Can success of SMEs and other Indian Industry RIDE on PE Firms?

Summit Special Edition
About SCMHRD

Leadership-Entrepreneurship B-School

SCMHRD was established in 1993. Ever since its inception, SCMHRD has strived to bring Indian ethos, Management concepts and technological advances together in an effort to redefine the management paradigm in the new age.

SCMHRD has successfully pioneered the implementation of Kaizen on campus. The practice helps in keeping the campus clean and gives the students a feeling of ownership, inculcating in them a feeling of belonging and camaraderie. The SCMHRD culture provides the students an environment that allows them to think and reflect, to explore and express.

Vision

To become a Centre of Excellence for Global leadership and entrepreneurship, the standards of which others are measured by.

Mission

To create leaders and entrepreneurs of tomorrow, their dedication to excellence, absolute.
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Dear Readers,

At SCMHRD, we urge the students to take the road less taken, to push boundaries and to seek knowledge outside the classroom. Furthering this endeavor, we have conducted informative summits on “Risk Management Seminar-2009”, “Valuation and Financial Modeling Seminar-2010”, “Commodity market seminar-2012” and “Summit on Foreign Exchange-2013”.

For this year’s 5th Annual Finance Summit we chose “Private Equity and SMEs funding” as the topic purely for its importance in the current business scenario. The size of the private equity market has grown steadily since the 1970s. Through this event we aim to provide interaction of industry experts with the students and get insights into the present private equity scenario in India.

The majority of private equity consists of institutional investors and accredited investors who can commit large sums of money for long periods of time. The upswing in the M&A sector witnessed in recent years and favourable debt markets has acted in the favour of the private equity firms. Their skill in judging the timing of acquisitions, valuation and structuring are one of the key success factors of a private equity firm. They have achieved faster growth than their public counterparts.

During the expert talk sessions of summit, we heard industry veterans talk about the various aspects of private equity, risks assessment while investing in growth, various challenges for Indian entrepreneur. As a part of competition round, we had different valuation strategies by students from top B-schools pan India.

We bring for you this special edition of Finalyst on this year’s Summit. It contains full event reporting, talks by eminent speakers in addition to other segments.

We thank our readers for their support in the form of entries for article writing we hope you would continue to do so in future. Suggestions for improvement are welcome.

Happy Reading!!!

Finance Club Team, SCMHRD.
WPI inflation drops to 6.16 pc: The wholesale inflation rate declined to a five-month low of 6.16 per cent in December, mainly on account of a moderation in food price increase. In its first month-on-month decline since May 2013, the Wholesale Price Index (WPI) based inflation in December came down from a 14-month high of 7.52 per cent the previous month. Economists said that inflation had now fallen below their expectations. Meanwhile, the government revised its provisional inflation reading for October from seven per cent to 7.24 per cent.

Gold Loans—RBI eases as well as stiffens norms

The Reserve Bank of India has eased the norms for extending loans against gold jewellery as collateral. Now, non-banking finance companies (NBFCs) can give a loan up to 75% of the gold value; the previous limit was 60%. Only the intrinsic value of the gold content should be used for determining the maximum loan. No other cost element should be added. Some NBFCs are adding making charges to the value of gold jewellery, RBI said.

China injects fresh cash into banks

China’s central bank has injected fresh liquidity into the country’s large commercial banks ahead of the Lunar New Year holiday later this month. The bank did not say how much cash it injected, but said the move was aimed at ensuring the "stability" of the monetary market ahead of the holidays. The Lunar New Year is China's most important festival and sees increased demand for cash among consumers. The seven-day repurchase rate, a key gauge of liquidity among banks, rose to nearly 6.5% up from 4% in the earlier month.

RBI raises REPO rate.

Reserve Bank of India Governor raise the repo rate by 25 basis points contrary to the popular belief that it might get reduced. He said that it was necessary from the point of CPI inflation which remains elevated at close to double digits, despite the anticipated disinflation in vegetable and fruit prices. The cash reserve ratio remains unchanged at 4%.

WHAT’S HAPPENING?

