PRAXIS GLOBAL ALLIANCE

India Investments Pulse 2022

April 2023

Foreword

The private equity industry has faced challenges, including inflationary pressures, concerns of economic recession, and uncertainty brought on by geopolitical factors, impacting investments, exits, and fund-raising globally in 2022. Despite this, 2022 resembled the Tale of Two Halves: first six months continuing the record-breaking post-COVID rally in dealmaking, exits and fundraising while everything came to a halt in the latter half of the year amid central bank's move to raise interest rates to rein in persistent and record-high inflation across the globe. Despite this, 2022 remains the second-best year for Indian PE/VC investments till date with investments of ~US$ 41B across ~1,350 deals.

This report is intended to provide industry stakeholders (PE/VC funds, business leaders, entrepreneur, and policy makers) an overall perspective on Indian private market investments in 2022. In this report, we have touched upon the evolution of the Indian macro-economic outlook and the role played by the PE/VC ecosystem in enabling India's growth story. We have conducted an in-depth analysis of the various trends in Indian PE/VC deal-making including sectoral, deal size, and stage distribution.

This study is backed by rich insights from ~70 PE/VC investors on the evolution of the PE/VC ecosystem, changes across deal-making, fundraising, exits as well as their overall outlook for 2023. For tracking deal activity, we have used our proprietary 1Lattice Deals Pulse database and 1Lattice Exits database.

PE/VC deal value and volume declined by 44% marking an end to a 10-year bull run that has endured since 2012 (with a brief decline in 2016). Funding frenzy towards consumer apps and e-commerce platforms tempered in 2022 with SaaS/AI and BFSI increasingly receiving investor interest. Investors remain bullish on the India growth story with global LP allocations to India expected to increase in 2023 and beyond. We believe that healthcare, SaaS, Climate tech, and BFSI are expected to become more attractive this year with the PE/VC backed companies driving the next phase of the India growth story.

We are excited to see how the PE/VC ecosystem is evolving. This report reflects our assessment of how 2022 went and what we expect from 2023.

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
Head of Financial Investors Group
Praxis Global Alliance

Methodology and sources of input

We include equity investments into companies from financial sponsors. This can include investment from private equity firms, VC firms, and sovereign wealth funds. Companies headquartered in India or have a majority of workforce in India have only been considered.

What is excluded:

- Funding rounds raised by public companies of any kind on any exchange are excluded
- No business development/R&D arrangements, whether transferable into equity now, later, or never is not included
- No debt/loans of any kind (except convertible notes). Venture debt or any kind of debt/loan issued to companies, even if included as an additional part of equity financing, is not included
- Grants or loans by the central government, state agencies, or public-private partnerships to companies are not included
- Investments from angel investors, accelerators, incubators, business-plan competitions, etc. have been excluded

1Lattice
(Erstwhile PGA Labs)

- 1Lattice Deals Pulse database having 13,500+ deals worth US$ 300B+ since 2000
- 1Lattice Labs Exits database having ~3,630 deals worth ~US$ 168B since 2005

Key takeaways

1. **India gaining power in the world stage and better positioned to navigate global headwinds**
   Real GDP estimated to grow by 6.9% in FY23 vs global growth of 1.7% in 2022 (World Bank estimates)
2. **PE/VC ecosystem will enable the next phase of growth of the Indian economy**
   Headroom for value creation among PE/VC backed companies with low market capitalization and R&D expenditures compared to US & China
3. **Strategic M&A reached all-time highs driven by strong corporate balance sheets**
   Buoyant dealmaking (US$ 107B in 2022 vs US$ 56B in 2021) as corporates looked to acquire new growth engines and enter new segments
4. **India bucked the global downtrend in investments to round off 2022 as the second highest ever in deal value**
   2022 resembled the Tale of Two Halves: first half continuing 2021's record breaking activity before coming to complete halt in the second half
5. **Second highest level of deal activity ever: ~US$ 41.3B invested across 1,358 deals in 2022**
   ~54% decrease in average deal size as the number of mega deals declined (99 US$ 100M+ deals vs 165 in 2021)
6. **No dearth of capital as India focused dry powder keeps stacking up to set another record in 2022**
   Record levels of India-dedicated fundraise (~US$ 17B in 2022 vs US$ 7B in 2021) as global LPs increase capital allocations for India
7. **Consumer platforms and SaaS/AI were the top funded sectors in 2022, though expected to weaken momentum in 2023**
   Funding frenzy towards consumer apps and e-commerce platforms tempered with 8 US$ 250M+ deals in 2022 (vs 20 US$ 250M+ in 2021)
8. **Exits fell sharply as the post-COVID rally in IPOs softened substantially in 2022**
   Poor performance of newly listed internet firms along with absence of large secondary and strategic sales led to 53% decline in exit value
9. **Muted outlook for PE/VC activity in 2023**
   Financial services, infrastructure /climate tech, and healthcare & life sciences expected to be breakout sectors in 2023
10. **PE/VC funding of US$ 600B is needed to create a US$ 5T Indian economy**
    PE/VC funding is expected to reach US$ 150B by 2027 with a ratio of PE/VC deal value to nominal GDP expected to reach 3%

Source(s): World Bank, Praxis analysis

Agenda

Preamble

Deals landscape in 2022

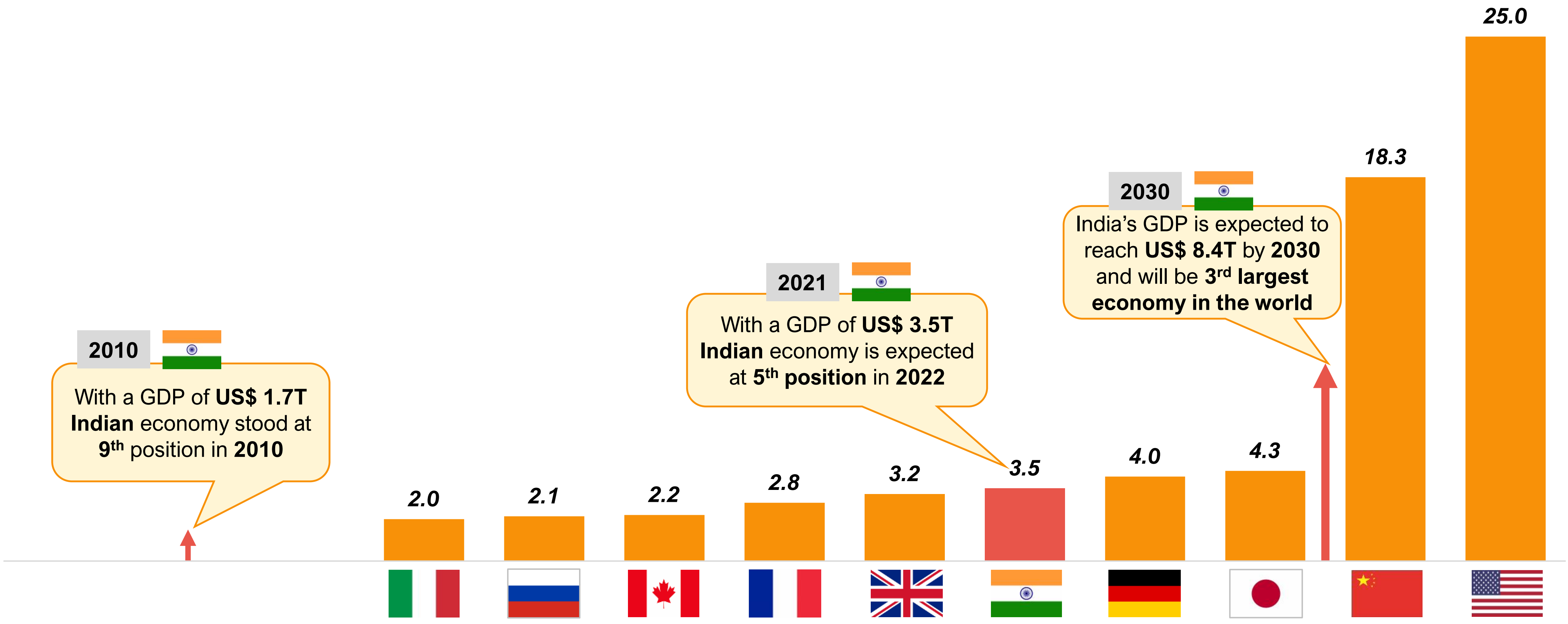
Exits landscape in 2022

Appendix: Sector deep dive

Preamble: India is gaining power in the world stage and is set to become the third largest economy by the end of this decade

Evolution of India's GDP from 2010-30 and top 10 countries by GDP in 2022E

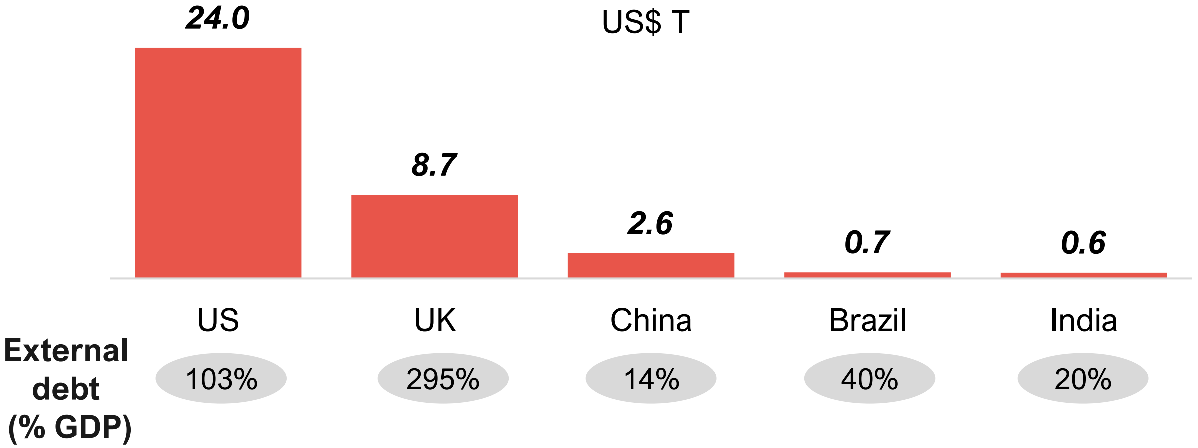
Current prices, US$ T



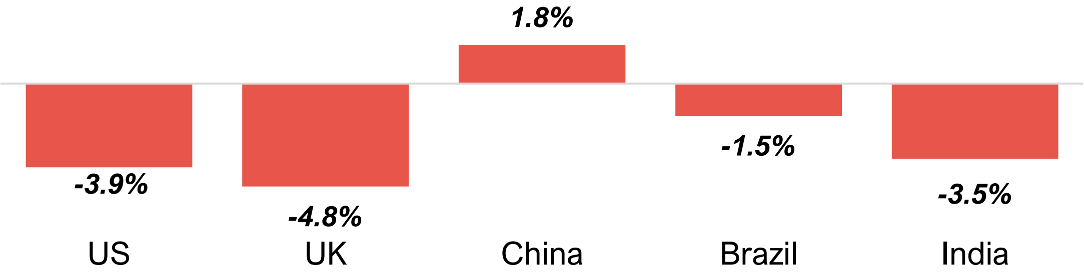
Indian economy has an attractive long term growth story with good fiscal health

India has low external debt to GDP ratio of 20%; China has the highest current account balance as a % of GDP

