

# Private market outlook and investor views

Geetanjali Bhalotia, SVP, Global Head of Investor Data  
IVCA Conclave 2025, 12th February

**PREQIN**

# About Preqin

- Founded in 2003
- The Home of Alternatives™
- Data, analytics, and insights for 200,000 alternative assets professionals
- 16 offices globally
- Around 1,500 team members globally



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### Performance Benchmark for India Alternative Investment Funds (as of March 2024)

In partnership with Indian Venture and Alternative Capital Association (IVCA) and under eligibility from the Securities and Exchange Board of India (SEBI), Preqin is proud to launch our latest performance benchmark for India alternative investment funds (AIFs). The benchmark comprises AIF schemes across all category I, II, and III, with performance data as of March 31, 2024. In this report, Preqin has included sub-category benchmarks such as private equity, venture capital, private debt, and hedge funds.

#### Methodology

**Scope of benchmark**  
The benchmark includes AIFs registered with SEBI. Category I and II funds are eligible for benchmarking if the scheme has completed one year from its first close, up to March 2024. AIFs and schemes without transactions are excluded. Category III and open-ended PIFs funds are eligible for benchmarking if they were launched prior to March 2024.

**Source of data**  
The benchmark utilizes data reported directly by AIFs to Preqin. For Category I and II funds, Preqin collected asset inception net cash flows and gross net asset value (NAV) figures. For Category III funds, net IRR, after fee and fees performance figures, including monthly returns, net IRR, and assets under management (AUM) were collected.

Preqin exercises data contributions for consistency and compatibility with our requirements, and any fund that does not meet the requirements may be excluded from this benchmark. Data validation by Preqin, however, does not guarantee the reliability of portfolio valuations or accuracy of data provided by the participants.

Preqin does not disclose fund-level data on the constituent funds, as agreed with IVCA, SEBI, and the project participants. Data collected for this project is limited to use on an anonymous basis to protect the confidentiality of individual funds.

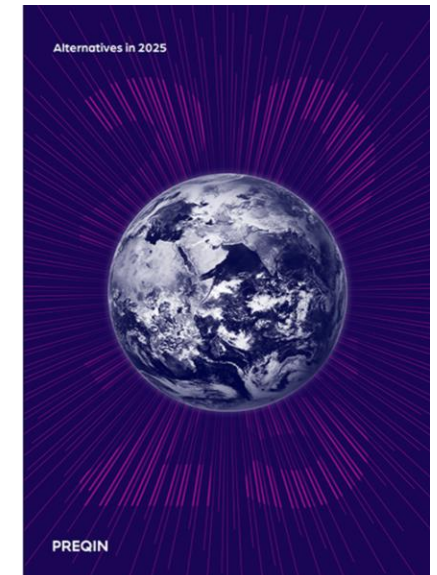
**Sub-category and additional benchmarks**  
Sub-category benchmarks for Category I and II funds are created based on fund type and strategy, as reported by AIFs. Preqin defines these as follows:

- Private equity capital is measured in private companies in exchange for equity or ownership. Some fund strategies include growth, buyout, and fund of funds.
- Venture capital investments are characterized by providing capital to start-up or early-stage businesses that are growing quickly or have the potential to do so. Strategies include early stage, venture generalist, and event-driven stage.

557

Schemes across AIF Categories I, II and III as of March 2024

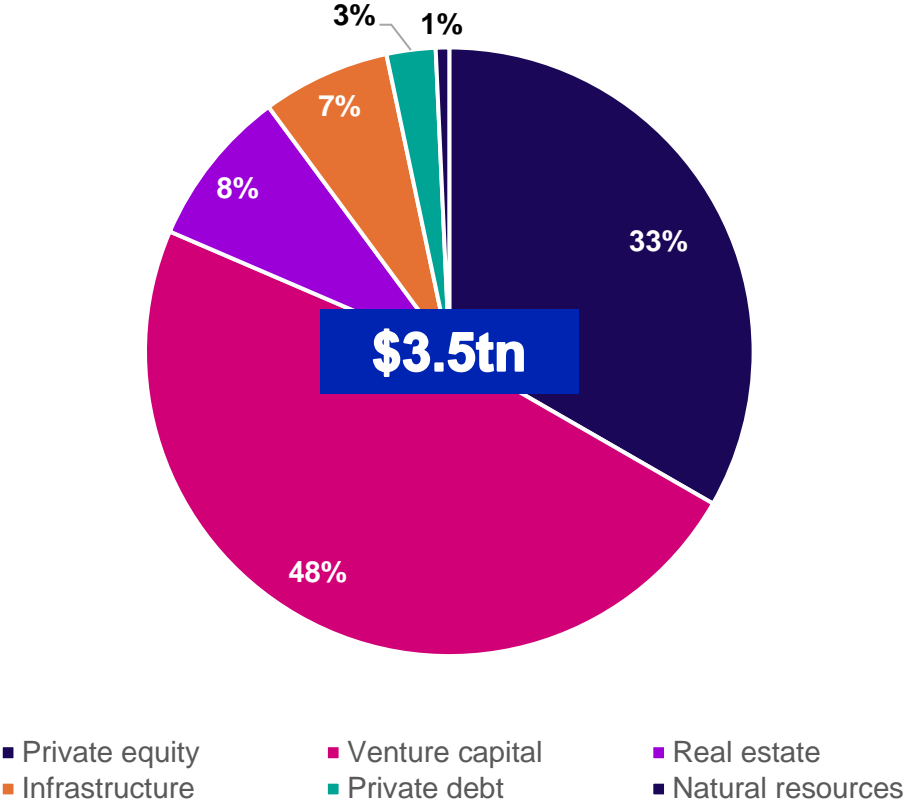
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# VC drives the APAC AUM down, India-focused AUM remains stable

