

Forum Synergies in Talks to Raise \$50m from Spanish, US Investors

PE fund's move comes in the midst of tough market conditions for risk capital managers

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An Indian private equity (PE) fund, floated by a group of former corporate executives, is in advanced talks to raise an additional \$50 million (Rs 275.05 crore) from Spanish and US investors, in the midst of tough market conditions for risk capital managers.

Forum Synergies (India) PE Fund Managers is negotiating with marquee Spanish investor Ram Bhavnani and Madrid-based Orienta Capital for a fresh round of funds that will boost its corpus to \$100 million (Rs 550.1 crore).

Other investors also expected to participate in this are family offices and development financial institutions in Spain and the US. Madrid-based Axon Capital is helping Forum Synergies to build alliances and raise capital in Europe.

"India offers a lot of opportunities. That's one of the reasons I like this project. I'm preparing my next step in India," said Ram Bhavnani, who is of Indian origin. As one of the fund's early backers, Bhavnani is now returning as a repeat investor.

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Promising Money Route

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- ▶ **Madrid-based Axon Capital** is also helping Forum to build alliances and raise capital in Europe
- ▶ **Forum's India Knowledge-Manufacturing Fund** will invest between \$3 million to \$15 million in companies across sectors



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tunities for growth are under pressure, so investors are looking at select Indian businesses such as engineering, healthcare, clean technology, information and communication technology," said Hemchandra Javeri, who co-founded Forum Synergies along with Samir Inamdar and Ishwar Subramanian.

Apart from focus on specialist sectors, the founders are also banking on their operational experience of steering top blue-chip companies to draw-in investors.

While Inamdar was former president of South Asia businesses for General Electric, Javeri led Nike India and Madura Garments.

"It is a unique private equity model run by professionals with leadership and operating exper-

tise," said CK Ranganathan, chairman, CavinKare. Ranganathan is among the early investors in the fund, along with Tata Sons Director Farrokh Kavarana and Ashok Leyland Managing Director Vinod Dasari.

"I chose them based on my confidence in their capability to deliver exceptional returns on my investments," said Ranganathan of the founders of Forum Synergies, who are part of a growing band of corporate executives entering the risk capital management space with sector-specific funds.

Neeraj Bhargava, former chief executive of business process outsourcing (BPO) firm WNS Global Services, has floated Zodiuss Advisors to back, start-ups that offer digital services.

Earlier this month, the Rs 60-

crore HR Fund was floated by five corporate executives — Santrupt Misra of Aditya Birla Group, Pratik Kumar of Wipro, Arvind Agrawal of RPG Group, NS Rajan of Ernst & Young and Venky Mysore from the IPL's Kolkata team.

Forum Synergies' fund called 'India Knowledge-Manufacturing Fund-I' will invest between \$3 million to \$15 million (Rs 16 crore to Rs 82.5 crore) in companies across sectors like engineering, healthcare, clean technology, information and communication technology.

"We really get into the guts of the company and spend lot of time with the entrepreneurs," said Inamdar, the chief executive of Forum Synergies.

In February this year, the fund closed its first investment of Rs 16 crore in Captronic Systems, a Bangalore-based firm that tests equipment for the Indian Space Research Organisation (Isro) and Defence Research and Development Organisation (DRDO).

"Forum Synergies is helping us tap customers in the US & Europe. We are talking to European Aeronautic Defence and Space Company," said Vinod Mathews, founder of Captronic Systems.

Industry analyst Harish HV, a partner at Grant Thornton India, said there is a growing trend of investors betting on people with corporate experience.

"Those days are over when you could just put in the money and forget about running the operations. Considering the economic conditions and high valuations, you need people who can add value," he said.

