

## **DEMAND FOR PRIVATE EQUITY IN INDIA WILL INCREASE**

Catalyst Corporate Finance, the award winning mid market corporate finance advisory firm reports that the Private Equity (PE) market in India is growing rapidly as Indian businesses continue to develop. Working with its Mergers Alliance partner in India, Singhi Advisors, Catalyst is currently experiencing a growth in cross border opportunities in this region, a trend it believes will continue in the coming year.

Abhijeet Biswas, Vice President of Cross Border M&A at Singhi Advisors, explains the situation in India:

“We have not yet experienced the major PE deals seen in the USA and UK and time will tell as to whether the Indian market will generate this level of investment. Typically Indian private equity funds are between \$100 million to \$1 billion in size while the preferred investment level in a single transaction falls, between \$10 million and \$150 million thereby stimulating a very active mid-market.

Many foreign Private Equity Funds now have a presence in India, including Carlyle, Actis and Blackstone and India is also attracting numerous Middle Eastern and Singaporean funds that are beginning to fund deals in the region. Another interesting development has been the increase in funds backed by non-resident Indians who are actively participating in the Indian economy. At the same time we are seeing a growth of real estate funds with complex holding structures making additional funds available in the local market.

This has led to a very active funding market giving access to a range of funds which has created a platform for M&A activity that will continue to generate cross border opportunities for both UK and Indian businesses”

Singhi believe that there is a growing appetite for SME businesses to grow rapidly. The majority of private equity deals to date have involved businesses in this bracket as many SMEs are choosing to increase expenditure on their capital expenditure in particular.

Abhijeet Biswas concludes:

This is a key stage in the development of the Indian economy and the perceptions of growth remain bullish as Indian corporates continue to surpass earnings quarter on quarter. Fellow advisors are reporting an active M&A market with those like us who concentrate on the SME sector experiencing increased deal flow. The power of international networks like Mergers Alliance will continue to bring business opportunities to fuel this demand and accelerate the growth of our economy.”

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## **Note to editors**

### **Catalyst Corporate Finance**

Catalyst is a leading independent corporate finance advisory firm and was recognised by the 2007 Acquisitions Monthly awards as the Independent Corporate Finance House of the Year. With a focus on providing strategic corporate finance advice to owner managed businesses, public companies and management teams, Catalyst is committed to supporting clients in growing and realising their shareholder value.

### **Mergers Alliance**

Mergers Alliance is an international network of independent firms offering high quality advice on mid market transactions. By bringing together an international team of dedicated corporate finance specialists with real experience of completing transactions together, Mergers Alliance provides a local contact point with an international reach. Cross border transactions represent an increasing proportion of M&A activity and Mergers Alliance is well placed to offer advice on delivering the full benefits of an acquisition, through to detailed integration planning.

### **Singhi Advisors**

Singhi Advisors was founded in 1989 and has now has an experienced and highly qualified team of 30 professionals and is one of the top 10 Indian firms in corporate finance. The firm has risen rapidly from initially being a project consultancy firm to a leading SME/ mid-market focused boutique outfit providing customized, innovative and cost effective services in M&A, Investment Banking and Fund Raising.