equaliFi

40 UNDER FORTY 2024

ALTERNATIVE INVESTMENT PROFESSIONALS IN INDIA

Presenting Partner

Our Mission... Your Growth

CAMS

equaliFi

Explore a World of **Opportunities**

Become an Equalifi Member

Corporate | Individual | Academic

www.equalifi.org

Aditya Gadge
Founder
Equalifi | Priwexus

As we wrap up the last edition of the 40 Under 40 Awards campaign, I cant help but feel a moment of pride in what an extraordinary celebration of emerging talent this campaign has been over the last 7 years.

Designed to recognizing the outstanding achievements of young professionals under the age of 40, the campaign highlighted individuals who demonstrated exceptional prowess, leadership, and transformative contributions across various sectors of alternative investments, including private equity, venture capital, real estate, and more. The event showcased a diverse group of honorees who have not only excelled in navigating the complexities of the financial industry but have also exhibited a profound commitment to driving positive change and shaping the future of finance in India.

As we embark on this celebration of the 40 Under 40 Alternative Investment Professionals in India, it is a moment to acknowledge the vibrancy and ingenuity that these individuals bring to the financial landscape. In an era marked by rapid change and evolving market dynamics, these honorees stand out as exemplars of resilience, vision, and commitment to excellence.

The recipients of this award embody the spirit of innovation that propels the alternative investment sector forward. Whether in private equity, venture capital, real estate, or other alternative asset classes, these young professionals have shown exceptional leadership, contributing significantly to the growth and diversification of India's financial markets.

This recognition is not just a celebration of individual accomplishments but a collective nod to the potential of the next generation in steering the alternative investment landscape toward new horizons. I am confident that the awardees will continue to inspire, mentor, and pave the way for others, leaving an indelible mark on the industry.

Congratulations to the 40 Under 40 Alternative Investment Professionals in India! May this acknowledgment propel you to even greater heights, as you continue to shape the narrative of finance, contribute to the development of our nation, and inspire others to follow in your footsteps.

About Equalifi

Equalifi (erstwhile AIWMI) is a global membership network of financial services organizations & professionals.

Equalifi Corporate Membership is meant for various organizations working in and with the financial services sector. The objective of Corporate Membership is to form an advocacy and representative voice for the various stakeholders of the financial services industry.

Equalifi's expanding network of national and international chapters and strategic partners offers the Corporate Members with an opportunity to develop business relationships with potential clients and partners. The Corporate Memberships provide the opportunity for institutions and their employees to connect and advance their focused area of practice. They aim to benefit the practitioner, their area of specialization, the clients they serve, and the industry at large.

The corporate membership also provides multiple benefits to employees of corporate members including opportunities to earn professional designations; to participate in multidisciplinary knowledge initiatives, enable networking at conferences; and offer one single platform for interaction, cross-pollination of ideas and collaboration.

Our Corporate Members

Need a solid platform you can count on? Look no further!

Equalifi

WeWork Enam Sambhav, C - 20, G Block, Bandra Kurla Complex, Mumbai- 400051

+91 88281 16801 | team@equalifi.org

About 40 Under 40

Equalifi's "40 Under 40- Alternative Investment Professionals in India" campaign now in its seventh and final year is a one-in-a-decade kind of industry initiative which collectively pushes the industry towards better standards. Over the years this campaign grew into the Alternative Investment industry's most prestigious recognition campaign for identifying the best and the brightest minds in the Indian alternative investments sector.

The 40 Under 40 Alternative Investment Professionals in India 2024 list spotlights 27 rising stars and visionaries shaping the future of alternative investments in the country. This exclusive recognition celebrates individuals who have exhibited exceptional prowess, innovation, and leadership within the diverse realms of alternative investments, including private equity, venture capital, real estate, and other burgeoning asset classes.

These talented professionals represent a diverse and dynamic cohort, each contributing significantly to the vibrancy and growth of the alternative investment sector in India. From groundbreaking strategies to transformative initiatives, each awardee has demonstrated an unparalleled commitment to excellence, becoming a driving force behind the industry's evolution. From fostering innovation to driving inclusive growth, these professionals are not only trailblazers within their respective fields but also instrumental in steering India's financial landscape toward new heights.

Jury Testimonials

Anuj Kumar | *President & CEO, CAMS*

The alternatives assets industry in India has been delivering gold - plated outcomes, and is building strong appeal amongst the younger and more discerning investors. Top-tier talent continues to gravitate to this segment, as niche strategies and bespoke products dominate the arena. Growth and expansion in the Alternative assets segment have been impressive, and the possibilities are limitless.

Equalifi is doing a wonderful job in creating an industry wide platform to recognize young talent, and bring them on the podium so they can tell their story. It's been an absolute pleasure for me to be part of the jury, and to read well-crafted content put together by ambitious contestants.

My best wishes for success to the participants, and to the 40-under-40 initiative, to continue delivering to the mission.

Ashutosh Bishnoi | *Board Member, Multi Act Trade & Investment*

Given Indian investors' preference for real assets, Alternative Investments Managers are in a perfect position to offer them the solutions they need! And even as the Alternatives emerge as an investment destination of choice for Indians, the need to professionalize and institutionalize is urgent. The best practices are evolving fast and the talent pool is barely keeping pace with the growth. Equalifi's 40-under-40 is a laudable effort to recognize the best practitioners who look ready to build a solid future for Alternatives in India!"

Deepa Rath | *MD & CEO, Axis Trustees*

Alternative Investment Funds (AIFs) are becoming investor's preferred choice as the HNI population in India is expected to double to 1.65 million in 2027 from 0.8 million. There is immense innovation in terms of financial instruments, asset classes as well as automation to improve the customer experience and bring transparency. Continuous regulatory interventions are focused on protection of investors' interest and at the same time ease of doing business measures for IMs. In this ever-expanding AIF market, demand for human resources talent far outweighs supply and there is great need to recognize the young talent by such 40 under 40 initiatives conducted by Equalifi. Kudos to the team & more power & success to the winners!

Rajesh Gandhi | *Partner, Deloitte Haskins & Sells*

The AIF industry has seen remarkable growth in the last few years with newer businesses using the AIF platform. However, the AIF platform is becoming increasingly complex not just from a regulatory standpoint but also in terms of investment products, investor arrangements and overall adherence to industry standards. Consequently, professionals within the AIF industry need to be highly focused and stay informed about the constant developments in this dynamic and rapidly evolving landscape.

The 40 under 40 awards is a commendable initiative to recognize and reward emerging talent, offering a genuine acknowledgment of their contributions to the industry's growth. It has been an absolute pleasure to be part of the awards journey alongside Equalifi and the esteemed co-jury members. I wish Aditya and the team continued success in achieving significant milestones, not just within the AIF industry but across the broader spectrum of financial markets.

Sharda Balaji | *Founder, Novojuris Legal*

It was dopamine going through the excellent professional work of the applicants. Team Equalifi has done a stellar job in getting the community of alternative investment professionals together. Here’s wishing for more strength to seize the big opportunities in this industry. Onwards and upwards.

Shiv Sehgal | *President & Head, Nuvama Capital Markets*

I am privileged to have had the opportunity to serve as a member of the jury for the 40Under40 Alternatives Investment Professionals In India Awards. Observing the remarkable accomplishments and groundbreaking contributions of young finance professionals was truly awe-inspiring. The nominees' dedication, strategic thinking, and transformative impact highlight the promising future of the finance industry. These individuals are not just revolutionizing the way things are done, but also acting as influential individuals, setting an example for others in the field. It has been an honor to be involved in acknowledging and applauding these exceptional individuals who have had a significant impact on the finance industry in recent years

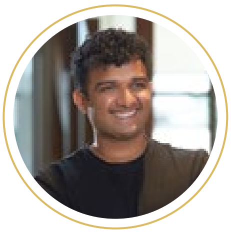
Winners

Abhishek Gupta
Deputy Vice President
Computer Age Management Servcies

Alekh Yadav
Head of Investment Products
Sanctum Wealth

Anshul Jain
Partner
PricewaterhouseCoopers India

Anuradha Aggrawal
Partner
Dexter Ventures



Anurag Ramdasan
Partner
3one4 Capital

Darshan Gandhi
Vice President
India Alternatives
Investment Advisors

Hardik Mehta
Manager
Deloitte Haskins & Sells

Jagdish Kondur
Chief Operating Officer
MITCON Credentia
Trusteeship Services

Dipen Ruparelia
Head-Products
Vivriti Asset Management

Madhav Sanwal
Managing Partner
Millingtonia Capital

Minal Kabra Malpani
Associate Director
Unifi Capital

Mayank Narang
Head Corporate Trustee,
Funds And RTA
Orbis Financial Corporation

Nandini Pathak
Leader, Investment Funds Practice
Nishith Desai Associates

Winners

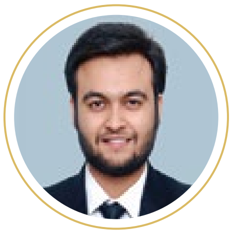
Pratik Singhania
Vice President- Research
SageOne

Neha Malviya Kulkarni
Chief Growth Officer
SuperNAV

Pratik Parekh
Principal / Vice-President
Kotak Investment Advisors Limited

Nitin Agrawal
CEO
Torus Oro PMS

Shikhar Kacker
Counsel
Khaitan & Co



Sanchit Kapoor
Partner
IC Universal Legal

Pravin Kumar
Chief Investment Officer
Alphagrep Investment
Management

Shiven Tandon
Principal
July Ventures

Shweta Laddha
Vice President and Head -
Compliance and Secretarial
Multiples Alternate Asset Management

Sumit Kochar
Managing Partner
Dolce Vita Advisors

Tanvi Bothra
Fund Manager
Kotak Alternate Asset Managers

Utsav Ashwin Shah
Principal Officer & Head
GIFT IFSC
Aditya Birla Sunlife AMC

Urvi Janani
Partner
Kaytes Business Consultants

Vijay Morarka
Senior Manager
Deloitte Haskins & Sells

Abhishek Gupta

Deputy Vice President
Computer Age Management Servcies

Wings Of Fire

With a robust 15-year tenure in the dynamic realm of General Insurance, Banking & Fund Administration, Abhishek has adeptly navigated through diverse roles such as Wealth Manager, Investment Counsellor, Product Management specialist, and Fund Administrator. His journey in the industry has been defined by focus on innovation, efficiency, and strategic collaboration, driving positive transformations in the landscape of wealth and asset management. Over the past several years at CAMS, Abhishek has been part of the pioneering initiatives in the Fund Administration domain, particularly in the burgeoning Alternatives industry. Furthermore he has been a part of efforts in ushering in a new era of efficiency through the standardization and automation of SOAs, regulatory reports, and other crucial processes. His commitment extends beyond operations, as he actively advocates for the growth and potential of the Gujarat International Finance Tec-City (GIFT City), providing insights to AMCs and facilitating connections with the IFSCA and other key ecosystem stakeholders. In fostering a collaborative approach, Abhishek has closely coordinated with AMCs, Broking firms, NBFCs & intermediaries like Trustees, Auditors, Merchant Bankers, and Law firms for providing end to end assistance in Fund Administration & Ancillary services.

Your Success Secret:

My journey has been defined by focus on persistence, innovation, efficiency, and strategic collaboration.

Your Role Model/s in the Indian Financial Services Sector:

Uday Kotak (Kotak Bank)

Anuj Kumar (CAMS)

Nithin Kamath (Zerodha)

A Book/ Blog/ Publication you highly recommend.

IKIGAI

Alekh Yadav

Head of Investment Products
Sanctum Wealth

Outliers

As the Head of Investment Products at Sanctum Wealth, Alekh oversees the due diligence processes for all third-party products, including mutual funds, PMSs, and AIFs. His responsibilities extend to product communication and the formulation of effective go-to-market strategies. His role is centered around delivering meticulously researched, high-conviction product ideas to the clients. In addition to managing due diligence, Alekh plays a pivotal role in crafting investment strategy commentaries and serves as a key member of the investment committee. With over a decade of comprehensive work experience, his focus has been primarily on scrutinizing investment products and developing robust investment strategies.

Prior to his current position, Alekh held roles at esteemed organizations such as Standard Chartered Bank and International Money Matters (IMMPL), where he contributed significantly to their investment product teams. Alekh's academic background includes an MBA from IIM Lucknow. He is also a CFA charterholder and an FRM certified professional.

▶ *Your Success Secret:*

Always do the right thing no matter how difficult it may appear.

▶ *Your Role Model/s in the Indian Financial Services Sector:*

Renuka Ramnath (Multiples Private Equity Fund)

Subahoo Chordia
(Real Asset Funds, Edelweiss Alternative Asset Management)

Mr. Rahul Chandra (Arkam Ventures)

▶ *A Book/ Blog/ Publication you highly recommend.*

Atomic Habits

Anshul Jain

Partner
PricewaterhouseCoopers India

I Can Do It

Anshul Jain is a Partner in the Deals, Tax & Regulatory Services of PwC with over 21 years' experience. His focus has mainly been in the areas of transaction advisory, general corporate advisory, structuring and M&A encompassing financial and strategic investments, acquisitions, mergers, spin-offs, joint ventures, foreign collaborations, etc. Anshul has supported Govt of India in developing new corporate law and more recently supported in developing the new insolvency & bankruptcy code in India. He has also been involved in large bankruptcy / stressed asset acquisition transactions in the role of an advisor as well as team lead for acquisition. He has led large acquisition transactions across sectors under the current IBC regime in India and regularly advises domestic and foreign clients in acquisition of such companies under IBC and financial institutions in dealing with stressed assets, and regulatory advisory to funds in acquiring NPLs.

His key competencies include, end to end acquisition advisory to acquirers under Indian insolvency laws, Due diligence and structuring of acquisitions, Resolution plan preparation, negotiation and implementation, General Corporate and Restructuring of M&A transactions, Supporting clients in Liquidation sale and Voluntary liquidations, Advise in pre-pack insolvency, Stamp duty advisory, Support listed companies in handling restructuring, capital reduction & shareholder related matters, Compliance & Governance advisory in companies including NBFCs & banks, and Cross border mergers & acquisitions

- *Your Success Secret:*
  Perseverance and Hard work

- *Your Role Model/s in the Indian Financial Services Sector:*
  Rashesh Shah (Edelweiss)

- *A Book/ Blog/ Publication you highly recommend.*
  Believe in Yourself - Life Lessons from Swami Vivekananda

Anuradha Aggrawal

Partner
Dexter Ventures

I'd Rather Be In Charge

After completing her education and a couple of small stints at Agilent Technologies and Copal Partners, Anuradha Aggrawal embarked on her first entrepreneurial role as co-founder at Dexter Capital - a boutique investment bank specializing in Fundraising and M&A. After having started and scaled operations across Jaipur, Delhi, and Bangalore, she undertook another 0 - 1 journey by founding Multibhashi - a language learning platform with 32+ languages and B2B services on language translations, content creation, transcriptions, and voice-overs. Cntinuing with her vision to support early-stage startups in their 0 - 1 journey, she also set up a micro fund - Dexter Ventures recently.