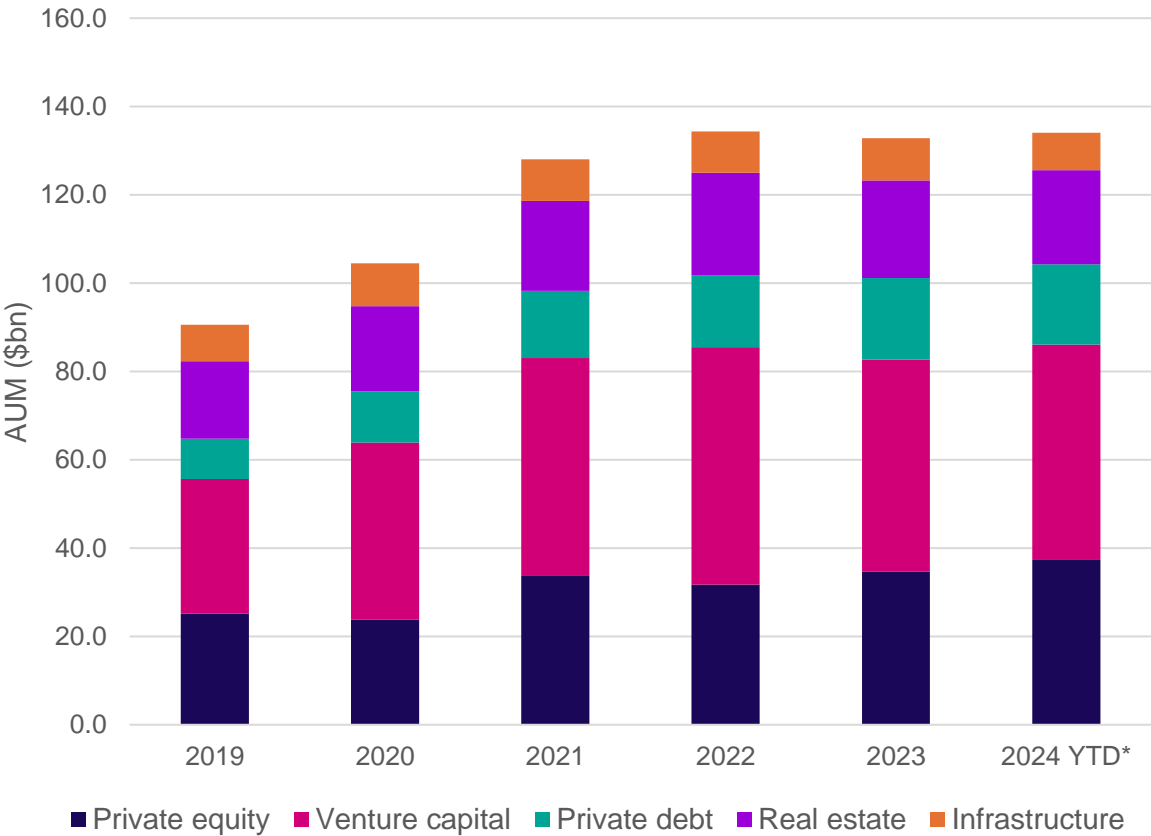


APAC-focused private capital AUM by asset class, Jun 2024



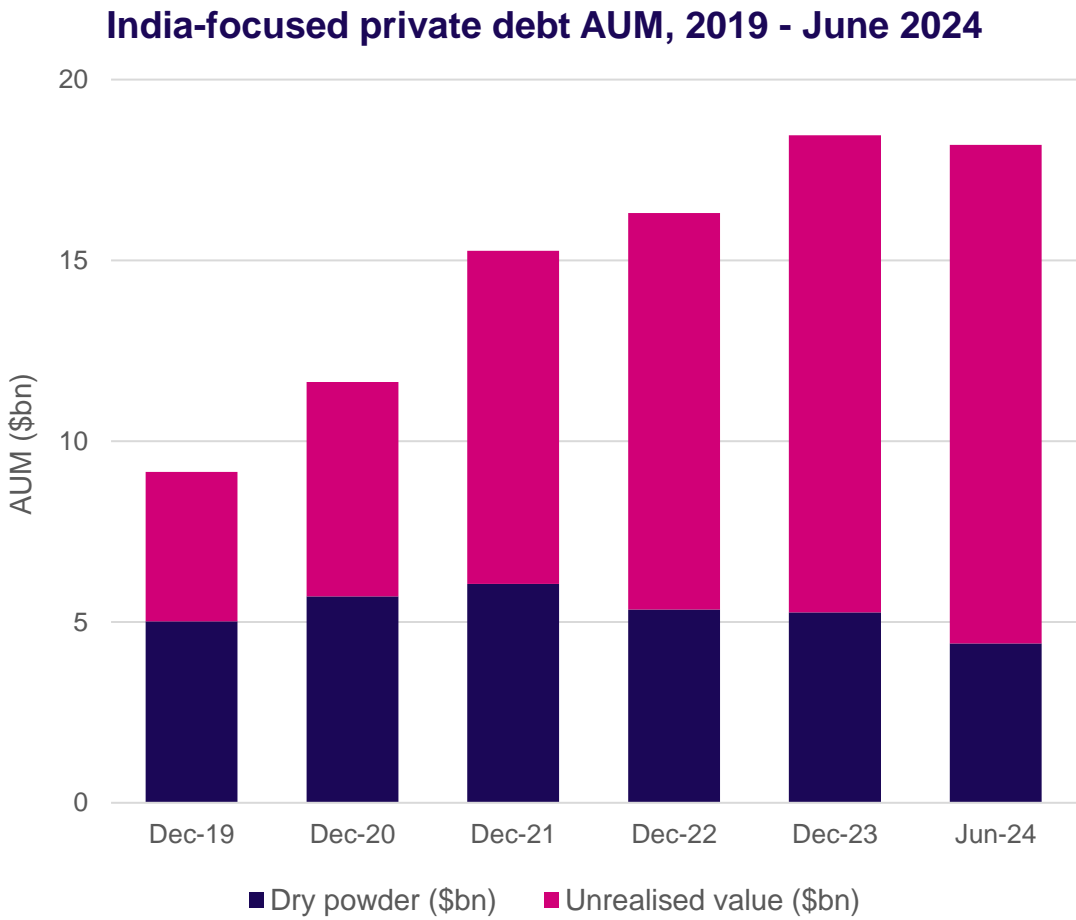
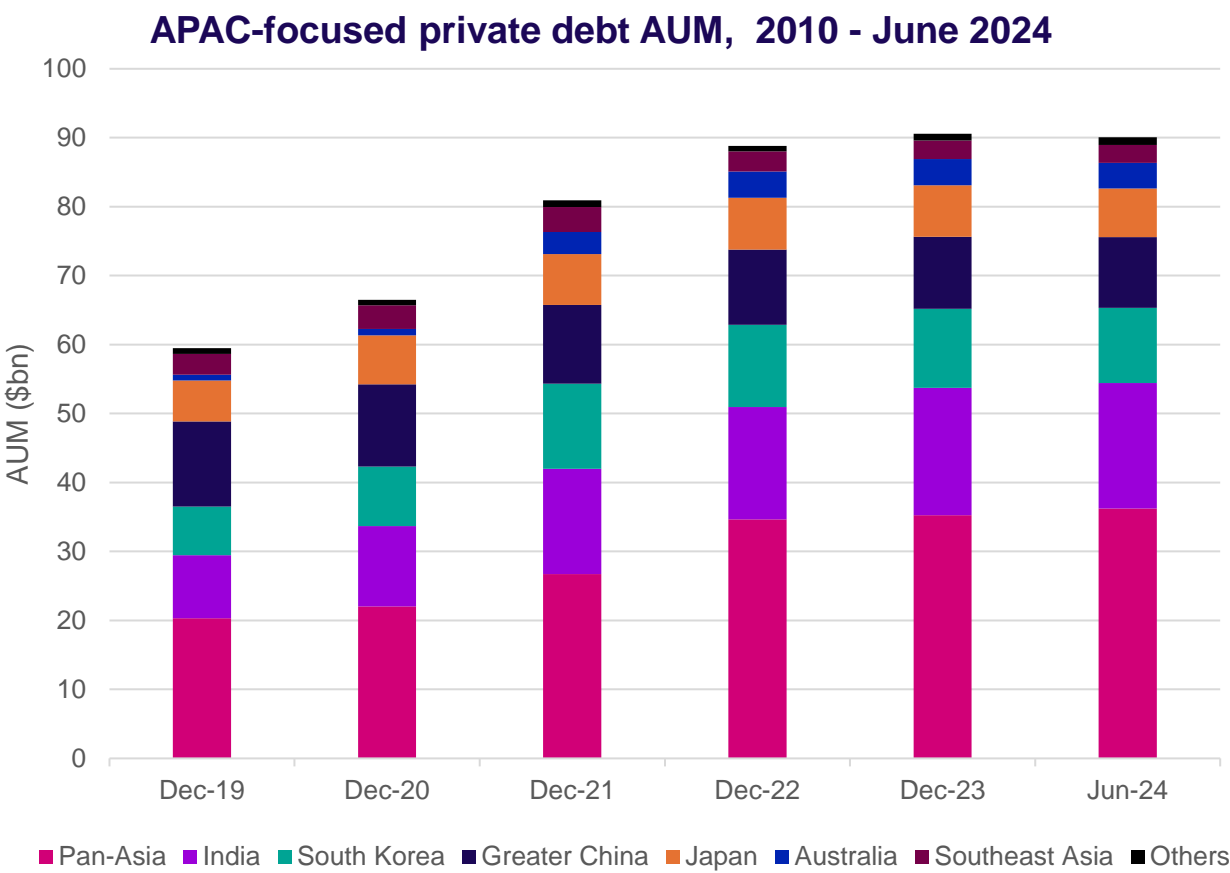
\*AUM figures as of Jun 2024

India-focused private capital AUM by asset class, 2019-2024 YTD\*



\*AUM figures as of Jun 2024

# Private debt in India has largest single country AUM in the region



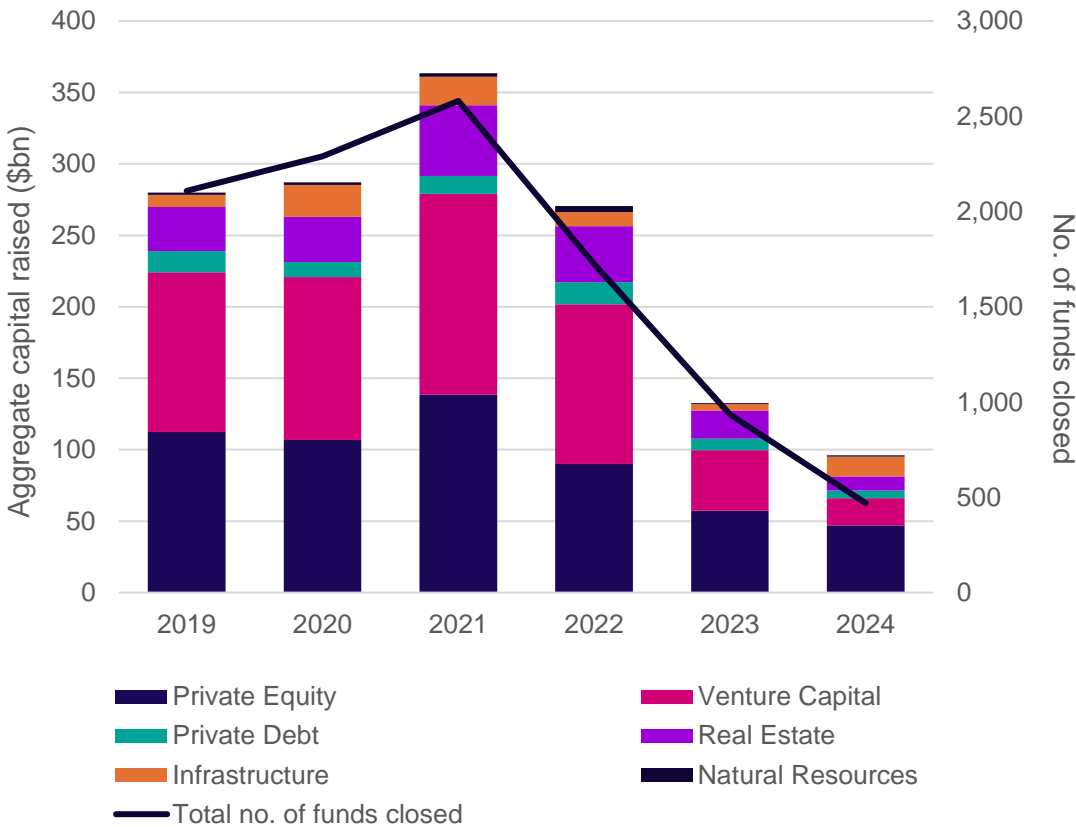
\*AUM figures as of Jun 2024

Source: Preqin

# APAC private capital fundraising hits a decade low, India shows resilience amid turmoil



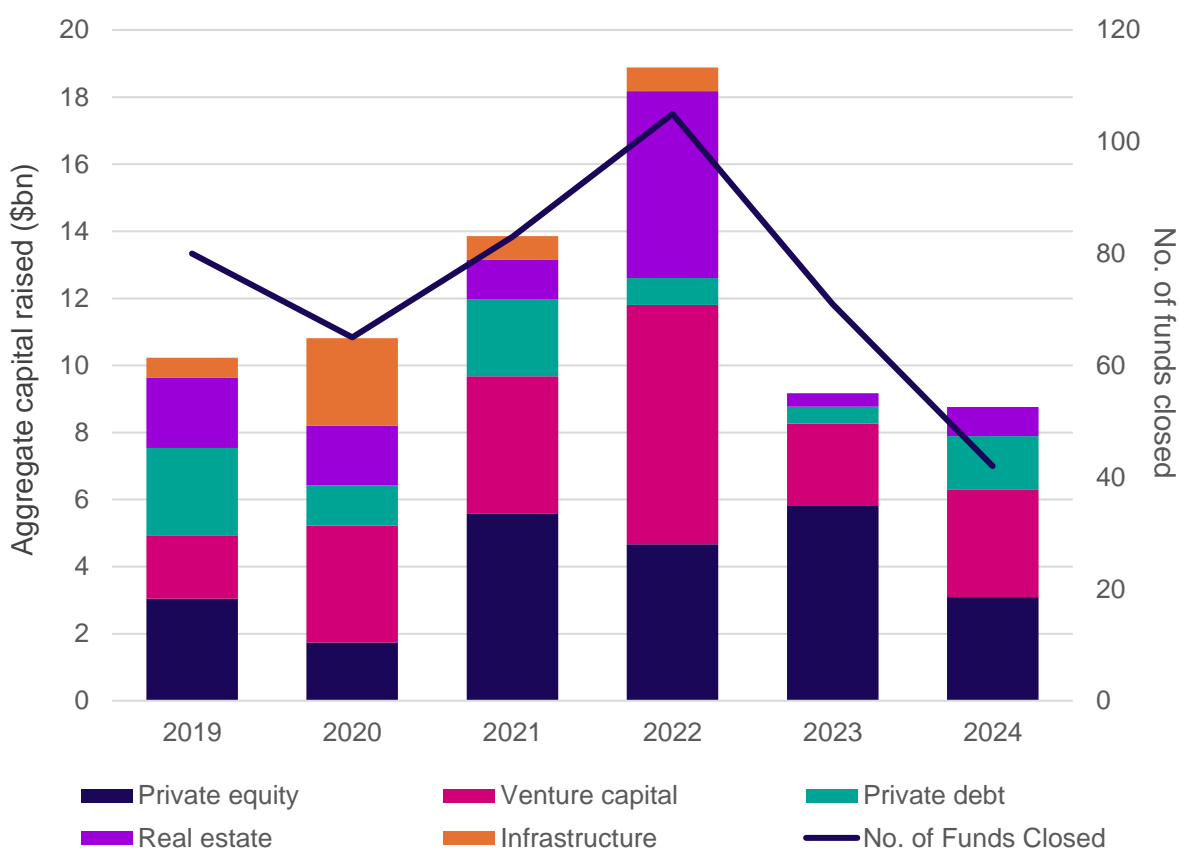
APAC-focused private capital fundraising by asset class, 2019-2024



