

Blackstone bullish on India story despite 'some bumps'

'Have invested half of our Asia exposure in India... *picture abhi baki hai*'

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Despite the recent turmoil in the Indian markets after a scathing report on the Adani group from Hindenburg Research, American private equity major Blackstone is "bullish" on the India growth story and plans to invest more in the country's infrastructure and real estate projects.

"We have a long-term view on India, as growth will be higher here. We have invested half of our Asia exposure in India. Our extraordinary performance in India has made us bullish," said Jonathan Gray, president and chief operating officer of Blackstone. "*Picture abhi baki hai*," he added in Hindi, talking about India's growth prospects.

Blackstone, one of the largest global investors in India with \$50 billion of investments across real estate (\$20 billion) and a portfolio of other companies

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JONATHAN GRAY,
President and Chief Operating
Officer, Blackstone



(\$30 billion), is scouting more deals in the infrastructure and real estate sectors.

Against the backdrop of allegations against the Adani group, Gray said Blackstone was comfortable with what it was doing in India, and with the underlying fundamentals and cash flows of its investee companies. "There are growing pains at times with a coun-

try that's moving from an early emerging market status to a more mature one. We take a longer-term approach. I think because our investors have seen so much success generated by our investments here, they have not lost confidence (in India)," Gray said.

But, he said, investors "obviously ask questions" when something's in the headlines every day. Turn to Page 6 ▶

localised their supply base had some dependence on Chinese imports so factors at play there would still impact firms here. "Inflation is likely to increase in raw materials as Chinese production picks up. But recession in other parts of the globe may offset it to an extent," Gupta said. In lithium-ion products, more than 70 per cent of the Indian battery industry's consumption comes from China. "Now that Chinese factories are opening up after the Chinese New year, the cells and semiconductor supply chain will breathe a sigh of relief and the EV industry might gear up for new product launches and feature upgrades soon," said Gautham Maheswaran, co-founder and CTO of RACEnergy.

Blackstone...

"The way we run these companies in India is incredibly professional and transparent. We follow the highest standards of corporate governance, and that's what we're trying to bring in as best practices. So I don't think, at the end of the day, this is going to be a long-term impediment to what's going to happen in India."

"If anything, it just raises the bar for everybody and forces people to operate at a certain standard. So I think, over time, India will continue to make progress in this area. And as it does, it makes it easier for the capital to come in," Gray said. "I believe India is on that path. But there will obviously be some bumps in the road."

When asked about opportunities of investing in any Adani group projects, Gray did not comment. He, however, said that whenever there was dislocation, it created an opportunity, as someone might need to sell assets or want to bring in partners, which could lead to opportunities for Blackstone.

"I don't know in this particular situation what's likely to happen. All I would say is, as a firm, we have large pools of discretionary capital. So if opportunities emerge, and our capital can be helpful in any situation around the globe, we're able to do that," Gray said. India is the top performing market globally for Blackstone Private Equity with investments in Mphasis, VFS, TaskUs, IBS Software, Xpressbees, Simplilearn. It sold Aakash education to Byju's last year. Blackstone is also the largest owner of commercial and retail real estate in India, with a portfolio of over \$20 billion.

Air India...

Air India had last ordered planes in 2006, when it had booked 111 aircraft: 68 from Boeing and 43 from Airbus.

Prime Minister Narendra Modi on Tuesday attended a video call with French President Emmanuel Macron on the Airbus-Air India deal. He called it a "landmark deal", demonstrating not just deep relations between India and France but also India's success and expectations in the civil aviation sector. In a statement,