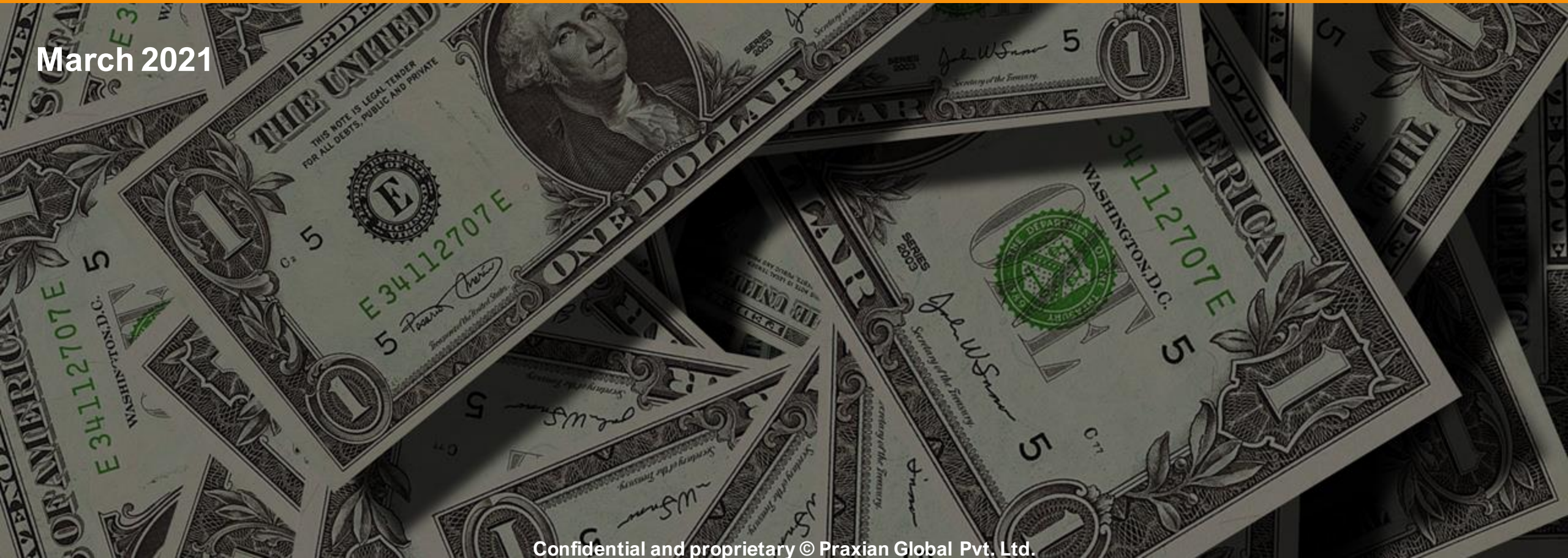


India Investments Pulse 2020

March 2021



Foreword

2020 has been a historical year with COVID impacting all geographies and industries. However, despite COVID, the Indian growth story remains strong. India is expected to be the third largest economy by 2030 with a GDP of US\$ 7T in 2030. It has seen robust activity both in public and private markets. This has been a record year for VC/PE with investments of US\$ 41B across 831 deals. The surge in deal value was primarily supported by telecom and retail segments with Reliance Jio and Reliance Retail alone receiving US\$ 16B of VC/PE investment.

This report is intended to provide industry stakeholders (VC/PE funds, business leaders, entrepreneur and policy makers) an overall perspective on Indian private market investments in 2020. In this report, we have discussed how the Indian macro-economic outlook is expected to evolve. We have conducted an in-depth analysis of the various trends in Indian VC/PE deal making including sectoral, deal size and stage distribution.

This study is the first of its kind to be backed by rich insights from 125+ VC/PE investors on the evolution of the VC/PE ecosystem, changes across deal-making, fundraising, exits as well as their overall outlook for 2021.

Investors remain optimistic about the growth of the Indian VC/PE space with more than 60% of the surveyed investors expecting 2021 to be a better year. Technology & internet, healthcare & life sciences, and SaaS/Cloud/Analytics/AI are expected to become more attractive in the next few years driving growth of the overall ecosystem.

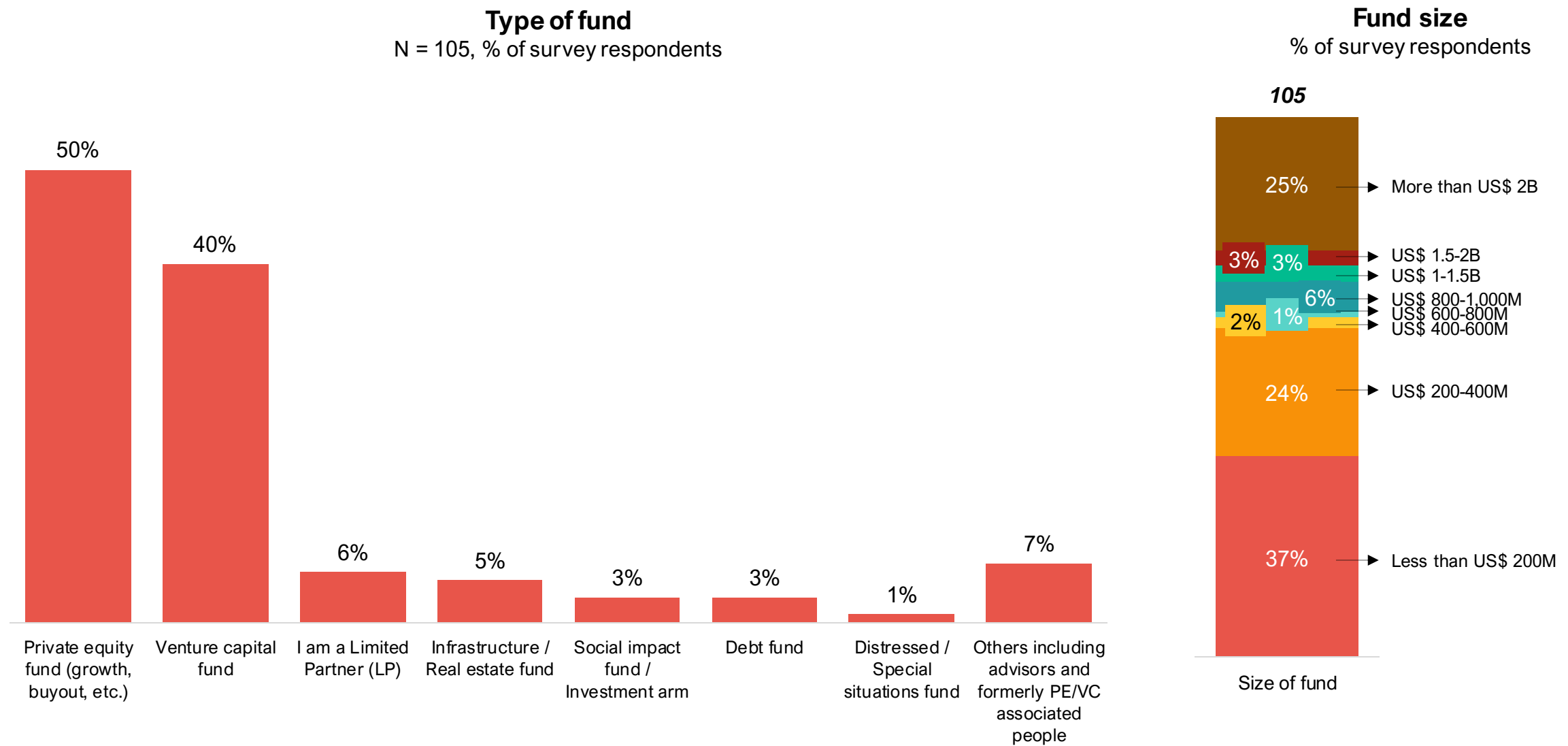
We are excited to see how the VC/PE ecosystem evolves. This report reflects our perspectives as of 1st March 2021. Contact us for further updates.

We, at Praxis Global Alliance, look forward to continuing this discussion and exchanging notes with various industry participants that are fueling the growth of this sector.



Madhur Singhal
*Managing Partner & CEO,
Praxis Global Alliance*




Primary inputs for this report: Survey responses from 105 investors and in-depth discussion with 20 investors

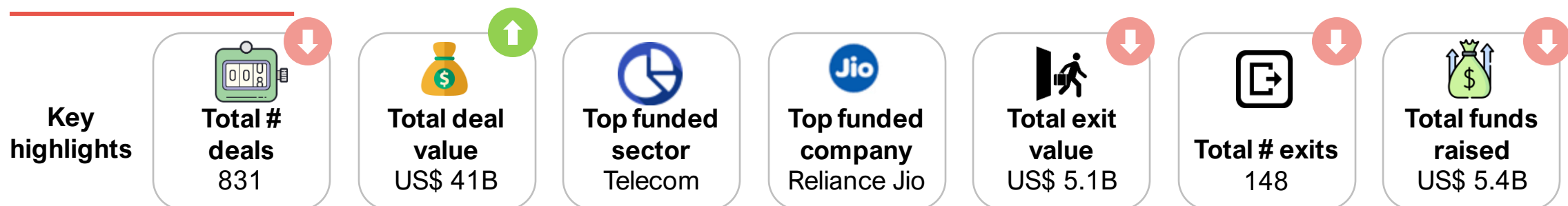


Key takeaways for 2020

- India has a strong macro-economic outlook and has been resilient during COVID → Expected to be the 3rd largest economy by 2030
- Deal activity in the private markets as well as public markets remained strong in 2020 despite COVID
 - Public markets: 43 IPOs, US\$ 3.6B raised through IPOs, 1.15x growth in benchmark indices
 - Private markets: US\$ 41B invested across 831 VC/PE deals in 2020 against US\$ 39B in 2019
- While telecom and retail received the highest funding in 2020, investors expect technology & internet (consumer apps), healthcare & life sciences and SAAS / cloud / AI / analytics to become more attractive in the next few years
- Reliance Jio and Reliance Retail were the top funded companies receiving US\$ 16B of VC/PE investment (US\$ 26B of total private investment)
- 2020 saw lower exit activity with 148 exits worth US\$ 5.1B in 2020, down from 197 exits worth US\$ 9.2B in 2019
- Fund raising activity in 2020 remained lukewarm with US\$ 5.4B raised in 2020 against US\$ 7.6B in 2019, as a result, VC/PE dry powder stood at US\$ 9.7B at the end of 2020 against US\$ 12.2B in 2019
- Investors have an optimistic outlook for VC/PE environment in 2021 → More than 60% investors expect the overall VC/PE scenario across fund raising, deal activity at different stages and exits to improve in 2021

Executive summary: VC/PE deals in 2020

Legend  5%+ up from last year  <5% growth / degrowth from last year  5%+ down from last year



- Strong macro-economic performance in 2020 especially as corporate earnings recovered sharply after Sept 2020
 - India has remained resilient to COVID with peak cases per million at 8K (against 79K in USA) and mortality per million at 112 (against 1,000+ in UK, USA and Brazil)
 - 260% (CMGR: 17%) growth in GST collected by the government in December 2020 compared to April 2020 collection points towards the recovery trend
- Deal activity: US\$ 41B invested across 831 VC/PE deals in 2020 (vs US\$ 39B across 916 deals in 2020)
 - ~81% of total deal value was invested in > US\$ 100M bucket
 - Early and growth stage deals dominated the deal flow with 82% of the total deals in 2020
 - Telecom (27%) followed by retail (15%) received the highest funding through VC/PE firms
 - Investors expect technology & internet, Healthcare & life sciences and SaaS/Cloud/Analytics/AI to become more attractive in the next few years
 - More than 60% VC/PE investors expect the overall VC/PE environment to improve in 2021
- Relatively lower exit and fund raising in 2020
 - 148 exits worth US\$ 5.1B in 2020 down from 197 exits worth US\$ 9.2B in 2019
 - 42% of survey respondents had exits in 2020, 57% of respondents that exited in 2020 state that they saw some attractive opportunities for exit
 - India focused VC/PE funds raised US\$ 5.4B in 2020 down from US\$ 7.6B in 2019, VC/PE dry powder stood at US\$ 9.7B at the end of 2020 vs US\$ 12.2B in 2019
- Increased investments by international investors, rising Indian unicorn base and growing tech investments in India were the top trends in 2020
 - All top 10 companies funded in 2020 received investments from global VC/PE players and 50+ international VC/PE companies made their first Indian investment in 2020
 - India added 14 unicorns in 2020 and is a home to 37 active unicorns as of December 2020
 - Tech investments in India have more than doubled in the past 5 years, growing from US\$ 4.9B in 2016 to US\$ 11.3B in 2020

Agenda

Preamble

Deal trends and outlook for 2021

Exits and fund raising

Top trends in 2020

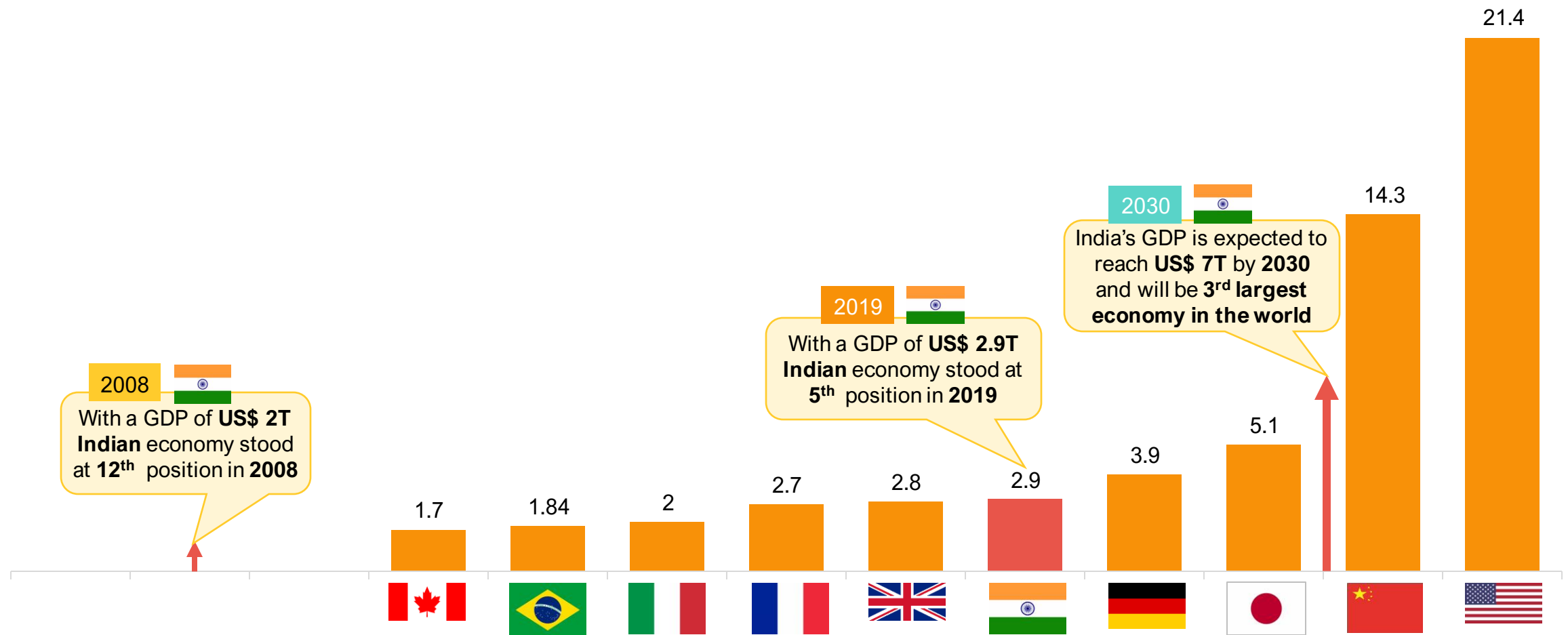
Appendix: Sector deep dive



Preamble: India will be the third largest economy in the world in 2030

Evolution of India's GDP during 2008-30 and top 10 countries by GDP in 2019

US\$ T

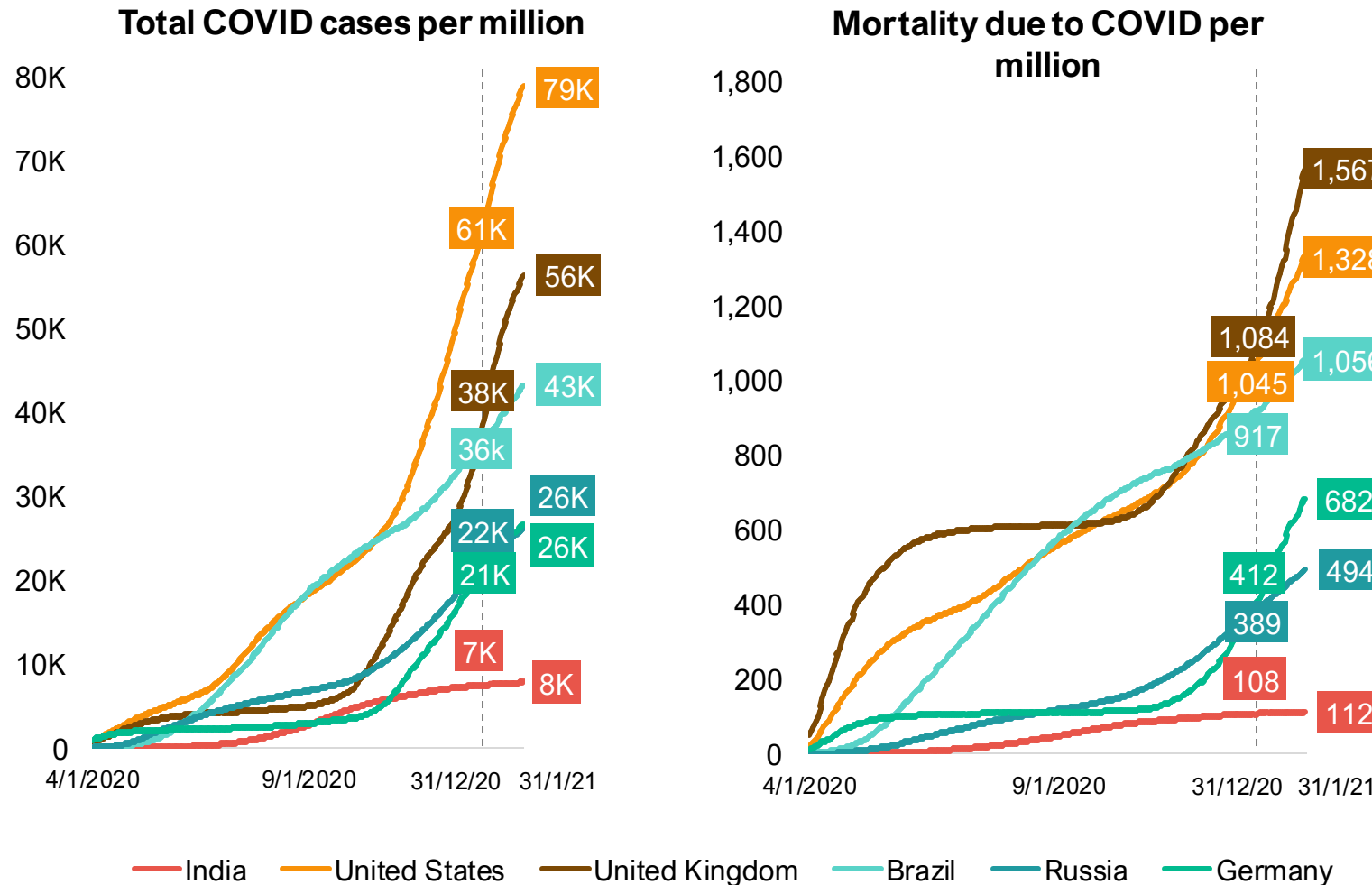


India has remained resilient during COVID and appears to have resisted significant adverse impact

8K peak cases per million in India vs 79K in USA

112 mortalities per million in India vs 1,000+ in UK, USA and Brazil

India is on its way to recover from COVID impact



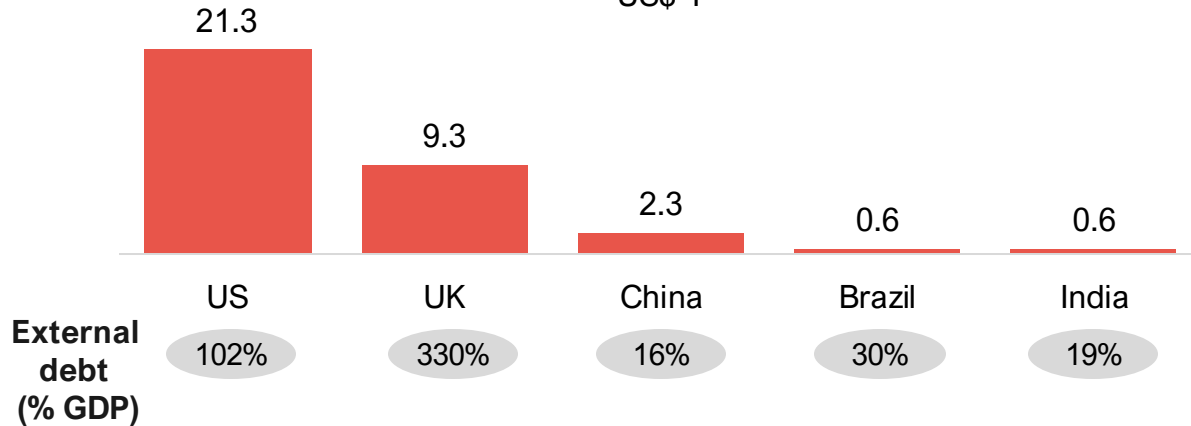
- Self-sufficiency: Two COVID vaccines have already been developed in India (by **Serum Institute** and **Bharat Biotech**) and two more vaccines are expected soon
- **300M** priority beneficiaries to get vaccinated by **July'21**
- **GST collection in Dec'20** reached its **highest mark (US\$ 15.3B)** since **inception** highlighting corporate business recovery trends → grew at **CMGR of 17%** during Apr-Dec'20

Indian economy continues to be an attractive long term growth story: self-sufficiency of resources + good fiscal health + stabilizing currency

India has amongst the lowest external debt to GDP ratio of 19% and highest current account balance as % of GDP

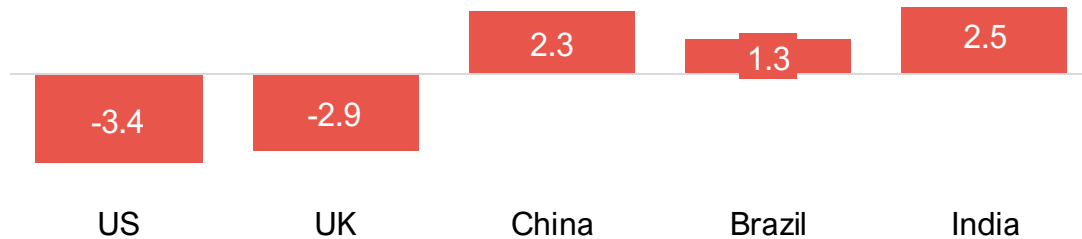
External debt of various countries in 2020

US\$ T



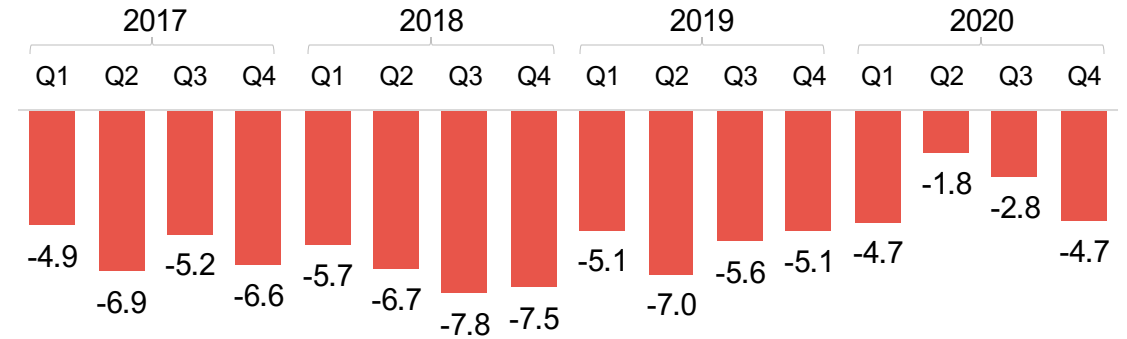
Current account balance in Q3 2020

% of GDP

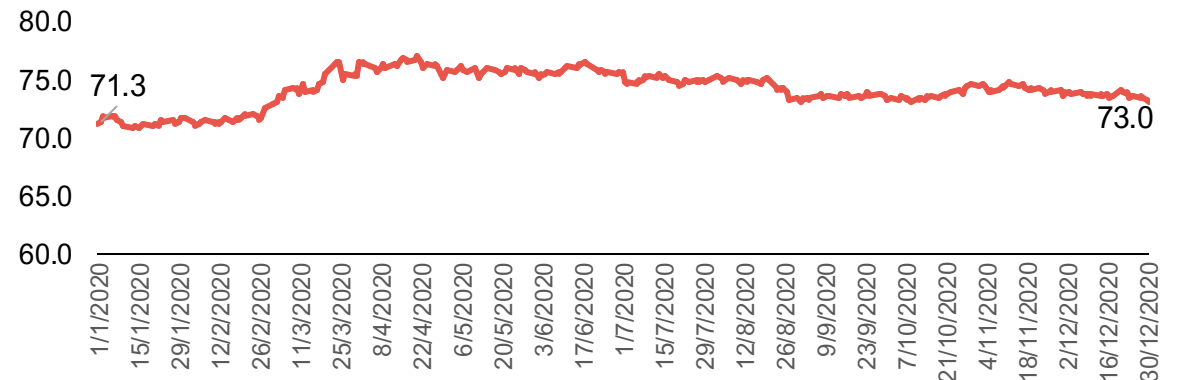


India's trade balance has improved over time and INR stabilized by end of 2020 despite volatility earlier in the year

Trade balance of India as % of GDP



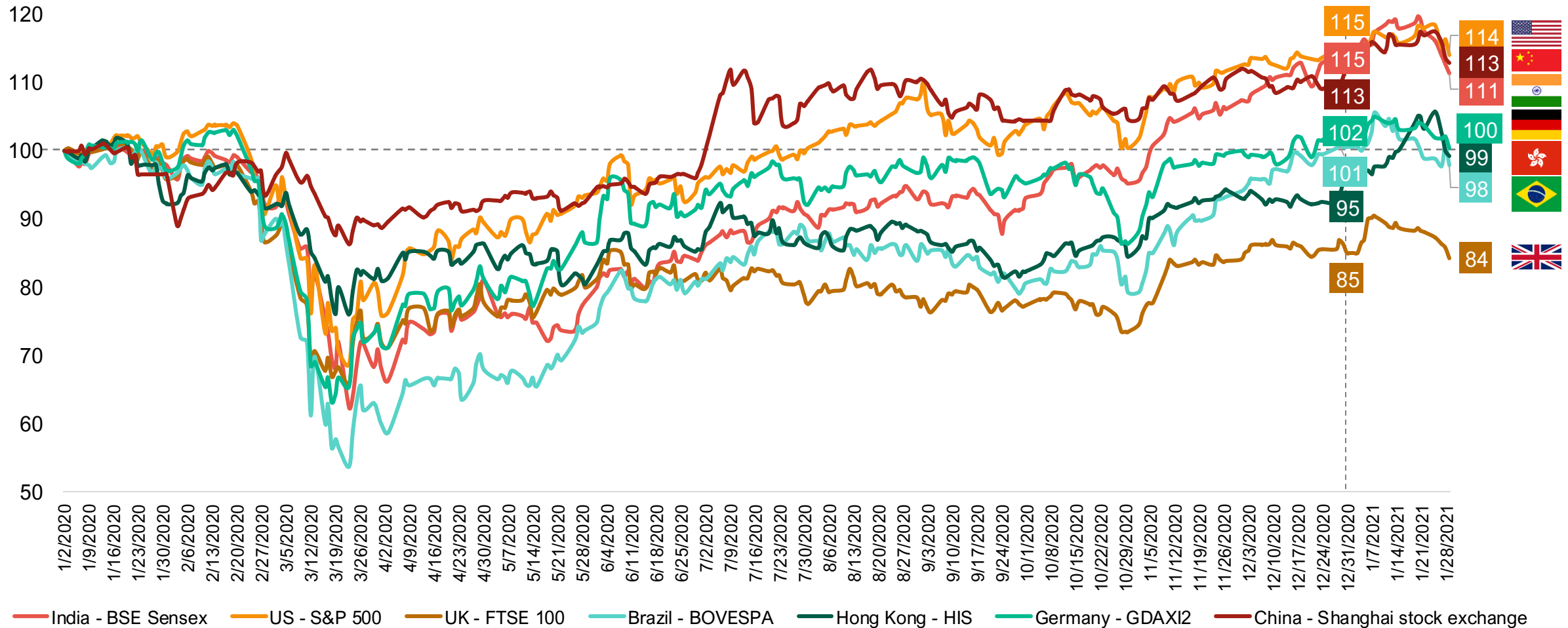
US\$ / INR rate in 2020



Note(s): External debt is the portion of a country's debt that was borrowed from foreign lenders, including commercial banks, governments, or international financial institutions; Current account balance = (Exports – Imports) + (Net income abroad + Net current transfers)
Source(s): OECD data, IMF, US Energy Information Administration, Secondary research, Praxis analysis

Indian public markets have seen strong activity and resurgence even during COVID

Market performance (indexed to 1 Jan 2020 as 100)



COVID accelerated the formalization of the Indian economy

Informal sector is formalizing to avail economic packages

- Severe lockdown, dipping demand and reverse migration had left the informal sector gasping for liquidity
- Availing economic stimulus package by entering the formal fold was the only way out

'Contactless' payments becoming mainstream

- # UPI transactions in October 2020 crossed **2B** mark. # monthly UPI transactions in January 2021 were 73% higher than February 2020 figure
- RBI's move to extend **contactless card transactions limit to INR 5K** and **entry of WhatsApp Pay** will further boost digital transactions

