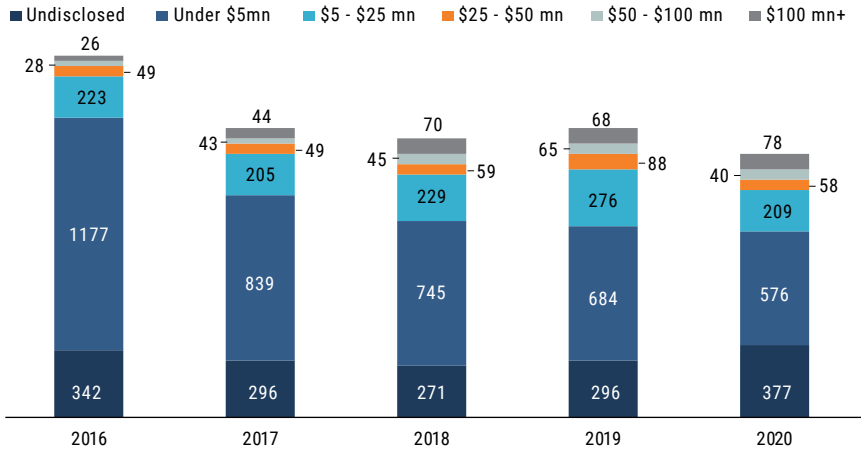
Mean and Median Deal Size Overview

The PE mean had increased sharply for the fifth year in a row and are at a five-year high.



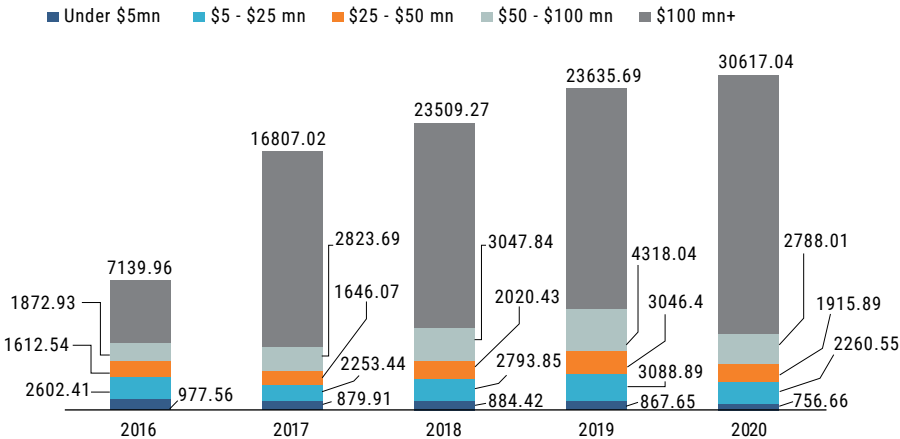
Deal Type Analysis

PE Deals Split By Transaction Size



Transactions under \$5 mn continue to be on the top of the chart for the last five years. Deal activity across different sizes of transactions declined significantly apart from the undisclosed and big-ticket deals. The share of undisclosed and big-ticket deals rose to 27% and 15% respectively when compared to last year.

Total Investment by Deal Size (\$ mn)

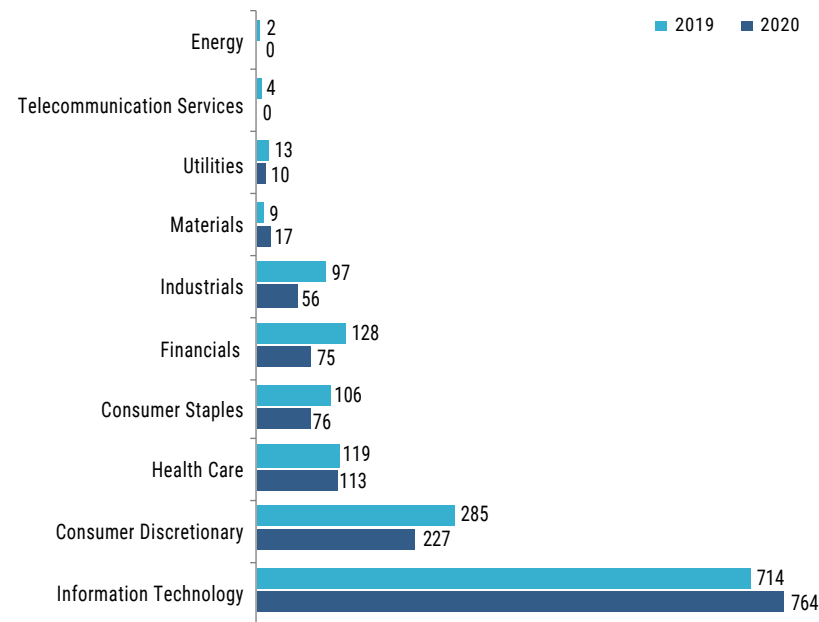


Transactions with deal value \$100 mn+ topped the chart once again by contributing to 79.86% of the overall deal size. The share of big-ticket deals increased to 29.54% with \$30.62 billion as compared to \$23.64 billion last year.

Sector Analysis

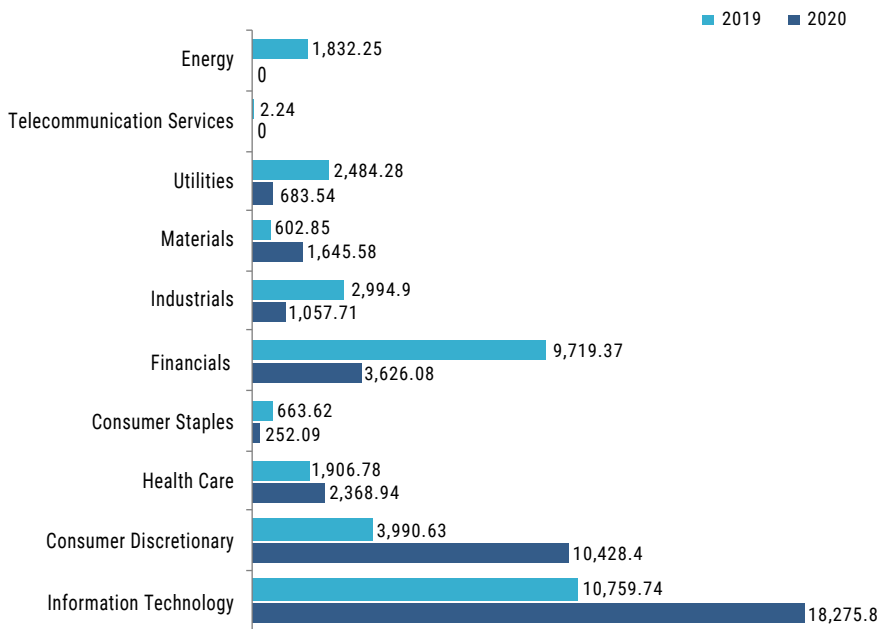
Sector Summary- By Volume

The number of deals declined across sectors except for Information Technology and Materials, when compared to 2019. Information Technology topped the sector chart with 764 deals by capturing 57% stake of the total market. Consumer discretionary stood second with 227 deals representing 16.97% stake of the total share. Followed by Health Care, Consumer Staples, Financials, Industrials, Materials, and Utilities with 113, 76, 75, 56, 17 and 10 deals respectively.

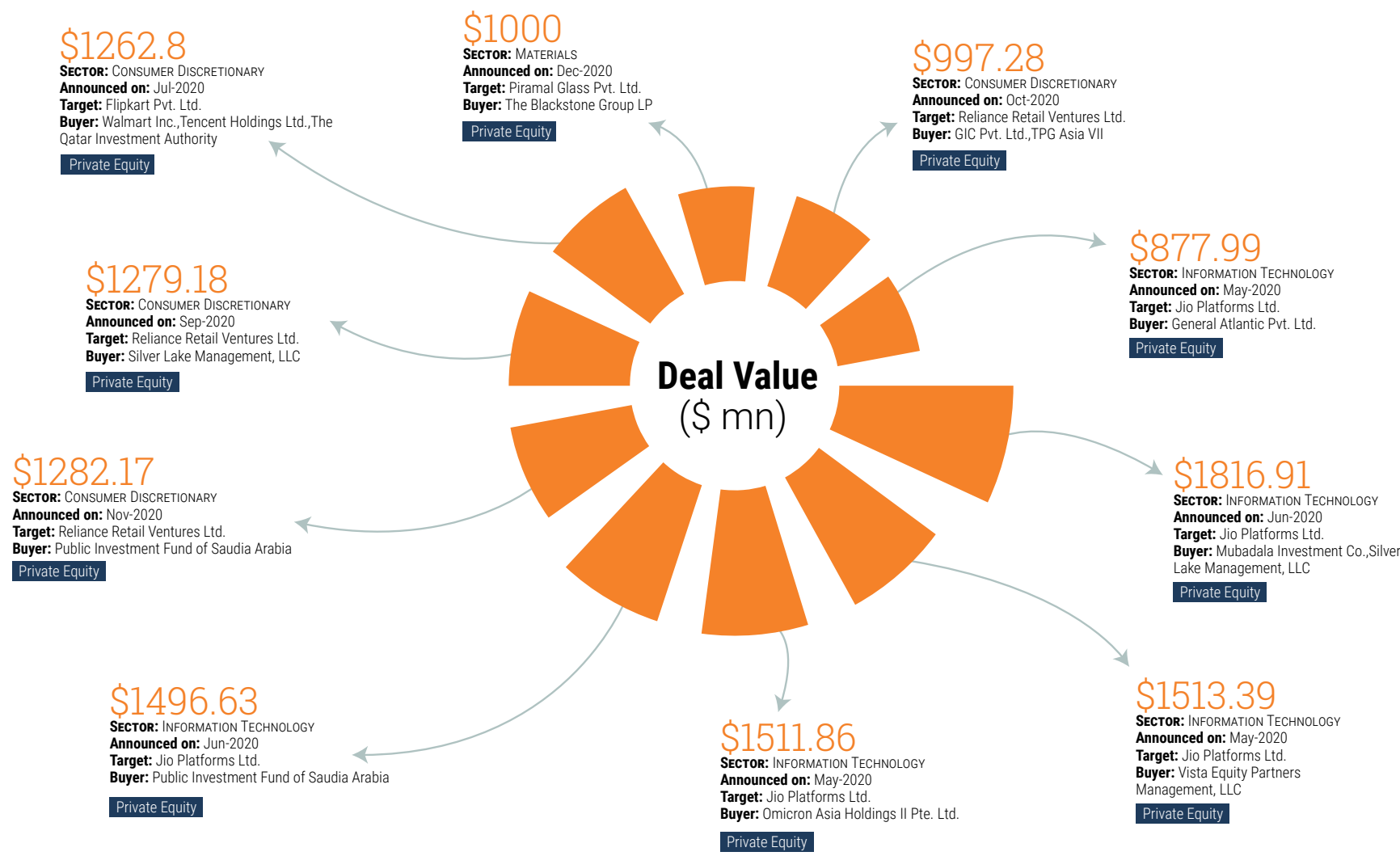


Sector Summary- By Value (\$ mn)

