

April 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 License No_IN/AIF2/24-25/1490). 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

MAY 2024

About The Partners



Anurag Tripathi
(ex HSBC, SCB, ICICI)

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



Ashish Gala
(ex HSBC, Credit Suisse, CLSA)

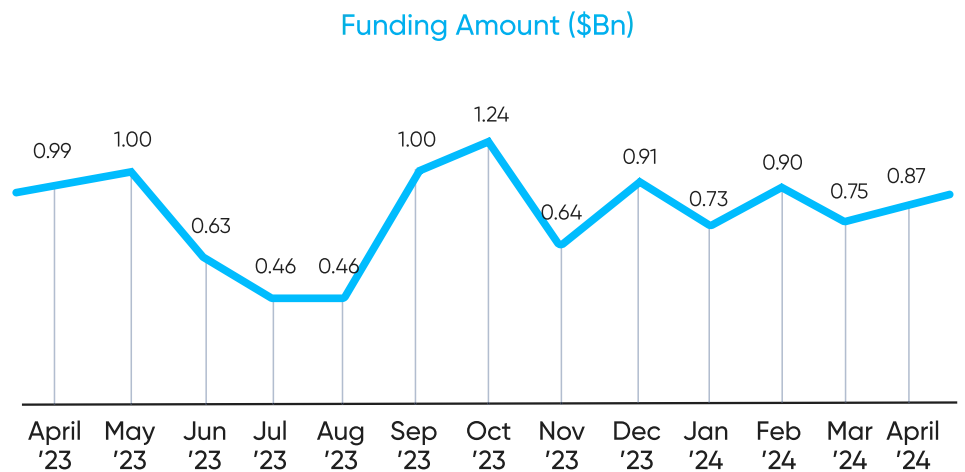
- 22+ years in Structured Finance, Pvt Credit, Leverage Finance
- Buy side fund management – private credit and structured debt investments on Pan-Asia basis
- Active engagement with VC/PE



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.

KEY TRENDS



Source: : Entracker Reports on Monthly Funding published



Funding towards the startups continues to build in Apr month as well up by 15% as compared to March month. Though the funding amount is still lower than last year Apr. Next few months would be good indicator of resistance cum revival.



The prevailing theme has been smaller rounds for early and mid-stage startups with renewed focus by micro VCs.



Funding activity and pipeline looks strong for the upcoming months with a strong uptick in M&A activity and rise in secondary rounds being seen.



Various late stage startups are in advanced stages to raise large rounds, which may be a signal towards early signs of recovery in the segment.

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



Awign, a work-as-a-service platform, announced the acquisition of a majority stake in Mynavi Corporation.



National Investment and Infrastructure Fund (NIIF) acquired majority stakes in iBUS, a digital infrastructure solutions company, in a \$200 million deal.



Agilitas Sports acquired the brand license for the Italian sports brand Lotto from WHP Global.



VerSe Innovation, the parent company of Dailyhunt, acquired Magzter, a digital newsstand with a vast library of premium magazines and newspapers.

IPO Activity: Markets are showing favourable intent for IPO, VCs looking for partial exits, investors eyeing IPO-bound firms push up secondary deals.



Co-working solutions provider Awfis has received the final nod from SEBI for its initial public offering (IPO) of INR 160Cr.



Travel tech firm TBO (Travel Boutique Online) has also received approval to float its IPO INR 400 crore



Foodtech decacorn Swiggy has filed for its public listing as plan to float its \$1.25 billion IPO.

Marquee Funding Deals





Month of April has been active with IPO filings, discussions on large fund raise rounds by late stage startups and multiple rounds by various Seed to Series B startups.



Apr 24 has seen a c\$870Mn fund raise by various Indian startups and a strong pipeline of investments are getting ready to be deployed over the next 2-3 months.



Below highlighted are the large value deals which saw equity investments

COMPANY	SECTOR	FUNDING STAGE	DEAL VALUE (\$Mn)	KEY INVESTORS
 IBUS <small>Digital Infrastructure Solutions</small>	SaaS	-	200	National Investment and Infrastructure Fund
 NORTHERN ARC	Fintech	Equity & Debt	80	International Finance Corporation
 OLA ELECTRIC	EV	Debt	50	EvolutionX Debt Capital
	Fintech	Series C	40	Z3Partners, Oikocredit, British International Investment,
 ProcMart	B2B Marketplace	Series B	30	Fundamentum Partnership, Edelweiss Discovery Fund, Paramark Ventures, IndiaMART
 SingleInterface	SaaS	Series A	30	Asia Partners, PayPal Ventures
 ecozen	AgriTech	Equity & Debt	30	Nuveen, InCred Credit Fund, US International Development Finance Corporation
 LYSKRAFT	Consumer Internet	Seed	26	Peak XV Partners
 lets transport	Logistics	Series E	22	Bertelsmann India Investments, Rebright Partners, NB Ventures, ALES Global, Stride Ventures and CAC Capital
 Neysa Networks	SaaS	Seed	20	Matrix Partners India, Nexus Venture Partners
 SPRINTO	SaaS	Seed	20	Accel, Elevation Capital, Blume Ventures
 DHRUVA SPACE	Deeptech	Series A	15	Indian Angel Network Alpha Fund, Blue Ashva Capital, Silverneedle Ventures, BIG Global Investment JSC, IvyCap Ventures,
 recykal	Cleantech	Series B	13.2	360 ONE Asset Management

Other Important News



RBI's has published new draft guidelines on KYC for Payment Aggregators (PAs), the central bank published draft directions for PAs, under which the latter are required to conduct Contact Point Verification of small merchants.



RBI is considering the establishment of a public register of whitelisted lending apps to combat illegal lending practices. The central bank aims to create the Digital India Trust Agency (DIGITA).



PayU has received provisional approval from the Reserve Bank of India (RBI) to function as a payment aggregator, enabling the fintech company to onboard new merchants.



Fintech company KreditBee is relocating its domicile from Singapore to India, following a trend among new-age firms like Pine Labs, Groww, Razorpay, Meesho, and Zepto.



Coworking space provider WeWork Inc is in talks to sell its remaining 27% stake in its Indian unit, WeWork India, via an INR 1,200 Cr secondary transaction to Enam group's family office, investment fund A91 Partners, and CaratLane founder Mithun Sacheti.

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