Anuradha has traversed multiple roles in her alternative investing journey - as an advisor to startups for raising funds, as a founder who has raised Seed and Pre-Series A funding, and currently, as an Investment Professional, backing early-stage startups with capital and support.

▶ *Your Success Secret:*
Perseverance towards my end goal and transparency towards all stakeholders (team, investors, portfolio founders, and other collaborators) has been the key to whatever I have achieved so far

▶ *Your Role Model/s in the Indian Financial Services Sector:*
Ganapathy Venugopal (VG)
Anirudh Malpani

▶ *A Book/ Blog/ Publication you highly recommend.*
The Leader Who Had No Title by Robin Sharma and Billion Dollar Loser by Reeves Wiedeman

Anurag Ramdasan

Partner
3one4 Capital

Eleven Rings: The Soul of Success

Anurag leads the Investment and Research teams at the firm. He also serves as a Board Member at Ripplr. With an engineering background and a habit of automating all of his inbound work, Anurag's focus cuts across many additional verticals within 3one4 Capital, such as Reporting and Portfolio Management.

Anurag spends most of his time working with portfolio companies and their founding teams across tech, product, business strategies and fundraising. Anurag has interacted with over 2,000+ companies to date while automating internal routines to allow 3one4 Capital to efficiently respond to companies with its decisions in the shortest turnaround time. As the first employee at EdCast, Anurag spent 4 years working on engineering, product, marketing, and customer success. At EdCast he deployed applications across the world including China, worked with large global corporations, hired and trained engineering teams, and built complex large-scale systems that now train millions of employees in multiple geographies. He completed his Bachelor's in Computer Engineering from the University of Mumbai

Your Success Secret:

Embracing continuous learning, adaptability, and a deep commitment to balancing innovative investments with societal impact has been the key to my journey so far.

Your Role Model/s in the Indian Financial Services Sector:

Uday Kotak

A Book/ Blog/ Publication you highly recommend.

"Asia Reborn: A Continent Rises from the Ravages of Colonialism" and "War to a New Dynamism"

Darshan Gandhi

Vice President
India Alternatives Investment Advisors

The Intelligent Investor

Darshan is a driven Private Equity professional with a long term mindset working for the last 8+ years with India Alternatives Investment Advisors, a top performing home grown mid-market Private Equity firm based out of Mumbai.

He has played a key role in India Alternatives completely exiting its Fund I with stellar returns and ensuring value creation for its investors. Darshan has made investments in, monitored and secured multiple exits / generated significant alpha from marquee companies that are the backbone of the Indian Financial Services industry.

In addition to being a part of the Investment team, Darshan is also a part of the Fund Raising team at India Alternatives which has been recognized with the Private Equity Fund Raise of the Year award at APEX 2021, PE - VC Summit & Awards by Venture Intelligence.

Previously, Darshan has worked with Edelweiss Financial Services for 3 years into Treasury Management and Risk Management. He has completed his MBA from MDI, Gurgaon. He is a CFA Charterholder (CFA Institute, USA) and a Certified FRM (GARP, USA). He has completed his Bachelors in Management Studies from Mumbai University.

▶ ***Your Success Secret:***
Having a consistent focus on and embracing a long term mindset

▶ ***Your Role Model/s in the Indian Financial Services Sector:***

Shivani Bhasin Sachdeva
(India Alternatives)

▶ ***A Book/ Blog/ Publication you highly recommend.***

'A Few Lessons for Investors and Managers From Warren E. Buffett' by Peter Bevelin.

Dipen Ruparelia

Head-Products
Vivriti Asset Management

Love What You Do

Dipen Ruparelia, is one of the founding members and currently working as Head of Products at Vivriti AMC and handling a team of 5 members. Dipen has played a pivotal role in creating Vivriti AMC's niche in India's performing credit space by launching multiple innovative funds. Apart from products, Dipen plays an instrumental role in driving business strategy and regulatory advocacy.

Dipen is a CA and CFA by qualification and comes with over 14 years of experience in debt markets across areas like products, fundraise, fund management, research, and benchmarking.

Dipen had previous stints with CRISIL Fixed Income Research and Aditya Birla Wealth.

▶ *Your success secret:*

It's about consistency. Consistent hard work leads to success. Greatness will come.

▶ *Your Role Model/s in the Indian Financial Services Sector:*

Vineet Sukumar (Vivriti Group)

S. Sriniwasan
(Kotak Alternate Asset Managers)

▶ *A Book/ Blog/ Publication you highly recommend.*

What Got You Here Won't Get You There by Marshall Goldsmith.

Hardik Mehta

Manager
Deloitte Haskins & Sells

Atomic Habits

Hardik Mehta is a Chartered Accountant and a Lawyer based in Mumbai. With over a decade of post qualification experience, Hardik Mehta has extensive expertise in tax and regulatory services within the financial services domain. Throughout his career, Hardik has successfully managed diverse fund structuring, advisory, and compliance assignments for clients, particularly in private equity, alternative investment, and foreign portfolio investments. Hardik's focus lies in advising and assisting alternative investment funds, foreign portfolio investors etc. in strategically structuring their presence in India, emphasizing key tax and regulatory considerations. Beyond client work, Hardik actively contributes insights to articles on alternative investments, showcasing a commitment to thought leadership in the ever-evolving landscape of tax and regulations. Hardik's professional journey reflects a passion for navigating intricate financial landscapes and providing strategic solutions in a dynamic and challenging industry.

Outside of his professional pursuits, Hardik takes joy in discovering new destinations, embarking on kayaking adventures, and indulging himself playing table tennis.

Your Success Secret:

The key to my success lies in the harmonious blend of passion, perseverance, and the ability to extract valuable lessons from both successes and failures.

Your Role Model/s in the Indian Financial Services Sector:

Uday Kotak

A Book/ Blog/ Publication you highly recommend.

"The Psychology of Money" by Morgan Housel

Jagdish Kondur

Chief Operating Officer
MITCON Credentia Trusteeship Services

Dreams Meet Delivery

Jagdish Kondur is currently working with Mitcon Credentia Trusteeship Services Ltd as a Chief Operating Officer of the Company tasked with overseeing trusteeship operations, Business development functions of the company. He has completed by graduation from commerce stream and completed a Certification in Business Basics from the Institute of Chartered Financial Analysts of India University, Sikkim with over 18 years of work experience in the areas of Fiduciary services such as Debenture Trustee, Product Head for Alternative Investment Funds, Security Trustee, Escrow and other regulated products. He is also a part of business development and operation for various Corporate Trusts with different structures and Capital Market products.

His previous stints were with Vistra (ITCL) India Ltd, Catalyst Trusteeship Ltd and SBICap Trusteeship Company Limited.

Your Success Secret:

I have always invested in myself through learning or practicing which made me get good opportunities with great experience in my Life.

A Book/ Blog/ Publication you highly recommend.

"Mann Ki Baat" by our honorable Prime Minister.

Your Role Model/s in the Indian Financial Services Sector:

Venkatesh Prabhu
(Mitcon Credentia Trusteeship Services)

Vaishali Urkude
(Mitcon Credentia Trusteeship Services)

Bhagwandas Deeti
(Cash Cow Financials Services)

Manaji Dhawale
(Cash Cow Financials Services)

Madhav Sanwal

Managing Partner
Millingtonia Capital

Blank on the Map

Sasha Sanwal has worked on Wall Street for fifteen years at UBS and JP Morgan. He chose to return to India to launch Millingtonia Capital, together with his brother Misha. Millingtonia Capital is an India dedicated equity long short fund based in GIFT City with a focus on digitalization and technology transformation. The two brothers see digital and technology driven growth stories in India at a tipping point with mobile penetration, deployment of digital public infrastructure and per capita income simultaneously crossing important thresholds.

The theme of digital and technology transformation is impacting all sectors of the Indian economy and Millingtonia is comfortable stepping outside the boundaries of traditionally defined technology sectors to find businesses that are being impacted (positively or negatively). The duo have been investing in India for over fifteen years. Sasha helped take some of India's biggest IT companies public in the 2000s. Misha was a founding member of Blackstone's India private equity business in 2005.

Sasha holds an MBA from Columbia Business School with Dean's Honors with Distinction and a B.Sc in Economics from the Wharton Business School at the University of Pennsylvania. He is a CFA Charterholder.

- ***Your Success Secret:***
  Team growth fuels personal growth

- ***Your Role Model/s in the Indian Financial Services Sector:***
  Gaurav Dalmia

- ***A Book/ Blog/ Publication you highly recommend.***
  "Good to Great" by Jim Collins

Mayank Narang

Head Corporate Trustee, Funds And RTA Orbis Financial Corporation

You Can

Mayank has over 13 years of experience in capital market, Banking, trusteeship, custody, and rta. He has valuable exposure in relationship management, team handling and client servicing. Before joining Orbis Mayank has worked with ICICI Bank and Vistra. He has done MBA from IBS Hyderabad and B.com (Hons) from Delhi University. He strongly believes that trust is built through placing the interests of the new entrants above his own goals, making them feel comfortable in exploring the capital market industry and seeing an unmatched opportunity achievable through collective efforts of different service providers. He believes bringing in greater traction within the industry itself is the key to growth of the segment, of relationships and in turn of business. He is highly inspired by his family values and believes they are a strong pillar in his journey of growth.

▶ ***Your Success Secret:***

Failure is not fatal, persistence is key.

▶ ***Your Role Model/s in the Indian Financial Services Sector:***

Shyam Agarwal
(Orbis Financial Corporation)

▶ ***A Book/ Blog/ Publication you highly recommend.***

“You are a Badass” by Jen Sincero.

Minal Kabra Malpani

Associate Director
Unifi Capital

Hidden Potential

For the past 16 years, Minal has been an integral part of the wealth management industry. Commencing her career as an intern with a stock broking firm, she developed a passion for equities. Upon completing her post-graduation, she assumed the role of managing the proprietary arbitrage book, becoming the youngest individual in the organization handling assets exceeding 1000 crores. From the onset of her career at the age of 23, she not only managed a team but also demonstrated a keen thirst for knowledge, propelling her into more demanding client-centric roles at IIFL Wealth. Driven by a desire to make a positive impact on people lives, Minal actively engaged in researching and crafting equity portfolios for UHNI investors, family offices, and treasuries during her tenure at IIFL Wealth. Seeking fresh challenges and growth opportunities, she transitioned to Motilal Oswal Wealth Management (earning recognition as a Sales Superstar) and later joined the Aditya Birla Group. At these organizations, she continued to provide expertise in advising on asset allocation and financial planning needs.

Presently, Minal leads crucial institutional relationships with Unifi Capital, a prominent asset manager in India. Her responsibilities encompass securing significant strategic alliances for the firm and managing client relationships across UNHIs and family offices. Renowned for her determined and collaborative approach, Minal possesses extensive experience in client relationship management, investment advisory, and wealth management.

- ***Your Success Secret:***
  Lead by example, Be
  persistent and Never stop learning.

- ***Your Role Model/s in the Indian Financial Services Sector:***
  K Sarath Reddy
  Karan Bhagat
  Lakshmi Iyer

- ***A Book/ Blog/ Publication you highly recommend.***
  The One Thing by Gary W. Keller
  and Jay Papasan

Nandini Pathak

Leader, Investment Funds Practice
Nishith Desai Associates

You don't look like a lawyer

Nandini Pathak is a Leader in the Fund Formation practice at Nishith Desai Associates and is actively involved in the firm's thought leadership on the venture capital (VC) and private equity (PE) side of funds. Her focus area has been fund formation for India focused funds for a decade now.

With a strong focus on VC / PE funds, she has advised several international, foreign and domestic clients on legal, regulatory and tax issues, fund governance and fund economics best practices and negotiations with various participants at the fund formation and closing stages. Her expertise includes tax efficient structuring for India focused funds as well as LP-GP negotiations. She also regularly advises clients on the regulatory front including on securities laws and exchange control laws.

▶ ***Your Success Secret:***
Pick yourself up, dust yourself off and try again.

▶ ***Your Role Model/s in the Indian Financial Services Sector:***
Renuka Ramnath
(Multiples Asset Management)

▶ ***A Book/ Blog/ Publication you highly recommend.***
"Reasons to Stay Alive" – Matt Haig

Neha Malviya Kulkarni

Chief Growth Officer
SuperNAV

The Fountainhead

Neha Malviya Kulkarni is a B.Com, MBA and LLB. She is the Chief Growth Officer at SuperNAV and boasts of an incredible experience and achievements in the financial services industry where to her credit she is behind the setting up of numerous funds across diverse jurisdictions not restricted to India but also Mauritius, Cayman Islands, Singapore VCC and Bermuda, hence playing an important role in the growing fund structures globally-onshore and offshore fund set up, GIFT City, AIF and spreading across compliance. Her expertise and knowledge in structuring investment vehicles have garnered attention where she has been recognized in leading national financial newspapers such as The Economic Times, Business Standard, Financial Express, Business Line, HT Mint, and Forbes India Magazine. These Publications have featured her insights and contributions to the financial services Industry on numerous occasions. Neha has 17 years of experience across leadership roles both in Domestic and international Compliance and Legal advisory pertaining to SPVs, CIS, PCC and close end fund structures as well as SEBI regulated entities. She enjoys writing about varied matters related to compliance and their impact on the industry.

Your Success Secret:

"न कंचति् शाश्वतम्" which means nothing is permanent be it success or failure; hence, it is essential to remain grounded at all times.

Your Role Model/s in the Indian Financial Services Sector:

Madhabi Puri Buch (SEBI)

A Book/ Blog/ Publication you highly recommend.

The Fountainhead by Ayn Rand and The Almanac of Naval Ravikant.

Nitin Agrawal

CEO

Torus Oro PMS

The Rational Optimist

A highly skilled and results-oriented professional Nitin Agrawal is the CEO of Torus Oro PMS, a new age portfolio management service for HNIs managing over Rs 100 crores of AuM. He is also the CEO designate of the proposed Torus Oro AMC (mutual fund license application filed with SEBI).