Important news of the Financial and Economical World
The Rise Of Private Equity Funding

The private equity market is an important source of funds for start-up firms, private middle-market firms, firms in financial distress, and public firms seeking buyout financing. PE investors act as a catalyst for rapid change through a combination of new plans, management teams, and incentives – with strong investor involvement throughout. Private Equity capital is an equity capital which is not quoted on public exchange. Capital for private equity is raised from institutional investors or accredited investors who recover this money after the target company has sold itself to another firm or via an Initial Public Offering (IPO). Private equity is usually about taking an existing company with existing products and existing cash flows, then restructuring that company to optimize its financial performance. When private equity works right, it can save poorly-performing companies from bankruptcy and turn them into profitable enterprises.

Small and Medium Enterprises (SME) find it difficult to attract bankers for investing in them. This is because unlike large corporation they are not able to provide detailed information about business plans and firms financial statements. The banks review the data provided by SME using analytics which is a time consuming process. This results in delay in the acquisition of much needed funds. The banks do not find it worthwhile to conduct an elaborate appraisal of SME credit proposals in terms value and profit due to the relatively small size of the loan. With the rise in number of SME in India, PE is becoming an important instrument for raising capital.

Having worked through six economic downturns since 1978, private equity has the ability to respond to changing market and macro-economic conditions. As a result of the credit crunch of 2007/8, capital-constrained banks no longer lend money like they have in the past. With this shortage of capital, large deals have become scarce. Because private equity is an incredibly flexible industry, it has the ability to respond to the rapidly changing market conditions.

The success of private equity can be attributed to giving the company a chance to perform at a larger level. This is because smaller companies which sells a niche product at local level, which is not offered by large companies when acquires fund for selling it at an international level then it automatically starts generating a higher cash flow. Besides the infusion of capital, companies also benefit from the experience and insight that fund managers bring to the board room. Aligned interests between the managers and the investors foster the growth of the company.

There are different kinds of relationship that is developed between a private equity firm and a private company. First is that of a passive investor, the money is simply pumped into the target company and the PE firm rely on the management
to grow the company and supply the owner with appropriate return. Second is that an active investor, in which PE firm provides operational support to the management to help them in growing the company at a rapid pace. They get heavily involved in the business after acquisition. They made rapid decisions alongside management, challenged progress, and made available specialist expertise, e.g., industry, regulatory, financial, and M&A. It may also happen that the private equity investor installed a new management team with a new plan for the business then work with them to implement it.

Private equity is more preferred as compared to public equity. This is because in case of public equity, it requires a more extensive and transparent approach to governance and a more explicit balancing of stakeholder interests. Public companies need to protect the interests of arm’s-length shareholders and ensure the flow of accurate and equal information to the capital markets, governance issues such as audit, compliance and risk management inevitably loom much larger in the minds of public-board members.

Public boards operate in a more complex environment, managing a broader range of stakeholders and dealing with a disparate group of investors, including large institutions and small shareholders, long-term stockholders and short-term hedge funds. These groups have different priorities and demands. The chairmen and CEOs of public companies therefore have to put a lot of effort into communicating with diverse groups. The challenge for PE boards is more straightforward. Their effective shareholders (the investors in PE funds) are locked in for the duration of the fund. The shareholders’ representatives (the PE house) are in effect a single bloc (or a very small number of blocs in a club deal) and so act in alignment.

Value is realized for PE investors when businesses are sold. Investors planned their exits strategically in respect of how to sell, and to whom, concentrating on the banks and brokerage houses who managed the IPO process. Exit planning started early, with considerable thought about structuring and positioning the business to make it attractive to likely buyers, as well as networking and relationship development with those buyers. Greater preparation went into the robustness of management plans, the detail of diligence, and other reports. Effort are made to warm up the market, making potential buyers aware of the upcoming sale several months before the formal process starts.