External debt of various countries in 2022
US$ T

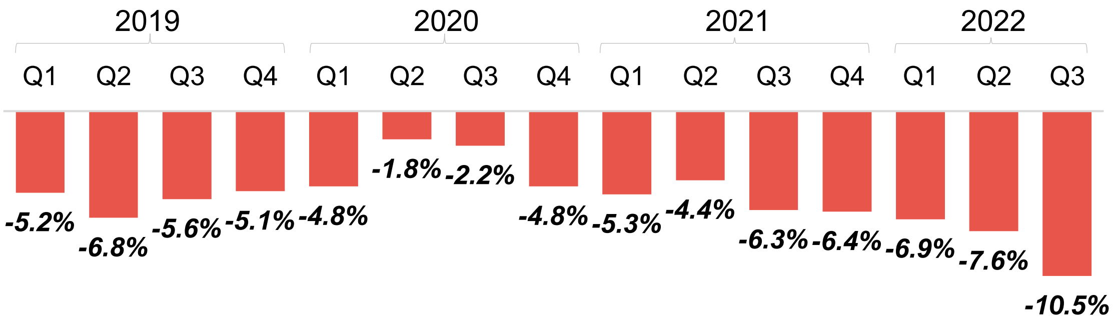


Current account balance in 2022
% of GDP

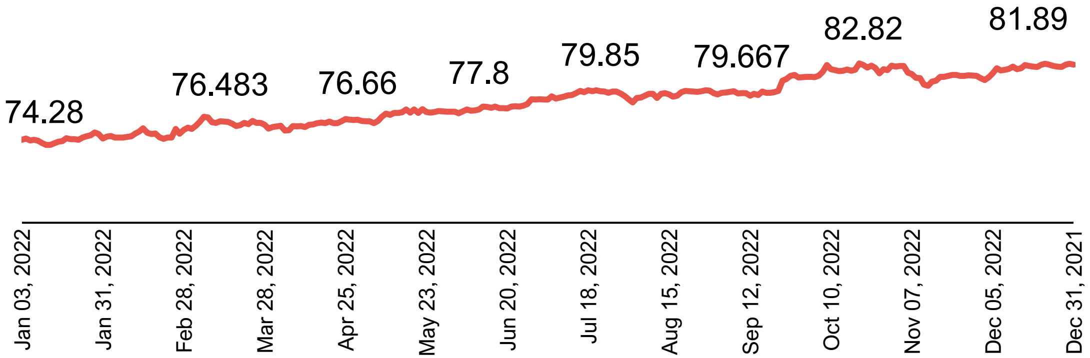


India's trade balance has increased in 2022; INR gradually increased throughout the year

Trade balance of India
% of GDP



US$ / INR rate in 2022
INR



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, IMF, Ministry of Commerce and Industry, Press release, Secondary research, Praxis analysis

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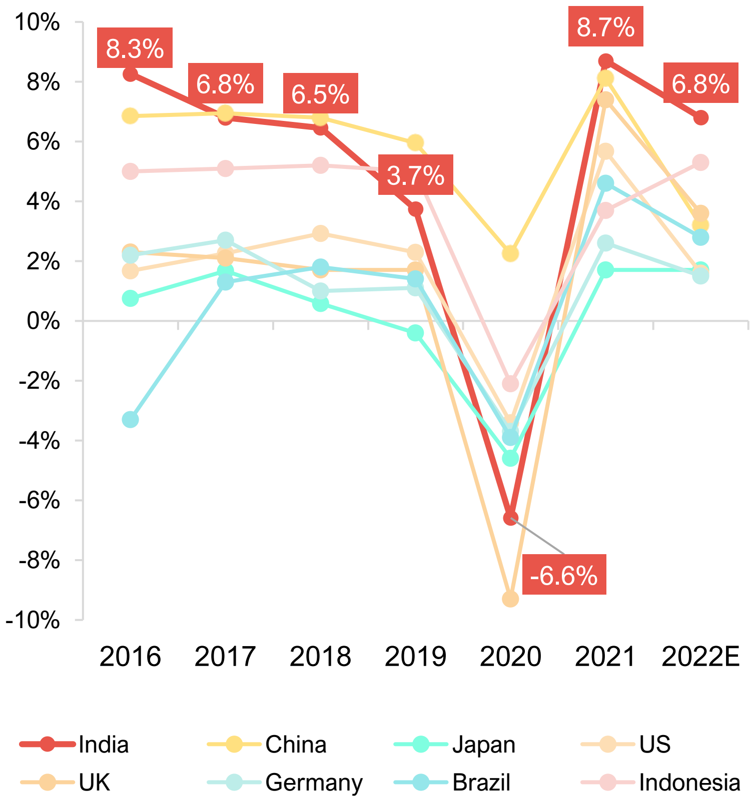
Indian economy was relatively resilient against macro headwinds

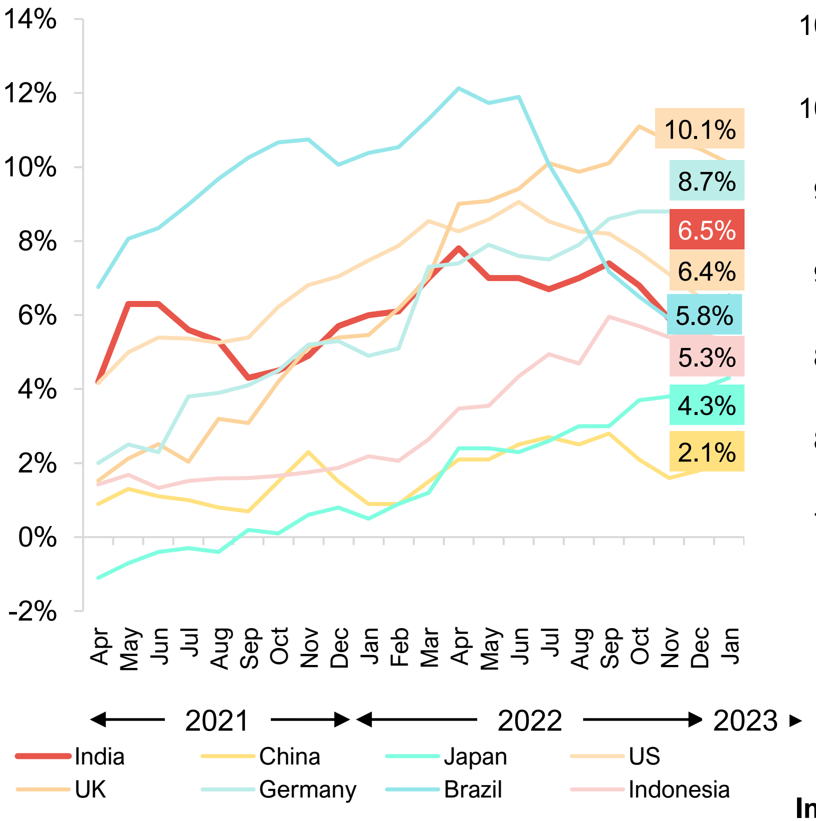
Consistently high GDP growth

Real GDP growth of key global economies
(%, 2016-2022E)



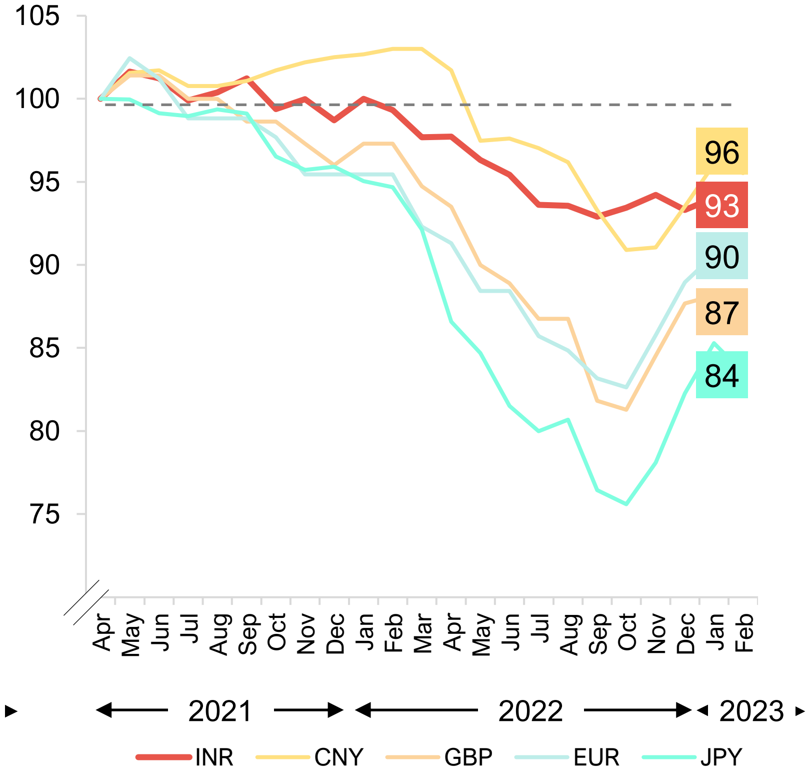
Rangebound inflation

Inflation of key global economies
(%, Apr'21 - Jan'23)



Relative stable currency

Currency conversion rate to USD
(indexed to Apr'21 as 100)
(Apr'21 - Feb'23)

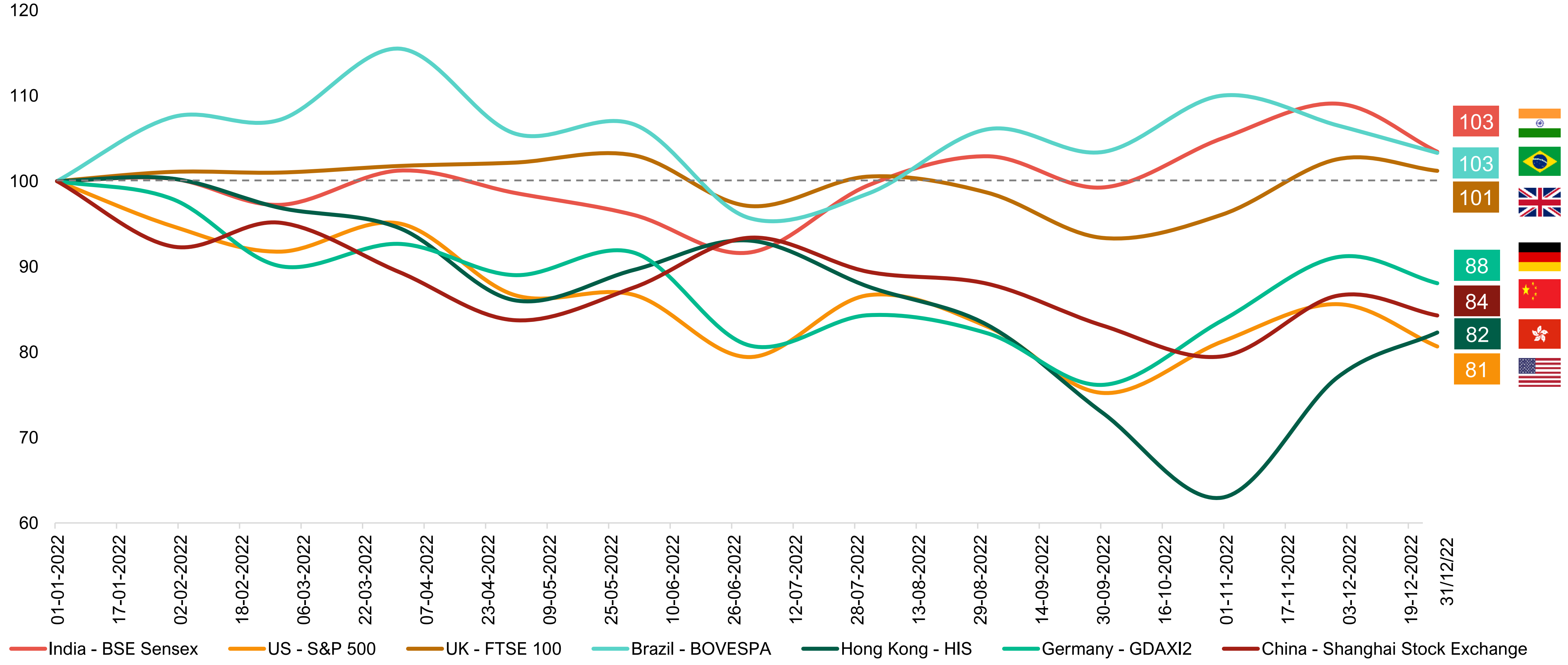


Index 100 = 0.013 0.153 1.389 1.190 0.009

Source(s): World Bank, Praxis analysis

Indian public markets have remained flat despite global meltdown

Market performance (indexed to 1st January, 2022 as 100)