Nitin is one of the co-founders of Orowealth, a leading wealth-tech startup that offers a comprehensive platform to invest in multiple financial assets like mutual funds, FDs, alternatives. He started Orowealth in 2016 and scaled it up to over Rs 1000 crores of assets under advisory. He successfully exited the business to InCred Group in an all-cash exit in January 2023.

Prior to founding Orowealth in 2016, he worked for around six years in the investment banking division of Deutsche Bank as Vice President, Equity Derivatives Structuring (London and Singapore Offices), between 2009 and 2015. Nitin was responsible for providing investment ideas and hedging solutions to Institutional Clients globally.

Nitin has done his MBA from IIM Bangalore (2009 batch) and B.Tech in Electrical Engineering from IIT Bombay (2007 batch). He was an All India Rank 105 in IIT JEE and a Gold Medalist at India National Physics Olympiad.

- ***Your Success Secret:***
  Having a Growth Mindset – believing we can achieve anything if we continue to learn, improve, and keep persevering towards our goal.

- ***Your Role Model/s in the Indian Financial Services Sector:***
  Bhupinder Singh (InCred)

- ***A Book/ Blog/ Publication you highly recommend.***
  Expected Returns by Antti Ilmanen

Pratik Parekh

Vice-President
Kotak Investment Advisors

Good to Great

Pratik is a seasoned banker and investment professional with 14 years of experience in investing, buyouts, private credit, M&A, and banking. Currently, he works at Kotak Alternate Assets Managers Limited. The company manages a capital of USD 2.5 Bn, focusing on buyouts, private credit, and special situations strategies. Pratik has led investments of around USD 500 Mn and serves as a board member of the investee companies. Before joining Kotak Alternate Assets, he worked for Kotak Mahindra Bank's Asset Reconstruction Business, overseeing investment, restructuring, and resolution. Prior to that, he was a part of the Group Strategy team at Kotak Mahindra Bank for five years. During this period, he played a key role in several transactions, including the Kotak-ING merger, Kotak's investment in Airtel Payments Bank & MCX India, and other efforts aimed at driving productivity & profitability. He started his career in the corporate finance division of Walplast Products Private Limited, where he worked for two years. He has completed his CA, CS, CISA, CFA (level 2), MCom and BCom.

▶ *Your success secret:*

Take ownership of work – only then you can deliver 100%

▶ *Your Role Model/s in the Indian Financial Services Sector:*

Uday Kotak
S. Srinwasan
Renuka Ramnath

▶ *A Book/ Blog/ Publication you highly recommend.*

What it takes: lessons in the pursuit of excellence by Stephen A. Schwarzman

Pratik Singhania

Vice President- Research
SageOne

Essentialism

Pratik Singhania currently serves as the Vice President – Research at SageOne Investment Managers. With a career spanning over a decade and a half, he has been actively involved in equity market investments since 2007, gaining extensive experience in navigating various bull and bear cycles.

Pratik's professional journey commenced at the age of 17, as he pursued the Chartered Accountancy Course. During this time, he garnered diverse exposure by participating in the audit of companies across sectors such as FMCG, NBFCs, Broking, Entertainment, Online Gaming, Broadcasting, and Investment Companies. In 2009, he transitioned to specialize in forensic research at Edelweiss.

Prior to joining SageOne in 2017, Pratik has worked with a large Family Office and Ambit Capital where he covered sectors like consumer discretionary, retail, and real estate and also conducted thematic and bespoke research projects.

As the longest-standing member of SageOne, Pratik has witnessed remarkable growth in AUM, seeing it rise from INR 450 crores to INR 5000 crores over 6.5 years. His investment approach is sector-agnostic, emphasizing a bottom-up style. Notably, he has demonstrated an ability to identify and invest in businesses across various industries ahead of market trends.

Beyond his research role, Pratik actively contributes to tax planning and structuring of investment vehicles at SageOne. He oversees legal, taxation, accounting, and auditing matters. Holding a Bachelor of Commerce from the University of Mumbai, he is also a qualified Chartered Accountant from ICAI, India. Furthermore, Pratik has completed all three levels of the CFA program, USA and Company Secretary program from ICSI, India.

▶ ***Your Success Secret:***

Consistent dedication to continuous learning, effective communication, adaptability and agility.

▶ ***Your Role Model/s in the Indian Financial Services Sector:***

Sunil Singhania & Samit Vartak

▶ ***A Book/ Blog/ Publication you highly recommend.***

Samit Vartak's Investors' Memo

Praveen Kumar

Chief Investment Officer
Alphagrep Investment Management

Think again

Praveen Kumar started his career in quantitative investing/research in 2008 with Edelweiss on the prop desk and helped scale up the systematic trading desk there. He worked across asset classes and geographies during my 9+ years while transitioning from being a researcher to a portfolio manager to managing a team of researchers. These initial years naturally shaped his learning and understanding of the systematic world. He thereafter moved to the asset management side within Edelweiss where he started working on investment strategies across platforms and along the way helped in conceptualizing India's first IPO based mutual fund.

Praveen has since moved into the alternatives space, having first managed a category III AIF at Edelweiss for 1.5 yrs and then moving to AlphaGrep to set up the alternatives asset management business here. As CIO at Alphagrep, he is responsible for product design and strategy allocation apart from formulating and implementing the risk framework. Identifying and building new strategies for different mandates and products is an integral part of his role.

- ***Your Success Secret:***
  Play to your own strengths

- ***Your Role Model/s in the Indian Financial Services Sector:***
  Nithin Kamath

- ***A Book/ Blog/ Publication you highly recommend.***
  Money Stuff by Matt Levine

Sanchit Kapoor

Partner
IC Universal Legal

Mindset

Sanchit is a Partner and a lead member of the IC Universal Legal's (ICUL) Financial Services & Private Funds Team at its Mumbai office.

His extensive investment funds practice includes setting up, structuring and negotiation of associated documents across all major alternative investment strategies (including private equity funds, venture capital funds, angel funds, real estate funds, credit funds, infrastructure funds, long-only, long-short, hedge funds) in addition to the carried interest and co-investment structuring associated with such funds.

Sachin also has vast experience in advising portfolio managers, investment advisers, and mutual funds in their set-up and operations and regularly works on GIFT-IFSC, Mauritius, and Singapore fund set-up thus providing a complete end-to-end solution for fund managers to raise both domestic and offshore capital.

- ***Your success secret:***

  Team growth fuels personal growth

- ***Your Role Model/s in the Indian Financial Services Sector:***

  Tejesh Chitlangi (IC Universal Legal)

- ***A Book/ Blog/ Publication you highly recommend.***

  Think and Grow Rich

Shikhar Kacker

Counsel
Khaitan & Co

Zero to One

Shikhar Kacker is a Counsel in the Investment Funds and Asset Management practice at Khaitan & Co in New Delhi. Shikhar specialises in advising investment managers and fund sponsors in structuring and establishing both domestic and offshore private investment funds. Being in New Delhi, he closely works with some of the largest government sponsored AIFs. Shikhar advised the Department of Disinvestment in creating the first CPSE ETF for divesting the Government's holdings in CPSEs.

In addition to setting up investment funds, he has considerable experience in advising PMS, Mutual Funds and FPIs on regulatory issues.

Shikhar has also advised several prominent investment managers in connection with the acquisition of fund management business of other leading investment managers. He regularly engages with industry associations on policy and advocacy matters and has authored several articles in leading business newspapers and international journals concerning key issues in the AIF industry. Shikhar is also a qualified Advocate on Record, Supreme Court.

- ***Your Success Secret:***
  Learning from past mistakes.

- ***Your Role Model/s in the Indian Financial Services Sector:***
  Radhika Gupta
  (Edelweiss Asset Management)

- ***A Book/ Blog/ Publication you highly recommend.***
  The Next 100 Years by George Friedman

Shiven Tandon

Principal

July Ventures

The Education Of A Value Investor

Shiven Tandon is a second generation business owner turned full-time Venture Capitalist. At July Ventures, an early stage fund focussed on B2B Technology businesses, he works across functions -- raising capital, managing compliance, sourcing deals, closing transactions, managing portfolio companies, and strategising exits.

Prior to this, he's worked in -- audit, capital markets, insurance broking, and investment banking. Due to his wide ranging background and experience, he's developed a deep understanding of the economy, business strategy, and investing.

Beyond investing, he's a sports enthusiast, spiritual seeker, public speaker, and serves on the board of a large PSU. As a student of Sri Sathya Sai Baba's school, he considers Baba his Lord and Guru.

Your Success Secret:

Show up every day. Do the work.
Offer it to God.

Your Role Model/s in the Indian Financial Services Sector:

Sandeep Bakhshi (ICICI Bank)

Raj Bhatt Chairman (Elara Capital)

A Book/ Blog/ Publication you highly recommend.

- 7 Powers by Hamilton Helmer(Book)
- https://stratechery.com/ (Blog)
- 13D Research (Publication)

Shweta Laddha

Vice President and Head - Compliance and Secretarial Multiples Alternate Asset Management

Unfinished

Shweta's journey over 14 years in the financial services industry is filled with diverse experience and wearing multiple hats throughout her career. Shweta is a Chief Compliance Officer and Vice President at Multiples Private Equity, a leading private equity fund in India. At Multiples, apart from managing all regulatory/ non-regulatory compliances (including AIF, PIT and AML Regulations) of Multiples PE Funds and group entities, her role is to steer value creation for portfolio companies in the field of compliance and governance. She enjoys understanding different sets of regulations applicable to investee companies and helping the compliance and governance function over there to step up to next level. Throughout her professional career, she has extensively worked with AIFs, financial sectoral regulators, set-up and led the compliance and governance functions, developed governance frameworks and worked on complex transactions right from fund raising to corporate restructuring. She is also recognized as India Top Women in Finance by Equalifi and Compliance Leader of the Year. She is a Company Secretary, LLB and also completed her PGDM with specialization in Finance and Marketing from ITM Business School, Navi Mumbai.

Your Success Secret:
Radically open minded and Perseverance

Your Role Model/s in the Indian Financial Services Sector:

Renuka Ramnath

A Book/ Blog/ Publication you highly recommend.

Thinking, Fast and Slow
by Daniel Kahneman.

Sumit Kochar

Managing Partner
Dolce Vita Advisors

The Up Side of Down

Sumit Kochar, a seasoned lawyer and full member of STEP, UK, specializes in an array of legal domains, notably excelling in fund formation, compliance and structuring, family office advisory, inter-generational wealth management, estate and succession planning, private equity investments, corporate restructuring, and mergers and acquisitions. Boasting over a decade of experience, Sumit has a robust background in corporate transactional and advisory mandates, regulatory approvals, private equity investments, and the formation of both domestic and international investment funds.

In the realm of alternative investments, Sumit's expertise shines as he collaborates with various investment managers, fund set-up intermediaries, private equity funds, venture capital funds, hedge funds, and angel funds. His role extends to advising on the legality of investments, ensuring compliance, and structuring investments, contributing significantly to the development of investment strategies and crafting comprehensive fund documentation.

Beyond his professional pursuits, Sumit actively engages in philanthropy, consistently supporting the education and well-being of blind students through his partnership with NAB (National Association for Blind) Delhi. An expert speaker, he has shared his insights in diverse webinars, covering topics such as Estate Planning, Digital Data Protection Act, Budget Analysis, Digital Banking, SEBI Compliances, and Overseas Investment Regulations. Recently, Sumit Kochar launched a law firm, Dolce Vita Legal Advisors, in the United Arab Emirates, specializing in an array of services, specifically family offices and fund setup.

- ***Your Success Secret:***

  Continuous learning, adaptability, and a commitment to positive impact in both professional and philanthropic endeavours form the core of my success.

- ***Your Role Model/s in the Indian Financial Services Sector:***

  Uday Kotak

- ***A Book/ Blog/ Publication you highly recommend.***

  "Thinking, Fast and Slow" by Daniel Kahneman

Tanvi Bothra

Fund Manager
Kotak Alternate Asset Managers

Born to Fly

Tanvi Bothra is currently working as a Fund Manager at Kotak Alternate Asset Managers Ltd. She is a part of the team managing approximately 4,000 crs of assets in discretionary funds investing across multi-asset classes and multi-strategies. Prior to joining Kotak, she was working as an Investment Counsellor at Avendus Wealth.

Tanvi has completed MBA from IIM Lucknow in 2017 and specialised in Finance & Strategy. She completed my graduation in computer science and engineering from IIT-BHU, Varanasi in 2014.

Tanvi has also worked at Citibank, Cisco and Citrix. She was born and brought up in Jaipur, Rajasthan.

In her free time, she enjoys travelling, practicing yoga and reading books.

Your Success Secret:

"Sincerity towards work and colleagues, work hard and put your best foot forward. Success will follow."

Your Role Model/s in the Indian Financial Services Sector:

Lakshmi Iyer

Srini Sriniwasan

Kanwaljit Singh

A Book/ Blog/ Publication you highly recommend.

Blogs- Collabfund by Morgan Housel and Ashwath Damodaran's blog

Publication- Greed and Fear by Cristopher Wood

Urvi Janani

Partner
Kaytes Business Consultants

Deep Work

I am a qualified Chartered Accountant by profession, however a wanderer and keen reader at heart. I have a professional experience of more than 9 years including specialising in Assurance Services and then establishing roots in Financial services. Extensively involved in advising and structuring Alternative Investment Funds in all categories including carry structuring. Heads the regulatory and compliance practice and works with the team to serve Fund compliances, tax and regulatory services through the entire lifecycle of the Fund.

- ***Your Success Secret:***
  "Live your beliefs and you can turn the world around." Self-belief is the strongest weapon to succeed.

- ***Your Role Model/s in the Indian Financial Services Sector:***
  Radhika Gupta, Vishesh Rajaram
  Kriyang Karia

- ***A Book/ Blog/ Publication you highly recommend.***
  The Power of Positive Thinking – Norman Vincent Peale

Utsav Ashwin Shah

Principal Officer & Head - GIFT IFSC
Aditya Birla Sunlife AMC

Principles

Utsav Shah is a seasoned finance professional with over 15 years of experience under his belt. He currently serves as the Principal Officer & Head of GIFT IFSC at Aditya Birla Sun Life Asset Management Company, playing a pivotal role in establishing the firm's presence in India's burgeoning international financial hub, GIFT City.

Utsav has spearheaded the launch of several first-of-its-kind initiatives at GIFT City, including the launch of an ESG Engagement Fund, Global Equity AIF FoF and Global Structured Product AIF, each contributing to the ecosystem's development.

He has adeptly managed fixed income portfolios worth $2.5 billion and generated profits through strategic liquidations. His expertise spans diverse areas, from fixed income trading and global products to fund management and crafting investment structures.

