

  
**IVCA**  
**IVC ASSOCIATION**  
THE INDIAN PRIVATE EQUITY & VENTURE CAPITAL ASSOCIATION  
**PROMOTING PRIVATE CAPITAL ECOSYSTEM**



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**EDUCATION**

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# IVCA PRIVATE EQUITY - VENTURE CAPITAL REPORT

**JUL-SEP 2019**

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150+ MEMBERS & GROWING..

## Executive Summary

### Private Equity<sup>(1)</sup> Investments & Exits

Q3 2019 witnessed 167 Private Equity (PE) investments worth ₹72,152 Cr (\$10.2 Billion).

The largest PE investment announced was Brookfield's ₹25,215 Cr (\$3.66 Billion) buyout of **Reliance Tower Infrastructure Trust**.

Funds with AIFs vehicles participated in 62 investments representing 37% of overall investments

Telecom company topped the industry table (by value) followed by IT & ITeS.

Investments sized \$25-50 million increased by 43% compared to Q3 2018.

Mumbai topped the chart for highest investments (by value) in a City.

Q3 2019 saw 46 PE exits that harvested ₹22,696 Cr (\$3.2 Billion).

The largest exit was the ₹10,563 Cr (\$1.5 Billion) part exit by investors from **OYO Rooms**.

India-focused funds raised ₹6,936 Cr across 10 funds.

### Venture Capital<sup>(1)</sup> Investments & Exits

Q3 2019 witnessed 89 VC investments worth ₹2,748 Cr (\$390 million).

Largest VC investments were \$20 million investments in real estate marketplace **Square Yards** and meat delivery company **FreshToHome**.

Funds with AIFs vehicles participated in 46 investments.

IT & ITES companies topped the industry table (by volume & value).

Mumbai overtook Bangalore for highest investment (by value and volume) in a City.

Q3 2019 saw 20 VC exits that harvested ₹13,389 Cr (\$1.9 Billion).

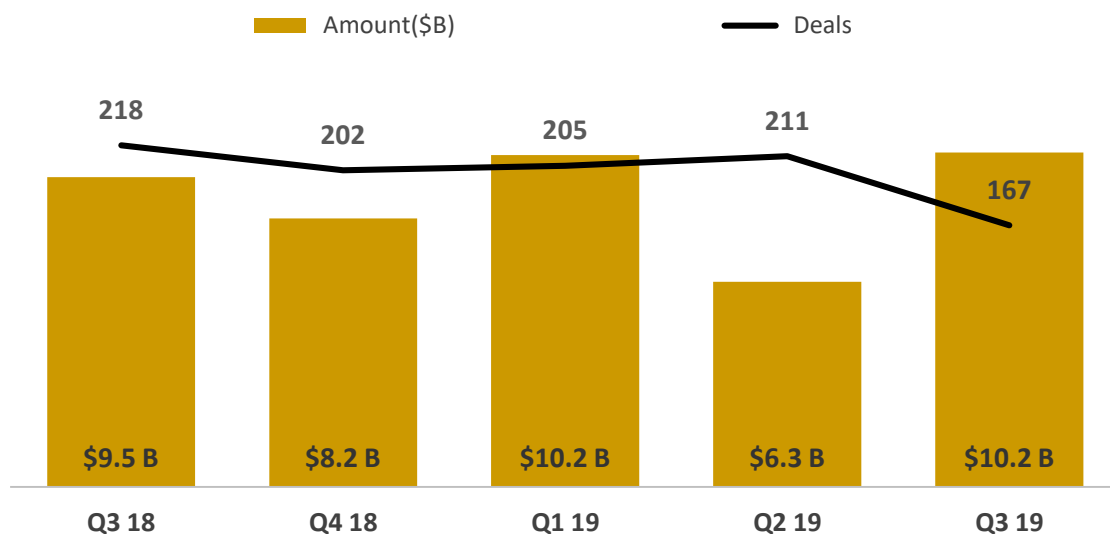
### Angel Investments

Investments by Super Angels and Angel Networks decreased to 56 deals (compared to 79 deals in Q3 2018).

The largest investment involving angel investors was the \$10 million (₹71 Cr) investment by Angellist syndicate Better Capital with participation from Info Edge, Incubate Fund, Akatsuki AET Fund and NPTK Emerging Asia Fund in Indore-based B2B commerce startup **ShopKirana**.

## Private Equity Investments

### Private Equity Investments in Q3 2019: 167 Deals, \$10.2 Billion (₹72,152 Cr)



Q3 2019 registered 167 Private Equity (PE) investments worth about ₹72,152 Cr (\$10.2 Billion). The investment value increased by 8% compared to the same period in 2018 (which registered 218 investments worth ₹66,499 Cr or \$9.5 Billion) and by 63% compared to the immediate previous quarter (which had witnessed 211 investments worth ₹43,692 Cr or \$6.3 Billion).

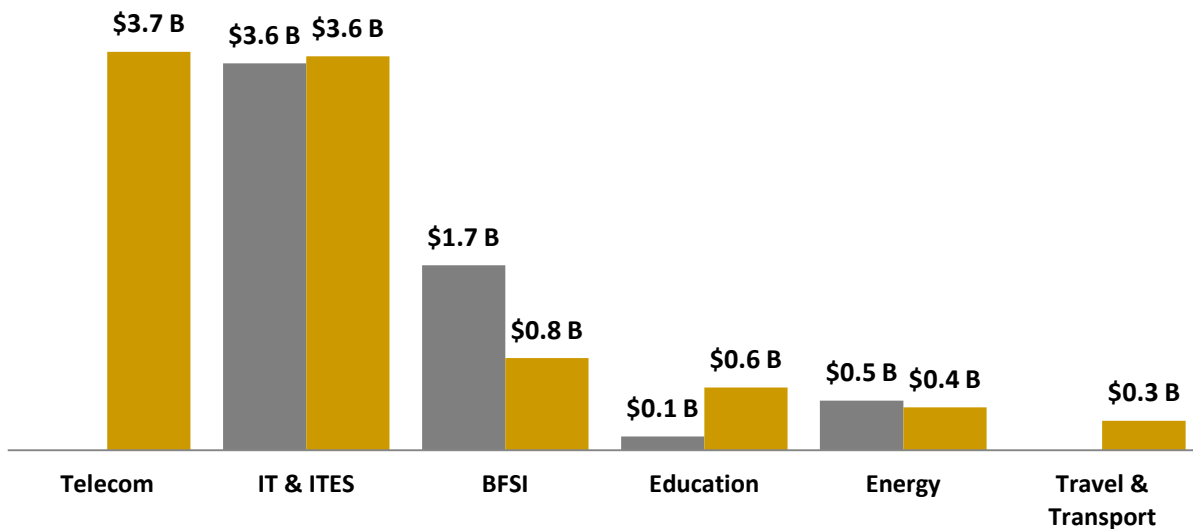
The largest PE investment announced during the quarter was Brookfield's ₹25,215 Cr (\$3.66 Billion) buyout of **Reliance Tower Infrastructure Trust**. This was followed by Baring Asia's \$880 million buyout of healthcare IT company **CitiusTech**. The third largest investment was the \$586 million investment led by Tencent, Lightspeed Ventures, DST Global and Altimeter Capital in B2B E-commerce company **Udaan**.

Funds with AIF vehicles participated in 62 PE investments worth ₹6,730 Cr (\$956 million). The largest investment in the category was the \$130 million investment by **Goldman Sachs**, Go-Jek, Coatue Management, and others in cloud kitchen brand **Rebel Foods**.

