



Deal Advisory Services

Cognitive approach to maximise business value

mazars

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Introduction

Whether you are an acquirer, vendor or financial sponsor within the context of a deal, Mazars in India offers a comprehensive suite of services for seamless transaction experiences.

Mergers and Acquisitions has a critical role to play for businesses, their shareholders and entire ecosystem:



Boost growth



Accelerate transformation

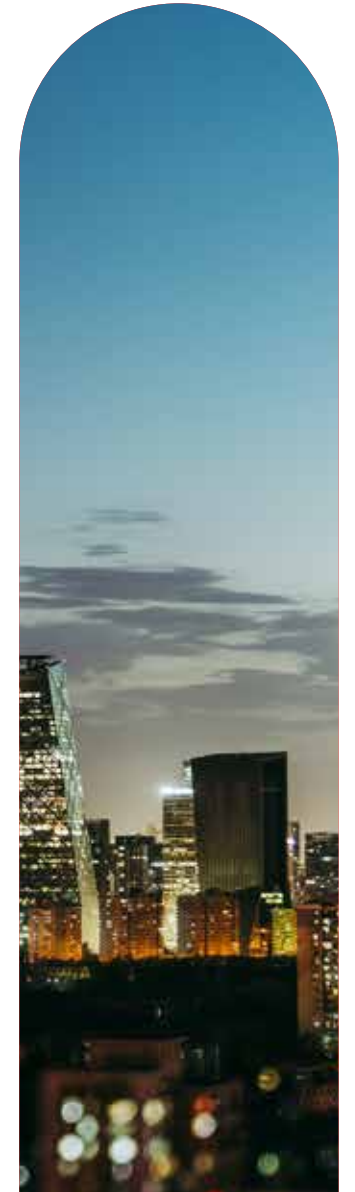


Unlock shareholder value



Competitive positioning

Our team of experts offer support with deal sourcing, corporate finance, due diligence, valuations, and post-deal integration. Using insight drawn from our international experience, augmented with industry knowledge and jurisdiction-specific expertise, we are committed to supporting you through every stage of the deal process.



Our approach

We keep a pragmatic and solution-driven approach with a focus on strategic rationale for the transaction. Our services assist in cognitive decision making and seamless closure of transactions.

The scope of our services is broad and varied, but our approach is always the same:



We take the time to understand your organisation to ensure a personal, pragmatic, and productive approach.



We are relentlessly focused on helping you maximise value and achieve your objectives.



We provide practical advice to help you make key business decisions with clarity and confidence.

Transaction Advisory Services

We act as lead advisor and project manager in deal conceptualisation through transaction closure, post-transaction support and integration.



Buy side advisory

Leverage upon our experience to assist our client in understanding acquisition strategy and identifying potential targets for acquisition/alliance.



Fund raising

Assistance in fund raising (private equity/venture capital) based on our experience and strategic analysis of sector, size and current investment aggressiveness of a fund.



Sell side advisory

Identify potential strategic/financial investor and acquirers, setting valuation expectations, end-to-end advisory services for seamless closure.



Buy Side Advisory

We provide lead advisory services to our clients to have a proper blend of synergy and growth. Our process starts by aligning with the client's objectives, followed by targeted industry research for potential acquisitions. We then initiate discussions, negotiate terms, and close deals with a comprehensive approach that includes transaction support and seamless project management for closure.



Potential target identification

- Understand the client's commercial rationale and objectives
- Industry research for potential targets and assessing relevance in consultation with client management
- Prepare approach plan and develop client's mandate for each identified target



Initiation of discussions and execution of MOU/Term Sheet

- Establish contact with potential target and understand the level of interest/expectations (potential acquisition, JV or a strategic alliance)
- Understanding commercial imperatives and valuation expectations
- Deal discussions and negotiations.
- Term sheet closure



Transaction support and deal closure

- Data collation/coordination for diligence
- Review of transaction structure and documents
- Project management for seamless closure

Fund Raising Advisory

We collaborate on transaction structures, valuations, and engaging potential PE/VC funds. Our approach includes thorough analyses, negotiations, and comprehensive support services, functioning as a 'Think Tank' to empower management with optimal decisions from strategy to successful fundraising closure.