He actively fosters knowledge sharing through panel discussions, articles, and training programs for the industry.

- ***Your Success Secret:***
  Consistent effort and a positive mindset pave the way to success

- ***Your Role Model/s in the Indian Financial Services Sector:***

  Srini Sriniwasan
  (Kotak Alternate Assets Advisors)

  Manish Chokhani
  (ENAM Holdings)

- ***A Book/ Blog/ Publication you highly recommend.***
  Memos by Howard Mark

Vijay Morarka

Senior Manager
Deloitte Haskins & Sells

Atomic Habits

Vijay is a Chartered Accountant and has over 11 years of experience in corporate and international tax. He is a Senior Manager in the Global Business Tax practice at Deloitte Haskins & Sells LLP. He specializes in advising clients in the financial services sector, with primary focus on the asset management industry. He has experience in advising foreign portfolio investors, private equity clients, alternative investment funds, portfolio managers and investment advisors in evaluating market entry options, setting-up presence in India, domestic and international tax matters, exchange control norms, capital market regulations, etc. He also provides support to Funds in deal structuring, offering expertise in tax and regulatory considerations, and conducting tax due diligence. He has also helped various funds in setting-up presence in the International Financial Services Centre, including setting-up of the first ever operational AIF set-up in the IFSC. He has actively participated in various initiatives with the IFSC Authorities. He has a passion for playing cricket, a penchant for travel, and likes to engage in social activities.

Your success secret:

Unwavering dedication, a relentless thirst for learning, maintaining a positive mindset, and striving for continuous improvement every day

Your Role Model/s in the Indian Financial Services Sector:

Siddharth Bhaiya
(Aequitas Investment Consultancy)

Nikhil Kamath
(Zerodha and True Beacon)

A Book/ Blog/ Publication you highly recommend.

Mindset: The New Psychology of Success" by Carol S. Dweck.

Alternative Funds

Insights on investors and intermediation

- the path taken and the potential

Foreword

It has been a great pleasure to be part of Equalifi's events and initiatives curated for the Alternatives segment ecosystem. We sincerely thank the Equalifi team for giving us the opportunity to release the report titled "Insights on investors and intermediation - the path taken and the potential" during this flagship event, the 11th Indian Alternative Investment Summit 2024.

As a large platform and service partner to the Alternatives segment, CAMS is happy to bring the first report on Alternatives asset trends across multiple dimensions, based on our aggregated data which represents a significant share of the market.

The report focuses on alternative assets trend over a five-year time frame on the asset inflows across categories, investor segment, demographics of investors, intermediation patterns, off-takes in locations and brings actionable insights and direction for asset managers, intermediaries and advisors.

We hope you will find the report useful and look forward to receiving your feedback and suggestions.

Wishing you a very happy 2024.
Best Regards

Anuj Kumar
Managing Director
CAMS

As we navigate an era marked by unprecedented global changes, alternative investments have increasingly become a focal point for those seeking diversification, resilience, and innovative avenues for capital deployment. As you examine these trends, you will gain not only a panoramic view of the industry but also strategic insights that can guide you further.

I commend the CAMS team for meticulously curating this study, drawing upon their expertise and market reach to advance industry knowledge and foster informed decision making.

May this study on trends in alternative investments serve as a catalyst for dialogue, innovation, and strategic thinking.

Aditya Gadge
Founder - Equalifi | Priwexus

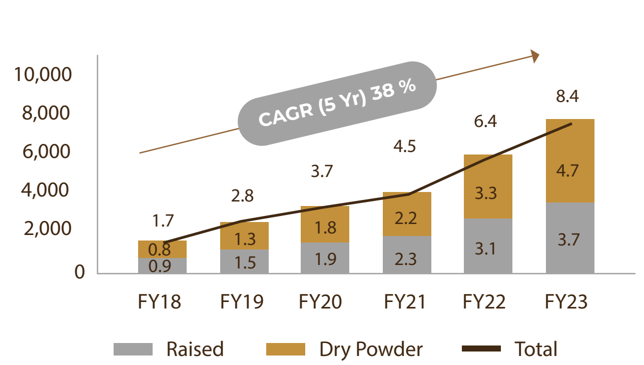
About

CAMS is a significant service partner in the Alternatives space serving over 60% of the Alternatives which have outsourced their operations. Serving about 150 Alternative fund houses, our platform supports an aggregated asset base of about Rs. 2 lakh crore.

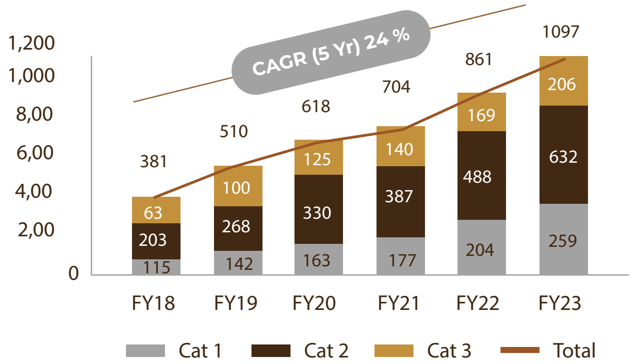
The study has been done for CAMS serviced Funds houses, which includes most of the large players in the Alternatives arena and covers data over the last five-year period. This report analyses trends and brings insights on investors' participation in alternatives, geographic uptake, intermediation contribution, drill-downs for the three asset classes of CAT I, CAT II and CAT III funds for a reasonably large (if not complete) universe of the Alternatives industry

ALTERNATIVES INDUSTRY HAS GROWN EXPONENTIALLY IN THE LAST 5 YEARS @ ~38% CAGR

AIF Commitments & Contributions (₹ Lakh Cr)



AIF Registrations



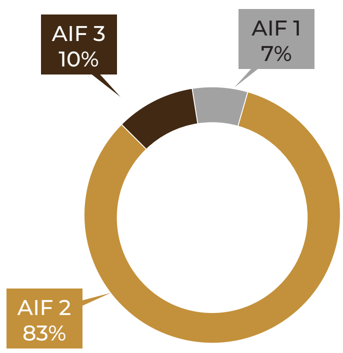


Fig. No. 1

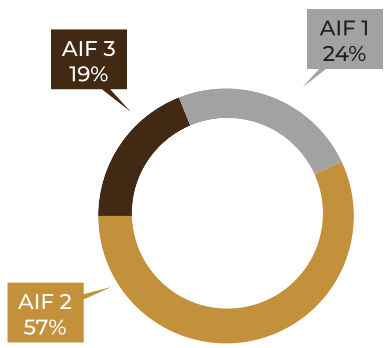
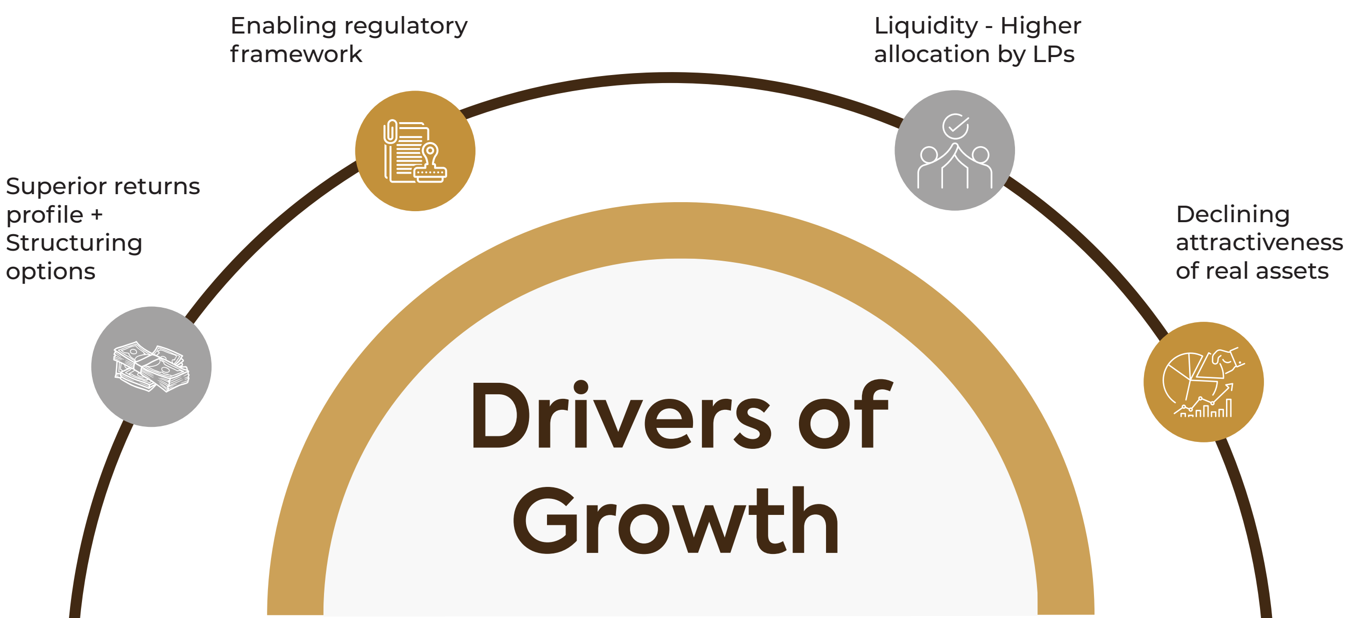


Fig. No. 2

ALTERNATIVES IS EXPECTED TO CONTINUE THIS GROWTH TRAJECTORY FOR THE NEXT 5 YEARS

THE INDUSTRY IS PEGGED TO GROW ANYWHERE BETWEEN 27-29% CAGR TILL FY 2027 (CRISIL RESEARCH)



House-holds with Rs.30 Lakh investable assets

Number of House-holds with Rs.30 Lakh investable assets growing at 15% CAGR 2010-2020

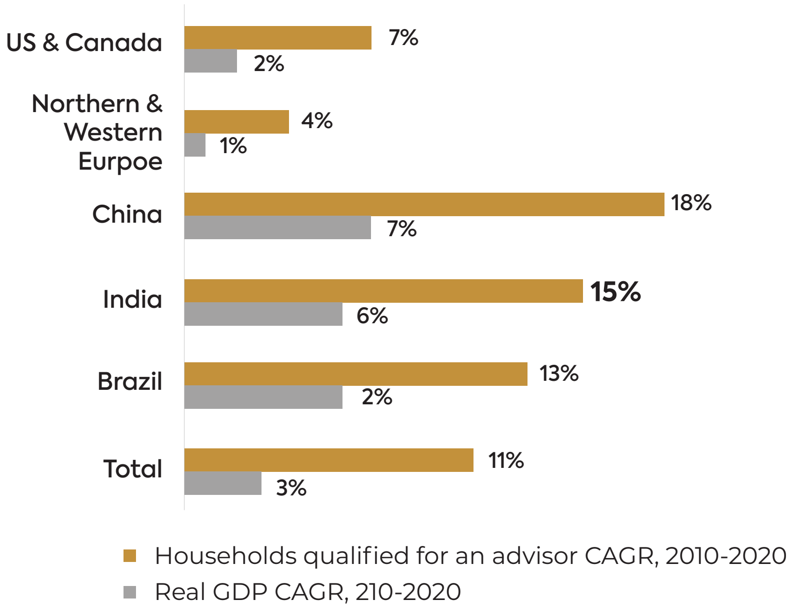


Fig. No. 3

Note: 1. Qualified defined as investable assets >$100,000 in US & Canada; >€10,000 in Europe; and >$50,000 in China, India and Brazil
Source: McKinsey Global Wealth Pools; The Economist Intelligence Unit

Commitments made by investors in AIFs (as at Sep. 2023)

Table No. 1

Investment Slab	Cat-1	Cat-2	Cat-3
>100 Cr.	3.39%	21.46%	2.21%
50 - 100 Cr.	1.48%	2.74%	0.81%
25 - 50 Cr.	1.86%	3.25%	1.40%
10 - 25 Cr.	1.95%	6.00%	4.52%
5 - 10 Cr.	1.26%	5.08%	4.25%
2 - 5 Cr.	0.85%	3.66%	3.31%
<2 Cr.	2.63%	12.91%	15.00%

Table No. 2

>100 Cr.	0.48%	16.56%	10.01%
50 - 100 Cr.	0.73%	4.13%	0.17%
25 - 50 Cr.	1.36%	4.90%	0.25%
10 - 25 Cr.	3.62%	8.37%	0.48%
5 - 10 Cr.	4.48%	5.63%	0.47%
2 - 5 Cr.	4.34%	3.00%	0.48%
<2 Cr.	21.20%	6.94%	2.39%

Nearly two-thirds of the total investors committed to high ticket denominations of Rs.5 Cr. and above and this was largely driven by Institutional and Foreign investors with 83% share. Most of the Rs.5 Cr. and above commitments was to CAT I and II funds which garnered nearly 80% of these commitments. Super HNIs' and MSMEs' participation is muted and presents opportunity.

INVESTOR TREND

The participation of institutional investors in Alternatives continued to remain dominant, contributing over 56 % share of inflows. However, a healthy trend in inflows from domestic individual investors segment increasing from 35% in 2018 to over 40% now points to the rising investable income in Indian households in the higher income bracket.

There is pronounced and distinct preference between Individuals and Institutions for Fund category. While institutions have preferred CAT II funds, individuals have allocated their contribution between CAT II and III funds.