## Private Equity Investments

### By Industry

■ Q3 2018 ■ Q3 2019



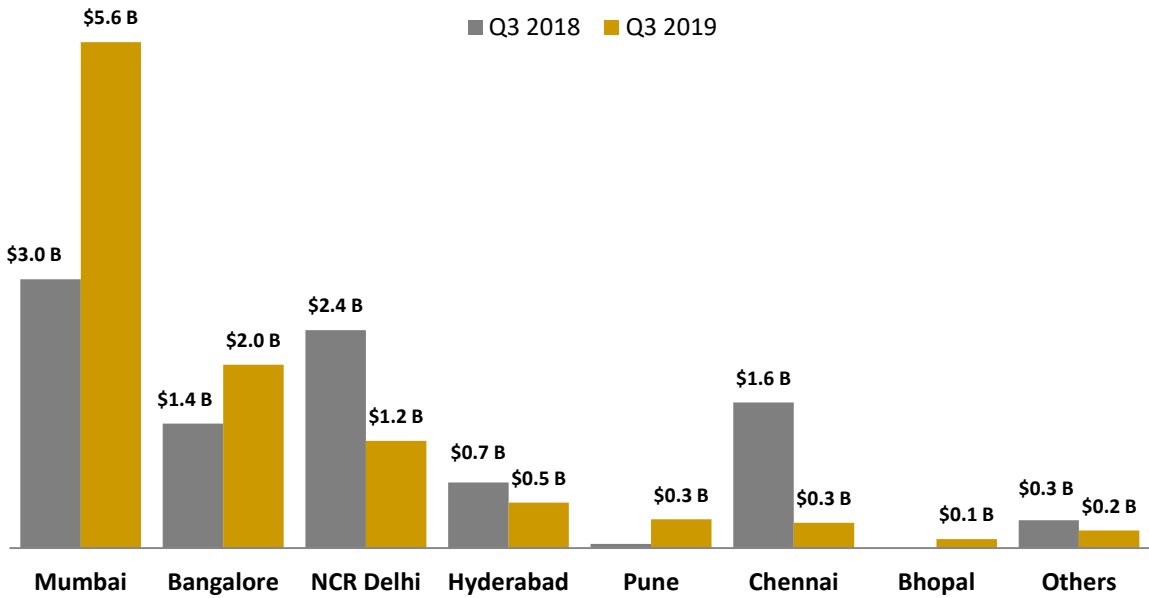
Telecom Company topped the industry chart with the sole investment of Brookfield in **Reliance Tower Infrastructure Trust** for \$3.7 Billion .

IT & ITES companies stood second with investments worth \$3.6 Billion led by Baring Asia's \$880 million buyout of healthcare IT Company **CitiusTech**. This was followed by the \$586 million investment in B2B E-Commerce startup **Udaan**.

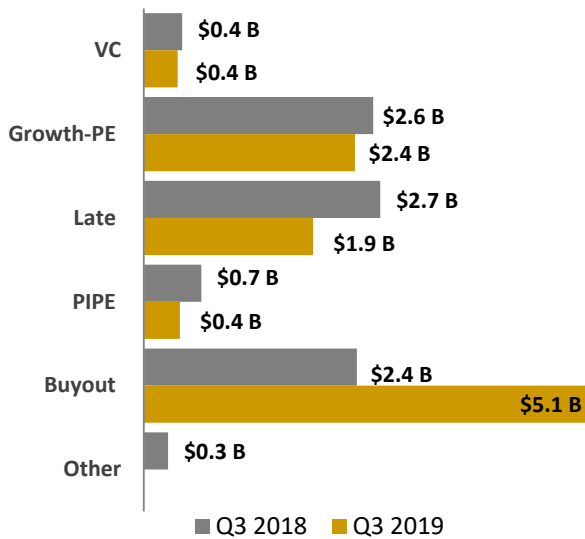
BFSI companies came third with investments worth \$845 million led by the ₹2,100 Cr (\$292 million) investment by PremjiInvest and Advent International in publicly listed **Aditya Birla Capital**. This was followed by the ₹879 Cr (\$123 million) investment by Steadview Capital, WestBridge and Sequoia Capital India in affordable housing financing company **Aptus Value Housing Finance India**.