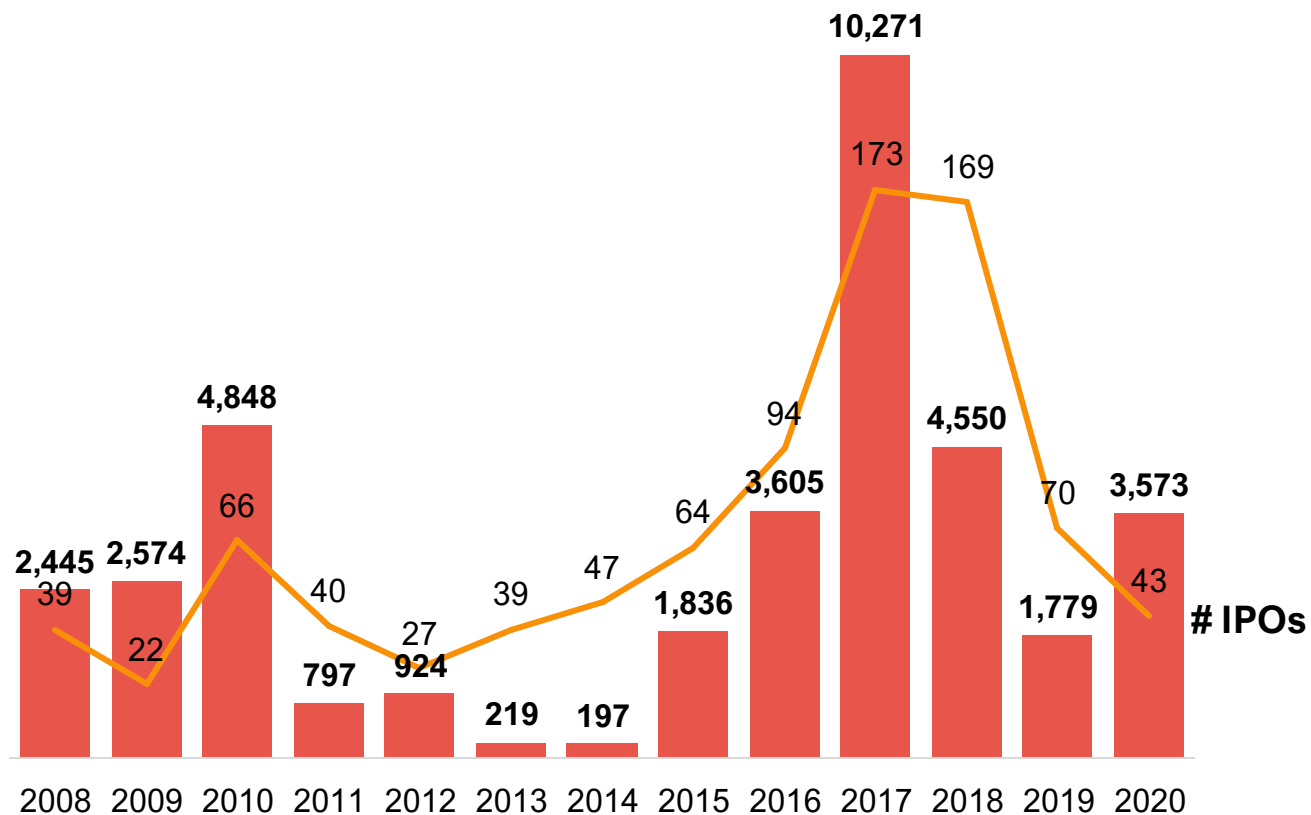


Tech enabled businesses accelerating, incumbent businesses digitalizing

- **E-grocery**
 - **84%** growth in number of customers from pre-COVID times
 - **Retention rates of 50%** against 30-45% earlier
- **OTT platforms**
 - **31%** growth in # paid subscribers by July 2020 as compared to pre-COVID (Mar 2020) figures
- **Edtech**
 - **30%** increase in the time spent on edtech platforms / apps in Q1FY21
- **E-newspaper platforms**
 - **15%** growth in number of users from January to June 2020 on e-newspaper platforms
- **Beauty e-commerce platforms**
 - **40-50%** growth in sales of beauty e-commerce platforms till August, relative to pre-COVID times






43 Indian companies raised US\$ 3.6B in public markets in 2020 (2x versus US\$ 1.8B in 2019)

Amount raised through IPOs (US\$ M) and # IPOs
2008-2020

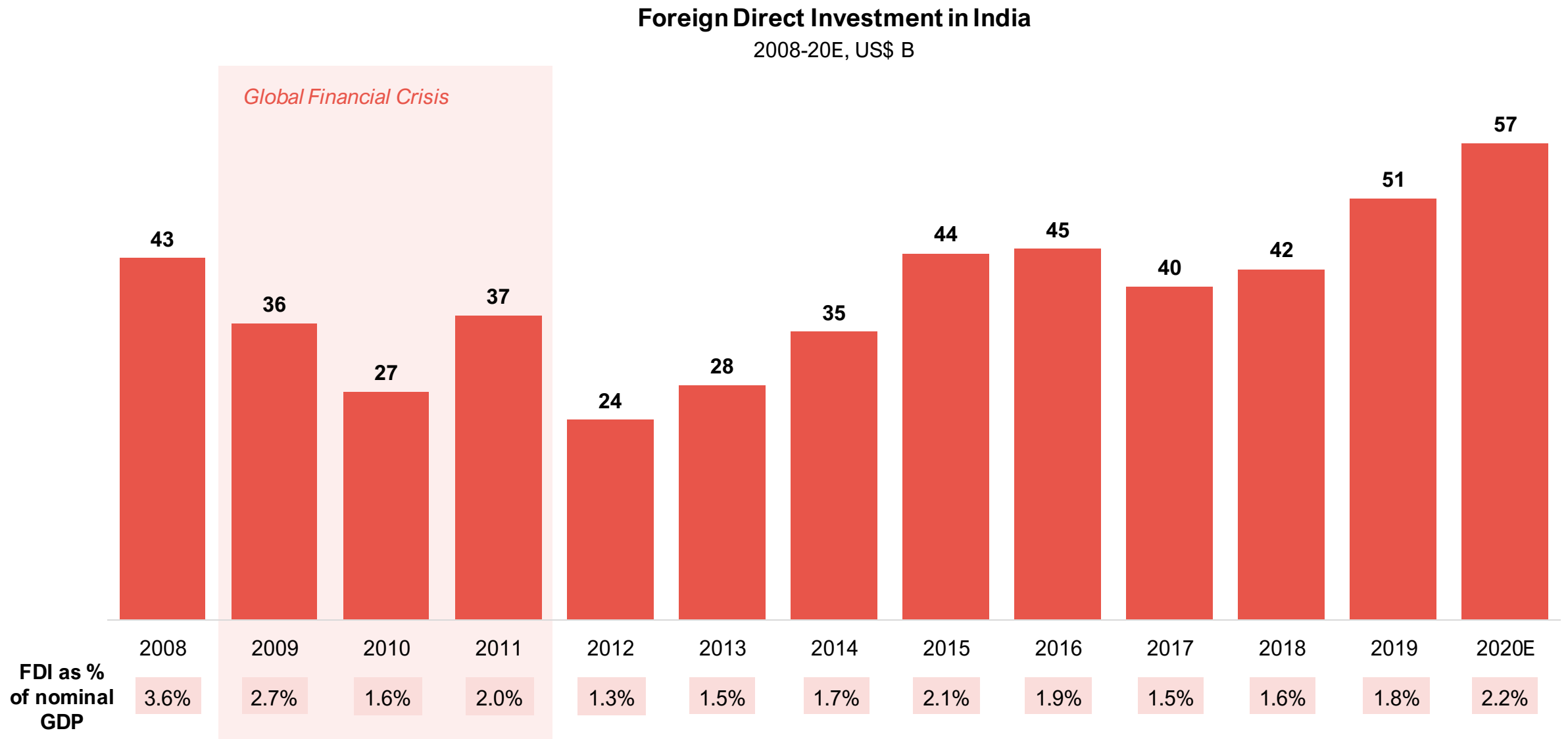


Note(s): This includes both mainboard and SME IPOs, US\$ 1 = INR 75
Source(s): Secondary research, Praxis analysis

Top 10 Indian IPOs of 2020

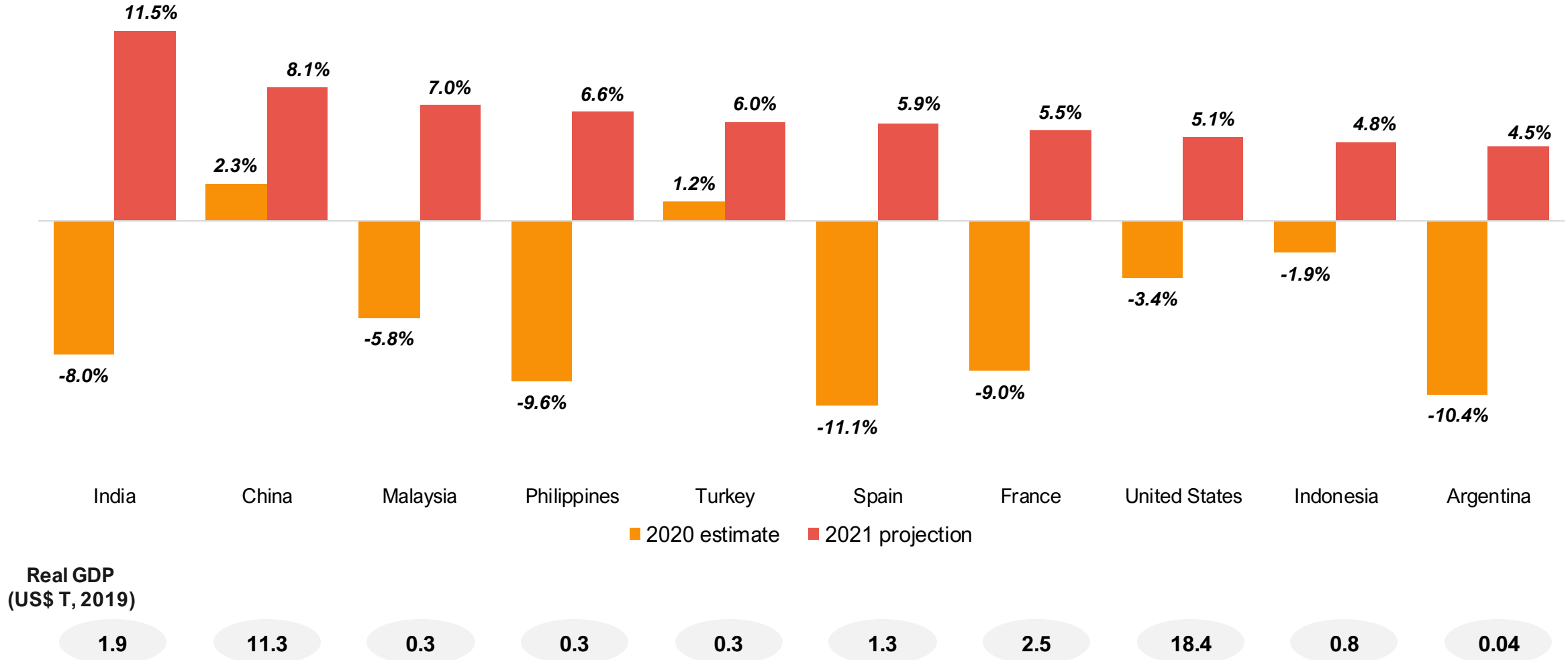
Company	Sector	Date of listing	Issue size (US\$ M)
 SBI Card	BFSI	16-Mar-20	1,381
 GLAND PHARMA	Healthcare and life sciences	20-Nov-20	864
 MINDSPACE BUSINESS PARKS REIT	Real estate	7-Aug-20	600
 CAMS	BFSI	5-Oct-20	299
 UTI Mutual Fund	BFSI	12-Oct-20	288
 BURGER KING	Restaurants	14-Dec-20	108
 happiest minds The Mindful IT Company Born Digital . Born Agile	IT services	17-Sep-20	94
 Angel Broking	BFSI	5-Oct-20	80
 routemobile communication simplified	SaaS/cloud/AI	21-Sep-20	80
 equitas Small Finance Bank	BFSI	2-Nov-20	69

Foreign investment has been pouring in India: ~US\$ 57B FDI investment in 2020



Outlook for India going strong: Expected to show the sharpest recovery from COVID with real GDP growth forecasts of 11.5% for 2021

Forecasted real GDP growth rate in 2021 vs estimated real GDP growth rate in 2020
%



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Preamble

Deal trends and outlook for 2021

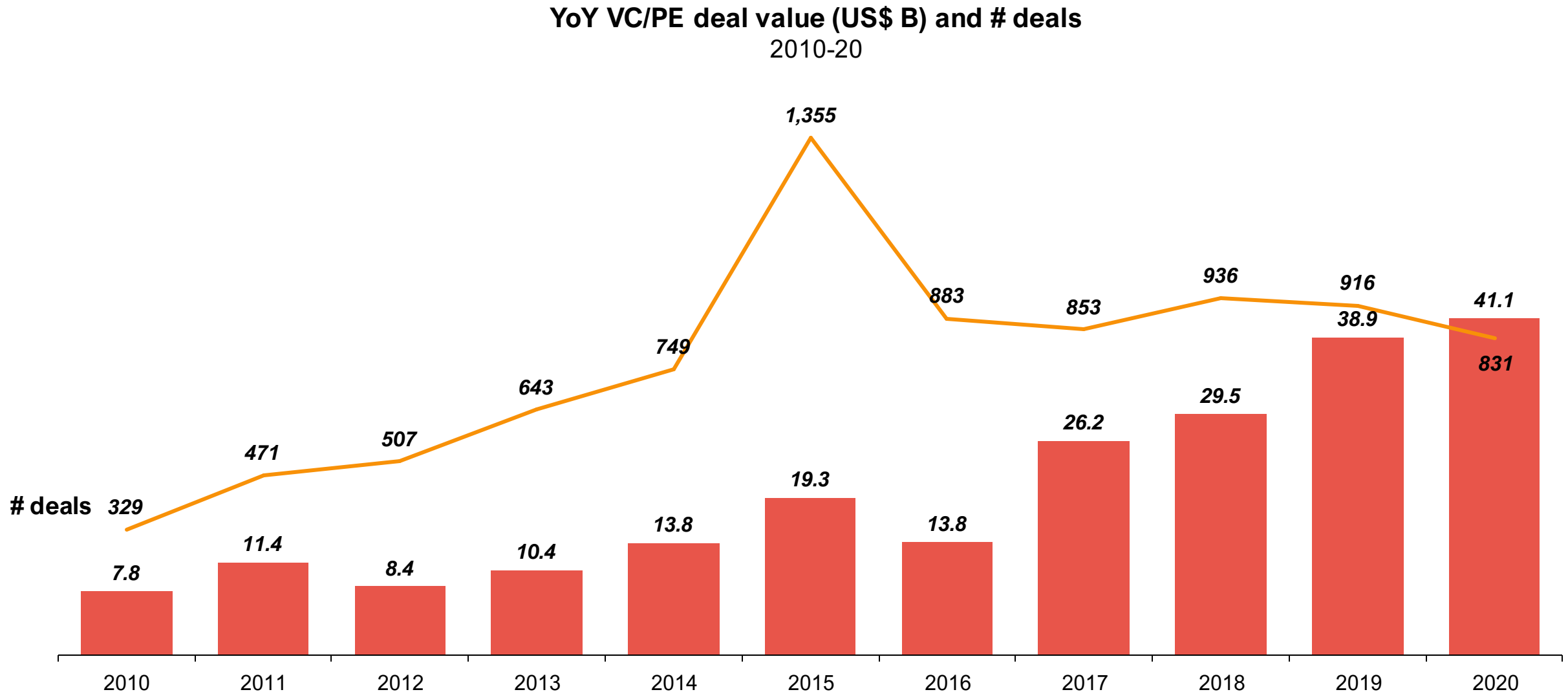
Exits and fund raising

Top trends in 2020

Appendix: Sector deep dive



VC/PE funds invested ~US\$ 41B in 2020 across 831 deals; 6% increase in amount invested from 2019

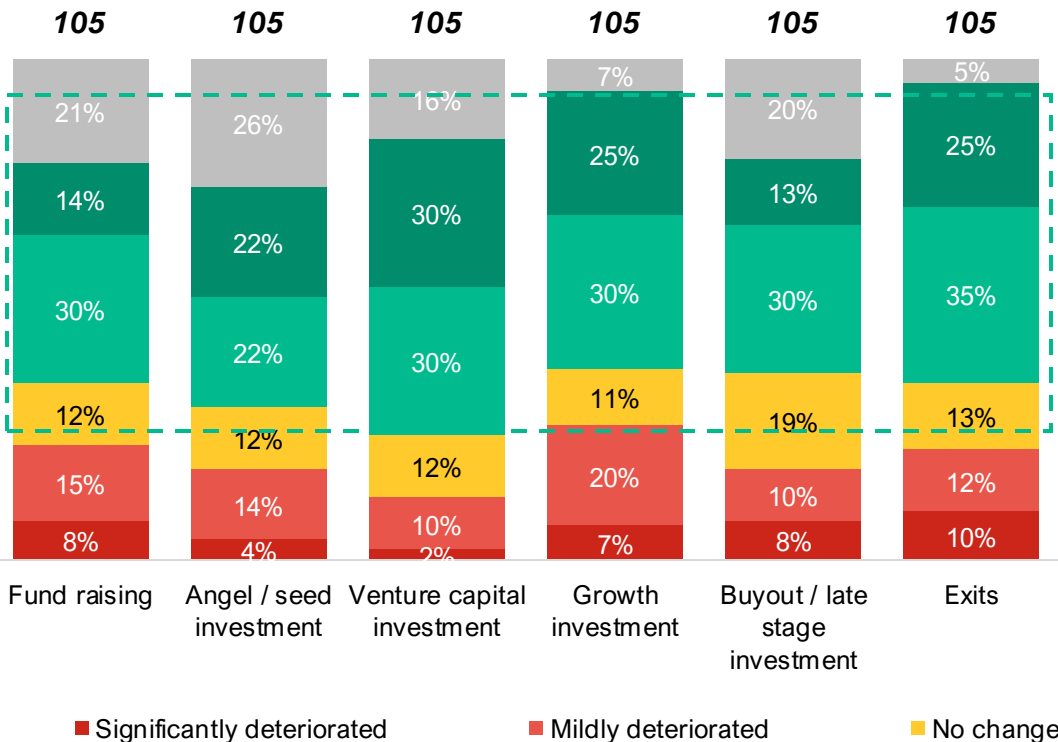


More than 40% investors believe that VC/ PE environment in 2020 was better than 2019 and more than 60% investors expect it to further improve in 2021

More than 40% investors believe that overall VC/PE environment in 2020 was better than 2019

Q. How has the environment changed for the following over the past year? (N = 105)

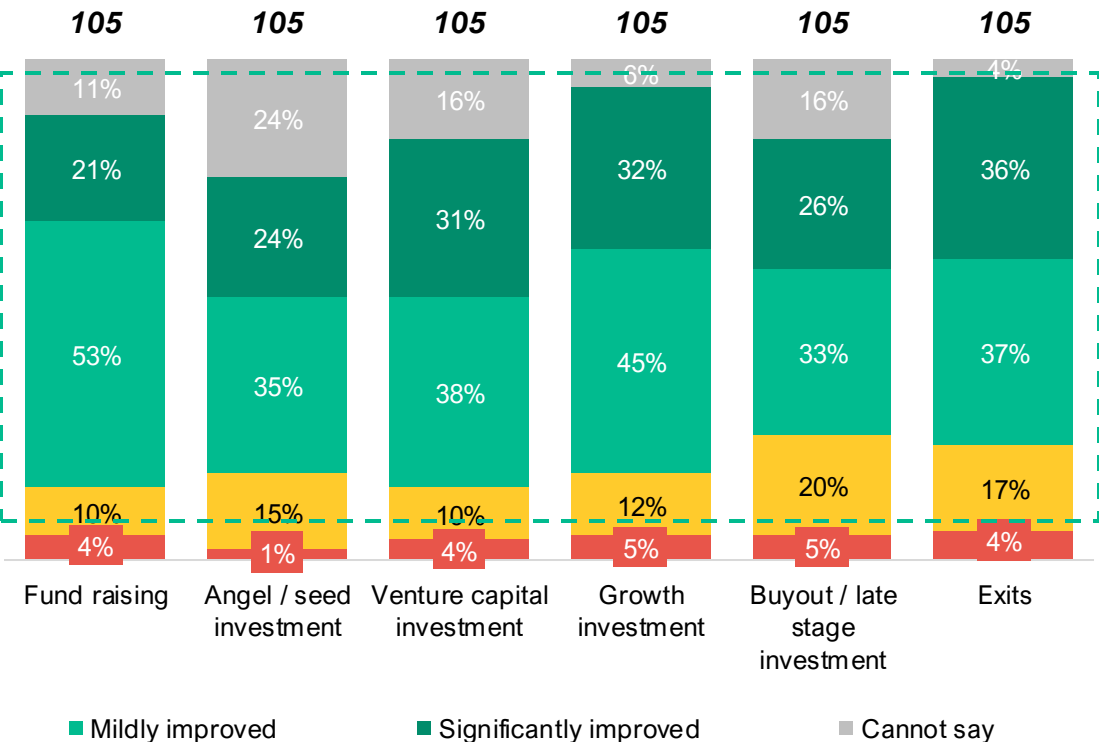
VC/PE environment in 2020
% of respondents



More than 60% investors believe that 2021 VC/PE environment will improve

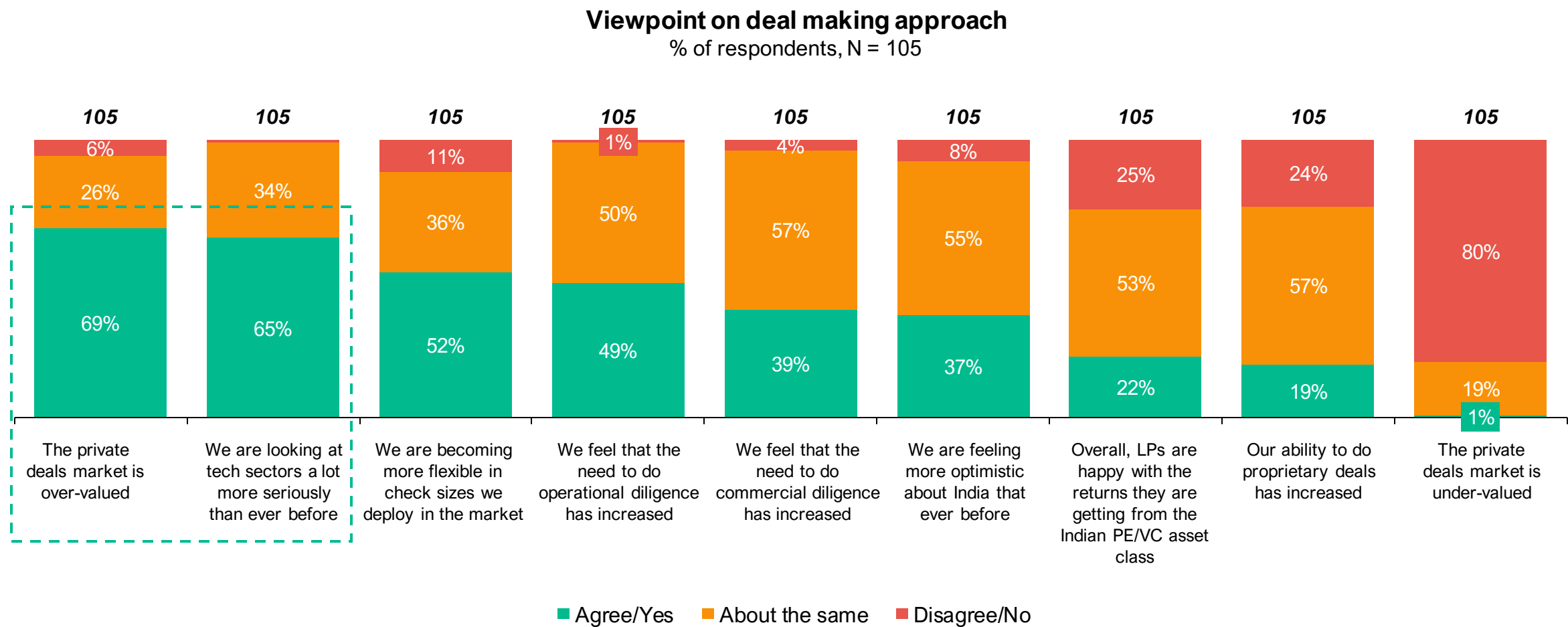
Q. How do you expect VC/PE environment will change in 2021? (N = 105)

VC/PE environment outlook for 2021
% of respondents



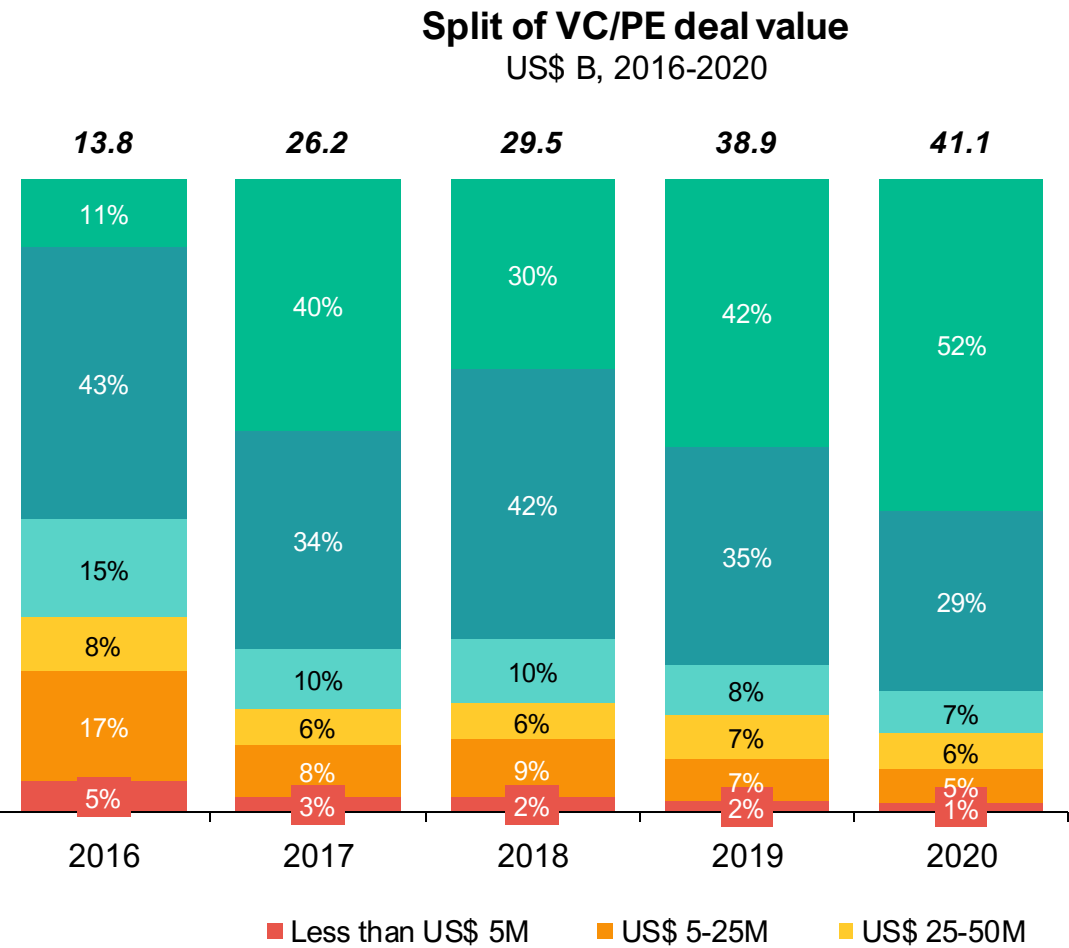
According to more than 65% VC/PE investors, private deal market is over-valued and they are looking at tech sectors more seriously than ever before

Q. Based on your experience, how much would you agree with the following statements? (N = 105)

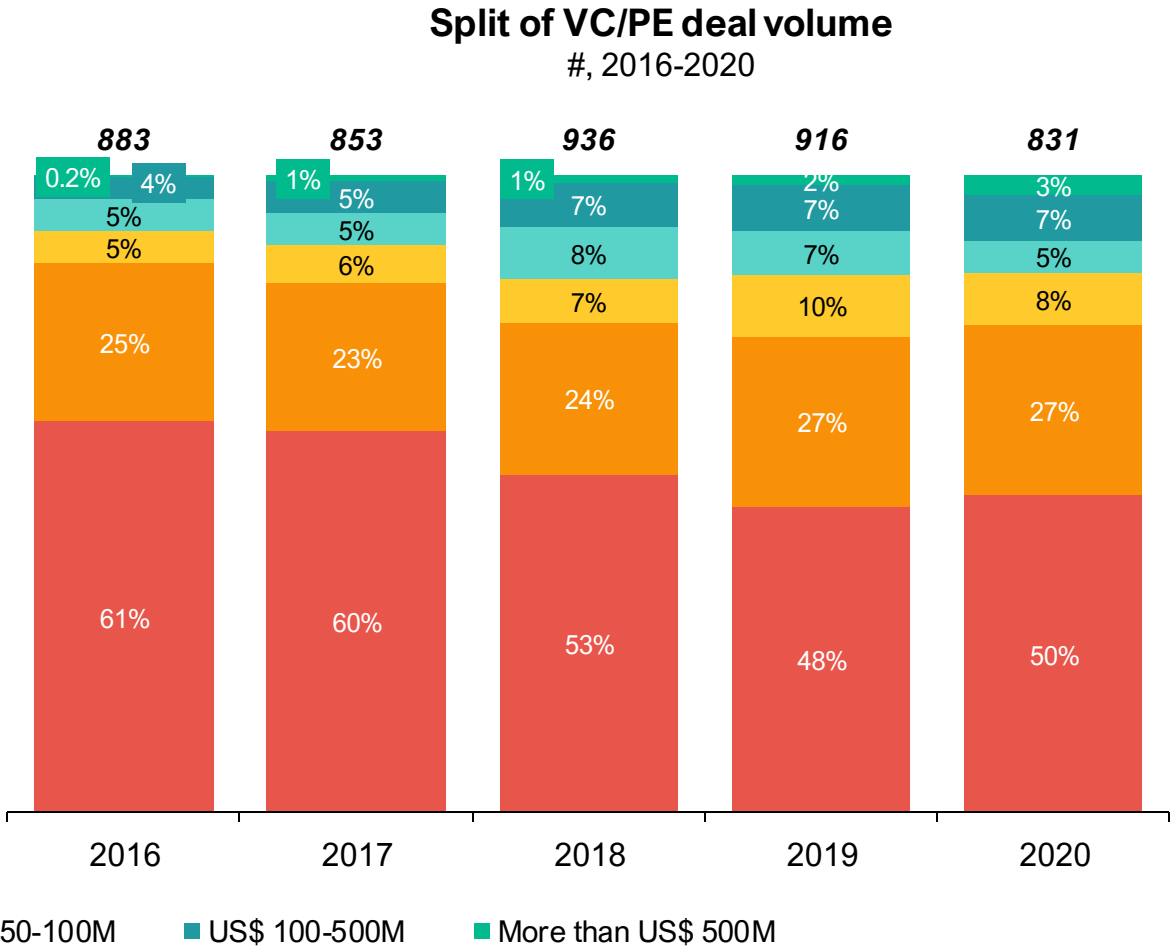


Deal size: 81% of amount invested in 2020 was in more than US\$ 100M deals; 50% of the total number of deals were of less than US\$ 5M