\*Data as of Jan 2025. Data excludes China government guidance funds

Source: Preqin

India-focused private capital fundraising by asset class, 2019-2024



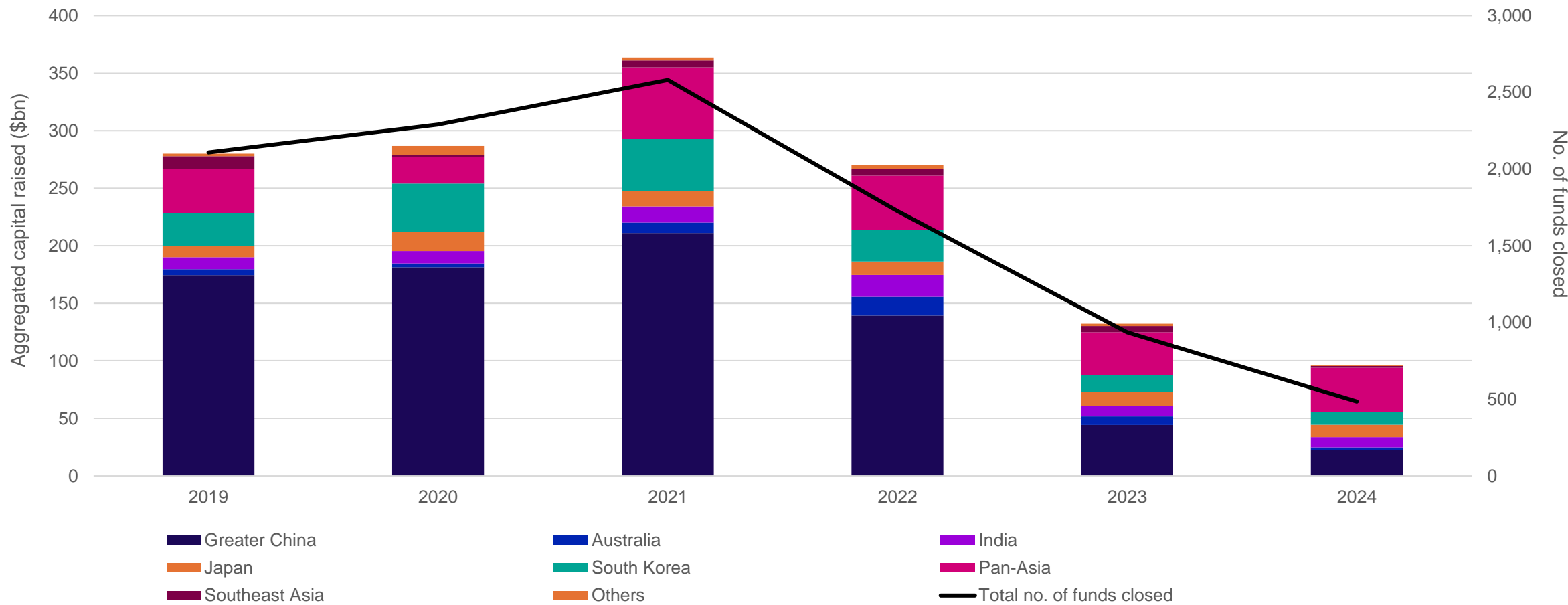
\*Data as of Jan 2025

Source: Preqin

# Asia regional funds saw growth driven by strong preference for diversification



APAC-focused fundraising by geography, 2019 - 2024



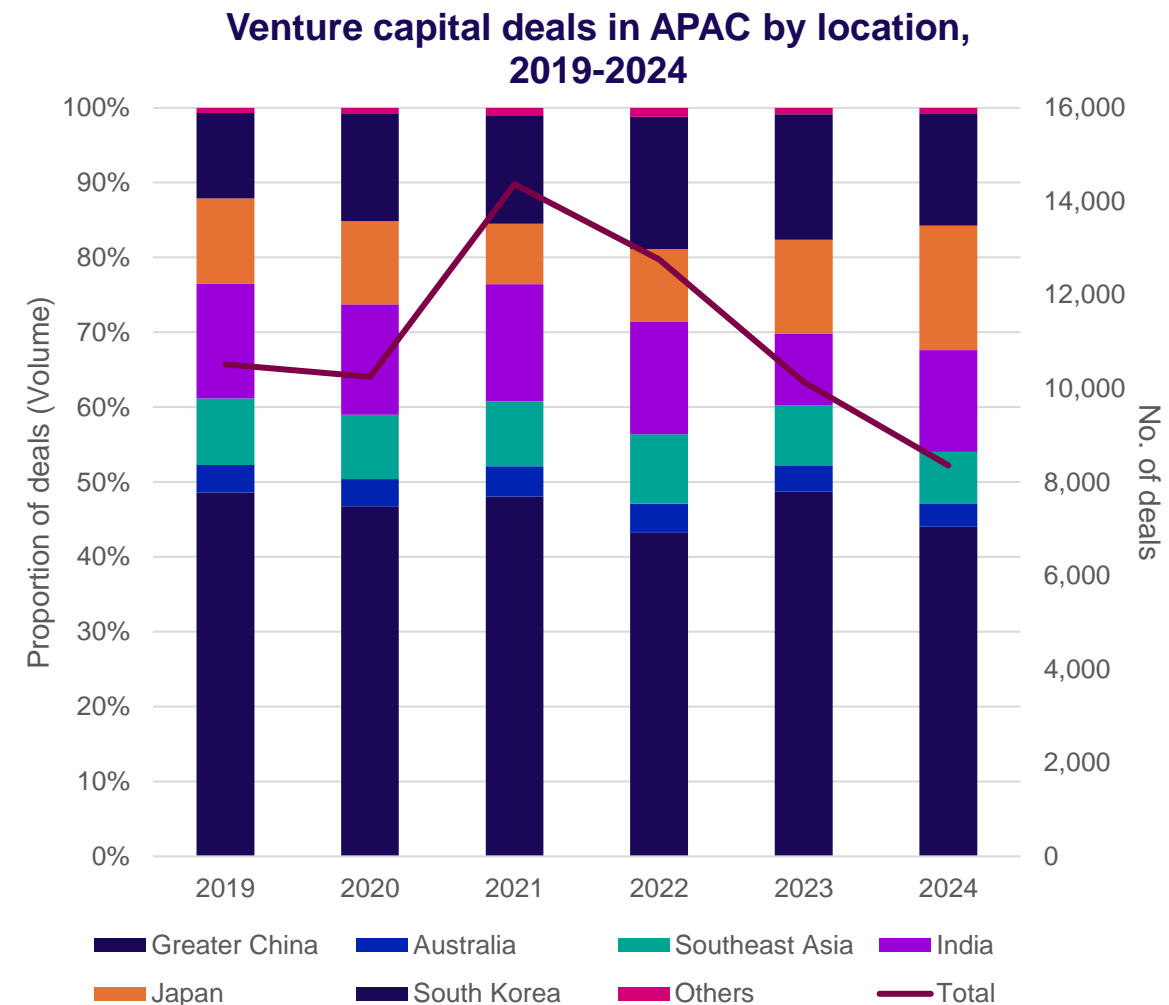
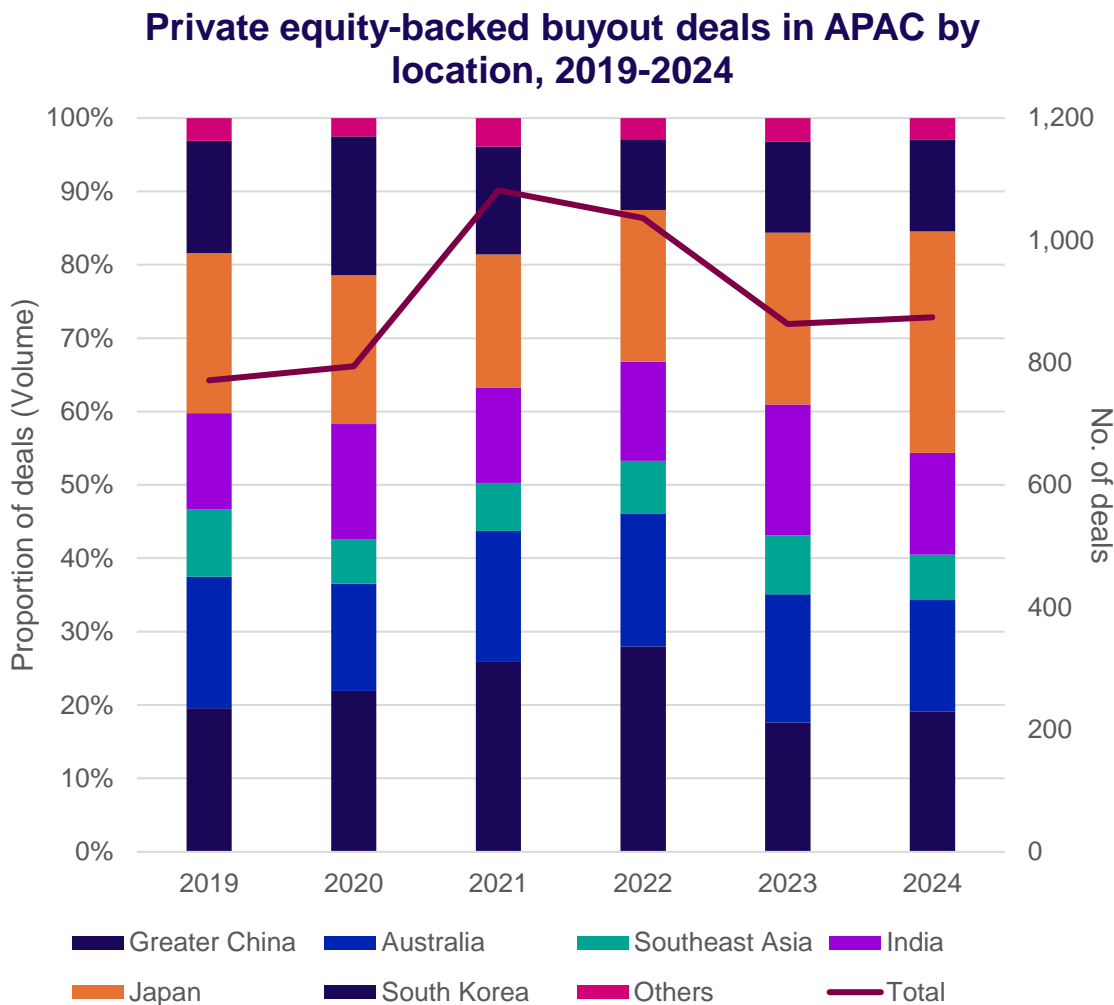


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# Private equity & venture capital in focus