# Private Equity Investments

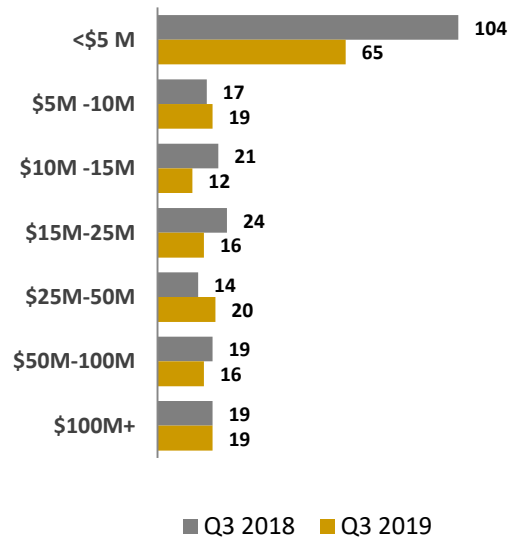
## By Region



## By Stage

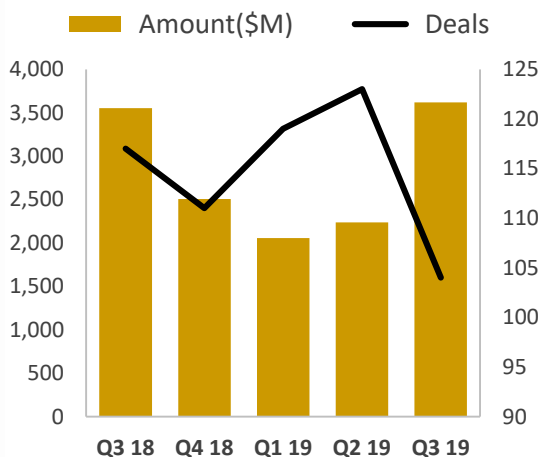


## By Size

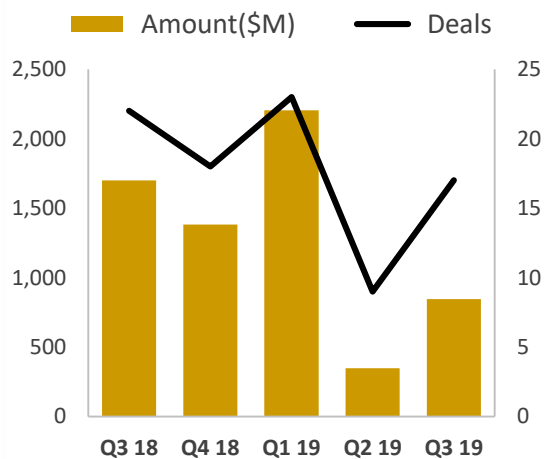


# Private Equity Investments

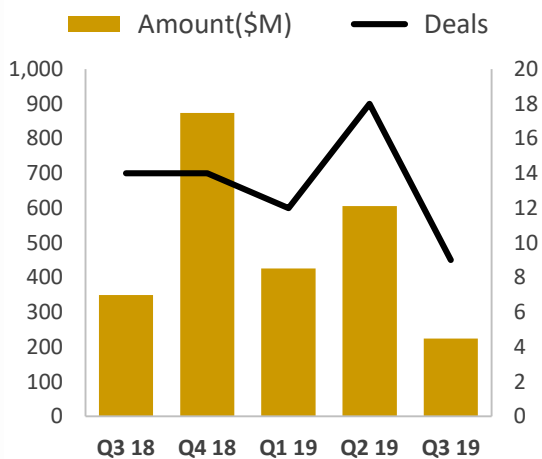
## IT & ITeS



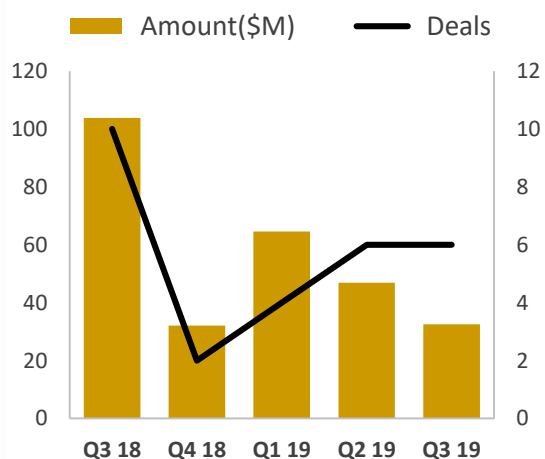
## BFSI



## Healthcare & Lifesciences

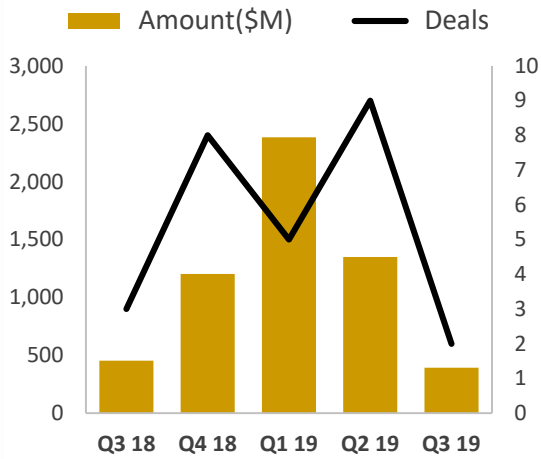


## Food & Beverages

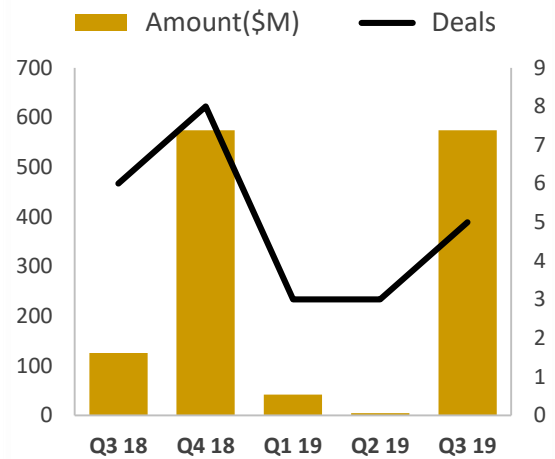


# Private Equity Investments

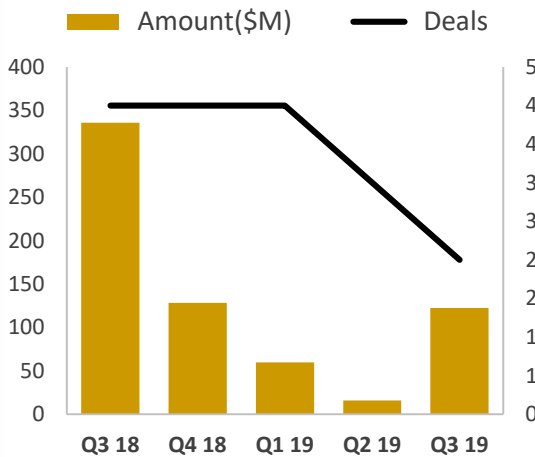
## Energy



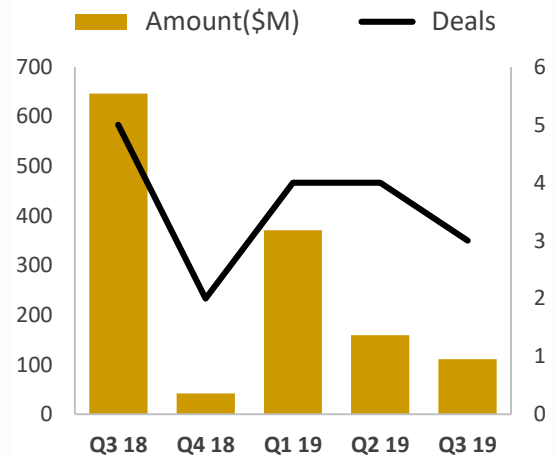
## Education



## Retail



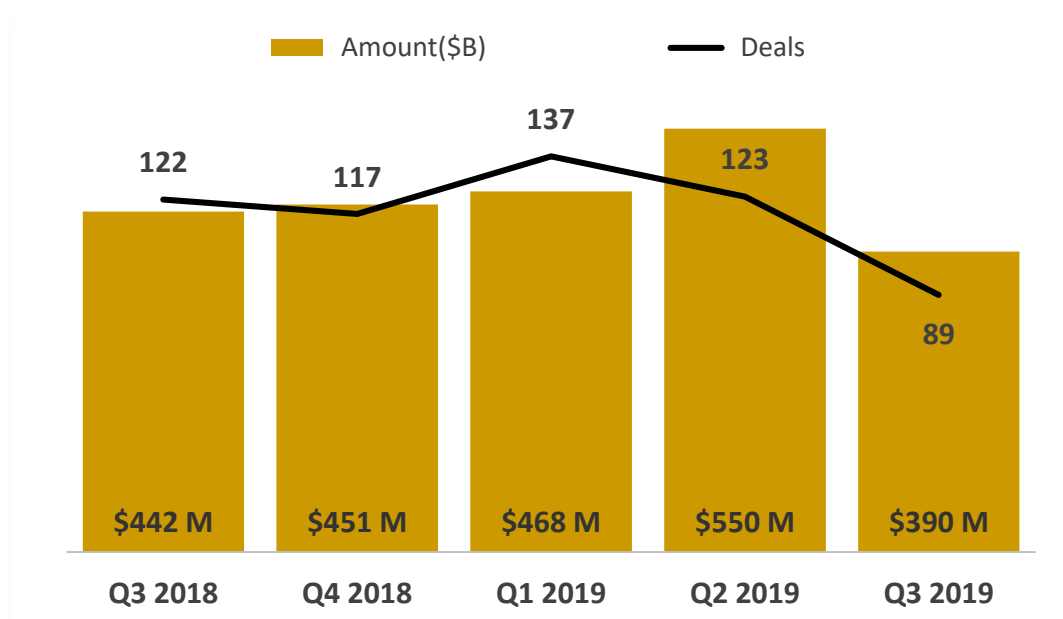
## Engg. & Construction





## Venture Capital Investments

### Venture Capital Investments in Q3 2019: 89 Deals, \$390 Million (₹2,748 Cr)



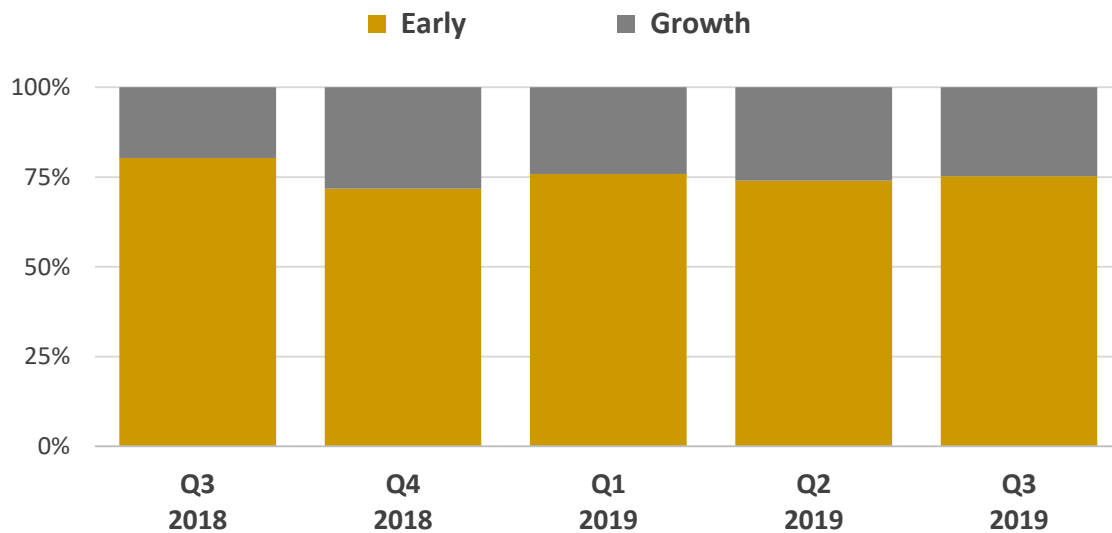
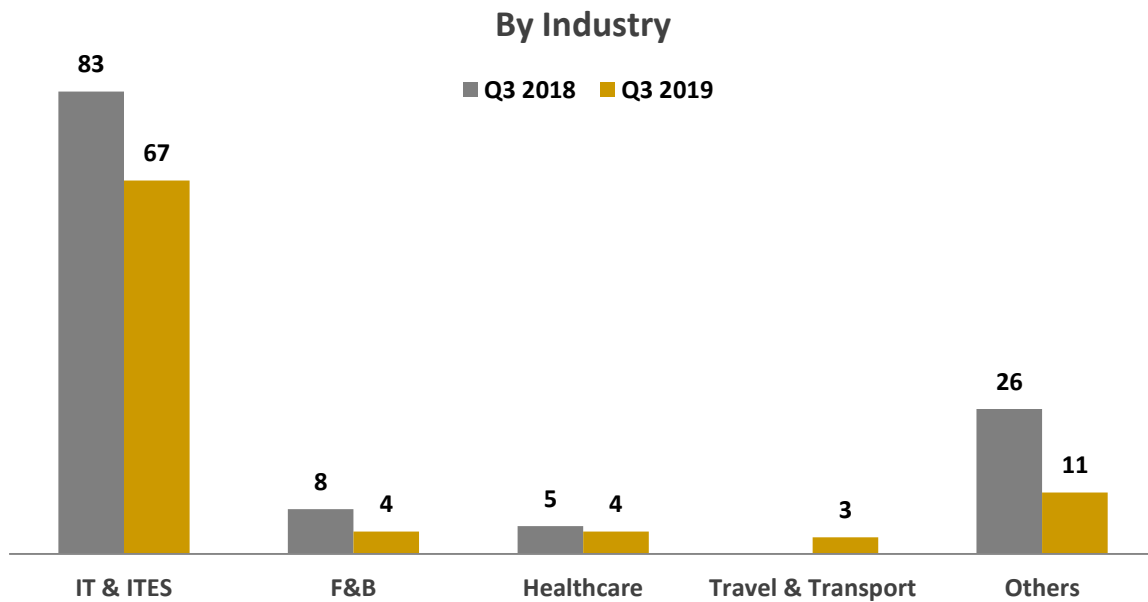