VC/PE deal value split by deal size

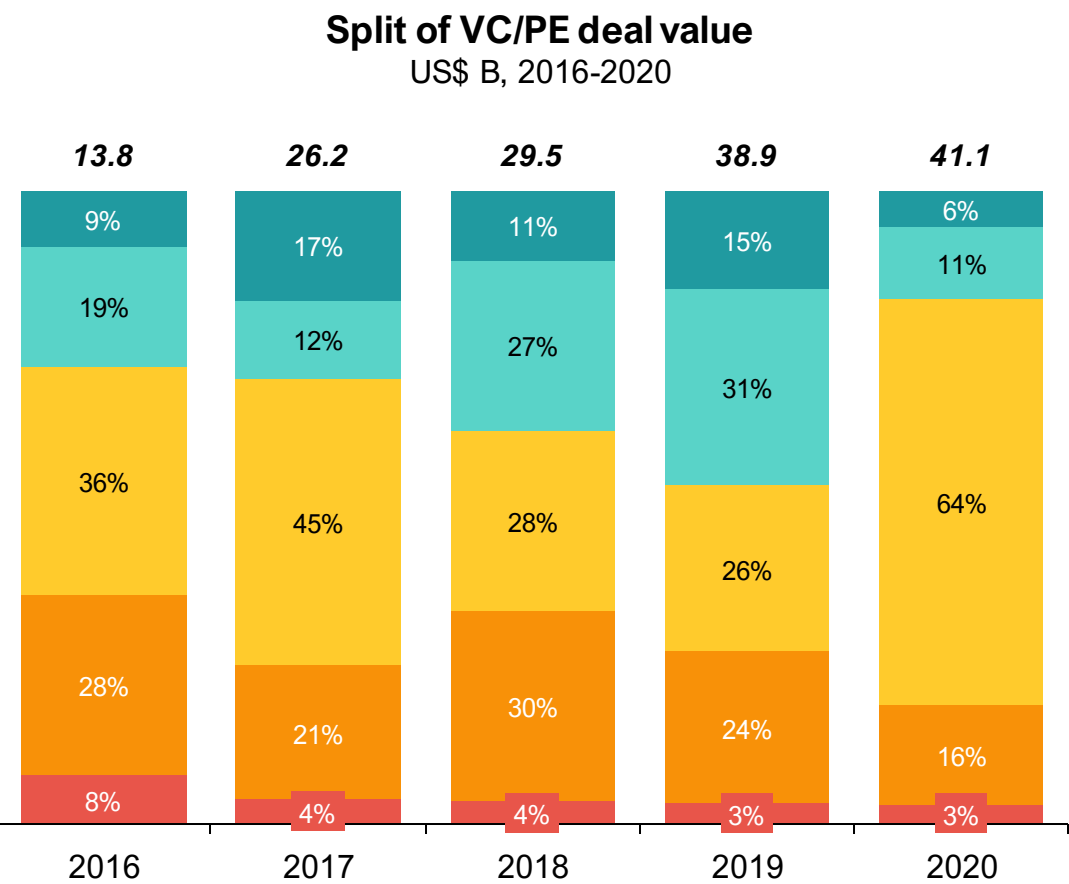


VC/PE deal volume split by deal size

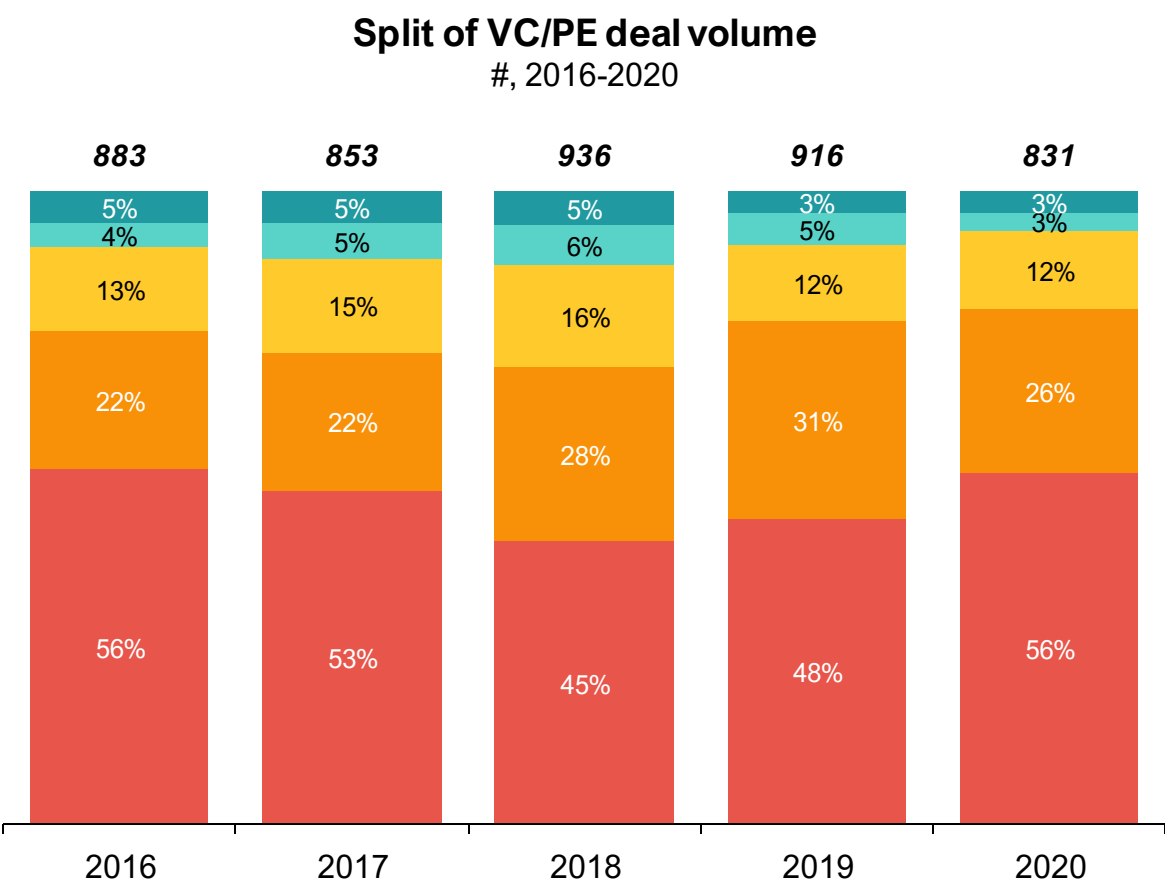


Deal stage: 64% of amount invested in 2020 was in late stage; 82% of the total number of deals were of early and growth stage in 2020

VC/PE deal value split by deal stage

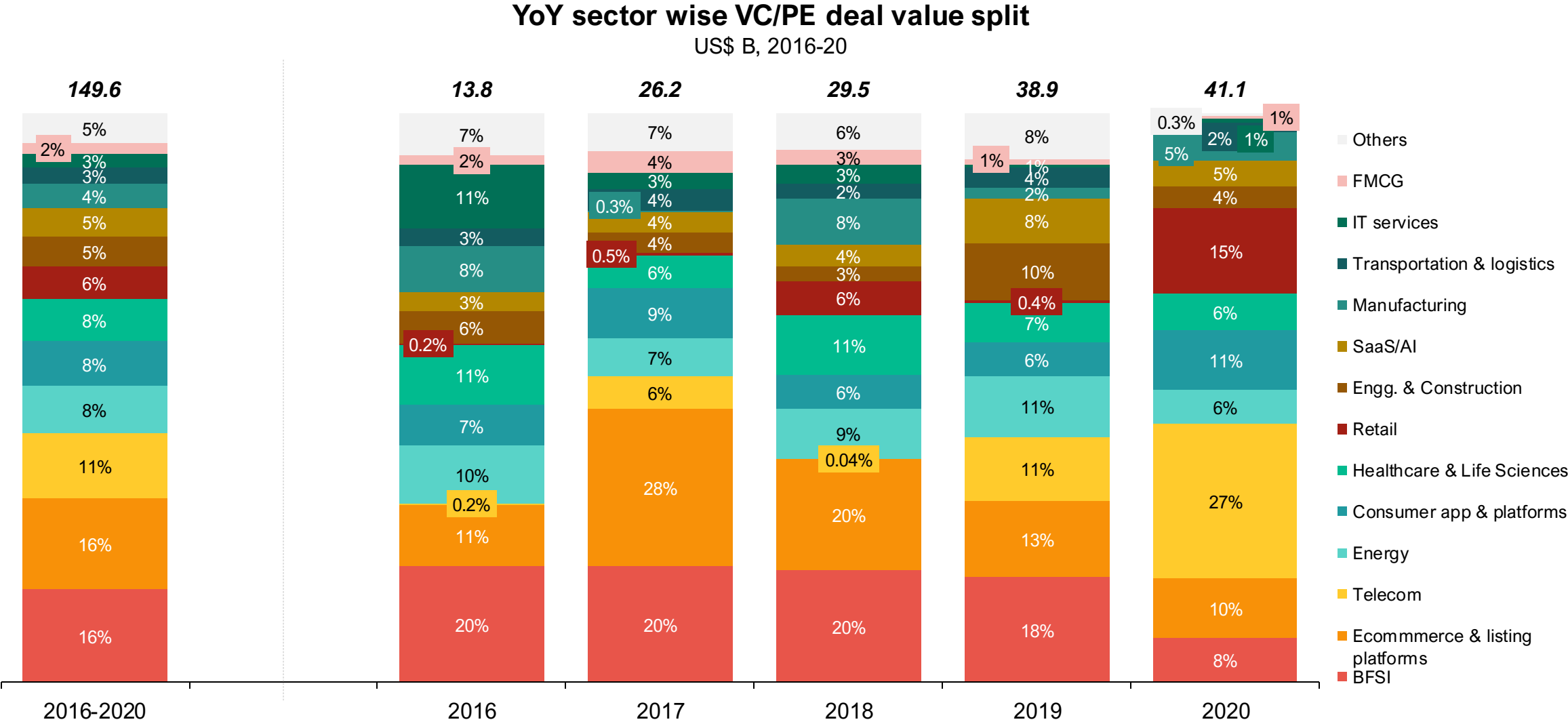


VC/PE deal volume split by deal stage



Early Growth Late Buyout PIPE

Telecom, retail and consumer apps and platforms were the most funded sectors of 2020

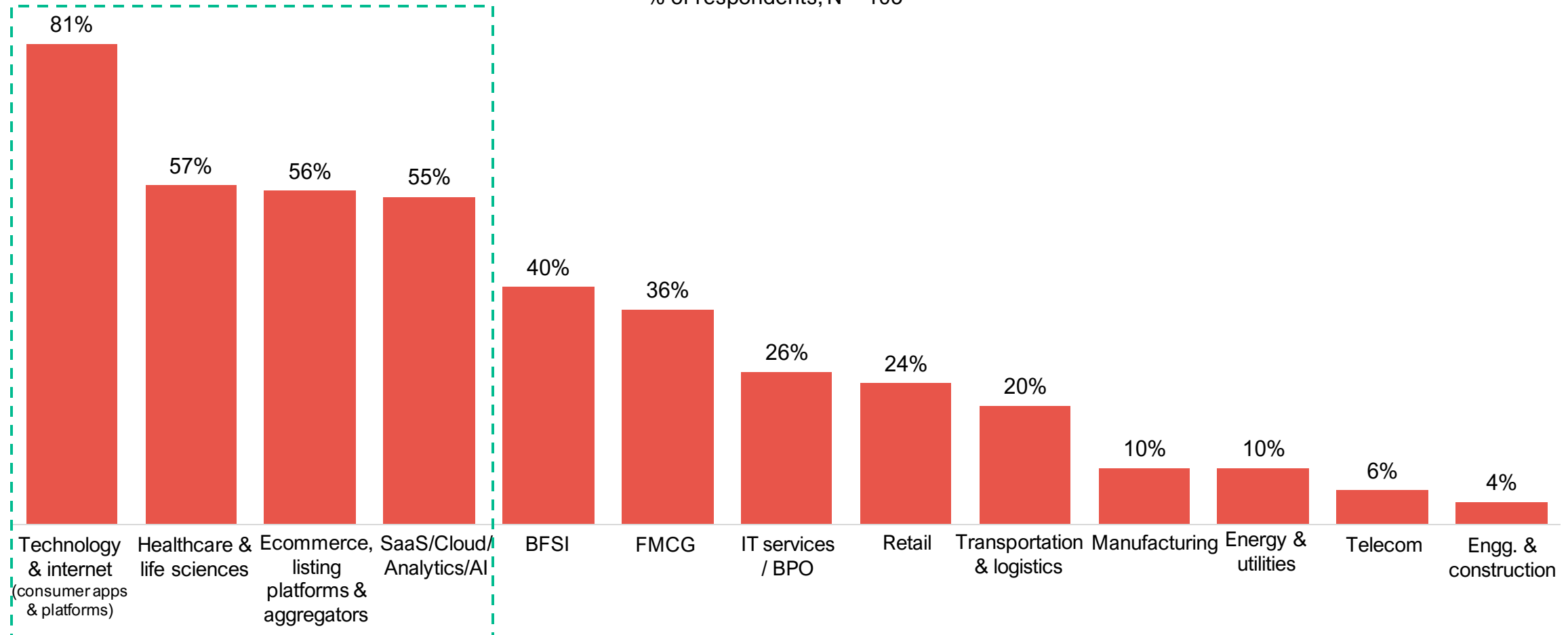


Consumer apps & platforms, healthcare & life sciences, ecommerce listing platforms & aggregators and SaaS/AI were the most seriously evaluated sectors in 2020

Q. Which of the following sectors you have evaluated seriously or made deals in 2020? Select all applicable options? (N = 105)

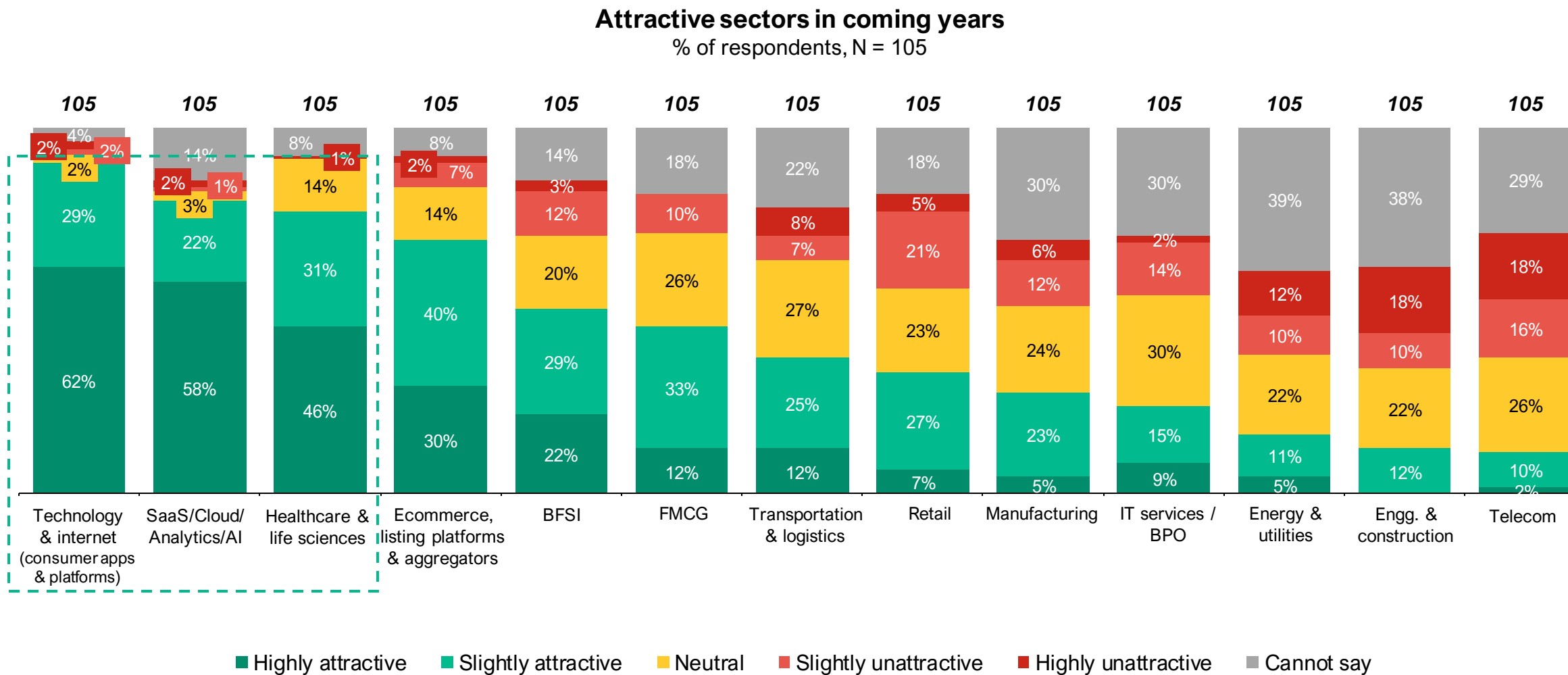
Sectors evaluated seriously / investments done

% of respondents, N = 105

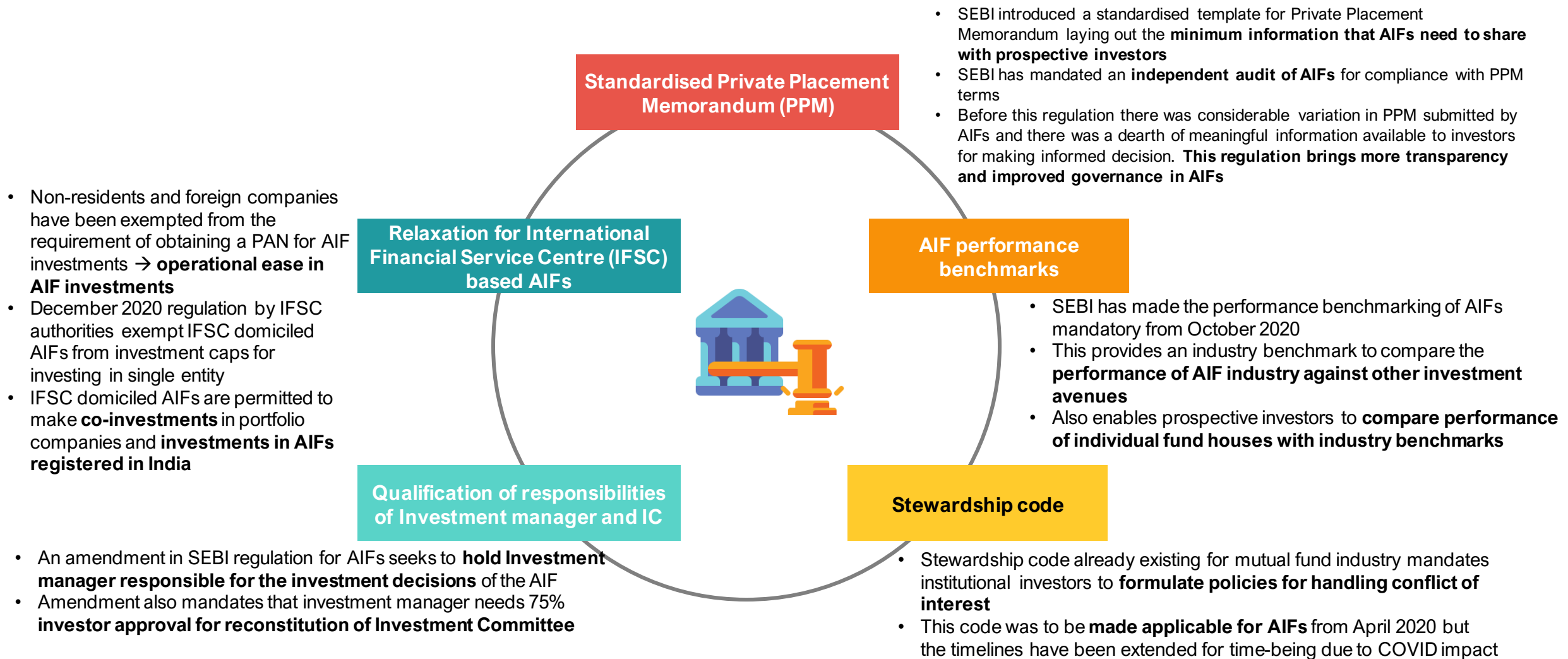


Investors expect technology & internet, SaaS/Cloud/Analytics/AI and healthcare & life sciences to become more attractive in the next few years

Q. Which sectors do you see as most attractive for the coming few years in your focus markets? (N = 105)



Indian regulatory framework is becoming more transparent and accountable



Note(s): IC = Investment Committee, IFSCs cater to customers outside the jurisdiction of domestic economy and deal with flow of finance. London, New York and Singapore are counted as global IFSCs, IFSCs are located in Dubai and Shanghai as well, AIF = Alternative Investment Fund
Source(s): SEBI website, Northern Arc Investments, Praxis analysis

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Deal trends and outlook for 2021

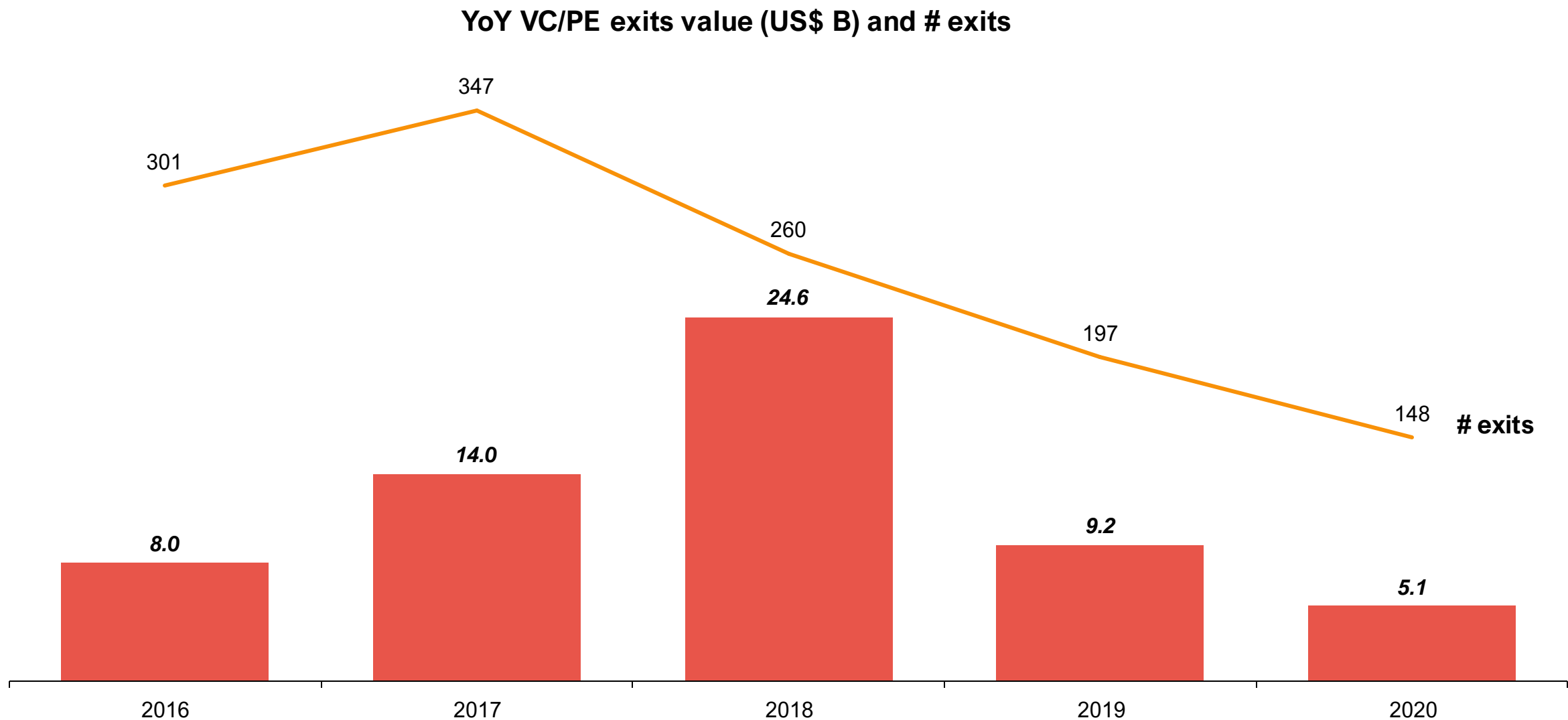
Exits and fund raising

Top trends in 2020











Appendix: Sector deep dive



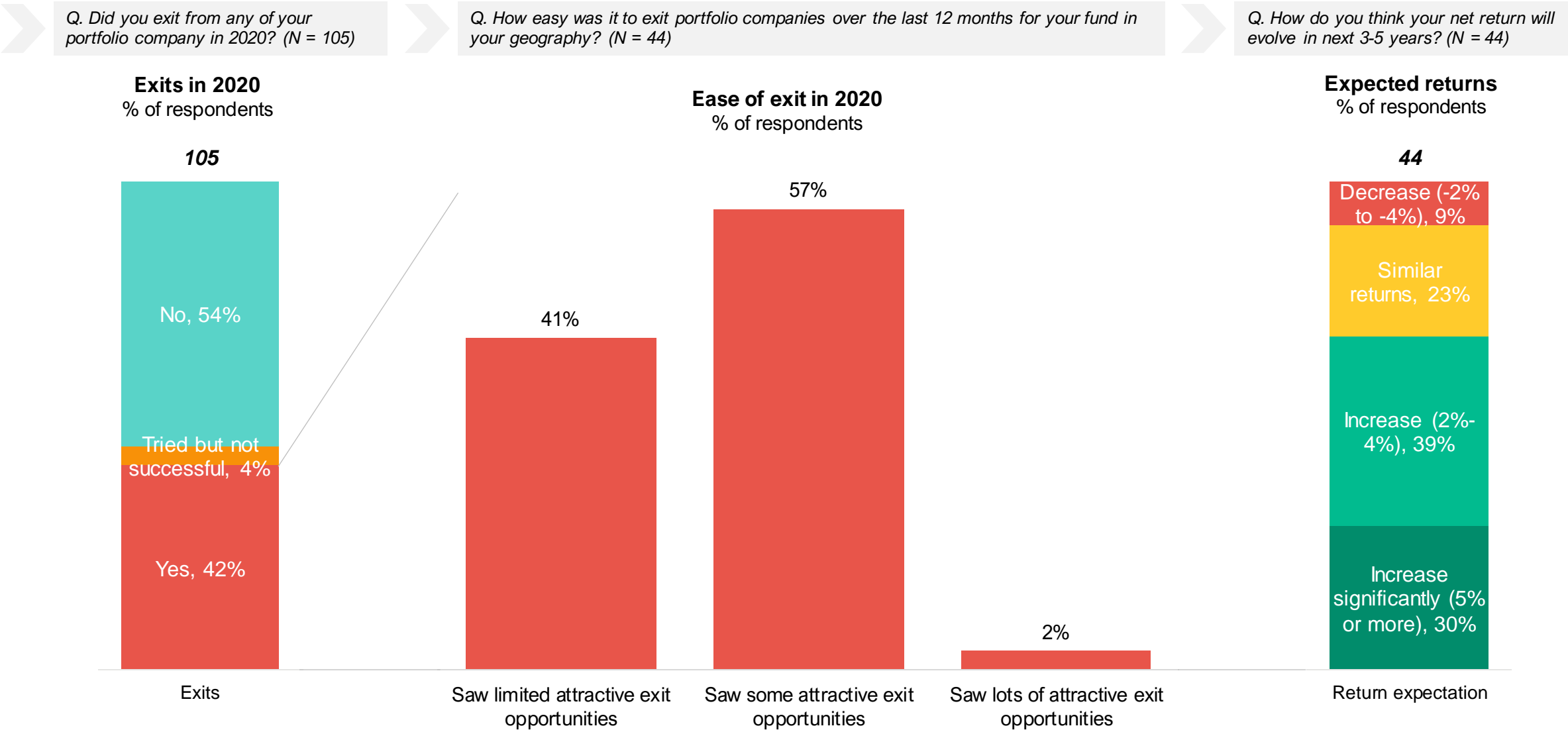
Lower exit activity in 2020: 148 exits worth US\$ 5.1B in 2020 down from 197 exits worth US\$ 9.2B in 2019



Top 10 exits of 2020

#	Company	Founded	Sector	Exiting fund	Exit status	Acquirer	Deal amount (US\$ M)	Route of exit
1	 SBI card	1998	BFSI	Carlyle	Partial	Nil	951	Public market sale
2	 EVERISE	2016	IT services	Everstone	Complete	Brookfield	450	Secondary sale
3	 Bharti Infratel Limited	2006	Telecom	Providence	Complete	Nil	255	Public market sale
4	 essel EXTRAORDINARY PROGRESS	1982	Manufacturing	Blackstone	Partial	Nil	253	Public market sale
5	 Crompton	2015	Manufacturing	Temasek, Advent International	Partial	Nil	220	Public market sale
6	 AU SMALL FINANCE BANK A SCHEDULED COMMERCIAL BANK	1996	BFSI	Warburg Pincus	Complete	Nil	173	Public market sale
7	 WhiteHat Jr Live Online Coding for Kids	2018	Consumer apps and platforms	Nexus Venture Partners, Omidyar Network, Owl Ventures	Complete	BYJU'S Classes	142	Strategic sale
8	 INTAS Expressions for a Healthy Life	1985	Healthcare & life sciences	Capital International	Complete	ChrysCapital	132	Secondary sale
9	 AU SMALL FINANCE BANK A SCHEDULED COMMERCIAL BANK	1996	BFSI	IFC, ChrysCapital	Complete	Nil	124	Public market sale
10	 NIIT	1992	Education	Baring Asia	Partial	Nil	119	Public market sale
Total							2,820	