In 2020, Information Technology stole the limelight by contributing 47.67% across all the sectors. In terms of value, Consumer Discretionary came second with \$10.43 billion, followed by Financials, Health Care, and Materials with \$3.63 billion, \$2.37 billion and \$1.65 billion respectively.



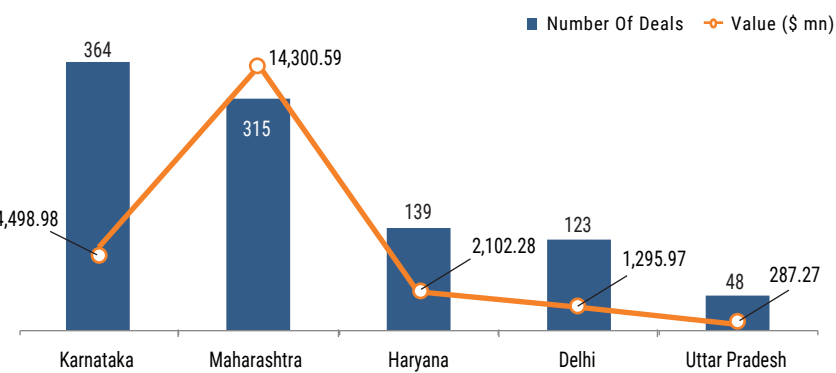
Key PE Deals of 2020



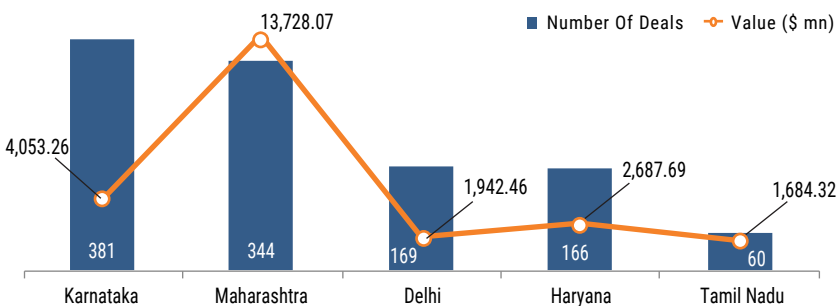
Regional Analysis

Top 5 States 2020

The top 5 states that witnessed maximum PE activity are Karnataka, Maharashtra, Haryana, Delhi and Uttar Pradesh, with Haryana replacing Delhi from the 2019 line-up.

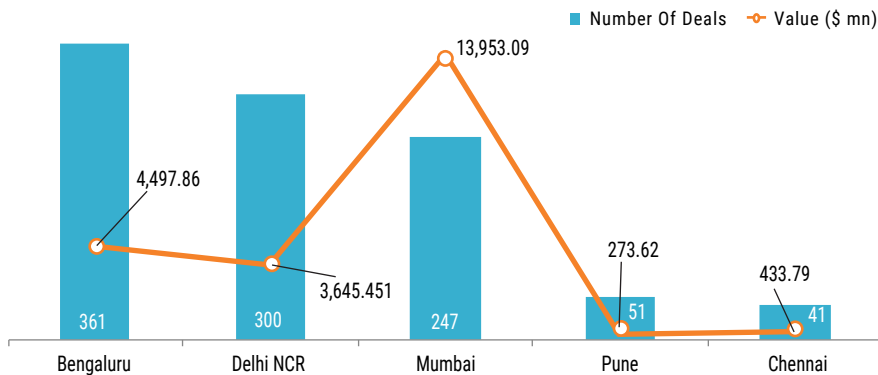


Top 5 States 2019

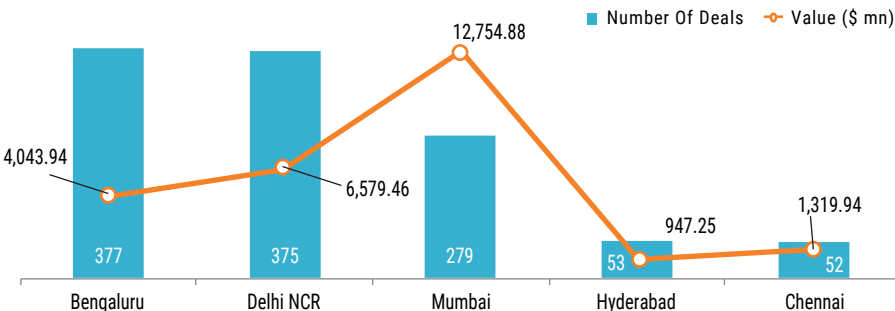


Top 5 Cities 2020

The line-up of top 5 cities witnessing maximum PE activity remains the same as 2019, with just Hyderabad switching position with Pune.



Top 5 Cities 2019





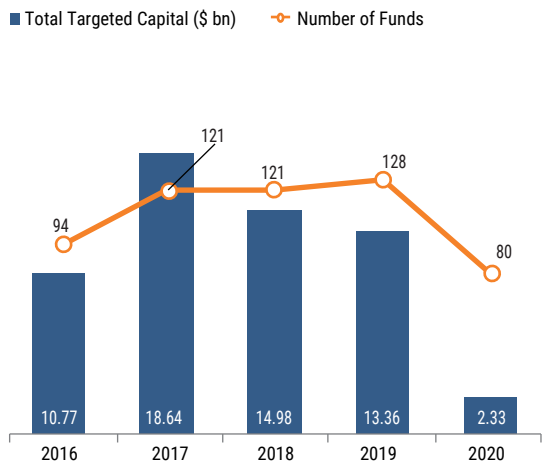
**PRIVATE
EQUITY
FUNDS**

Funds Launched

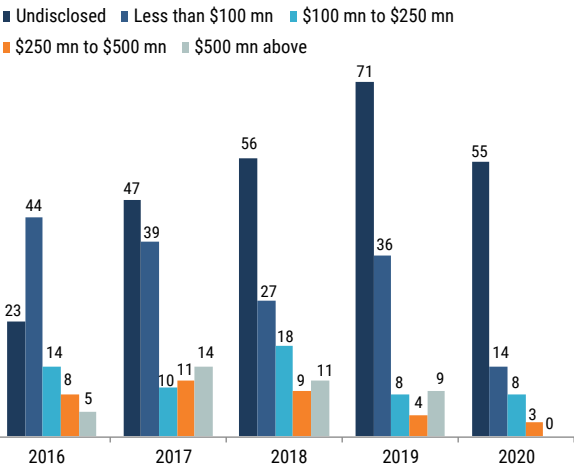
The year demonstrated to be tough for PE and VC fund managers by virtue of unfortunate events of slowdown and COVID-19 gravely impacting fund-raising. The year 2020 saw the launch of only 80 new India dedicated funds targeting a total of \$2.33 billion as against 128 targeting \$13.36 billion in 2019. The quantum of funds launched this year was down by 37.5%. The targeted capital also recorded an intense drop of almost 83% on a Y-o-Y basis.

The year recorded 11 funds having a target size of \$100 million and above, and 69 sub \$100 million funds. For the first time in the last five years, there was no new fund crossing the \$500 million mark. The largest fund launched in 2020 was that of Elevation Capital (previously SAIF Partners) seen targeting and raising \$400 million for its seventh fund.