Comprehensive transaction analysis

- Developing broad contours of desired transaction structure, commercials, valuations, stake, etc. with the management
- Historical business and financial analysis, understanding management growth strategy, preparation of business plan, valuation benchmarking



Collateral development and due diligence

- Vendor due diligence, financial, tax, regulatory, as required
- Marketing collaterals (teasers, information memorandum, financial plan, etc.)



Strategic investor engagement

- Identifying and reaching out to potential PE/VC funds as per the size and sector of investment preferences and investment aggressiveness
- Understanding commercial imperatives and valuation expectations
- Deal discussions and negotiations
- Term sheet closure



Closing support services

- Data room management
- Transaction support services including but not limited to review of transactions, documents and transaction structure
- Project management for seamless closure

Sell Side Advisory

We leverage extensive industry relationships to outline transaction structures and commercial details with management. Our approach includes thorough financial analysis, business plan preparation, and assistance in due diligence. We craft compelling marketing materials, identify potential investors, and navigate negotiations, ensuring seamless deal closure through comprehensive transaction support and project management.

Building transaction rationale

- Developing the broad contours of desired transaction structure, commercials, valuations, stake, etc. with the management
- Historical business and financial analysis, understanding management growth strategy, preparation of business plan, valuation benchmarking

1

Collateral development and due diligence

- Assistance in vendor due diligence, financial, tax, regulatory, as required
- Preparation of marketing collaterals (teasers, information memorandum, financial plan, etc.)

2

Strategic investor engagement

- Identification and outreach to potential strategic investors
- Understanding commercial imperatives and valuation expectations
- Deal discussions and negotiations
- Term sheet closure

