



Asian Development Bank (ADB) to invest USD 100 million through National Investment and Infrastructure Fund (NIIF)

**Mumbai, India
30th March 2020**

National Investment and Infrastructure Fund (NIIF) of India and Asian Development Bank (ADB) today announced a commitment by ADB to invest USD 100 million equivalent into the NIIF Fund of Funds ('FoF'). With ADB's investment into the NIIF platform, the FoF has now secured USD 700 million in commitments. ADB will now join the Government of India (GOI) and Asian Infrastructure Investment Bank (AIIB) as an investor in the Fund.

India has always been at the forefront of nurturing the entrepreneurial spirit. Mid-market entrepreneur-led companies are the backbone of most growth sectors in India and are responsible for millions of jobs. These companies are hungry for growth equity, and efficient allocation of capital to them, tied-in with good governance, highest environment and social standards and strong business principles, is an imperative. To drive this, it is crucial for the country to have a large pool of high-quality India-focused Private Equity (PE) fund managers who can enable the flow of capital from large institutional investors to smaller and medium-sized high growth companies and nurture them in a meaningful way till those companies can directly access institutional capital. India-focused PE fund managers have relied on international investors for large-scale fund raising as domestic institutions such as Indian pension funds and insurance companies have not been significant investors in PE funds. NIIF FoF aims to change that.

NIIF Fund of Funds was established in 2018 with the objective of creating a vehicle to provide India-focused private equity fund managers with a go-to institutional investor operating at scale and based in India. As FoF establishes its track record, both domestic and international institutional investors will find comfort to use FoF as a vehicle to invest at scale in a larger pool of high-quality India-focused private equity fund managers, thereby ensuring access to capital for growing companies. The FoF invests into a variety of sectors and strategies through third-party managed funds. So far, it has made commitments to three Funds aggregating to over INR 2,600 crores (USD 350 million equivalent). The three Funds are focused on a wide range of sectors, including: (i) green energy and climate; (ii) middle-income and affordable housing; and (iii) entrepreneur-driven mid-market growth companies operating across diversified sectors. Additionally, the managers of the three funds have successfully raised USD 1.1 billion equivalent alongside NIIF's investments, demonstrating the institution's ability to crowd-in capital besides its own investments.

Sujoy Bose, Managing Director & Chief Executive Officer of NIIF, said, "ADB's commitment to NIIF Fund of Funds during these extraordinary and challenging times is highly meaningful. It reflects ADB's confidence in the continued growth and potential of the Indian economy, its skilled private equity fund managers and the large pool of determined entrepreneurs who seek capital to grow and strengthen their companies. ADB has been an investor in India-focused PE funds for over two decades and this investment also highlights NIIF's approach to partner with high quality institutional investors who are not just providers of capital but are also contributors of expertise during NIIF's period of development. With this

capital infusion, the FoF will be able to increase its support to India-focused PE fund managers at a time when their global fundraising prospects may be challenging in the short term.”

ADB Vice-President for Private Sector and Public-Private Partnerships, Diwakar Gupta said, “ADB is proud to partner with NIIF in this landmark transaction especially at a time when countries globally, India included, are facing unprecedented challenges. ADB’s investment in NIIF will help catalyze institutional capital into domestic private equity funds in India, thereby contributing to greater availability of long-term growth financing for private sector companies and leading to the creation of quality jobs, social infrastructure development, and economic growth.”

About NIIF

NIIF is a fund manager that invests in infrastructure and related sectors in India. An institution anchored by the Government of India, NIIF is a collaborative investment platform for international and Indian investors with a mandate to invest equity capital in domestic infrastructure. NIIF benefits from its association with the Government yet is independent in its investment decisions being majority owned by institutional investors and managed professionally by a team with experience in investments and infrastructure. NIIF aims to make commercial investments in the sector at scale. NIIF Limited manages over USD 4 billion of capital commitments across three funds, each with its distinct investment strategy.

The funds have investment mandates to invest in infrastructure assets and related businesses that are likely to benefit from the long-term growth trajectory of the Indian economy.

For more information and recent updates on NIIF, please visit www.niifindia.in and follow the official [LinkedIn](#) channel.

Media Contacts:

Adfactors PR

Anita Bhoir

Senior Account Director

Mobile Number - 9930390055

anita.bhoir@adfactorspr.com;

Prachiti Dhopatkar

Mobile Number - 9022994050

prachiti.dhopatkar@adfactorspr.com