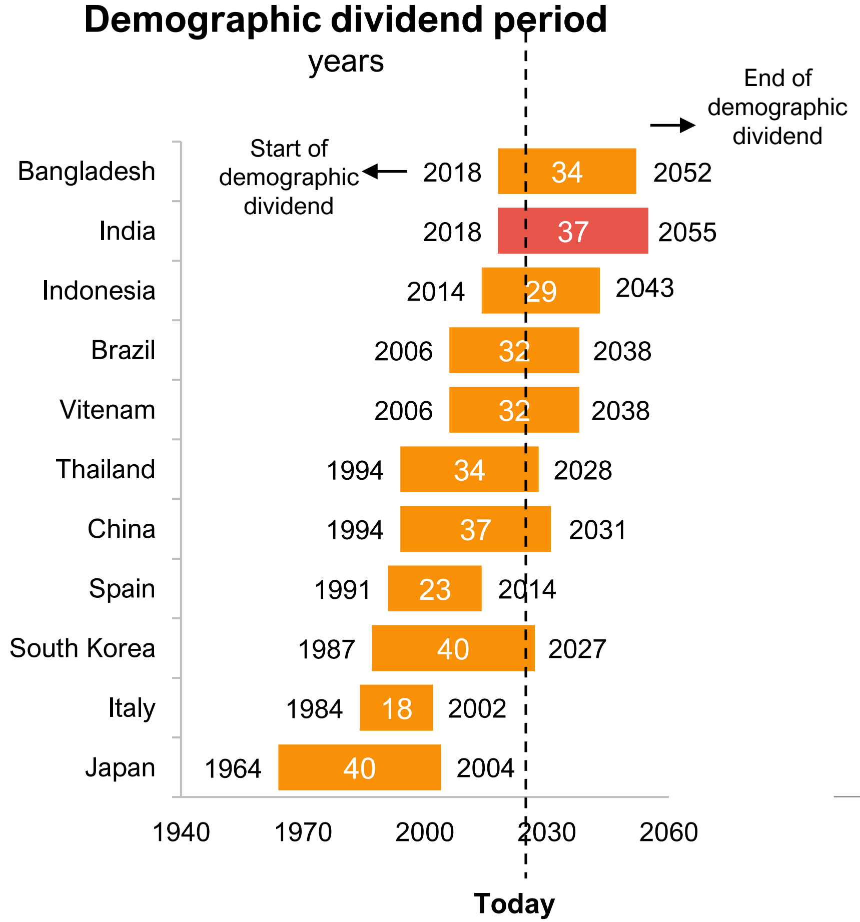


Index 100 =	57,846	4,766	7,384	1,04,106	23,553	15,837	3,639

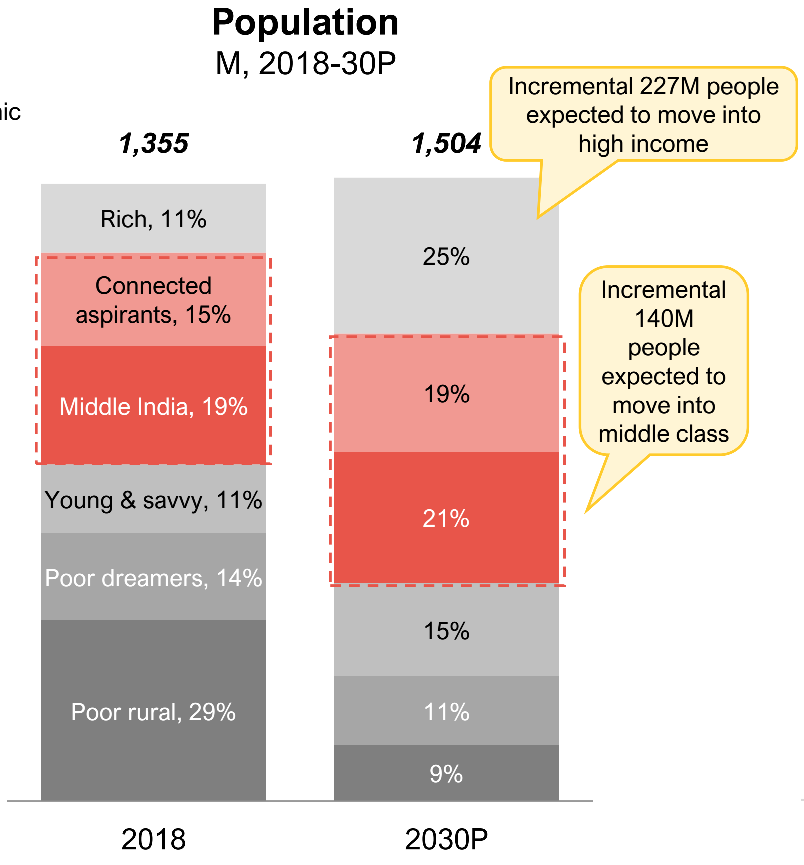
Source(s): Bloomberg, Praxis analysis

Economy primed to grow driven by demographic dividend and rising middle class

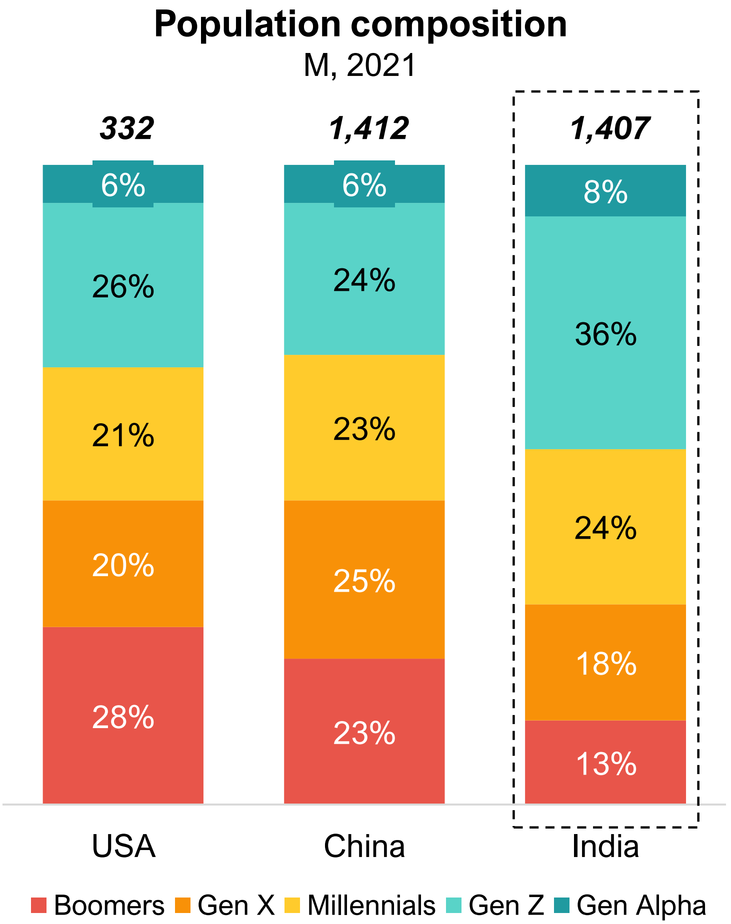
India → Starting next wave of demographic dividend



Rising middle class…



Opportunity to make massive gains from Millennial and Gen Z population

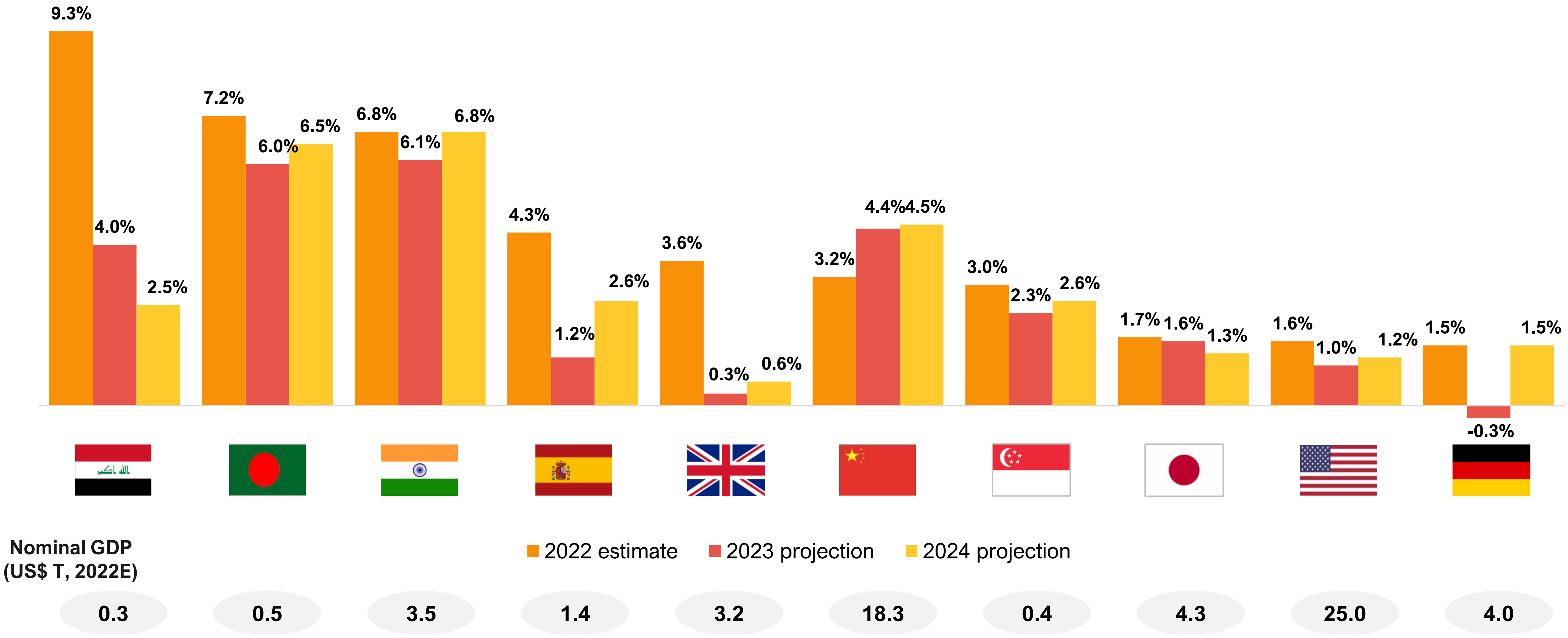


Note(s): The United Nations Population Fund defines demographic dividend as "the economic growth potential that can result from shifts in a population's age structure, particularly when the proportion of working-age population is greater than the proportion of non-working-age population"; Average annual household income (US$ in PPP terms) is defined as US$ 9K for Poor Rural, US$ 17K for Poor Dreamers and Young & Savvy, US$ 23K for Middle India and Connected Aspirants, and US$ 134K for rich
Source(s): CEIC, World Bank, WEF, Praxis analysis