3

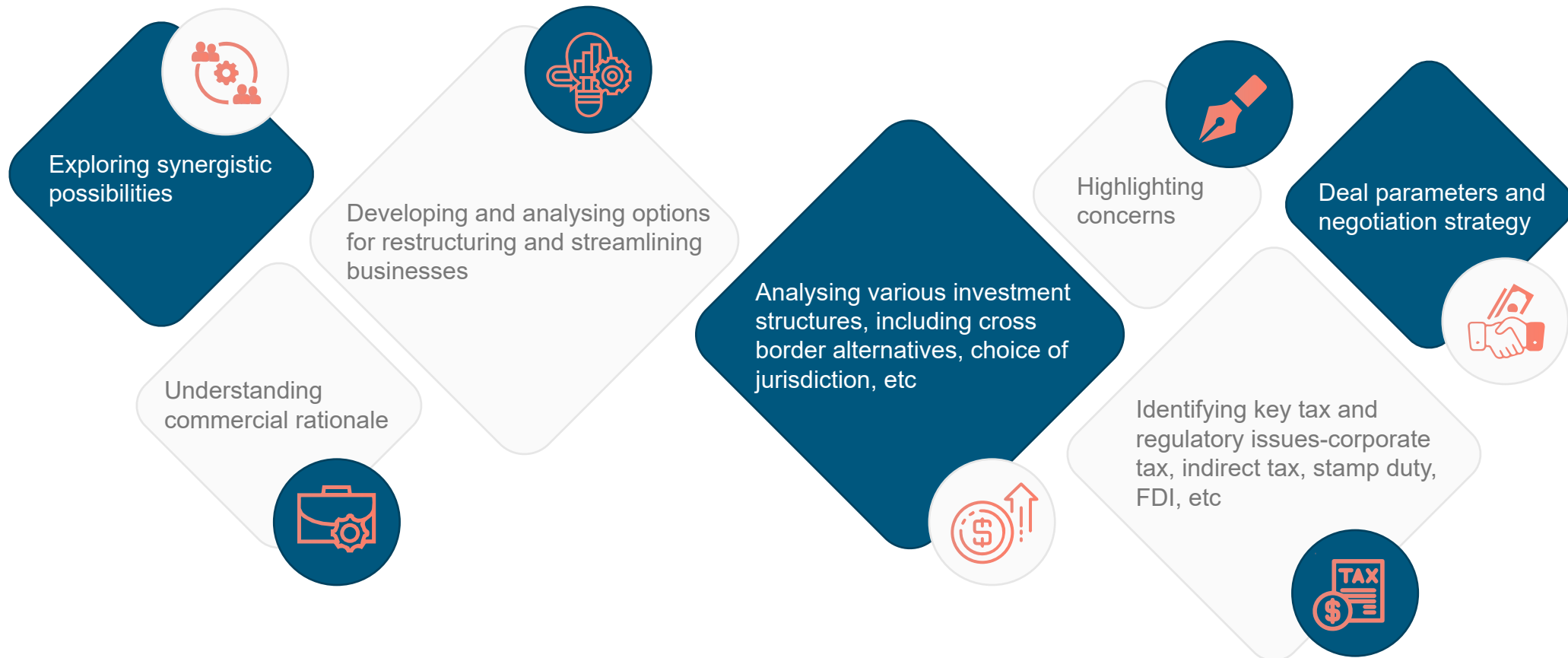
Closing support services

- Data room management
- Transaction support services including but not limited to review of transactions, documents and transaction structure
- Project management for seamless closure

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Deal Structuring

Deal Structuring involves crafting optimal solutions that align with client goals and external business factors. We explore synergies, address tax and regulatory considerations, and analyse diverse investment structures. Our focus includes highlighting concerns, developing restructuring options, and establishing negotiation strategies, all while understanding the commercial rationale. This ensures a seamless integration of client needs with the broader business landscape.



Valuation Advisory

Whether you are considering an acquisition, the disposal of an asset, financing a project or contesting a piece of litigation, the potential financial impact plays a major role in the decision-making process, making it critical to have a full understanding of the value involved. We draw all our experience and knowledge to deliver flexible solutions to respond to clients' valuation requirements.

Understanding valuation requirements



- Group restructuring which includes amalgamation, demerger to calculate swap ratio
- Business valuation for management evaluation
 - Potential transaction (strategic sale, JV or acquisition)
 - Negotiation with third party
 - Fundraising
- Project financing
- Valuation of brands and intangibles
- Valuation under tax, transfer pricing, company law and FEMA guidelines
- Valuation of ESOPs and sweat equity

Our approach



Identify details of transaction and business/assets to be valued

- Business details-includes products, markets, management and financial data
- Valuation details-includes business/assets, tangible/intangible and ownership

Conduct market research and analysis

- Industry structure and attractiveness, market and transactional trends
- Business risks and opportunities, competitive landscape
- Regulatory issue

Determine appropriate valuation methodology(ies)

- Quality of information available
- Appropriate methodology-includes net assets, market approach and income approach

Valuation Methodologies

Valuation methodologies and financial modeling are integral aspects of strategic decision-making. Utilising discounted cash flows, comparable company analysis, and net asset value, we assess the worth of businesses while employing comprehensive financial modeling to project future scenarios. This involves detailed analyses of revenue streams, cost structures, capital expenditures, working capital, debt structures, and overall financial statements, providing a robust foundation for informed decision-making in the business valuation process.



Discounted cash flows



- Income approach evaluates value of a business by considering the projected cash flows from operations, which are then discounted at an appropriate rate of return to reflect the risks and potential rewards associated therewith
- It requires estimation of revenues, expenses, and cash flows specifically attributable to the assets being valued

Comparable company analysis



The market approach to valuation uses data from comparable guideline companies to develop a measure or value for a particular business undertaking/company.