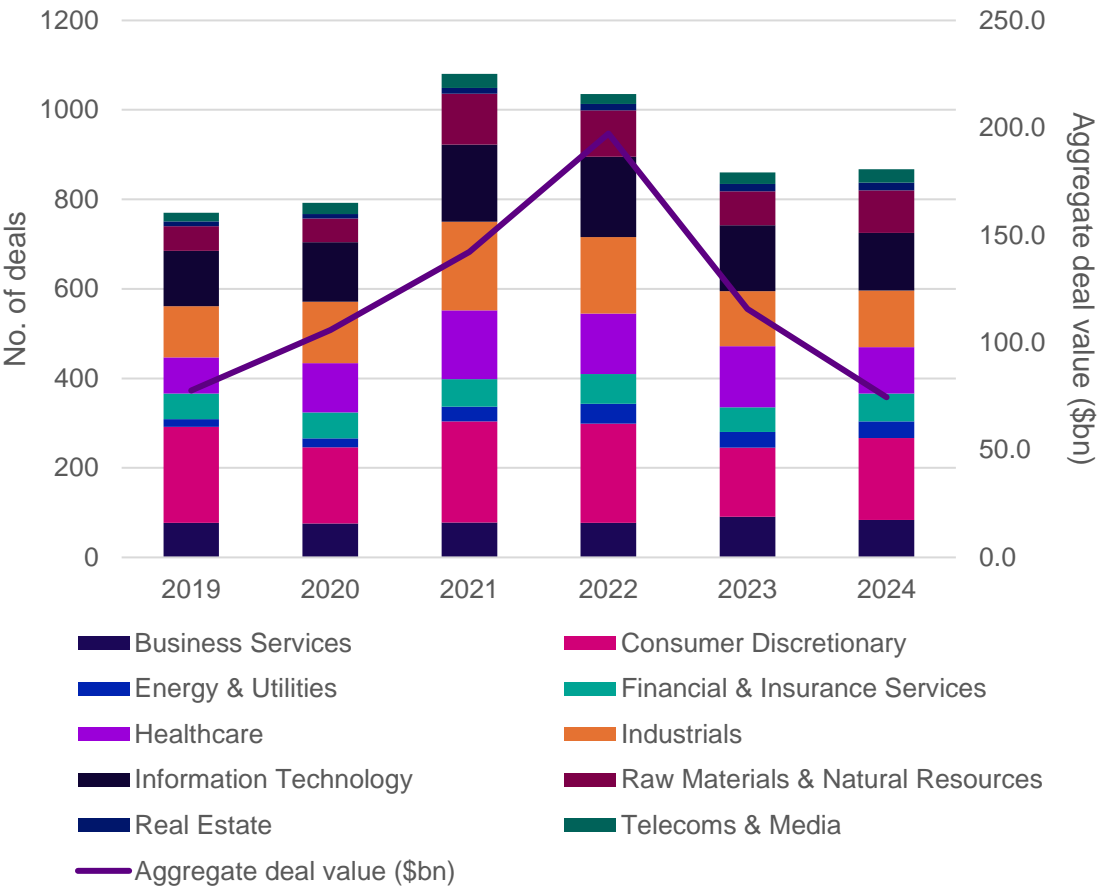
# APAC PEVC hot spots shift while overall activity down



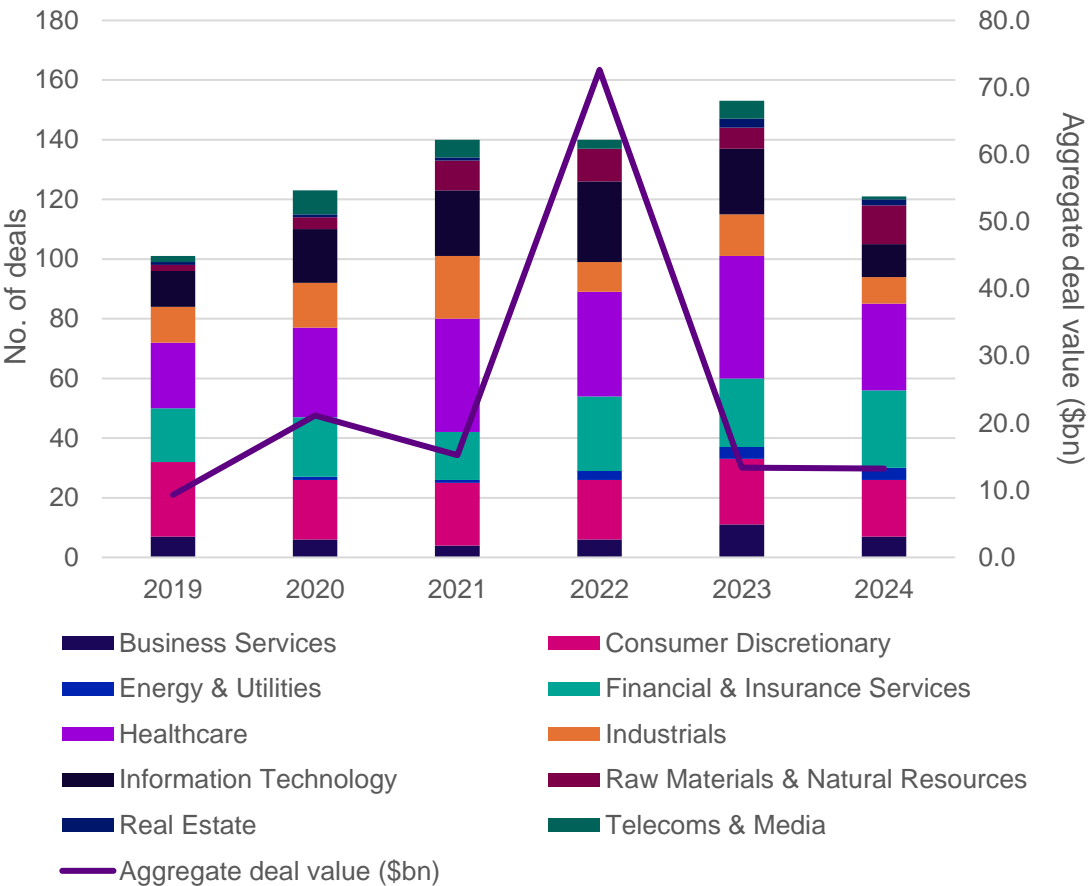
# Healthcare and Information Technology drag down APAC deal volumes



APAC-based private equity-backed buyout deals by industry, 2019-2024



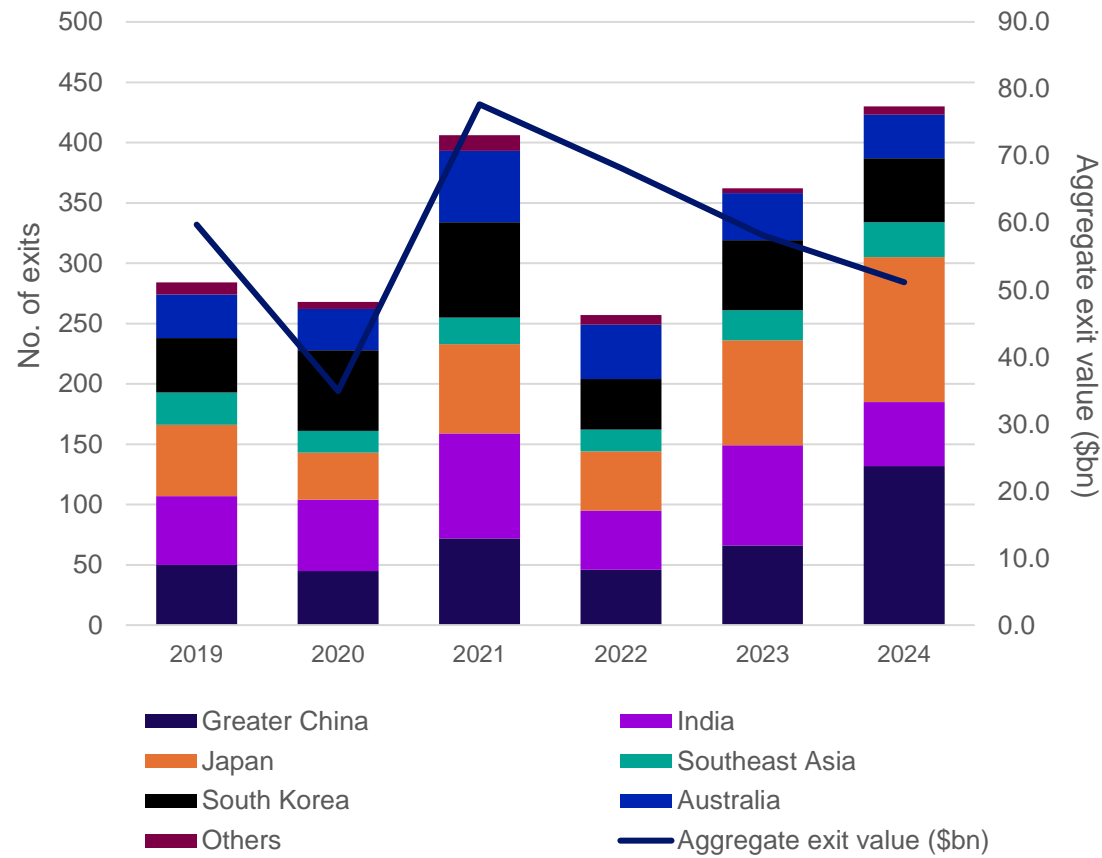
India-based private equity-backed buyout deals by industry, 2019 - 2024