Investor Trend

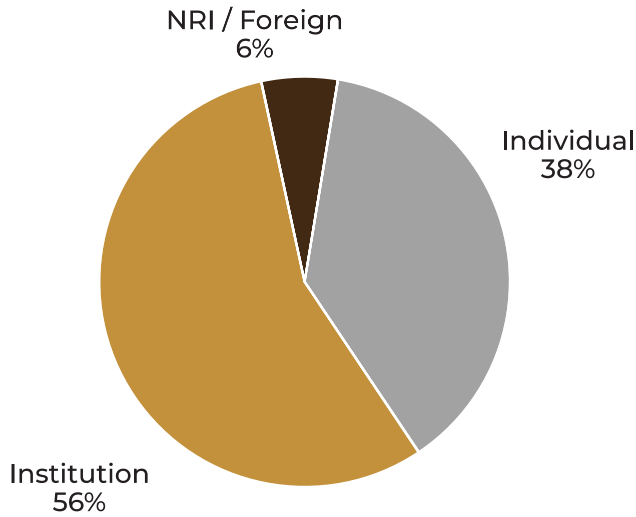


Fig. No. 4

Individual

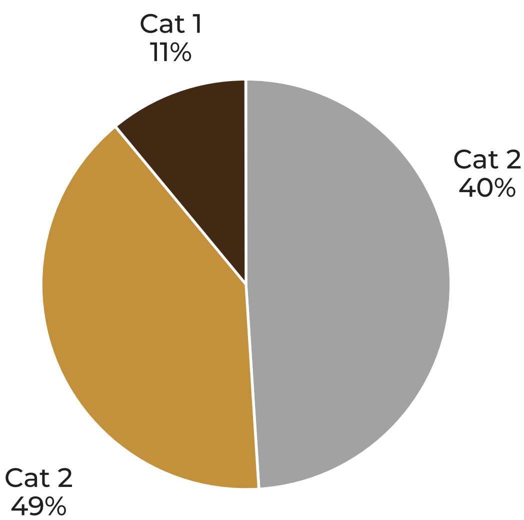


Fig. No. 5

Institution

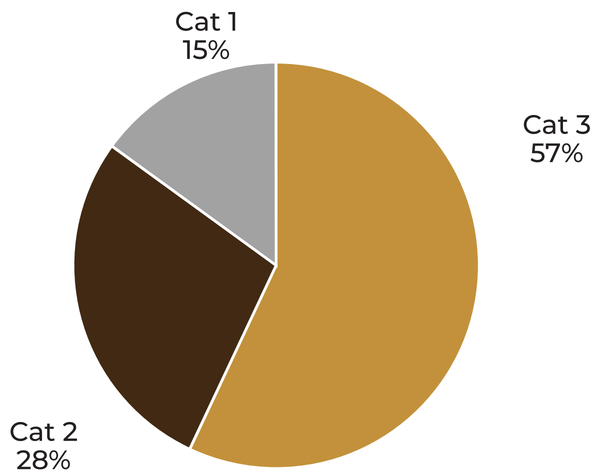
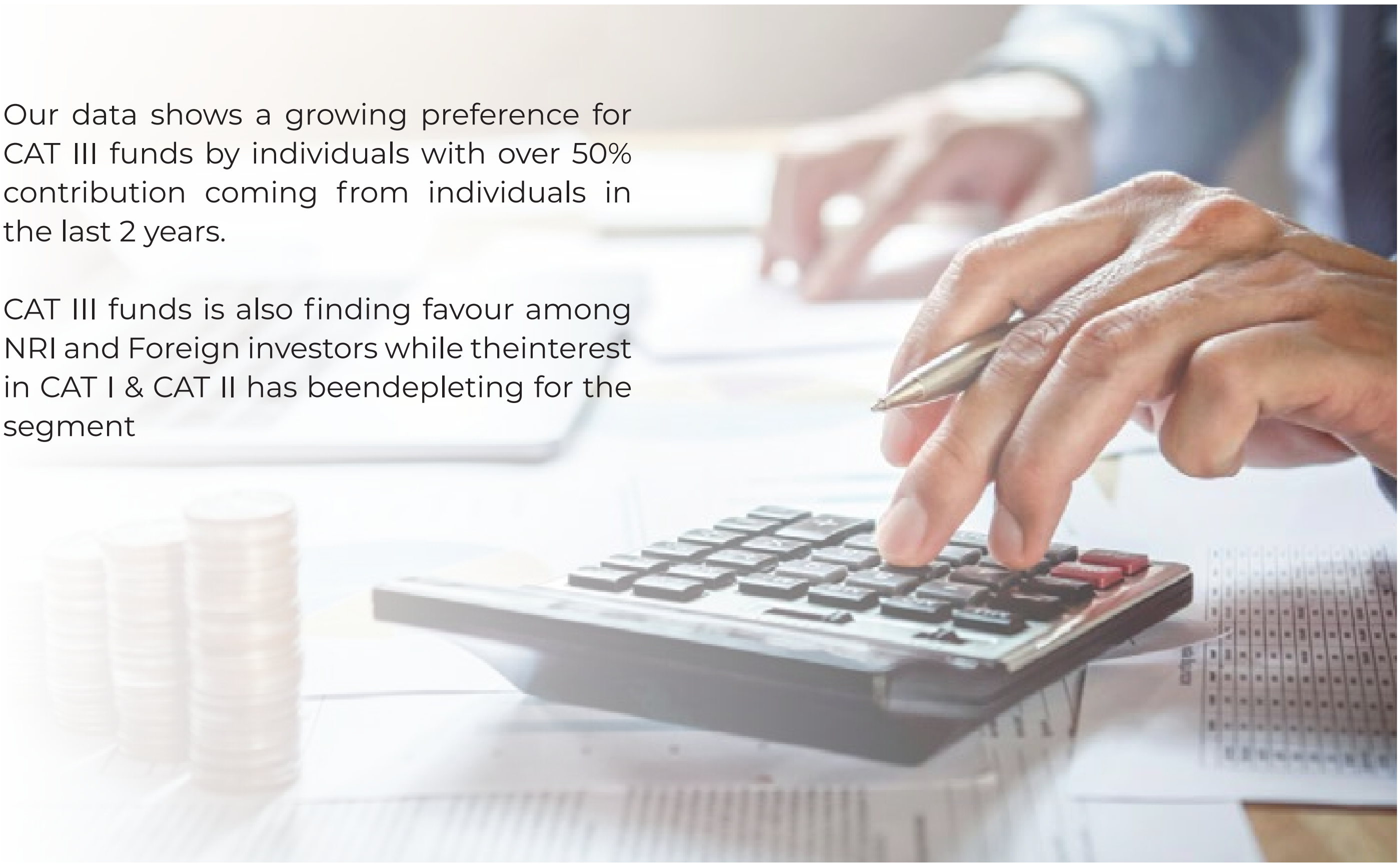


Fig. No. 6

Our data shows a growing preference for CAT III funds by individuals with over 50% contribution coming from individuals in the last 2 years.

CAT III funds is also finding favour among NRI and Foreign investors while theinterest in CAT I & CAT II has beendepleting for the segment



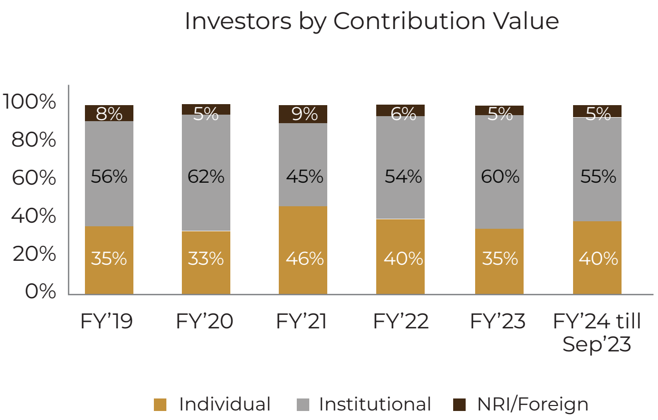


Fig. No. 7

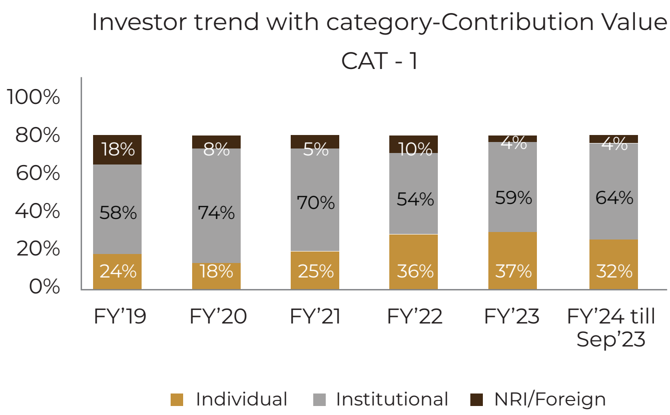


Fig. No. 8

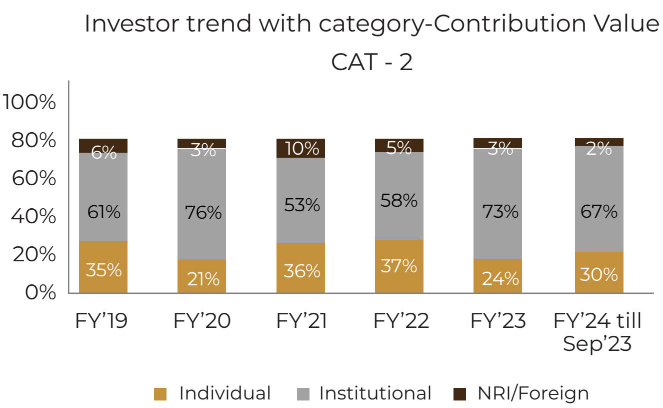


Fig. No. 9

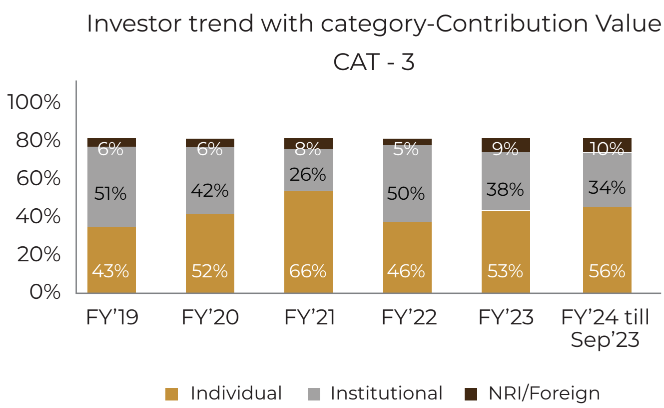


Fig. No. 10

INVESTOR DEMOGRAPHICS

Women investors making up over a third of the investor base is a great sign of their confidence to choose Alternatives led wealth creation, narrowing the gender divide in the traditionally make dominated investment space.

It is interesting to see that while 32% of the base are women investors, the assets share held by this segment is also equally high at 32%.

GENDER

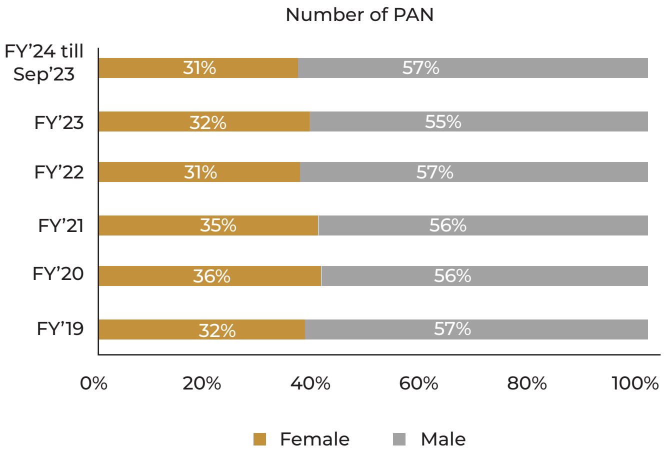


Fig. No. 11

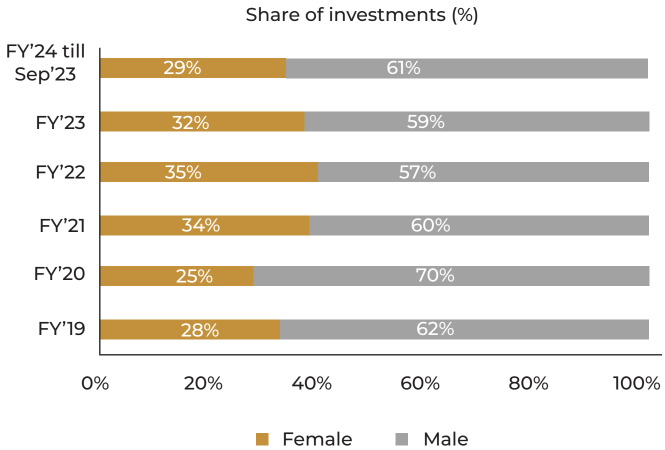


Fig. No. 12

AGE

The most notable trend is the changing investor profile in terms of age. The dominance of >60 year olds in 2018 has been shifting steadily towards younger investors making their foray into Alternatives.

Doubling of share of investors <35 years of age is a decisive pointer to an emerging segment with potential that Alternatives can target.

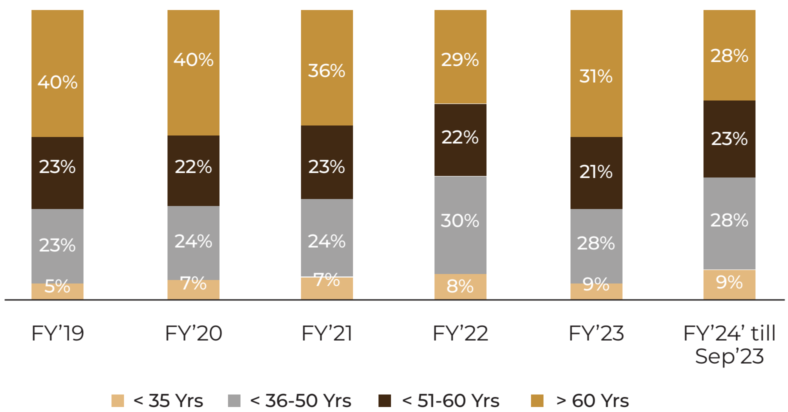


Fig. No. 13

LOCATION TREND

Concentration of investments in Top tier cities in intuitively known. While top 10 locations contribute 80% plus of the collections, the emerging potential in non-metro locations is promising.

Mumbai
34%

NCR
18%

Bangalore
9%

Kolkata
5%

Chennai
4%

Pune
3%

Hyderabad
2%

Ahmedabad
2%

Kanchipuram
1%

Thane
1%

Fig. No. 14

Table No. 3

Top 10 Cities	Cat-1	Cat-1	Cat-1	Cat-1
Mumbai	33%	37%	32%	34%
NCR	17%	16%	21%	18%
Bangalore	16%	8%	10%	9%
Kolkata	6%	5%	4%	5%
Chennai	8%	4%	3%	4%
Pune	2%	2%	5%	3%
Hyderabad	3%	2%	3%	2%
Ahmedabad	3%	1%	3%	2%
Kanchipuram	1%	2%	1%	1%
Thane	0%	1%	1%	1%

Over 72 cities and towns have investments in excess of Rs. 50 Cr. each, while 50 cities and towns have brought in over Rs.100 Cr. each, pointing to growing opportunities beyond top tier cities.