Q3 2019 recorded 89 VC-type<sup>(1)</sup> investments worth \$390 million (₹2,748 Cr) compared to 122 investments worth \$442 million (₹3,074 Cr). The investment volume fell about 27% compared to the same period in 2018 (which registered 122 investments worth ₹3,100 Cr or \$442 million) and to the immediate previous quarter (which had witnessed 123 investments worth ₹3,824 Cr or \$550 million).

The largest VC investments were the \$20 million (₹140 Cr) investments in online fresh fish and meat retailer **FreshtoHome** led by Iron Pillar with participation from Joe Hirao and CE-Ventures and in real estate brokerage platform **Square Yards** by Bennett Coleman & Co Limited (BCCL), Genkai Capital and others.

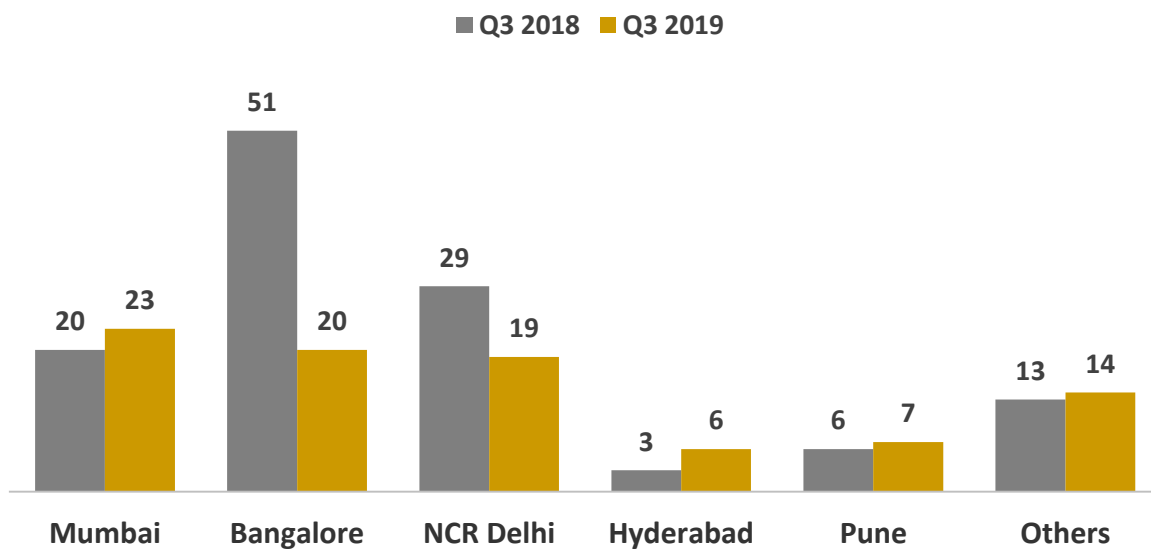
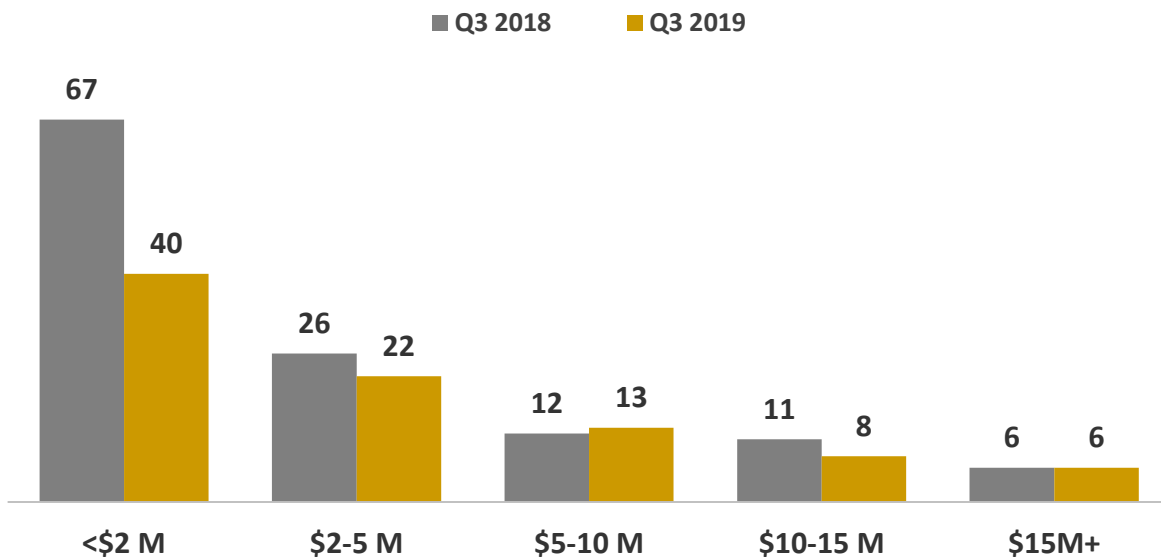
The second largest investment was the \$18 million (₹127 Cr) Series B round in CRM for financial services startup **Vymo** led by Emergence Capital, with participation from existing investors.