Outlook for India remains strong: continues to show the sharpest recovery from COVID with highest real GDP growth forecast of 6.1% for 2023

Forecasted GDP growth rate in 2023 and 2024 vs estimated real GDP growth rate in 2022

%



Note(s): *Data and projections are presented on a fiscal year basis
Source(s): IMF World Economic Outlook October 2022, Praxis analysis

Multiple new initiatives by the Indian government is supporting the accelerated move to a digitally enabled society

India Stack

Identity	Payments	Data	Open Networks
AADHAAR; eSign; DigiLocker – Your documents anytime, anywhere	UPI – Unified Payments Interface; **7.3B+** UPI transactions / month	Account Aggregator; Increasing momentum with 22 banks and 23 NBFCs live	**OCEN** – India's Open Credit Network **NDHM** – National Digital Health Mission

Key digitalization initiatives from the Indian government

Utility and governance

- E-passports
- MeriPehchaan: NSSO platform to ease access to government portals
- Digital India Bhashini: Access to digital services in Indian languages
- India Stack Global
- MyScheme: Discovery platform for schemes eligibility
- Digital Personal Data Protection Bill 2022

Finance, banking and taxation

- Digital Rupee
- Open Credit Enablement Network (OCEN)
- New Income tax e-filing portal (61.7M returns filed)
- Digital insurance policy through DigiLocker
- Bima Sugam: one stop platform for all insurance needs
- SEBI's Suptech initiatives for surveillance, investigation and inspection
- Faceless assessments

Education and Skilling

- FutureSkills PRIME for emerging technology reskilling / upskilling
- IBPS / NEBPS*: incentivize establishment of 48K seats in BPO / ITES
- Chip to Startup (C2S): empower institutions to train 85K in semiconductor design
- YUVAi: foster AI skills in school students

Healthcare

- Ayushman Bharat Health Account (ABHA) for digitizing health records and connecting patients, labs, healthcare providers
- eHospital / ORS: HMIS for internal workflows and process of hospitals
- Jeevan Pramaan: digitization of process for pensioner life certificate
- Ayushman Bharat Digital Mission (ABDM): digital health ID for citizens
- eSanjeevani: telemedicine service platform

Marketplace, E-commerce and startups

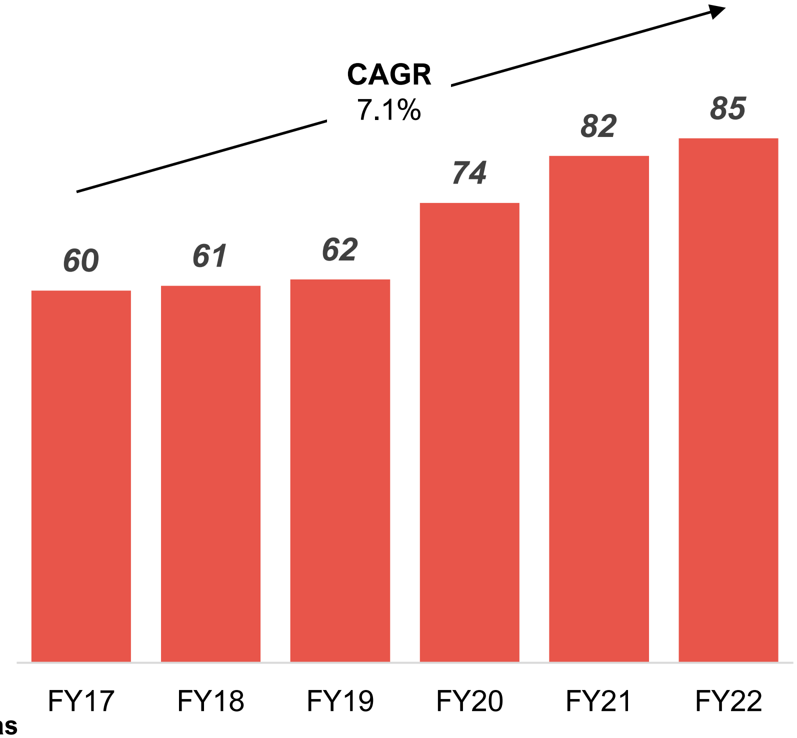
- Government E-Marketplace (GeM)
- Open Network for Digital Commerce (ONDC) — to enable local commerce across segments
- Automated Online Data Transfer for capturing DVA from the PLI applicant's ERP system to PLI Auto Portal
- Digital India GENESIS: platform to support deep-tech startups in Tier II/ III
- DPIIT will set up a digital collaboration platform investors to fund startups

Note(s): *IBPS: India BPO Promotion Scheme, NEBPS: Northeast BPO Promotion Scheme, NSSO: National Single Sign-on, ORS: Online Registration System, HMIS: Hospital Management Information System, DVA: Domestic Value Addition
Source(s): NASSCOM, UIDAI, NPCI, Press releases, Praxis analysis

India emerging as preferred destination for foreign investments with all time high FDI of US$ 85B in FY22

FDI reached at an all time high of US$ 85B in FY22

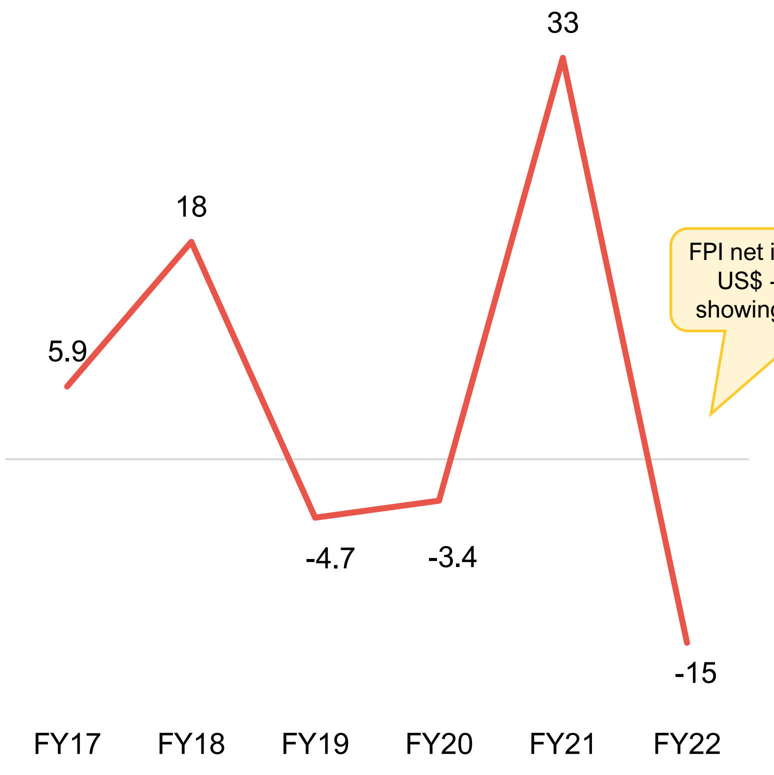
Foreign Direct Investment in India
US$ B, FY17-22



FDI as % of nominal GDP	2.3%	2.3%	2.2%	2.8%	2.6%	2.5%

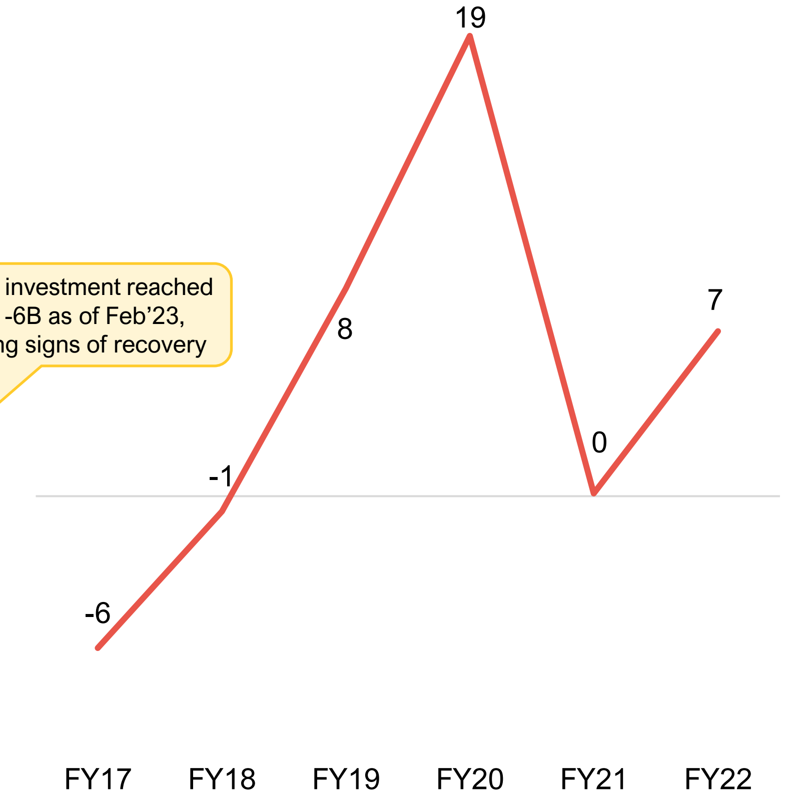
FPI net investment declined by ~145% in FY22 as compared to FY21

FPI net investments in India
US$ B, FY17-22



Sharp recovery in net ECB inflow in FY22

External Commercial Borrowings in India
US$ B, FY17-22



Source(s): World Bank, Department for Promotion of Industry and Internal Trade, CDSL India, Praxis analysis

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International and domestic investors are raising larger funds or setting up new India dedicated funds with domestic funds quickly catching up

Notable India dedicated funds closed in 2022

International		India	
SEQUOIA	US$ 2B	ELEVATION	US$ 670M
Eversource	US$ 741M	BLUME	US$ 250M
Owl Ventures	US$ 650M	FUNDAMENTUM	US$ 227M
JUNGLE	US$ 600M	IvyCap Ventures	US$ 215M
Accel	US$ 550M	Arkam Ventures	US$ 106M
Lightspeed	US$ 500M		
BII Bertelsmann India Investments	US$ 500M		

Notable new funds launched with India focus in 2022

International		India	
INSIGHT PARTNERS	US$ 20B**	sorin	US$ 130M
B Capital Group	US$ 250M***	AUDACITY	US$ 60M
GENERAL ATLANTIC	US$ 2B*	TRANSITION VENTURE CAPITAL	US$ 50M
GENERAL CATALYST	-	ALL IN	US$ 10M