42% of survey respondents had exits in 2020, 57% of respondents that exited in 2020 state that they saw some attractive exit opportunities



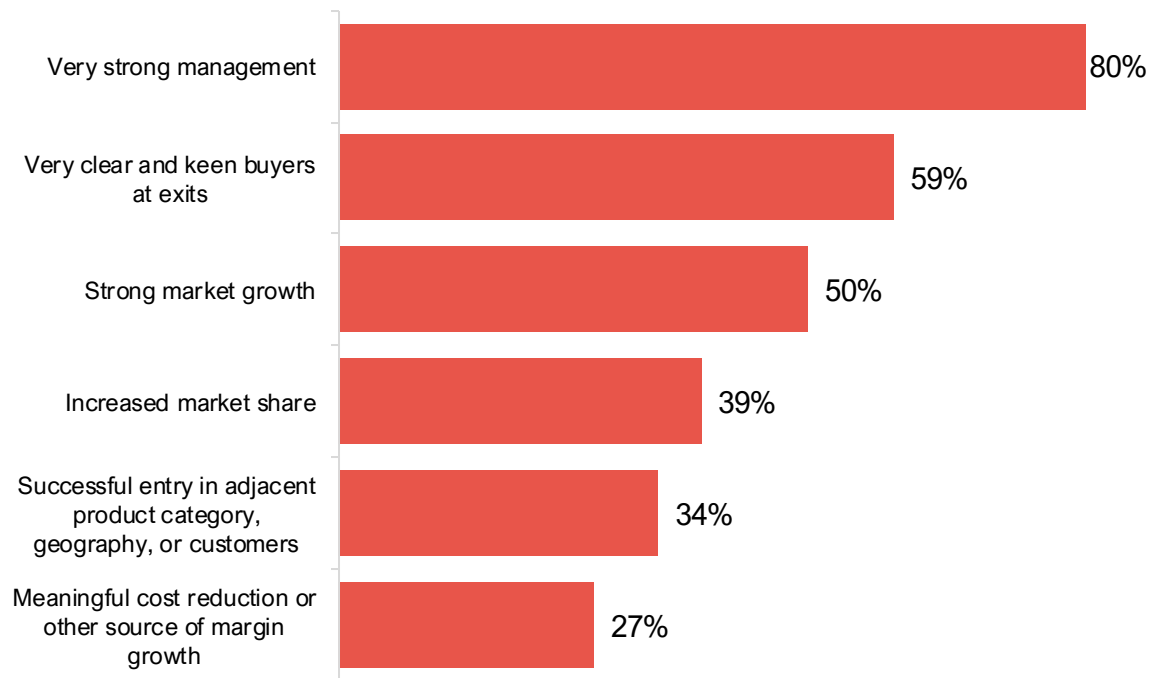
Successful exits in 2020 were driven by strong management and keen buyer interest primarily due to attractive top-line growth

Successful exits were driven by strong management and clear and keen buyers at exits

Q. What were the main reasons for successful exits? (N = 44)

Key reasons for successful exits

(% of respondents)

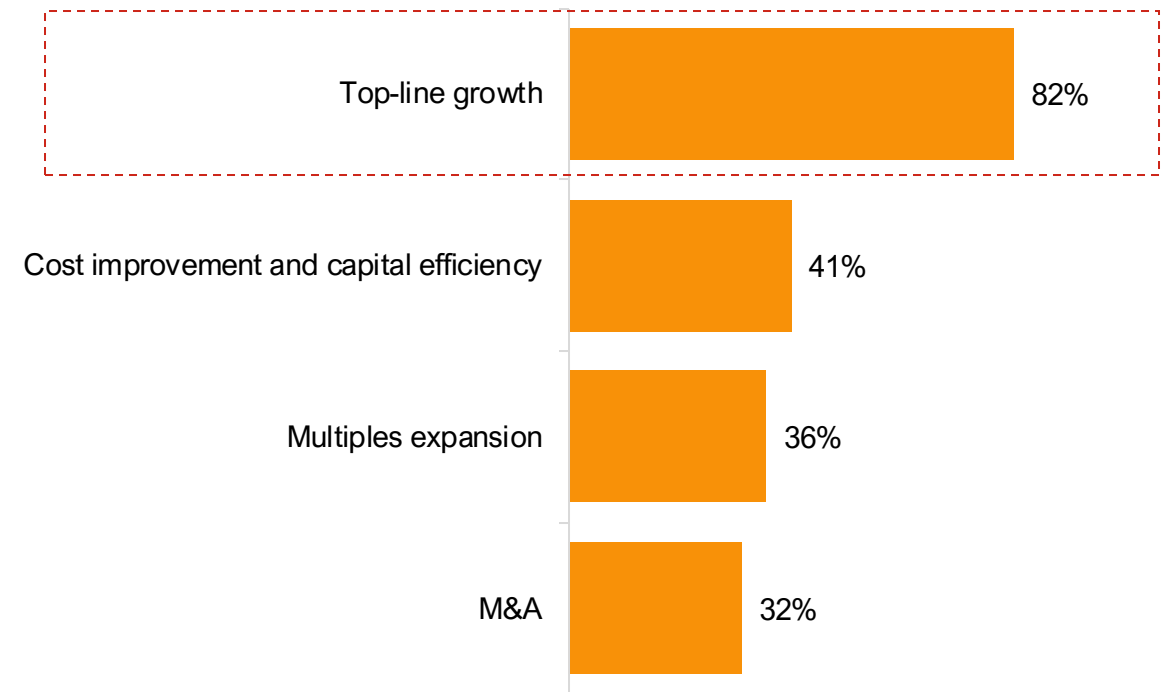


Top-line growth, cost improvement and capital efficiency were key drivers for returns from exits

Q. What were the biggest drivers of returns on deals you exited? (N = 44)

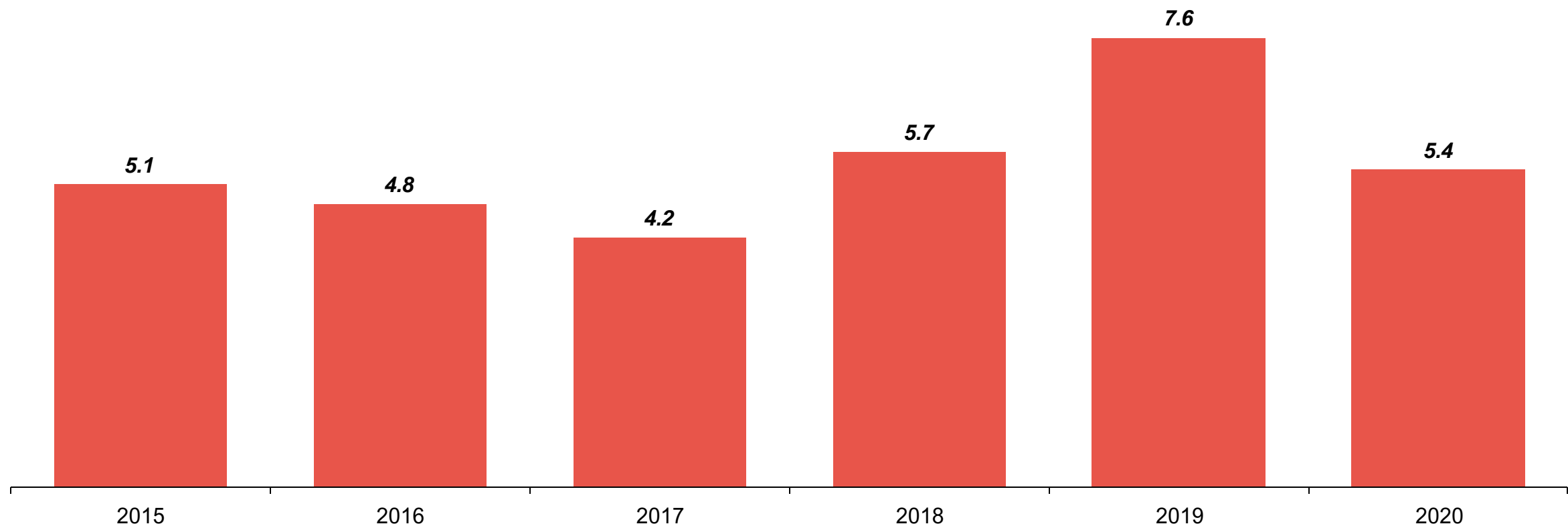
Key drivers of returns

(% of respondents)



VC/PE funds raised US\$ 5.4B in 2020, down from US\$ 7.6B in 2019

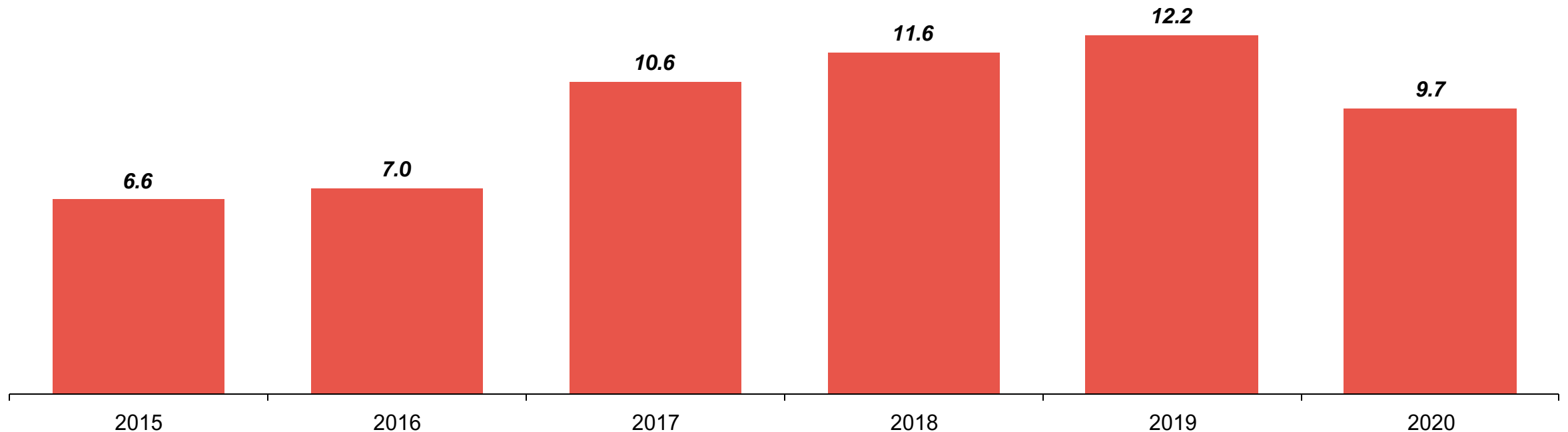
YoY VC/PE fund raising
US\$ B, 2015-20



Note(s): This excludes funds raised by VC/PE debt funds and real estate funds
Source(s): Venture Intelligence, Praxis analysis

VC/PE funds had a cumulative dry powder of US\$ 9.7B at the end of 2020 against US\$ 12.2B in 2019

YoY dry powder
US\$ B, 2015-20



Note(s): Real estate funds, VC/PE debt funds have been excluded from this analysis, Dry powder numbers are as of end of the respective year
Source(s): Preqin, Praxis analysis

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Deal trends and outlook for 2021

Exits and fund raising

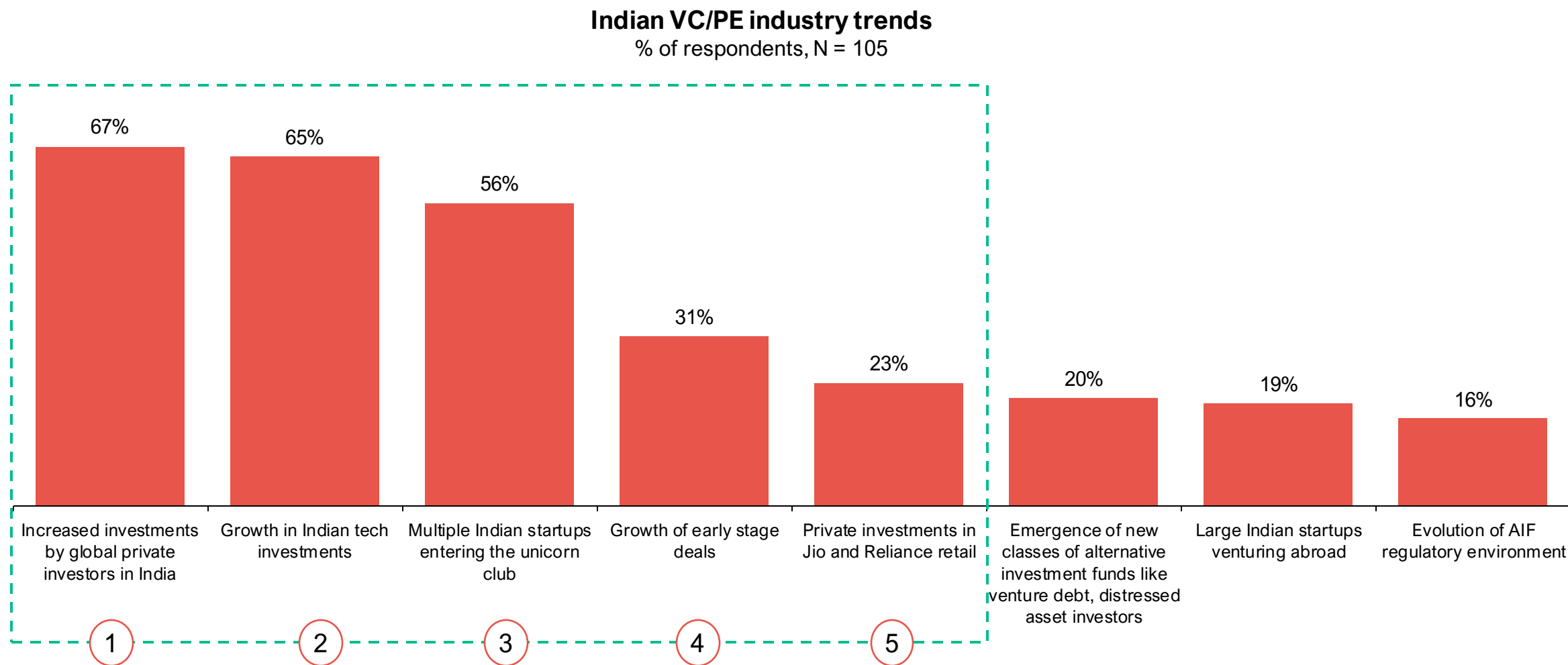
Top trends in 2020

Appendix: Sector deep dive











Increased investments by global investors, growth in Indian tech investments and Indian startups becoming unicorns are the top trends in Indian VC/PE in 2020

Q. According to you what are the top 3 trends that are altering VC/PE investment landscape in India? Select top 3 trends. (N = 105)



1 International investors actively participated in top 10 deals of 2020

#	Company	Founded	Sector	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1		2007	Telecom	Mobile and internet services	9,894	Late	Vista Equity Partners, KKR, PIF, Mubadala Investment Company, ADIA, General Atlantic, Silver Lake Partners, TPG, Intel Capital, L Catterton
2		2006	Retail	Modern retail	6,174	Late	PIF, Silver Lake Partners, TPG, KKR, GIC, Mubadala Investment Company, General Atlantic
3		2008	Ecommerce & listing platforms	Foodtech	1,260	Late	Tiger Global Management, Fidelity Investments, Mirae Asset, Steadview Capital, Kora, Luxor Capital, Temasek, Ant Financial, Baillie Gifford, Bow Wave Capital Management
4		2011	Consumer app & platforms	EdTech	1,045	Late	Silver Lake Partners, Owl Ventures, Sands Capital, BlackRock, Alkeon Capital, Tiger Global Management, General Atlantic, DST Global, Bond Capital
5	Reliance Digital Fiber Infrastructure Trust	2020	Telecom	Infrastructure	1,012	Late	ADIA, PIF
6		1984	Manufacturing	Packaging	1,000	Buyout	Blackstone
7		2013	Ecommerce & listing platforms	Travel & Hospitality	807	Late	SoftBank Corp, RA Hospitality Holdings
8		2007	Energy	Renewable energy	795	Late / Buyout	Varde Partners, Goldman Sachs (Late), Global Infrastructure Partners (Buyout)
9		2012	Consumer app & platforms	Fintech	700	Late	Tiger Global Management, Walmart
10	Chenani Nashri Tunnelway	2017	Engg. and construction	Roads & highways	528	Buyout	I Squared Capital, IFC
Total					23,214		

1

50+ international and 10+ Indian investors made their first Indian VC/PE investment in 2020

International investors



Indian investors

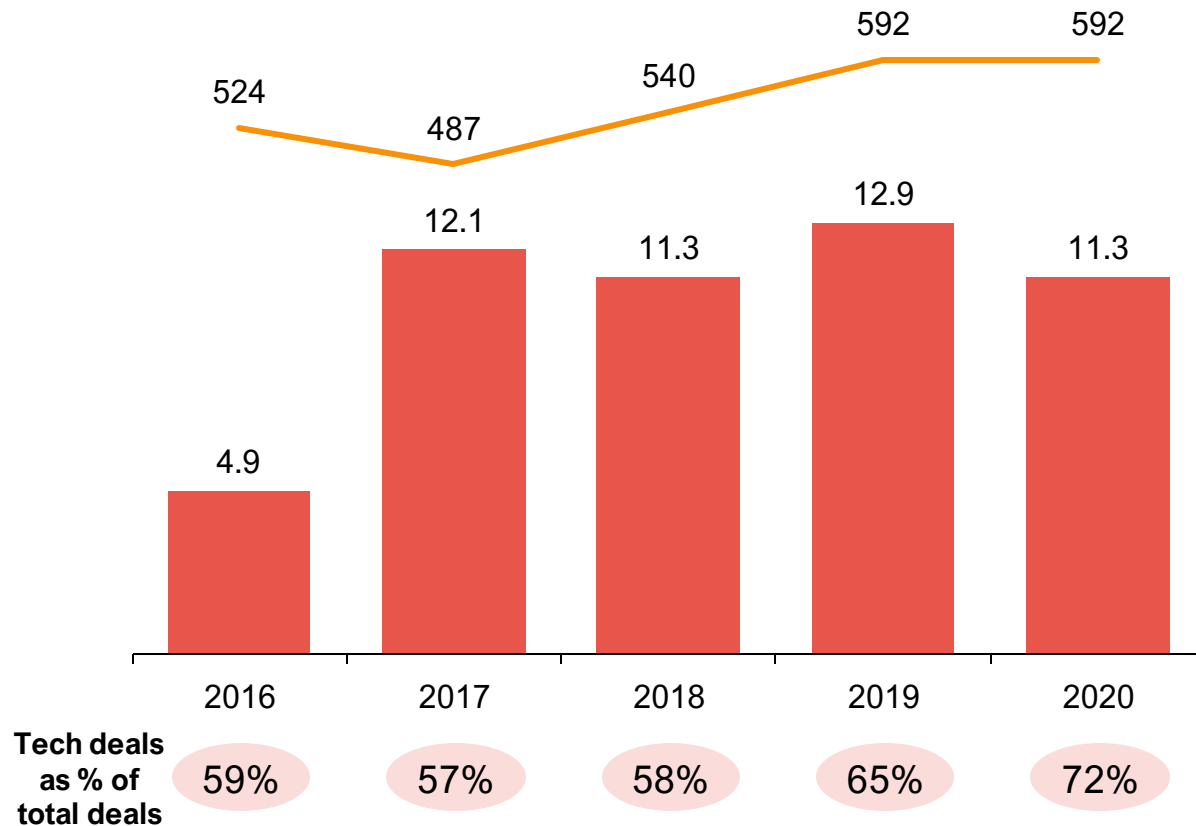


Note(s): Investors having head quarters outside India are considered to be international investors
Source(s): PGA Labs deal database, Praxis analysis

2 Tech investments in India have grown from US\$ 4.9B in 2016 to US\$ 11.3B in 2020











Tech investments have grown from US\$ 4.9B in 2016 to US\$ 11.3B in 2020

YoY tech VC/PE deal value (US\$ B) and number of deals
2016-20



Note(s): This analysis excludes the investments made in Jio Platforms
Source(s): PGA Labs deal database, Praxis analysis

Top tech investments in 2020

Company	Sector	Funding (US\$ M)	Funding stage	Investors
	Ecommerce & listing platforms	807	Late	SoftBank Corp RA Hospitality Holdings
	Consumer app & platforms	700	Late	Tiger Global Management, Walmart
	Ecommerce & listing platforms	660	Late	Tiger Global Management, Fidelity Investments, Baillie Gifford, Mirae Asset, Kora Steadview Capital, Luxor Capital Group
	Consumer app & platforms	500	Late	Silver Lake Partners, Owl Ventures, Sands Capital, BlackRock, Alkeon Capital, Tiger Global Management, General Atlantic
	Ecommerce & listing platforms	300	Late	SoftBank Corp
	Ecommerce & listing platforms	250	Late	Kora, Tiger Global Management, Temasek
	Consumer app & platforms	225	Late	TPG Capital, Tiger Global Management, ChrysCapital
	Consumer app & platforms	200	Late	Tiger Global Management
	Consumer app & platforms	200	Late	General Atlantic
	Ecommerce & listing platforms	200	Late	DST Global, Exor Seeds, Unbound, Moore Strategic Ventures

3

India is a home to 37 unicorns (as of Dec 2020) with 14 unicorns added in 2020 alone

2011-16 (6 unicorns)



*




2018 (8 unicorns)



2019 (10 unicorns)



2020 (14 unicorns)



Postman

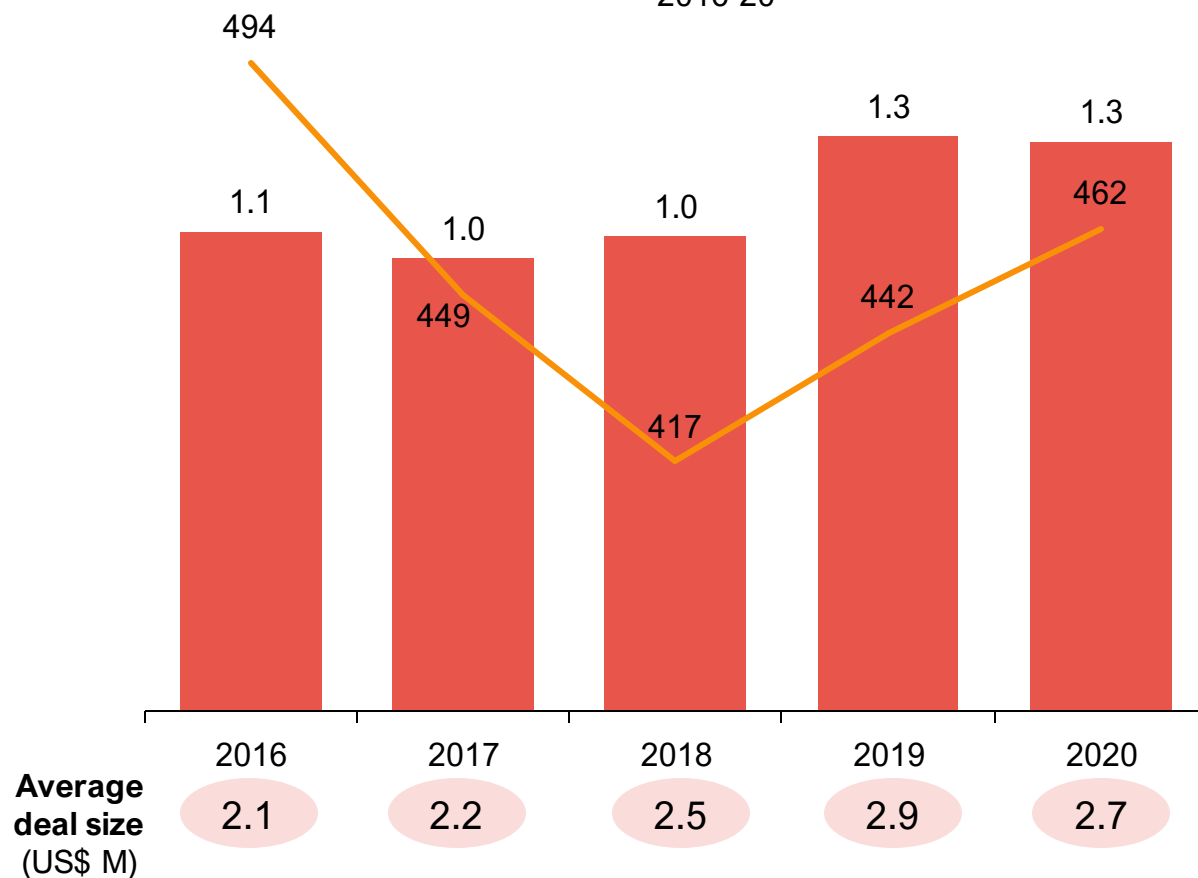


4

Early stage investments in India have grown from US\$ 1.1B in 2016 to US\$ 1.3B in 2020




Early stage investments have grown from US\$ 1.1B in 2016 to US\$ 1.3B in 2020

YoY VC/PE deal value (US\$ B) and number of deals
2016-20



We have seen good early stage investment activity in 2020

Top early-stage investments in 2020

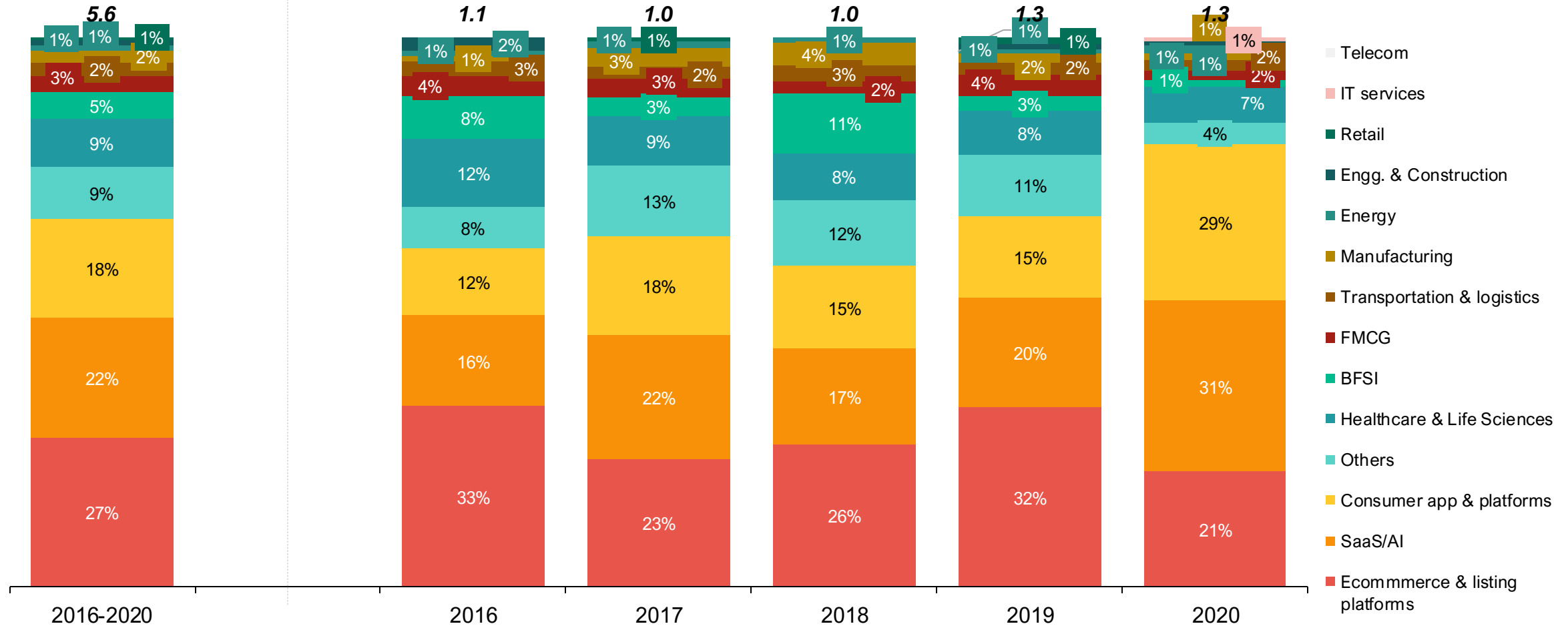
Company	Sector	Founded	Stage of funding	Funds raised* (US\$ M)	Investors
 InterviewBit	Consumer app & platforms	2015	Series A	20	• Sequoia Capital, Tiger Global Management
UniOrbit	E-commerce & listing platforms	-	Seed	20	• Accel India, Lightspeed Ventures
INFRA.MARKET	E-commerce & listing platforms	2017	Series B	20	• Foundamental, Sistema Asia Fund, Evolve India
 JIFFY.ai	SaaS/AI	2018	Series A	18	• Nexus Venture Partners, Rebright Partners
WINZO	Consumer app & platforms	2016	Series B	16.1	• Bellerive Capital, Courtside Ventures
 doubtnut	Consumer app & platforms	2016	Series A	15	• Redwood Trust, Akatsuki

4

Ecommerce & listing platforms, SaaS/AI and Consumer app & platforms were the most funded sectors for early stage investing in India