Funds with AIF vehicles participated in 46 VC investments worth \$198 million (₹1,396 Cr).

## Venture Capital Investments

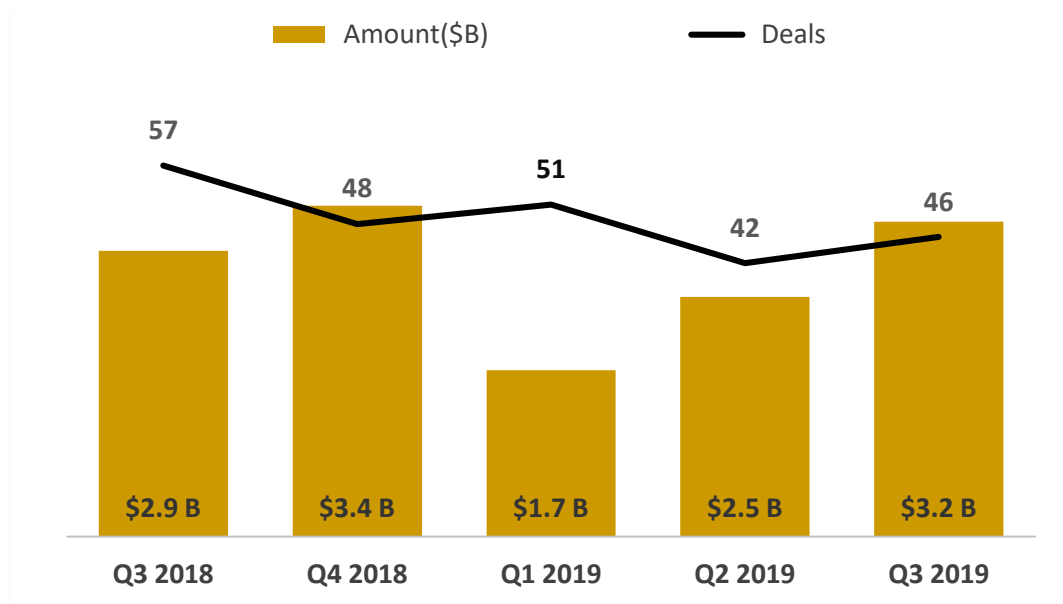


## Venture Capital Investments



## Private Equity Exits

### Private Equity Exits in Q3 2019: 46 Deals, \$3,223 million (₹22,696 Cr)



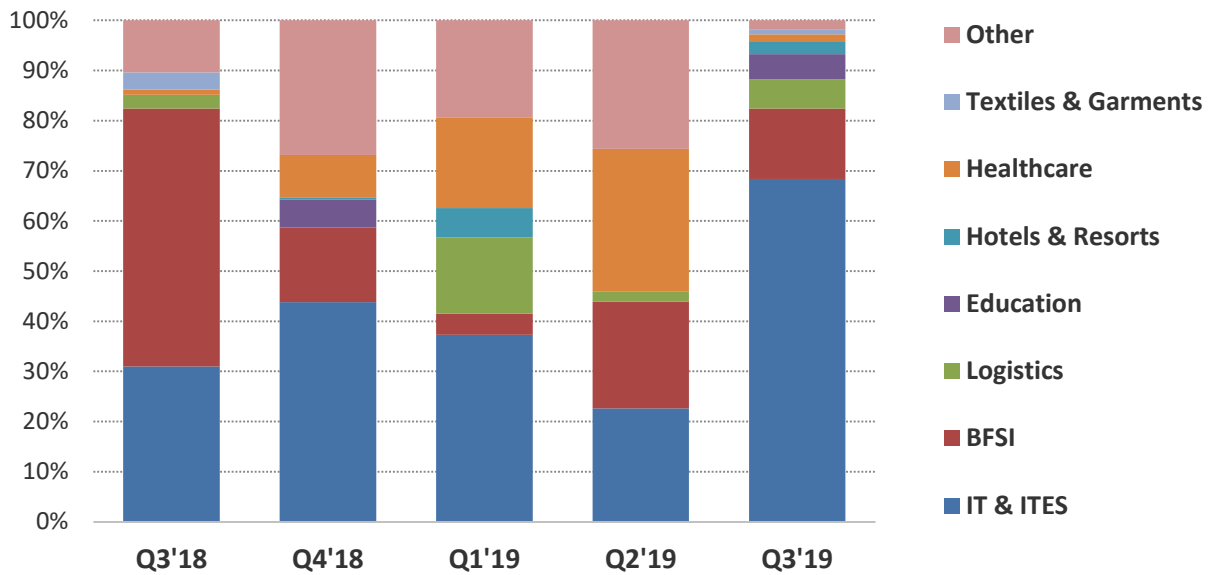
Q3 2019 saw 46 PE-VC exits that harvested ₹22,696 Cr (\$3.2 Billion). The exit value increased by 11% compared to the same period in 2018 (which registered 57 exits worth ₹50,501 Cr or \$2.9 Billion) and by 33% compared to the immediate previous quarter (which had witnessed 42 exits worth ₹17,077 Cr or \$2.5 Billion).

The largest exit during the period was the sale of shares worth ₹10,563 Cr (\$1.5 Billion) in **OYO Rooms** by Lightspeed Venture Partners and Sequoia Capital India. The transaction provides Lightspeed Ventures, a 50x return.

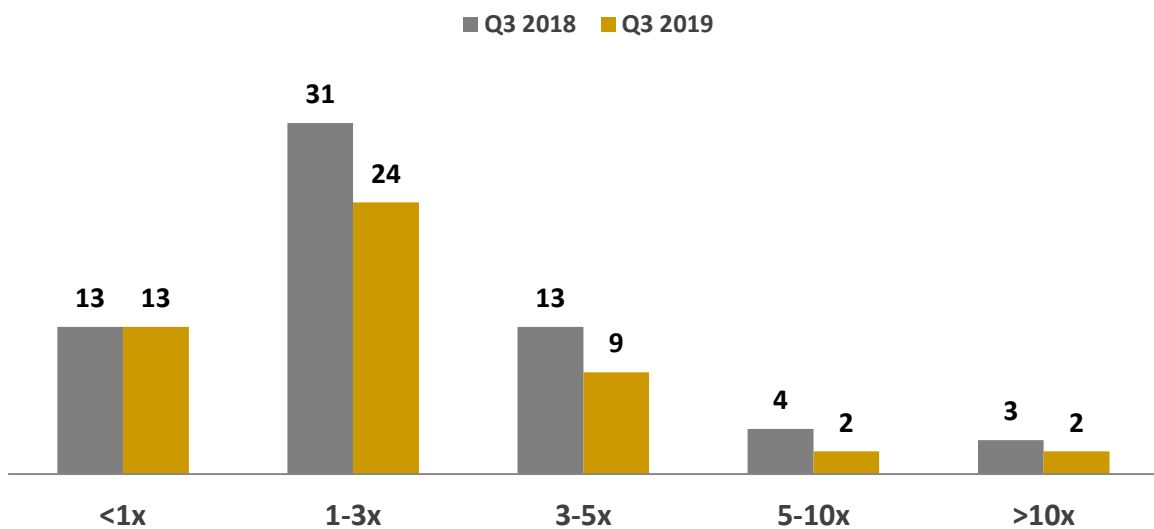
The second largest exit was the \$326 million complete exit by General Atlantic from healthcare analytics company **CitiusTech** via a secondary sale to Baring Private Equity Asia.