# APAC PE exits bounce back, India sees a decline from 2023

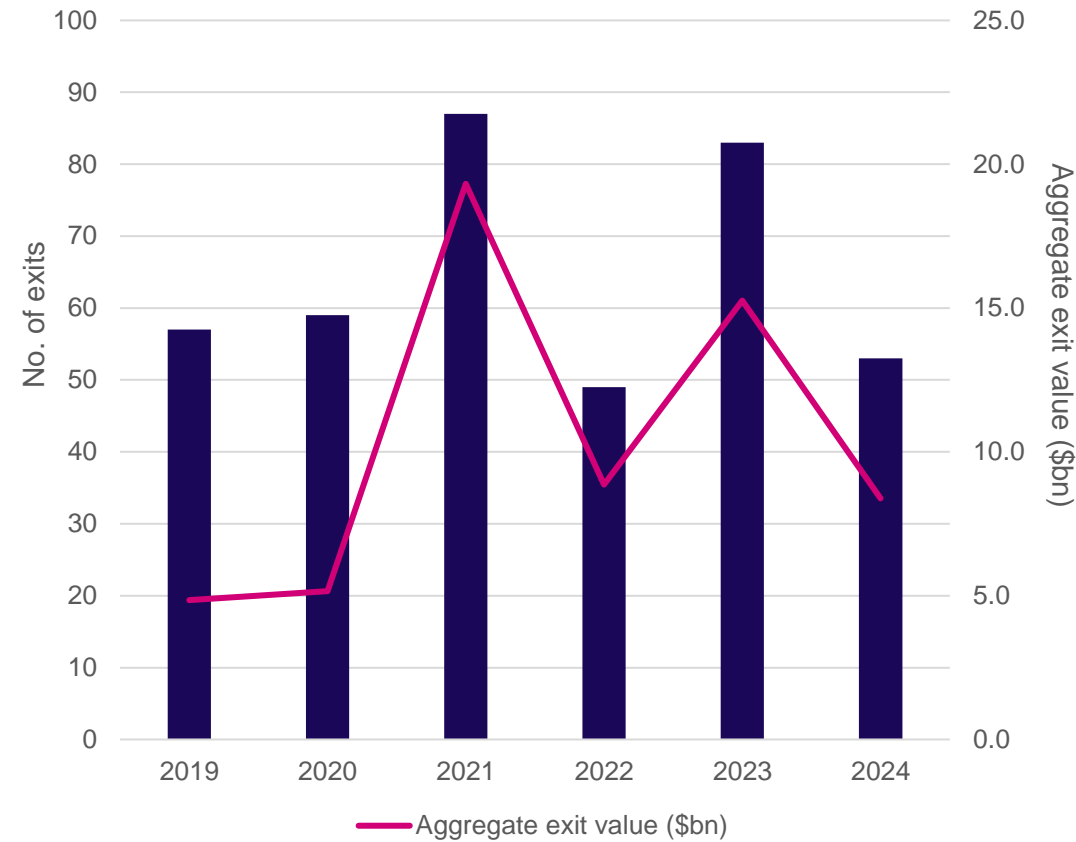


APAC-based private equity-backed exits by region, 2019-2024



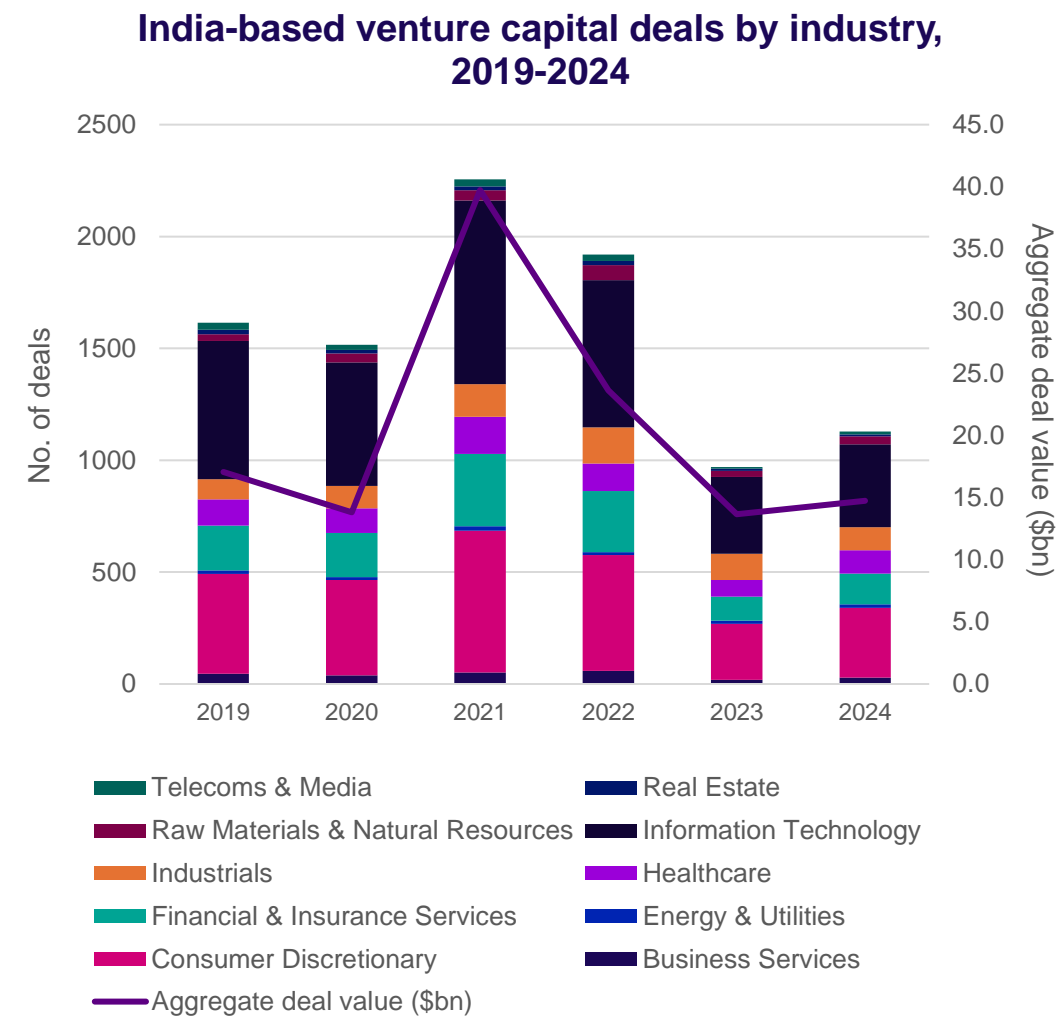
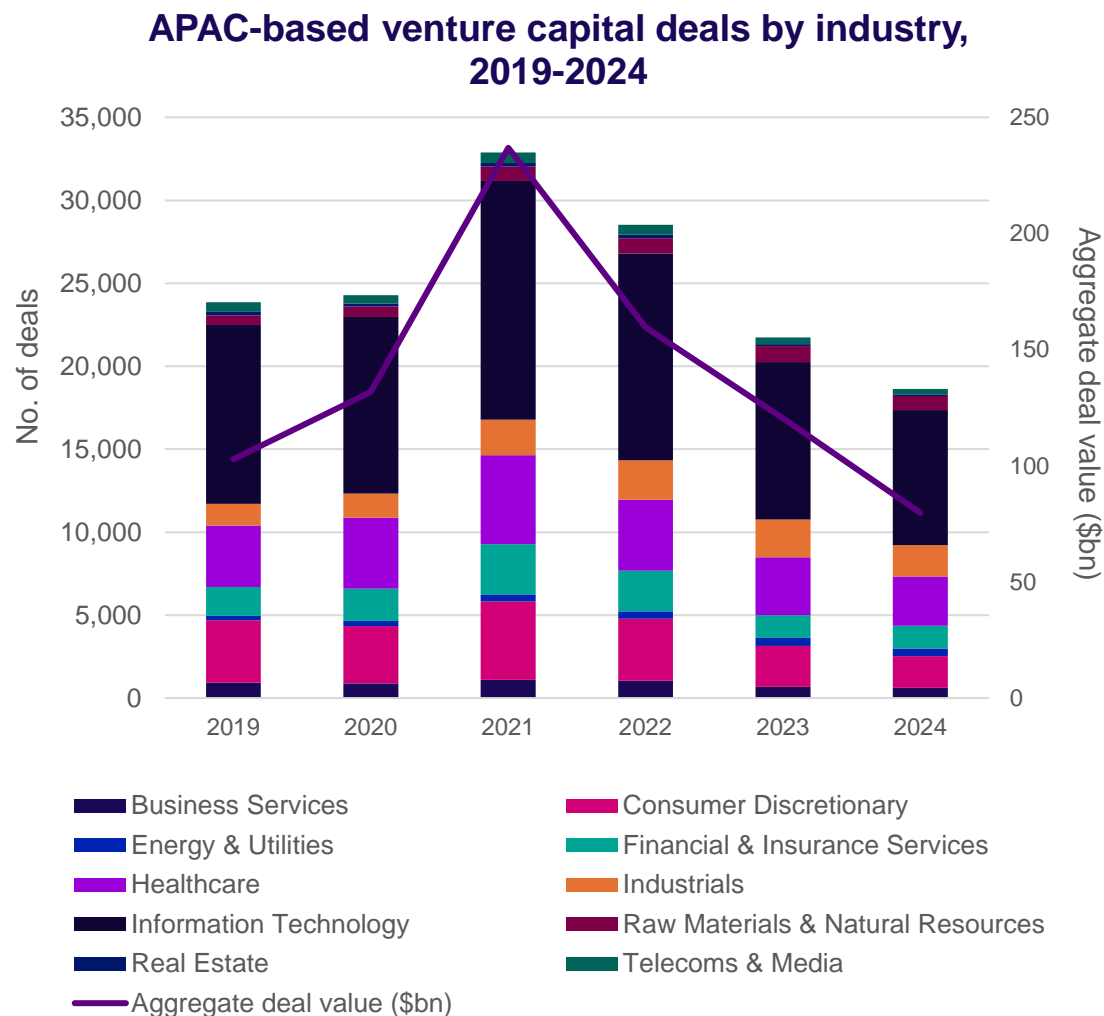
Source: Preqin

India-based private equity-backed exits by region, 2019-2024



Source: Preqin

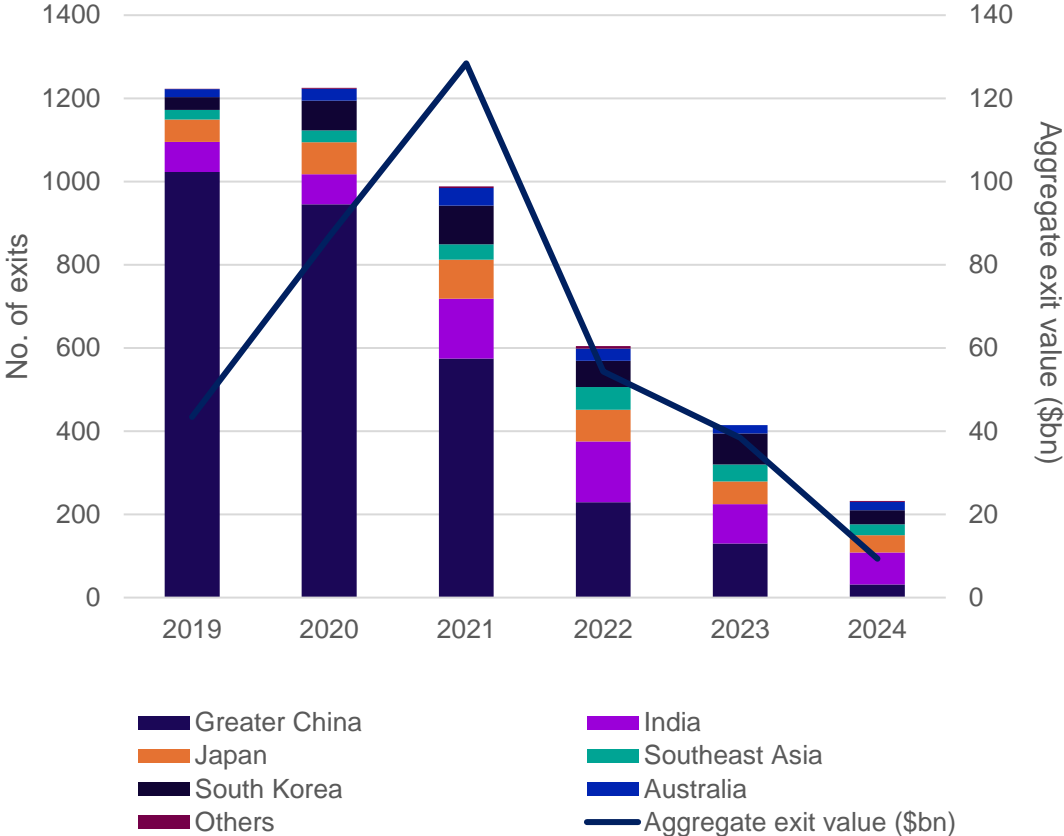
# APAC VC deal activity continues to decline, India rebounds in 2024