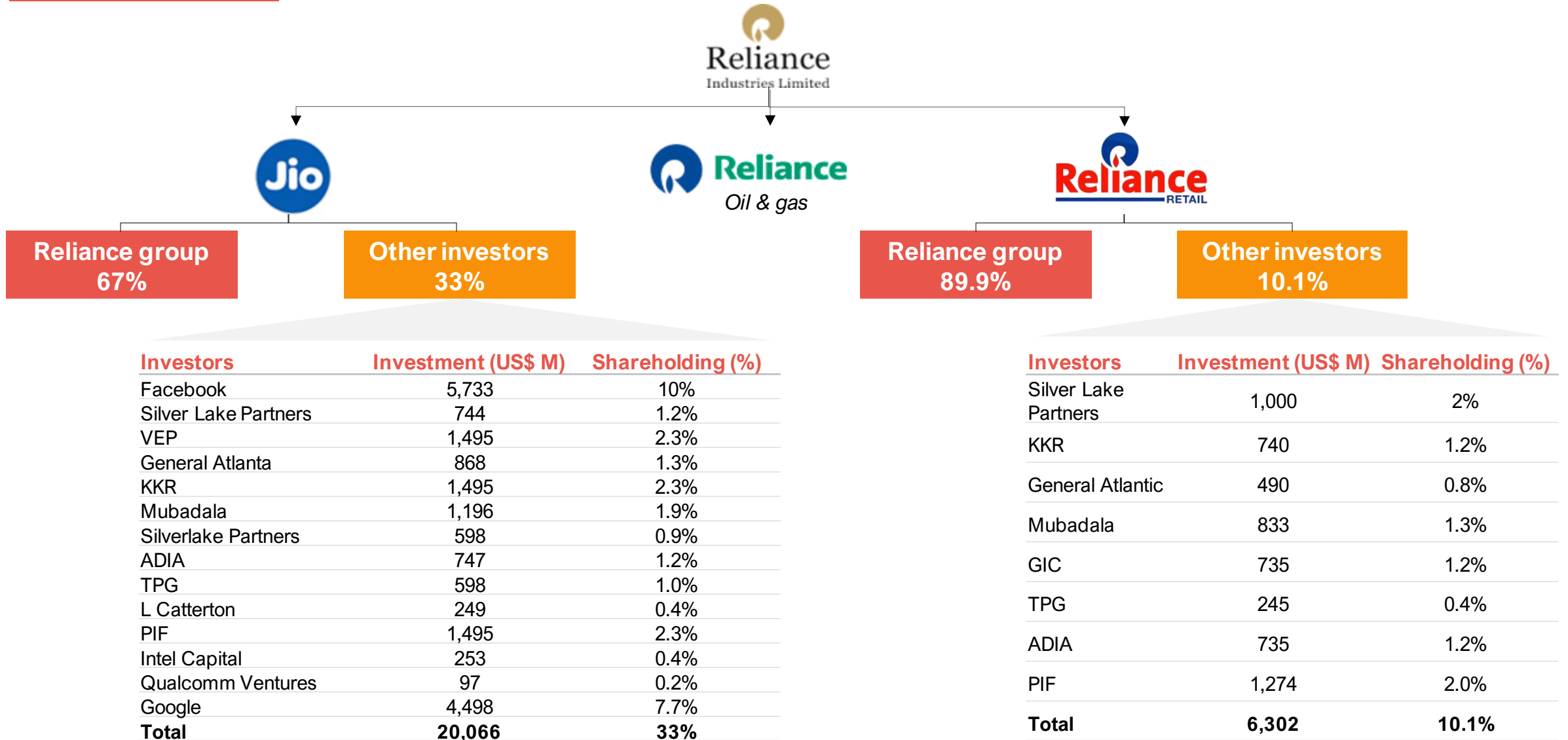
YoY sector wise VC/PE early stage deal value split

US\$ B, 2016-20



5

Reliance group bagged investment of ~US\$ 26B across Reliance Jio and Reliance Retail for a stake sale of 33% and 10.1% respectively

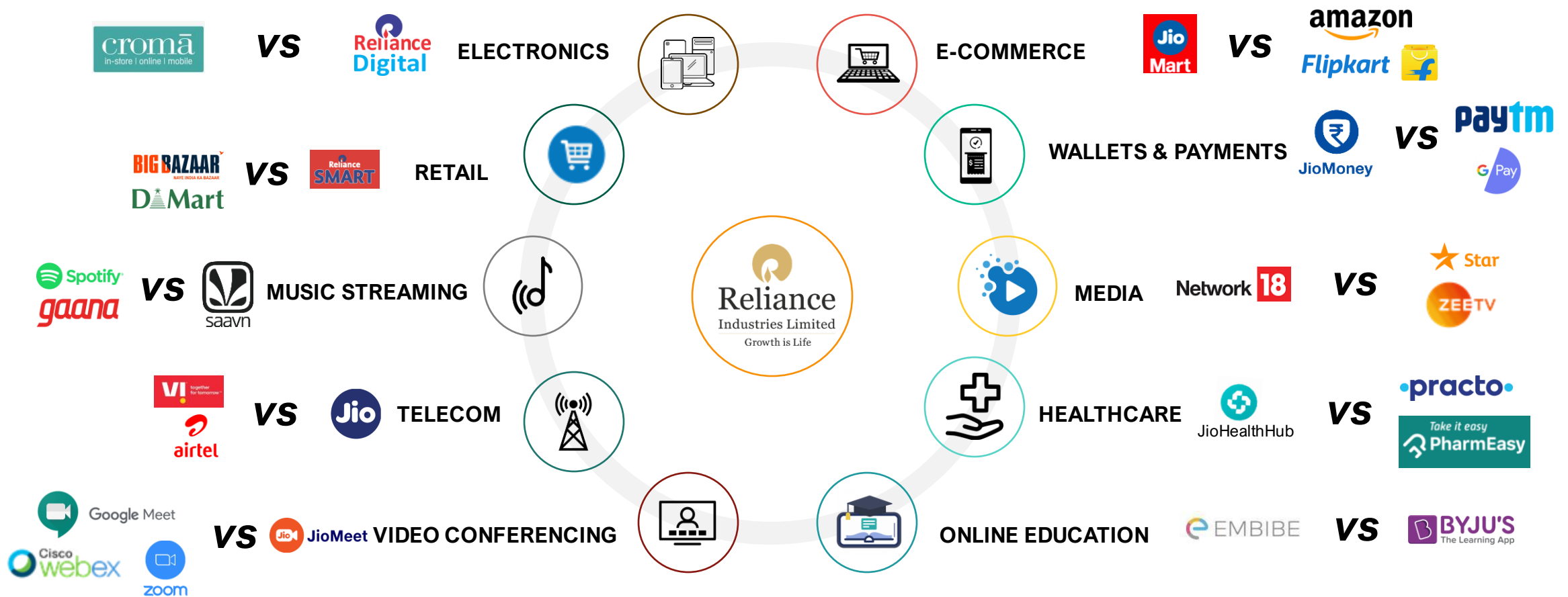


Note(s): US\$ 1 = INR 75

Source(s) : Business Today, Company reports, Praxis analysis

5

Reliance has built an empire with offerings across retail, telecom, payments, e-commerce, media, and more recently healthcare and education as well



5

Reliance Jio platform has reached a subscriber base of 408M in 2020 growing from 160M in 2017 and its current market share stands at 35.3% up from 13.7% in 2017



Founded
2007



Revenue
US\$ 7.1B
(FY20)



Total Funding
US\$ 20B

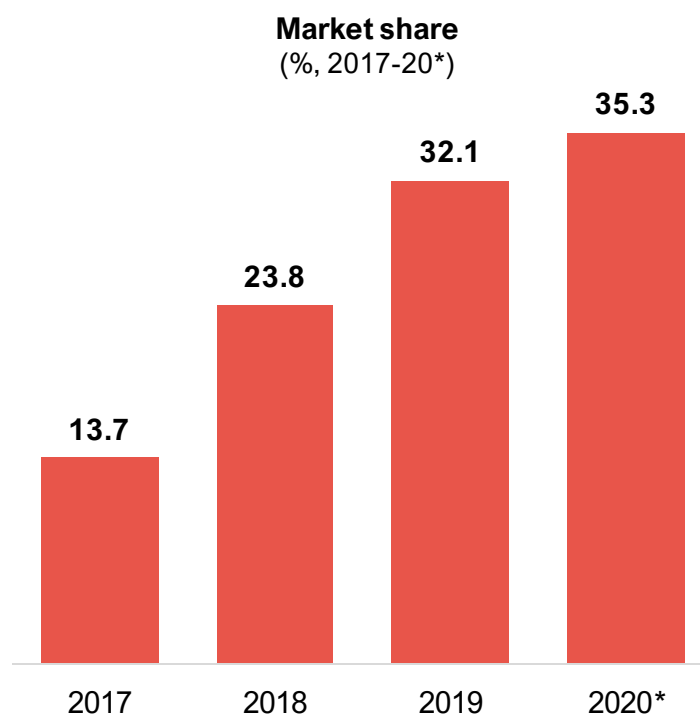
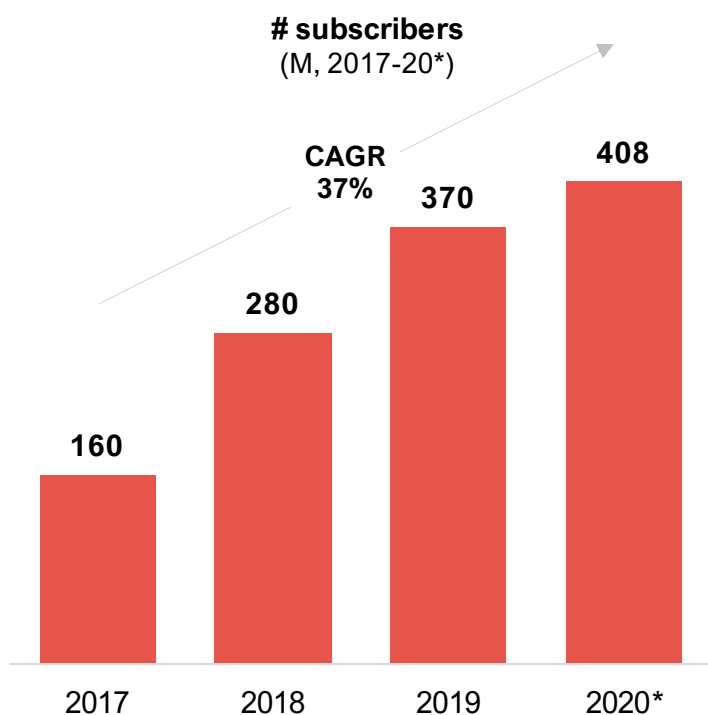


Offering
Telecom service provider

Subscriber base growth

Market share growth

Acquisitions



Radisys
Telecom solutions provider

netradyne
Driver safety solution provider

Jio saavn
Music streaming

EMBIBE BETA
EdTech company

KareXpert
Digital healthcare platform (SaaS)

newJ
Tech media company

asteria aerospace
Robotics and AI company

REVERIE
Language Technologies
Language localization

EASY GOV
Interface for govt. & citizen interaction

haptik
Conversational AI platform

Note(s): *as of Nov-20

Source(s): TRAI, Company website, Secondary research, Praxis analysis

5

Reliance Retail has strong presence across the country → 6,700+ cities, 11.8k stores and its recent acquisitions are expected to drive higher growth



Founded
2006



cities
6,700+



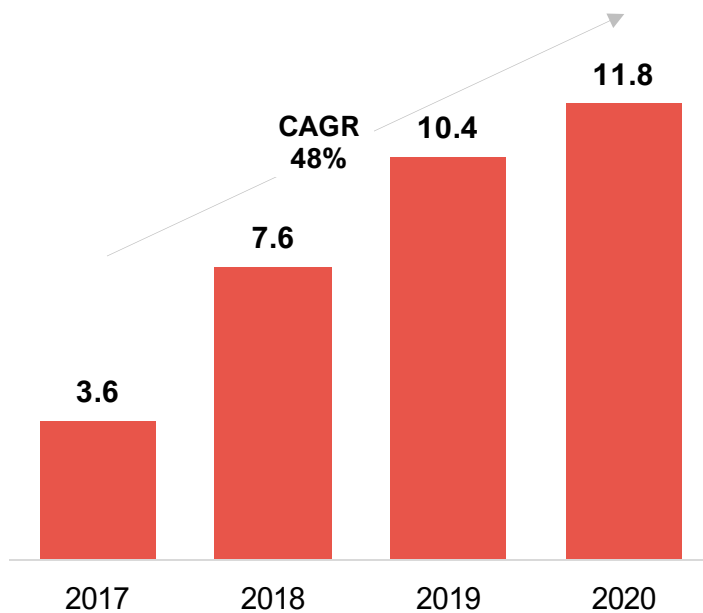
Retail area
24.5 M sq. ft.



Offering
Retail service provider

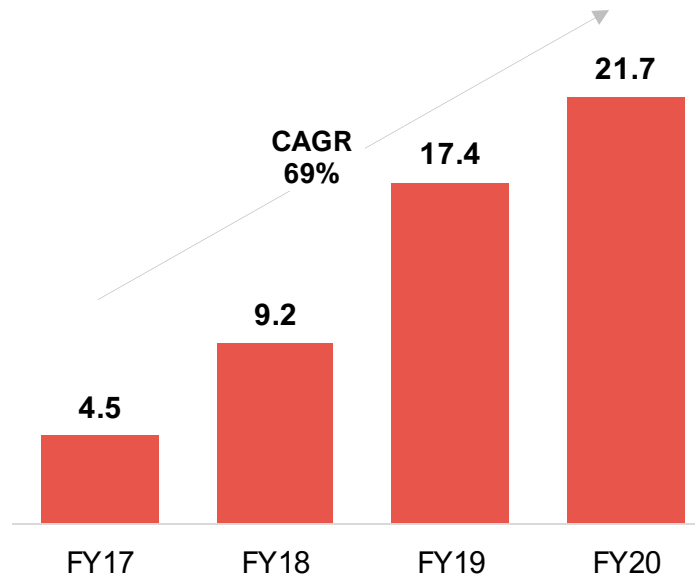
stores growth

stores
(K, FY17-20)



Revenue growth

Revenue growth
(US\$ M, FY17-20)



Acquisitions



Multinational toy retailer



Online pharmacy



Modern retail, FMCG and fashion brand (in pipeline)



E-commerce platform selling furniture

Shri Kannan Departmental Store Pvt. Ltd.
Retail chain in South India

Agenda

Preamble

Deal trends and outlook for 2021

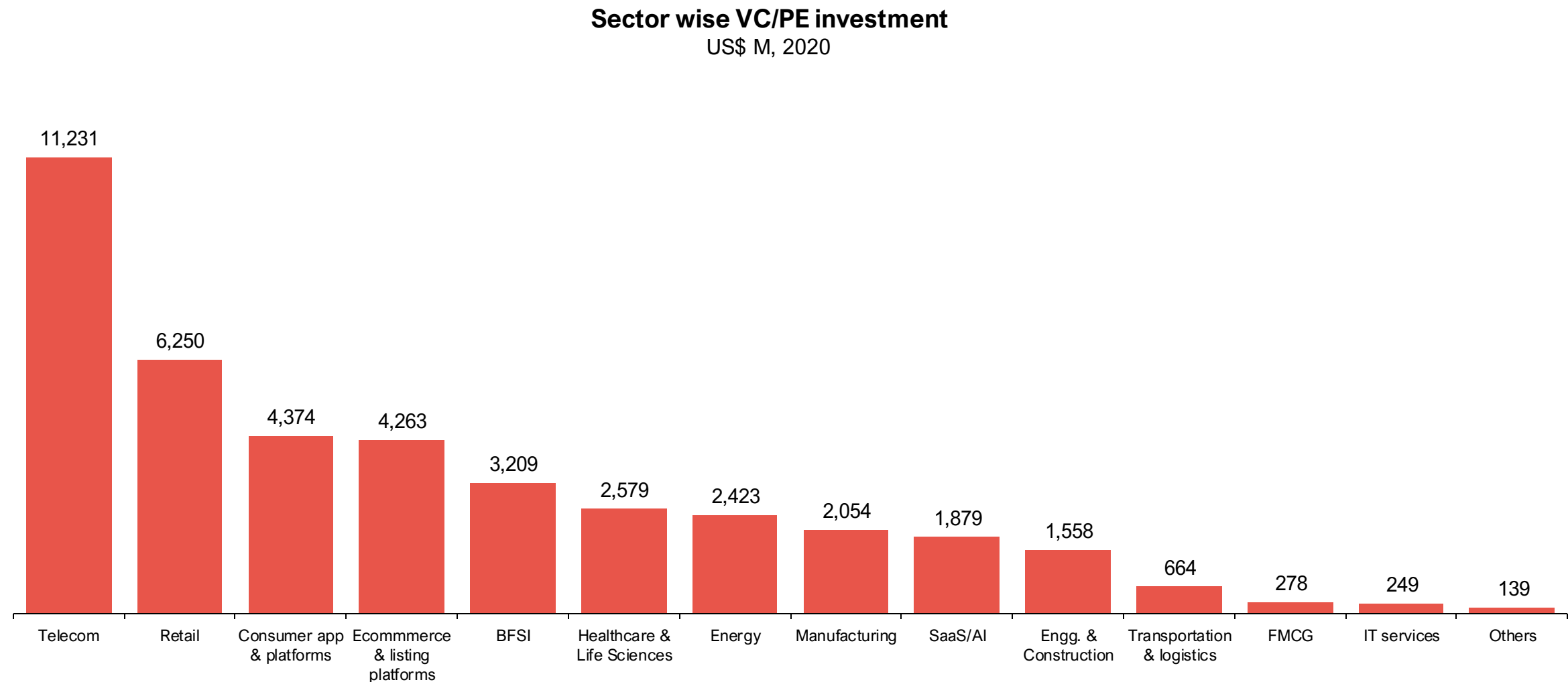
Exits and fund raising

Top trends in 2020

Appendix: Sector deep dive



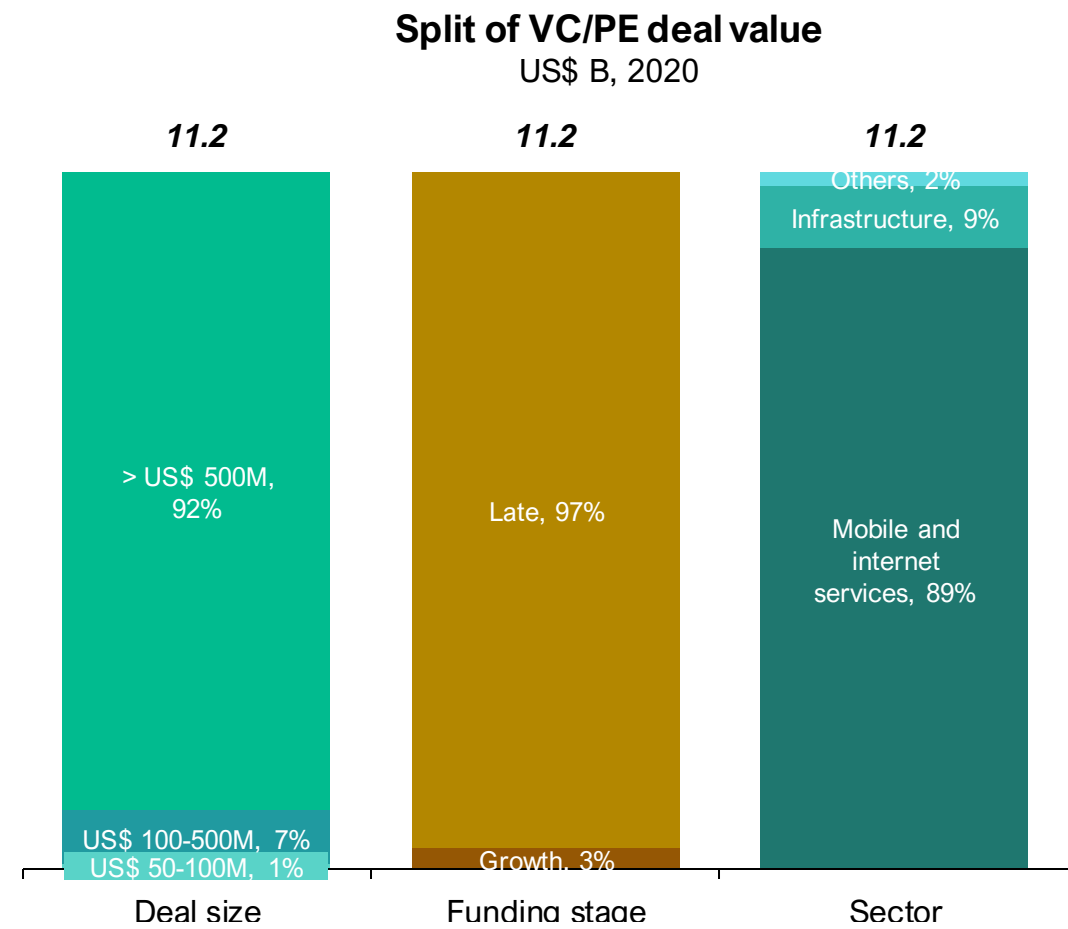
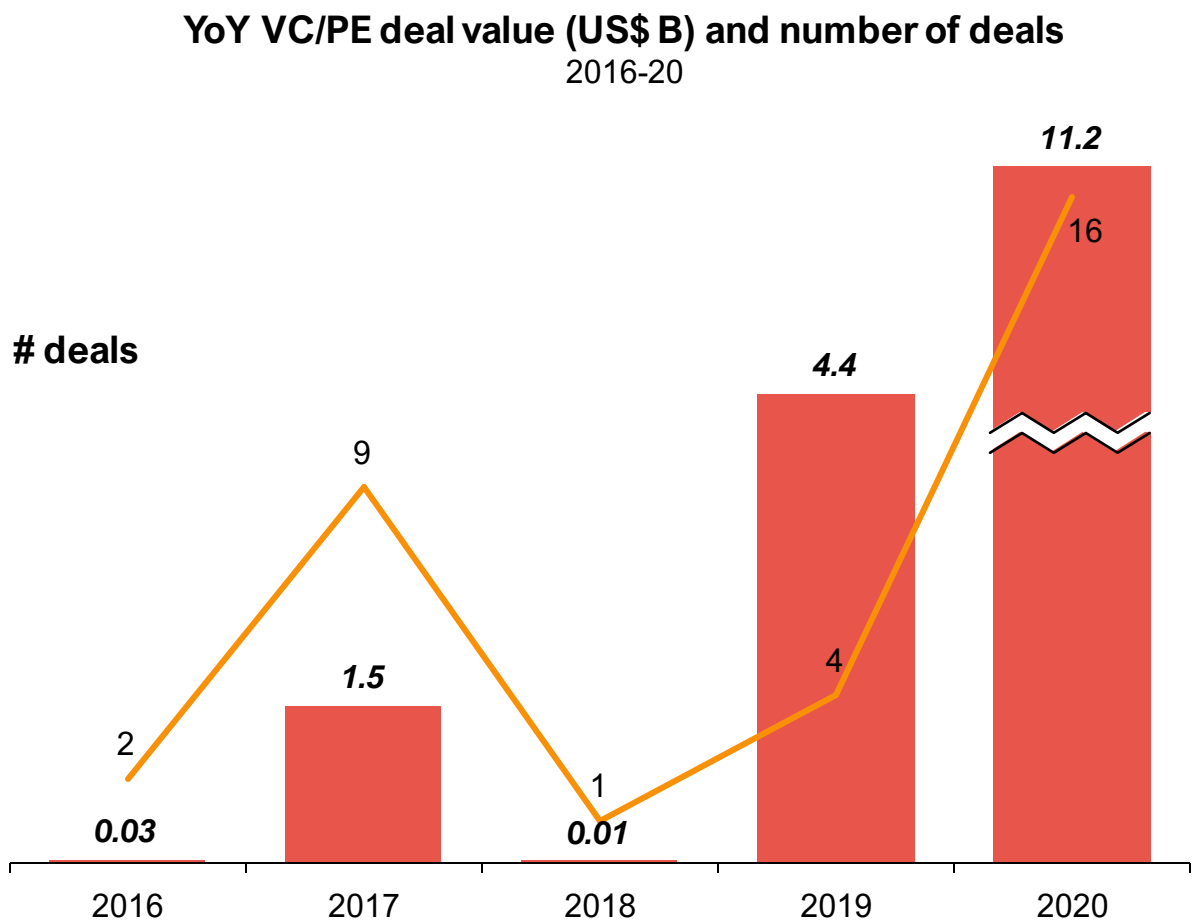
Telecom, retail and consumer app & platforms were the top funded sectors in 2020












Telecom: US\$ 11.2B invested across 16 deals; 89% of funds invested were in mobile and internet services in 2020

Investments in telecom sector has increased from US\$ 30M in 2016 to US\$ 11.2B in 2020

Late stage deals correspond to 97% of the total investment in 2020

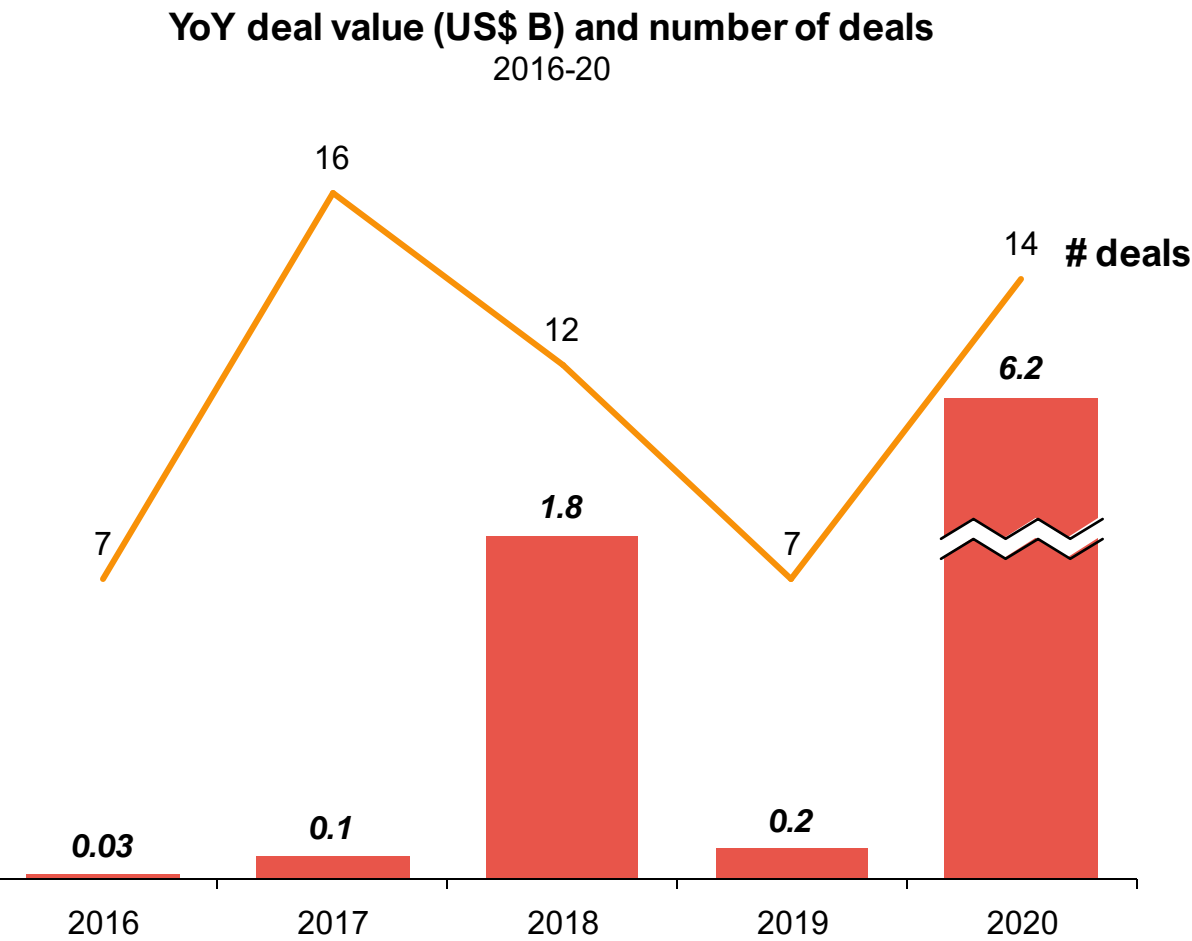


Top 10 deals of telecom in 2020

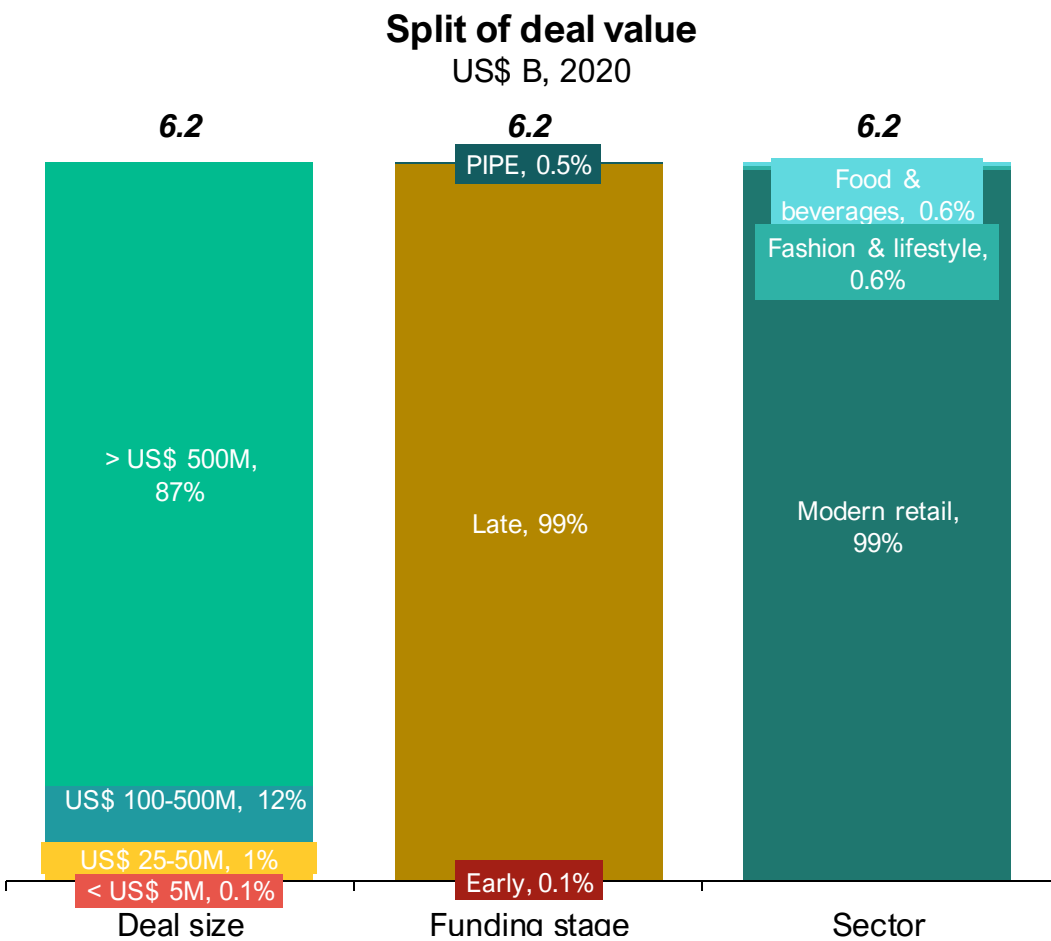
#	Company	Founded	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1		2007	Mobile and internet services	1,510	Late	Vista Equity Partners
2		2007	Mobile and internet services	1,500	Late	KKR
3		2007	Mobile and internet services	1,500	Late	PIF
4		2007	Mobile and internet services	1,202	Late	Mubadala Investment Company
5	Reliance Digital Fiber Infrastructure Trust	2020	Infrastructure	1,012	Late	ADIA, PIF
6		2007	Mobile and internet services	875	Late	General Atlantic
7		2007	Mobile and internet services	750	Late	Silver Lake Partners
8		2007	Mobile and internet services	750	Late	ADIA
9		2007	Mobile and internet services	602	Late	Silver Lake Partners
10		2007	Mobile and internet services	601	Late	TPG
Total				10,302		

