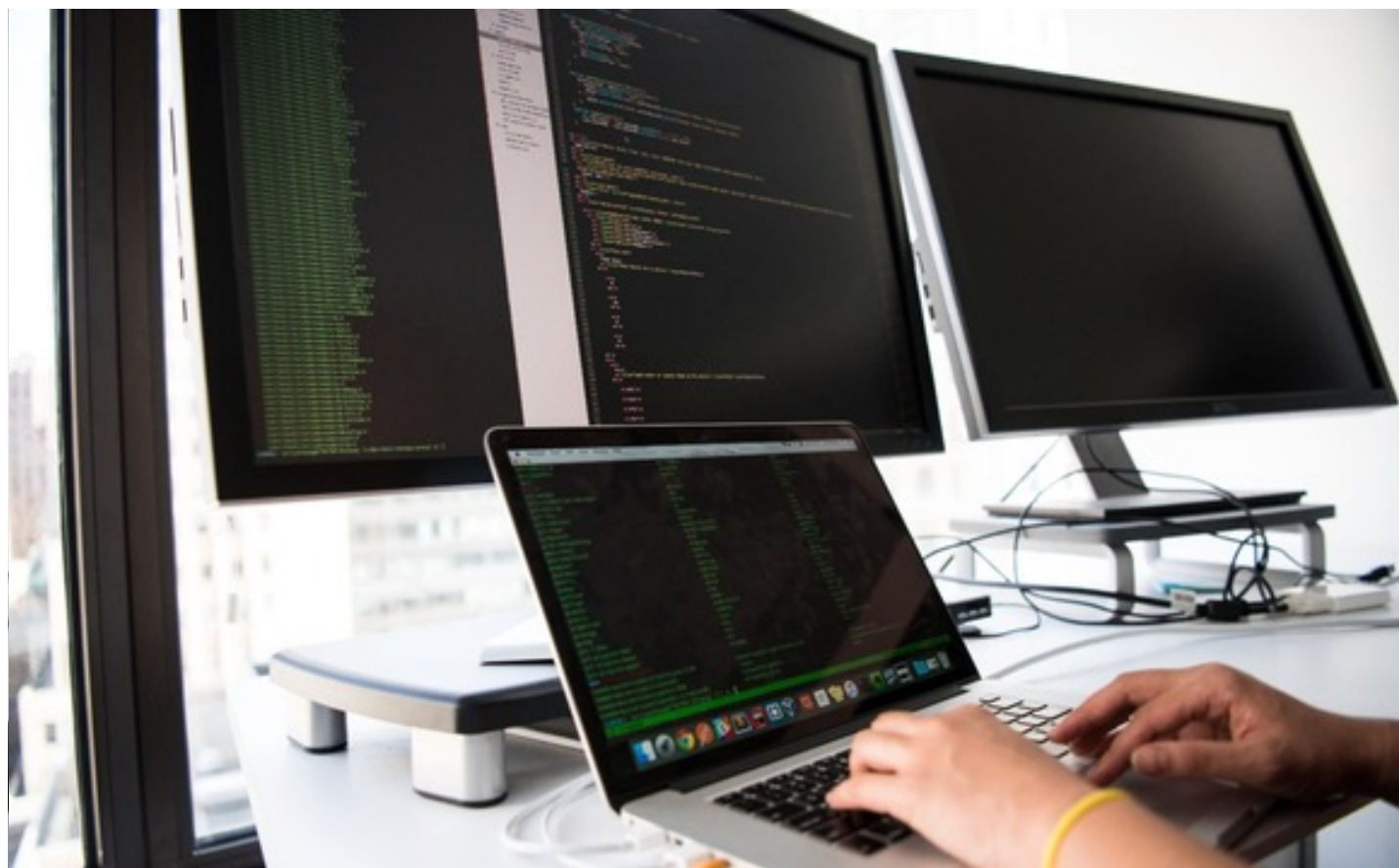


India's True North buys stake in TA-backed Accion Labs



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Indian middle market private equity firm True North has acquired a significant minority position in US and India-based IT provider Accion Labs from TA Associates for USD 93m.

True North framed the transaction as part of a deepening commitment to digital technologies. It is investing via its sixth flagship fund, which closed on USD 560m in 2019 and has primarily targeted financial services and healthcare.

Fund VI [launched earlier this year](#) without a specific target and a more concentrated mandate around digital-first and digitisation opportunities.

“Enterprises are adopting digital technologies with a new sense of urgency across the front and backend of business operations,” Prasad Thrikutam, a partner at True North, said in a statement.

“There is a growing need for a new breed of nimble and innovative digital IT players like Accion Labs. We are excited about Accion’s deep digital expertise, customer centricity, and its approach to doing business.”

True North said it now aims to invest up to 30% of funds that it manages or advises in tech and digital businesses in areas such as IT services, digital engineering, and software-as-a-service. Recent activity in this space includes an investment in Singapore-based product engineering company Quest Global and an exit from Indian analytics player Actify Data Labs.

Accion specialises in digital transformation for global enterprise clients and other technology firms. The primary service lines include digital consulting, innovation and digital product engineering, data and machine learning engineering, and automation. There are more than 4,800 employees at 20 locations globally, including five offices in India.

TA first invested in 2020, when Accion had 2,250 employees across 12 offices. That transaction also featured Singapore-based Basil Partners, which seeded the company in 2011. Basil's position was [rolled over](#) into a new vehicle, Basil Technology Fund, backed by NewQuest Capital Partners and Committed Advisors in 2018 as part of a stapled secondary.

“When we first invested in Accion in 2020, we believed the company was uniquely positioned to capitalise on macro trends driving the digital engineering market’s rapid expansion. Accion’s growth and continued innovation in the intervening period reconfirms our confidence in this thesis,” Dhiraj Poddar, a managing director at TA, added.