# China continues to impact VCs exits in the region

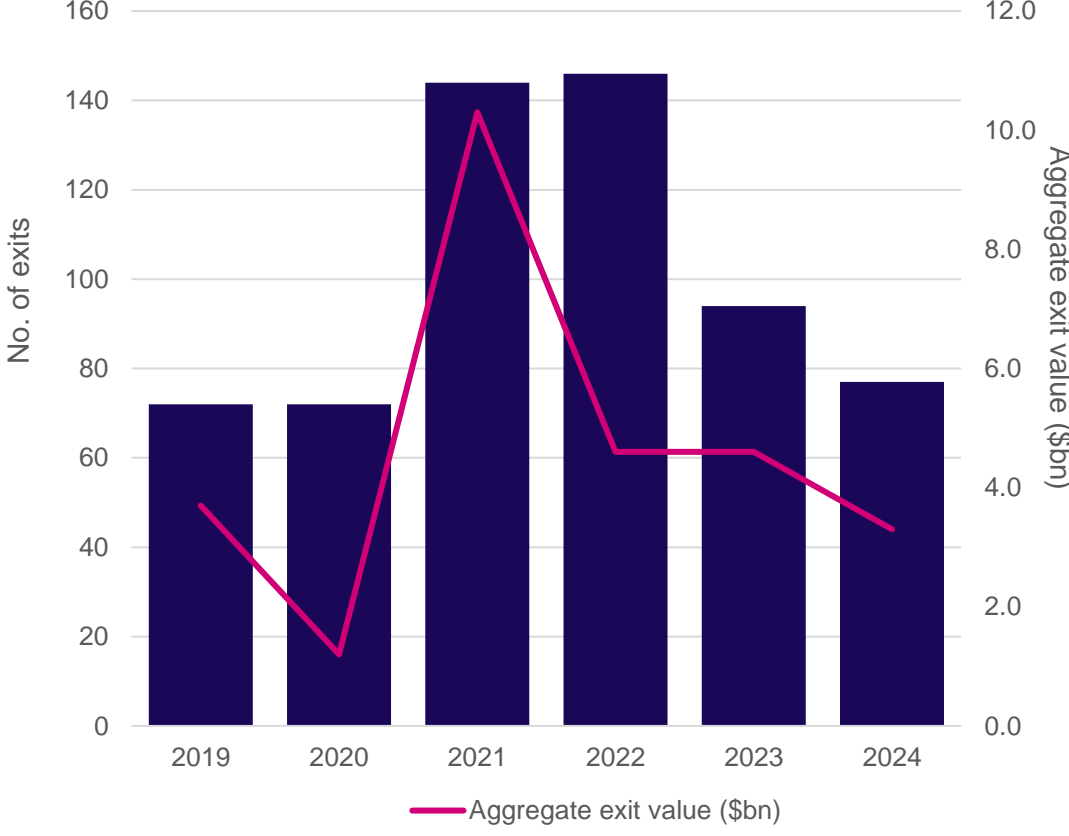


APAC-based venture capital exits by region, 2019-2024



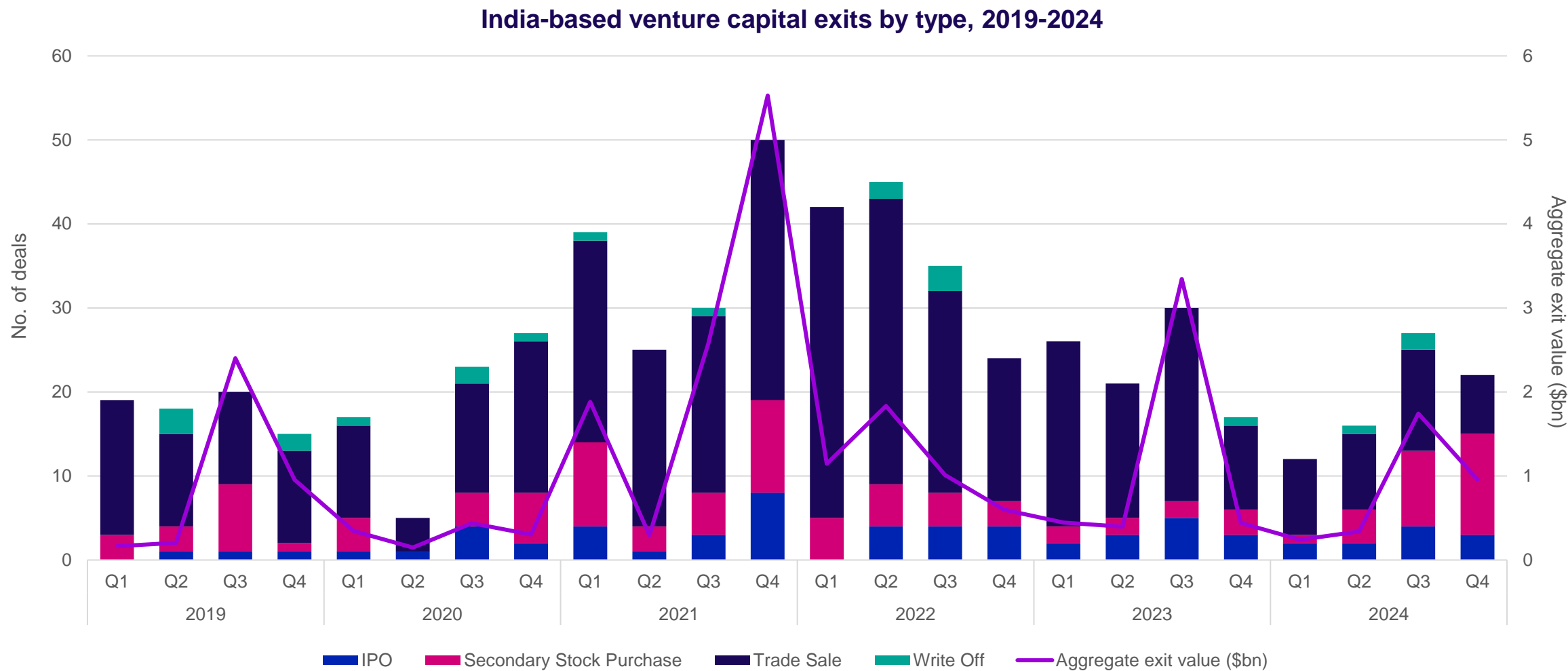
Source: Preqin

India-based venture capital exits by region, 2019-2024



Source: Preqin

# Secondary stock purchases supported VC exits in India

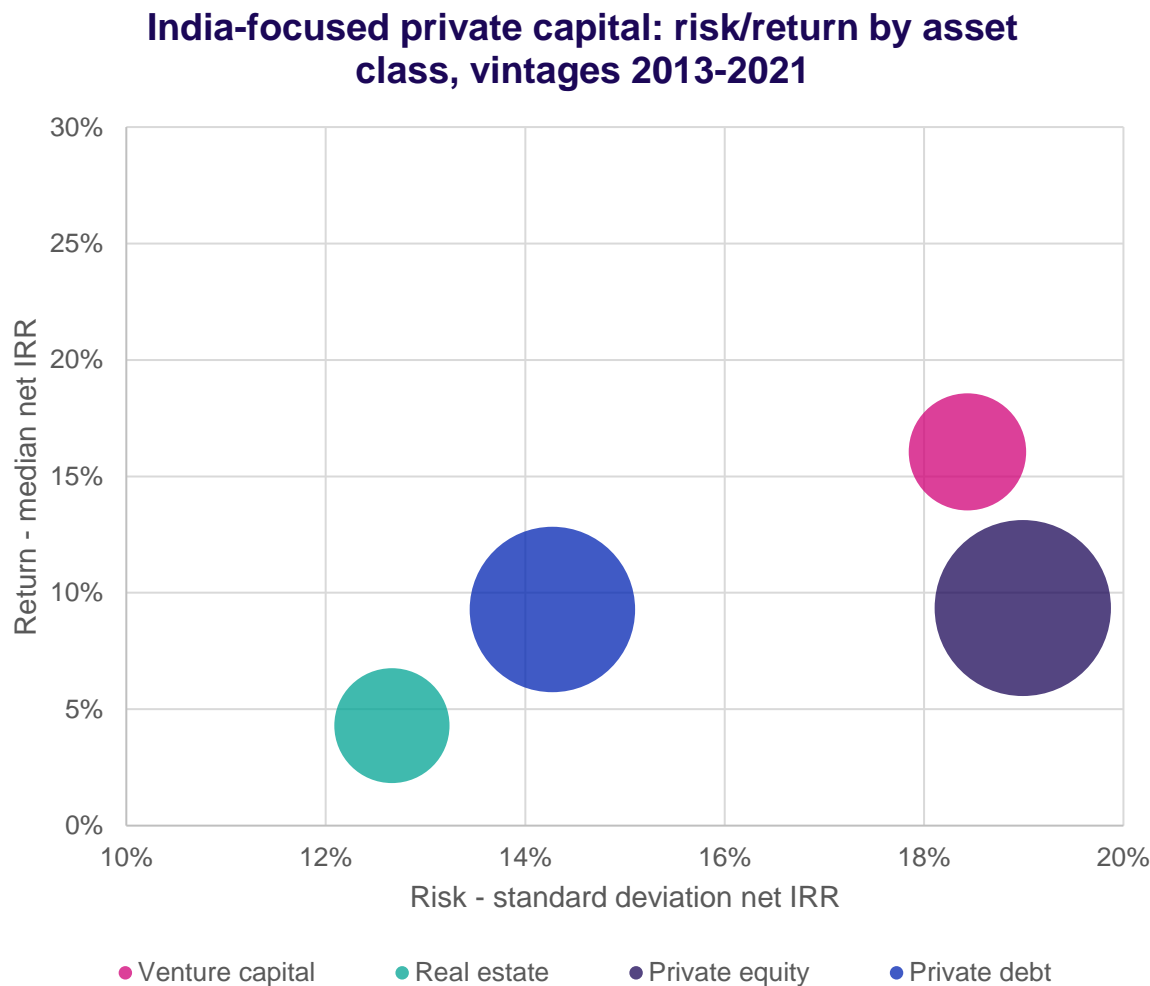




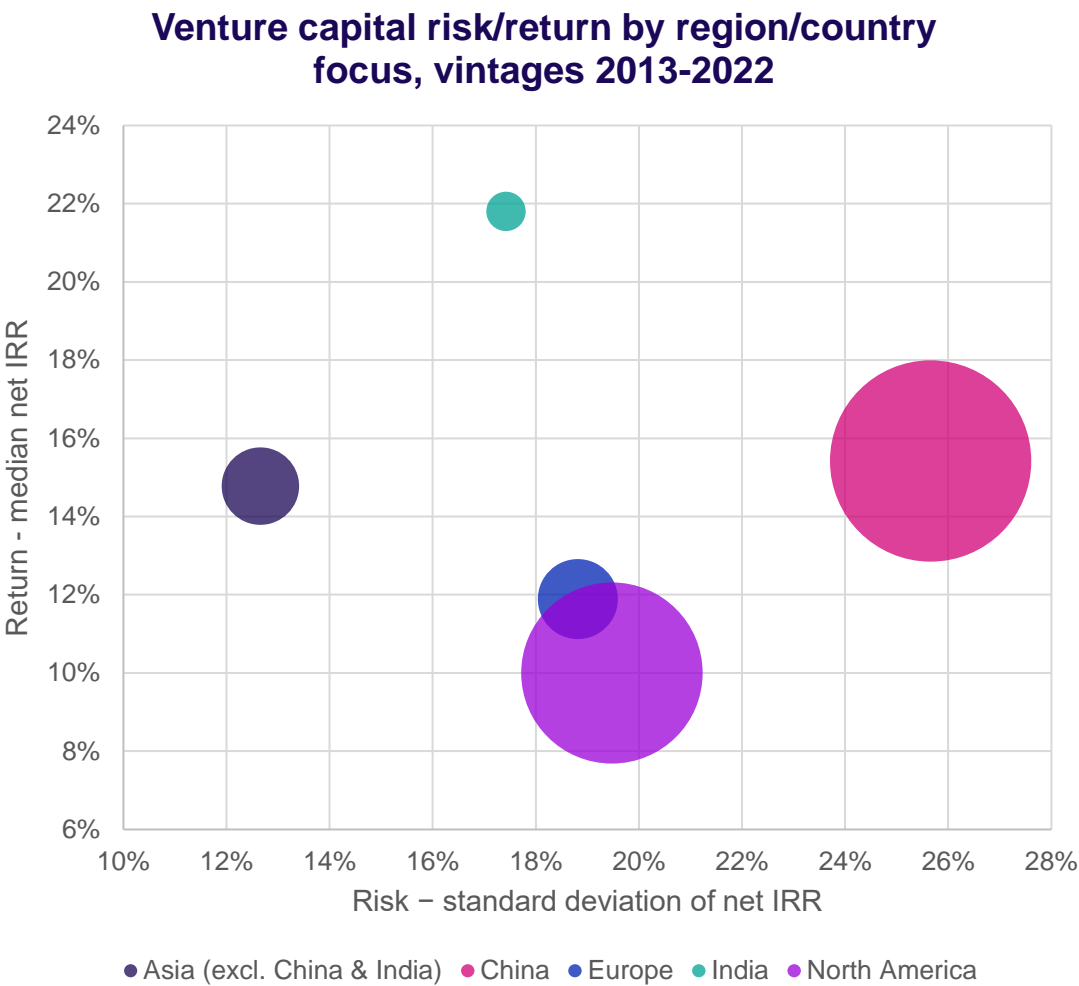
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# Venture capital in India – an attractive choice

