

 Early Warning System

IFC-49155

DFP Alteria Fund



Quick Facts

Countries	India
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2024-07-08
Borrower	Alteria Venture Partners Fund IIIB
Sectors	Finance
Investment Type(s)	Fund, Loan
Investment Amount (USD)	\$ 12.00 million



Project Description

According to the Bank's website, the proposed project envisages an investment of up to US\$12 million in INR equivalent in a target US\$100 million Alteria Capital Fund III – Shorter Duration Scheme (ACF3 SDS or the Fund) debt fund, managed by Alteria Venture Partners LLP (“AVP” or Alteria or Fund Manager). The Fund will provide short-term secured debt to venture capital backed start-ups (the Project). The companies will be digital finance services (DFS) providers as well as will include consumer products, B2B platforms, Climate tech and services companies in India. These companies will be technology driven micro, medium and small enterprises (MSMEs).



Early Warning System Project Analysis

The Fund will provide short term debt financing to non-financial sector startup companies, including non-NBFC fintech; and early/growth stage NBFCs. In some cases, the Fund may obtain equity linked or convertible instruments as well. The Fund is expected to be largely sector agnostic. Based on the current pipeline, some potential sectors of exposure could include food and beverages, edu-tech, health-tech, climate-tech, agri-tech, business to business aggregators, logistics, SaaS companies, consumer focused companies, fintech (agri focused lending, new payment banks/gateways, consumer finance, MSME on-lending, personal finance platforms, personal wealth management) etc. These target segments and subsectors are expected to have limited environmental or social risks or impacts which will be few in number, generally site-specific, and readily addressable through mitigation measures and good industry practices. The Fund will not finance any coal-related project. The Fund will not finance any higher risk activities that may include a) involuntary resettlement, b) risk of adverse impacts on Indigenous Peoples, c) significant risks to or impacts on the environment, community health and safety, biodiversity, cultural heritage, or d) significant occupational health and safety risks. The Fund will also avoid investments in financial service sector companies other than low-medium risk. Hence, the E&S risk of the proposed investment is medium, and the project is categorized as FI-2 according to IFC's Policy on Environmental and Social Sustainability.



Investment Description

- International Finance Corporation (IFC)

The proposed project envisages an investment of up to US\$12 million in INR equivalent in Alteria Capital Fund III – Shorter Duration Scheme.



Private Actors Description

The Sponsor: Alteria Capital was established in 2017 by Mr. Vinod Murali and Mr. Ajay Hattangdi. Prior to starting Alteria, the founding partners worked together at Silicon Valley Bank (“SVB”) India which was re-branded as Innoven Capital when Temasek and United Overseas Bank acquired it in 2015. The Alteria partnership was expanded in 2020 with the addition of Mr. Ankit Agarwal and Mr. Punit Shah who were part of the SVB/Innoven team as well. Alteria is one of the leading venture debt funds in India with total assets under management (AUMs) of US\$540 million across three venture debt funds, raised by Alteria till date.

Management and Sponsor: Currently, Fund has three Managing Partners, Mr. Vinod Murali, Mr. Punit Shah and Mr. Ankit Agarwal. The founder, Mr. Ajay Hattangdi, retired as a managing partner of AVP, however, still serves as the founding partner on AVP’s existing funds.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Alteria Venture Partners LLP	Parent Company	-



Contact Information

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