

PRIVATE EQUITY

# Reshaping for future success

## What's next for Private Equity in India

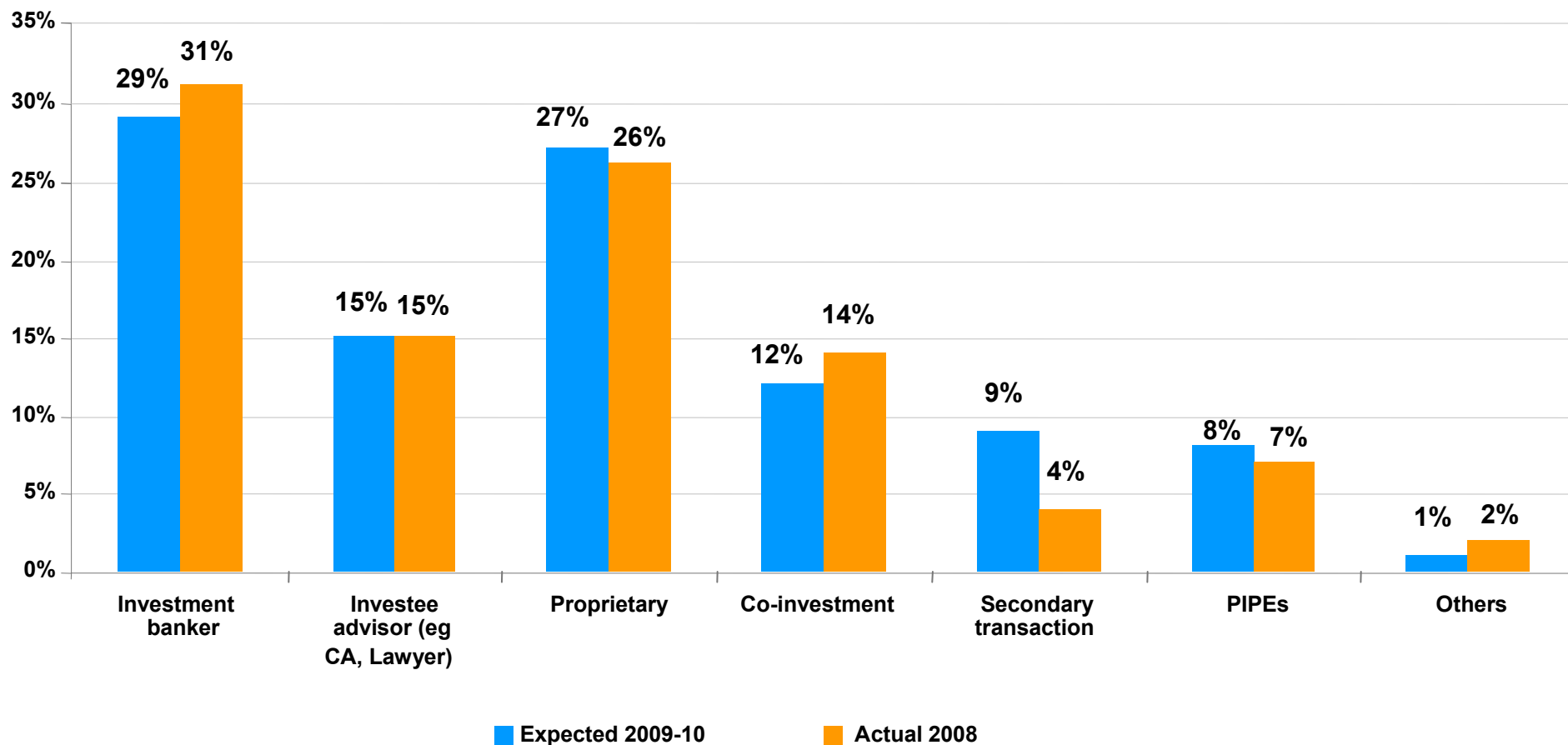
September, 2009

# Key takeaways.... The Indian PE Model

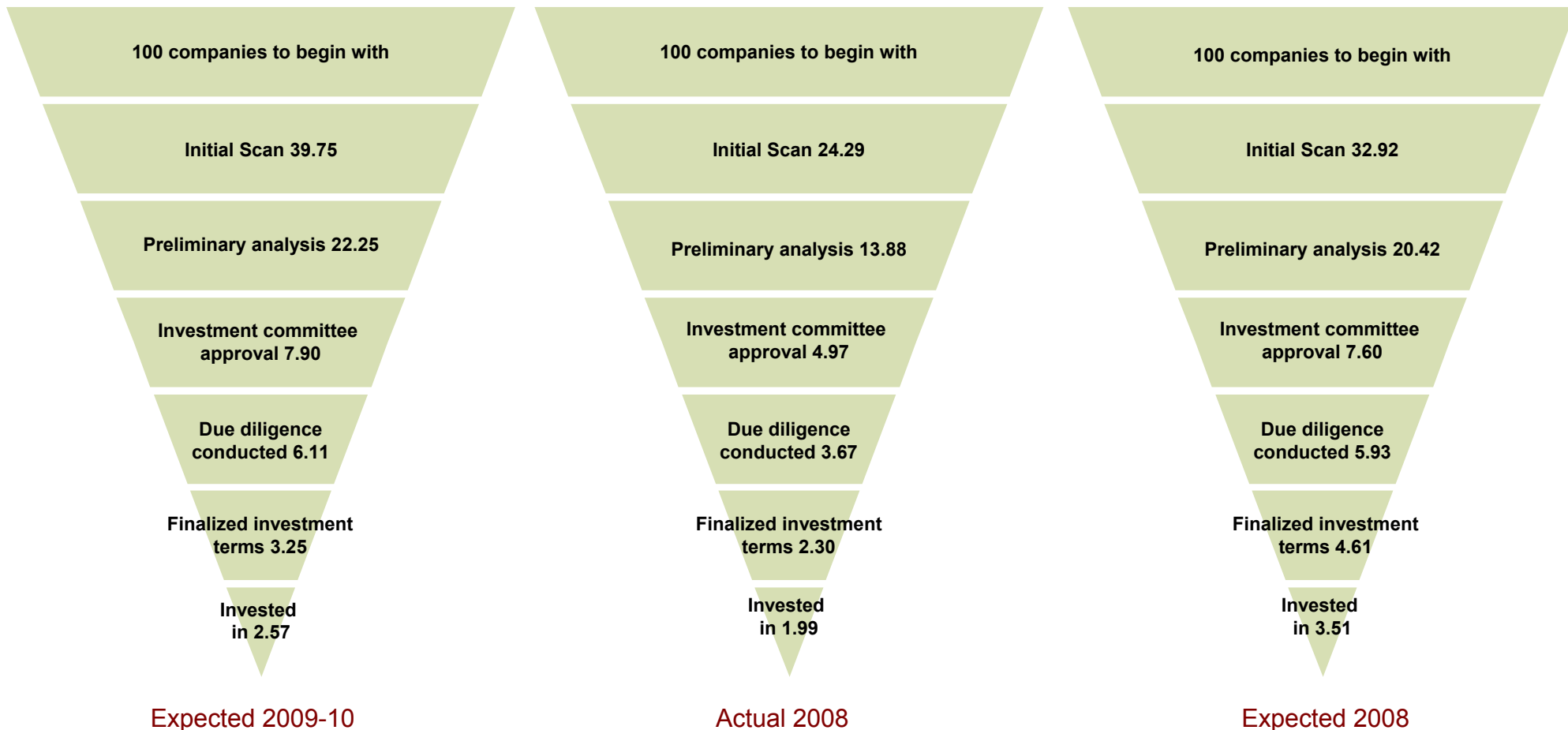


Situation in =>	Developed countries	Typical developing country	India
Tax	Stable	Unstable	Unstable
Regulation	Low-cost	High-cost	High-cost
Cheap debt	Available	Not Available	Not Available
Portfolio	Public / Private	Largely Private	Largely Private
Equity markets	Developed	Underdeveloped	Developed
“Agency conflict” in public companies	Present	Absent	Absent
Corporate governance	Not a concern	Important	Important
Economic growth	Low	High	High
GPs with operating skills	Available	Not available	Not available
Fund size	Large	Small	Small to medium
Public markets for exit	Developed	Underdeveloped	Developed
PE portfolio risk relative to market	At market or lower	Higher	Higher
Access to deals	Proprietary	Intermediated	Intermediated
Professional Services Quality	High	High	High
Holding period of investment	3.5 years	Higher	Higher