- Trading comparable method values a business based on trading multiples derived from publicly traded companies (similar size, sector and operation dynamics)
- Transaction comparable method values a business also values a business based on pricing multiples derived from the historical M&A transactions for similar companies

Net asset value



- Net asset value approach considers the aggregate value of the underlying assets owned by the subject, net of its liabilities
- This value can be presented in terms of either the proceeds from liquidation or the cost of replacing the assets

Financial Modelling

Preparation of financial plan and model along with-assumptions, revenue streams, direct cost structure for each revenue stream, indirect cost structure, hiring charges and projection of staff, organisation structure and related costs with following sections:



Revenue and cost projections along with assumptions



Capital expenditure and fixed assets schedule



Working capital structure



Debt structure including loan repayment, interest flow, borrowings



Depreciation and amortisation schedule

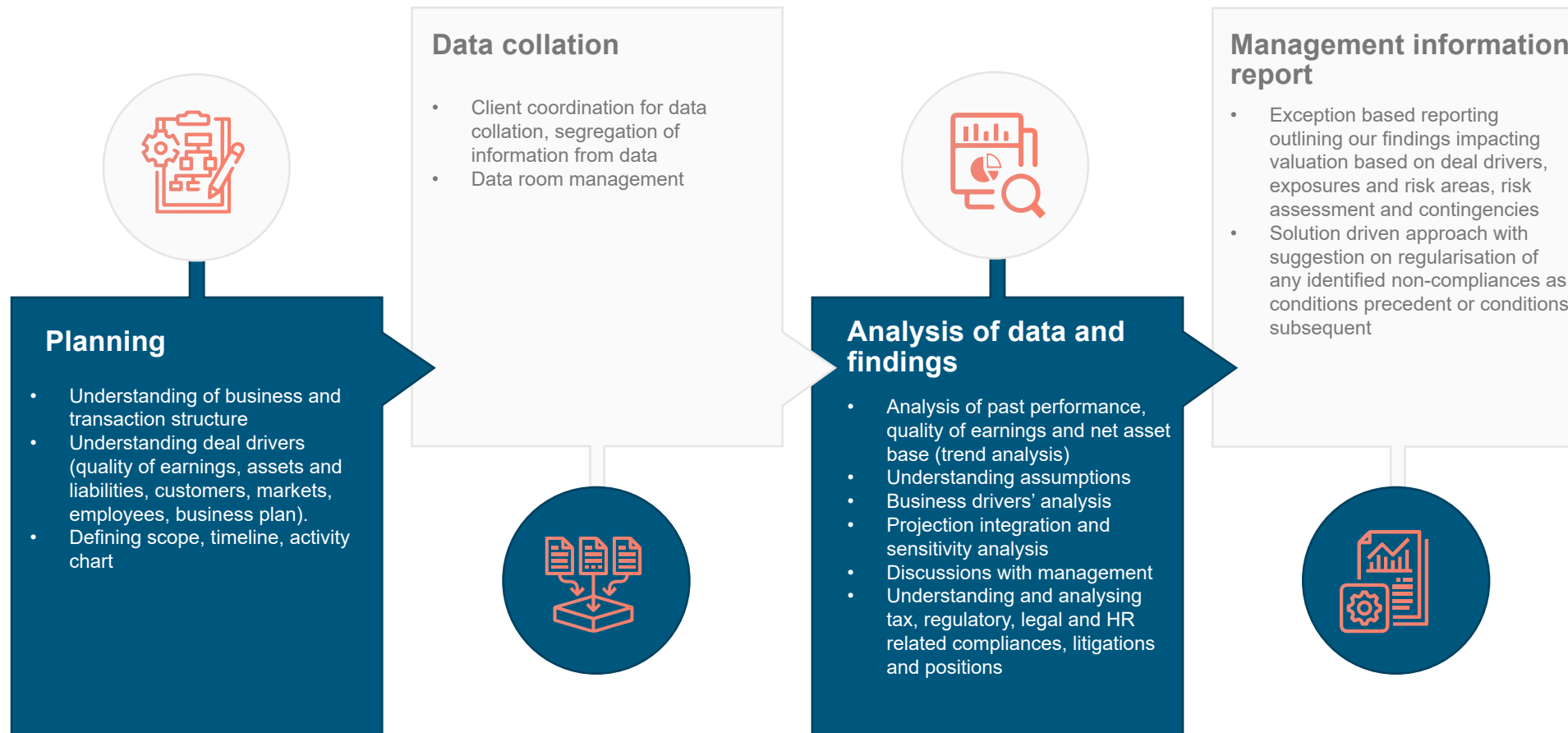


Projected financial statements-balance sheet, profit and loss statement and cash flow statement



Due Diligence

Due diligence is a vital step in transactional decision-making. Our process involves thorough planning, data analysis, and discussions with a focus on financial trends, compliance, and risk assessment. The outcome is a detailed management information report, providing strategic insights and recommendations for enhanced valuation and regulatory compliance.



Tax Diligence

Financial Diligence

Legal Diligence
(including contractual, litigations, IPR)

IT Systems & Forensics
Diligence
(including promoter background check)

HR Diligence

Regulatory & Secretarial
Compliance
(FEMA & Corporate Law)

Transaction support and Deal Closure assistance

In ensuring a seamless closure, our transaction support encompasses comprehensive assistance, from meticulous data room management to the appointment of legal counsels, negotiation of transaction documents, and obtaining approvals from regulatory bodies. We specialise in certifications, regularisation of non-compliances, and end-to-end project management, providing robust support for the successful conclusion of transactions.



Assistance in data room management



Assistance in appointment of legal counsels, review and negotiation of transaction documents



