



'India Growth Fund' launched with target corpus Rs. 400 crore

(October 19, 2004)

Kotak Mahindra announced the launch of "India Growth Fund", a private equity fund, in partnership with SEAF Management LLC, USA, today. The fund has already received commitments of Rs. 180 crore and targets to have a final close with commitments in the range of around Rs. 400-450 crore by the end of the year.

Speaking on the occasion, Uday Kotak, Executive Vice Chairman and Managing Director, Kotak Mahindra Bank said: "India is one of the biggest growth stories in the world. This is reflected in the fact that it is now among the top three destinations for Foreign Direct Investment (FDI) behind China and USA. India Growth Fund is the right product at the right time in the right market. The inclusion of private equity in the Group's portfolio is a definite move towards our aim to provide holistic financial solutions."

H. J. Van der Vaart, CEO, SEAF Management LLC, said: "SEAF is commencing what we believe will be a long-term commitment to investing in emerging local enterprises in the Indian private equity market. Having joined hands with a renowned and respected brand such as Kotak, further enhances our investors' confidence in the success of this endeavour. SIDBI and USAID have played absolutely critical roles in helping SEAF establish its presence in India, and we are very grateful for their partnership".

The fund will primarily invest in dynamic and fast growing sectors like Life Sciences, Media & Entertainment, Specialised Retailing, Light Engineering, Information Technology and infrastructure related services such as Healthcare, Logistics & Distribution.

The Small Industries Development Bank of India (SIDBI) is a partner and key anchor investor in the fund. United States Agency for International Development (USAID) is also playing a key role in promoting the growth of emerging corporates through the Fund. Other investors include Indian and international corporates and institutions.

The fund will be managed by Nitin Deshmukh, Head - Private Equity at Kotak Mahindra, who brings a wealth of over 15 years' experience in the Venture Capital industry with him. The team will also include experienced representatives from SEAF, notably Hector Cateriano.

The fund will commence operations on receipt of relevant regulatory approvals.