# India VCs stand out among alternatives



Source: Preqin Performance Benchmark for India AIF. Data as of March 2024



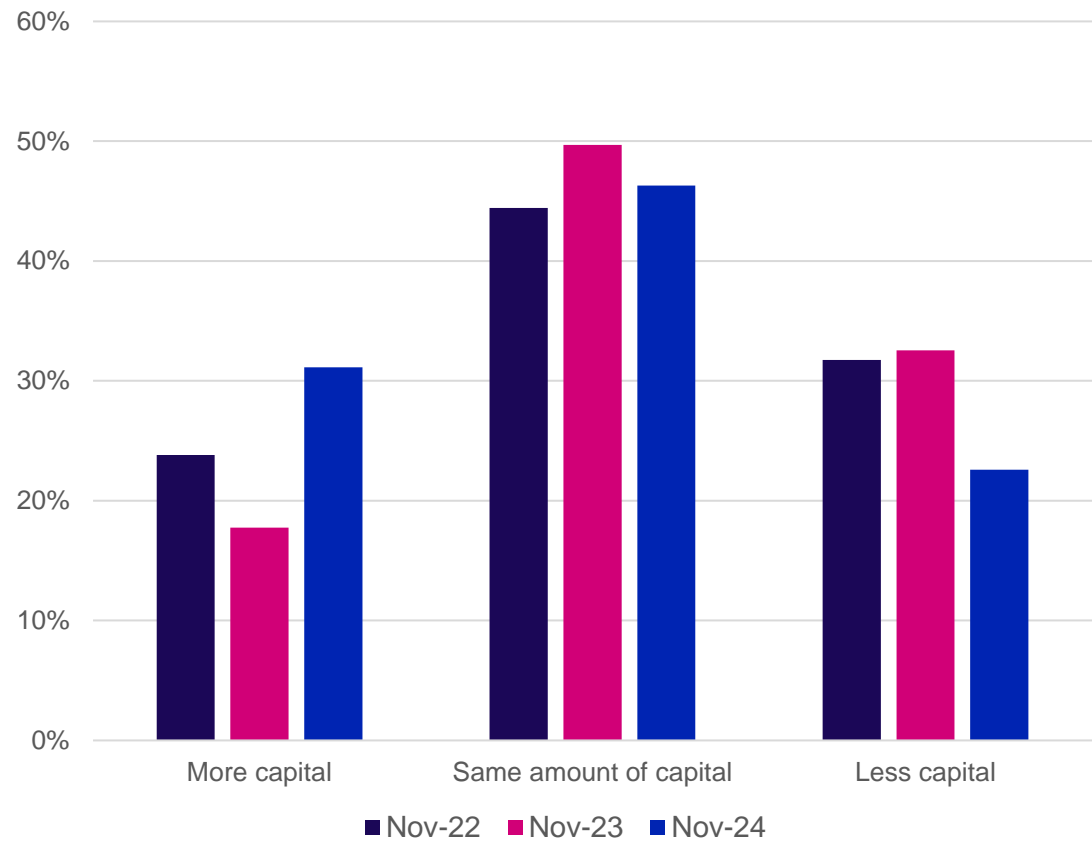
Source: Preqin Pro. Most up-to-date data. Data as of 22 January 2025



# Investor optimism is coming back

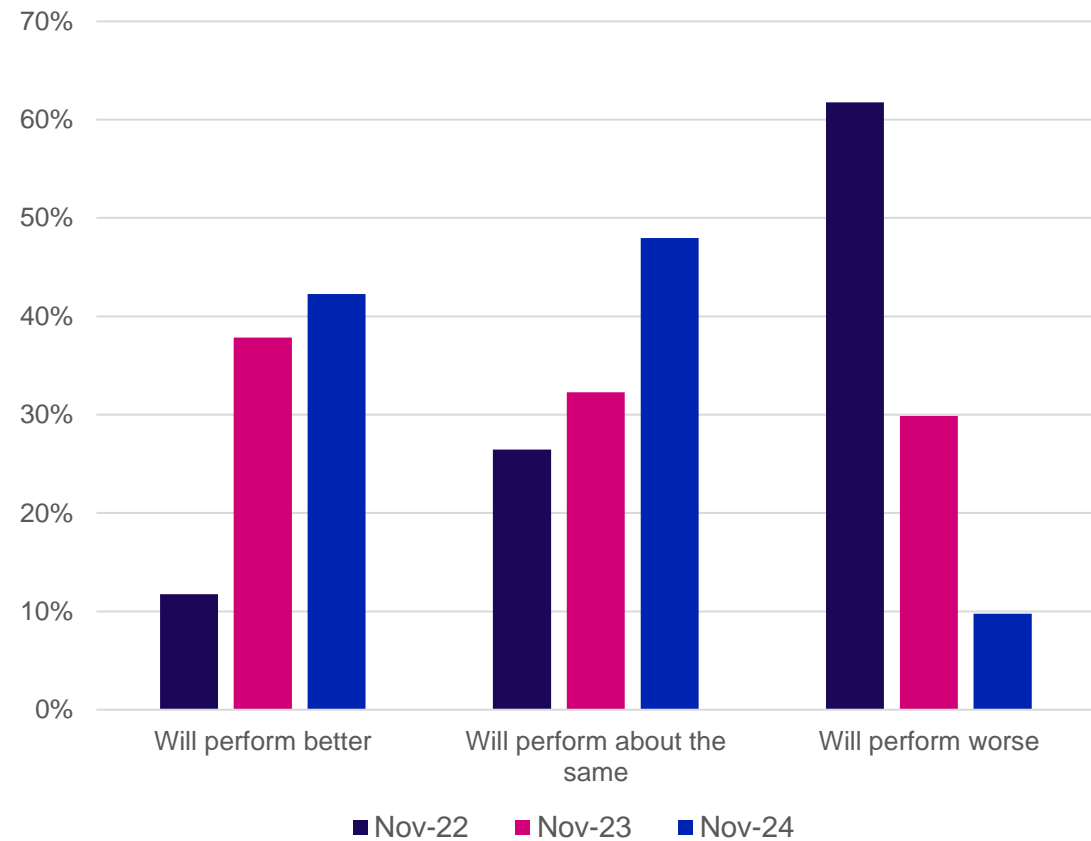


Investors' expected capital commitments to venture capital in the next 12 months compared with the previous 12 months



Source: Preqin Investor Surveys, Nov 2022 – 2024

Investors were asked: 'What are your return expectations for your portfolios in venture capital in the coming year?'

