

Singapore PE Novo Tellus invests \$40m in Indian engineering firm Tessolve



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April 22, 2021

[Novo Tellus](#), a Singapore-based private equity firm that focuses on mid-market technology and industrials sectors, has invested \$40 million in Bengaluru-based engineering services company **[Tessolve Semiconductor](#)**.

The investment, which values Tessolve at \$100 million, will be used to fuel the company's growth through acquisitions and organic investments, according to an announcement.

Tessolve is a Hero Electronix venture and a global provider of engineering and R&D services to semiconductor companies. It focuses on semiconductor design, test/product engineering, PCB design, failure analysis, and systems design. The company's client base includes 8 of the top 10 semiconductor companies in the world.

Since a majority investment by Hero Electronix in 2016, Tessolve said it has achieved a year-on-year growth rate of over 30%, achieving \$75 million revenue in 2020, and has significantly expanded its global presence with 15 offices across the US, India, Singapore, Malaysia, Europe, UK, and Taiwan.

"Having made multiple investments in the semiconductor space through the years, it is clear to us that Tessolve's unique value proposition to its global customers puts it in a great position to benefit from the secular growth trends in semiconductors," said Loke Wai San, co-founder and managing partner at Novo Tellus Capital Partners.

Novo Tellus's investment comes as the semiconductor industry exhibited strong resilience despite the COVID-19 pandemic, growing 5.4% to \$442 billion last year, according to data cited by Tessolve.

The industry is expected to further grow as billions of devices are becoming smart and connected and industries undergo a massive transformation.

Tessolve said it will strategically deploy the funding raised to boost its capabilities across chip design and embedded services offerings and expand its ASIC design business.

“Furthermore, the company plans to scale up its India operations by further investing in local talent development and strengthen its global presence in key markets across the US, Europe, Southeast Asia, South Korea, and Japan,” according to the announcement.