Retail: US\$ 6.2B invested across 14 deals; 99% of funds invested were in modern retail in 2020











Investments in retail sector has increased from US\$ 0.03B in 2016 to US\$ 6.2B in 2020



Late stage deals correspond to 99% of the total investment in 2020

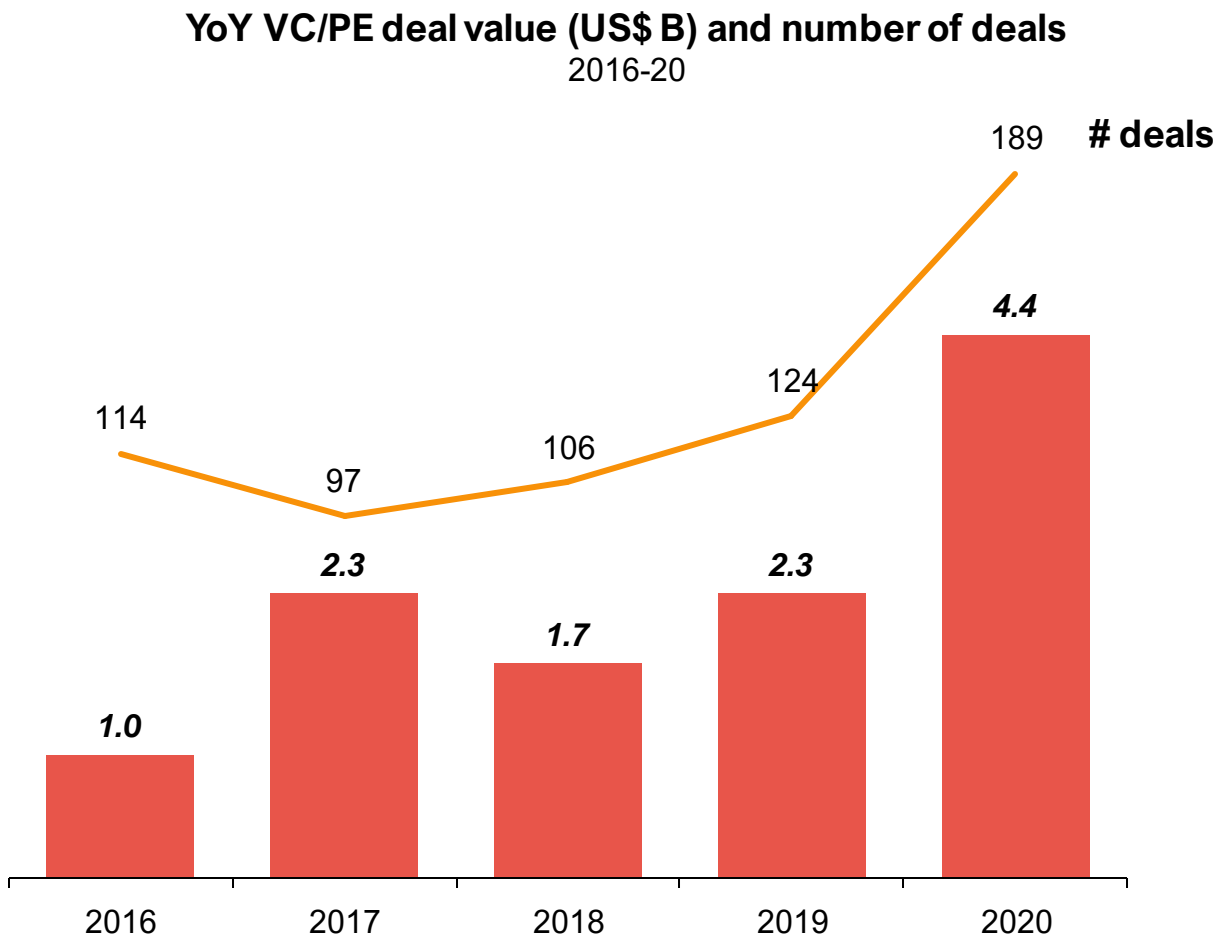


Top 10 deals of retail in 2020

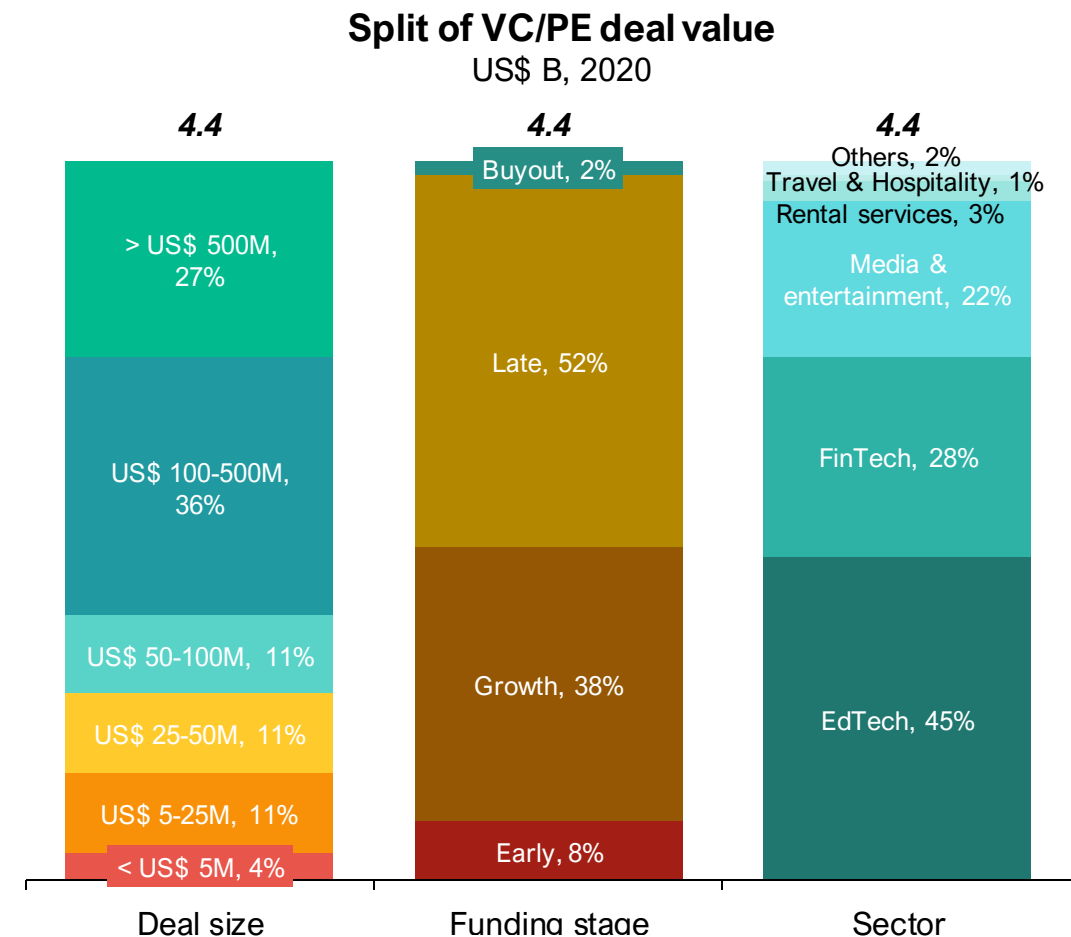
#	Company	Founded	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1		2006	Modern retail	1,290	Late	PIF
2		2006	Modern retail	1,021	Late	Silver Lake Partners
3		2006	Modern retail	855	Late	Mubadala Investment Company
4		2006	Modern retail	755	Late	ADIA
5		2006	Modern retail	755	Late	GIC
6		2006	Modern retail	747	Late	KKR
7		2006	Modern retail	499	Late	General Atlantic
8		2006	Modern retail	252	Late	TPG
9		2007	Food & beverages	37	Late	Amazon, Samara Capital
10		2012	Fashion & lifestyle	30	PIPE	IFC
Total				6,241		

Consumer app and platforms: US\$ 4.4B invested across 189 deals; 73% of funds invested were in edtech (45%) and fintech (28%) in 2020











Investments in consumer app and platforms has increased from US\$ 1B in 2016 to US\$ 4.4B in 2020



Late stage deals correspond to 52% of the total investment in 2020



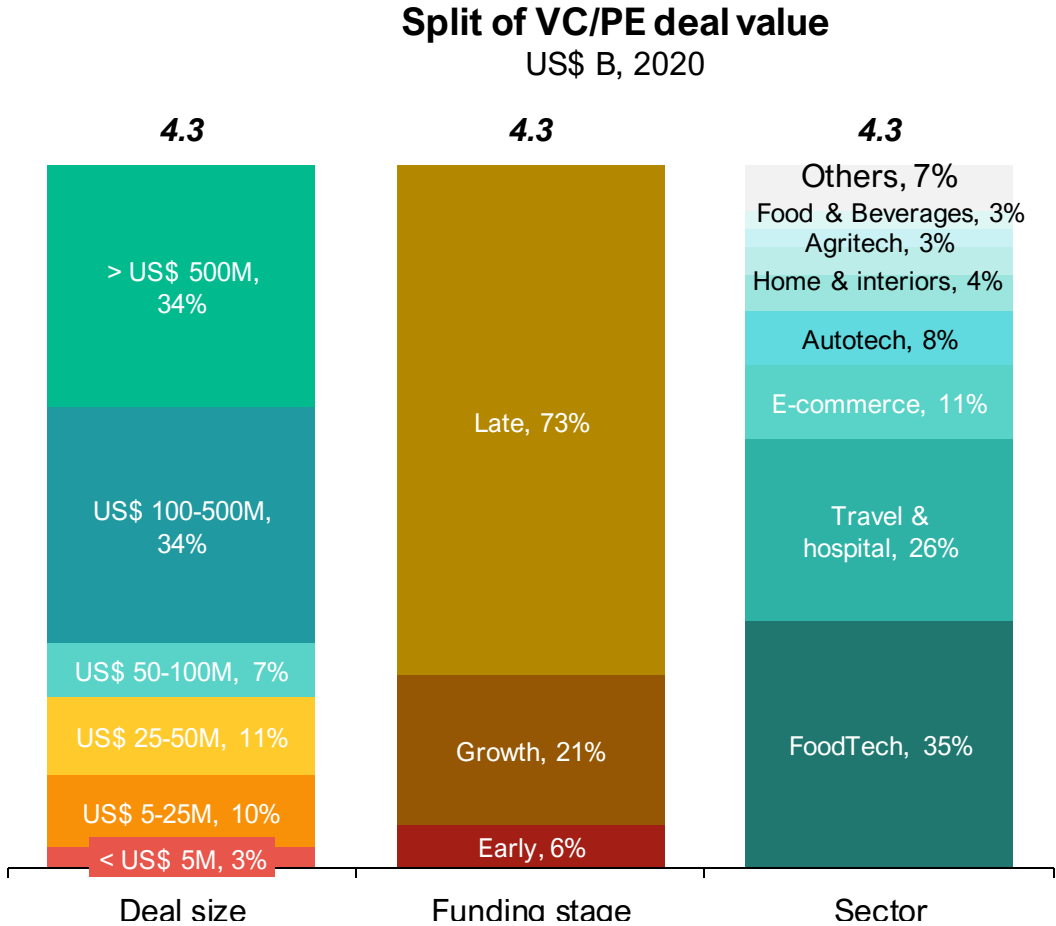
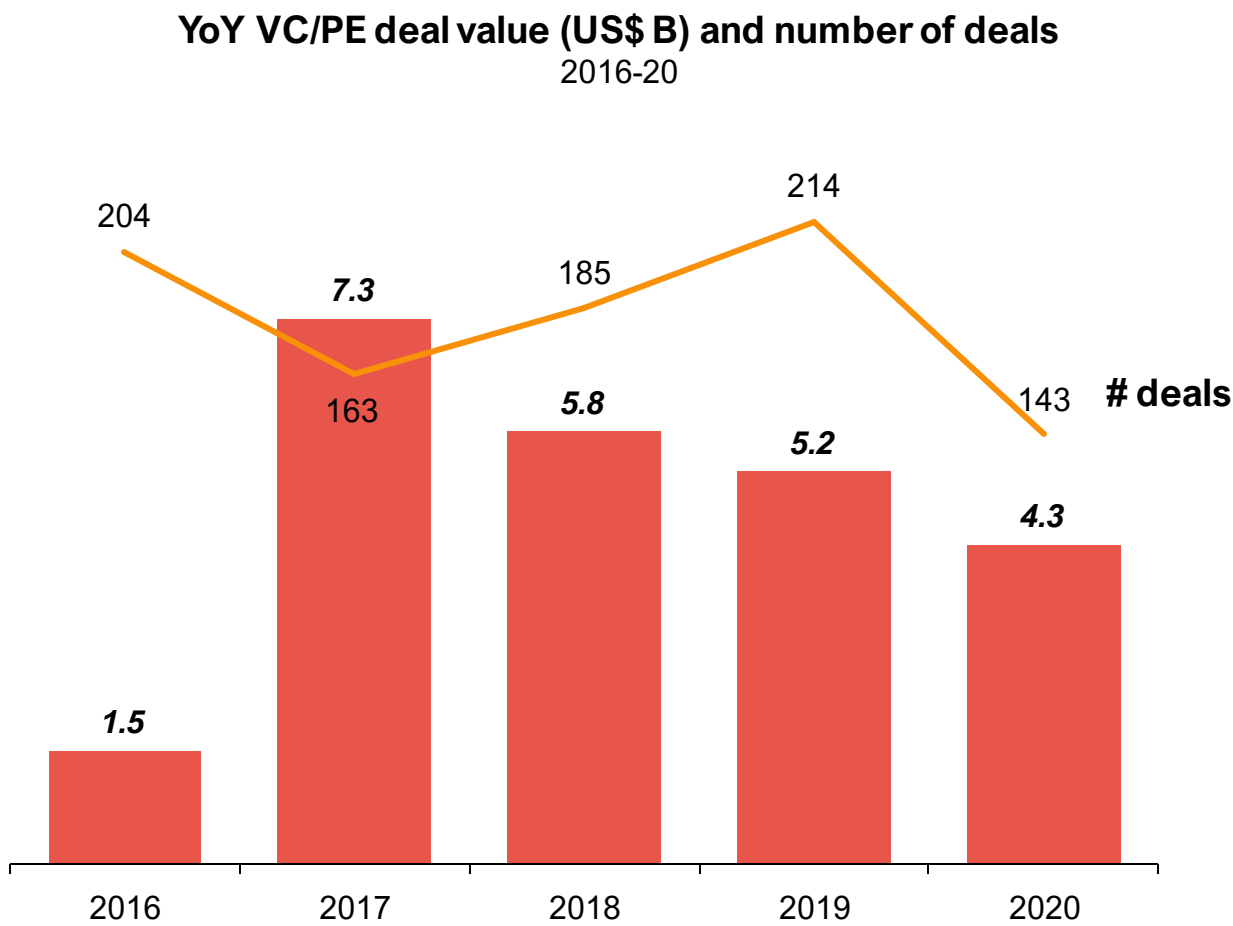
Top 10 deals of Consumer app & platforms in 2020

#	Company	Founded	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1	 PhonePe	2012	FinTech	700	Late	Tiger Global Management, Walmart
2	 BYJU'S The Learning App	2011	EdTech	500	Late	Silver Lake Partners, Owl Ventures, Sands Capital, General Atlantic, BlackRock, Alkeon Capital, Tiger Global Management
3	 DREAM11	2008	Media & entertainment	225	Late	TPG Capital, Tiger Global Management, ChrysCapital
4	 BYJU'S The Learning App	2011	EdTech	200	Late	Tiger Global Management
5	 BYJU'S The Learning App	2011	EdTech	200	Late	General Atlantic
6	 unacademy	2015	EdTech	150	Growth	SoftBank Corp, Blume Ventures, Nexus Venture Partners, Sequoia Capital, General Atlantic
7	 glance	2017	Media & entertainment	145	Growth	Mithril Capital, CapitalG
8	 BYJU'S The Learning App	2011	EdTech	122	Late	DST Global
9	 ERUDITUS EXECUTIVE EDUCATION	2015	EdTech	113	Growth	Prosus, Sequoia, CZI, Leeds Illuminate
10	 unacademy	2015	EdTech	110	Late	General Atlantic, Facebook, Steadview Capital, Nexus Venture Partners, Blume Ventures, Sequoia Capital
Total				2,465		











Ecommerce and listing platforms: US\$ 4.3B invested across 143 deals; 61% of funds invested were in foodtech (35%) and travel & hospitality (26%) in 2020

Investments in ecommerce and listing platforms has increased from US\$ 1.5B in 2016 to US\$ 4.3B in 2020

Late stage deals correspond to 73% of the total investment in 2020

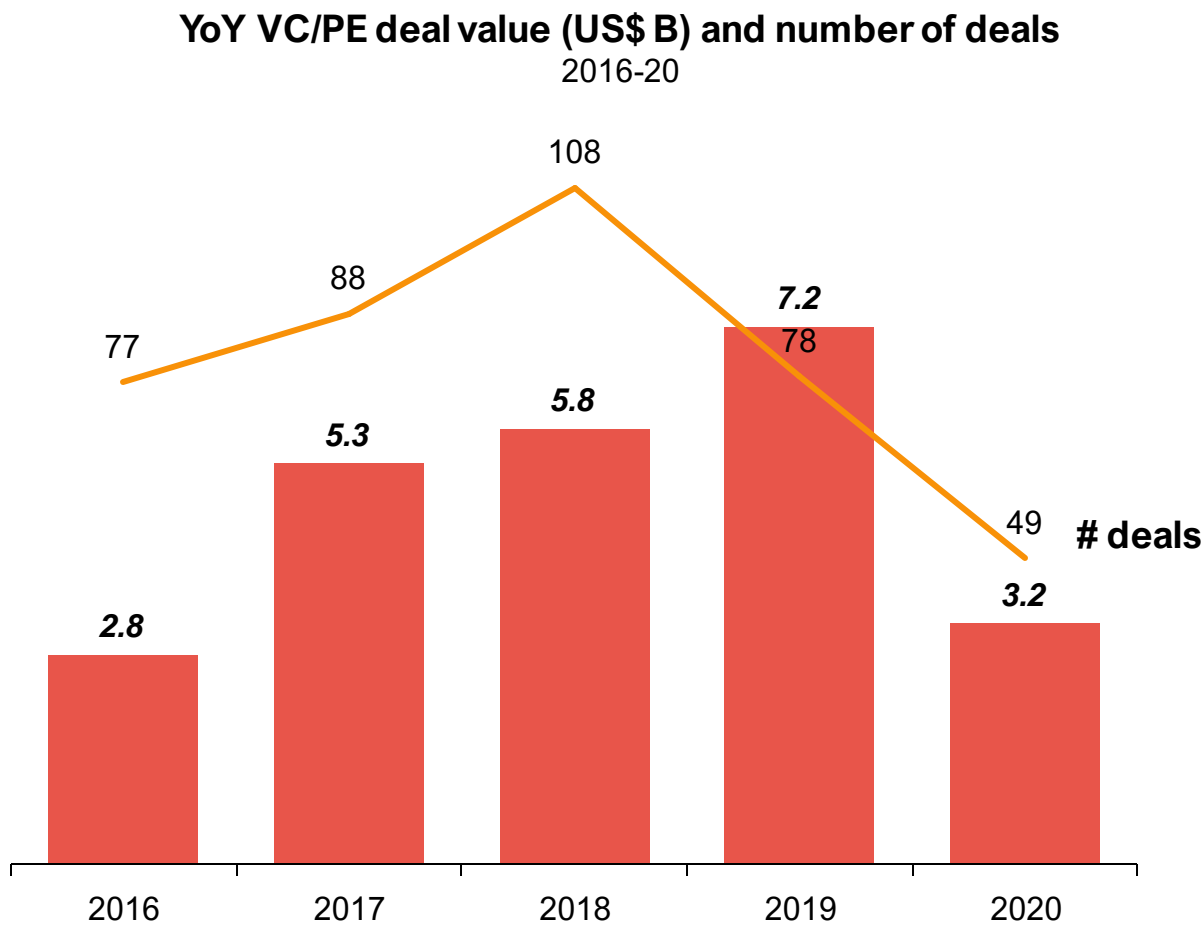


Top 10 deals of Ecommerce and listing platforms in 2020

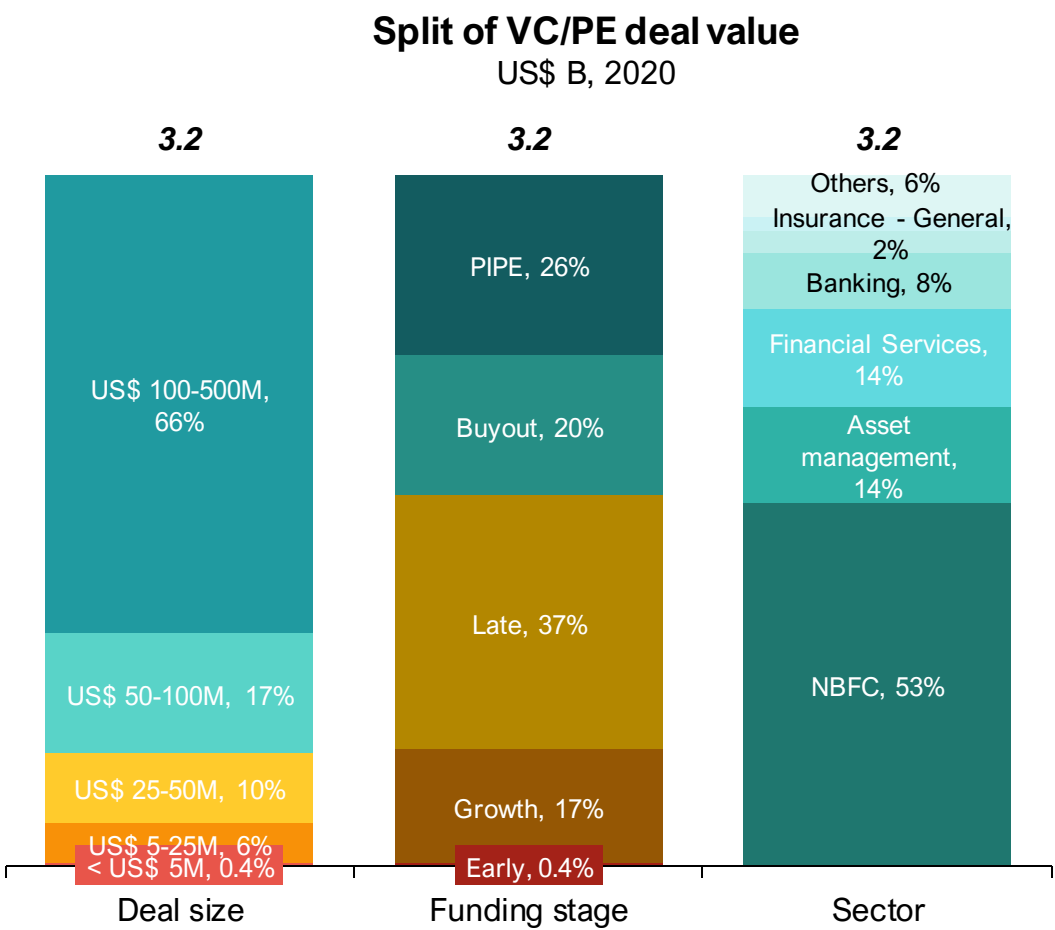
#	Company	Founded	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1		2013	Travel & Hospitality	807	Late	Softbank Corp, RA Hospitality Holdings
2		2008	FoodTech	660	Late	Tiger Global Management, Fidelity Investments, Mirae Asset, Steadview Capital, Kora, Luxor Capital
3		2010	E-Commerce	300	Late	Softbank Corp
4		2008	FoodTech	250	Late	Kora, Tiger Global Management, Temasek
5		2015	Autotech	200	Late	DST Global, Moore Strategic Ventures
6		2008	FoodTech	195	Late	Luxor Capital, Steadview capital, Kora, Bow Wave Capital Management
7		2008	FoodTech	150	Late	Ant Financial
8		2017	Travel & Hospitality	125	Late	Cerestra Advisors
9		2014	FoodTech	113	Late	Naspers, Meituan, Wellington Management, Prosus
10		2012	Food & Beverages	106	Growth	OPIC, Iron Pillar, Investment Corporation of Dubai
Total				2,906		

BFSI: US\$ 3.2B invested across 49 deals; 53% of funds invested were in NBFCs in 2020










Investments in BFSI has increased from US\$ 2.8B in 2016 to US\$ 3.2 B in 2020



Late and PIPE deals correspond to 37% and 26% of the total investment in 2020 respectively



Top 10 deals of BFSI in 2020

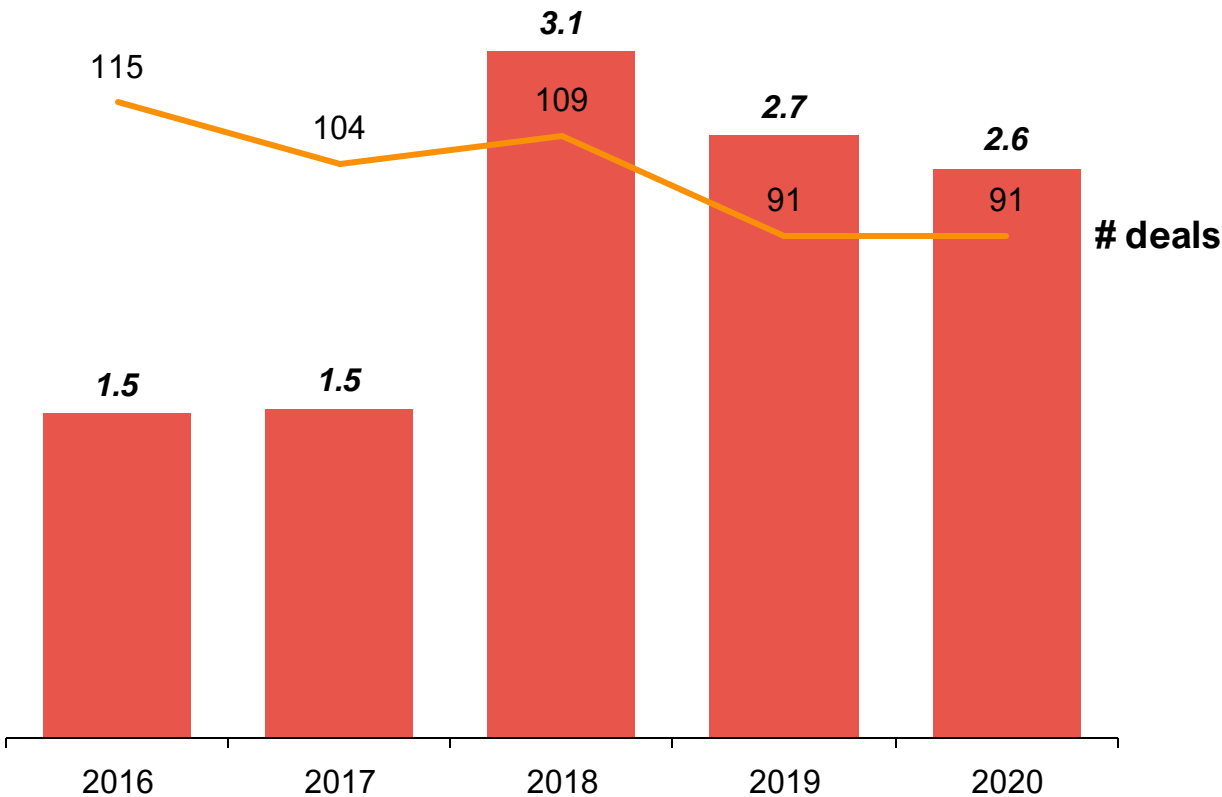
#	Company	Founded	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1	 Edelweiss Ideas create, values protect	1995	NBFC	401	Late	SSG Capital, Farallon Capital
2	Edelweiss Alternate Asset Advisors	2005	Asset management	350	Buyout	Ontario Teachers' Pension Plan
3	 Edelweiss PRIVATE WEALTH MANAGEMENT Ideas create, values protect	2010	Financial Services	300	Buyout	Pacific Alliance Group
4	 pnb Housing Finance Limited Ghar Ki Baat	1988	NBFC	234	PIPE	The Carlyle Group
5	 RBL BANK apno ka bank	1943	Banking	209	PIPE	Baring Private Equity Asia, ICICI Prudential Life Insurance, Gaja Capital, CDC Group
6	 INDOSTAR	2009	NBFC	202	PIPE	Brookfield
7	 INDOSTAR	2009	NBFC	160	Late	Brookfield
8	 DMI FINANCE	2008	NBFC	123	Growth	NXC Corporation
9	 homefirst We'll take you home	2010	NBFC	95	Growth	Warburg Pincus
10	 CAMS Our Mission... Your Growth	1988	Asset management	91	Late	SmallCap World Fund, Singapore government, ADIA, HSBC, Nomura, Goldman Sachs
Total				2,165		