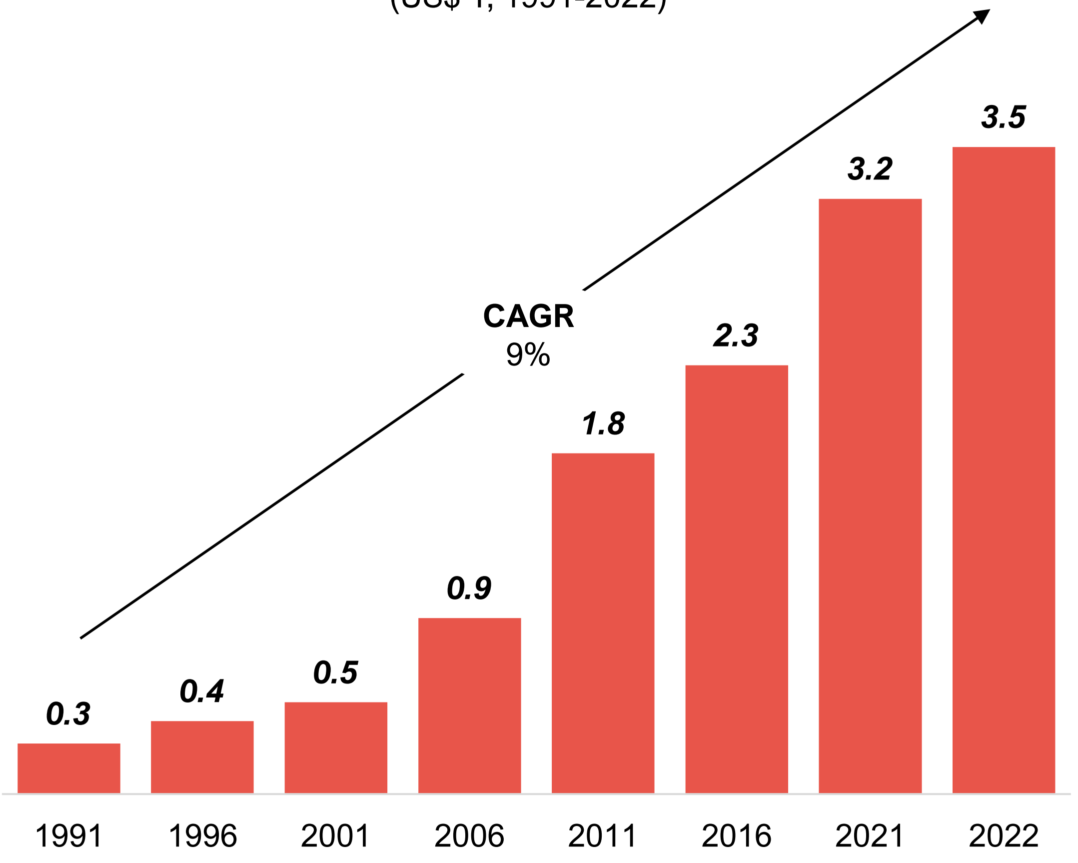
- India-dedicated PE / VC funds raised record-setting US$ **17.4B in 2022** vs. US$ 7.7B in 2021
- International funds invested out of global, Asia or non-geography specific funds are now building dedicated teams to invest across the Indian landscape
  - **Bessemer's India** specific fund began in 2021
  - **General Catalyst** announced doubling down on India in Web 3.0 startups with new dedicated fund
- Domestic funds are increasing their fund size to compete with global funds; **Elevation Capital** and **Blume Ventures** raised their **largest ever fund** in 2022
- # of angel investors **doubled** to ~10K in the last 5 years
- Multiple **new early-stage funds** launched by former PE / VC members and startup founders
- Family funds have become **more significant** in the **early stage** investing while Corporate VCs are expanding their deal share in **growth stage** deals
- Indian Corporate VCs risk appetite for investing were **lower** than the broader global CVC market in H2 2022

Note(s): *Proposed to raise, **Global fund raised, ***Dedicated early-stage fund focused on US and SEA (India, Vietnam, Indonesia)
Source(s): IVCA, Press releases, Praxis analysis

PE/VC funds have played a crucial role in GDP growth by providing capital to Indian companies for fueling growth

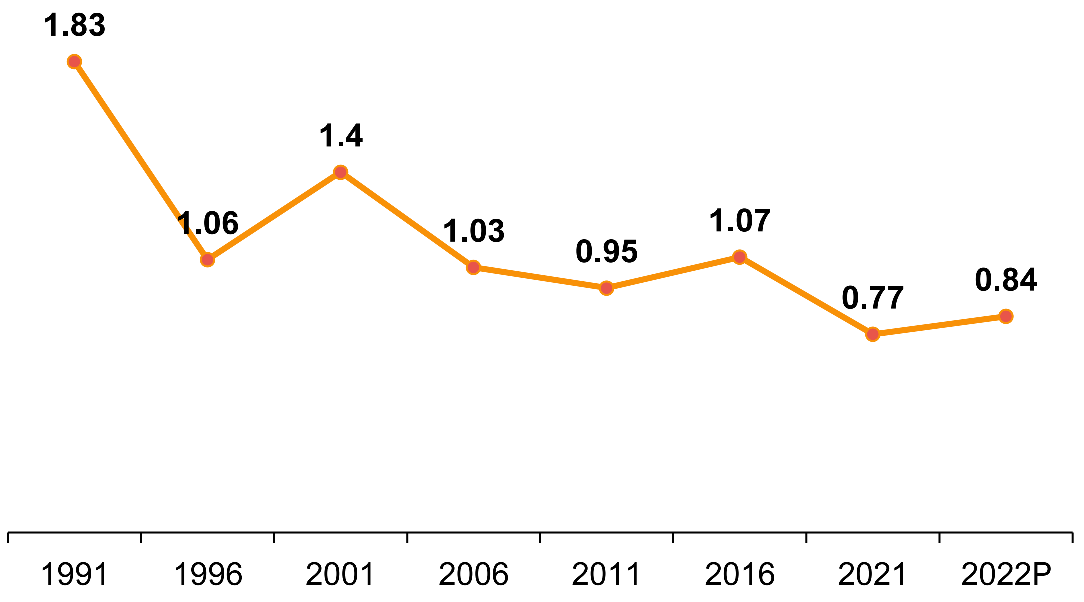
India's GDP has been growing at a CAGR of 9.2% from 1991 to 2022E supported by PE/VC investments

GDP of India
(US$ T, 1991-2022)



Corporate India is consistently deleveraging balance sheet and requires PE/VC capital investments

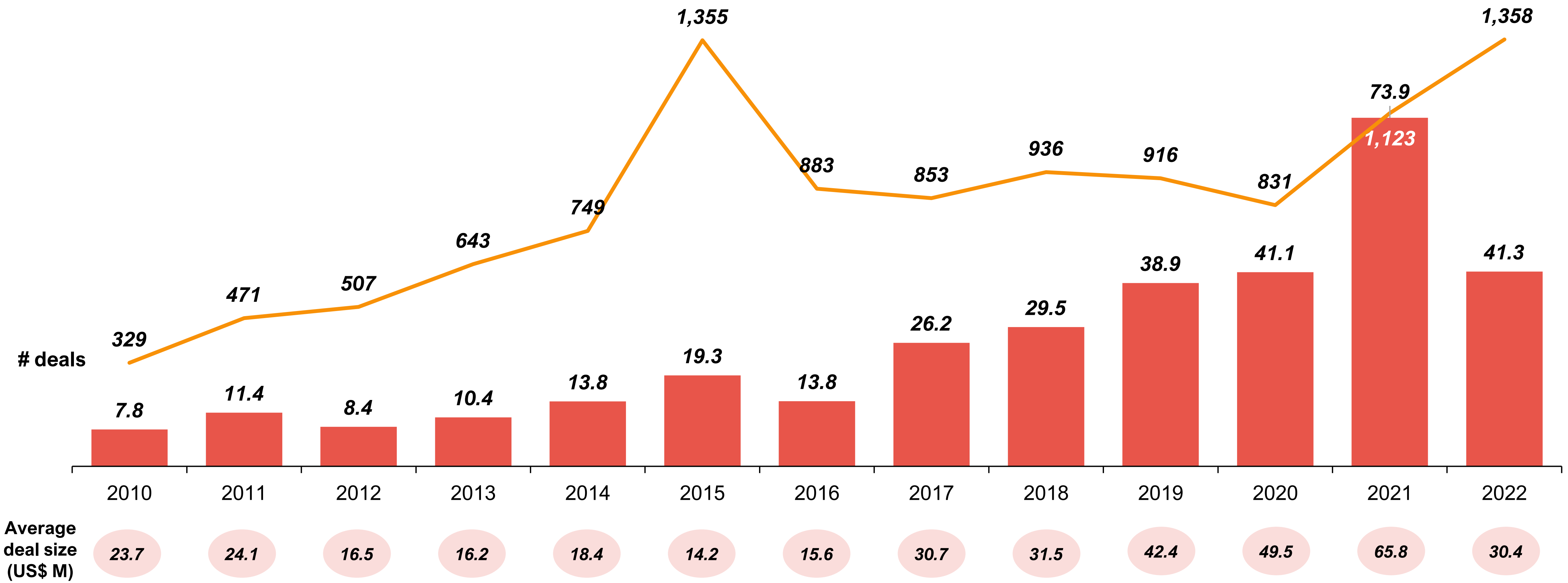
Debt/Equity ratio
(#, 1991-2022P)



Note(s): 20,000+ companies from non-finance sector considered for debt/equity ratio; Non-finance sector excludes banks and NBFCs
Source(s): World Bank, S&P Global, Praxis analysis

PE/VC funds invested US$ 41.3B in 2022 across 1,358 deals; Average deal size reduced by more than 50% compared to 2021

PE/VC deal value (US$ B) and # deals
(2010-22)



Note(s): Out of 1,358 deals, 140 deals are undisclosed; Real estate deals have been excluded
Source(s): 1Lattice Deals Pulse database, Praxis analysis

PE / VC funding of US$ 600B is needed to create a US$ 5T Indian economy

PE / VC funding was US$ 210B in the last 5 years and contributed to ~9% of the total funding received

PE / VC funding is expected to be US$ 600B in the next 5 years and expected to contribute ~13% of the total funding required

US$ 2.3T
GDP in FY17

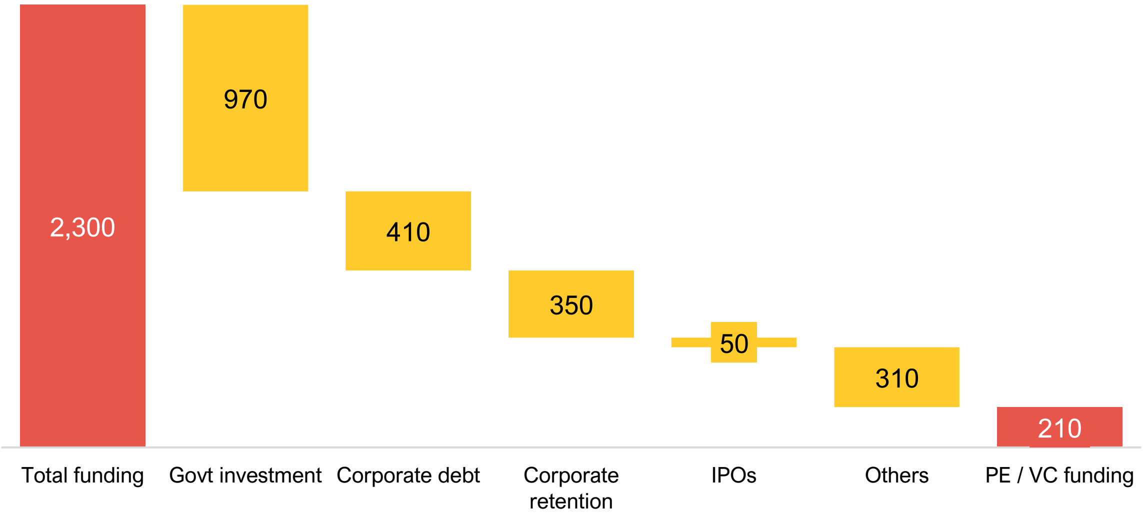
→ **US$ 2.3T** Cumulative investment from FY17-22 →