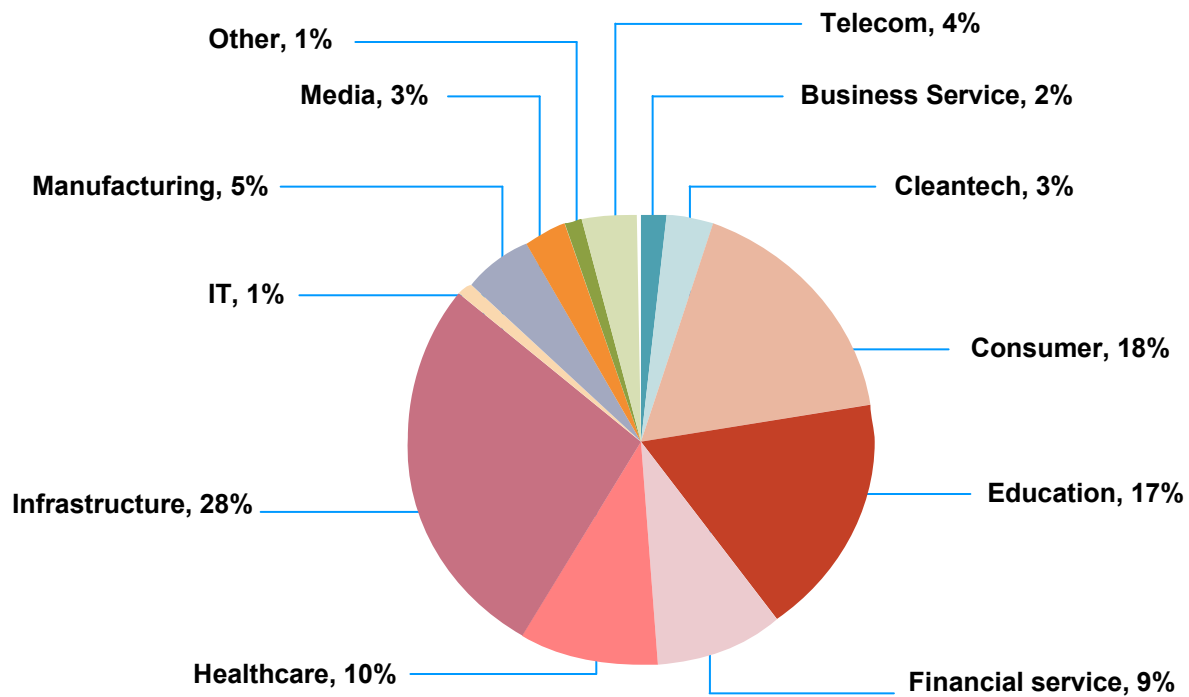
# GPs sources of deals



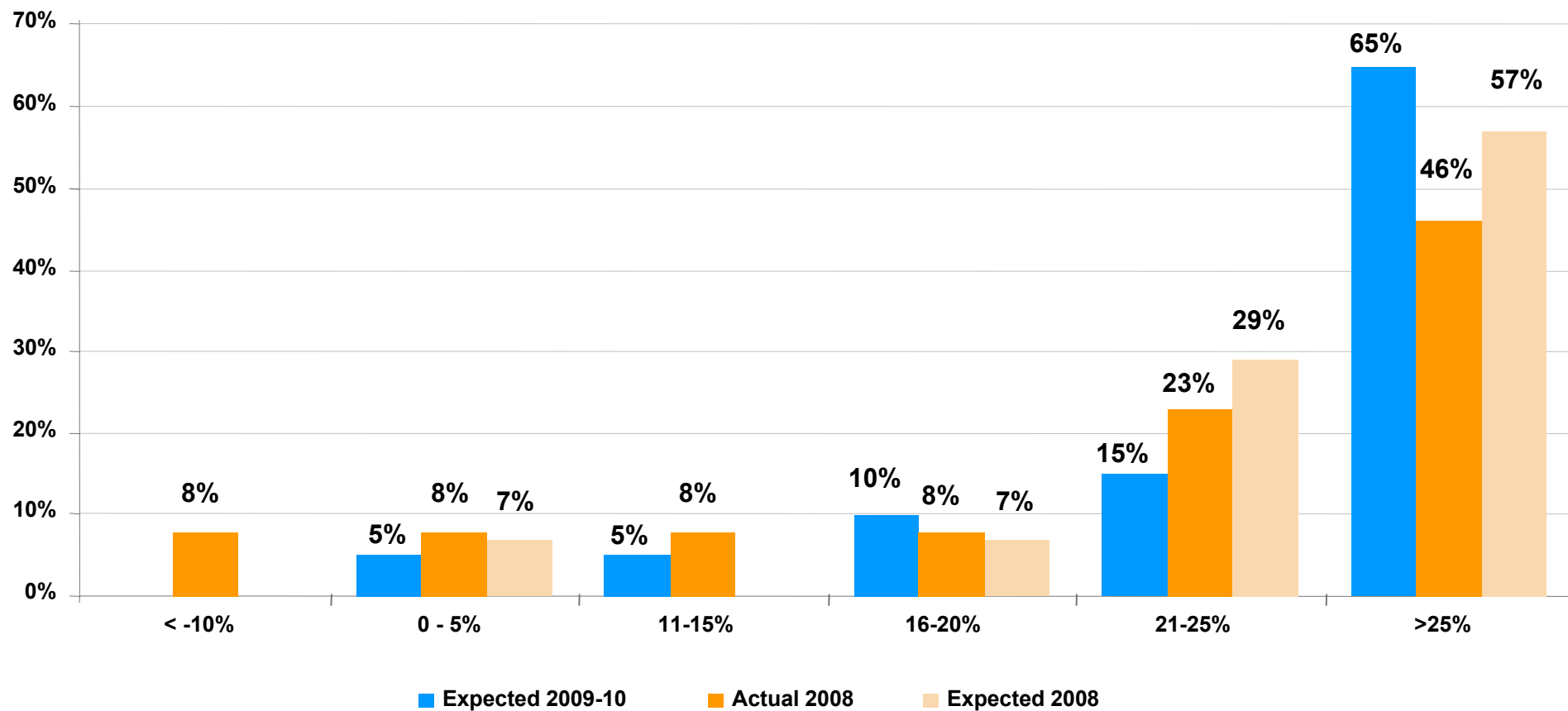