The third largest exit was the ₹1,378 Cr (\$192 million) complete exit by Warburg Pincus in publicly listed **ICICI Lombard General Insurance** via an open market transaction.

## Private Equity Exits



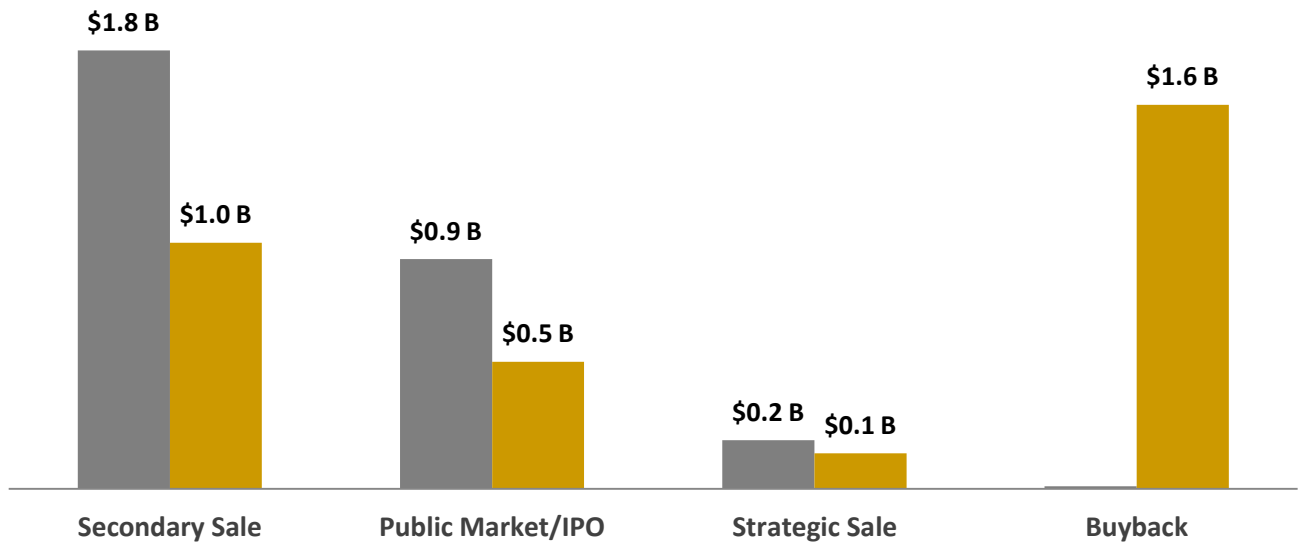
### PE Exits by Return Multiple



## Private Equity Exits

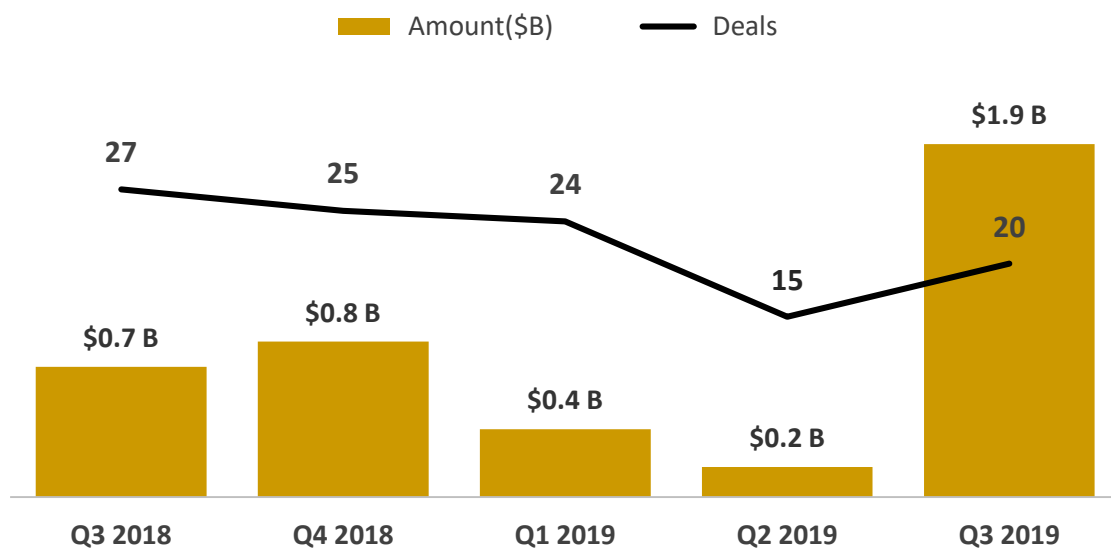
### By Type

■ Q3 2018 ■ Q3 2019



## Venture Capital Exits

### Venture Capital Exits in Q3 2019: 20 Deals, \$1.9 Billion (₹13,389 Cr)

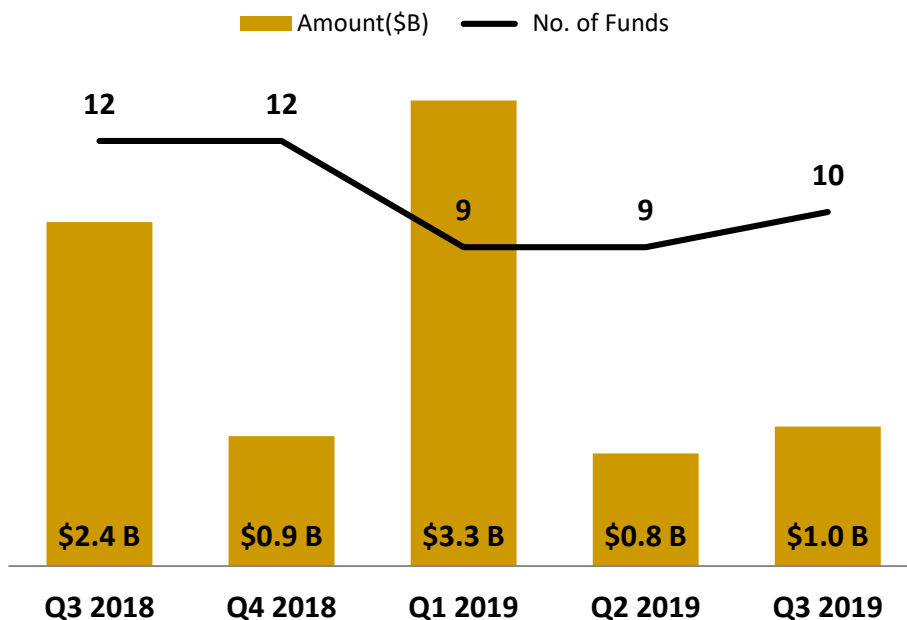


Q3 2019 witnessed 20 VC exits that harvested \$1.9 Billion (about ₹13,389 Cr).

The largest VC exit was the ₹10,563 Cr (\$1.5 Billion) part exit by investors from **OYO Rooms**.

The second largest VC exit was the \$115 million exit by Nexus Venture Partners and Multiples PE from logistics company **Delhivery** via a secondary sale to Canada Pension Plan Investment Board (CPPIB).

## Fund Raising Activity



India-focused funds raised ₹6,936 Cr (\$985 million) across 10 funds in Q3 2019 - a 59% decrease (in value terms) compared to ₹17,009 Cr (\$2.4 Billion) across 12 funds in the same period in 2018.