US$ 3.2T
FY22 GDP

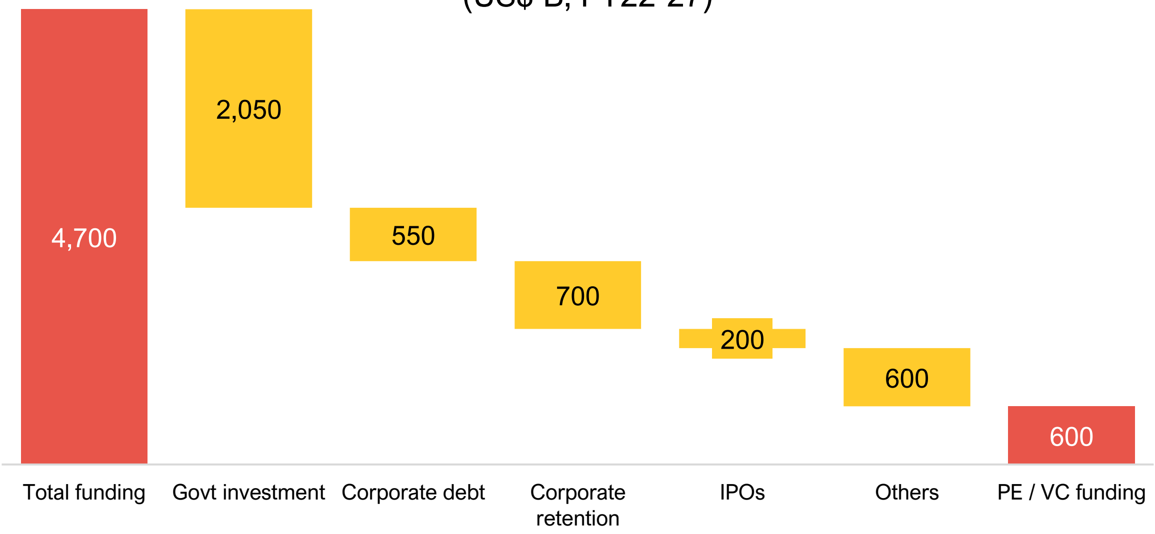
→ **US$ 4.7T** Investment required from FY22-27 →

US$ 5T
FY27 GDP

Key sources of funding in India
(US$ B, FY17-22)



Key sources of funding in India (estimated)
(US$ B, FY22-27)

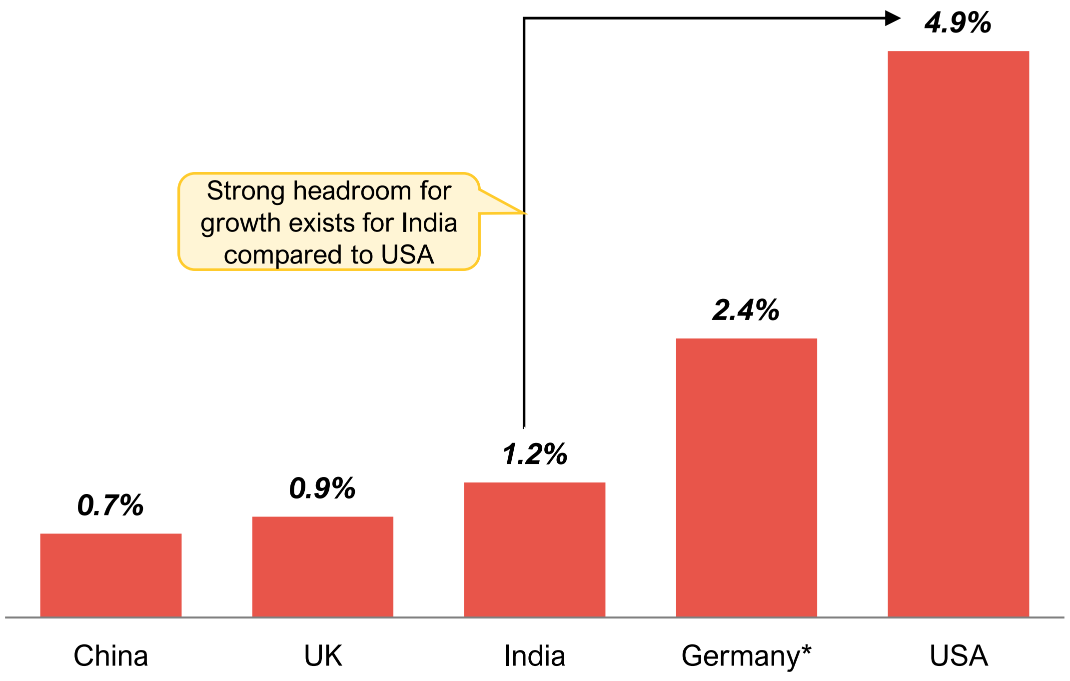


	Govt investment	Corporate debt	Corporate retention	IPOs	Others	PE / VC funding
Contribution share (%) FY17-22	42%	18%	15%	2%	14%	9%
Contribution share (%) FY22-27	44%	11%	16%	4%	12%	13%

Note(s): Others include angel investments, non-PE / VC FDI and other primary equity issues
Source(s): RBI, GoI reports, Praxis analysis

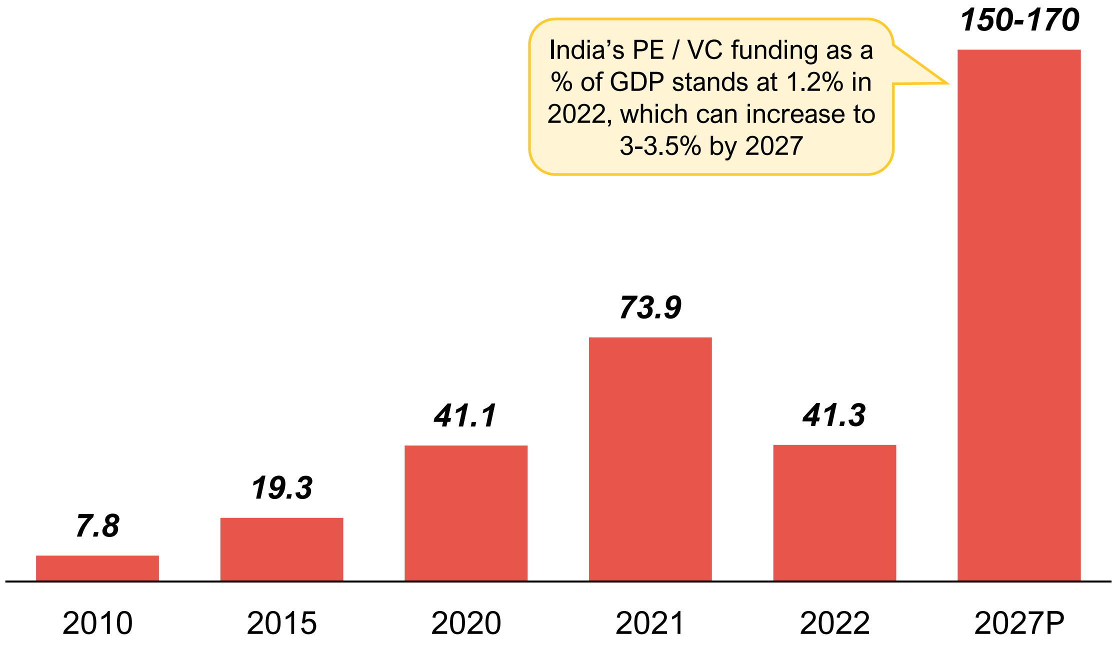
PE/VC investments in India expected to reach US$ 150-170B by 2027

PE/VC investment as a % of GDP
%, 2022



	China	UK	India	Germany*	USA
PE/VC investment (US$ B)	133	28	41	97	1,252
GDP (US$ T)	18.3	3.2	3.5	4.0	25.5

PE/VC deal value
(US$B, 2010-27P)



	2010	2015	2020	2021	2022	2027P
PE / VC funding as a % of GDP	0.5%	0.9%	1.5%	2.3%	1.2%	3%-3.5%
GDP (US$ T)	1.7	2.1	2.7	3.2	3.5	5.0

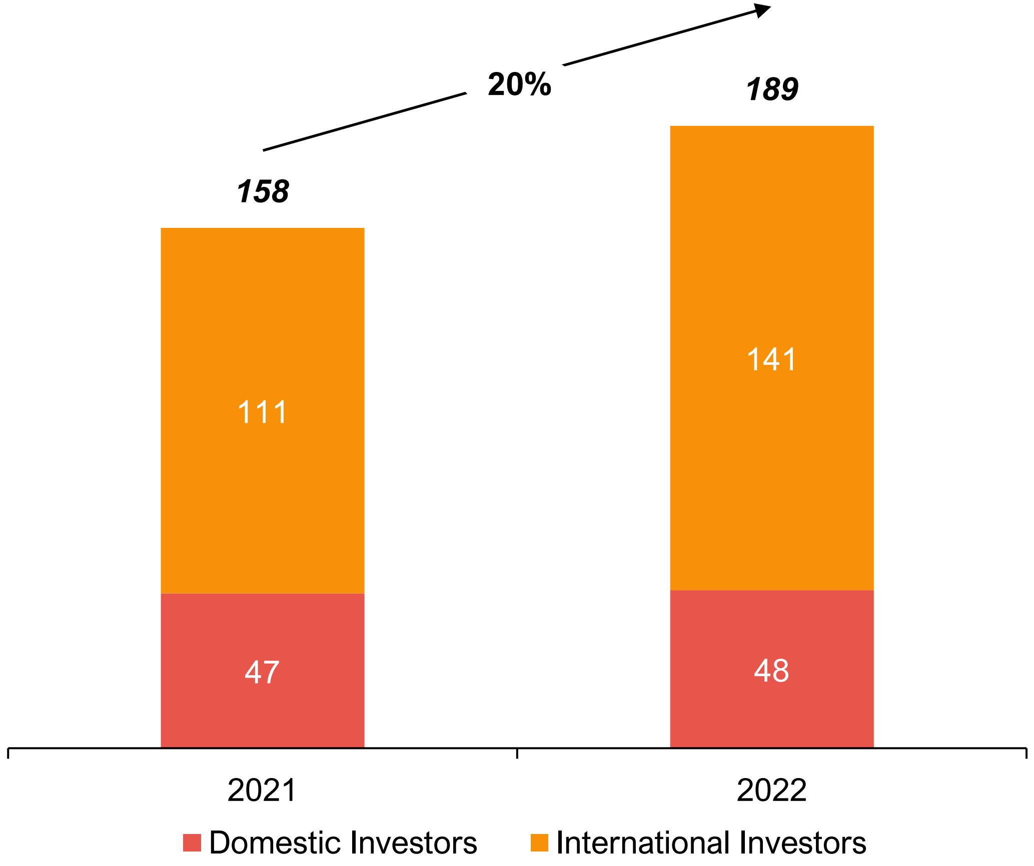
Note(s): *Includes Austria and Switzerland
Source(s): 1Lattice Deals Pulse Database, Industry reports, Pitchbook, Worldbank, Praxis analysis