Healthcare and life sciences: US\$ 2.6B invested across 91 deals; 72% of funds invested were in pharma & biotech in 2020

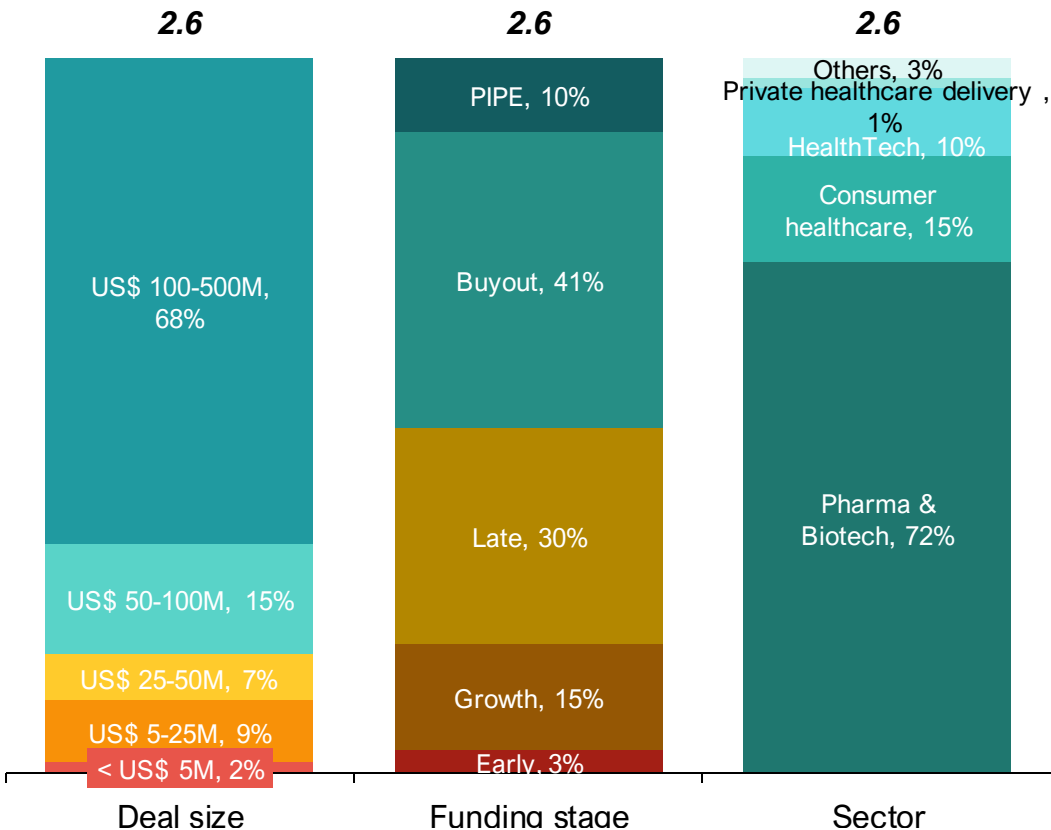
Investments in healthcare & life sciences has increased from US\$ 1.5B in 2016 to US\$ 2.6B in 2020

Buyout and late deals correspond to 41% and 30% of the total investment in 2020 respectively







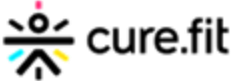



YoY VC/PE deal value (US\$ B) and number of deals
2016-20



Split of VC/PE deal value
US\$ B, 2020

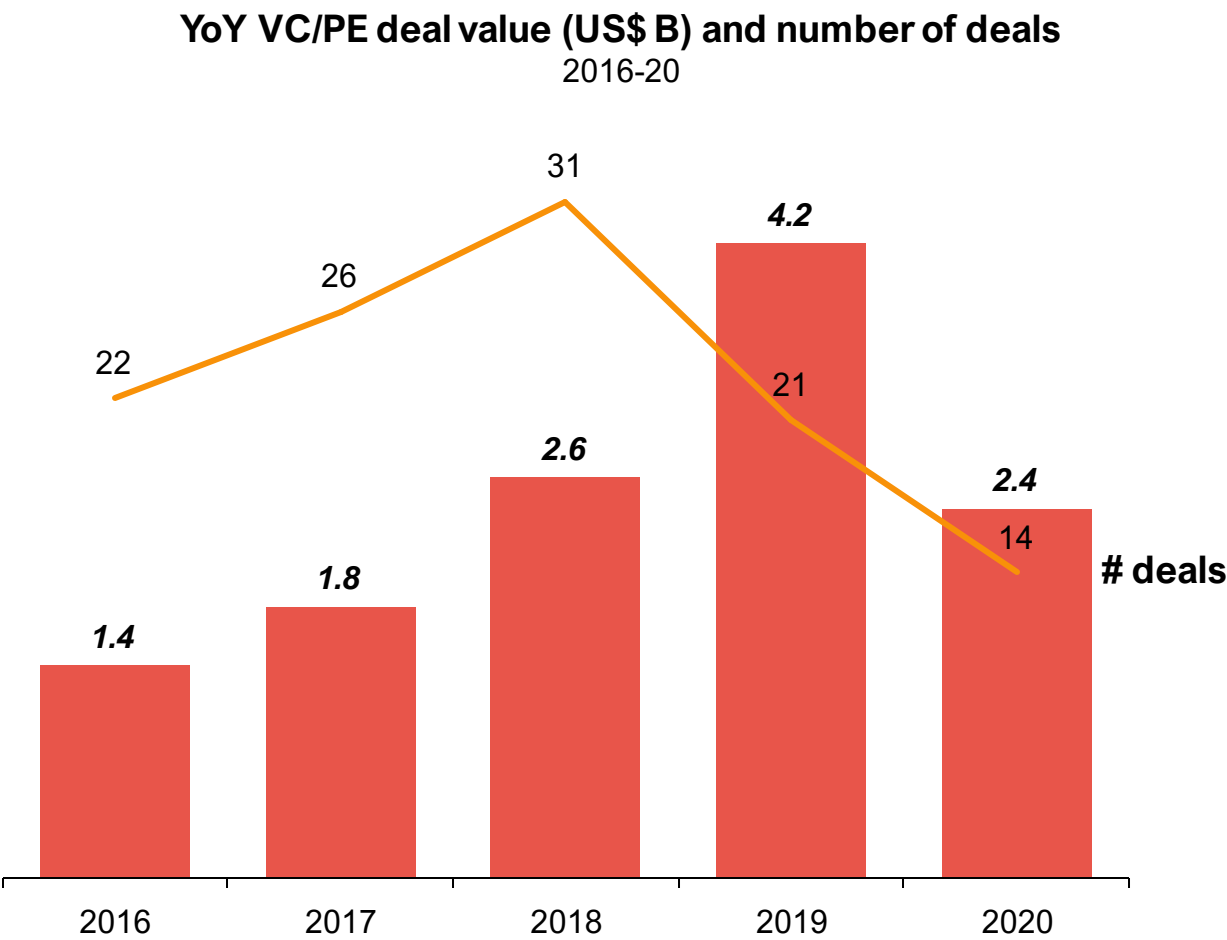


Top 10 deals of healthcare and life sciences in 2020

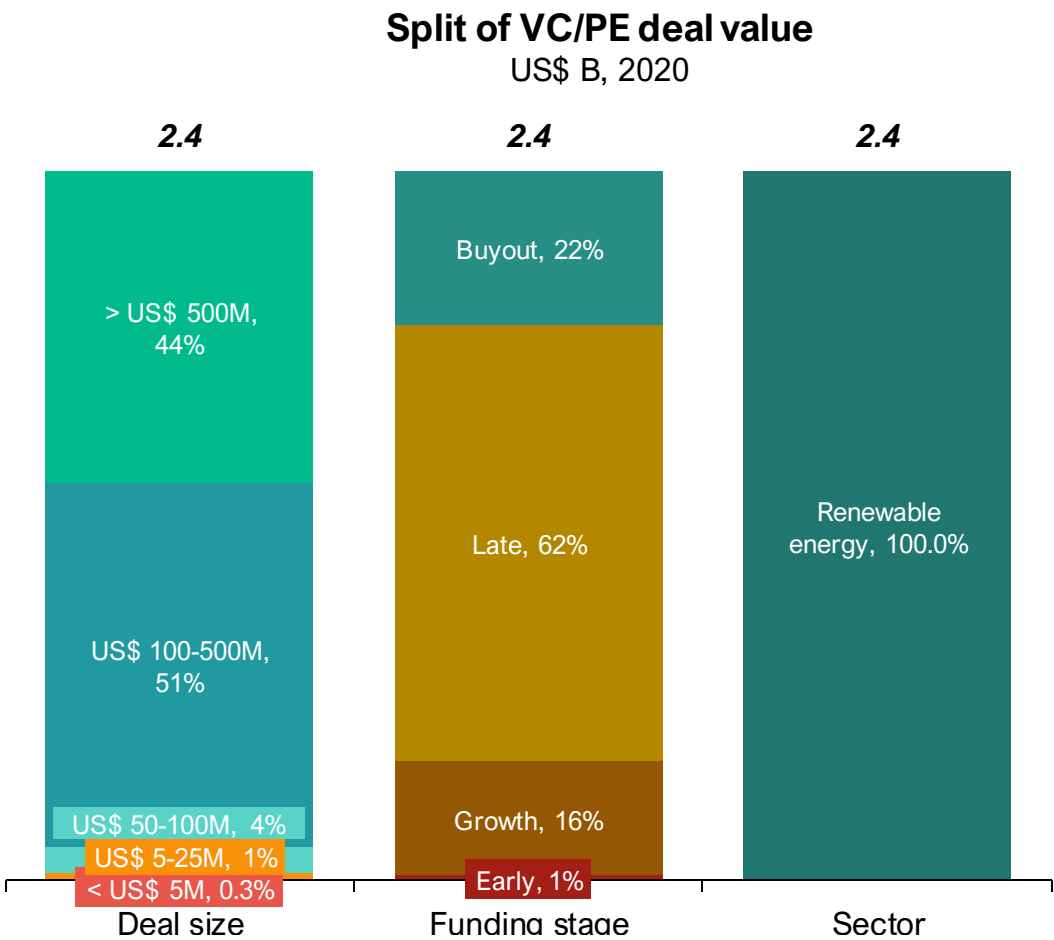
#	Company	Founded	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1	 Piramal Pharma Solutions	1988	Pharma & Biotech	490	Late	Carlyle Group
2	 JB Chemicals	1976	Pharma & Biotech	414	Buyout	KKR
3	 Sequent Proven Ability In Life Science	2002	Pharma & Biotech	210	Buyout	Carlyle Group
4	 Biocon	1978	Pharma & Biotech	150	Late	Goldman Sachs
5	 OmniActive HEALTH TECHNOLOGIES	2004	Consumer healthcare	150	Buyout	TA Associates
6	 RA Chem Pharma Ltd Building Enterprise partnerships	1996	Pharma & Biotech	128	Buyout	Advent International
7	 cure.fit	2016	HealthTech	110	Growth	Epiq Capital, Unilever Ventures, InnoVen Capital, Ascent Capital, Accel India, Chiratae Ventures, Temasek
8	 Biocon	1978	Pharma & Biotech	100	PIPE	TrueNorth
9	 BULK DRUGS ADPL Anjan Drug Private Limited	1990	Pharma & Biotech	80	Buyout	Pacific Alliance Group, CX Partners, Samara Capital
10	 SAKET CITY HOSPITAL YOU FIRST	1991	Consumer healthcare	73	Buyout	KKR
Total				1,905		

Energy: US\$ 2.4B invested across 14 deals with 91% deals of ticket size more than US\$ 100M










Investments in energy sector has increased from US\$ 1.4B in 2016 to US\$ 2.4B in 2020



Late stage deals correspond to 62% of the total investment in 2020



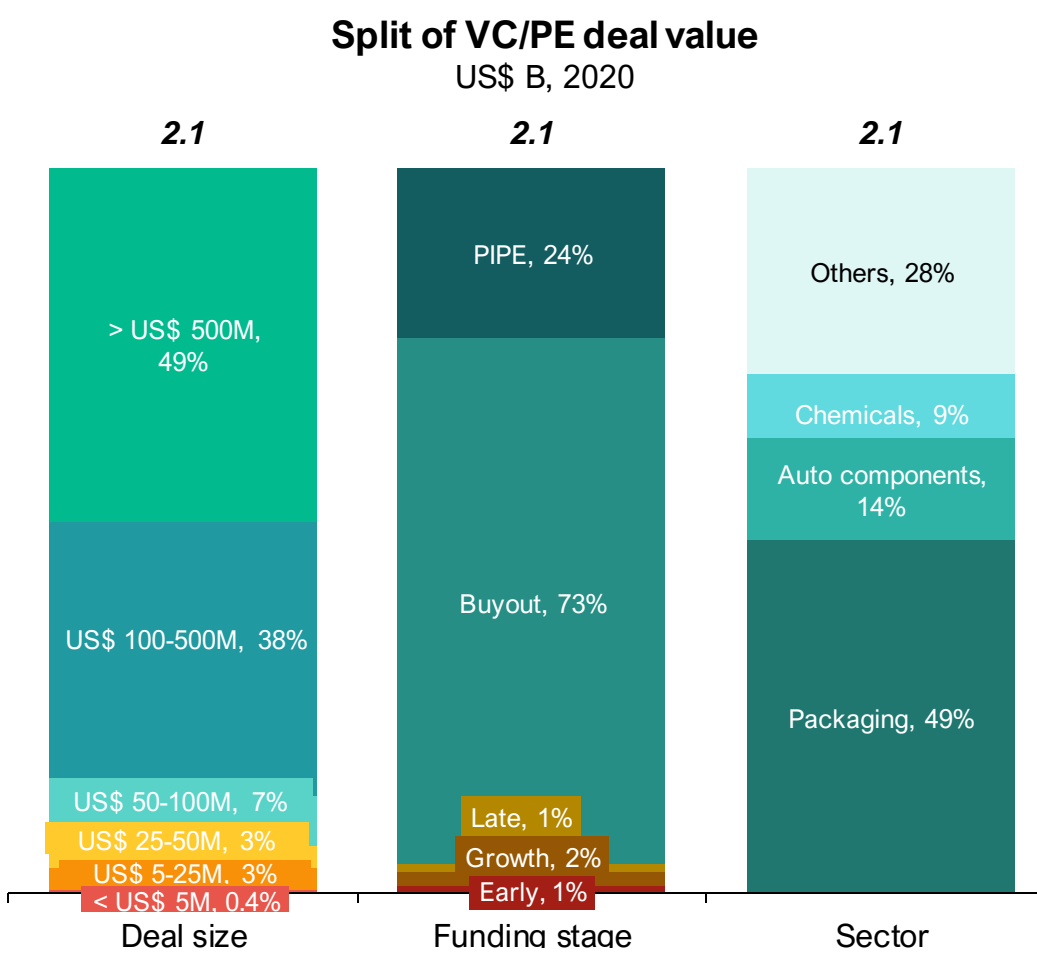
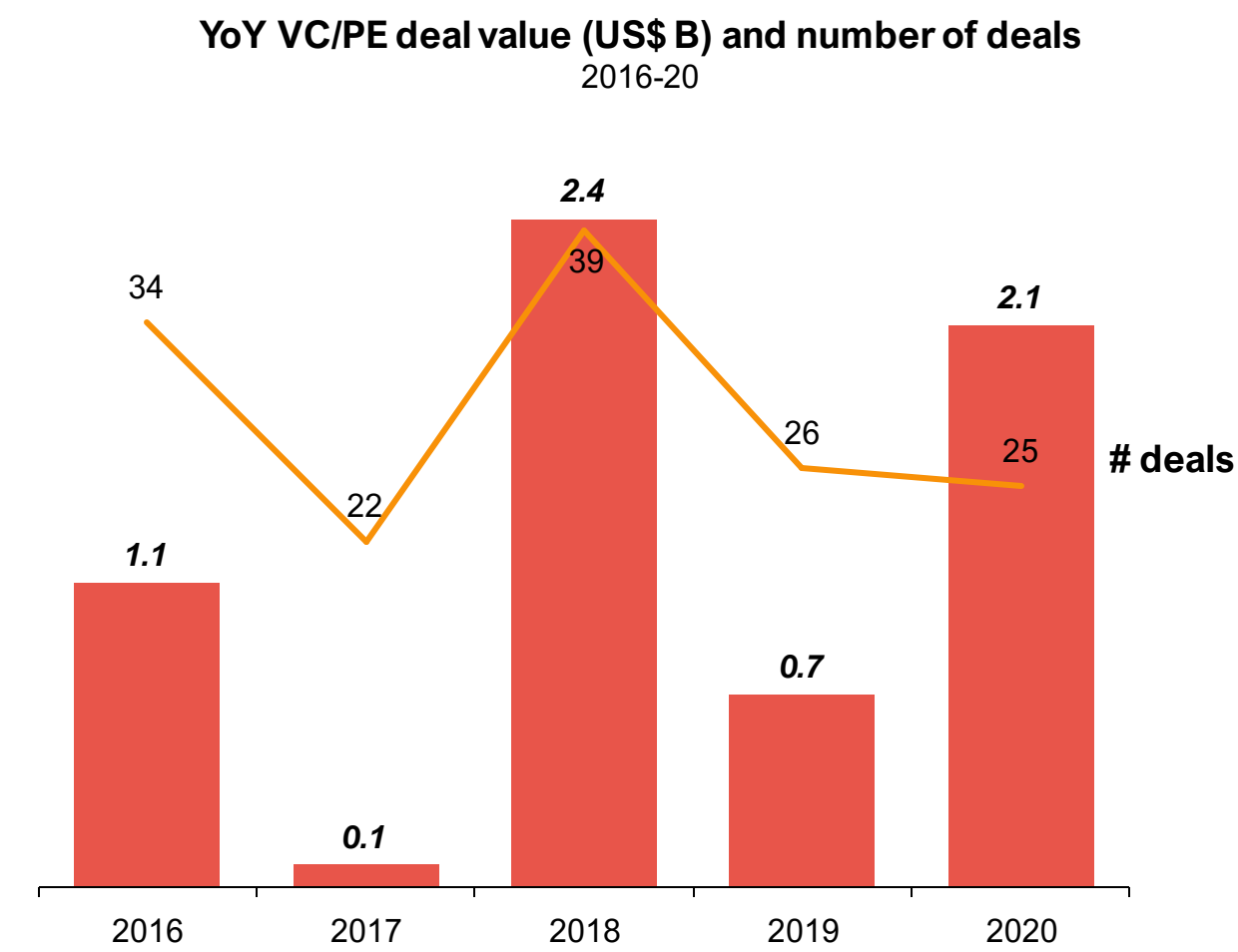
Top 10 deals of Energy in 2020

#	Company	Founded	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1		2007	Renewable energy	567	Late	Varde Partners, Goldman Sachs
2		2019	Renewable energy	500	Late	EQT, Temasek
3		2003	Renewable Energy	415	Late	Actis
4		2017	Renewable energy	390	Growth	NIIF, CDC Group, Everstone
5		2007	Renewable energy	228	Buyout	Global Infrastructure Partners
6	SP Infra (Solar assets)	1997	Renewable energy	207	Buyout	KKR
7		2006	Renewable energy	90	Buyout	KKR, GIC
8		2009	Renewable energy	10	Early	DEG Invest
9		2008	Renewable energy	10	Late	CDPQ
10		2015	Renewable energy	4	Early	General Catalyst Partners
Total				2,420		




Manufacturing: US\$ 2.1B invested across 25 deals; 49% of funds invested were in packaging sector in 2020

Investments in manufacturing sector has increased from US\$ 1.1B in 2016 to US\$ 2.1B in 2020

Buyout deals correspond to 73% of the total investment in 2020



Top 10 deals of manufacturing in 2020

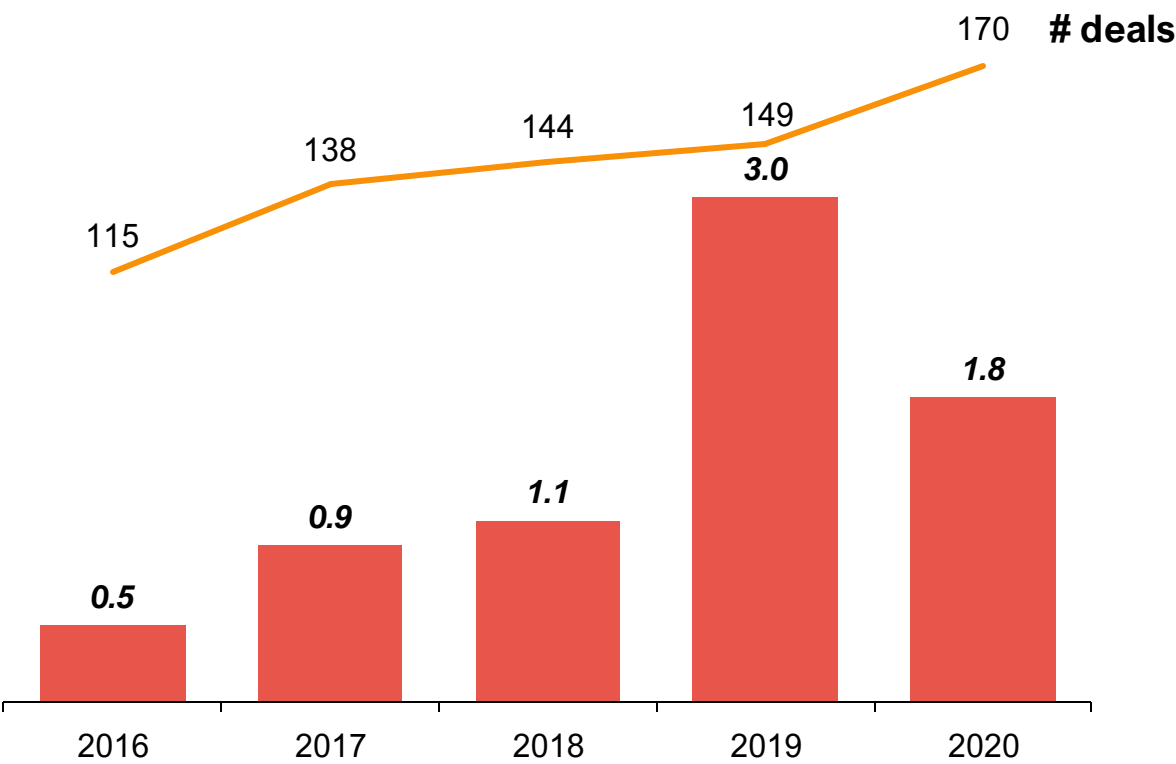
#	Company	Founded	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1	 Piramal Glass	1984	Packaging	1,000	Buyout	Blackstone
2	 UTTAM	1985	Metal & alloys	210	Buyout	Nithia Capital
3	 apollo TYRES	1972	Auto components	150	PIPE	Warburg Pincus
4	Uttam Value Steel	1985	Metal & alloys	144	Buyout	Nithia Capital
5	 apollo TYRES	1972	Auto components	142	PIPE	Emerald Investments
6	 Calibre Engineering Chemistry	1984	Chemicals	136	Buyout	Everstone
7	 KEI Wires & Cables	1968	Wires & cables	70	PIPE	Goldman Sachs, HSBC Global
8	 JSL JINDAL STAINLESS	1970	Metal & alloys	70	PIPE	Kotak PE
9	BOROSIL RENEWABLES LIMITED	1962	Glassware	27	PIPE	Convergent Finance
10	 CFS Camlin Fine Sciences	1931	Chemicals	24	PIPE	Convergent Finance
Total				1,973		

SaaS/AI: US\$ 1.8B invested across 170 deals; 95% of funds invested were in early and growth stage deals in 2020

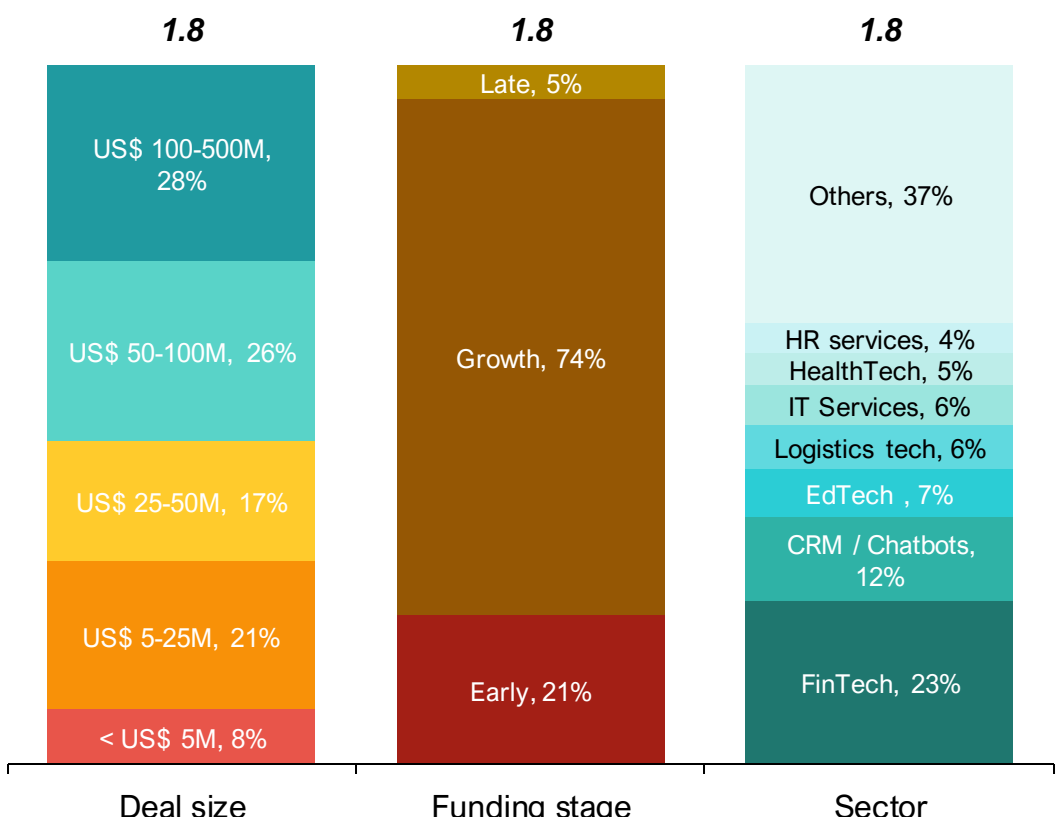
Investments in SaaS/AI has increased from US\$ 0.5B in 2016 to US\$ 1.8B in 2020

46% of the total investment were of ticket size less than US\$ 50M in 2020











YoY VC/PE deal value (US\$ B) and number of deals
2016-20



Split of VC/PE deal value
US\$ B, 2020



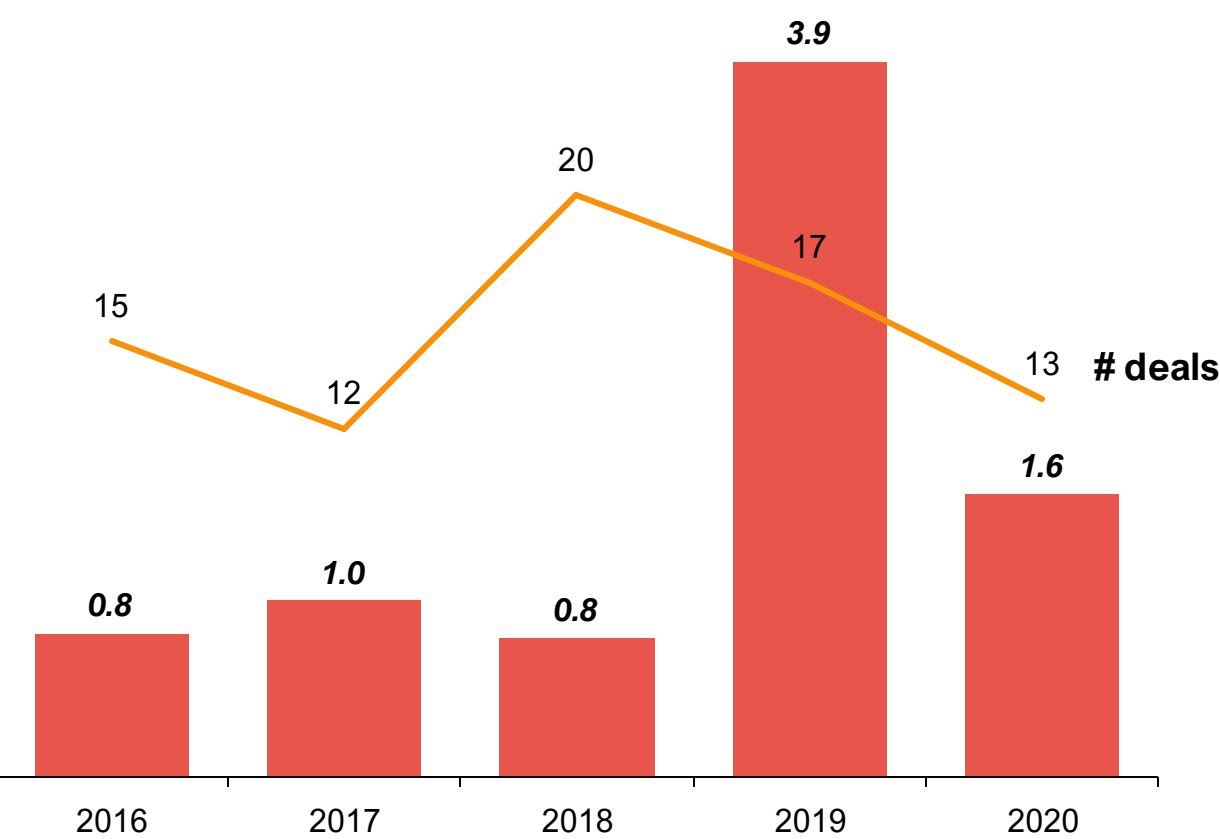
Top 10 deals of SaaS/AI in 2020

#	Company	Founded	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1		2010	Business management software	160	Growth	Steadview Capital, Advent International, Tiger Global Management
2		2014	API testing	150	Growth	Insight Partners
3		2014	Fintech	100	Growth	Ribbit Capital, Matrix Partners India, Tiger Global Management, GIC, Sequoia Capital
4		2011	Edtech	100	Growth	SoftBank Corp, Qualcomm Ventures, Accel India, Norwest, NEA
5		2010	CRM / chatbots	85	Late	Steadview Capital
6		2018	Fintech	75	Growth	Coatue, Ribbit Capital, Amplo, Insight Venture Partners, Steadview Capital
7		2014	Health tech	70	Growth	Mubadala Investment, M12, Steadview Capital, Dragoneer Investment Group, WestBridge Capital, Tiger Global Management
8		2018	Fintech	60	Growth	Sequoia Capital, Tencent, DST Global, GGV Capital, Hummingbird Ventures, Falcon Edge Capital, RTP Global, Unilever Ventures, B Capital Group
9		2011	Fintech	55	Growth	Steadview Capital, Insight Venture Partners, Tiger Global Management
10		2017	CRM / chatbots	54	Growth	Nokia Growth Partners, Siemens
Total				909		