The year 2013 had provided a much-needed window of opportunity for investors straddled with investments bottled up for well over half a decade and a lack of exit options. The biggest action was concentrated in the healthcare sector, with London-based PE major Apax Partners’ sale

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<th>Exit type</th>
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<td>SAIF Advisors, Tiger Global, Sequoia, SAP Ventures</td>
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<tr>
<td>Repco Home Finance</td>
<td>Carlyle</td>
<td>49.8</td>
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<tr>
<td>Ashapura Intimates Fashion</td>
<td>SIDBI Ventures</td>
<td>3.8</td>
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<td>Opal Luxury Time Products</td>
<td>SIDBI Ventures</td>
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Source: E&Y PE ROUNDUP, VENTURE INTELLIGENCE, VCCIRCLE, FACTIVA
of its 19 per cent holding in Apollo Hospitals for close to $370 million in multiple open market transactions marking one of the biggest exits of the year. Apax had first picked up stake in the hospital chain six years ago, with a primary tranche in October 2007 that was followed up with stake purchases in subsequent years.

The other big exit in the works was that of PE major Blackstone selling its stake in Pune-based Emcure Pharmaceuticals to Bain Capital. While the financial details are under wraps, industry estimates peg the deal size at about $100 million, or double the $50 million that Blackstone paid when it too the 13 per cent stake in the pharma firm in 2006. For Blackstone, this marked the second exit from its Indian portfolio after it sold its stake in Intelenet to UK’s Serco group in 2011.

Another benchmark during the year was the PE-backed initial public offering (IPO) of internet firm JustDial, which provided a exit for its investors SAIF, Tiger Global, Sequoia Capital India and SAP Ventures, whose sale of shares comprised over 80 per cent of the $167.11 million issue. The JustDial IPO was one of the largest in the Internet space.

Despite its dramatic growth and increased significance for corporate finance, the private equity market has received little attention in the financial press or the academic literature. The lack of attention is due partly to the nature of the instrument itself. A private equity security is exempt from registration with the Securities and Exchange Commission by virtue of its being issued in transactions “not involving any public offering.” Thus, information about

**Private Equity Structure**

*What Does Each Party Bring to the Table?*

![Diagram of Private Equity Structure](https://via.placeholder.com/150)

Source: JobSearchDigest.com
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1. EduCorporateBridge deals with Online and Instructor Lead Training Programs in various financial courses viz. Equity Research, Wealth Management, Technical Analysis Investment banking, Private Equity, Fundamental Analysis, Investment Research, Credit Research etc and preparatory courses like CFA Level I & II and FRM Level I & II, Campus Placement Trainings

2. Elearninglabz solution portfolio consists of custom e-content development for training and learning needs in collaboration with our clients and subject matter specialist, custom Learning Management System (LMS) suite, Test & Assessment solutions.

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Contact: support@cbacademy.in
The topic for the 5th Annual Finance Summit was ‘Private Equity and SMEs funding’. Eminent speakers from the Indian PE industry were called to interact with the students. The program was kicked off by a welcome speech from the Director, SCMHRD, Prof. Pratima Sherey. The Head of Finance COE, Prof. Dipali Krishnakumar also came up on the stage to welcome the guests.

The speakers from Mumbai arrived as scheduled, and the first address started at 11 p.m. The first guest speaker, Mr. Bhavin Shah spoke on “What PE looks for before investing” and gave an idea to the audience about what goes on in the minds of PE investors before they decide to fund a venture. He also gave the students a fair deal of information about the private equity scenario in India.

Following the first address, the campus winners of the online treasure hunt event – ‘MBiana Jones’ were called on stage and given their Wildcraft merchandise and certificates.

The second speaker for the day was Mr. Navroz Mahudawala. He spoke on the topic “Challenges for an Indian SME entrepreneur in raising capital for growth”. He highlighted the problems faced by the small entrepreneurs in India and gave the audience an idea as to what are the things that an entrepreneur needs to get right before looking out for funding.

Our last speaker just before lunch was Mr. Dinesh Tiwari who spoke on the topic “Common pitfalls and risk assessment while investing in a company.” He spoke largely on venture capital funding in India and gave the students an insight into the practical techniques of risk assessment while funding a venture.

At 1 p.m. people broke for lunch and the Summit resumed again at 2 p.m. with the flagship event of the Finance Club i.e. Investor Cap. Six finalist teams of two people each, from B-Schools across the country were shortlisted from over 200 banks, solutions to the case study provided to them by the Finance Club. The teams presented their strategy, valuation, industry analysis and recommendations to the judges followed by a Q&A round for the same.