Transaction approvals from tax or various regulatory bodies



Certifications for valuations under Companies Law, FEMA, tax and other certifications from competent body



Assistance and coordination in any other commercial, banking, client, employee approvals



End to end project management for seamless closure of the transaction



Regularisation of any past non-compliances (Direct Tax/Indirect Tax/FEMA/Secretarial/Labour and Industrial Law/Company Law identified or unidentified under the Due Diligence process)

The right partner for now

Introducing Mazars



Who we are

Introducing Mazars

Mazars is a leading international audit, tax and advisory firm, aspiring to build the economic foundations of a fair and prosperous world.

Operating as a united partnership, Mazars works as one integrated team, leveraging expertise, scale and cultural understanding to deliver exceptional and tailored services in audit and accounting, as well as tax, financial advisory, consulting and legal services*. Founded in Europe, Mazars is present in over 95 countries and territories, with over 47,000 professionals-30,000+ in our integrated partnership, 17,000+ via the Mazars North America Alliance- dedicated to helping clients make the most of business opportunities and operate with confidence. In India, Mazars has an ambitious growth plan and already has a national presence with a strong team of over 1,300 professionals with 7 offices located in Bengaluru, Chennai, Chandigarh, Delhi, Gurugram, Mumbai and Pune. Our professionals have in-depth experience in sectors like Energy, Telecom, BFSI, Automobiles, Technology, Real Estate, Shipping, Services, Manufacturing and Retail.

*where permitted under applicable country laws.

Our values



Integrity



Responsibility



Diversity and respect



Technical excellence



Independence



Stewardship



Who we are

Mazars in numbers



€2.45bn

Fee income*
(financial year 1 September 2021
-31 August 2022)



+16.4%

Growth in fee income
(versus 2020/2021 financial year,
including forex impact)



95+

Countries and
territories



1,200+

Partners
worldwide



47,000+

Professionals to serve
clients around the world



4000+

Clients served
globally



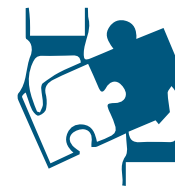
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Offices in
India



50+

Partners in
India



1300+

Professionals in
India



500+

Clients
served

*Fee income for Mazars Group
Figures as of 1 January 2023 unless otherwise stated.

