

 Early Warning System

IFC-50725

India BEF V



Quick Facts

Countries	India
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2025-04-16
Borrower	India Business Excellence Fund V G
Sectors	Finance, Industry and Trade
Investment Type(s)	Equity
Investment Amount (USD)	\$ 120.00 million
Project Cost (USD)	\$ 750.00 million



Project Description

According to the Bank's website, IFC proposes an equity investment of up to US\$60 million and an additional co-investment envelope of up to US\$60 million under the delegated authority framework, in India Business Excellence Fund V G (IBEF V or the Fund), a private equity (PE) fund focused on providing growth capital to mid-market companies in India across (i) consumer; (ii) financial services; (iii) life sciences; and (iv) manufacturing, and together with India Business Excellence Fund V (Master Fund) is targeting US\$750 million in total commitments. The Fund is expected to size its average ticket per company in the range of US\$60 million in 12-16 companies.

The Fund is expected to increase access to PE capital and value creation for mid-market companies in India. The Fund's business model is also differentiated in recognizing the significant growth potential of extending services to Low Income States (LIS) of India. Motilal will continue its strategy of targeting a material share of Fund V investees operating in LIS. Motilal aims to provide value creation to its portfolio companies through improved corporate governance and leadership development, while leveraging its parent entity's market research, sector experts, and networks to generate revenue growth for its investees. Beyond the Project, IFC's support to the Fund Manager to scale and expand the exposure of commercial investors to investments in LIS is expected to signal the viability of a PE model that includes investments in these regions. In turn, encouraging other local fund managers to raise new or follow-on funds that include investments in LIS and attract greater commercial institutional investors into the segment.



Early Warning System Project Analysis

The key sectors that the Fund will invest includes (i) consumer; (ii) financial services; (iii) life sciences; and (iv) manufacturing. The Fund will not invest in higher E&S risk business 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 d) significant occupational health and safety risks and e) risk of retrenchment. The fund will also not invest in any coal-related activities, activities on the IFC Exclusion List, or any financial institution exposed to high-risk sectors. 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. The main E&S risks and impacts of the project derive from the E&S risks associated with the fund's investee companies and their E&S capacity and systems in place to manage those risks as well as the fund manager's capacity to adequately assess E&S risks, require corrective actions where needed, and monitor their implementation. Most of the environmental and social risks and impacts of these industry sectors will be few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures and good industry practices. The typical risks areas will include labor and working conditions, occupational health and safety, gender-based violence and harassment (GBVH), supply chain risk, air emissions, waste management, handling of hazardous materials, and management of third party/contractors.



Investment Description

- International Finance Corporation (IFC)

The Fund, together with the Master Fund, is seeking to raise US\$750 million in aggregate capital commitments. IFC proposes an equity investment of up to US\$60 million in the Fund (capped at 19.99% of the total commitments in the Fund and Master Fund). Additionally, a delegated authority co-investment envelope of an amount of up to US\$60 million in potential co-investments in the Fund's portfolio companies is being proposed alongside the Fund commitment.

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.

- [MO Alternative IFSC Private Limited](#) (Financial Intermediary)



Private Actors Description

The Fund will be managed by *MO Alternative IFSC Private Limited* (Motilal or the Fund Manager), a private limited company domiciled in India. The Master Fund will be managed by MO Alternate Investment Advisors Private Limited which is led by Vishal Tulsyan and Raamdeo Agrawal.



Contact Information

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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>