The inroads made by technology led innovations like digital onboarding for this class of products over the last 5 years and increasing investor awareness has helped in the penetration of direct investments from beyond the top 10 locations. While 94% of the direct investments came from the top 10 locations in FY19 this number was 79% in FY23

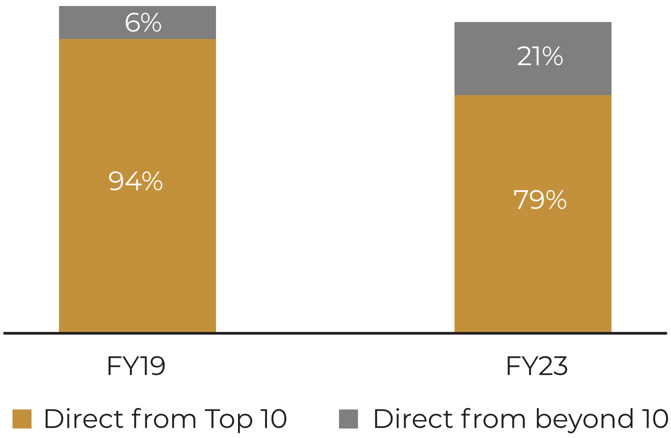
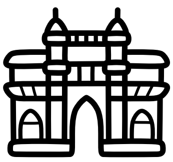


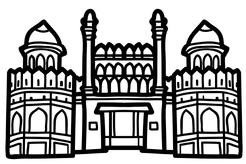
Fig. No. 15

Contribution raised at location level



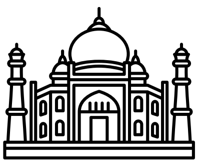
Cities with 1000 Cr.

15



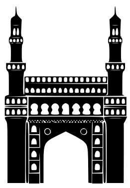
Cities with 50 – 100 Cr.

20



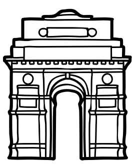
Cities with 500 – 1000 Cr.

7



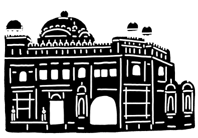
Cities with 25 – 50 Cr.

25



Cities with 100 – 500 Cr.

30



Cities with <25 Cr.

200

DISTRIBUTION TREND

Direct vs. Distributor Share in AIF Fund Raising

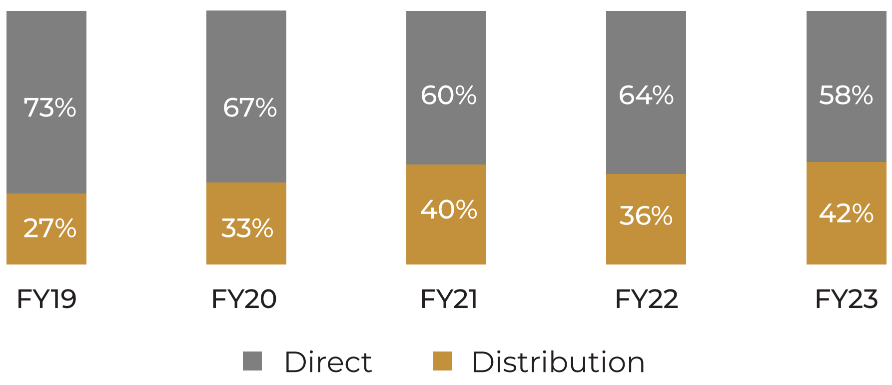
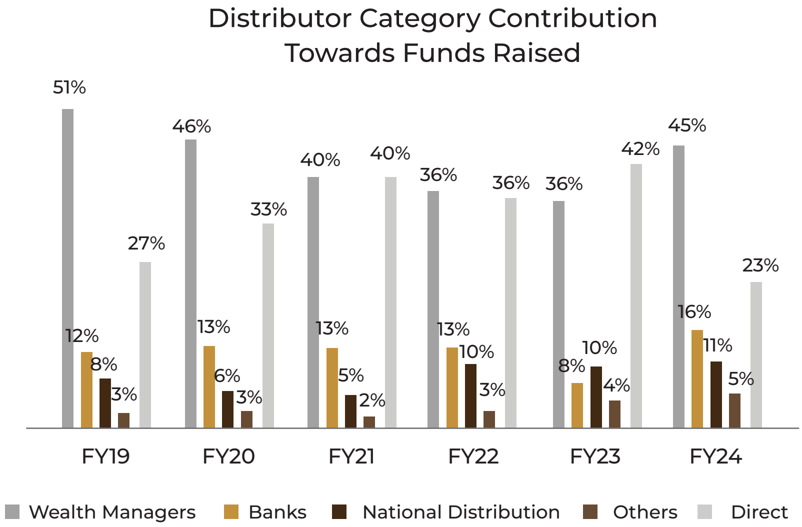
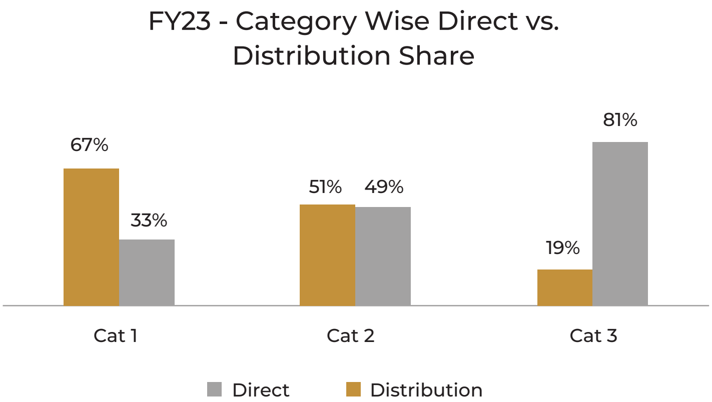


Fig. No. 16

Participation by direct investors in AIFs have grown steadily over the last 5 years. The amount collected from direct investors grew 2.5x to contribute 42% of the total funds raised in FY23 compared to 27% in FY19. The funds raised through distributors grew 1.3 times during this same period bringing down the share from 73% in FY19 to 58% in FY23.

The drop is largely seen in the contribution from wealth manager segments (from 51% to 36%) indicating a higher share of advisory led sales compared to commission led sales. Banks and National Distributors maintained a steady share of ~20% in the overall AIF sales over the last five years.





In terms of categories of funds, distribution led sales strategy seems to be more prominent for Cat III funds with nearly 80% of the contributions coming through distributors. On the contrary direct investments are high in Cat I funds with nearly 70% of the fund raise came through direct investors. This is in line with the success that technology led angel and VC platforms have seen in attracting investors to invest directly through them in the last few years.

Conclusion

It is heartening to see the growing participation of younger investors, expanding intermediation and advisory as this can bring acceleration to the Alternatives segment which is already at the cusp of exponential growth. The influence of digital can be powerful, as the segment begins to attract the “digital native” generation. Therefore, adoption of digital solutions by the ecosystem for onboarding, on-going services and for managing entire life cycle of the customer is an urgent need.

The geographic spread of customers from over 100 locations beyond the top tier cities points to the expanding wealth in hinterland and alternatives emerging as a product choice is noteworthy.

Ireland as a Domicile for Investment Funds Investing in India

Increasingly Ireland has proven to be the domicile of choice for asset managers seeking to establish investment funds investing in India which can be marketed to European and global investors.

Since 2018, there has been significant interest by Indian asset managers seeking to establish and manage an EU fund that can be marketed easily across the European Union to investors who anticipate further growth in the Indian market as it begins to realise its undoubted potential. This interest has been enhanced by the relaxation of the foreign investment rules and the permanent establishment rules in India and more recently

the proposed inclusion from June 2024 of Indian government bonds in the JPMorgan Government Bond Index-Emerging Markets (GBI-EM).

Dillon Eustace LLP currently acts for a number of Irish domiciled funds established by Indian asset managers.

Why Ireland?

There are a number of reasons why an Indian asset manager may choose Ireland as a domicile for its offshore investment fund but the principle reasons are:

- the regulatory environment.
- the common law legal system that Ireland and India share;
- tax efficiencies; andglobal reach given Ireland is a major hub for cross- border distribution and Irish funds are sold in 90 countries across Europe, the Americas, Asia and the Pacific, the Middle East and Africa.

Ireland is an internationally recognised jurisdiction with membership of the EU, Eurozone, OECD, FATF and IOSCO.

Ireland's tax regime is highly efficient, clear and certain, open, transparent and fully compliant with OECD guidelines and EU law. Irish regulated funds are exempt from Irish tax on income and gains derived from their investments and unlike Luxembourg funds are not subject to any Irish tax on their net asset value. There are additionally no net asset, transfer or capital taxes on the issue, transfer or redemption of units owned by non-Irish resident investors. Other than in respect of certain funds which hold interests in Irish real estate (or particular types of Irish real estate related assets), non- Irish investors are not subject to Irish tax on their investment and do not incur any withholding taxes on payments from the Irish fund.

Ireland has one of the most developed and favourable tax treaty networks in the world, spanning over 70 countries including India resulting in reduced withholding taxes on income / gains from underlying investments.

Irish Fund Legal Structures

Although Irish funds can be established in many legal forms such as an investment company, unit trust, investment limited partnership and common contractual fund, the Irish Collective Asset- management Vehicle or ICAV is the most commonly used legal structure. The ICAV is a corporate structure and provides the maximum flexibility for the operation of a collective investment scheme.

The ICAV, similar to an Irish unit trust or Irish ILP, can "check-the-box" to be treated as a partnership for US tax purposes and therefore can facilitate investment by U.S. taxable investors and, where no borrowing for investment purposes, U.S. tax-exempt investors.

Where an Irish ICAV, unit trust or ILP "checks- the-box" to be treated as a partnership for US tax purposes and borrows for investment purposes, such fund will generally not be distributed to US tax exempt investors because such investors may be subject to tax on "unrelated business tax Income" i.e., income derived from debt-financed property and gains from the disposition of such property. In such circumstance, a master / feeder structure is generally considered whereby the feeder fund which checks the box to be treated as a "corporate blocker" for US federal tax purposes facilitates investment by US tax exempt investors and generally non-US investors and the master fund which checks the box to be treated as a "partnership" for US federal tax purposes facilitates investment by US taxable investors.

Irish Fund Regulatory Structures

The regulatory fund structures in Ireland are UCITS and non-UCITS (the latter of which are referred to as "Alternative Investment Funds" or "AIFs"). Irish UCITS

Irish UCITS funds have a global brand in that they are recognised and sold in over 90 countries worldwide.

UCITS are subject to EU rules relating to

- eligible assets (i.e. transferable securities, money market instruments, deposits, collective investment schemes (CIS) equivalent to UCITS, exchange traded and OTC derivatives giving exposure to UCITS eligible assets, currencies, foreign exchange rates, interest rates or financial indices);
- investment diversification and concentration limits; and borrowing and leverage restrictions. Transferable securities invested in by a UCITS must be listed or traded on a "Regulated Market" subject to no more than 10% of NAV invested in aggregate in transferable securities not listed on a Regulated Market and certain types of money market instruments.

UCITS are open-ended in that redemption frequency must be at least twice a month. Consequently a UCITS' assets must be sufficiently liquid in order to meet redemption requests. UCITS can be marketed globally but in particular UCITS can use their regulatory passport to market cross border within EEA to retail and professional investors without having to seek separate authorisation in each host EU Member State.

Irish AIFs

An Irish AIF can be authorised and regulated by the Central Bank of Ireland as a

- Retail Investor AIF or "RIAIF" (i.e. an AIF marketed to retail investors) As a RIAIF is marketed to retail investors, the Central Bank of Ireland imposes UCITS like investment, borrowing and leverage restrictions on such funds.

  However, as the RIAIF can only be marketed to retail investors in an EEA member state subject to the national private placement rules of that EEA member state (i.e. no passport to market cross border to retail investors within EEA applies), the RIAIF is not widely used.

- Qualifying investor AIF or "QIAIF" which can be marketed to Qualifying Investors only i.e. a "professional investor" (as defined under the EU MiFID Directive); or an investor appraised as having appropriate expertise, experience and knowledge to adequately understand the investment; or an investor who certifies itself as being an "informed investor" (i.e. certifies it is aware of the risk involved in the proposed investment and of the fact that inherent in such investments is the potential to lose all of the sum invested).

As a result, the Central Bank of Ireland imposes very few investment, borrowing and leverage restrictions on QIAIFs. In addition, QIAIFs are subject to a minimum initial subscription requirement per investor of €100,000 (or equivalent).

A QIAIF is typically used for "alternative" strategies:

- concentrated or highly leveraged portfolios of UCITS eligible assets (which do not easily align with the UCITS rules);
- portfolios comprising ineligible UCITS assets or using strategies not consistent with UCITS rules (e.g. certain hedge funds);
- private equity / private debt;
- private credit funds;
- and /or real estate.

A QIAIF can be marketed globally but in particular the EU authorised AIFM of the QIAIF can use its regulatory passport to market cross border within EEA to professional investors without having to seek separate authorisation in each host EEA Member State.

European Long Term Investment Fund or "ELTIF" The purpose of the ELTIF is to facilitate the raising and channelling of capital

ELTIFs must invest a minimum of 55% of capital in "Eligible Investment Assets" (such as private assets, loans, real assets, real estate, etc.) and can invest up 45% of capital in certain UCITS eligible assets.

An ELTIF can be marketed cross border within EEA to retail and/or professional investors using the regulatory passport of the EU authorised AIFM of the ELTIF. However additional rules apply where the ELTIF is marketed to retail investors e.g., assessment of suitability, product governance rules etc. In addition, certain investment diversification and concentration rules apply where an ELTIF can be marketed to retail investors.

Timeframe for Authorisation of an Irish Regulated Fund

Before an Irish regulated fund may commence any activities, the fund must be authorised by the Central Bank of Ireland.

The timeframe for the establishment and authorisation of an externally managed UCITS or AIF marketed to retail investors is generally four months taking into account the fact that once the prospectus is drafted and stakeholders have had an opportunity to review and comment on the draft prospectus, it must be submitted to the Central Bank for review and clearance before a formal application for authorisation of the fund may be submitted. Such an application must include all relevant fund documentation such as the final prospectus, constitutional document and service agreements.

The timeframe for the establishment and authorisation of an externally managed QIAIF or ELTIF marketed to professional investors is shorter than that for a UCITS given the Central Bank does not require to review any fund documentation in advance of authorisation of the QIAIF.

Notwithstanding the above, the overall timeframe for the establishment and authorisation of an externally managed UCITS or AIF is project dependent and among the milestones that require to be met on a timely basis to ensure that a reasonable timeframe is achievable is the selection of service providers, the Central Bank pre-approval of the directors of the Irish fund and of the investment manager and the finalisation of the prospectus, constitutional document and service agreements.