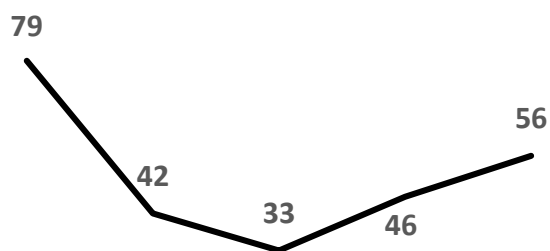
Asia-focused mid market private equity firm **Creador** made a final close with commitments of \$554 million for its fourth fund, Creador IV.

Alternative assets manager **Investcorp** closed its maiden India-focused private equity (PE) fund at ₹1,000 Cr (around \$150 million).

**Alteria Capital**, which provides loans to startups, closed its maiden venture debt fund with a corpus of \$140 million (₹960 Cr).



## Angel Investments



Q3 2018 Q4 2018 Q1 2019 Q2 2019 Q3 2019

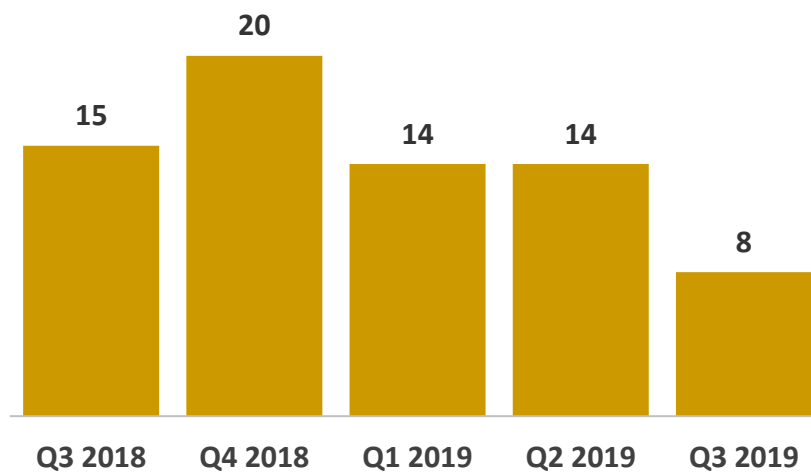
In Q3 2019 super angels and angel networks made 56 investments.

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## Venture Debt

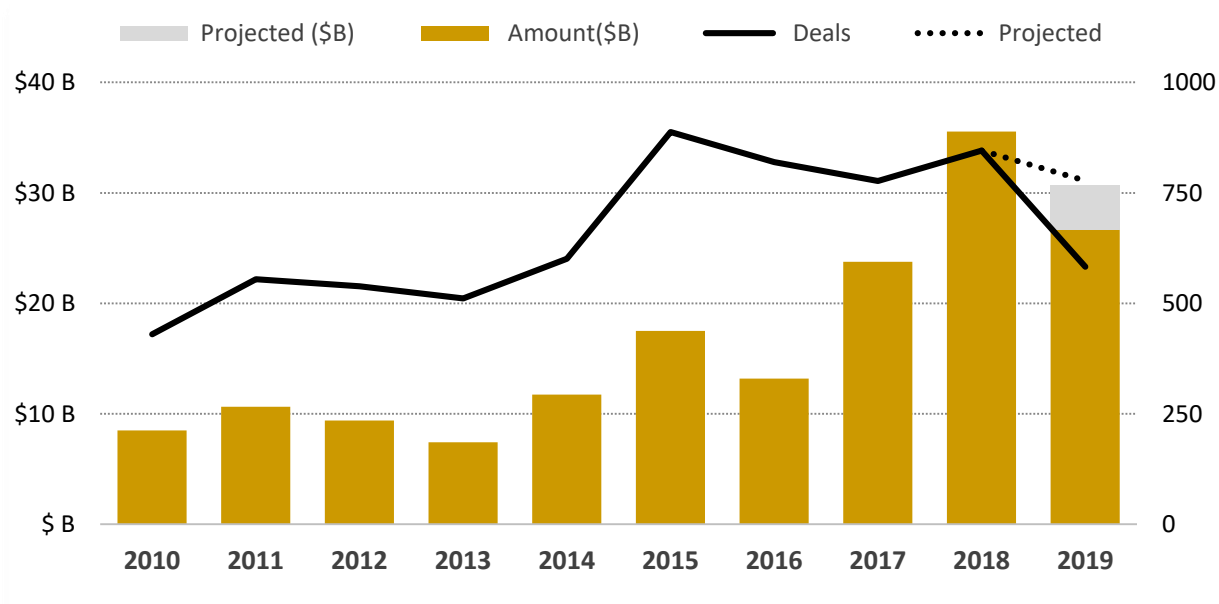
### Venture Debt

■ Deals



## Annual PE-VC Investments

### Private Equity in 2019: 583 Deals, \$26.7 Billion (₹1,87,272 Cr)



Including the investment activity in the latest quarter, 2019 raised \$26.7 Billion (₹1,87,272 Cr) across 583 deals.

## Top Investments involving AIFs in Jul - Sep 2019

\*Deal value includes share of Non-AIF investors participating in the round.

Company	Sector	Investors	Amount(US\$M)
Faasos	E-Commerce (Consumer Shopping - Food Ordering)	Go-Jek, Coatue Management, <b>Goldman Sachs</b> , Others	130
Aptus Value Housing Finance India	NBFC (Home Loans)	Steadview Capital, <b>WestBridge</b> , Sequoia Capital India, Others	123
Lenskart.com	Online Services (Shopping - Eyewear & Accessories)	<b>Kedaara Capital</b>	109
Spinny	Online Services (Marketplace - Pre Owned Cars)	<b>Fundamentum</b> , Accel India, SAIF, Others	50
Stanza Living	Online Services (Aggregator - Hostels)	Falcon Edge Capital, Accel India, <b>Matrix Partners India</b> , Sequoia Capital India	50
Future Lifestyle Fashions	Discount Retail (Branded Apparel)	<b>AION Capital</b>	44
Vedantu	Online Services (Remote Tutoring)	<b>Trifecta Capital</b> , <b>WestBridge</b> , Omidyar Network, Accel India, Tiger Global, Others	42
Clix Capital	NBFC	<b>AION Capital</b>	40
OfBusiness	Marketplace (SME Loans)	Falcon Edge Capital, <b>Matrix Partners India</b> , Norwest	35
Lendingkart	NBFC (SME Loans)	<b>Sistema Asia Fund</b> , Bertelsmann India Investments, India Quotient, Temasek	33
Dailyhunt	Consumer App (Content - News Aggregator)	Sofina, <b>Goldman Sachs</b>	25
BTI Payments	Payment Services (ATM and POS services)	<b>ICICI Venture</b> , Others	21
Indifi	Online Services (Marketplace - SME Loans)	<b>Elevar Equity</b> , Omidyar Network, CDC Group, Accel India, Others	21
Freshthome	E-Commerce (Consumer Shopping - Sea Food)	Joe Hirao, CE-Ventures, <b>Iron Pillar</b> , Others	20
Square Yards	Online Services (Marketplace - Real Estate)	Genkai Capital, <b>Reliance Capital</b> , Others	20
Capital Small Finance Bank	Banking (Small Finance Bank)	<b>Pi Ventures</b> , <b>Amicus Capital</b> , Others	19