Agenda

India continues to attract investors: 189 new PE/VC investors in 2022

27% increase in new international investors in 2022 with the government's actions supporting growth momentum

New PE/VC investors in India in 2022
(#)



New international and domestic investors investing in India

International investors

- Evolution X Debt Capital
- Riverwalk Holdings
- Paramark Ventures
- topshelf Equity Partners
- Silverneedle Ventures
- SITE Capital Partners
- Foundation Private Equity
- Echo River Capital
- Morphosis
- Altara Ventures
- Accenture Ventures
- Dare Venture Group
- DC Disruptors Capital
- Pulsar Capital
- Sumeru Ventures
- Snowflake Ventures

Domestic investors

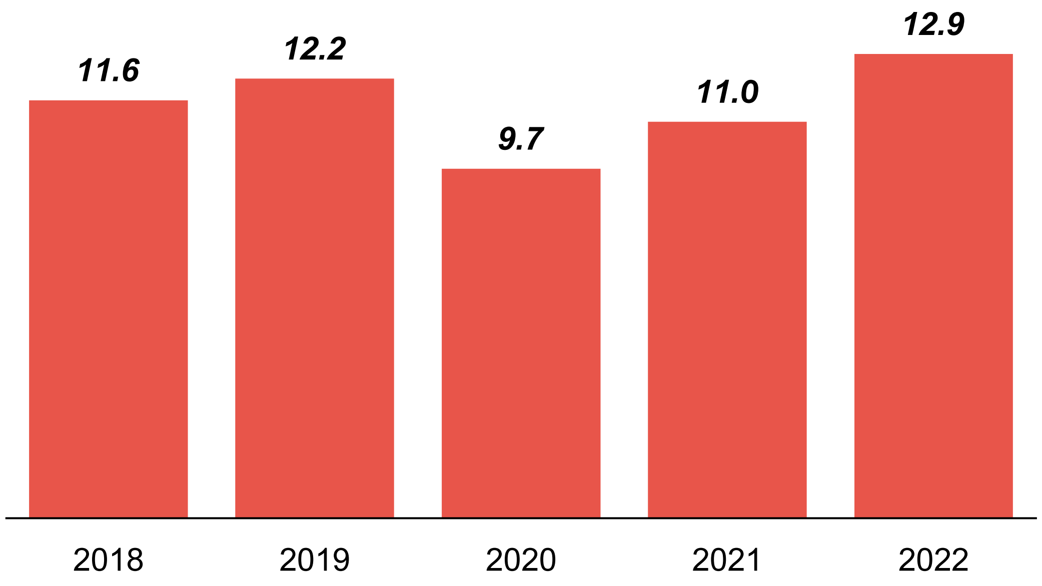
- sphiticap
- Luckbox
- Jashvik Capital
- BlueHill capital
- Qi Ventures
- Aditya Birla Ventures
- Mistry Ventures

Note(s): Investors include PEs, VCs, Micro VCs, Family Offices
Source(s): 1Lattice Deals Pulse database, Praxis analysis

India-focused funds sitting on highest ever dry powder of ~US$ 13B; India witnessed a highest ever y-o-y increase (~125%) in PE/VC fundraising in 2022

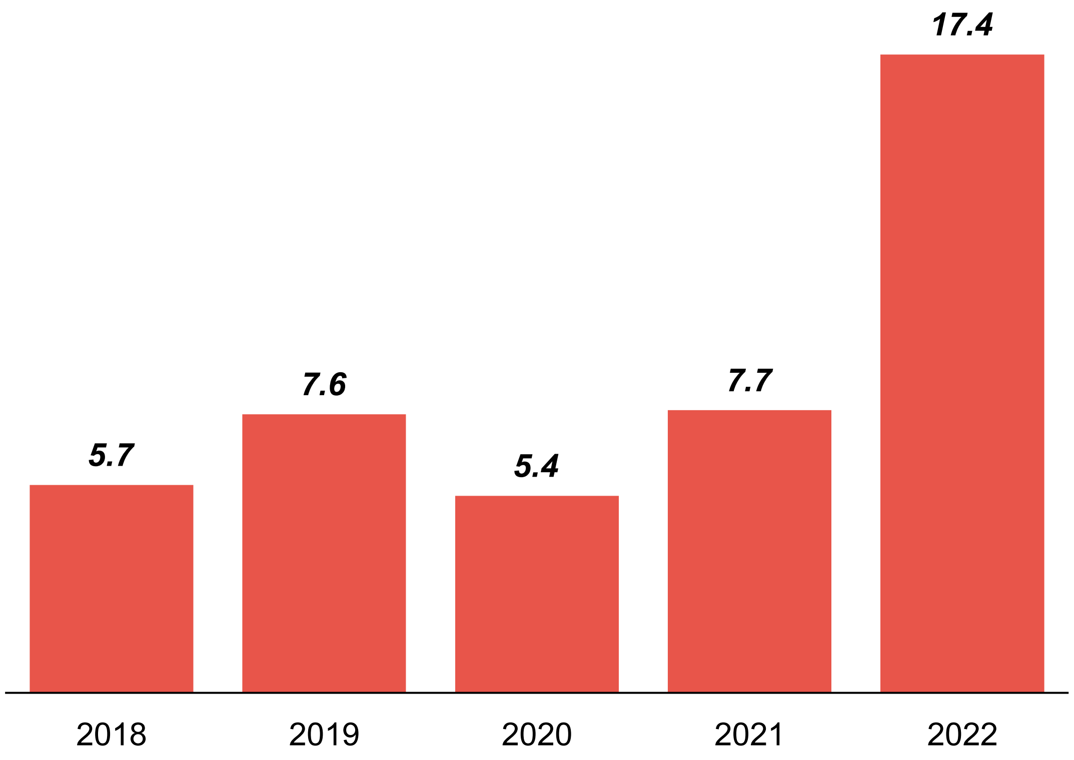
India-focused funds currently hold a record high unallocated corpus of US$12.9 B

Dry powder
(US$ B, 2018-2022)



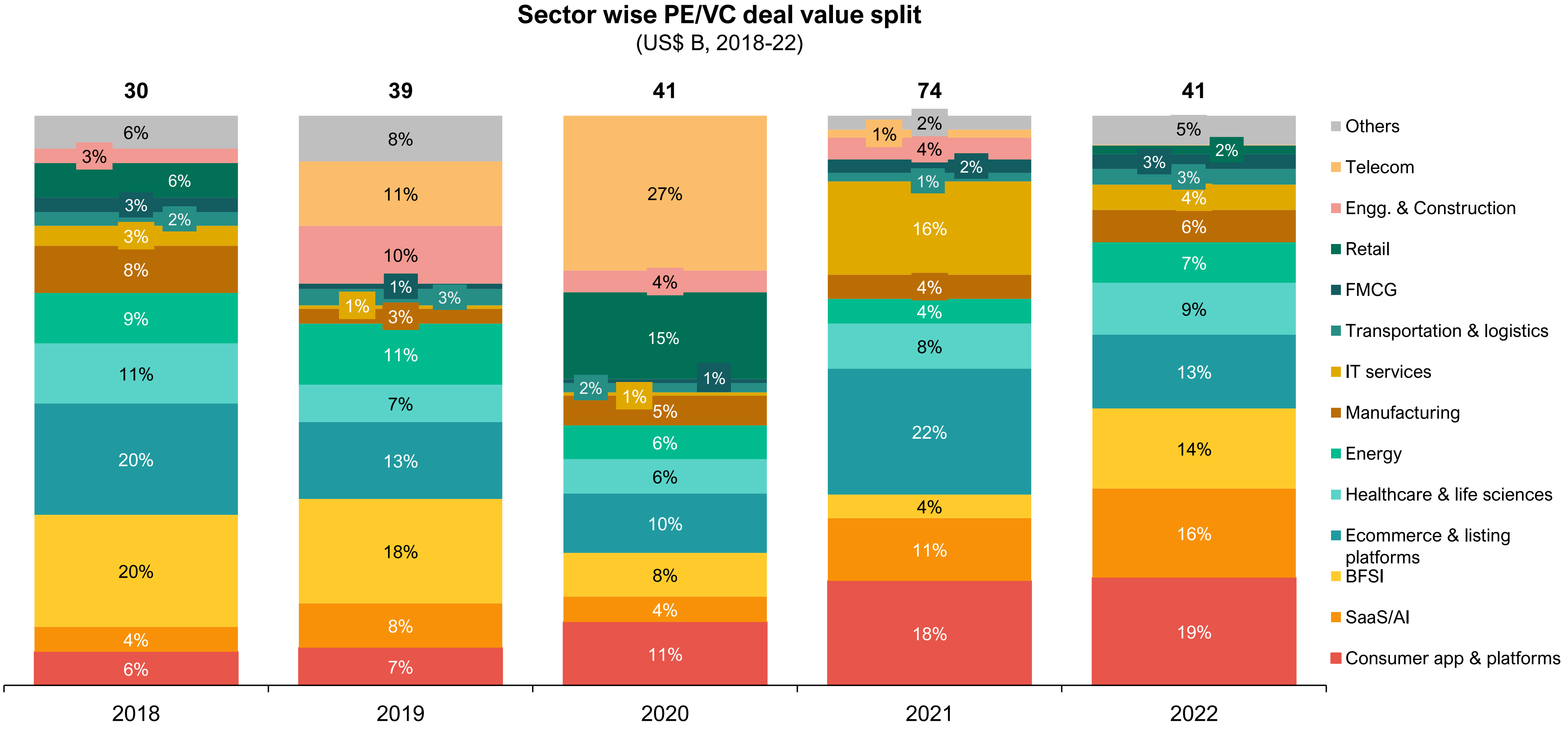
Buoyant year for fundraising as the country became more attractive within Asia Pacific

PE/VC fundraising
(US$ B, 2017-2022)



Note(s): Real estate funds, PE/VC debt funds have been excluded from this analysis
Source(s): Preqin, Praxis analysis

Consumer platforms, SaaS/AI and BFSI sectors were favorite among investors, recording ~50% of total deal value in 2022