Funds Launched Overview - Yearwise Split



Funds Launched Split By Fund Size



Top Funds Launched - 2020

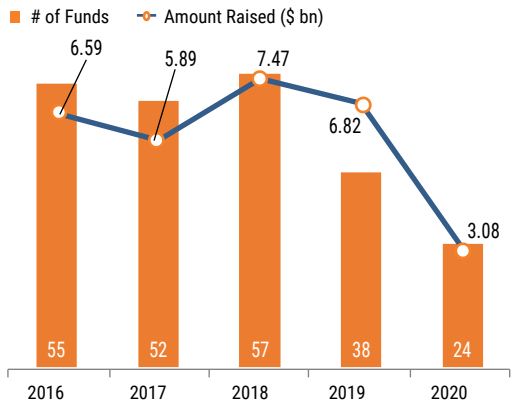
| FUND NAME | ASSET MANAGER | TARGET SIZE (\$ mn) | AREA OF INTEREST |
|----------------------------------------------|-----------------------------------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Elevation Capital India VII Ltd. | Elevation Capital | 400 | Education, ,IT/ITES/BPO/KPO,Banking & Financial Services, Technology, Consumer |
| Piramal Structured Credit Opportunities Fund | Piramal Fund Management Pvt. Ltd. | 300 | Consumer Durables,Pharma,Healthcare,Logistics,Manufacturing |
| Lightspeed India Partners III, LLC | Lightspeed Management Company LLC | 275 | IT/ITES/BPO/KPO |
| Stellaris Venture Partners India Fund II | Stellaris Venture Partners | 160 | Banking & Financial Services, Education,Healthcare, Logistics, Technology |
| Uttar Pradesh Startup Fund | SIDBI Venture Capital Ltd. | 133 | - |
| Sixth Sense India Opportunities-III Fund | Sixth Sense Ventures Advisors LLP | 120 | Consumer Durables |
| Neev II Fund | SBICAP Ventures Ltd. | 118 | Infrastructure |
| IE Venture Fund I | Info Edge Venture | 104 | IT/ITES/BPO/KPO,Technology |
| IIFL Equity Opportunities Fund of funds | IIFL Asset Management Ltd. | 102 | Technology,Banking & Financial Services,Education,Healthcare |
| 3one4 Capital Fund III | 3one4 Capital Advisors LLP | 100 | Agriculture and Ancillary Industries,IT/ITES/BPO/KPO,Banking & Financial Services,Logistics,Food & Beverage (F&B),Media,Healthcare,Technology |

Funds Raised

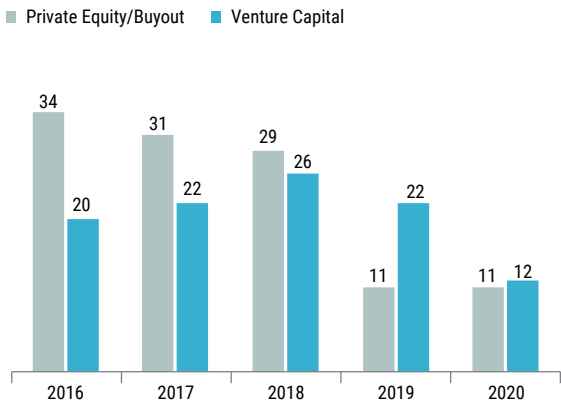
In 2020, only 24 funds were raised recording a drop of 37% in the number of funds. In terms of value, it witnessed a drop of almost 55% with only \$3.08 billion being raised. The fund-raising therefore, both in terms of the number of funds raised and the amount raised is the lowest recorded in the last five years.

Among the total number of funds raised, PE Funds count is exactly the same as in 2019 with 11 PE funds raised this year whereas VC Funds saw a dip of 45% with only 12 VC funds raised this year against 22 in the last year. The top 5 funds raised this year accounted for almost 83% of the total raised capital with two funds crossing the \$500 million mark. The largest fund-raised this year was of Edelweiss seen marking the final close of its third fund, Edelweiss Special Opportunities Fund III, at \$900 million in October. The second-largest fund-raising is from Nalanda Capital raised \$728 million through its Nalanda India Equity Fund in May.

Funds Raised Overview - Yearwise Split



Number of Funds Raised By Fund Type



Top Funds Raised - 2020

| FUND NAME | Fund Status | Fund Size (\$ mn) | AMOUNT RAISED (\$ mn) | Asset Manager | Year Launched |
|---------------------------------------------|-------------|-------------------|-----------------------|--------------------------------------------------|---------------|
| Edelweiss Special Opportunities Fund III | Final Close | 1,000 | 900 | Edelweiss Alternative Asset Advisors Ltd. | Mar-2019 |
| Nalanda India Equity Fund Ltd. | Final Close | 1,895 | 728 | Nalanda Capital India Advisors Pvt. Ltd. | Apr-2011 |
| Elevation Capital India VII Ltd. | Final Close | 400 | 400 | Elevation Capital | Oct-2020 |
| Lightspeed India Partners III, LLC | Final Close | 275 | 275 | Lightspeed Management Company LLC | Jun-2020 |
| National Investment and Infrastructure Fund | Final Close | 2,100 | 240 | National Investment and Infrastructure Fund Ltd. | Feb-2015 |
| Falcon Edge India I LP | Final Close | 150 | 90 | Falcon Edge Capital LP | Jan-2018 |
| Healthquad Fund II | First Close | 73.5 | 69 | HealthQuad Advisors Pvt. Ltd. | Apr-2019 |
| Blue Ashva Sampada Fund | First Close | 84.6 | 61 | Blue Ashva Capital | Dec-2019 |
| Iron Pillar India Fund I | Final Close | 145 | 45 | Iron Pillar Capital Management Ltd. | Aug-2016 |
| 3one4 Capital Fund III | First Close | 100 | 40 | 3one4 Capital Advisors LLP | Sep-2020 |

PRIVATE EQUITY EXITS



Private Equity Exits - Overview

In CY 2020, Private Equity Exits witnessed a drastic downfall. The year saw 136 exits worth \$4.07 billion, recording a five-year low both in terms of volume and value. The value decreased from \$6.62 billion to \$4.07 billion, while the number decreased from 174 to 136 exits. This decline is a consequence of downfall in the Indian economy due to

the COVID-19 pandemic since investors are not getting expected returns.

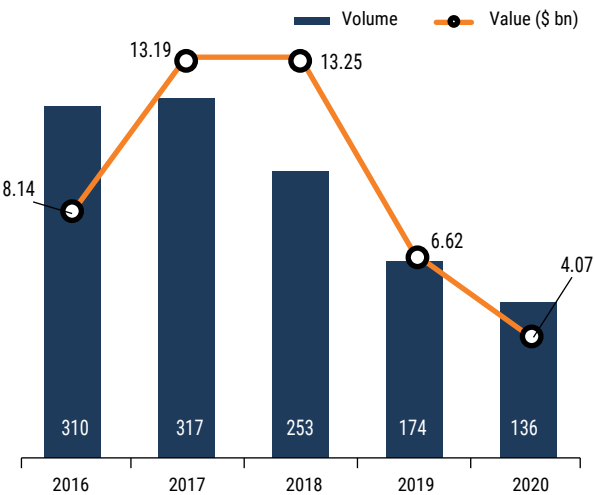
The biggest exit includes the sale of a stake in SBI Cards and Payment Services by State Bank of India and Carlyle Asia Partners IV L.P. for \$981.05 million. This was followed by Blackstone selling its stake in

Embassy Office Parks REIT for \$300.56 million.

In another big-ticket deal, Blackstone sold its stake in EPL Ltd., and Providence Equity Partners sold its stake in Bharti Infratel Ltd. In all, the top ten exits contributed to 64% of the total exit value.

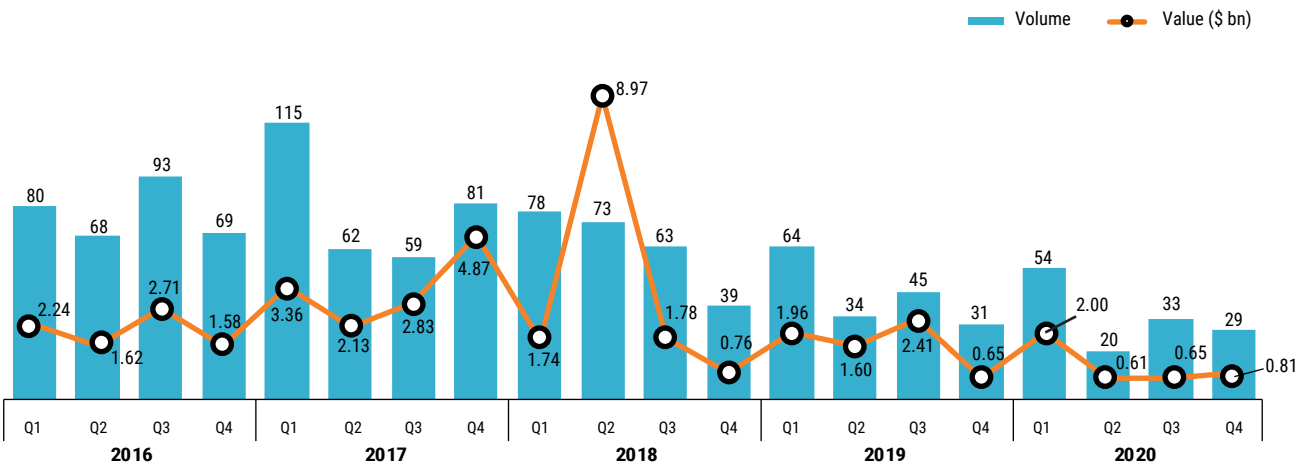
PE Exits Overview - Yearwise Split

Exits value went through the worst state in 2020, lowest in five years in a row.



PE Exits Overview - Quarterwise Split

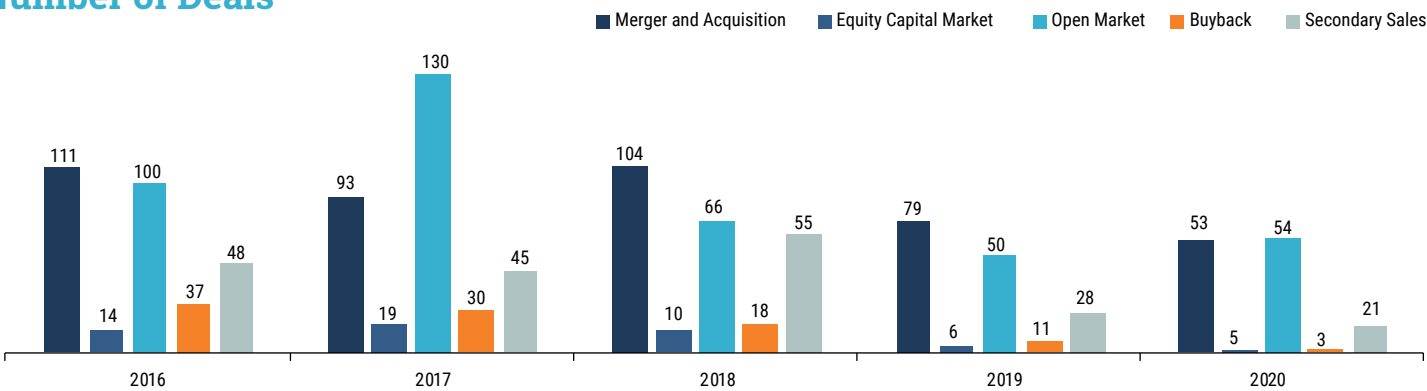
Q1 2020 started off with a dull performance in exit activity on a Q-o-Q basis. All four quarters of 2020 have seen a downward slope when compared to 2019.