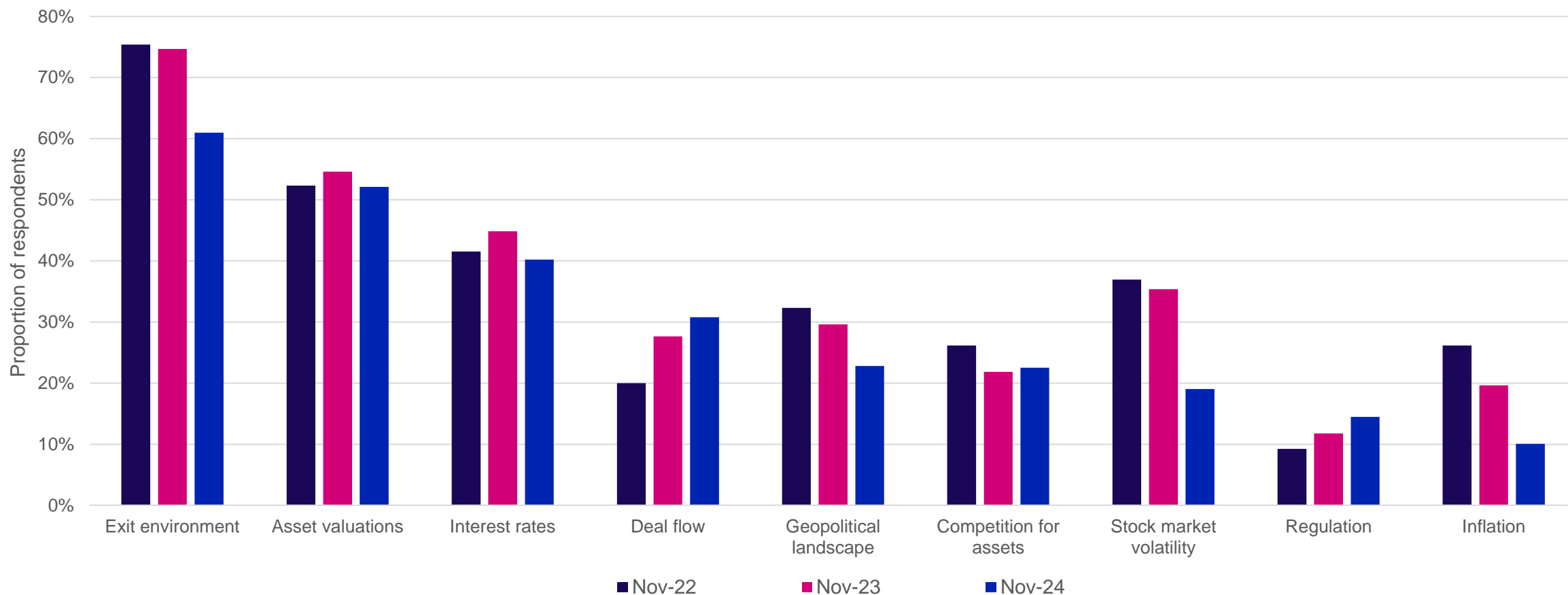


Source: Preqin Investor Surveys, Nov 2022 – 2024

# And investor concerns seem to be easing though exit environment continues to be key challenge...



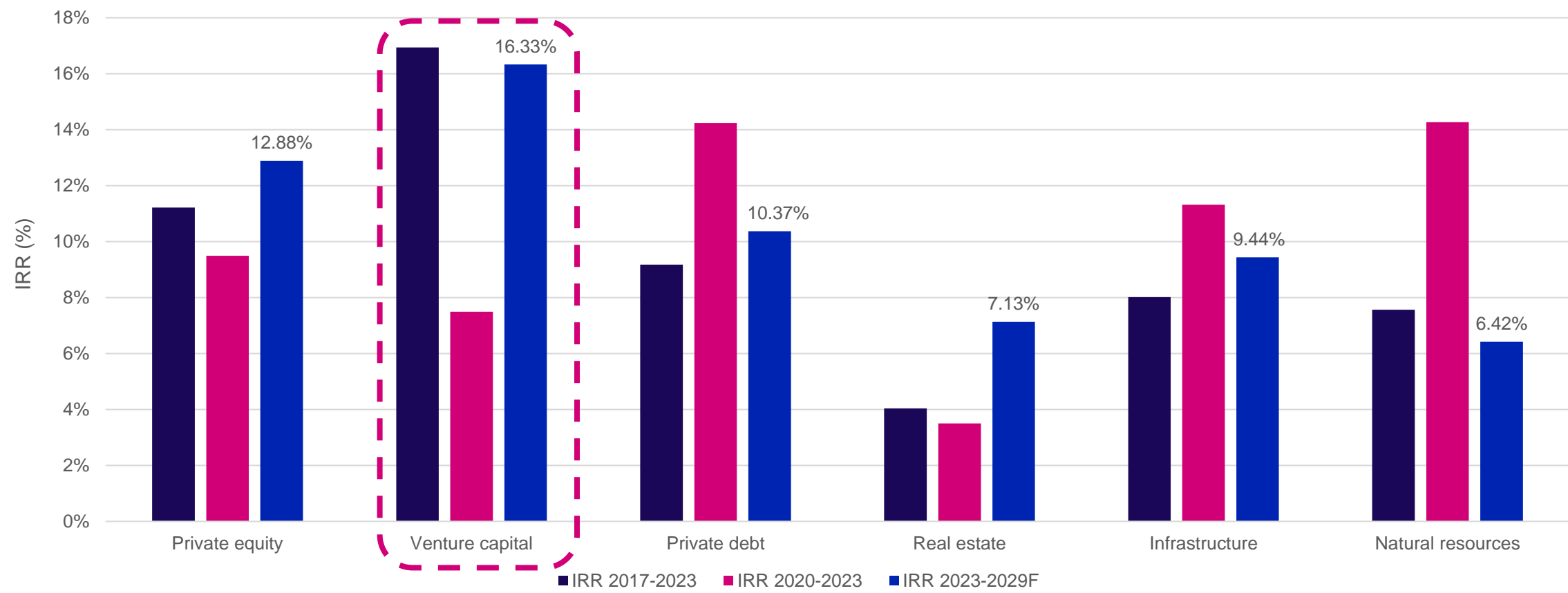
Investors were asked: 'What are key challenges for return generation in the next 12 months?'



# Preqin forecasts: APAC VC long term performance to lead in alternatives



APAC asset class performance\*, historic and forecast

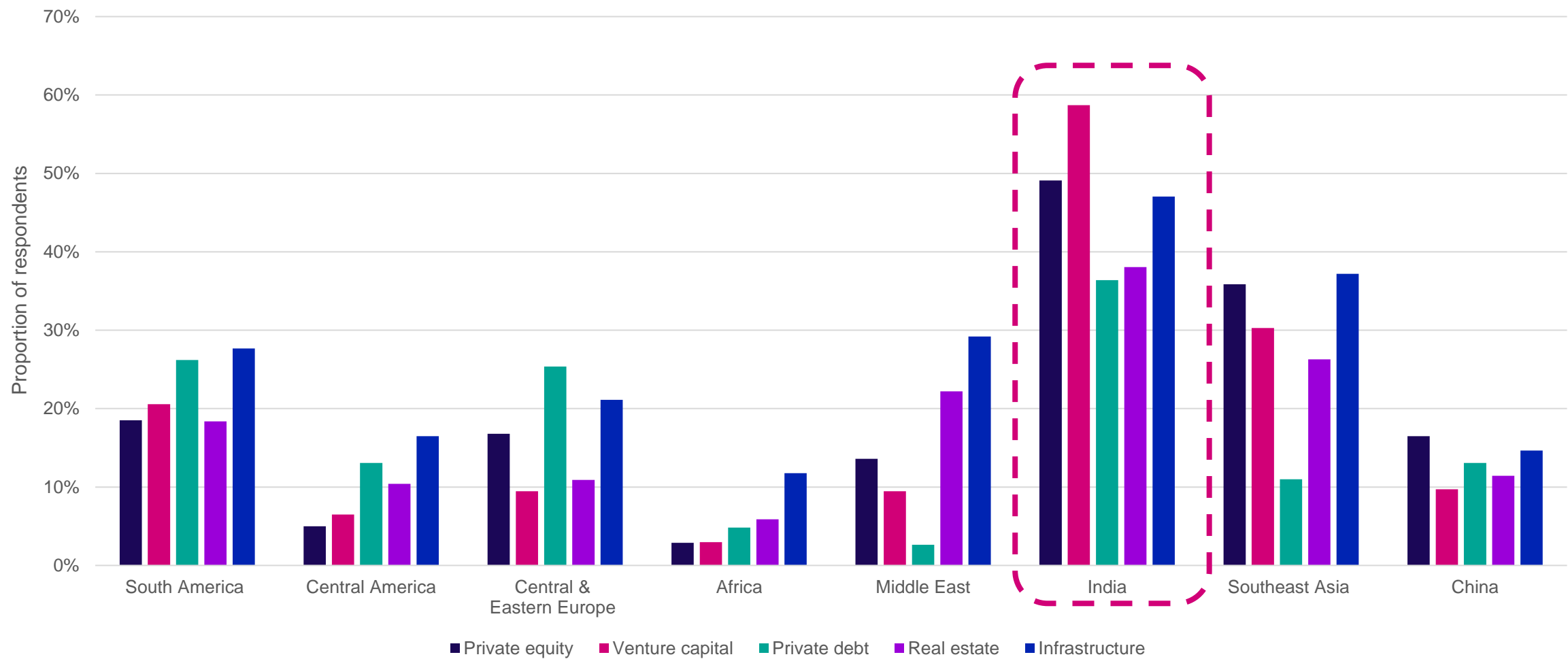


\*Excluding funds denominated in RMB  
\*\* Values related to end of year

# India remains key region of interest in developing markets



Investors were asked: "Which emerging markets present best opportunities in the next 12 months?"



# Key takeaways: Industry mega trends



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Despite an overall softer fundraising environment in APAC, investors increasing preference towards diversification have seen **demand for Asia-regional funds rise.**

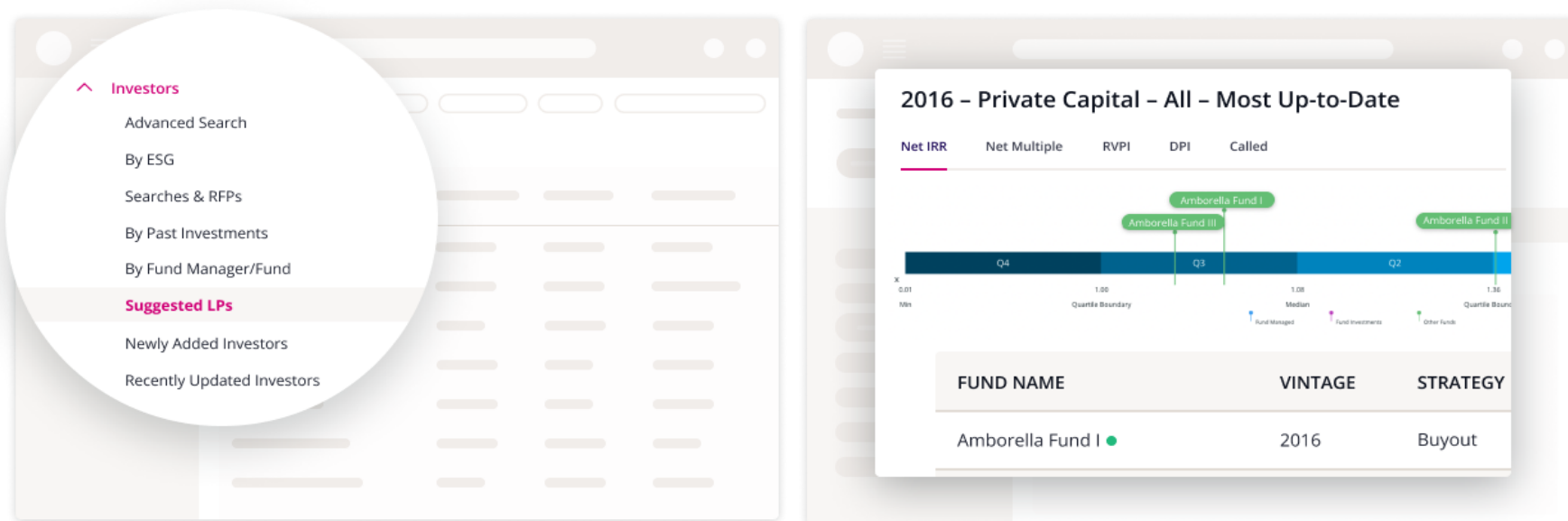


**India continues to attract investment** especially in VC as investors interest shifts within APAC emerging markets. Preqin forecasts outperformance in the long term



Private debt in APAC remains in relatively niche space although with substantial growth potential. **India has largest single country AUM in the region.**

# Preqin Pro



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16,000+  
Service Providers

52,000+  
Fund Managers

645,000+  
Deals & Exits

## Your key to the alternatives market

Access the industry's most comprehensive private capital and hedge fund datasets and tools. Alternative assets professionals rely on it to make data-driven decisions throughout the entire investment lifecycle.

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