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COUNTRY DOSSIER

United States of America

January 2024

Country Dossier – United States of America

The US emerged as the biggest trading partner with India in FY23. A key development in this regard includes the US giving an unprecedented go-ahead for the jet engine manufacturing deal with India while taking several administrative steps to relax export control regulations for India. India reciprocated on an equal footing, from giving the go-ahead for the multi-billion historic deal to purchase commercial aircraft from Boeing to clearing the long pending armed drone deal of General Atomics. In a recent meeting, both countries recommitted to advancing India's emergence as a hub for maintaining and repairing forward-deployed US Navy assets and other aircraft and vessels. The U.S.-India Initiative was launched on Critical and Emerging Technologies, covering areas such as artificial intelligence, quantum computing, space, semiconductors, defense, biotechnology, and 5G and 6G networking. The pact signaled that under national security imperatives, the two governments would encourage cooperation and seek to involve the private sector and academia. India and the US will also cooperate in 2024 on the International Space Station, 5G and 6G technology, and microchips.

Sectoral Synergies

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Green Energy

- The two countries launched the new US-India Renewable Energy Technology Action Platform (RETAP) under the Strategic Clean Energy Partnership. RETAP's initial focus will be developing green and clean hydrogen, wind energy, and long-duration energy storage solutions.
- India Grid Trust (IndiGrid), an infrastructure investment trust controlled by private equity firm KKR, has struck a deal with US-listed green energy firm ReNew Power to buy a 300MW solar power project in Rajasthan. IndiGrid will acquire the asset, operated by ReNew Solar Urja Pvt Ltd, at an enterprise valuation of Rs 15.50 billion. The valuation, including net working capital and cash, will be about USD 199 million.
- US-based First Solar invested USD 700 million to set up India's first integrated solar manufacturing plant in Tamil Nadu. It will produce the company's series7 of photovoltaic (PV) solar modules for the Indian market.

Deep Tech

- US-based deep tech venture capital investment firm Celesta Capital would double its spending on India's startups, which could create products for markets worldwide, and expect a healthy return opportunity.

Space & Aviation

India and the United States have forged a strong partnership in space exploration. The signing of the Artemis Accords by India has been crucial, opening avenues for enhanced commercial space cooperation between the two nations. A significant development in this collaboration is forming a working group that includes key players such as ISRO, NASA, and various US governmental entities.

- ISRO is exploring collaborations with Boeing Co., Jeff Bezos's Blue Origin LLC, and Voyager Space Holdings Inc. The potential partnerships could also involve Indian commercial entities.
- NASA and ISRO are planning a mission to the International Space Station in 2024, part of a bigger plan to explore space, starting with the Moon and aiming for Mars, all based on the 1967 Outer Space Treaty.
- The US and India will jointly launch a new earth observation satellite in the first quarter of 2024. The mission, dubbed NISAR or NASA ISRO Synthetic Aperture Radar, is designed to study the planet's ecosystems, water, and other natural resources to help guide efforts to mitigate the effects of climate change.

Sectoral Synergies

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Consumer Goods

- Coca-Cola India has made its first move into the alcohol segment, starting with Lemon-Dou, its global alcoholic ready-to-drink beverage, which the company has begun pilot tests in Goa and parts of Maharashtra.

Retail

- Walmart is importing more goods from India to the United States and reducing its reliance on China to cut costs and diversify its supply chain. The world's largest retailer shipped one-quarter of its US imports from India between January and Augusti 2023, according to the bill of lading figures shared with Reuters by data firm 'Import Yeti'.

Defence

- Defense cooperation has shifted from a unidirectional buyer-seller relationship (in which India contracted to buy more than USD 20 billion of US defense supplies) to a genuine technology partnership.
- The two countries are working on landmark deals, including supplying and manufacturing jet engines for the IAF. Washington has recently authorized the production technology transfer for General Electric's F414 fighter jet engines to India.
- A more than USD 3 billion deal for India to buy 31 armed drones made by General Atomics is also being processed. India is waiting for the company to get US government clearance for the next steps.
- The India-U.S. Defense Acceleration Ecosystem initiative was also launched to bring together defense technology startups from the two countries.

Manufacturing

- Microchip Technology Inc. opened a new research and development (R&D) facility in Hyderabad and announced an investment of USD 300 million for the next few years to expand its operations in India.

- Advanced Micro Devices (AMD) will invest up to USD 400 million to expand research, development, and engineering operations in India over the next five years. They will set up its most extensive design facility in India.

M&A

- Brookfield has acquired 100% of the India unit of Boston-based American Tower Corp (ATC),
- Nasdaq-listed Honeywell is open to acquisitions in India's energy transition technology sector. Honeywell recently restructured its operations into three segments: automation, aviation, and energy transition. Battery storage and green hydrogen will be key areas of immediate focus in the energy transition where the US company feels ample scope for acquisitions.
- Blackstone will buy a majority stake in India's Care Hospitals from a fund belonging to asset management firm TPG, marking the U.S.-based private equity firm's entry into the country's healthcare services sector. Blackstone will commit USD 1 billion to the hospital chain in India and hold over 75% of Care Hospitals.
- Blackstone-owned hospital platform Quality Care (QCIL) has signed an agreement to acquire KIMS Health Management (KHML), Kerala's leading hospital chain, valuing the business at USD 400 million,

Trilegal's historical experience with USA companies

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- **Trilegal advised Cushman & Wakefield PLC, through its Indian subsidiary Cushman and Wakefield India Private Limited ("Cushman"),** on its strategic 50:50 joint venture (JV) with Nuvama Asset Management Limited ("Nuvama") for investing in commercial real estate assets in India.

- **Trilegal advised Accenture,** from an Indian law perspective, on its acquisition of OnProcess Technology, Inc., including its Indian subsidiary OnProcess Technology India Private Limited.

- **Trilegal advised Globallogic Inc.** for acquisition of Mobiveil Technologies (India) Private Limited as a part of its global acquisition of Mobiveil Inc., and acquisition of Katzion India Private Limited as a part of its global acquisition of Katzion group of companies.

- **Trilegal advised Greif Inc** on its 100% acquisition of Ipackchem Group (including the Indian business)

- **Trilegal advised Juniper Group** on its acquisition of a 100% stake in Vervotech Solutions Private Limited.

- **Trilegal advised Databricks, a leading provider of AI based data platform**, in the acquisition of Arcion Labs, Inc., from an Indian law perspective.

- **Trilegal advised TPG** on its acquisition of a minority stake in Tata Technologies Limited, a subsidiary of Tata Motors Limited.

- **Trilegal advised Horizon Industrial Parks (A Blackstone Group Company)** on the deal documentation to develop a build-to-suit 800,000 square feet facility to support SIG's manufacturing of aseptic carton packs for beverages and food.

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