Breakdown of Private Equity Exits

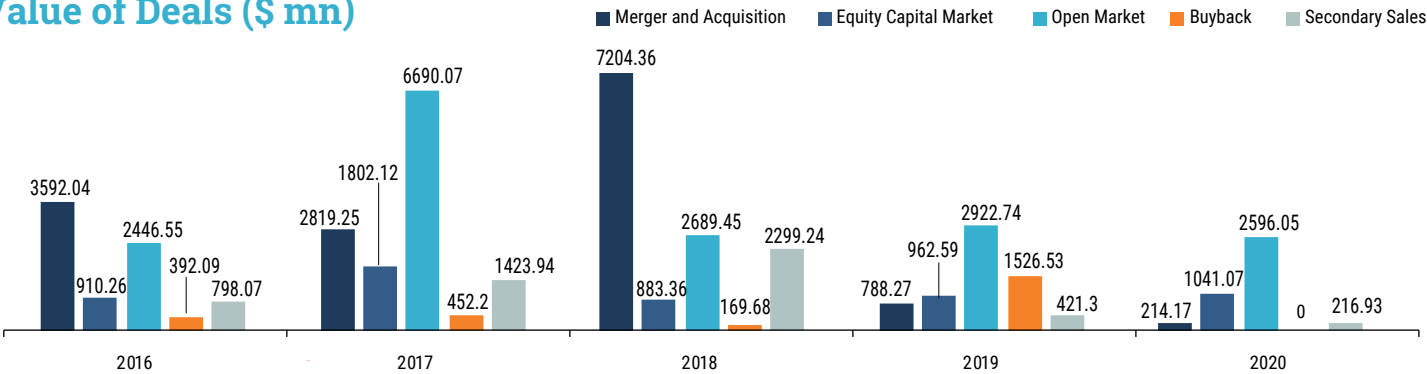
PE Exits Deal Type Split – Number of Deals

Open Market route was the preferred route for private equity investors to unlock their investments. This was followed by mergers and acquisitions and secondary sales. Here, M&A contributed to 39% while Open Market and Secondary Sales contributed to 39.70% and 15.44% of the deal activity, respectively.



PE Exits Deal Type Split – Value of Deals (\$ mn)

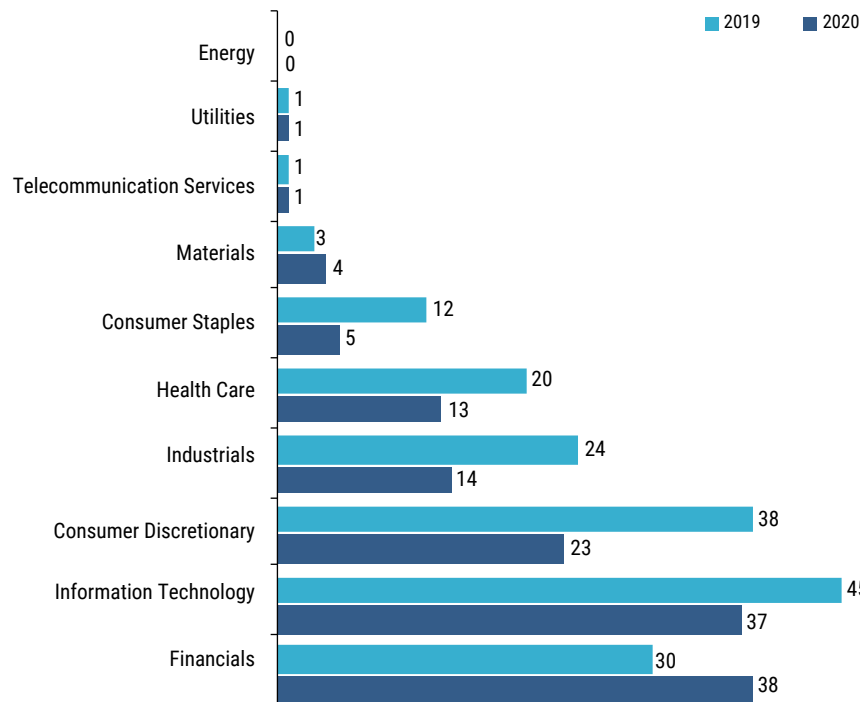
In terms of value, open market exits were the highest contributor to the exit value. It contributed to 63.81% worth \$2.6 billion and was followed by ECM deals.



Sector Analysis

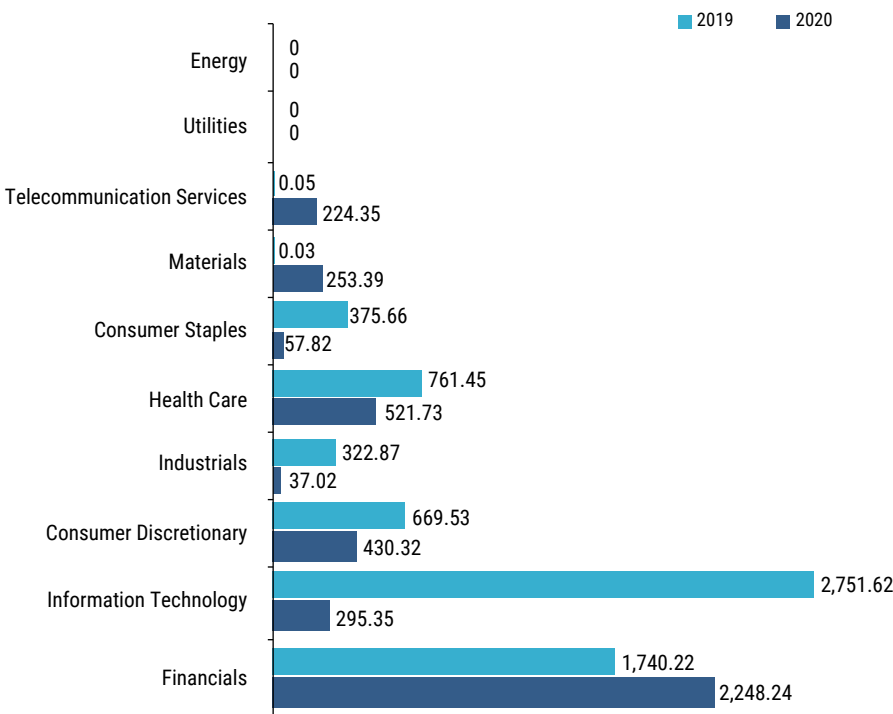
Exits Sector Summary – Number of Deals

This year witnessed the Financials sector take the top position in terms of the number of exit deals. The exits stood at 38 deals for \$2.25 billion, registering a rise of 27% on a Y-o-Y basis. This was followed by Information Technology at 37 exits worth \$295.35 million. The other sectors that witnessed significant exit activity during the year were Consumer Discretionary (23 deals), Industrials (14 deals), and Healthcare (13 deals).