After a highly competitive final round, the top two teams were as follows:

- BullsB (IIM Bangalore)
- Naadan Parindey (SCMHRD)

The winners and runner-ups took home prizes worth Rupees 70,000.

The final speaker for the day, Mr. Rajeev Kher was an entrepreneur himself who had very recently gone for funding. He had an informal interaction with the audience and gave them the various benefits and also disadvantages of going for private equity His witty comments and a good sense of humor left the crowd in splits and wanting for more.

Finally the program concluded with a vote of thanks by the faculty member Mr. Jeevan Patwa.
Glimpses
of
Finance
Summit
2014
Glimpses of Finance Summit
Candle Partners was formed by Navroz Mahudawala in April 2010 with the intent to offer quality Investment Banking & Consulting services to mid sized deals and clients. The firm is based out of Mumbai and has a deal team of four corporate finance and consulting professionals with varied degree of experience. Candle's USP is its relationship with the SME corporate world - strong time commitment to smaller deals will lead to an enhanced deal closure probability.

Navroz is a Chemical Engineer by graduation along with a dual degree of Chartered Financial Analyst (CFA) & PGDBA. He has written regularly in various mainstream publications in areas of Pharma, Chemicals & Retail. He gets quoted often in leading publications. He has made presentations regularly in forums / events hosted by CII, FICCI & Chemical Weekly. On behalf of E&Y, he was part of the CII Chemicals executive committee for a period of a year.

Navroz Mahudawala last worked as a Director with the Transaction Advisory practice of Ernst & Young before founding Candle Partners in mid-2010. With over 17 years of investment banking experience he was with Ernst & Young for the last 6 years (2004-2010). Navroz largely led the Retail Consumer Products, Health sciences and Chemicals sector practice in E&Y Mumbai practice from a Transaction perspective.

Navroz has worked with a diverse background of clients on assignments in M&A, PE Advisory, Valuations, Debt Restructuring, Entry strategies and Financial Advisory.

Prior to joining EY, Navroz was associated with KPMG’s Corporate Finance practice. In addition to this he has also worked on numerous corporate finance projects including stints at Lazard India and India Advisory Partners. Navroz also co-promoted an Internet entrepreneurial venture processindia.com; a Chemical Industry B2B in the year 2000-2001 and was associated with it for a period of a year.
Rajeev, is the founder of 3S - India's premiere portable sanitation brand and SARA PLAST Pvt. Ltd. – a reputed impact enterprise. A unique manufacturing as well as service oriented approach to promote better health and hygiene.

His mission to provide quality sanitation for un-served people in India has become a revolutionary concept and has created a phenomenal impact business model which is present in numerous cities all over India. The much neglected growth area is now being developed as a concept he has pioneered and now gaining momentum. The success is inevitable from the organizations growth today. Today the company is amongst the 50 top Social Impact Enterprises in INDIA managing operations at a pan India level positively improving the lives of many Indians in the BOP and urban context. Also creating innovative business opportunities and incubation models in this segment.

Rajeev has attended Clinton Global Initiative twice by invitation from former President of USA - Mr. Bill Clinton. He was featured in Business Outlook Independence day special in Aug-Sep 2009 as one of India’s 50 Social Entrepreneurs who are making a difference to the lives of people in India. Under his leadership the company has also been felicitated with the INDIA POSITIVE AWARD 2012 by CNN IBN

Academically he is a management graduate from Symbiosis Pune, INDIA.

Even during work trips he takes time out to meet local people and understand their culture to make friends around the world. He doesn’t just talk about work life balance but also implements it in his life and leadership style.
Country Cabs

Country Cabs India Pvt. Ltd. incorporated in March 2013 is a company which takes care of all your travel needs at extremely economical and affordable rates. Country Cabs provides high quality mobility solutions, which are specifically designed for individuals and corporate. We take every bit of care to ensure that you reach your destination safely, on time and at very economical rates. We charge you for just what you have used and nothing extra. We make sure that you are happy paying for the services you are using offered by Country Cabs. It is our dedication to serve you better that our customer base has been increasing exponentially within an extremely short time of starting the operations. The Fleet Management team at Country Cabs ensures all our cars are in perfect condition before leaving to customers to make your journey safe and hassle free. Chauffeurs at Country Cabs are experienced, well groomed, well mannered and friendly who have been instructed to treat you as our personal guests at our homes. Country Cabs also comes up with packages and promotional offers in a program called CC Miles at dis-

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- We follow a very transparent method of billing.
Mr. Bhavin Shah

Associate Director, Kotak Mahindra Private Equity

Bhavin Shah joined the Private Equity Group in November 2008 with 10 years of experience in investment banking and private equity.