# Investment funnel



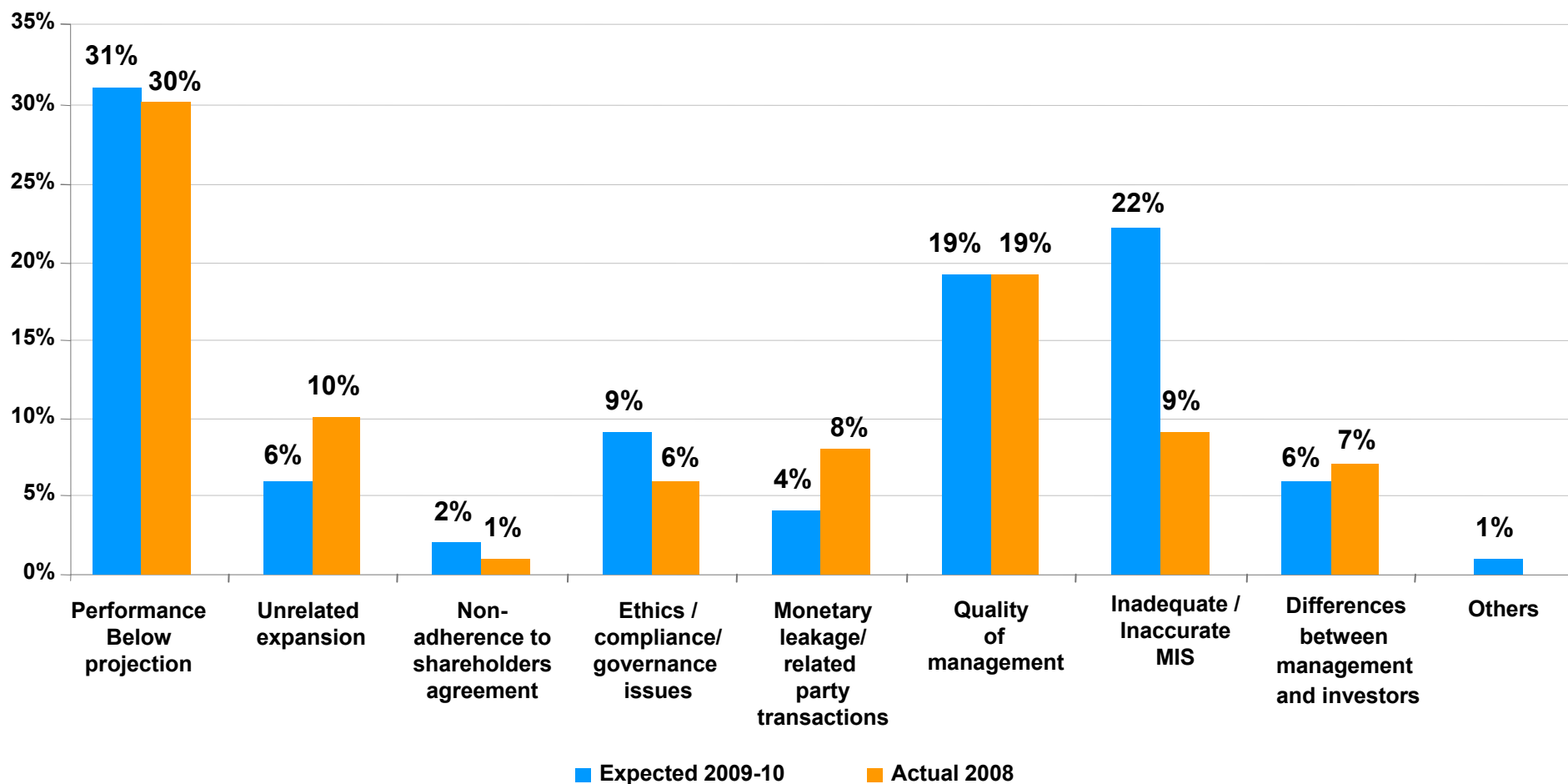
# GPs sectors for investment in 2009-10



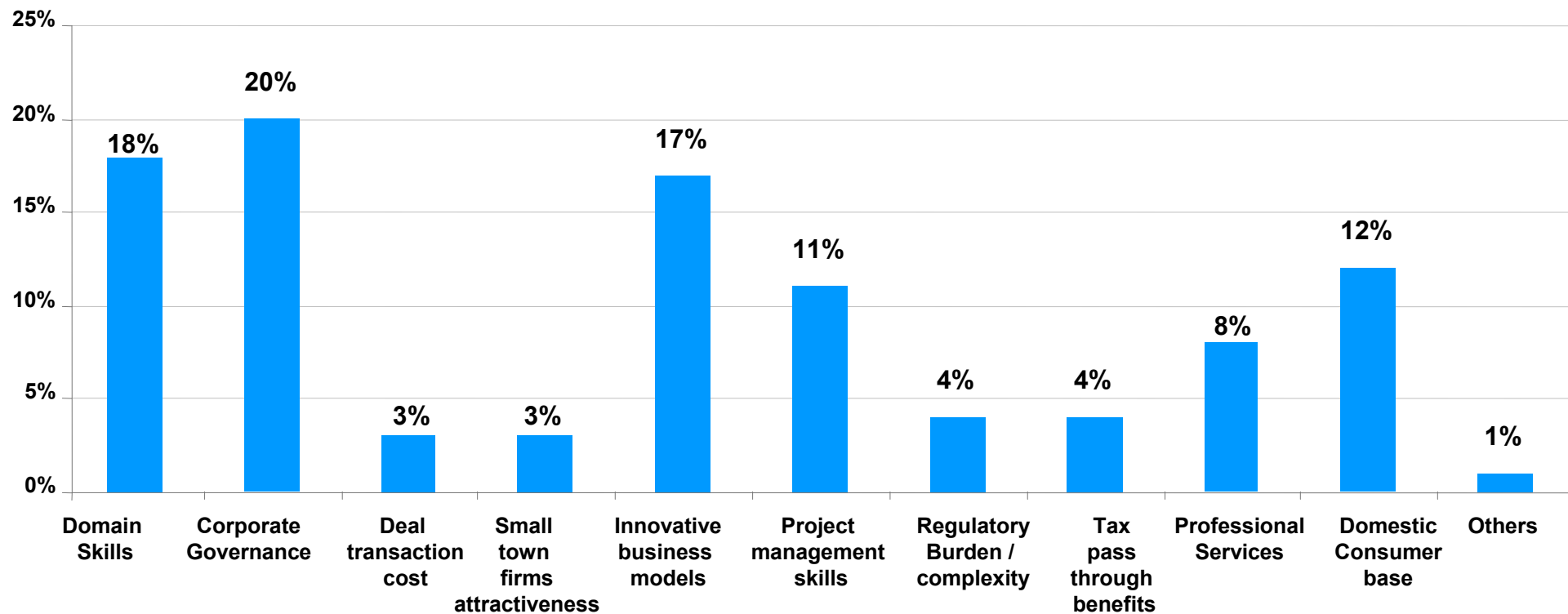