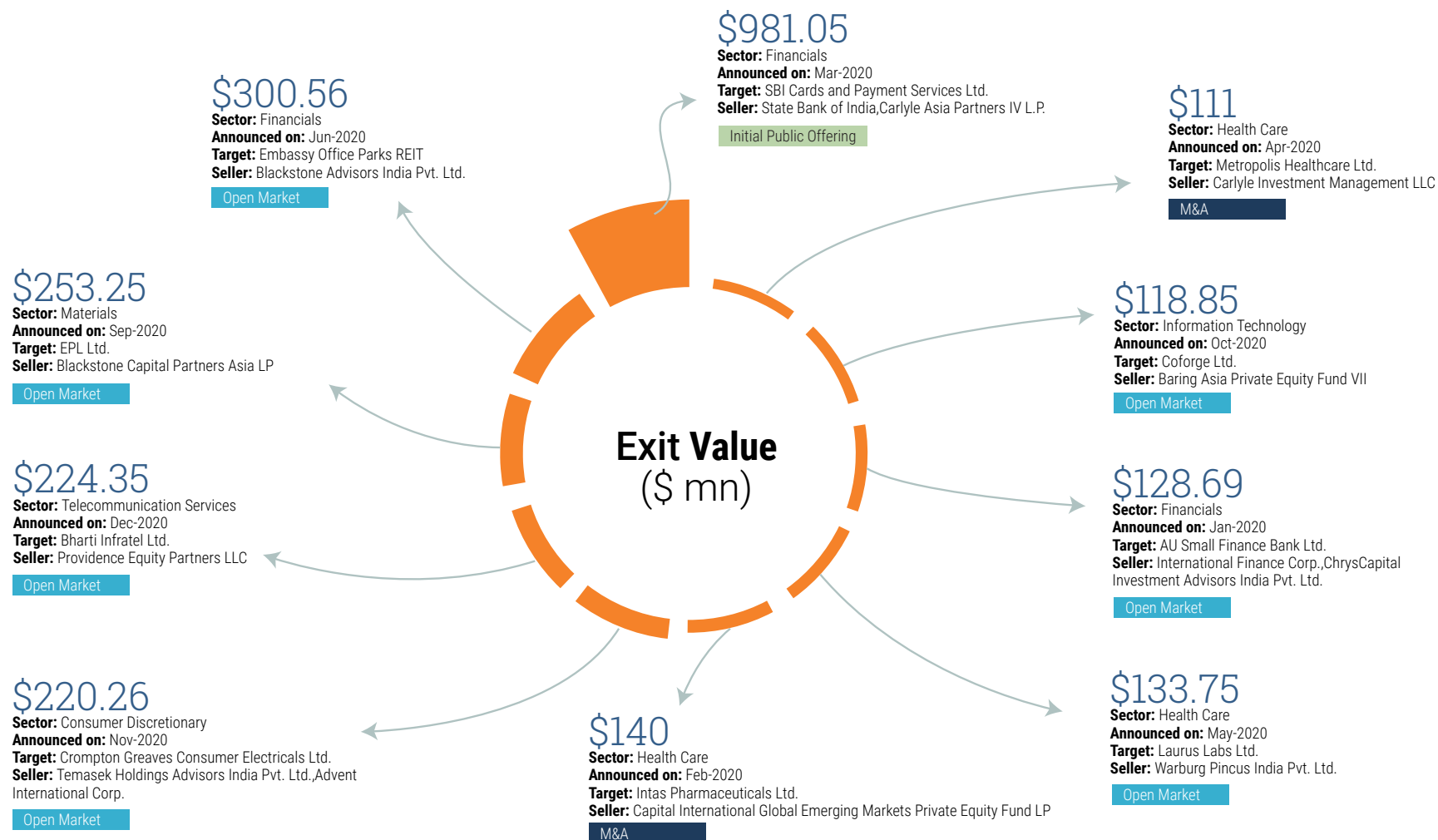


Exits Sector Summary – Value of Deals (\$ mn)

Financials saw the maximum exit value at \$2.25 billion, a 29.19% increase on a Y-o-Y basis. This was followed by Health Care, Consumer Discretionary, Information Technology, Materials, Telecommunication Services, Consumer Staples and Industrials at \$521.73 million, \$430.32 million, \$295.35 million, \$253.39 million, \$224.35 million, \$57.82 million and \$37.02 million respectively.



Key Exits of 2020





MERGERS & ACQUISITIONS

Mergers & Acquisitions – Overview

The year was not favourable for M&A deal activity with visible effects of COVID-19. M&A Deal volume continuously decreased and the 2020 figure was at a five-year low. The volume of transactions dropped by 27.40%, from 934 to 678 compared to last year. But the deal value increased by 18.79%, from \$37.77 billion to \$44.87 billion. This is the third-highest figure in the last 5 years because of the few multi-billion-dollar deals that happened this year. Inbound deals slashed in volume terms but went up in terms of value. This year recorded 93

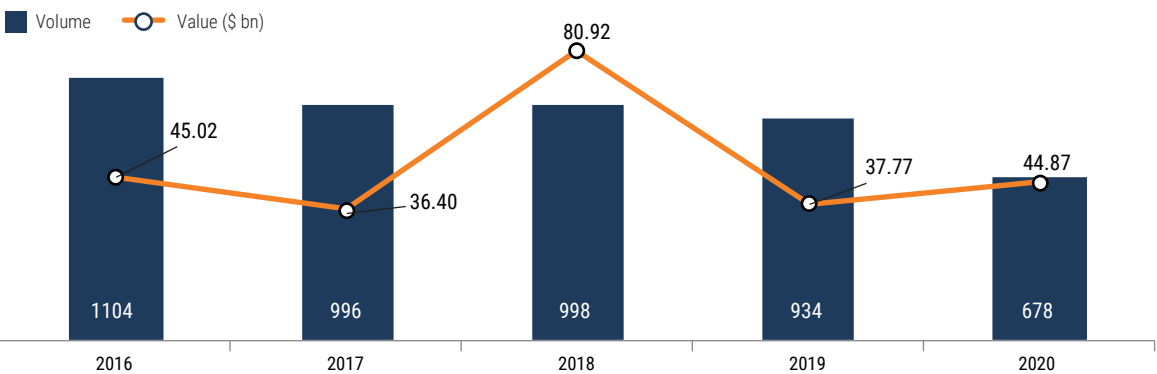
Inbound deals compared to 151 deals last year. But as per deal value, the inbound deals bumped up by 15.37% to \$13.99 billion against \$12.12 billion last year. A significant increase in Outbound deals with deal value. This represents an 81% increase to \$3.86 billion compared to \$2.13 billion last year. Domestic M&A deals by deal volume witnessed a downward slope due to this COVID-19 pandemic. This year M&A deals were dominated by the Information Technology sector by both deal value and volume. The Information Technology sector witnessed the highest number of M&A deals at a deal value of \$13.23 billion; it constituted for 29% of the overall deal value in the year. The largest M&A deals of 2020 were those of Facebook Inc. and Jio Platforms Ltd.. Despite the impact of COVID-19,

Reliance Jio Platforms raised \$5.7 billion from the online social media and social networking service platform, Facebook. The synergy between Jio and Facebook would help realize Prime Minister Shri Narendra Modi's 'Digital India' Mission with its two ambitious goals 'Ease of Living' and 'Ease of Doing Business' for every category of Indian citizens without exception. As a part of the transaction, Jio Platforms, Reliance Retail Ltd. and WhatsApp have also entered into a commercial partnership agreement to further accelerate Reliance Retail's New Commerce business on the JioMart platform using WhatsApp and to support small businesses on WhatsApp.

Another major deal was seen in the same target company but invested in by a different buyer. This second-largest deal of \$4.45 billion was made by Google LLC in Jio Platforms Ltd. for 7.73% stake. The Google-Jio deal would seek to leverage Jio and Google's existing digital services to capture the emerging digitisation market beyond the current 500 million internet users in India. Jio Platforms and Google have also entered into a commercial agreement to jointly develop an entry-level affordable smartphone with optimizations to the Android operating system and the Play Store. The transaction also enables Google and Jio Platforms to develop and launch a new smartphone in India.

The third-largest deal was Reliance Retail and Fashion acquired Kishore Biyani-led Future Group's retail, wholesale, logistics, and warehousing businesses of Future Enterprises Ltd. for \$3.34 billion. The acquisition made a strong strategic fit into Reliance's retail business and also strengthened the position of Reliance's retail unit.

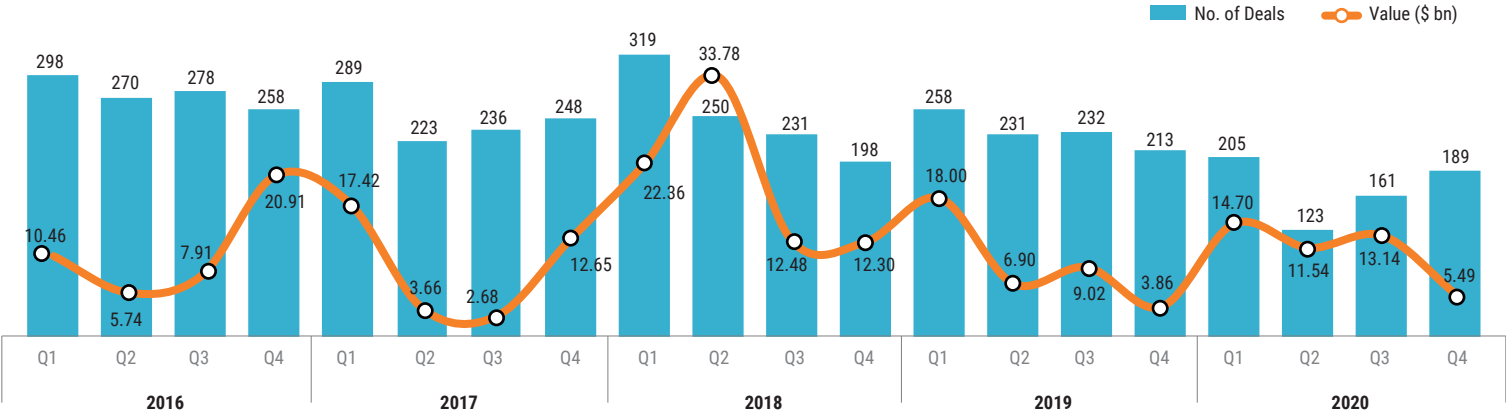
M&A Overview - Yearwise Split



Deal Type Analysis

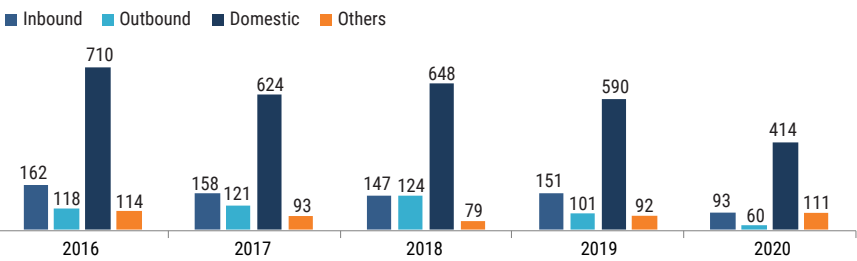
M&A Overview - Quarterwise Split

Heading into 2020, M&A activity declined from 2019 levels by deal volume. However, the deal value recorded the highest increase by 67%, 46%, and 42% in Q2, Q3, and Q4 of 2020 versus the same quarter in 2019.