Bhavin was earlier in Kotak Investment Banking - Financial Sponsors Group, where he focused on private equity transactions across industries. He has worked with several corporates (including Mahindra & Mahindra and Apollo Hospitals) to raise private equity funds.

Before he joined Kotak Investment Banking, Bhavin led the corporate development and M&A efforts of SPI Technologies in India and executed SPI’s entry strategy into India. Earlier, as part of Crimson Ventures, he gained hands-on experience with early to mid stage companies.

Bhavin holds an MBA from the Indian Institute of Management (IIM), Ahmedabad, and is a qualified Chartered Accountant.

About Kotak Mahindra Private Equity:

Kotak Private Equity Group (KPEG), part of the Kotak Mahindra Group, is a leading Indian private equity funds manager that helps emerging and mid-size businesses evolve into industry leaders.

KPEG invests a lot more than just equity in its portfolio companies. We leverage our industry experience, network of relationships and financial acumen to provide strategic advice and support to the companies we invest in. Our team of fund managers and strategists have a proven track record of building successful businesses.

KPEG typically invests between USD 15 million to USD 40 million across industries in companies seeking capital for business expansion, acquisitions and buyouts.
What is a SME?

SME – Small and Medium Enterprises are enterprises with turnover or asset size or headcount within some range. This range differs across countries. The World Bank defines SMEs as those enterprises with a maximum of 300 employees, $15 million in annual revenue, and $15 million in assets.

Importance of SMEs in economic growth

SMEs form an important part of both developed and developing economies. According to the OECD (Organization for Economic Co-operation and Development), about 95% of the enterprises in OECD regions are SMEs. These enterprises not only generate employment but also foster innovation and regional development.

Financing problems faced by SMEs

Access to finance helps the companies in prospering, innovating, expanding, etc. Financing for SMEs is limited, particularly when compared to commercial debt for large firms and microfinance. This is due to several reasons like lack of transparency, asymmetric information between lenders and the company, high administrative costs involved in due diligence, incorrect assessment of the risk profile of such firms, etc. In addition, these SMEs cannot prove their creditworthiness because they don’t have an adequate historical trend. Also, after the 2008 crisis, banks have become more risk averse and availability of credit is also limited. This difficulty in financing hampers growth plans and doesn’t allow SMEs to move to the next level.

Private Equity and SME financing: It’s a 2-way affair

Due to the above mentioned reasons, Private Equity act as a valuable source of funding for SMEs. They not only provide the much required capital but also bring in their managerial experience which helps in streamlin-
of the PE/VC helps in many areas that can add value to the company, such as in recruiting key personnel, providing contacts in international markets, introductions to strategic partners, and if needed, co-investments with other venture capital firms when additional rounds of financing are required.

From a PE’s perspective, SMEs have become more alluring recently especially in the Asian emerging economies because the deal sizes available are small, there is a robust deal pipeline of family-owned businesses which direly need operational enhancements and lack of cheap credit for financing large buyouts. SMEs offer a quick avenue for growth, as long as investors are meticulous.

**What PE investors look for in SMEs?**

PE investors look to invest in those firms which have a high potential for future growth, a competitive edge in the market because of a niche product/service, strong market demand for the product and importantly a skilled, experienced and committed management which is ambitious enough to achieve that growth.

Most PE firms have their own requirements regarding the size and stage of investment, the deal size, preferred industry sector and geographical region. If the particular SME in questions clears these preliminary checks, then the next most important question would be whether it fits the bill for the required capital growth of the PE firm. A typical PE firm usually aims at returns of 25-30% per annum.

Also, a typical PE firm looks to exit in a timescale of 3-7 years. So the business growth prospects should be sound enough and there should be a clear exit plan for attaining such high returns in the limited time span.

