

IVCA BACKGROUNDER

About IVCA

Founded in 1993, the Indian Venture and Alternate Capital Association (IVCA) is a not-for-profit, apex industry body promoting the alternate capital industry and fostering a vibrant investing environment in India. IVCA is committed to support the ecosystem by facilitating advocacy discussions with the government of India, policymakers, and regulators, resulting in the rise of entrepreneurial activity, innovation and job creation in India and contributing towards the development of India as a leading fund management hub.

IVCA members are the most active domestic and global VCs, PEs, Funds for Infrastructure, Real Estate, Credit funds, Limited Partners, Investment Companies, Family offices, Corporate VCs and knowledge partners. Our membership is also extended to institutional investors, banks, angel networks, corporate advisors, accountants, lawyers, government bodies, academic institutions and other service providers to the venture capital and private equity industry. Our member funds are the most active and they invest in risk capital across stages and across the enterprise lifecycle: Seed to VC to Growth to pre IPO or Buyout or Distress, credit & venture debt among others.

Vision & Mission

Having reached the milestone of 75 years as a sovereign nation, the '*India Opportunity*' story is making waves globally. IVCA's vision to foster a vibrant investing ecosystem resonates with the idea of '*Atmanirbhar Bharat*' (self-reliant India). It is, therefore, the contribution and support of these asset classes which play a pivotal role in fueling India's plan to become a USD 5 trillion economy by 2025 and enhance India's status as an investable destination for the global and domestic funds.

To give life to this vision measurable goals are set. This involves creation of dialogue platforms and opportunities for the alternate capital ecosystem which are focused on the promotion of best investment governance practices, research driven advocacy with regulators to provide inputs that enable a competitive policy environment, and networking opportunities between investors and high growth companies.

What Do We Do?

IVCA is dedicated to mobilizing domestic & global capital for the growth of Indian alternative ecosystem. Our work can be categorized in four buckets -

- **Advocacy:** We liaison with multiple stakeholders to arrive at unified approach with government and financial regulators for long term policy development for the industry
- **Research:** We lead with data, insights and commission research projects by publishing industry reports with the support of our network of knowledge partners.
- **Educate:** We build training programs for our members about new and upcoming best practices in the industry to stay ahead of the curve
- **Network:** Conduct high end networking for industry participants including LP-GP Meets, Deal flow discussions etc. These can be mixers, city meet-ups, on ground events, webinars, conferences among others

Our Wins

With due support of MOF, DEA, SEBI, CBDT, DPIIT, RBI and other government institutions, in the past 12 months IVCA submitted 90+ representations, 60+ govt. meetings conducted with 8 regulatory changes made which has contributed to accelerated investments

Some of these wins are –

- **On IVCA's advise to the Finance Minister, an Expert Committee** has been formed to mitigate the pain-points faced by PE-VC industry to help formulate policies to facilitate ease of investing, as well as to encourage "Investments in India"
- **SEBI collaboration:**
 - Smoothening QAR format, AIF dematerialization, Liquidations Scheme
 - Ease of doing business, Compliance reduction, PPM & audit, Securities leveraging & pledging.
 - Shaping policies, Growth & innovation, Regular meetings, Community representation.
- **Establishment advocacy:** IVCA advocated for and established an Expert Committee tailored to industry needs in September 2022.
- **Valuation:** Draft Guidance Note aligning with IPEV framework, IVCA-member contributions, Clarification of valuation practices.
- **FPI disclosures:** Representation submitted to SEBI, Objective criteria fulfillment, Additional disclosure mandate.
- **Performance benchmarking:** Unified Template, Data collection sync with agencies, Fund manager feedback integration.
- **GST representation:** Addressed GST applicability, Carried interest challenges.
- **CBDT engagement:** Addressing Section 56(2) (viib) concerns, Angel tax amendment, Meeting organization, Recommendation consideration, Final rules notification.

For more information about IVCA, visit our website, <https://ivca.in/>

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