

Jupiter Capital to launch \$150 million Asian private equity fund

Synopsis

The J Capital Asia Fund I will invest in 30-40 tech and disruptive consumer brand companies, Jupiter Capital CIO David Abikzir says.



"My goal is to invest in disruptive models and opportunities, which are not built on the B2C model, but on the B2B SaaS model," Jupiter Capital CIO David Abikzir says.

Mumbai: Jupiter Capital, a Bengaluru-based **private equity** and venture capital firm that primarily invests in technology, media and related startups, is set to launch a \$150 million private equity fund targeting Asian tech and consumer brand companies.

The **J Capital Asia Fund I** will look to invest in 30 small and midcap companies that need growth capital, said **David Abikzir**, chief investment officer and executive director (equity) at Jupiter Capital.

"We are launching J Capital Asia Fund I in the third quarter of this year. We already have \$150 million in commitments for the 10-year fund. We are expecting to make between 30 to 40 investments in tech and disruptive consumer brand companies," Abikzir told ET. "Our equity team is in the process of raising funds and we are already looking at a promising investment pipeline."

Jupiter Capital will be the anchor investor in the fund, while the majority of the capital will be raised from other investors in India and abroad. The fund will make investments in the range of \$2-3 million to up to \$10 million, said Abikzir, a French national, who has been at the helm of Jupiter Capital since June last year.

On the tenure of investments, Abikzir said that he anticipates a 5-7 year window, going up to a maximum of 10 years.

“We estimate a 5-7 years investment is necessary to create the real value and to reach a certain level. The vision is to give the promised internal rate of return (IRR) to the investor. Once we see the potential of the brand has reached a certain level, we will exit, because at the end of the day we are working with the money of the investors to create the maximum value, under a time frame which is 10 years,” he said.

So far, Jupiter Capital has been silent on its investments, working as the family office of Rajya Sabha MP Rajeev Chandrasekhar, who founded it in 2005.

Abikzir said that over the last year, there has been a shift at Jupiter Capital with a clear focus on establishing it as a serious private equity company.

“Jupiter Capital has been built over the years as a family office, silently and discreetly, but at the same time with a stellar track record of investing in several industries, including media, technology and infrastructure etc. We really want to transform this family office into a leading investment private equity in Asia,” he said.

So far, Jupiter Capital has been a controlling investor in most of the companies it invests in. Abikzir said that the company doesn't believe in being passive investors, and is very active when it comes to the execution of business plans. “A business model is good, but nothing can be done without the proper execution. The reason for us to take a majority stake is for the impact and the capacity to create values for every investment we are targeting and to create values for every brand we build.”

However, with the new fund, it is open to looking at minority stake as well as making seed funding.

“With this fund, we will look at majority stake in most of the investments, minority stake in some and on a case-per-case basis we are also open to provide seed funding to the entrepreneurs because we believe in the entrepreneurs,” Abikzir said. “My goal is to invest in disruptive models and opportunities, which are not built on the B2C model, but on the B2B SaaS model.”

When asked whether Chandrasekhar's political image will have any impact on the fund, Abikzir said that Chandrasekhar is now an advisor to the board and is not looking at the operations.

“Today, Rajeev is an adviser to the board of Jupiter Capital, like he is an advisor to several tech companies in India and the US. I'm a foreigner and I represent the new face in the new leadership of Jupiter capital. For me, Rajeev is one of the most famous tech entrepreneurs in the country. He has built a multi-million dollar company at the time when the unicorn was just a concept,” he said.