**What SMEs look while partnering with a PE?**

All PE firms may not have the same preferences other than the common desire to mint money. The SME should shortlist a few PE funds which have credible experience in the particular sector and region in which the firm operates and also depending upon the stage of funding (seed capital, growth/expansion, MBO, etc.).

Generally in the developed countries, SMEs usually hire a corporate finance advisor to help find an appropriate PE investor. The professional advisor also helps in making the right business plan, in valuating the business, due diligence, choosing the correct funding structure, etc.

**The Private Equity Investment Process**

Usually a PE investment process takes up to 3-6 months in completion but some complex transactions could extend up to a year. The major steps in an investment process include appraisal and valuation of the business, contacting PE firms, choosing a financing structure, selecting preferred funders, due diligence and then negotiation of final terms and conditions.

One of the important steps is choosing an appropriate funding structure. There are several ways of funding available:

- **Debt Financing:** Usually bank loan or ‘senior debt’ constitutes a major pie of required funding. The maturity of senior debt is usually five to seven years. The key features to be considered here are the interest rate, the repayment or amortization terms, the security required and the financial covenants.

- **Equity financing:** There are typically two or three sources for equity funding depending on the nature of the transaction – the institutions like pension funds, mutual funds, hedge funds, etc., management (if the transaction is a MBO or MBI) and, sometimes, the existing shareholders or a vendor. The private equity firm balances the risks with the rewards by proposing an appropriate structure for share capital. Bulk of the institutional equity is redeemable non-equity preference shares which are senior to ordinary shares in terms of dividends, redemption and shareholders’ rights.
• Mezzanine Financing: This is commonly required for larger deal sizes. It fills the gap between the secured debt, the acceptable equity investment, and the total funding required. It ranks in terms of risk, return and security between senior debt and share capital.

How can PEs mitigate risks while investing in SMEs?
There are two important differentiated strategies which can be used by a PE investor to mitigate risks: proprietary sourcing and Operational involvement.

Proprietary Sourcing
PEs should have a trusted ecosystem of relationships. This ecosystem should help them in getting information about deals in pipeline before it reaches the competitors and even if there is competition it should help them in getting better terms for the deal. Such relationships are what is termed as proprietary relationships. PE firms interested in forming such an ecosystem should pursue people who are in constant touch with these SMEs like the firm’s lawyers, accountants, tax inspectors, etc. Also, lesser known people like the executive coaches or wealth managers of the firm owners should be kept in a close loop. PE firms can also ask their existing portfolio companies for referrals and contacts as word-of-mouth referral still works as one of the most effective ways of forming a trustworthy relationship.

Operation Involvement
Apart from creating a robust deal flow by forming a good relationship network, involvement in the operations is what SMEs strongly look forward to. Operational involvement is especially critical in SMEs in emerging markets and can be helpful to get an advantage over other PE firms. SMEs don’t just want a representative on their board but also access to advisors who can help them in inorganic growth, cost cutting, etc. Further, instead of showing potential BD opportunities in a “pitch deck” by an investor, it goes a long way to raise a conservative SME’s comfort level in seeing that some of this growth can be captured in reality.
Mr. Dinesh Tiwari

Investment Team, Multiples Alternate Asset Management Private Limited (Multiples)

Dinesh has about two decades of experience, including 16 years in the Indian private equity market. In his private equity career, Dinesh has worked with JP Morgan (Private Capital Asia), Standard Chartered Private Equity, Actis and ICICI Venture. He has a well established track record of deal origination, execution, portfolio management and exit.

In JP Morgan, Dinesh led the India business for the US$750M Private Capital Asia group where he sourced several equity and equity related investment opportunities in India, and supported many transactions in South East Asia.

He also managed the existing investment portfolio of US$ 450M and developed exit opportunities. Prior to JP Morgan, he was a founding Partner at Alcazar, an emerging markets private equity business in Dubai, where he conceptualized and launched a US$ 200M India focused fund on infrastructure services and logistics. Before Alcazar, Dinesh was with Standard Chartered Private Equity where he was part of the founding team of the India office and helped establish the private equity franchise in India.

