

Indian Private Equity & Venture Capital Assets Reach \$28bn

India-based firms' assets under management have almost tripled from the end of 2008

India-based private equity & venture capital fund managers now hold \$28bn in assets under management as of June 2018 (the latest data available), up from just \$10bn at the end of 2008. This growth has accelerated since 2015, spurred by strong fundraising momentum: 2015 set a fundraising record for the country, only for 2017 to surpass it, and annual capital totals have exceeded \$2.0bn in the past four years. Fundraising has been spurred by a virtuous cycle of strong distributions from private equity & venture capital funds driving investor appetite and reallocation: India-based private equity & venture capital funds have returned more capital to investors than they called up in each year since 2014. At the same time, regulatory changes and government backing have contributed to a strong deals market.

For more information and analysis, see the full *Private Equity & Venture Capital in India* report here:

<http://docs.preqin.com/reports/Preqin-Private-Equity-Venture-Capital-in-India-Report.pdf>

Christopher Elvin, Head of Private Equity:

“India is one of the fastest-growing global economies, and is on track to surpass the UK to become the fifth-largest economy in the world in the coming months. Private equity & venture capital have played an integral part in this development: the provision of private capital has spurred the boom in technology start-ups that have characterised the country’s modernisation. The momentum of recent years seems set to continue unabated – investors have a strong appetite for investments in India, and there are a record number of funds in market to cater to that appetite.”

Key India-Based Private Equity Facts:

- India-based private equity **fund managers hold \$28bn in assets under management** as of June 2018. This is up from \$19bn in December 2013 and \$10bn in December 2008.
- **Venture capital and growth funds account for the vast majority of assets**, holding \$13bn and \$12bn in AUM respectively.
- Fundraising has been strong since 2015. **2017 marked a record 35 India-based fund closures, securing an aggregate \$3.6bn – an all-time high.** 2018 continued that trend as 26 funds raised a total of \$3.3bn.
- **Distributions to investors have outstripped capital calls in each year since 2014.** In 2016 alone, India-based private equity firms returned a net cash flow of \$3.2bn to investors.
- **The investor universe in India is dominated by private wealth.** Family offices and wealth managers account for 19% and 17% respectively of India-based private equity investors – the largest proportions.
- There are more India-based funds than ever before seeking investor commitments. **A record 125 funds are in market as of January 2019, seeking a combined \$18bn** from investors.

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