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## **Avendus PE announces Avendus India Opportunities Fund III**

### **The PIPE fund will invest in high quality listed midcap companies**

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**Mumbai, March 4, 2013**

Avendus PE Investment Advisors Pvt. Ltd., subsidiary of Avendus Capital, a leading Financial Services group, today announced the launch of third PIPE fund of the Avendus group – Avendus India Opportunities Fund III. The fund is registered with SEBI as Alternate Investment Fund (AIF) in Category III. With an expected size of INR 500Cr, the fund will use a private equity approach to invest in high quality listed midcap companies. This approach entails in-depth primary research, management interactions and thorough commercial due diligence prior to investments. The fund will actively engage with portfolio companies to add value by improving investor relations and corporate governance.

There are 3,000 regularly traded companies in India, of which more than 2,800 have a market capitalization of less than INR 5,000 Cr. Outside the top 200 companies, majority of the companies are under-researched, creating immense opportunity for a fund willing to undertake in-depth evaluation. The fund will focus on sectors which benefit from India's rising discretionary spending, rapid urbanization and increasing rural prosperity. The fund will invest in 12-14 high conviction midcap stocks, taking equity stakes of around 5% for an investment horizon of 2 to 3 years.

Manoj Thakur, CEO, Avendus PE Investment Advisors, said, "The key differentiation of the fund is its active engagement style. There is major scope to improve investor relations and corporate governance of midcap companies. We identify potential winners in the midcap space and help them in their pursuit of becoming highly regarded companies by the investor community."

The past two funds of Avendus PE Investment Advisors, launched as Portfolio Management strategies, have outperformed the broader indices. The first fund, launched in September 2009 has given compounded annualized returns of 19.4% since inception, as compared to the BSE Small-cap return of 2.7% and NIFTY return of 5.8%. The second fund, launched in January 2011, has given compounded annualized returns of 21.9% since inception as compared to BSE Small-cap return of -3.3% and NIFTY return of 5.9%.

#### **NEWS RELEASE**

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#### **Avendus Capital**

Mumbai, Delhi, Bangalore, New York, London



## About Avendus Capital

Avendus Capital is a leading financial services firm which provides customized solutions in the areas of financial advisory, equity capital markets and wealth management. The firm relies on its extensive track record, in-depth domain understanding and knowledge of the economic and regulatory environment, to offer research based solutions to its clients that include institutional investors, corporates and high net worth families. In recent years, Avendus Capital has consistently been ranked among the top-five corporate finance advisors in India and has emerged as the advisor of choice for cross-border M&A deals and has closed 40 cross-border transactions in the past 4 years. Avendus Securities through its Institutional Equities practice is able to offer best-in-class research-driven advice to help its clients take investment decisions, while Avendus PE Investment Advisors manages funds raised from its investors by investing in public markets. Headquartered in Mumbai, the firm has offices in New Delhi and Bangalore. Avendus Capital, Inc (US) and Avendus Capital (UK) Pvt. Ltd. located in New York and London respectively are wholly owned subsidiaries offering M&A and Private Equity syndication services to clients in the respective regions.

For more information, please visit [www.avendus.com](http://www.avendus.com)