Deal Advisory Services

Who we are

Our services

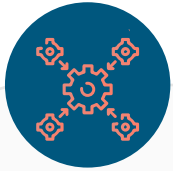
Our clients' long-term sustainable development and growth is our top priority. We provide a comprehensive and flexible range of services to our clients through our integrated approach which is designed to leverage a global talent pool and serve organisations of all sizes, from SMEs to the largest multinational corporations. In order to provide our clients with the best, most relevant services, we continuously invest in developing strong sectoral expertise as well as the technological, scientific and soft skills that will shape professional services in the near future.

Audit and Assurance <ul style="list-style-type: none">• Financial Audit/Reviews• Corporate Reporting• Accounting Advisory	Consulting <ul style="list-style-type: none">• Management Consulting• Risk Consulting• Technology and Digital Consulting	Development Sector and CSR Advisory <ul style="list-style-type: none">• Strategy and Policy Advisory• Program Management• Process Reform• Technology Transformation and Consulting	Financial Advisory <ul style="list-style-type: none">• Deals• Financing• Crisis and Disputes
Government Infrastructure Advisory <ul style="list-style-type: none">• Policy Planning and Capacity Building• Feasibility Studies• Transaction Advisory/PPP• Project Financing• Project Management and Monitoring	Outsourcing <ul style="list-style-type: none">• Accounting and Reporting• Corporate Secretarial• HR and Payroll• Secondment Services• Tax Compliance	Sustainability <ul style="list-style-type: none">• Strategy, Compliance and Due Diligence• Implementation, Assessment and Transformation• Reporting and Assurance	Tax <ul style="list-style-type: none">• Corporate Taxation• International Taxations• Global Mobility and Employment Taxation• Indirect Taxation

One integrated partnership model

What sets us apart

With a multidisciplinary approach and the adoption of technological solutions, we operate globally as a cohesive and interconnected team of experts. We have the right scale and connectivity to serve clients effectively, wherever they are in the world, while remaining agile and personal in our approach.



Truly integrated,
international solutions



Agility, working together to
tailor solutions to your needs



Seamless experience



Global and local expertise



Consistent quality of
service and professional
standards



Stable relationships through
team continuity and single
point of contact



Blend of sectorial, topical
and geographical expertise




Consistent project
methodologies and technical
standards worldwide

Serving a broad range of clients

Diverse spectrum of clients


As a leading international assurance, tax and advisory firm, we help our clients grow confidently and responsibly. We serve clients in a variety of industries, with a deep understanding of sector-specific environments, issues and trends. We are convinced our diverse portfolio of services is essential to the relevance of the services we provide to clients, the attraction of the best talent and, ultimately, the general interest.



Large international
and listed companies



Privately owned
businesses



Public and not-for-profit
organisations



Start-up ecosystem

Our valuable insights

A global thought leader



M&A deal tracker

Our recently released document gives an insight on the current trends and happenings in the M&A deals and activities.

<https://bit.ly/3tLqL3j>



India Macro tracker

This measures the dynamism in the Indian economy from a set of select key indicators and analyses their impact for the coming time.

<https://bit.ly/3tWLjpC>



Mending the missing middle

This report studies the challenges of significant contributor and policy initiatives of MSME sector.

<https://bit.ly/3U7BVdv>

Macro PDF series

This series studies the opportunities arising from the latest industry developments in India from a People, Development and Financial angle.

<https://bit.ly/4232OkM>



PE deal tracker

Our recently released edition of the PE deal tracker gives an insight on such current trends and happenings in the sector.

<https://bit.ly/48S6ms4>



India Auto tracker

Quarterly series talking about the recent trends and happening in the automotive sector.

<https://bit.ly/3U0t1OC>



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Deal Advisory Services

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