Engg. and construction: US\$ 1.6B invested across 13 deals; 51% of funds invested were in roads and highways in 2020

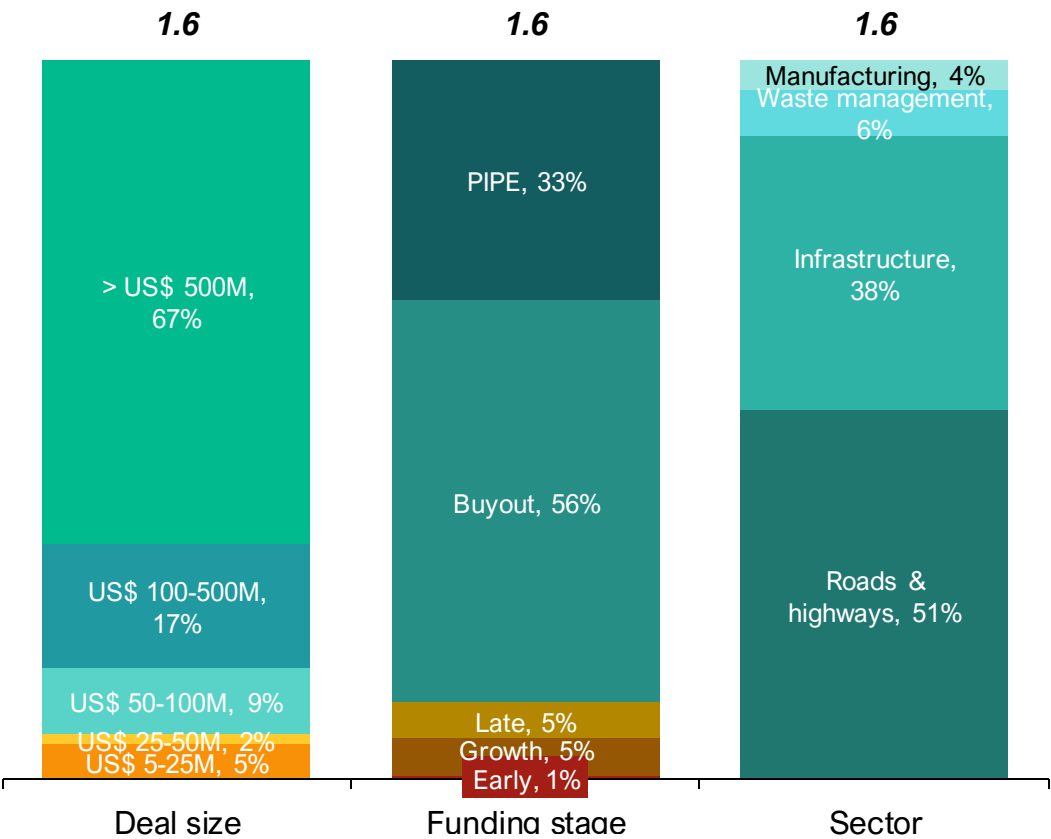
Investments in engg. & construction has increased from US\$ 0.8B in 2016 to US\$ 1.6B in 2020

YoY VC/PE deal value (US\$ B) and number of deals
2016-20












Buyout and PIPE deals correspond to 56% and 33% of the total investment in 2020 respectively

Split of VC/PE deal value
US\$ B, 2020



Top 10 deals of Engg. and construction in 2020

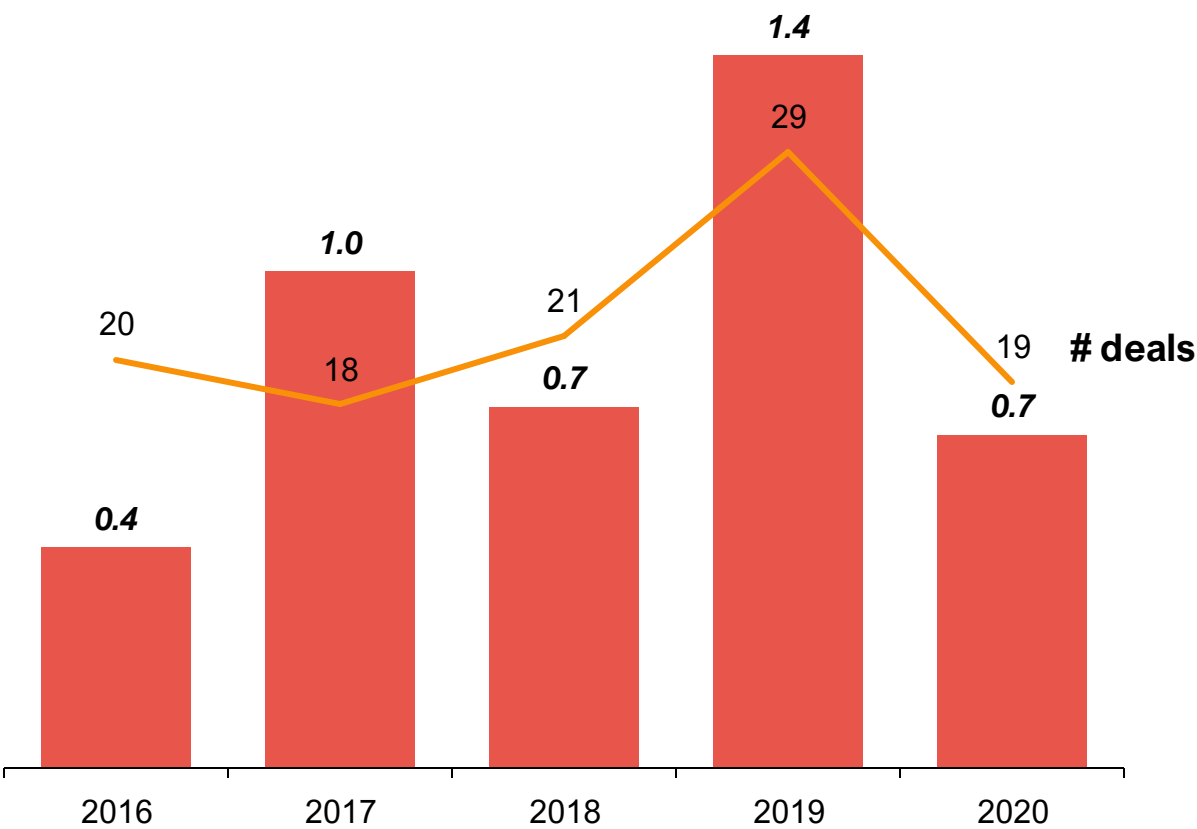
#	Company	Founded	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1	Chenani Nashri Tunnelway	2017	Roads & highways	528	Buyout	I Squared Capital, IFC
2	 IRB INFRASTRUCTURE DEVELOPERS LTD	1998	Infrastructure	521	PIPE	GIC
3	 Essel GROUP	1926	Roads & highways	270	Buyout	NIIF
4	 NRC	1995	Infrastructure	74	Buyout	I Squared Capital, IFC
5	 NUVOCO Shaping a new world	1999	Manufacturing	66	Late	Kotak PE
6	 Blue Planet Environmental Solutions	2017	Waste management	25	Growth	Nomura
7	 carbon clean	2009	Waste management	22	Growth	Equinor, Icos Capital
8	 Let's Recycle WASTE MANAGEMENT COMPANY Making Waste Sustainable	2012	Waste management	18	Growth	Aavishkaar Capital, Circulate Capital
9	 carbon clean	2009	Waste management	16	Growth	WAVE Equity Partners, Chevron, Marubeni
10	 DalmiaPOLYPRO INDUSTRIES PRIVATE LIMITED	2006	Waste management	9	Late	Circulate Capital
Total				1,549		

Transportation and logistics: US\$ 0.7B invested across 19 deals; 58% of funds invested were in 3PL in 2020

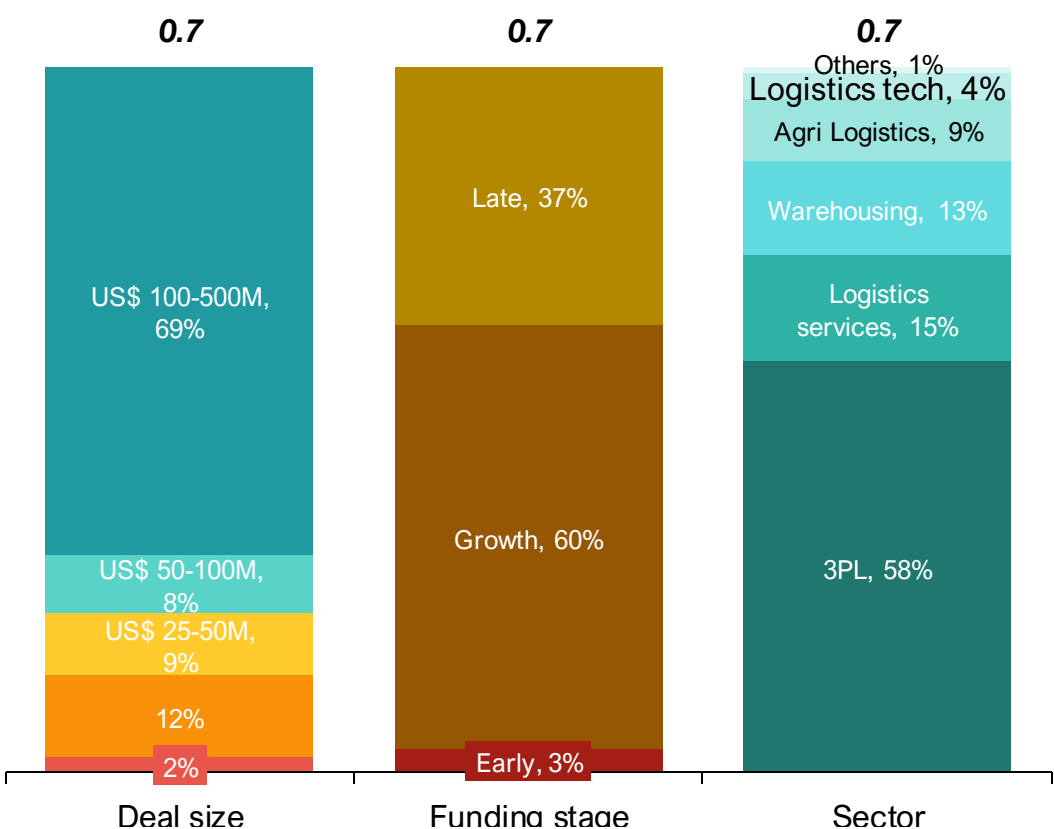
Investments in transportation and logistics have increased from US\$ 400M in 2016 to US\$ 700M in 2020

Growth deals correspond to 60% of the total investment in 2020











YoY VC/PE deal value (US\$ B) and number of deals
2016-20



Split of VC/PE deal value
US\$ B, 2020



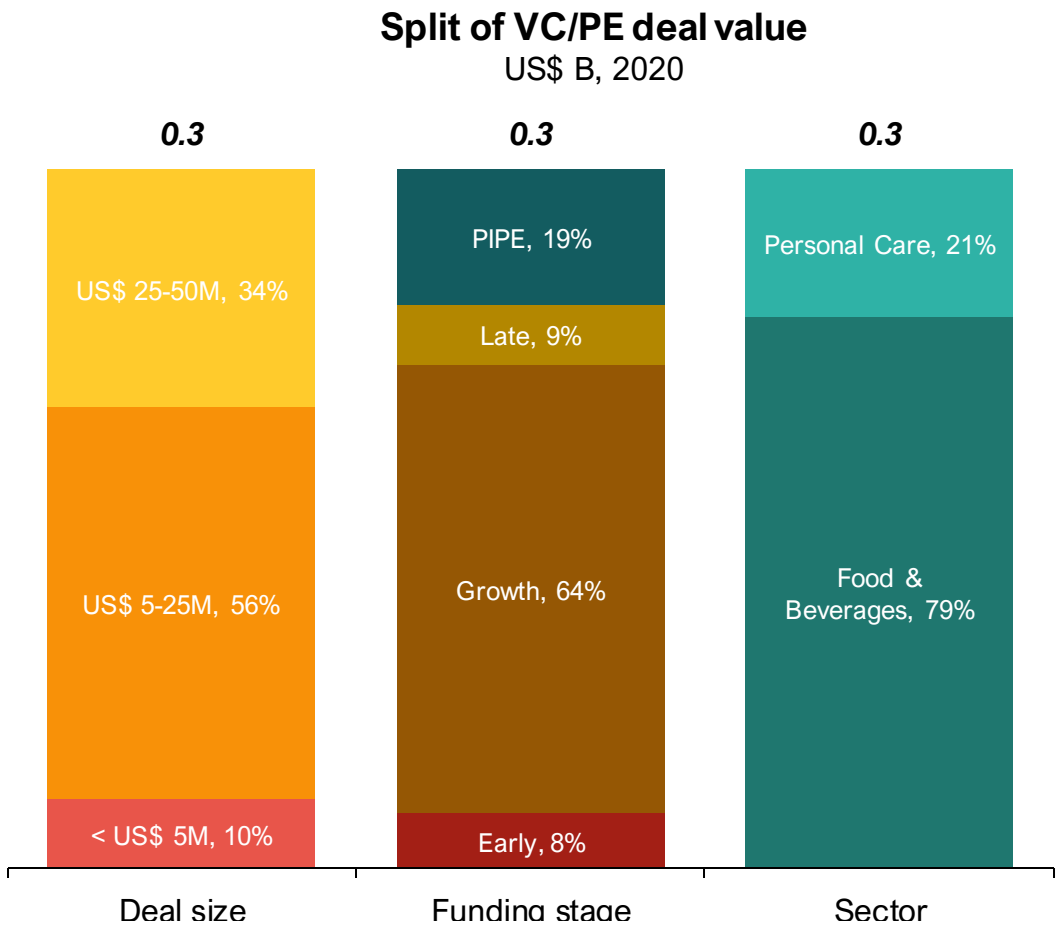
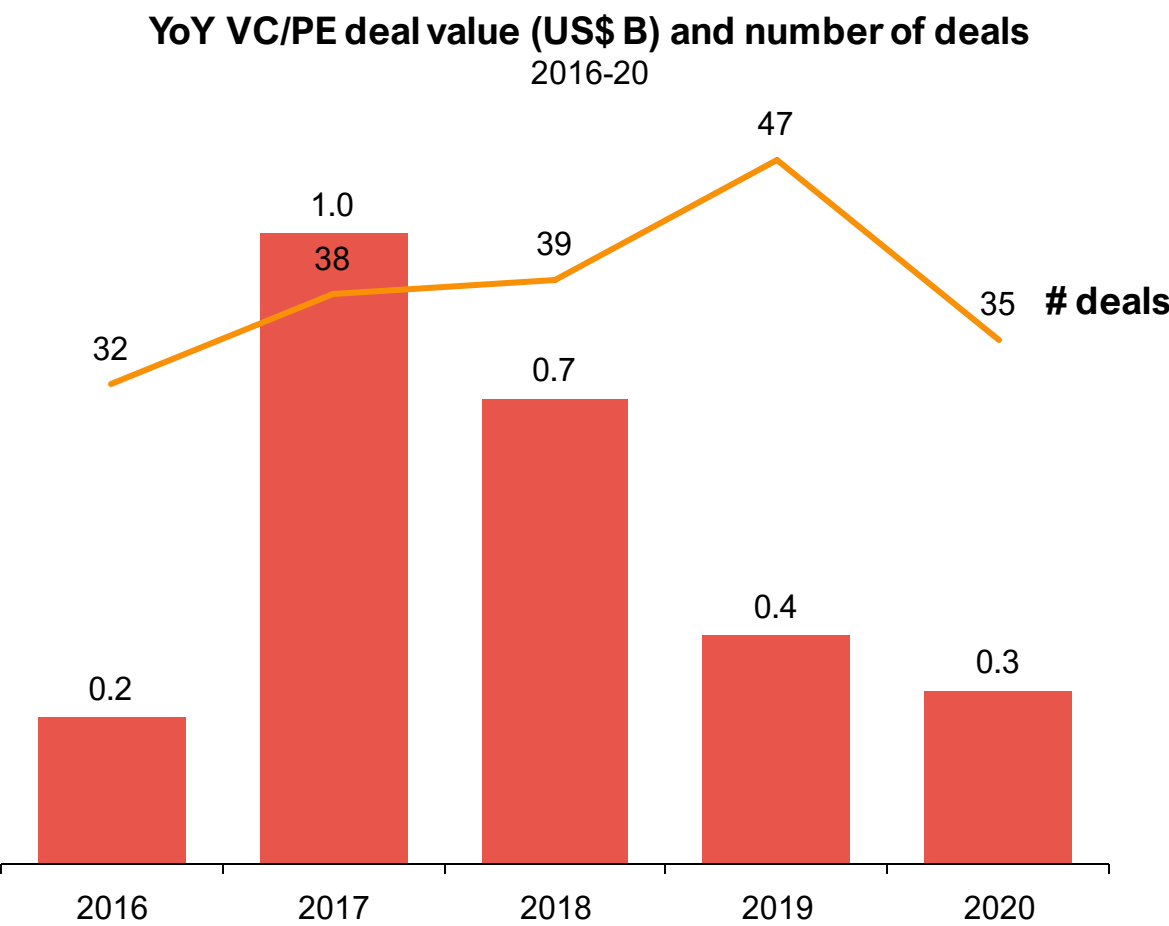
Top 10 deals of transportation and logistics in 2020

#	Company	Founded	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1		2012	3PL	250	Growth	Partners Group
2		2015	3PL	110	Late	Norwest Venture Partners, Investcorp, Gaja Capital
3		2004	Logistics services	100	Growth	Gateway Partners
4		1993	Warehousing	54	Late	Blackstone
5		2005	Warehousing	34	Late	CDC Group
6		2011	3PL	25	Late	Steadview Capital
7		2016	Agri Logistics	23	Growth	SDG Invest, Neev Fund
8		1982	Agri Logistics	21	Late	Quona Capital, LGT Lightstone Aspada, Omnivore Partners
9		2012	Logistics tech	13	Growth	InnoVen Capital, Bertelsmann India Investments
10		2012	Logistics tech	8	Growth	March Capital
Total				638		











FMCG: US\$ 300M invested across 35 deals; 79% of funds invested were in Food & beverages in 2020

Investments in FMCG has increased from US\$ 200M in 2016 to US\$ 300M in 2020

66% of the total investment were of ticket size less than US\$ 25M in 2020



Top 10 deals of FMCG in 2020

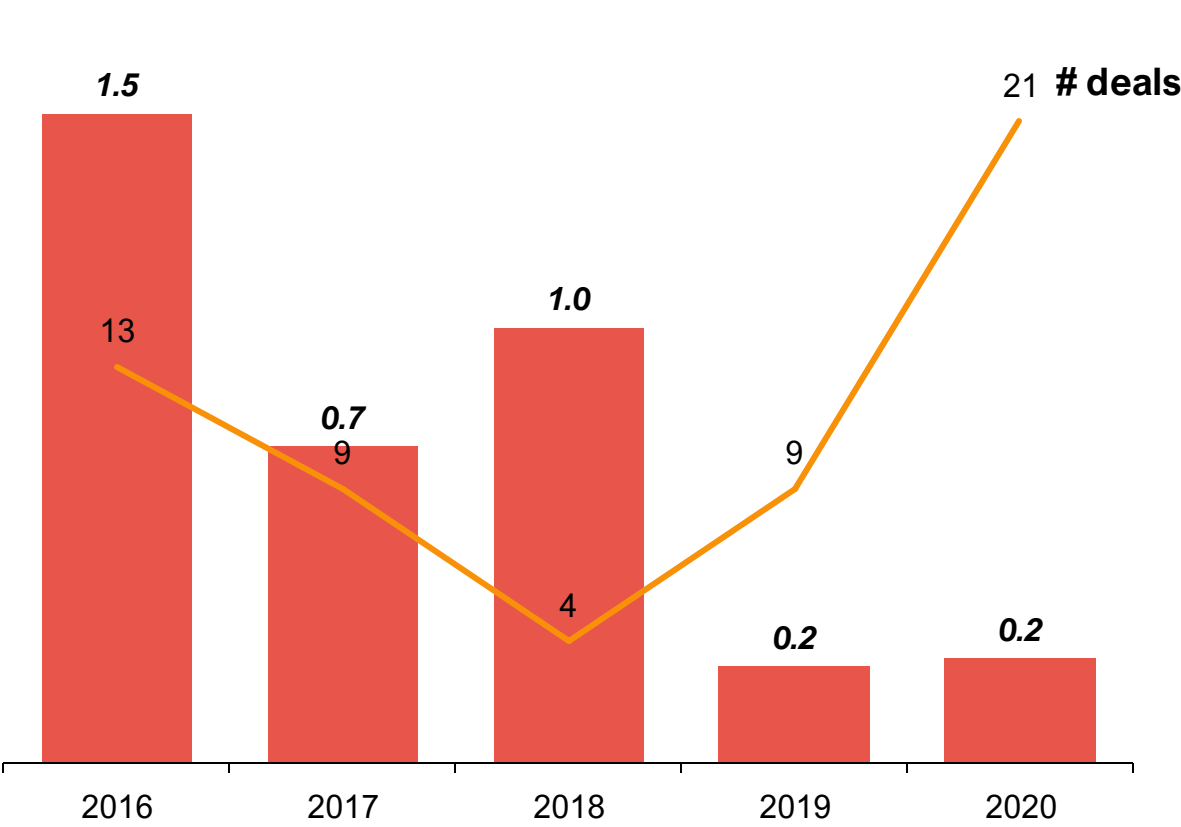
#	Company	Founded	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1	 United Breweries	1857	Food & Beverages	40	PIPE	Hillhouse Capital Group
2	 BIRA 91	2015	Food & Beverages	30	Growth	Sofina, Sequoia Capital, Neoplux, Sixth Sense Ventures
3	 Country Delight	2015	Food & Beverages	25	Growth	IIFL Asset Management, Elevation Capital, Matrix Partners India, Orios Venture Partners
4	 Mrs. Bector's CREMICA	1978	Foods and beverages	22	Growth	Nomura, Goldman Sachs, HDFC Life, Sundaram Asset Management, Aditya Birla Capital
5	 Chaayos	2012	Food & Beverages	19	Growth	Think Investments, SAIF Partners, Tiger Global Management, Integrated Capital
6	 mamaearth™ goodness inside	2016	Personal Care	18	Growth	Sequoia Capital, Fireside Ventures, Stellaris Venture Partners, Sharp Ventures, Redwood Trust
7	 PUSHP BRAND SPICES	1974	Spices	17	Growth	A91 Partners
8	 pureplay	2013	Personal Care	15	Growth	Faering Capital, Unilever Ventures, Trifecta Capital
9	 MYGLAMM EUROPEAN BEAUTY LIVE GLAMOROUS	2015	Personal Care	14	Growth	Bessemer Venture Partners, Mankekar Family office
10	 JYOTI NATURAL FOODS	1997	Food & Beverages	14	Late	Convergent Finance LLP
Total				213		

IT services: US\$ 200M invested across 21 deals; 59% of funds invested were in BPO (36%) and PES (23%) in 2020

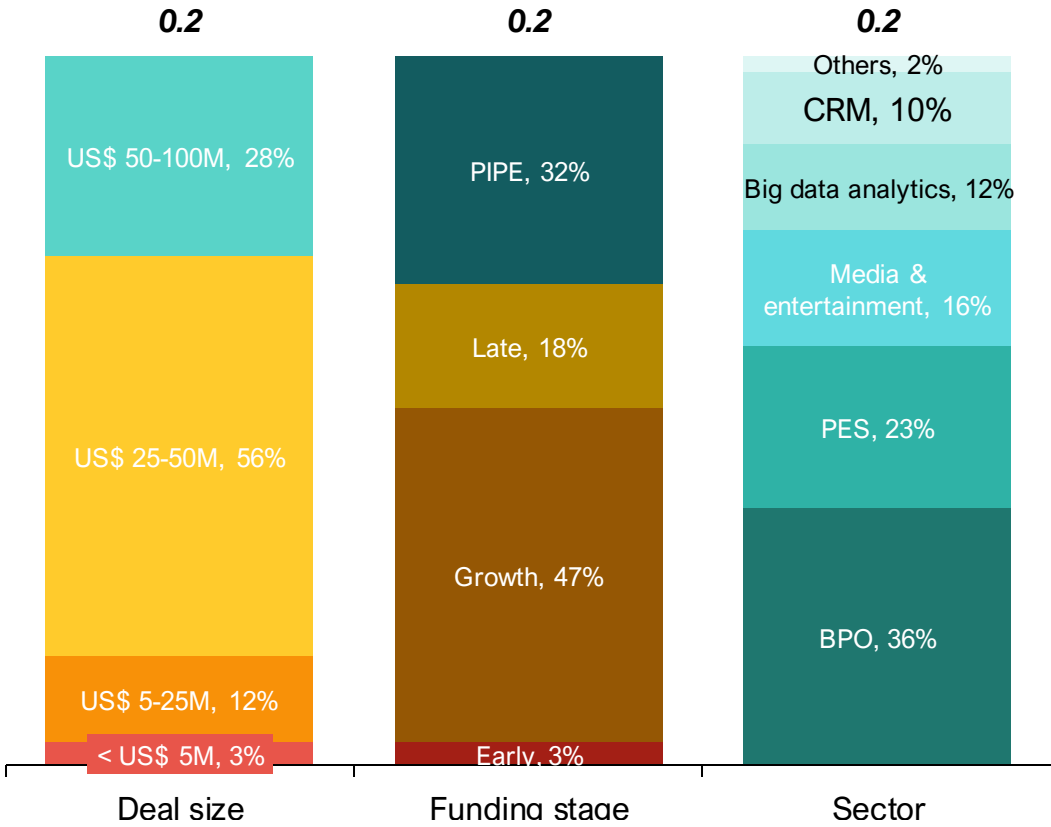
Investments in IT services has decreased from US\$ 1.5B in 2016 to US\$ 0.2B in 2020

~72% of the total investment were of ticket size less than US\$ 50M in 2020

YoY VC/PE deal value (US\$ B) and number of deals
2016-20










Split of VC/PE deal value
US\$ B, 2020



Note(s): PES = Product Engineering Services
Source(s): PGA Labs deal database, Praxis analysis

Top 10 deals of IT services in 2020

#	Company	Founded	Sub-sector	Funding (US\$ M)	Funding stage	Investors
1	 Mphasis The Next Applied	1992	BPO	69	PIPE	Blackstone
2	 happiest minds The Mindful IT Company Born Digital . Born Agile	2011	PES	43	Late	Kuwait Investment Authority, Goldman Sachs, Nomura, Others
3	 JetSynthesys	2012	Media & entertainment	40	Growth	Jetline Group, Triveni Engineering & Industries, DSP Group
4	 Tredence Connect the Dots	2013	Big data analytics	30	Growth	Chicago Pacific Founders
5	 drishti	2017	CRM	25	Growth	Sozo Ventures
6	 iMerit	2012	BPO	20	Growth	Khosla Impact, Michael & Susan Dell Foundation, Omidyar Network, CDC Group
7	 KPIT	1990	PES	10	PIPE	ChrysCapital
8	 GNIKUL	2016	PES	3	Early	Pi Ventures, CIIE, Globevestor, LetsVenture, Speciale Invest, Artha Venture Fund
9	 SafeHouse Technologies	2018	Security	2	Early	Barclays Ventures
10	 QTalk	2018	Others	2	Early	Hummingbird Ventures, Bedrock, Patni Financial Advisors, PICO Partners
Total				244		



We at PGA Pulse, closely monitor trends in the key sectors that are driving the growth of Indian economy. We maintain multiple databases, trackers and dashboards to follow and keep tabs on the critical metrics including customer acquisition, user engagement, user feedback, value chain margins, profitability.

Our clients use our capabilities to generate competitive/market insights for the sectors they operate in, sectors they want to expand to or the sectors of interest for their portfolio companies.

How we help our clients



Competitive benchmarking

Maintain competitive benchmarking templates for all the key sectors and regularly update those metrics for the top players in these sectors



Market size and growth trends

Keep a track of major industry trends / growth drivers which could impact the market of various sectors and evaluate the overall industry attractiveness



NPS tracking

Conduct detailed user interactions to track NPS and customer feedback of all the key players in various sectors, popular apps and platforms



Operational metrics benchmarking

Keep a track of key operational metrics for various players at regular intervals



Channel and economics research

Help our clients gain insights around the channel margins and value chain economics of various players in key segments



Unit economics tracking

Regularly update the database for various metrics around unit economics and profitability like margins (GM, CM, EBITDA), take rate of sector leaders



Madhur Singhal
Practice Leader



Aryaman Tandon
Practice Leader



Shishir Mankad
Practice Leader

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How we help our clients

We work with leading financial sponsors and strategic investors to identify opportunities, build investment thesis and maximize shareholder value. Our agile business delivery model coupled with our deep network of industry practitioners enables clients to deploy our capabilities on any deal.



Fund strategy

Help investors in identifying growth drivers, investment themes, attractive sub-sectors and potential targets in alignment with the fund thesis



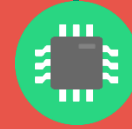
Operational due diligence

Help investors to understand the operational strengths and weaknesses of the target to scale up and meet the b-plan goals



Full scale commercial due diligence

Assessment of market potential, customer proposition, competitive positioning, operational efficiency, channel value creation & risk mitigation



Tech due diligence / Digital diligence

Assessment of current capabilities and future requirements of tech & infrastructure of the target



Value creation blueprinting

Advise portfolio companies on business transformation, go-to-market strategy, enhancing organization productivity etc.



Fund retainer

Help investors in end-to-end fund operations from maintaining deal pipeline, evaluating shortlisted deals to deal closure support



THANK YOU
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