Irish Funds established by Indian Managers to date

To date Indian managers have established Irish regulated funds in order to access global markets but these funds have focused on Indian public investments. Such Irish regulated funds have principally been established using the UCITS regulatory fund structure but in some cases the Irish QIAIF regulatory structure has been used particularly where there were concerns regarding compliance with the UCITS investment
diversification limits given the concentration of the proposed portfolio.

FPI Registration of such Irish Funds

Such Irish regulated funds obtained a foreign portfolio investor ("FPI") licence on the basis that such funds were appropriately regulated broad based funds. Although the application for the FPI licence can be prepared in tandem with the Irish fund authorisation process, registration was only finalised once authorisation of the relevant Irish regulated fund had been obtained. The applications were made via the local Indian custodian (the "Designated Depository Participant" or "DDP") who is designated by the Securities and Exchange Board of India to process such applications.

Section 9A Approval in certain cases

Some of the Irish regulated funds established opted to seek safe harbour under S-9A of the Indian Income Tax Act 1961 as amended once the Irish fund was authorised by the Central Bank of Ireland and before launch. Such Irish funds were generally those that benefited from reduced withholding taxes under the Ireland India Double Taxation Agreement. This involved an application for approval by the Irish fund to the Central Board of Direct Taxes of the Indian Government Ministry of Finance under Section 9A of the Indian Income Tax Act 1961.

However, some of the Irish funds established, in particular those investing in Indian equities, did not insist on S-9A approval as a pre-condition to investing in India on the basis that there was no benefit under the Ireland India Double Taxation Agreement in respect of capital gains on Indian equities and any dividend income arising was expected to be non-existent or nominal.

Other Opportunities for Indian Managers

Notwithstanding the focus on Indian public markets to date, there is potential for Indian managers to access the full EEA market through Irish domiciled AIFs investing in Indian private markets subject to the Indian Foreign Exchange Management Act and rules / regulations thereunder.

Global managers use Ireland as a fund domicile in order to invest in private markets (such as private debt, private equity, venture capital, real estate and real economy assets) and in certain cases in order to obtain full access to the EEA market.

Consequently, there is potential for Indian managers to invest directly, subject to the Indian Foreign Exchange Management Act and rules / regulations thereunder, in Indian private markets through an Irish QIAIF or Irish ELTIF in order to access the EEA market (i.e., to market to professional investors within the EEA in the case of the Irish QIAIF and to market to both retail and/or professional investors within the EEA in the case of the Irish ELTIF).

In addition, there is potential for Indian managers to invest indirectly via a non-EU AIF (e.g., an AIF domiciled in India, Gift City, Mauritius or Singapore)
subject to the Indian Foreign Exchange Management Act and rules / regulations thereunder, in Indian private markets through an Irish QIAIF in order to access the EEA market.

Under the rules of the EU AIFM Directive, an AIF can access the full EEA market where the AIF is managed by an EU authorised AIFM. However, this flexibility does not apply in the case of an EU domiciled feeder fund where the master fund is not an EU AIF or the manager of the master fund is not an EU authorised AIFM. Notwithstanding this, Indian managers in the public and private markets can ensure full access

that invests up to 85% of its assets in an underlying AIF managed by the Indian manager with the balance of the assets being invested either directly (including co-investments) or indirectly via another AIF managed by the Indian manager provided the investment strategies of each of the underlying AIFs vary in some way. Such a structure is acceptable to the Central Bank of Ireland subject to an increased minimum subscription requirement of Euro 500,000 or its equivalent, which requirement arises where more than 50% of the assets of an Irish QIAIF maybe invested in AIFs which do not benefit from an equivalent level of investor protection to that provided under Irish laws governing QIAIFs.

Managing Conflicts: A Fund Manager's Handbook

–Vivek Mimani and Nikhat Hetavkar

SEBI's increased focus on conflict of interest

The growing popularity of the alternative investment funds ("AIF") industry and the rising involvement of large corporate players and experienced financial professionals who are engaged in various financial services and seek to leverage their own group entities and/or network with a view to capitalize on the relative flexibility of the AIF regime has resulted in Securities and Exchange Board of India ("SEBI") taking a special interest.

In the mitigation of conflicts of interest. In line with such concerns, SEBI has strengthened the conflict of interest provisions by way of an amendment to SEBI (Alternative Investment Funds) Regulations, 2012 ("AIF Regulations"). Regulation 15(1)(ea) of the AIF Regulations now mandates consent of seventy five percent of the investors by value of their investment ("Super Majority of Contributors") in the scheme of an AIF in order "to buy or sell investments from (a) associates; or (b) schemes of AIFs managed or sponsored by its Manager, Sponsor or associates of its Manager or Sponsor; or (c) an investor who has committed to invest at least fifty percent of the corpus of the scheme of Alternative Investment Fund" 1 . In a recent circular 2 on valuation of investment portfolios of AIFs, SEBI has also mandated the appointment of an independent valuer who cannot be an associate of the manager or sponsor or trustee of the AIF.

Safeguards for conflict of interest under the AIF Regulations

The AIF Regulations currently place a lot of emphasis on identifying 'associates' and 'affiliates' as the litmus check for potential conflicts of interest and has accordingly placed various safeguards for transactions of the AIF with its associates and affiliates.

Accordingly, AIF Regulations mandate consent of Super Majority of Contributors for investment in associates as well as disclosure of any fees charged to the AIF or any investee company by an associate of the manager or sponsor of the AIF.

The 'Model PPM' prescribed by SEBI provides for upfront disclosure of 'affiliates' of an AIF and details of the Fund or Investment Manager's dealings with such affiliates be it in the form of providing indemnification, any fees, commission etc. received by the affiliates for offering co-investment opportunities, confidentiality obligations etc. Affiliates for this purpose may be deemed to be any affiliate/associate/group entity with whom any dealings are proposed or envisaged by the Fund or the Investment Manager.

In addition to the objective criteria and measures detailed above, the AIF Regulations have also built in all-encompassing conflict of interest checks by placing a fiduciary responsibility on the sponsor and manager of the AIF to disclose all conflicts of interests to the investors, as and when they arise or seem likely to arise as well as the duty to abide by high level principles on avoidance of conflicts of interest with associated persons.

The manager of an AIF is mandated to establish and implement written policies and procedures to identify, monitor and appropriately mitigate conflicts of interest throughout the scope of business and comply with the same. The code of conduct for members of the investment committee also provides for disclosure and avoidance of conflict of interest and wherever necessary, the members must recuse themselves from the decision-making process.

Thereby, SEBI has employed various measures in the form of disclosure norms, consent requirements as well as self-regulation in the form of written policies and assigning fiduciary responsibilities to mitigate and control conflicts of interest.

Global safeguards for mitigating Conflict of interest

Mitigation of conflict of interest and ensuring that the manager of a fund undertakes all its actions in the best interest of its investors is an area of key interest in regulation of fund management globally.

Securities and Exchange Commission ("SEC"), the United States market regulator, has cast a wider net in order to ensure that its investment advisors mitigate conflict of interests in all of their activities. SEC has imposed fiduciary standards upon investment advisers wherein investment advisers are expected to perform 'duty of care' and 'duty of loyalty' towards its clients, which in turn means that investment advisers must, at all times, serve the best interest of its client and not subordinate its client's interest to its own. Thereby, it becomes necessary for investment advisers to "eliminate a conflict of interest or, at a minimum, make full and fair disclosure of the conflict of interest such that a client can provide informed consent to the conflict".

The framework laid down by SEC states that identifying and addressing conflicts should not be merely a "check-the-box" exercise, but a robust, ongoing process that is tailored to each conflict. The SEC framework requires investment advisers to disclose, mitigate and as well as eliminate risks in certain situations, associated with conflicted transactions basis their respective business conduct and the objectives of their respective clients.

The SEC has also taken into account the evolution of services and technologies that investment advisers employ that could potentially favour the interests of the investment adviser over those of the investor. SEC has proposed various rules to counter such conflict of interest and one such rule proposed in June deals with "eliminating or neutralizing the effect of conflicts of interest associated with the investor adviser's use of predictive data analytics and similar technologies, which includes artificial intelligence, in investor interactions that place the investor adviser's or its associated person's interest ahead of investors' interests." For example, in case an investment adviser knows that certain user responds more to message prompts in a certain colour and uses this knowledge to influence such user into making more investments. The investment adviser is thus using such information only for their own benefit and not necessarily in the best interest of the user and the same shall be considered a conflict of interest.

In addition to ensuring that its regulations evolve to address various conflicts of interest, SEC has also focused on the enforcement of such conflict of interest provisions in the form of imposing fines. For instance, SEC charged Randy Robertson, a former BlackRock Advisors, LLC portfolio manager, for failing to disclose a conflict of interest arising from his relationship with a film distribution company in which the fund he managed for BlackRock invested millions of dollars

To settle the charges, Robertson agreed to pay a $250,000 penalty. Further, investment adviser Insight Venture Management has agreed to pay a $1.5 million penalty to SEC for allegedly overcharging management fees and failing to disclose conflicts of interest regarding fee calculations.

Suggested mechanisms for managers to minimise conflicts

The increasing scrutiny on conflict of interests in fund management, both globally and by SEBI at home, makes it necessary for managers and other stakeholders working in the AIF industry to ensure that they adopt stringent policies and measures to deal with conflict of interests, be it real or perceived.

It has become imperative that the AIF industry broadens the lens with which it looks at conflicts of interest and does not merely perform a 'check the box' approach wherein it only accounts for the conflicts explicitly laid out in the AIF Regulations. It is important to also understand that fiduciary duties placed on the manager, sponsor and investment committee of the AIF necessitate self-regulation of conflicts of interest by such stakeholders.

The AIF industry in India can look at the detailed recommendations on dealing with conflicted transactions provided by the Institutional Limited Partners Association ("ILPA") vide the third version of its principles.

The ILPA lays down these broad principles/mechanisms for dealing with conflicts of interest

- Ensure that management of conflicts of interest is designed in a way that the interests of both general partners ("GP") and limited partners ("LP") are taken into account.
- Establish and disclose written policies and procedures to identify, monitor and appropriately mitigate conflicts of interest.
- Ensure that the decisions made by the GP regarding conflicts of interest, take into account the benefit of the partnership as a whole rather than to the sole or disproportionate benefit of the GP, affiliates or a subset of investors in the partnership.
- Discourage actions by the GP that were "pre-cleared" by way of overly broad disclosures, especially in relation to transactions that are or could possibly constitute conflict of interest.
- Build in protection of rights of minority investors in regard to conflicted transactions
- Establish a Limited Partner Advisory Committee ("LPAC") to keep check on the conflicts of interests faced by the fund and its fiduciaries.
- LPs should reject any waivers of broad categories of conflicts of interest

While the fund governance and transparency thresholds mandated by SEBI align with ILPAs' recommendations and SECs' compliance and disclosure obligations, SEBI framework provides greater decision making in the hand of investors for dealing with potential conflicted transactions. A unique feature of the AIF Regulations and SEBI's approach is the acceptance of investor consent as an appropriate tool for dealing with conflict of interest.

The recommended course of action, from a SEBI perspective, in case of matters which are potentially conflicted should be to make appropriate disclosures to the investors as well as seek investor consent. However, even in cases wherein the Investment Manager has made necessary disclosures and taken informed consent of the investors, the onus of proving its conduct was in the best interest of its investors cannot be waived off. Thereby, managers to AIFs must ensure that such transactions are not negatively impacting the interests of its investors.

The conflict of interest policies for an AIF should be detailed, taking into account, all possible ways in which a conflict of interest may arise and lay out the mechanism or procedure that should be followed to deal and mitigate such conflict of interest.

Such measures become increasingly relevant for corporates and individuals who have sought investment from and/or availed the services of related parties. While it is understandable that any fund manager shall seek to leverage its existing network to bring in valuable investment opportunities and other synergies to a fund, it is also necessary to understand that such fund manager shall be faced with various conflicts of interest throughout the fund's life cycle and beyond. It is also necessary to consider that engaging and transacting with related entities shall be met with greater scrutiny from a conflict of interest perspective.

Keeping in mind the growing focus on conflict on interest in fund management both globally and from SEBI, fund managers, especially those with structures wherein related entities essay various roles pertaining to the AIF, must ensure that they are able to prove that each such transaction or empanelment was in the best interests of the investors.

The way forward

In today's world where conflicts have become an inseparable part of our lives and cannot be avoided, but at best managed, a higher standard of care is required in case of those essaying a fiduciary role. First, in terms of identifying potential conflicts of interest, followed by how best those conflicts can be managed or mitigated, especially when one is donning the fiduciary hat of an AIF manager.

A well thought out conflict of interest policy being adopted by the manager and its consistency of action in case of conflicts could act as its insurance and best defence in case of any investor challenge or action.

nuvama
asset services

DIGITAL ONBOARDING

SIMPLICITY & EFFICIENCY REIMAGINED!

WHY ARE WE DIFFERENT?

FLAWLESS INTEGRATION
WITH CUSTODY & FUND ACCOUNTING ENVIRONMENT

COMPLETE DIGITALIZATION
KYC FORM, AGREEMENTS, POA, TARIFF SHEET & DP ACCOUNT

COMPLETE PAPERLESS PROCESS

ANYWHERE, ANYTIME ACCESS

MINIMAL DATA INPUT

WHITE LABELING

QUICK TURNAROUND

HOW DOES IT WORK?

USER-FRIENDLY INTERFACE

SECURE DOCUMENT SUBMISSION

KYC AUTO QUALITY CHECK

REAL-TIME PROGRESS TRACKING

FOR ANY ADDITIONAL INFORMATION, REACH OUT TO US AT
DICG@NUVAMA.COM

Revolutionising finance: India's fintech innovations break the mould

-Team Multi-Act

As we stride forth into 2024, India, with its robust growth story, stands among the fastest expanding financial technology or fintech markets, on a global scale. The domestic fintech industry, which was valued at a market size of USD 50 billion in 2021, is forecasted to expand a staggering 3x, to reach a market value of USD 150 billion by 2025. Further, the burgeoning industry is expected to cater to a total addressable market valued at USD 1.3 trillion, by 2025, even as its assets under management rises to USD 1 trillion, by the end of the ongoing decade. This sustained expansion will be driven by fintech players' ability to unlock optimal accessibility, offer efficient solutions, and create exceptional user experiences.

