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Cognizant founder raises \$225 mn fund

By Apurv Gupta

MUMBAI: Kumar Mahadeva, founder of US based software services company Cognizant Technologies, has raised a \$225-million fund to invest in Indian companies.

Kumar has teamed up with Ramanan Raghavendran, who had earlier raised a fund called Connect Capital, to raise this fund under Kubera Partners on the London Stock Exchange (LSE). Mr Raghavendran is an experienced private equity fund manager and has worked with firms like Insight Venture Partners, General Atlantic, TH Lee Putnam Ventures and McKinsey in his past avatars.

LSE Alternative Investment Market (AIM) is increasingly becoming favoured to raise funds for making investments in Indian sectors or companies. About 15 Indian and India-focused companies have raised funds on AIM in the past one year. They have raised over \$4 billion from AIM.

The Indian companies that have either raised funds last year or are planning the same include real estate and construction majors like Noida Toll, Unitech, Raheja Group, Hiranandani Developers, Ansal and Lok Housing. Mr Raghavendran, Founder of Kubera Partners, says, "We have raised \$225 million from a diversified set of institutional and individual investors. The mandate from the investors is to invest it in companies headquartered in the US, Europe or Asia that serve a global customer base and use India or Asia-based resources for talent and more efficient use of resources."

The fund will also invest in Indian businesses that provide services to clients in developed markets, and US-based companies whose business models may benefit substantially from the opportunity to utilise Indian outsourcing services.

"In India, we are sector-agnostic, as long as our companies seek to expand or build a meaningful export-oriented business. That plays into the skill-set, network and experience of our team," he said. "We intend to do big ticket investments ranging from \$20 million to \$40 million in five to seven companies over the next 12 to 18 months," he added. Kubera Cross Border Fund is incorporated, in Cayman Islands.