In his spare time, he teaches courses on private equity and entrepreneurship as a guest faculty at various management institutes. Dinesh has a Bachelor’s degree in Physics and an MBA from Indian Institute of Management Bangalore.
Investor Cap, the flagship event of the Finance Summit, started as an idea to introduce something different to gauge the analytic + financial skills of the individual. The entire event started with an online quiz which saw participation from more than 200 teams over all the B Schools in India. The questions of the Quiz were made encompassing all the business genres which tested the true mettle of the students. The Quiz was aimed to be an elimination round. Out of the teams that applied, we shortlisted the top 40 teams that would go on to play the second round of the event which comprised of an analysis of the balance sheet of the company. This particular quiz was aimed at testing the financial grasping of a student. The questions were framed so as to be difficult enough to solve in a time frame of 1 hour but required a clear understanding of each concept presented. The 15 teams that qualified were given a case. The case was prepared by the students of the Finance Club of SCMHRD. The case was prepared using two companies as benchmark. The members of the Finance Club at SCMHRD used real life data, modified to suit the intricacies of a competition. The students were asked to choose a company out of the two provided and submit a solution out of pure analysis of the data provided. The students were asked to measure the companies on various scales like the performance of the industry to which it belongs, its sensitivity to market conditions, etc. and were asked to submit a pitch book that explained the rationale behind their recommendation. The options for recommendation provided were either the company going for

1) An IPO
2) A merger or an acquisition
3) Sell off its business

The teams submitted the case which was evaluated by the Finance Faculty at SCMHRD and finally 6 teams were shortlisted and asked to arrive at the campus for the final battle royale. The 6 teams from colleges across India presented their cases in front of eminent judges. These judges, who were also the speaker for the event, tested the students on various factors like

1) Overall Presentation Skill
2) Ability to convince his/her point

After a gruesome question answer round with the participants, the judges came to the decision to select 2 teams who would proudly dawn the title of Investor Cap Winner.
We wish hearty congratulations to following students for clearing level 1 of CFA.

"Congratulations!!!

Success Mantra: Crystal clear concepts are like perpetual bonds, they keep on paying.......... forever.

"Have a desire for success.. Have a fear of failure.."

I strongly believe in hard work and it certainly pays.

I strongly believe in hard work and it certainly pays.

Never let the fear of failure overpower your will to succeed"
Wildcraft

Wildcraft is India’s largest adventure and outdoor gear company. Wildcraft manufactures outdoor gear like rucksacks, backpacks, travel gear, camping gear, tents, sleeping bags, camera bags and accessories. Based out of Bangalore, India, it has 49 exclusive stores across Bangalore, Hyderabad, Chennai, Kochi, Kolhapur, Mangalore, Mumbai, Pune, Ahmedabad, NOIDA, Delhi and Chandigarh, with its gear being additionally available in over 500 multi-branded stores across India. It became a 100Cr Brand in brand sales in FY 12-13 and aims to become a

Products and Equipment
The list of product range in retail are:

- Outdoor gear:
  Rucksacks, day-packs

- Adventure gear:
  Tents & sleeping bags, climbing gear (from Petzl!), adventure add-ons (Personal flotation device, Chalk bag, etc.), miscellaneous gear

- Corporate Gear:
  Laptop backpacks, portfolios

- Campus gear:
  Wiki bags, shoulder packs

- Travel gear:
  Voyager Series, Duffel bag, camera bags, travel accessories

- Active Gear:
  Fleece Series, Uppers & Lowers, Activewear Add-ons (caps)
TEAM FINALYST

SENIOR MEMBERS

Apurva Ghare
Dhruv Desai
Nidhi Jain
Rohit Godbole
Saumil Pandya
Shaily Kukreja
Vinay Tripathi

JUNIOR MEMBERS

Alok Birla
Ankit Shah
Bhaskar Vishal
Debasmita Datta
Siddharth Jain
Sonam Sinha
Supriya Gupta

Contact Us:
Finance Club, SCMHRD
Ph: +91 9975409996

Symbiosis Centre for Management
and Human Resource Development

(Constituent of Symbiosis International University)
Symbiosis Infotech Campus
Rajiv Gandhi Infotech Park, Hinjewadi, Pune 411057