



## India: True North Fund VI LLP

Project Name	True North Fund VI LLP
Project Number	51128-001
Borrower/Company	True North Fund VI LLP
Country	India
Location	Nation-wide
Approval Number	7543
Type of ADB Assistance / Amount	Ordinary capital resources USD 50.00 million Proposed
Strategic Agendas	Inclusive economic growth
Drivers of Change	Governance and capacity development Partnerships Private sector development
Sector / Subsector	<b>Finance</b> - Infrastructure finance and investment funds
Gender Equity and Mainstreaming	No gender elements
Responsible ADB Department	Private Sector Operations Department
Responsible ADB Division	Private Sector Investment Funds & Special Initiatives Div
Responsible ADB Officer	Mahmud, Farshed
Project Sponsor(s)	
Description	True North is one of India's leading and well-regarded private equity fund managers. The manager of True North Fund I, True North Ventures Private Limited, was established in 1999 with Mr. Vishal Nevatia as chief executive officer and managing partner. Over the years Mr. Nevatia has built a stable, cohesive investment team of 20 seasoned professionals who have worked on the various True North funds that include up to seven investment managers who focus on deal origination and structuring, relationship management and exits, and up to 13 business managers who focus on due diligence of new investment opportunities and operational engagement with portfolio companies. Since 2000, True North has raised more than \$1.9 billion through five fund vehicles and co-investment opportunities. It is one of the few private equity fund managers in India with expertise in executing control-oriented, expansion capital transactions in the middle market segment.
Objectives and Scope	True North Fund VI LLP, a targeted \$900 million private equity fund to be managed by True North, aims to make up to 10 equity investments of \$50-\$150 million each. Focus sectors include financial services (non-banking finance companies, microfinance, affordable housing finance), healthcare (services, non-pharmaceutical), and consumer businesses. True North seeks to provide capital to middle market companies in India with significant growth prospects and/or the potential to gain significant market share in their respective industries. These companies typically are established businesses on the verge of entering the next phase of growth. True North will also target high-potential companies at an earlier stage of growth in need of more time to fully mature.
Linkage to Country/Regional Strategy	This financing falls under ADB's nonsovereign operations and is aligned with the India country partnership strategy, 2013 - 2017, which calls for investments in financial infrastructure, including investment funds, as a priority area.

### Safeguard Categories

Environment	FI
Involuntary Resettlement	FI
Indigenous Peoples	FI

### Summary of Environmental and Social Aspects

Environmental Aspects	The Fund's investments will cover various sectors (including financial services, healthcare, and consumer) across India. At the project processing stage, no specific location and type or nature of business/sectors are identified. The Fund will adopt an environment and social management system commensurate with the level of potential risks of its investments. This will include screening procedures for categorizing projects based on ADB Safeguards Policy Statement (2009) requirements to exclude investments having significant impacts on environment. ADB will retain the right to _opt out_ i.e. not to provide funding for any Category A project on environment supported by the Fund.
Involuntary Resettlement	The Fund will adopt an environment and social management system commensurate with the level of potential risks of its investments. This will include screening procedures for categorizing projects based on ADB Safeguards Policy Statement (2009) requirements to exclude investments having significant impacts on involuntary resettlement.
Indigenous Peoples	The Fund will adopt an environment and social management system commensurate with the level of potential risks of its investments. This will include screening procedures for categorizing projects based on ADB Safeguards Policy Statement (2009) requirements to exclude investments having significant impacts on indigenous peoples.
Stakeholder Communication, Participation, and Consultation	The Fund will encourage portfolio companies to assess social impacts of its operations.

#### Timetable for assistance design, processing and implementation

Concept Clearance	11 Apr 2017
Due Diligence	
Credit Committee Meeting	06 Oct 2017 to 06 Oct 2017
Approval	18 Dec 2017
Last PDS Update	13 Oct 2017

Project Page	<a href="https://www.adb.org/projects/51128-001/main">https://www.adb.org/projects/51128-001/main</a>
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