# GPs assessment of return on capital



# GPs post investment issues / challenges

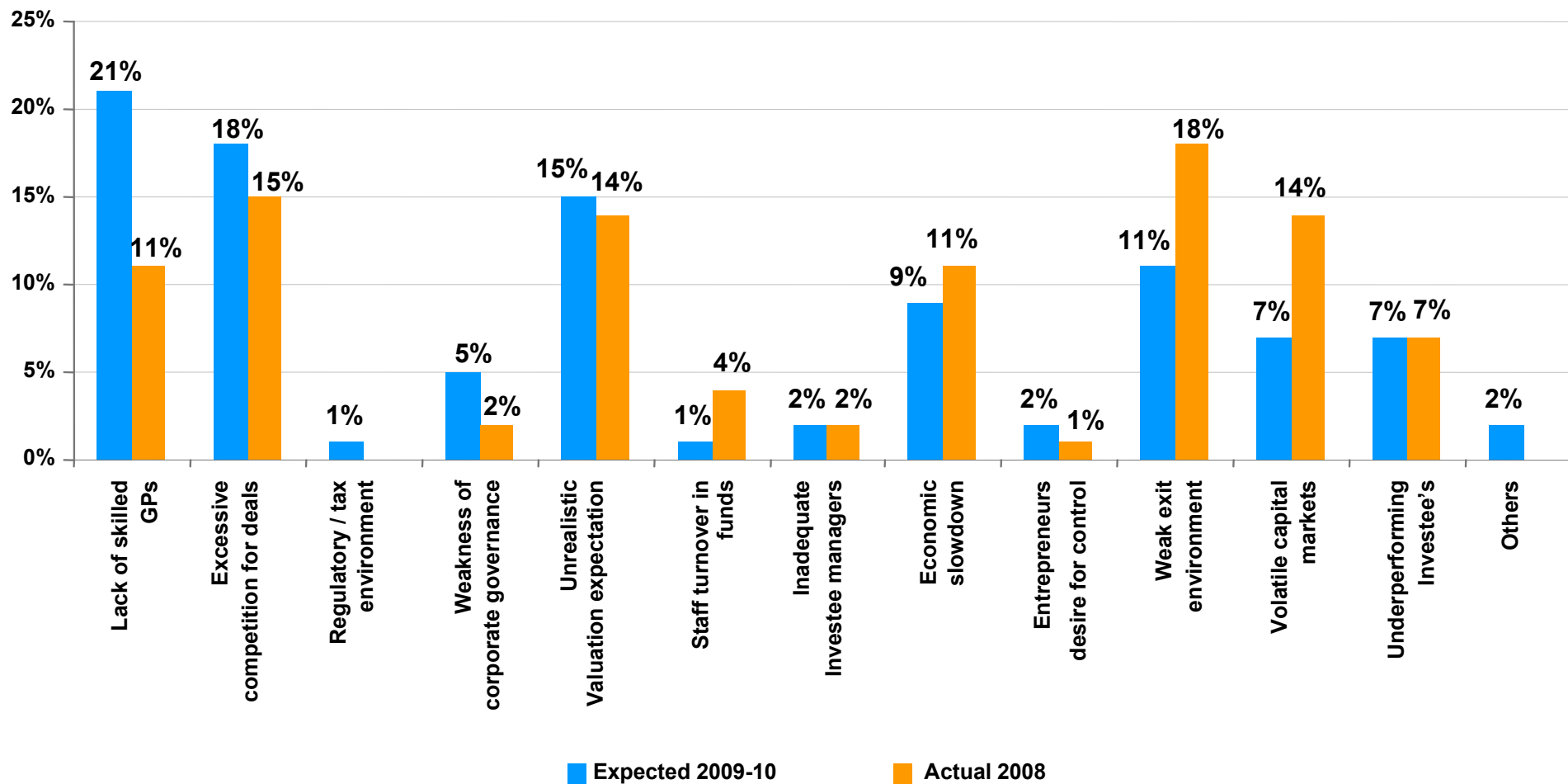


# Private Equity environment - GP





# LPs perspective on key issues



*THANK YOU*

*PANEL Q&A*

