TRILEGAL

COUNTRY DOSSIER

Canada

September 2022

© 2022 Trilegal. All Rights Reserved.

Country Dossier – Canada

TRILEGAL

The India-Canada bilateral relationship is shaped by our shared values of democracy, pluralism, expanding economic engagement, regular high-level interactions and long-standing people-to-people ties. Cumulative foreign investments from Canada touched USD 3 billion till June 2022, while bilateral trade in goods amounted to USD 6.89 billion FY 21-22. Services and infrastructure together accounted for 43 % of the total FDI investments from Canada to India. Meanwhile, India is also looking at easing of technical, sanitary and phytosanitary barriers to trade for greater market access for pharmaceutical products, readymade garments, and agriculture goods. It is also seeking easier movement of skilled workers, to create more jobs for its IT professionals. Canada is seeking greater market access for its agriculture and dairy products. On the foreign education front, India was the biggest beneficiary, with 217,410 permits being issued to Indian students by Canada.

Country Dossier – Canada

TRILEGAL

G2G Initiatives

- Advancing its long-standing economic and investment relations with India is a priority for Canada, as it deepens key partnerships in the Indo-Pacific, Canada's minister of international trade Mary Ng told Commerce and Industry Minister Piyush Goyal. Mary Ng also emphasised the importance of advancing discussions on an investment protection agreement between Canada and India, which would improve predictability and transparency for Canadian investors in India.
- The discussions emphasized on a Canada-India Early Progress Trade Agreement (EPTA) a Comprehensive Economic Partnership Agreement (CEPA)

Sectoral Synergies

TRILEGAL

Investment funds

CPPIB

The Canada Pension Plan Investment Board (CPPIB) plans to double its portfolio of assets in India by 2030. It had invested USD 204 million in June 2022. Its previous investments are in ReNew Power, Byju's, PGInvit, NHAI Invit, Emeritus, Indinfravit, Flipkart, Kotak Mahindra Bank and RMZ Corp, etc. The fund has the following plans.

- To invest INR 26 billion to acquire a 49 per cent stake in TATA Realty and Infrastructure's two premium commercial office projects at Chennai and Gurugram.
- To acquire a portfolio of Indian road assets from Canadian asset manager Brookfield in a deal valued at around INR 93.75 billion (USD 1.2 billion), in what could be one of the largest road infrastructure transactions in the country.
- Acquired a 5% stake for USD 50 million in Acko and a 9% stake in Kogta Financial (India).
- Invested USD 333 million as a limited partner in Sequoia Capital's Asia Pacific Fundraise, which includes funds raised for China, India and Southeast Asia.
- Invested USD 150 million in NewQuest Capital's latest fund.

Brookfield

- Brookfield India Real Estate Trust plans to raise up to INR 50 billion through sales of units to institutional investors,
- Brookfield India Real Estate Trust has leased over 3,11,000 sq ft office spaces across its commercial properties in the country during the quarter ended June.

CPDQ

Canadian pension fund Caisse de dépôt et placement du Québec (CDPQ) is bullish on infrastructure investment opportunities in India and wants to fund the net-zero transition journey of Indian firms.

- The fund has invested CAD 650 million in its solar energy platform Azure Power, taking the company from 350 megawatts operating business to 3 gigawatts (GW) operating assets and a pipeline of 5GW.
- It has also set up a platform for investments in roads called Maple Highways, which is in the process of acquiring three operating assets, including one under the National Highways Authority of India's Toll-Operate-Transfer (TOT) model.
- CPDQ plans to bring a new investor into the India Highway Concession Trust, its infrastructure investment trust (InvIT) in the country. CDPQ is likely to raise about USD 150-USD 200 million by selling additional stake in the InvIT.
- CPDQ has raised its stake in India's Apraava Energy to 50% following an agreement that will make the Mumbai-based renewables and power transmission business a 50/50 joint venture (JV). Apraava Energy's other shareholder, Hong Kong-based CLP Group, agreed to sell its 10% stake to the Canadian partner for a sum that amounts to a US-dollar equivalent of INR 6.6 billion (USD 83m/EUR 82.6m)

OTPP

- Ontario Teachers' Pension Plan Board (OTPP) will acquire a significant majority stake in Sahyadri Hospitals Group, the largest private hospital chain in the state of Maharashtra. The deal has valued the hospital chain at Rs25 billion.

© 2022 Trilegal. All Rights Reserved.

Sectoral Synergies

TRILEGAL

Investment funds

OMERS

Canadian pension fund Ontario Municipal Employees' Retirement System (OMERS) is planning to expand its presence in India's clean energy space, including wind, solar and hydrogen.

- OMERS also picked up a 19.4% stake in NYSE-listed Azure Power Global Ltd. It is also looking to invest in transmission projects, and water and sewage treatment plants.

Fairfax

- Fairfax Financial Holdings has invested USD 7 billion in India so far and will double it in next 4-5 years.

Agritech

- Toronto Business Development Centre (TBDC) has partnered with Ontario Centre of Innovation (OCI) to offer a Pitch Platform for Indian Entrepreneurs in the Agri-tech space. Out of the top 10 companies who pitched for the Agritech contest– India Based Qzense and Sensegrass were the winners.

Infrastructure

- LEA Associates South Asia Pvt Ltd, an operating company of the LEA Group, Canada, will be preparing the 20-year vision document for the city of Chennai, in a joint venture with L&T Infrastructure Engineering.
- LEA Associates are among other agencies that would take up the feasibility study for the maiden 6.3-km-long highway tunnel to be built in Telangana.
- LEA Associates are among the three consultancy firms to prepare the Revised Master Plan (RMP) 2041, which frames guidelines for Bangalore's future development, including zonal regulations.
- Bombardier, a partner to Delhi Metro for over a decade, with more than USD 1.25 billion worth of orders placed on with the company since 2007, has delivered nearly 800 metro cars. Bombardier has also bagged the INR 20.51-billion contract for equipment supply and signalling infrastructure for Agra and Kanpur Metro line.

© 2022 Trilegal. All Rights Reserved.

The information contained in this may address a specific requirement for the recipient and must not be construed as advertisement or solicitation in any form or manner.

For more information, please visit our website WWW.TRILEGAL.COM

© 2022 Trilegal. All Rights Reserved.