Assessing the evolving fintech landscape

Currently, the fintech adoption rate in the Indian economy stands at a stellar 87%, and this figure places the country at the top of the emerging markets cadre. The global average for fintech adoption is significantly lower at 64%, indicating India's growing import in the global fintech arena. India's booming fintech sector consists of four major segments – Payments, Digital Lending, InsurTech, and WealthTech - each of these verticals is expected to witness rapid expansion in the coming decade. While the payments vertical is forecasted to attain a transaction volume of USD 100 trillion by 2030, the digital lending landscape is expected to expand to USD 1.3 trillion, in the same period, from USD 270 billion in 2022. Further, the domestic InsurTech market, which is currently the second largest in the Asia-Pacific region, is estimated to expand by 15X, between 2022 and 2030, thereby attaining a market size of USD 88.4 billion, making India one of the quickest growing insurance markets, on a global scale. Lastly, the WealthTech vertical is expected to grow to a market value of USD 237 billion, by 2030, enabled by the rising retail investor base.

The ongoing fintech surge is powered by a number of factors. These include:

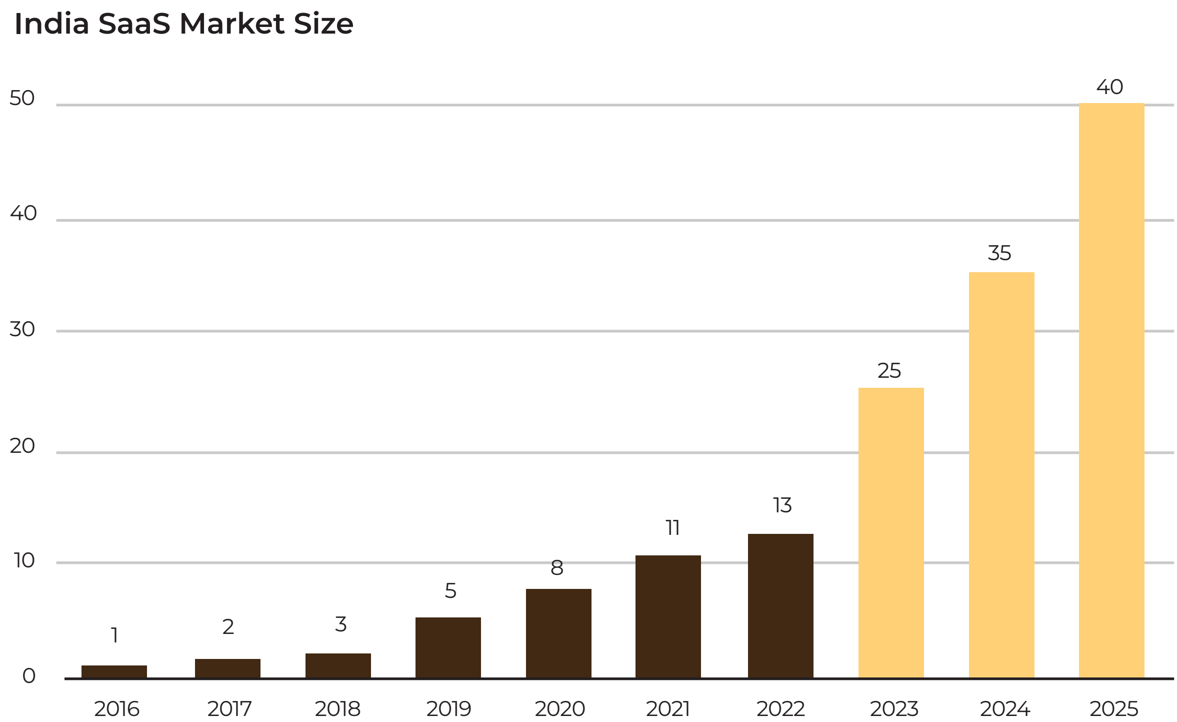
- The ongoing smartphone proliferation which has brought technology to the fingertips of over 600 million users
- An expanding middle class keen on differentiated and customised experiences
- The government's future-ready initiatives encompassing Aadhaar, UPI, eKYC (Know Your Customer), and DigiLocker, have slowly yet surely transformed into the four pillars of the India Stack, which is a collection of digital infrastructure and enabling platforms

Going into 2024 and beyond, India's unique demographic, growing affluence, and low financial penetration are creating opportunities for innovative fintech models that improve financial access, including full-stack solutions, new-to-credit lending, segment-specific financial services, and embedded financial products. Further, India's tech talent and financial infrastructure are driving efficiency in fintech, with a focus on streamlining B2B payments, enhancing collaboration between fintechs and financial institutions, and providing tech solutions for identity and credit management. Finally, the sector is enhancing customer experience by offering seamless advisory and investment services, digitising small and medium-sized businesses, and catering to specific user segments with advanced financial solutions.

Assessing the evolving fintech landscape

The Indian fintech landscape, while burgeoning, does face several challenges which are impacting its growth and efficiency. A significant hurdle is the very low participation in capital markets, a sector that, despite digital advancement, still struggles with inclusivity. The digitisation of financial services, though increasing market participation, has concurrently spurred a rapid expansion in brokers and custodial services, often leading to market congestion and complexity. Additionally, the market faces issues with the loss of capital, often attributed to the quality of earnings and behavioural follies. To address these challenges, there is an ongoing shift towards curated thematic portfolios and rule-based algorithmic trading, with the aim of streamlining investment processes and enhancing returns. However, the inefficiency of brick-and-mortar financial services remains a concern, even as virtual banks and digital wealth management platforms gain traction, indicating a need for a more balanced and accessible financial ecosystem. And this is where the opportunity arises, with a focus on Enterprise SaaS (Software as a Service), cloud technology and its evolving applications in the Fintech ecosystem.

India's SaaS market continues to inflect



At present, India is the second-largest SaaS ecosystem, on a global scale, with the total annual recurring revenue (ARR) of Indian SaaS firms having grown four times to USD 12 – USD 13 billion in 2022, and investments having risen 6x to USD 5 billion, over the past five years. Going ahead, these companies are expected to grow at 20-25% per annum, thereby attaining an ARR of USD 35 billion by 2027 and USD 50 billion by 2030, thereby cornering around 8% of the global SaaS market in the next four years. Accordingly, in today's high-interest rate environment, the domestic SaaS sector is uniquely positioned for optimal expansion, owing to its operational efficiency and innovative capabilities. These future-ready companies demonstrate higher efficiency metrics compared to their global counterparts, particularly in the U.S., across various stages of business development, due to a cultural emphasis on cost-effective scaling and the rapid development of additional products. In the current macroeconomic climate, this operational efficiency facilitates Indian SaaS companies' expansion into international markets more smoothly than those in other countries.

The emerging growth narrative

With investors worldwide increasingly seeking efficient businesses with strong growth potential and cash flows, Indian companies, with their higher business efficiency scores, are becoming attractive investment opportunities, potentially leading to the availability of more growth capital. This capital influx has the potential to propel many Indian SaaS companies to global leadership. Furthermore, investing in India's fintech infrastructure presents a unique opportunity, driven by factors like wider cloud adoption, the emergence of customer-centric products, and the limitations of banks and legacy systems. The COVID-19 pandemic has accelerated this shift, particularly in digital lending even as the banking sector is adapting to these changes by integrating cloud-based SaaS platforms for various functions such as underwriting, fraud detection, and customer engagement. Simultaneously, software products are emerging to support financial institutions in offering better services at lower costs and these developments are reimagining every aspect of financial service delivery including KYC, loan processing, and credit monitoring. India's SaaS market is also set to revolutionise service delivery through Artificial Intelligence (AI), enhancing B2B services and creating software-enabled marketplaces.

In this evolving scenario, wherein enterprise SaaS' contribution to the fintech ecosystem is poised to explode, investors can consider allocating a portion of their wealth to thematic alternative investment funds that offer exposure to this blossoming trend. Indeed, such AIFs, when equipped with the right deal-making capabilities, industry expertise, and the power to unlock optimal exit opportunities, can offer HNI investors a unique opportunity to tap into the expanding fintech landscape.

Regulatory Aspects of Investment by AIF

-Khushbu Shah, Basilstone Consulting

Introduction

SEBI introduced the concept for AIFs on August 1, 2011, by way of a white paper and proposed to regulate all funds established in India which are privately pooled investment vehicles raising funds from Indian or foreign investors. The SEBI (Alternative Investment Funds) Regulations, 2012 ('AIF Regulations') were introduced to the Indian market on May 21, 2012 and over the years, many noteworthy changes have been introduced to the AIF regulations to make it more robust and relevant across the global market.

In 2012, the regulatory authorities introduced various categories of alternate investment funds (AIFs) with the objective of developing a range of specialized and boutique products tailored for high-net-worth individuals (HNI). Prior to the introduction of AIFs, conventional investment options included mutual funds and portfolio management services. The concept of alternate investment funds was officially launched in 2012 to offer a distinct and regulated investment approach, catering specifically to the needs of sophisticated investors.

Alternative Investment Funds are broadly classified into 3 categories viz. Category I, Category II and Category III Alternative Investment Funds.

Category I (Cat I) AIF invests in start-up or early-stage ventures or social ventures or SMEs or infrastructure or other sectors or areas which the government or regulators consider as socially or economically desirable and shall include venture capital funds, SME Funds, social impact funds, infrastructure funds, special situation funds and such other Alternative Investment Funds as may be specified.

Category II (Cat II) AIF is one which does not fall in Category I and III and which does not undertake leverage or borrowing other than to meet day-to-day operational requirements and as permitted in under regulations. Private equity funds or Debt funds for which no specific incentives or concessions are given by the government or any other Regulator can be classified as Cat II AIF.

Category III (Cat III) AIF employs diverse or complex trading strategies and may employ leverage including investment in listed or unlisted derivatives.

Based on the category of AIF, the fund can invest in various investment products, subject to regulatory guidelines briefly discussed as under: -

1. Made by AIF in DerivativeInvestment Instruments

Derivative instruments can be used to generate gains or hedge existing investments. Derivatives may amount to utilisation of leverage due to the nature of instrument. The leverage of a Category III AIF shall not exceed 2 times of the NAV of the AIF. i.e. if an AIF's NAV is Rs.100 crore, its exposure (Longs + Shorts) after offsetting positions as permitted shall not exceed Rs.200 crore. The NAV for the purpose of computing the amount of leverage allowed shall exclude investment in other AIFs. Leverage is calculated as a ratio of exposure to the NAV of AIF.

$$\text{Leverage} = \frac{\text{Total exposure} \\ \{\text{Longs + Shorts (after offsetting as permitted)}\}}{\text{Net Asset Value (NAV)}}$$

Hence exposure in case of derivatives is calculated in following manner: -

1. Futures (long and short) = Futures Price * Lot Size * Number of Contracts
2. Options bought = Option Premium Paid * Lot Size * Number of Contracts
3. Options sold = Market price of underlying * Lot Size * Number of Contracts
   In case of any other derivative exposure, the exposure is proposed to be calculated as the notional market value of the contract.

2. Investment in other AIFs

Alternative Investment Funds which are authorised under the fund documents to invest in units of Alternative Investment Funds shall not offer their own units for subscription to other Alternative Investment Funds. Hence, if the AIF intends to raise fund from other AIFs, then it cannot invest in other AIFs.

3. Concentration norms for investing in single investee company

Concentration norms typically refer to the limits or guidelines with respect to maximum exposure a fund can have to a particular asset, sector, or issuer company. These norms are designed to manage risk and diversify the fund's portfolio.

Category I and Category II AIF cannot invest more than 25% of investable funds in single investee company directly or through units of other AIFs. In case of Category III AIF, the limit is reduced to 10% of investable funds. However, considering the nature of fund, category III AIF may calculate the concentration limit of 10% either on investable funds or NAV when making investment in listed equity.

Concentration norms ensure better risk management i.e ensuring a significant allocation is not made to single investee company, hereby protecting investor's interest.

4. Guidelines on overseas investment

As per Schedule VIII of Foreign Exchange Management (Non-Debt Instruments) Rules 2019, an Alternative Investment Fund Category III which has received any foreign investment shall make portfolio investment in only those securities or instruments in which a FPI is allowed to invest under the Act or rules or regulations made thereunder. Regulation 20 of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations 2019 encompasses the details of securities eligible for investment by FPI.

Having understood the guidelines for investment by AIF, additionally these funds are granted the status of Qualified Institutional Buyer (QIB) in order to tap the market opportunities, which can be briefly understood as under:

QIB Status to Alternative Investment Fund

As per SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018, Alternative Investment funds are classified as Qualified Institutional Buyer.
As per Regulation 32 (1) of SEBI (ICDR) Regulations, not more than fifty per cent of the net offer category shall be allocated to qualified institutional buyers, five per cent of which shall be allocated to mutual funds. In an issue made through the book building process under sub-regulation (2) of regulation 6 of SEBI (ICDR) Regulations, not less than seventy-five per cent shall be assigned to qualified institutional buyers, five per cent of which shall be allocated to mutual funds. In an issue made through the book building process, the issuer may allocate up to sixty per cent of the portion available for allocation to qualified institutional buyers to anchor investors in accordance with the conditions specified in this regard.

In normal parlance, issuance of securities under private placement requires prior approval of shareholders by way of passing a Special Resolution (SR) for each invitation except in case of issue of non-convertible debentures (NCDs). In case of issue of NCDs, the special resolution passed u/s 180 (1) (c) of Companies Act 2013 will be adequate provided the proposed issuance is within the ceiling limits. MCA vide its Notification dated 16th October, 2020 has provided an exception to companies making an issuance of securities to QIBs by passing a blanket special resolution which shall be valid for a year. Issuing securities to Qualified Institutional Buyers (QIBs) has led to expediting the fundraising process for the company, thereby resulting in faster availability of funds for the entity raising funds.

Future Outlook

As India aims to become the third-largest economy in the next decade, it is gearing up to become one of the larger growth engines of the world. Over the past six years, AIF Industry in India has grown around ten times in terms of capital commitments and Investments made, which is reflected as under: -

AIF Industry in India	Rs. In Crores	
	31st March 2017	31st March 2013
Commitments Raised	84,303.81	8,33,774.35
Funds Raised	40,955.75	3,65,609.23
Investments Made	35,099.15	3,37,982.77

One key factor driving the growth of the AIF industry is the expanding pool of domestic capital, spilling over into India's tier II and tier III towns. Their participation in the growth of the startup ecosystem has been critical and has led to a lot of wealth creation.

ESG focused investment solutions, Innovative Investment Schemes, attracting institutional capital, etc offer enormous opportunities for AIFs to grow in future. The AIF industry is poised for significant growth in the coming years offering immense market potential in the AIF space, creating the right match between HNI's looking

Equalifi
WeWork Enam Sambhav, C - 20, G Block, Bandra Kurla Complex, Mumbai- 400051
+91 88281 16801 | team@equalifi.org