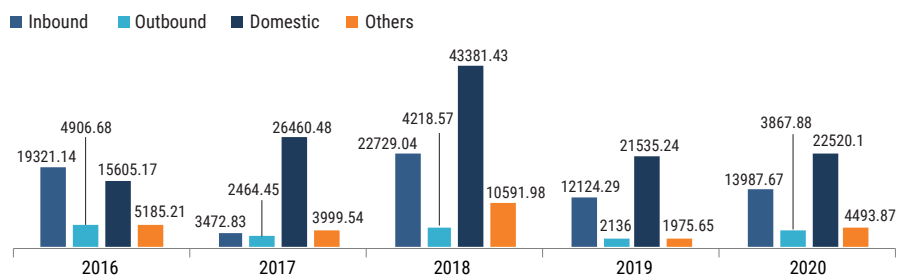
M&A Deal Type Split - Number of Deals

This year Inbound, Outbound and Domestic deals fell sharply to 93, 60 and 414 from 151, 101, and 590 deals respectively when compared to 2019. Inbound and Outbound deals witnessed a drop of 38% and 41% respectively in 2020. The number of Inbound, Outbound and Domestic deals recorded a five-year low.



M&A Deal Type Split – Value of Deals \$mn

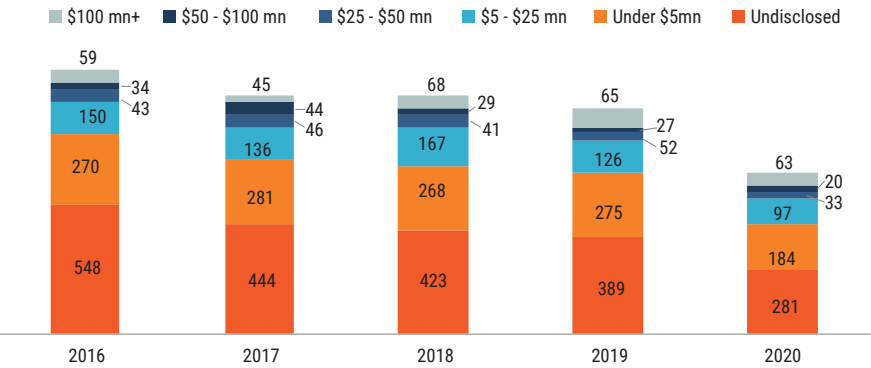
In terms of deal value, Inbound deals rose by 15.37% to \$13.99 billion, Outbound deals increased by 81% to \$3.87 billion and Domestic deals increased slightly by 4.57% to \$22.52 billion from 2019.



Deal Type Analysis

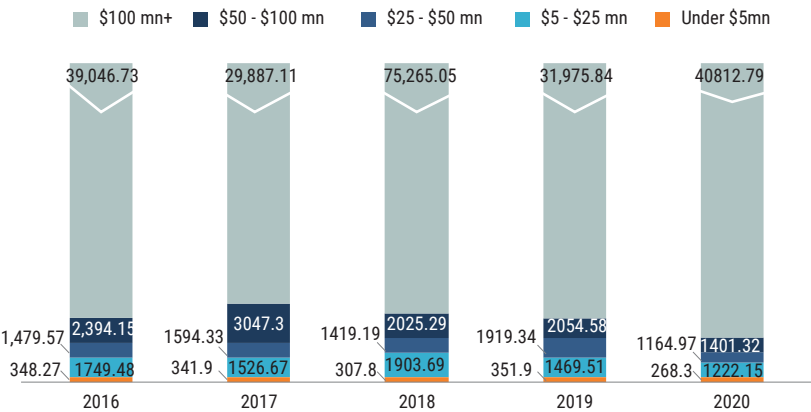
M&A Deals Split By Transaction Size

Amongst all the deal sizes the graph was going downward when compared to last year. Big-ticket deals accounted for only 9.3% of total deal activity while a significant 27% was contributed by small-ticket deals of under \$5 million.

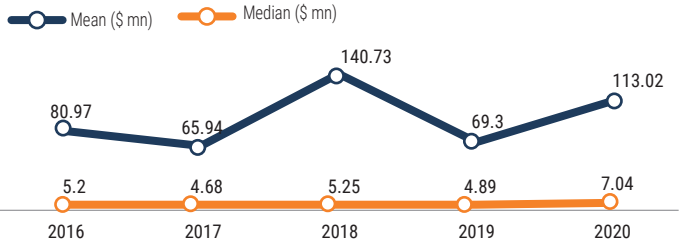


Total M&A by Deal Size (\$ mn)

The total \$100 million + M&A deal value stood at \$40.81 billion, which is 91% of the total deal value this year.



Mean and Median Deal Size Overview

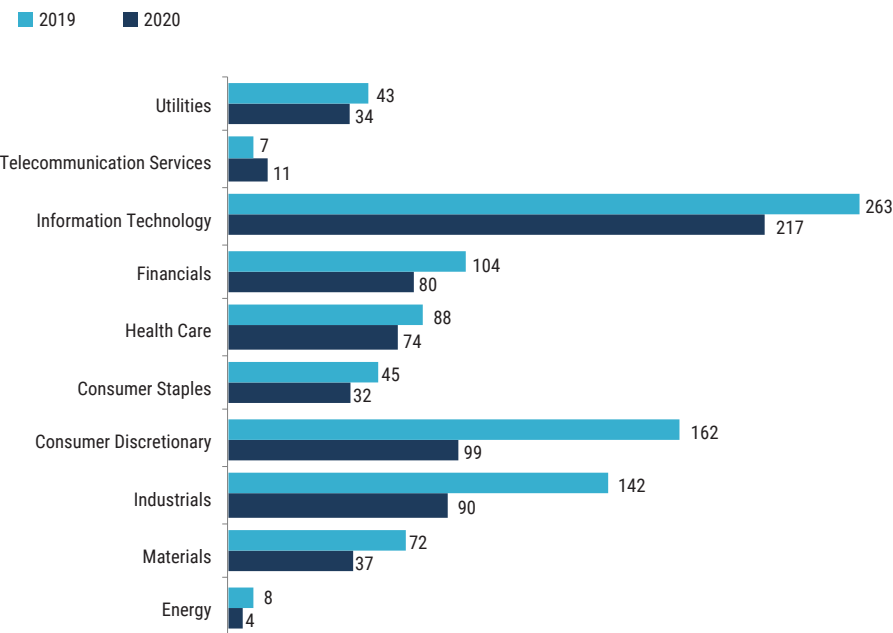


This year witnessed a five-year record high in the deal size of the median value at \$7.04 million and the mean value also saw an increase of 63% in value to \$113.02 million as compared to \$69.3 million last year.

Sector Analysis

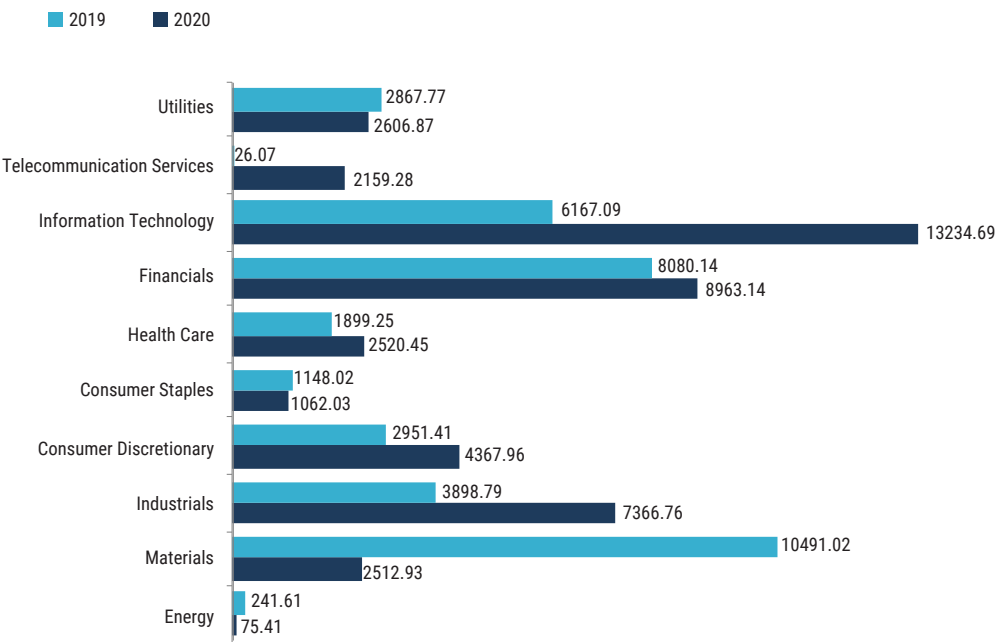
Sector Analysis, Number of Deals

Information Technology recorded the highest number of deals at 217 representing 32% of the total 678 deals. This was followed by Consumer Discretionary and Industrials sectors with the deal volume at 99 and 90 deals respectively. Deal volume across all sectors decreased by 38% from 2019.

