

January-February Newsletter 2024

This newsletter intends to capture some of the key updates and trends in the New Economy ecosystem in India. This newsletter should be treated as a knowledge sharing memo and not as any investment solicitation.



About VentureSoul Partners

VentureSoul is in the process of setting up a New Economy Credit Fund (AIF Category – II Fund) (SEBI Approval received). The firm intends to raise a Rs. 600Cr fund from various investors - Rs 300 cr + 300 cr Greenshoe.



For any further enquiry, please reach out to your contacts at VentureSoul Partners

MARCH 2024



Kunal Wadhwa
(ex HSBC, Citi, ABN Amro)

- 21+ years of banking experience with more than 6 years in the startup ecosystem.
- Founding member of HSBC Startup Lending Fund.
- Deep engagement with start-up ecosystem/ VC/ intermediaries.



Ashish Gala
(ex HSBC, Credit Suisse, CLSA)

- 22+ years in Structured Finance, Pvt Credit, Leverage Finance
- Buy side fund management – private credit and structured debt investments on Pan-Asia basis
- Active engagement with VC/PE

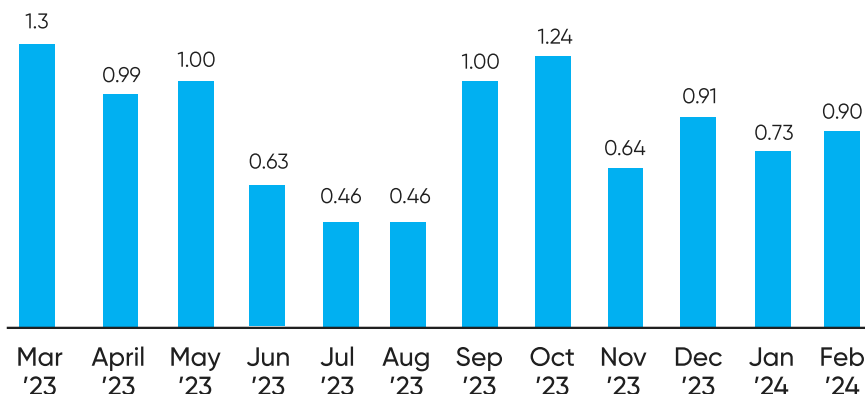


Anurag Tripathi
(ex HSBC, SCB, ICICI)

- 23+ years in MSME Lending, Risk Management, Corporate Banking
- Supply Chain financing
- Portfolio management/ tech-based analytics

KEY TRENDS

Funding Amount (\$Bn)



Source: Entrackr Reports on Monthly Funding published



Funding towards the startups continues in the start of 2024 having witnessed a pick in investment activity in the month of February.



The deal activity looks strong for 2024 with a strong uptick in M&A activity and follow on rounds being seen.



The industry has with more than \$20bn equity dry powder waiting for right valuations and environment to improve further.



Debt/structured solutions being explored actively by various founders towards specific use cases like M&A, Esop buybacks, etc. with various Venture Debt providers active in this space.

Events: IPO, M&A, Strategic Activity

M&A activity led by various stronger players using this as an opportunity and Investors showing interest in participating for such activity



Edtech Venture Veranda Learning Solutions plans to acquire educational services provider Tapasya Educational for at least INR 362 Cr (around \$44 Mn)



Flipkart has shown interest to acquire Dunzo, a Reliance backed hyperlocal delivery start-up.



National Investment and Infrastructure Fund Ltd (NIIF) will acquire majority stake in iBus, a connectivity solution provider for \$200 Mn.



Online seafood firm Captain Fresh has acquired CenSea Inc, a US-based frozen fish and seafood importer and distributor for an undisclosed amount

IPO Activity: Markets are showing favourable intent for various companies with an aim of stable government in 2024 and buoyed by positive sentiment



Fintech unicorn MobiKwik refiled its DRHP with market regulator SEBI to raise INR 700 Cr



SaaS startup Perfios is eyeing to raise \$500 Mn through initial public offering (IPO) at a \$2Bn valuation.



EV Startup - Ather Energy planning for an IPO in 2024 aiming to raise \$400Mn at \$2Bn valuation.

Marquee Funding Deals

















Month of February has seen an uptick in funding post the holiday season and January being the deal initiation month. January saw the curation of 2024's first Unicorn – Krutrim.ai valued at \$1Bn raising \$50Mn



Feb 24 has seen a c.\$900Mn fund raise by various Indian startups and a strong pipeline of investments are getting ready to be deployed over the next 2-3 months.



While 2023 was a challenging year for Late-Stage companies, 2024 has seen funding rounds equally divided among Late Stage & Early Stage startups.

COMPANY	SECTOR	FUNDING STAGE	DEAL VALUE (\$Mn)	KEY INVESTORS
 shadowfax	Logistics	Series E	100	TPG NewQuest, Mirae Asset Venture Investments, Flipkart, International Finance Corporation
 capillary	SaaS	Series D	95	Avataar Venture Partners
 vivifi	Fintech	Series B	75	BP IN VPF LLC
 KRUTRIM	AI	Seed	50	Matrix Partners
 AIDASH	SaaS	Series C	50	Lightrock
 WOW! momo	Foodtech	Series D	42	Khazanah Nasional Berhad
 IMPACT ANALYTICS	SaaS	Series B	40	Sageview Capital
 IBC	EV	Pre-Series A	35	RTP Global, BeeNext, Veda VC
 Z	EV	Series B	40	Yamaha, Lowercarbon Capital, Toyota Ventures, Maniv Mobility
 Kushal's	Consumer Internet	Series B	34	Lighthouse
 BLU SMART MOBILITY	EV	Series B	25	Responsability
 avail	Crypto	Seed	27	Peter Thiel's Founders Fund, Dragonfly Capital
 captain fresh	B2B Marketplace	Series C	25	British International Investment, Nekkanti Seafoods Group, Matrix Partners
 Capillary Technologies	Consumer Internet	Series D	20	Temasek

Other Important News



RBI granted Payment Aggregator (PA) licenses to Mswipe, a digital payments start-up.



RBI imposed business restrictions on Paytm Payments Bank due to non-compliance.



Government of India has approved 100% FDI under automatic route for space tech sub-sectors including activities like manufacturing of components, systems and sub-systems for satellites.



IPO-bound OYO in talks to raise \$400 Mn in funding from Malaysia's sovereign fund Khazanah Nasional Berhad at a downround of \$6 Bn.



Aroa Venture Partners launched a new fund targeting a corpus of Rs 400 Cr.



Spyre PropTech Venture Fund, supported by Venture Catalysts and Neovon, has initiated a Rs 400 Cr fund to invest in over 30 Indian startups in the PropTech sector.



Endiya Partners is set to launch its third fund between Rs 800 Cr and Rs 1,000 Cr



GetVantage launched its SaaS Accelerator Fund II for B2B SaaS businesses with a total corpus of INR 250 Cr.

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