## Appendix - Top PE Investments in Jul - Sep 2019

Company	Sector	Investors	Amount(US\$M)
Reliance Tower Infrastructure Trust	Telecom Infrastructure (Towers)	Brookfield	3660
CitiusTech	Enterprise Software (Healthcare)	Baring Asia	880
Udaan	E-Commerce (Marketplace - B2B)	Altimeter Capital, Tencent, Hillhouse Capital, DST Global, Lightspeed Ventures, Others	586
Greenko Group	Renewable Power Projects (Multiple Sources)	ADIA, GIC	392
Aditya Birla Capital	Financial Services	PremjiInvest, Advent International, Others	292
Ola Electric Mobility	Mobility (Electric)	SoftBank Corp	250
EuroKids International	Pre-Schools	KKR	210
Aakash Educational Services	Test Preparation	Blackstone	208
Indecomm Global Services	BPO (Product Engineering)	Warburg Pincus	200
Byjus Classes	Test Preparation	Owl Ventures, Qatar Investment Authority, General Atlantic, Others	150
Faasos	E-Commerce (Consumer Shopping - Food Ordering)	Go-Jek, Coatue Management, Goldman Sachs, Others	130
Meesho	M-Commerce (Consumer Shopping)	RPS Ventures, Shunwei Capital, Naspers, VH Capital, Sequoia Capital India, SAIF, Others	125
Aptus Value Housing Finance India NBFC (Home Loans)		Steadview Capital, WestBridge, Sequoia Capital India, Others	123
Cred	Consumer App - Payments - Credit Card Rewards	Lakestar, Hillhouse Capital, Ribbit Capital, Greenoaks Capital, DST Global, Dragoneer Investment Group, RTP Global, General Catalyst Partners, Tiger Global, Sequoia Capital India	120
DFM Foods	Packaged Foods	Advent International	119

## Appendix - Top PE Exits in Jul - Sep 2019

Company	Sector	Exiting Investor	Acquirer	Amount(US\$M)
Oyo Rooms	Online Services (Aggregator - Budget Hotels)	Sequoia Capital India, Lightspeed Ventures Founders		1500
CitiusTech	Enterprise Software (Healthcare)	General Atlantic	Baring Asia	326
ICICI Lombard General Insurance	Insurance	Warburg Pincus	Nil	192
EuroKids International	Pre-Schools	Gaja Capital, Partners Group	KKR	163
Delhivery	Logistics Services (E-Commerce)	Nexus Venture Partners, Multiples PE	CPPIB	115
Indecomm Global Services	BPO (Product Engineering)	Capital Square Partners	Warburg Pincus	110
Spandana Sphoorty Financial	Microfinance	Helion Ventures, Valiant Capital, Kedaara Capital	Nil	86
SBI Life Insurance Company	Insurance (Life)	KKR	Nil	73
SBI Life Insurance Company	Insurance (Life)	KKR	Nil	60
Future Supply Chain	Logistics Services	SSG Capital	Nippon Express	55

## Appendix - Definitions of Stages Used

### Venture Capital:

#### Early Stage

First / Second Round of institutional investments into companies that are:  
Less than five years old, AND  
Not part of a larger business group, AND  
Investment amount is less than \$20 M

#### Growth Stage:

Third / Fourth Round funding of institutional investments OR  
First/Second Round of institutional investments for companies that are >5 years old and <10 years old OR spin-outs from larger businesses, AND  
Investment amount is less than \$20 M

### Private Equity:

PE investment figures in this Report include Venture Capital (VC) type investments, but exclude PE investments in Real Estate.

#### Growth-PE:

First-to-Fourth Round Investments >\$20 M into companies <10 years old, OR  
Fifth / Sixth rounds of institutional investments into companies <10 years old

#### Late Stage:

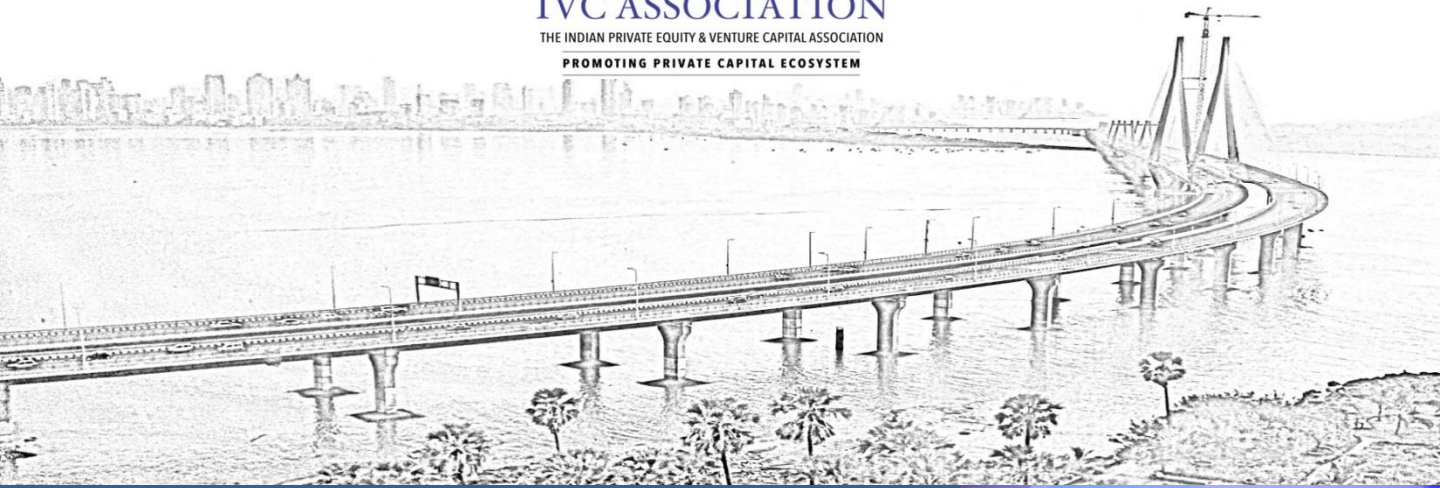
Investment into companies that are over 10 years old, OR  
Seventh or later rounds of institutional investments

#### PIPEs:

PE investments in publicly-listed companies via preferential allotments / private placements,  
Acquisition of shares by PE firms via the secondary market

#### Buyout:

Acquisition of controlling stake via purchase of stakes of existing shareholders

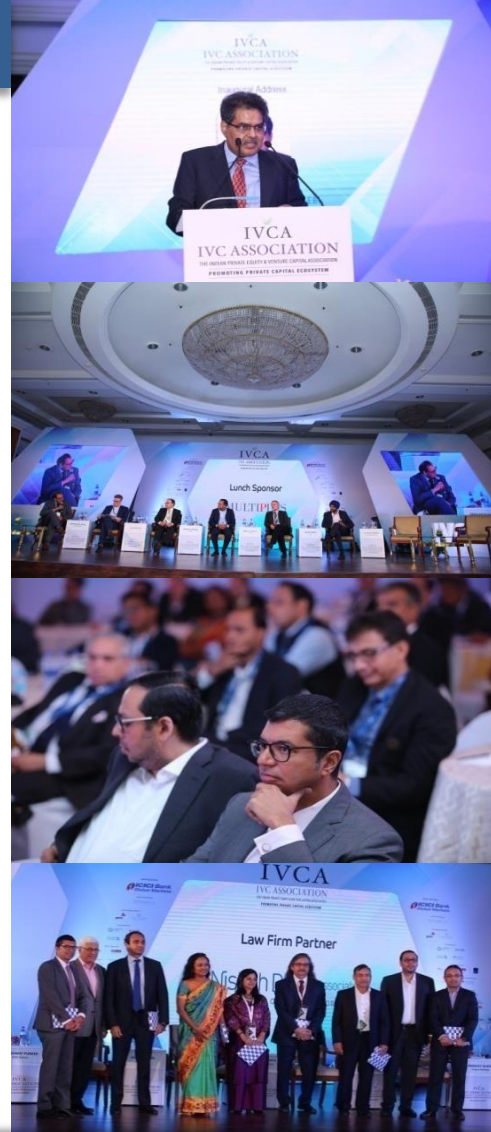


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