

## Private equity investments spike up in November

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In a complete contrast to the activity in October 2011, PE [investment](#) activity improved significantly during November 2011 with the highest number of deals this year. Real estate, [hospitality](#) and construction (RHC) sector received the highest value of investments - on the back of three large transactions during the month.

Technology received the maximum number of investments as the investors seem to be attracted towards the start-up/early-stage investments in this space. Of the total 10 deals in the technology sector, eight were start-up/early-stage investments.

Three [funds](#) announced successful fund closures. Eight funds also announced plans to raise close to \$3 billion in new funds. Exits continued the momentum on the non-IPO side with six such exits. There was no PE-backed IPO during November 2011.

### Investments

With 56 deals, November recorded the maximum number of deals in a month during 2011 - more than double compared to October 2011. The aggregate value of investments during this month was \$690 million, an increase of 53% compared with previous month. The investment activity during November 2011 was also significantly higher compared with the corresponding period last year.

The total investment value during November 2010 was \$402 million across 18 deals. RHC sector received more than half of the total investment value during the month, primarily on back of three large deals - Mapletree's (a Temasek arm) investment of \$157 million in Bangalore's Assetz Global Technology Park, Equity International's investment of \$75 million in Samhi Hotels and Red Fort's investment of close to \$50 million in a slum redevelopment project of Mumbai-based developer Omkar Realtors and Developers.

In terms of number of deals, technology sector recorded the highest investment activity with 10 deals. RHC ranked second in the league with seven transactions during the month. Overall, the activity in the month was fairly broad, with fair representation of deals in consumer products, industrial products and financial services sector. However, infrastructure sector did not attract a lot of investment this month.



## Fundraising

During November 2011, three funds announced closures aggregating to \$420 million. ChrysCapital raised its sixth fund aggregating to \$225 million, Accel Partners raised \$155 million for its seed and early-stage fund for India and ICICI Ventures raised \$40 million for first close towards its \$200-million domestic fund. There were eight new fundraising announcements aggregating close to \$3.1 billion. The key ones were two \$1-billion funds, each announced by [Power Finance Corporation](#) and NYSE-listed Alexandria [Real Estate](#) Equities.

## PE-backed [IPOs](#) and exits

There were no PE-backed IPOs during November, primarily due to global cues and dull capital markets, while there were six non-IPO exits during the month. ICICI Ventures sold its 49% stake in Pune-based Tuscan Real Estate for an undisclosed amount to US-based real estate development and investment management company Portman Holdings. General Atlantic sold its 2.3% stake in Hyderabad-based [Infotech Enterprises](#) for a total consideration of \$6.3 million in an open market transaction.

GE Capital sold 1.87% stake in Noida-based [R Systems International](#) for a total consideration of \$5 million in an open market transaction. Trinity Capital sold its entire 23% stake in Mumbai-based Enigma Constructions for a total consideration of \$9.6 million to an undisclosed buyer. Farallon Capital sold its stake in [Indiabulls Securities](#) in an open market transaction. Sandstone Capital sold its shares in [Natco Pharma](#) in an open market transaction.