



India: Multiples Private Equity Fund III Limited

Project Name	Multiples Private Equity Fund III Limited		
Project Number	52252-001		
Borrower/Company	Multiples Private Equity Fund III Limited		
Country	India		
Location			
Approval Number	7575		
Type of ADB Assistance / Amount	7575	Ordinary capital resources	USD 35.00 million Approved
Strategic Agendas	Inclusive economic growth		
Drivers of Change	Gender Equity and Mainstreaming Partnerships Private sector development		
Sector / Subsector	Finance - Infrastructure finance and investment funds		
Gender Equity and Mainstreaming	Some 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	An equity investment of up to \$35 million in Multiples Private Equity Fund III (_Multiples III_), a targeted \$750 million India-focused private equity fund (\$850 million hard cap) focused on investing in growth stage opportunities in middle-market companies operating in the consumer, financial services, healthcare, and technology sectors.		
Objectives and Scope	The fund proposes to invest in growth stage opportunities in middle-market companies (with enterprise values ranging from \$150 million to \$500 million) in India. It may also selectively consider control-oriented and early-stage investment opportunities. Target sectors are consumer, finance, health care and pharmaceuticals, and technology.		
Linkage to Country/Regional Strategy	The investment in the fund is consistent with the country partnership strategy, 2018-2022 for India; it (i) highlights the need for recapitalization of the banking subsector to resolve its stressed assets; (ii) includes support for affordable housing, financial inclusion and the health sectors as strategic priorities; and (iii) focusses on the importance of gender equality. The ADB Operational Plan for Health, 2015 2020 strongly supports private sector approaches to address quality, efficiency, and financing issues in the health sector. Furthermore, the ADB Financial Sector Operational Plan 2011 and its subsequent review in 2017 recommend retaining the focus on finance sector development through investments in banks and non-bank financial institutions and promoting inclusive finance by supporting the housing finance sector. By investing in the fund, ADB is partnering with a leading fund manager that has identified health care and finance as two of its core sectors.		

Safeguard Categories

Environment	FI
Involuntary Resettlement	FI
Indigenous Peoples	FI

Summary of Environmental and Social Aspects

Environmental Aspects	The potential environment and social impacts and risks associated with the fund's existing and/or likely future portfolio, its existing Environmental and Social Management System (ESMS) and its commitment and capacity for implementing the ESMS, have been assessed as per ADB's Safeguard Policy Statement 2009 (SPS 2009). Multiples will adopt an enhanced Environmental, Social and Governance (ESG) Framework which screens and categorizes investment against ADB's Prohibited Investment Activities List; applies environmental and social requirements to portfolio companies as per its ESG Framework; builds capacity tailored to the needs of the fund; includes a grievance redress mechanism; reports annually or as required to ADB on environmental and social performance.
Involuntary Resettlement	In compliance with ADB's SPS 2009, the project is proposed classified as Category FI for involuntary resettlement. The business activities undertaken by MPEF investees are not expected to involve land acquisition that would cause physical or economic displacement impacts.
Indigenous Peoples	In compliance with ADB's SPS 2009, the project is proposed classified as Category FI for Indigenous Peoples. MPEF III investments are not expected to cause significant impact on Indigenous Peoples.
Stakeholder Communication, Participation, and Consultation	The private commercial nature of investments limits the opportunities for stakeholder engagement. Conduct of consultation in relation to investees business activities, if required, will be carried out in accordance with applicable national laws and regulations and the Safeguard Policy Statement of the Asian Development Bank.

Timetable for assistance design, processing and implementation

Concept Clearance	03 Oct 2018
Due Diligence	
Credit Committee Meeting	08 Nov 2018 to 08 Nov 2018
Approval	13 Dec 2018
Last PDS Update	09 Jan 2019

Project Page	https://www.adb.org/projects/52252-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=52252-001
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