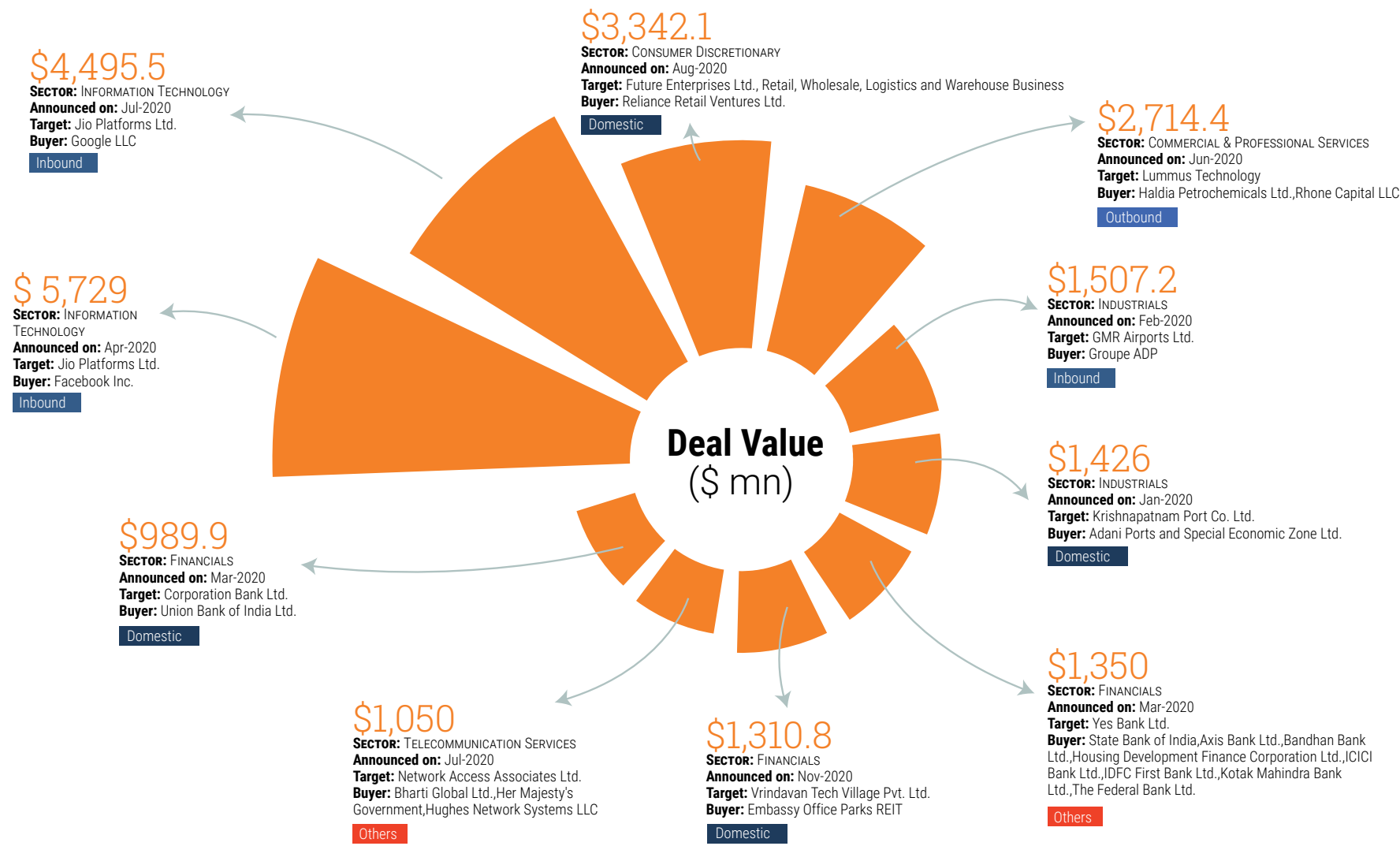


Sector Analysis, Value of Deals (\$ mn)

Despite COVID-19 impact, deal value across all the sectors recorded a jump of 19% from \$37.77 billion in 2019 to \$44.87 billion in 2020. Information Technology witnessed an increase of 2.15x from \$6.17 billion to \$13.23 billion this year. Big deals are happening in the Information Technology sector.



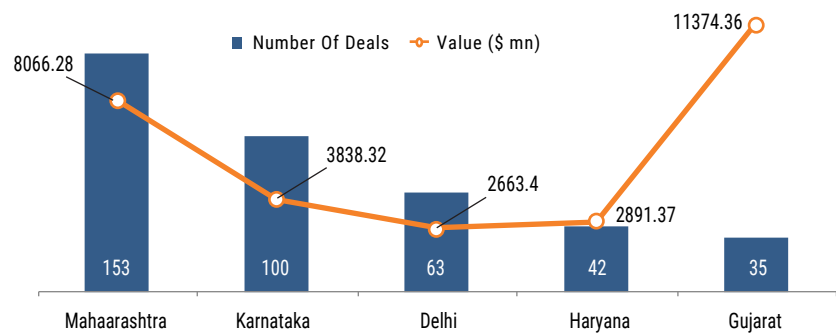
Key M&A Deals of 2020



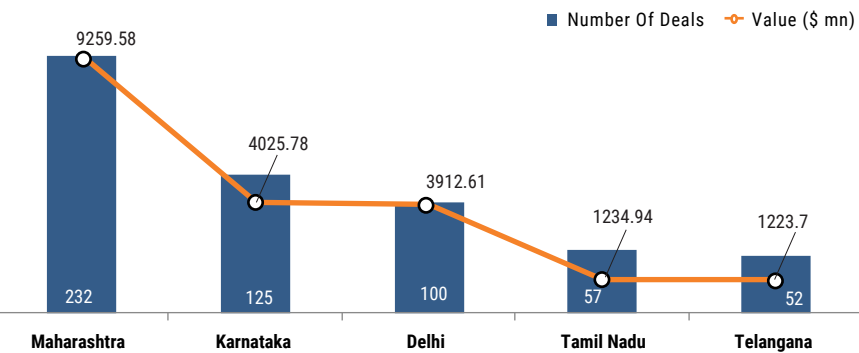
Regional Analysis

Top 5 States 2020

Maharashtra led the deal volume section with 153 deals, whereas in terms of deal value Gujarat topped with \$11.37 billion followed by Maharashtra with \$8.07 billion. Haryana and Gujarat were the new top states in 2020, knocking off Tamil Nadu and Telangana in the race of top 5 states.

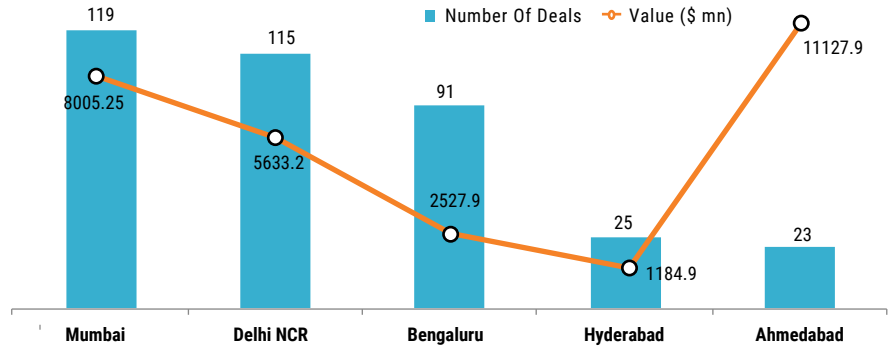


Top 5 States 2019

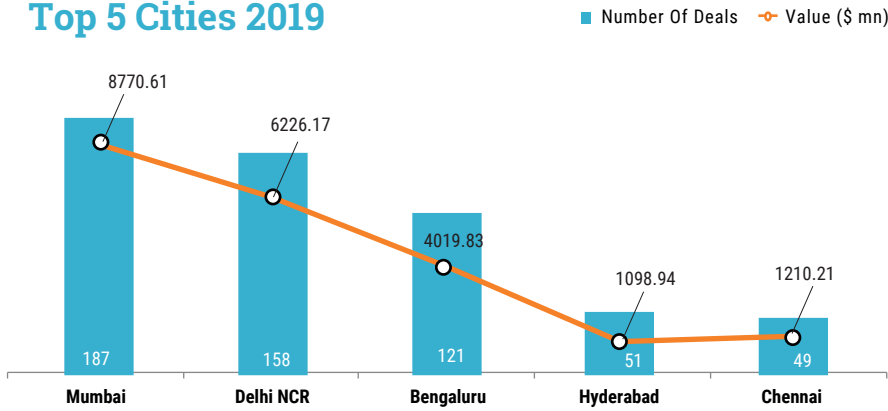


Top 5 Cities 2020

Mumbai and Delhi NCR topped the chart in terms of volume this year. Mumbai and Delhi saw 119 and 115 deals compared to 187 and 158 deals of last year. This year Ahmedabad is the new competitor in the place of Chennai with a deal value of \$11.13 billion.



Top 5 Cities 2019





EQUITY CAPITAL MARKET

Equity Capital Markets – Overview

Equity Capital Market (ECM) deals constituting IPOs, Follow on Offerings, Rights Issue, Qualified Institutional Placements (QIPs) and Institutional Placements increased significantly in terms of both deal value and volume. In 2020, overall ECM deals by deal volume increased by 8% to 70 deals compared to 65 deals last year and the amount of capital raised increased by 2.4x to \$26.84 billion from \$11.02 billion last year. Despite the COVID-19 pandemic, 2020 managed to achieve 70 deals amounting to \$26.84 billion.

Q3 2020 recorded the highest number of deals as well as value. It recorded 27 deals amounting to \$10.38 billion

compared to 5 deals amounting to \$8.20 billion in Q2 2020.

2020 has been a year for Qualified Institutional Placement both in terms of deal volume and deal value. Rights issue activities recorded an increase of 5.6x to 17 deals in 2020 compared to 3 deals in 2019. IPOs, Follow on Offerings, Rights Issue and Qualified Institutional Placements (QIPs) by deal value increased significantly in 2020.

Financials attracted the maximum attention from investors. The Financial sector witnessed maximum ECM activity in 2020 with 23 deals amounting to \$13.73

billion followed by the Consumer Discretionary and Industrials sector.

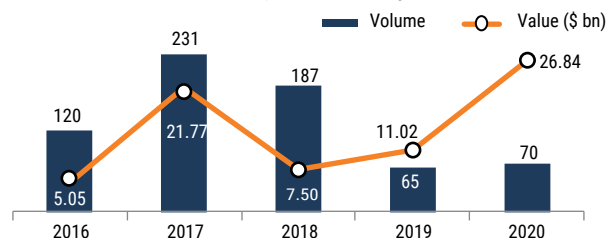
The top deal of the year was that of Reliance Industries Ltd. They raised \$7.10 billion through Rights Issue by the issue of 422,626,894 Equity Shares at a price of INR 1,257 each.

