

Early Warning System

IFC-42217

Aqualite Co-Inv

Early Warning System

Aqualite Co-Inv

IFC-42217

Quick Facts

Countries	India
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2019-01-31
Borrower	LIGHTHOUSE INDIA FUND III, LIMITED
Sectors	Finance
Investment Type(s)	Fund
Investment Amount (USD)	$ 10.00 million

Project Description

According to the bank website, Lighthouse India Fund III, Limited (the “Fund”) and its investment advisor, MUSE Capital Advisors, Limited (“Lighthouse”) offered to IFC a co-investment opportunity (through its Fund) in Aqualite Industries Private Limited (the “Company”), a leading manufacturer of mass-market footwear in India. IFC is an investor in the Fund, a US$183.6 million growth equity fund focused on lower mid-market companies in India. IFC invested US$20 million in the Fund in 2018 and has a 10.89 percent ownership stake in the Fund. IFC is planning to invest up to US$10 million, subject to final allocation by Lighthouse.

Investment Description

- International Finance Corporation (IFC)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Lighthouse India Fund III, Limited (Financial Intermediary)

Private Actors Description

According to IFC, the project is sponsored by the Fund, a Mauritius based public company limited by shares, with limited life. The Fund invests in lower mid-market companies in India spanning sectors such as consumer goods (personal care & lifestyle and food & beverage), agriculture, building materials, healthcare and financial services. Lighthouse serves as the Fund's investment advisor, in accordance with the Mauritius Securities Act 2005. The Fund is investing in the Company through a Special Purpose Vehicle ("SPV"), Lighthouse India III Holdings, Limited created solely for the purpose of this investment.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Aqualite Industries Private Limited	Client	-
-	-	-	-	MUSE Capital Advisors, Limited	Investor	-

Contact Information

MUSE Capital Advisors, Limited, Investment Advisor to Lighthouse India Fund III, Limited
Mr. Mukund Krishnaswami
Managing Partner

mk@lhfunds.com
C/o SGG Fund Services, 33, Edith Cavell Street, Port Louis, Mauritius
lhfunds.com

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/