



face to face

AJAY SRINIVASAN, chief executive officer
of Aditya Birla Capital

'Our focus will be on mid-market deals in the distressed space'

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MUMBAI: Aditya Birla Capital and US-based alternative assets investor Varde Partners have announced a joint venture to invest in distressed assets in India. In an interview, Ajay Srinivasan, chief executive officer of Aditya Birla Capital, discusses the strategy for the joint venture. Edited excerpts:

The distressed space has seen the entry of several new entrants. How will the joint venture differentiate itself from the rest?
Aditya Birla group brings years of operational expertise across sectors which we will leverage to potentially turn around distressed situations. However, as a strategy, we will not look at very large deals such as those in Reserve Bank of India's initial list of 12 cases referred to National Company Law Tribunal (NCLT). Our strategy will be to focus on the mid-market space where we see lot of value.

In terms of deal focus, would you only look at control transactions?
We are open to all kind of strategies including minor-



ity investments. The strategy will change on a case-to-case basis.

But broadly, we will look at assets where we think we can effect operational turnaround by imparting the group's expertise in managing complex situations. We will not look at opportunities merely from the financial re-engineering perspective.

What will be the total allocation for such deals?
There is no defined limit on investments per se. The minimum stipulation is ₹100 crore to capitalize the asset reconstruction company which we have. Beyond that, we will keep evaluating capital requirements as opportunities come to us.

Varde Partners have already invested close to \$500 million in India. Both ABCL and Varde are fully committed to investing in the JV to optimum.