Yes Bank Ltd. raised \$2.01 billion through Follow-On Offering, standing second in line.

The third top deal was that of ICICI Bank Ltd. wherein they raised capital worth \$2 billion through Qualified Institutional Placement.

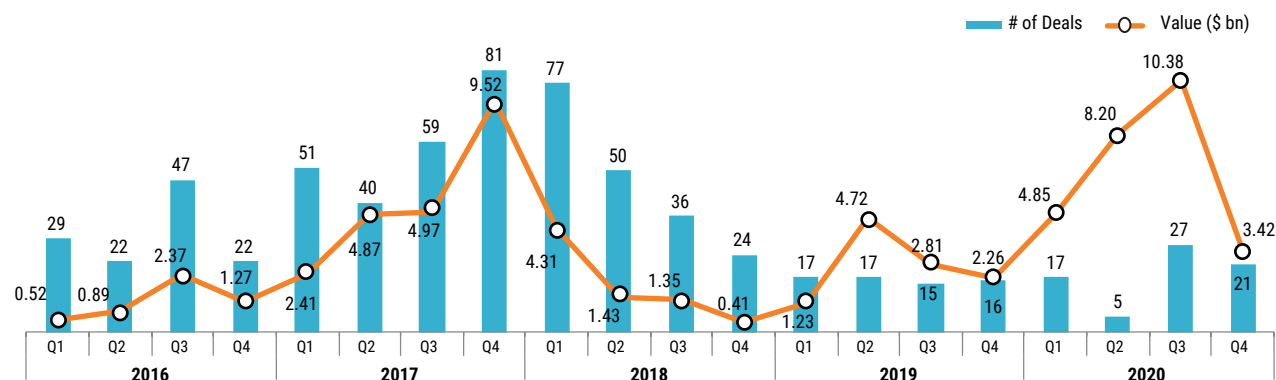
ECM Overview - Yearwise Split

ECM deal activity significantly increased by deal volume and saw the highest level of deal value in 2020. In spite of the pandemic induced lockdown and economic slowdown, ECM deal activity rose 8% by deal numbers (70 deals) and 2.4x by proceeds (\$26.84 billion) compared to 2019. 2020 recorded a deal value of \$26.84 billion, the highest in five years.



ECM Overview - Quarterwise Split

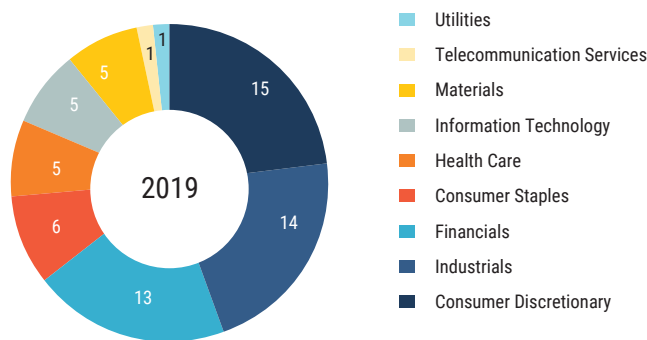
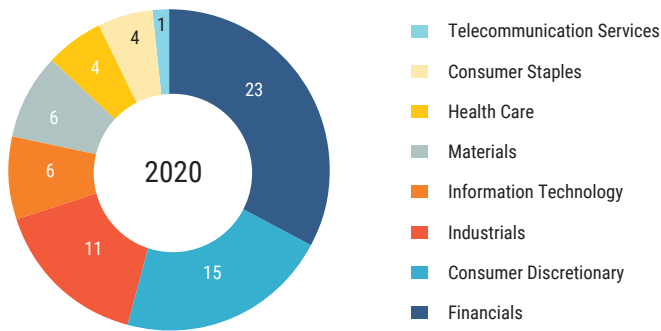
In 2020, Q2 was the worst period for ECM by deal volume, whereas Q3 saw the highest deal value compared to the last five years but it drastically decreased in Q4.



Sector Analysis

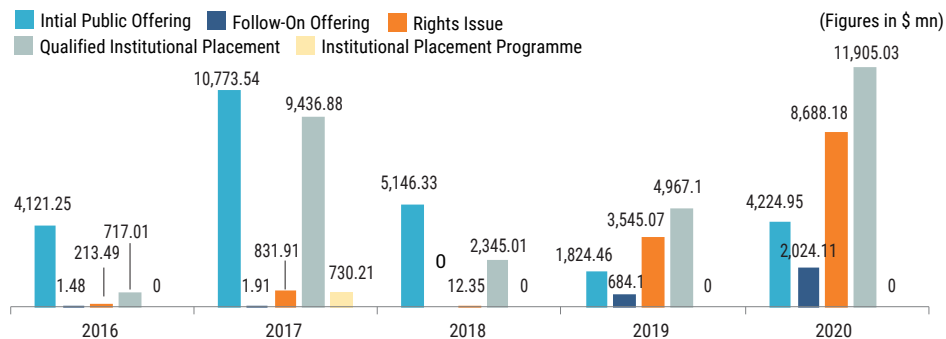
Equity Capital Market - Sectoral Summary

Financial sector made news this year for attracting one of the largest sector for ECM in India. This sector topped the chart with the highest 23 deals and deal value of \$13.73 billion followed by Consumer Discretionary and Industrials sector with 15 and 11 deals respectively.



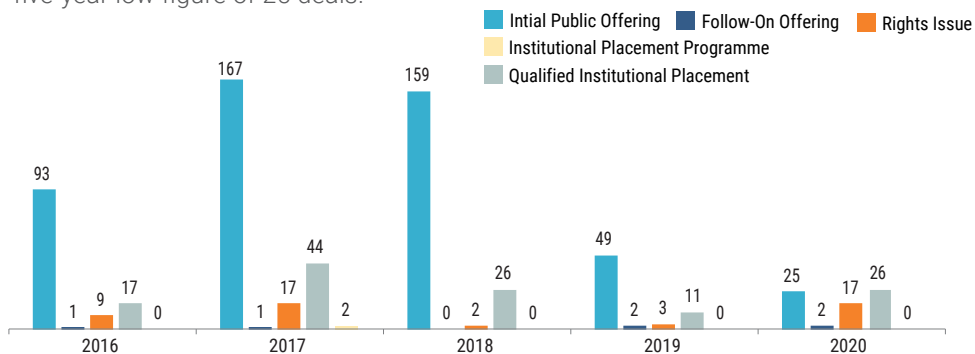
Equity Capital Market Breakdown – Value of Deals

The 5 years highest deal value achieved by Qualified Institutional Placement activity. The QIP recorded \$11.91 billion deal value which is 44% of the total ECM deal value.













Equity Capital Market Breakdown – Number of Deals

Qualified Institutional Placement (QIP) outperforms all ECM deals with 26 deals representing 37% of the overall ECM deal activity. IPO activity saw a continuous five-year low figure of 25 deals.



Top 10 ECM Closed - 2020

Equity Capital Market

| Date | Target | Offering Type | Offering Size (\$ mn) | Sector |
|---------------|----------------------------------------------|-----------------------------------|----------------------------------------------------------------------------------------------|----------------------------|
| June-2020 | Reliance Industries Ltd. | Rights Issue |  7,101.97 | Industrials |
| July-2020 | Yes Bank Ltd. | Follow-On Offering |  2,012.61 | Financials |
| August-2020 | ICICI Bank Ltd. | Qualified Institutional Placement |  2,000.00 | Financials |
| January-2020 | Bharti Airtel Ltd. | Qualified Institutional Placement |  1,999.71 | Telecommunication Services |
| August-2020 | Housing Development Finance Corporation Ltd. | Qualified Institutional Placement |  1,865.98 | Financials |
| March-2020 | SBI Cards and Payment Services Ltd. | Initial Public Offering |  1,443.16 | Financials |
| August-2020 | Axis Bank Ltd. | Qualified Institutional Placement |  1,334.88 | Financials |
| May-2020 | Kotak Mahindra Bank Ltd. | Qualified Institutional Placement |  984.58 | Financials |
| November-2020 | Gland Pharma Ltd. | Initial Public Offering |  865.98 | Health Care |
| August-2020 | Mindspace Business Parks REIT | Initial Public Offering |  629.04 | Health Care |

GLOSSARY

Placements

Placement deals include Private Equity Investments through QIPs, Open Market & Private Investment in Public Equity (PIPE deals).

Big-ticket Deals

Big-ticket deals refers to the deal with an investment size of \$100 million and above.

Materials

Material sector covers chemicals used in different segments, construction materials, containers & packaging, metals & mining, and paper & forest products.

Consumer Discretionary

Consumer Discretionary sector includes automobiles & components, consumer durables & apparel, consumer services, media and retailing (offline/online).

Consumer Staples

Consumer Staples sector contains food & staples retailing, food, beverage & tobacco, and household & personal products.

Healthcare

Healthcare incorporates healthcare equipment & services, and pharmaceuticals, biotechnology & life sciences.

Financials

Financial sector includes banks, diversified financials, insurance, and real estate.

Information Technology (IT)

IT comprises software & services, technology hardware & equipment, and semiconductors & semiconductor Equipment.

Telecommunication Services

It includes both diversified and wireless telecommunication services.

Utilities

Utility encompasses electric, gas, water & multi-utilities and independent power producers & energy traders as well.

Industrials

Industrial sector contains all the capital goods, Commercial & Professional Services, and Transportation (air freight & logistics, airlines, marines, road & rail, infrastructure).

Energy

Energy sector consists of energy equipment & services, and oil, gas & consumable fuels.

Abbreviations

PE - Private Equity

VC - Venture Capital

M&A - Mergers & Acquisition

ECM - Equity Capital Market

IPO - Initial Public Offering

Follow-On - Follow-On Offerings

QIPs - Qualified Institutional Placement

IPPs - Institutional Placement Programme

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