

## Sanaka Capital and others to invest upto US\$ 75 million (~INR 525 crores) into Edelweiss Group

**Mumbai, November 12, 2019:** India's leading diversified Financial Services conglomerate, Edelweiss Group, today announced that growth-focused private equity platform, Sanaka Capital along with co-investors will be investing up to US\$ 75 million (~INR 525 crores) into Edelweiss Global Investment Advisors (EGIA), the group's Investment Advisory business. Founded by Mr. Shankar Narayanan, formerly the Managing Director and Co-Head of the Asia Growth Capital team of Carlyle, Sanaka Growth SPV I Ltd (part of Sanaka Capital) has committed to invest approximately US\$ 44 million (~INR 308 crores) in EGIA, while talks are on for a further investment of approximately US\$ 31 million (~INR 217 crores) in the business. The proposed investment in the business is subject to regulatory approvals.

The partnerships are in line with the overall strategic growth plan initiated in 2017 by Edelweiss Group, to separate its three businesses - Credit, Investment Advisory and Insurance - into distinct entities, based on synergistic business needs, aligned consumer segments and complementary platforms. Each business group will have its own set of investors, a ring-fenced capital base, and an independent Board. The Credit and Life Insurance businesses have already established long term partnerships, with a strategic investment of US\$ 250 million (~INR 1800 crores) by Caisse de depot et placement du Quebec (CDPQ) in the former and Tokio Marine's 49% holding in the latter. The proposed investments by Sanaka Capital follows that of US based Kora Management and furthers the third and final process for the Investment Advisory business.

The businesses housed under EGIA include Wealth & Capital Markets, Asset Management and Asset Reconstruction. With ~\$30 billion (~INR 2,04,000 crores) in customer assets, the Investment Advisory businesses enjoy market dominance in each of its segments. It is among the top three wealth management companies, with assets under advice of \$ 15.4 billion (~INR 1,07,800 crores) and is a market leader in Private Debt, Asset Reconstruction and Capital Markets.

Speaking on the development, **Mr. Rashesh Shah, Chairman and CEO of Edelweiss Group, said** "We are pleased to partner with Shankar Narayanan of Sanaka. He led and was involved in Carlyle's investments in the Edelweiss Group for several years. We are delighted that his confidence has now been reaffirmed through Sanaka. Financial services in India have gained critical traction in recent years, thanks to a young workforce that is financially and digitally savvy, and a reformative government that wants to make household savings more productive and remunerative. We look forward to working with the Sanaka team, to capitalise on emerging opportunities and take our investment advisory business to the next level."

**The Sanaka Group's founder, Mr. Shankar Narayanan said:** "We are delighted to partner with the Edelweiss Group in the next phase of growth of the EGIA businesses. We are extremely impressed with the drive, hunger, resourcefulness, enterprise and unimpeachable integrity of the Promoters & the professional leadership team at EGIA and are confident that they are well equipped to build world class businesses, even in challenging business environments. We believe that EGIA with its focus on innovation and efficient execution would be a key beneficiary of the paradigm change in India, as savings shift towards financial products. We are confident that EGIA will capture growth opportunities through product expansion and entry into new geographies and embark on a new growth trajectory."

Press Release: Edelweiss Partners with Sanaka Capital

November 12, 2019

**Nitin Jain, CEO, Edelweiss Global Investment Advisors** said “We are excited to partner with Sanaka. The rich experience of the team and deep understanding of Indian and global institutional investors and investee companies is assuring. The investment advisory business has been a growth engine of the Group and we are confident that Sanaka’s strategic inputs will add great value to our advisory business, support our expansion plans and investment in technology to deliver superior customer experience.”

Recently, Edelweiss has announced a partnership with South Korea based Meritz Financial Group, for the completion financing platform. It has also joined hands with large global institutional investors like CDPQ, one of North America’s largest pension funds for the credit business, Allianz Investment Management, part of Allianz Group for the Private Debt platform and AJ Gallagher for the insurance advisory business.

#### **About Edelweiss Financial Services Ltd**

The Edelweiss Group is one of India's leading diversified financial services companies, providing a broad range of financial products and services to a substantial and diversified client base, that includes corporations, institutions and individuals. Edelweiss' products and services span multiple asset classes and consumer segments, across domestic and global geographies. Its businesses are broadly divided into Credit Business (Retail Credit comprises of Retail Mortgages, SME and Business Loans; Corporate Credit), Advisory Business (Wealth Management & Capital Markets, Asset Management, Asset Reconstruction) and Insurance (Life and General Insurance). Edelweiss Group has a pan India presence with a global footprint extending across geographies, with offices in New York, Mauritius, Dubai, Singapore, Hong Kong and UK.

#### **About Sanaka Capital**

Sanaka Capital is a growth-focused private equity fund founded by Mr. Shankar Narayanan, an industry veteran with over 25 years of experience of private equity investment in India and other Asian Countries. Sanaka targets to achieve long-term capital appreciation from equity and equity-linked investments, primarily in high-quality, growth-oriented, mid-market companies that are incorporated or have a material portion of their operations in India and are led by entrepreneurs of rare drive, hunger, passion and integrity. Sanaka and its team of leaders have varied and deep experience and their network of relationships can act as a catalyst in propelling their growth, to become the leaders of tomorrow.

**Edelweiss Social media handle:**  @EdelweissFin |  [Linkedin.com/company/edelweissfin](https://www.linkedin.com/company/edelweissfin)



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