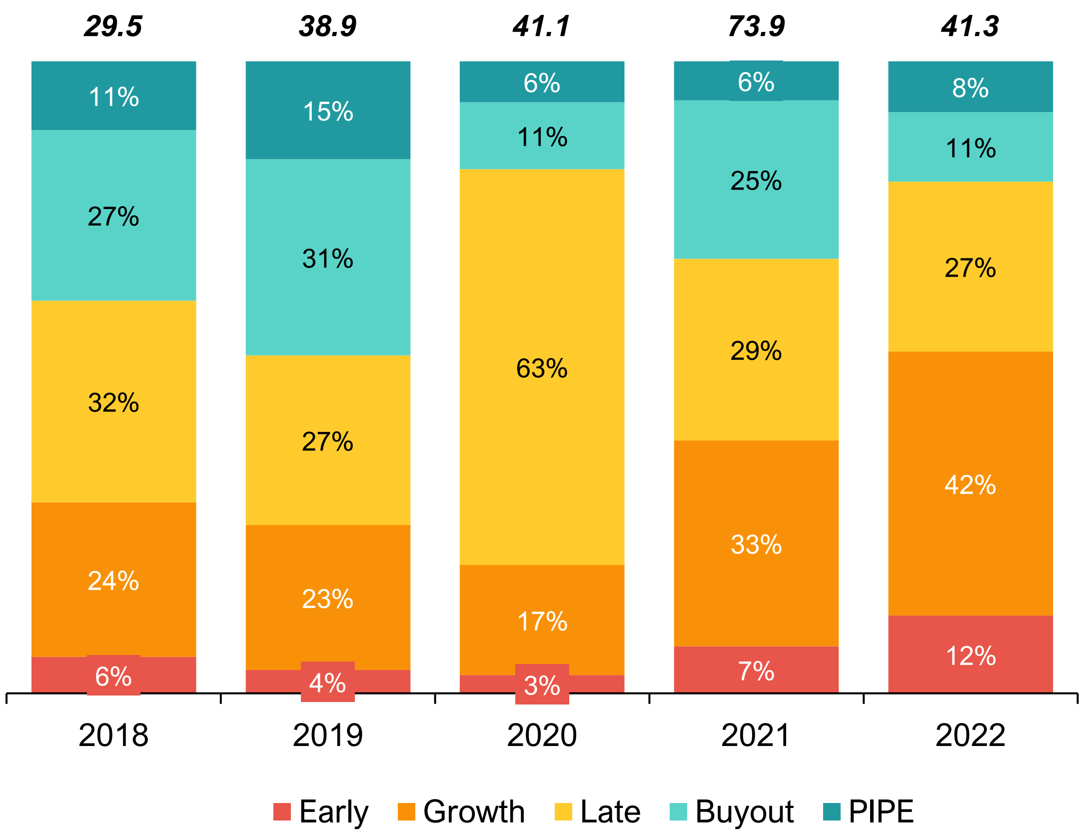


Note(s): Real estate deals have been excluded
Source(s): 1Lattice Deals Pulse Database, Praxis analysis

While dealmaking slowed down across all stages, late-stage and buyout investments declined by more than 50% as macro forces took their toll

Worsening macro environment put an end to the post-COVID surge in dealmaking

Split of PE/VC deal value
(US$ B, 2018-2022)



Top 10 buyout investments in 2022

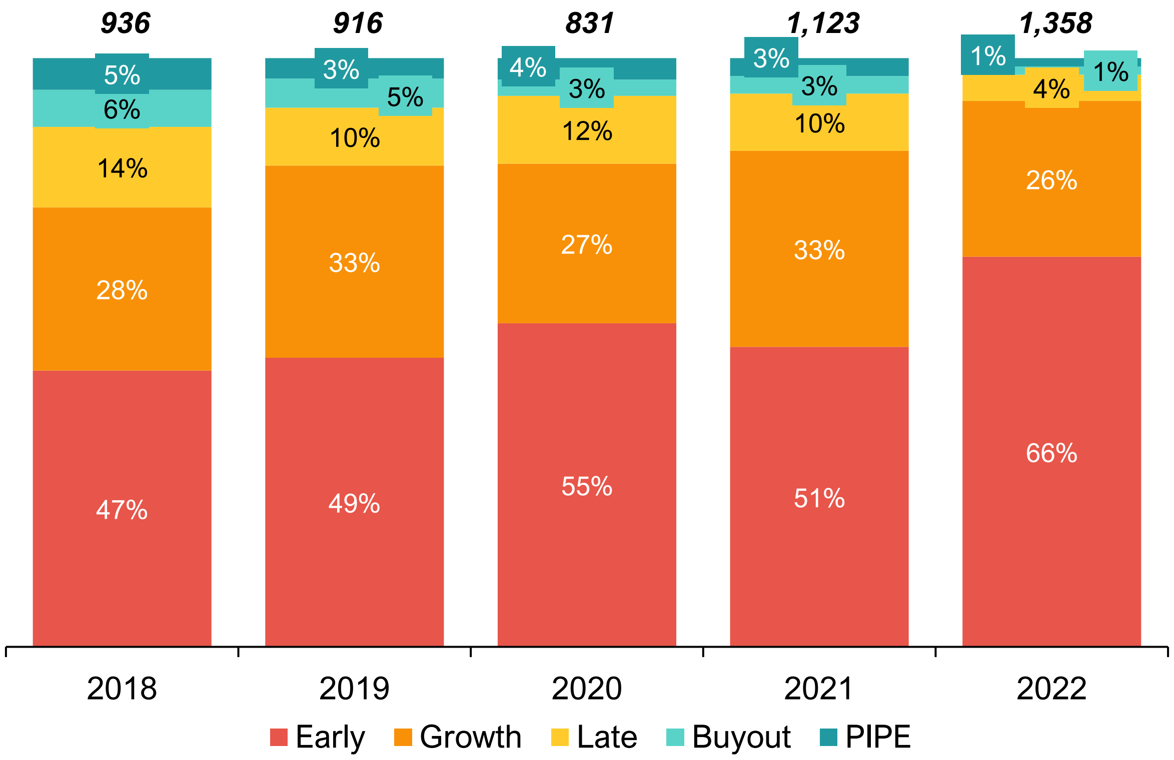
Company	Sector	Funds raised* (US$ M)	Investors
IGT Solutions	IT services	810	Baring Asia
Suven Pharma	Healthcare & Life Sciences	762	Advent International
IDFC Asset Management	BFSI	593	GIC, ChrysCapital, Bandhan Bank
Poonawalla Fincorp	BFSI	471	TPG Capital
Sunsure	Energy	400	Partners Group
Optimus	Healthcare & Life Sciences	259	PAG, CX Partners, Samara Capital
ZIFO RnD Solutions	IT services	250	TA Associates
Sterling Hospitals	Healthcare & Life Sciences	113	Arpwood Partners, Clermont Group, Somerset Health
Atha Group	Energy	100	BluPine Energy
CREST STEEL AND POWER PVT. LTD.	Manufacturing	80	Nithia Capital
Total		**3,838**	

Note(s): Real estate deals have been excluded
Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Average deal size dropped by more than 50% in 2022 after climbing steadily every year since 2018 to a record high in 2021 of US$ 66M

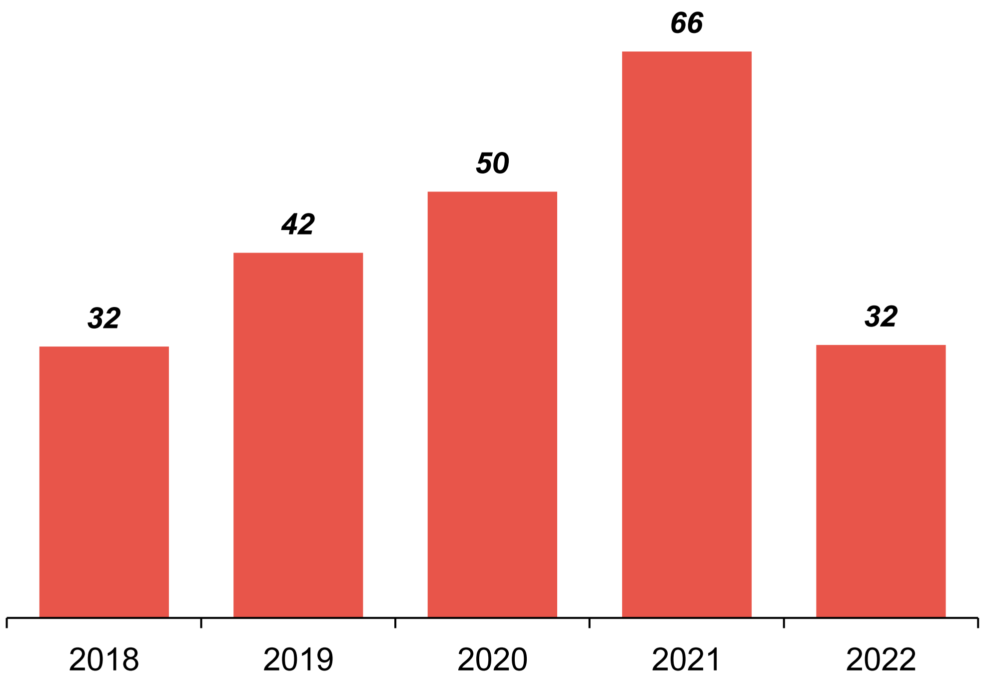
Although average deal size decreased to a 5-year low, dealmaking squeeze meant smaller deals gained share

Split of PE/VC deal volume by deal stage
(#, 2018-2022)



Average deal size dropped from ~US$ 66M in 2021 to ~US$ 32M in 2022

Average deal size
(US$ M, 2018-2022)



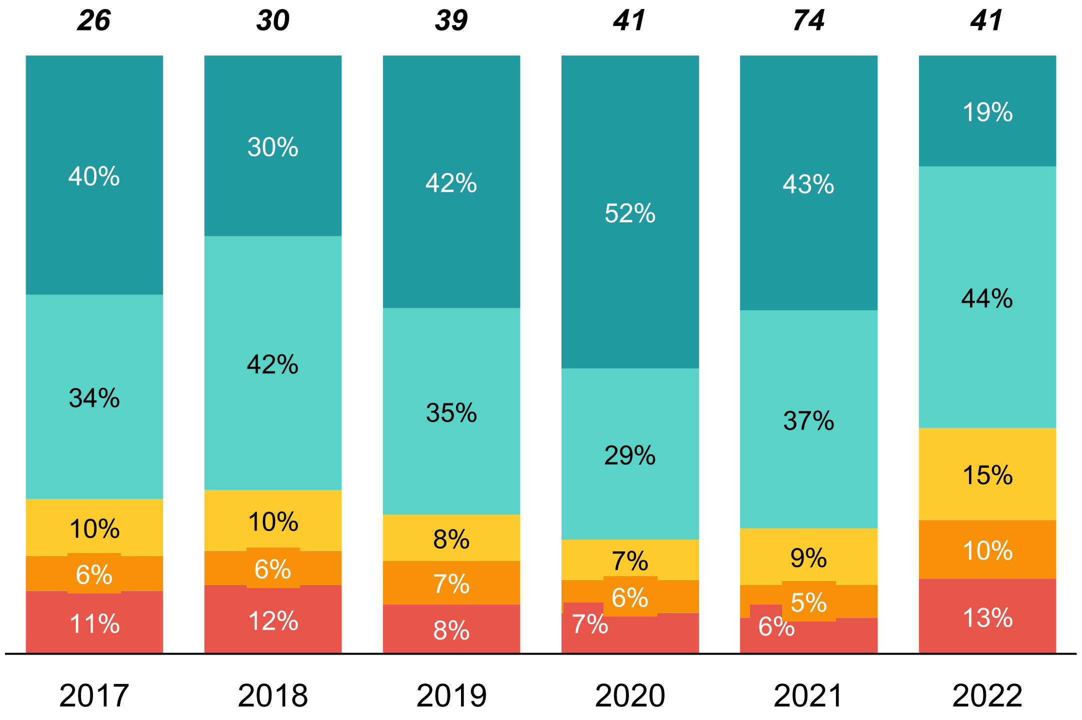
Note(s): Out of 1,358 deals, 140 deals are undisclosed; Real estate deals have been excluded
Source(s): 1Lattice Deals Pulse Database, Praxis PE/VC annual survey 2023 (N = 50), Praxis analysis

 |

Investment in large deals (US$ 500M+) dropped to ~US$ 8B in 2022 from ~US$ 32B in 2021 as investors shy away from mega deals

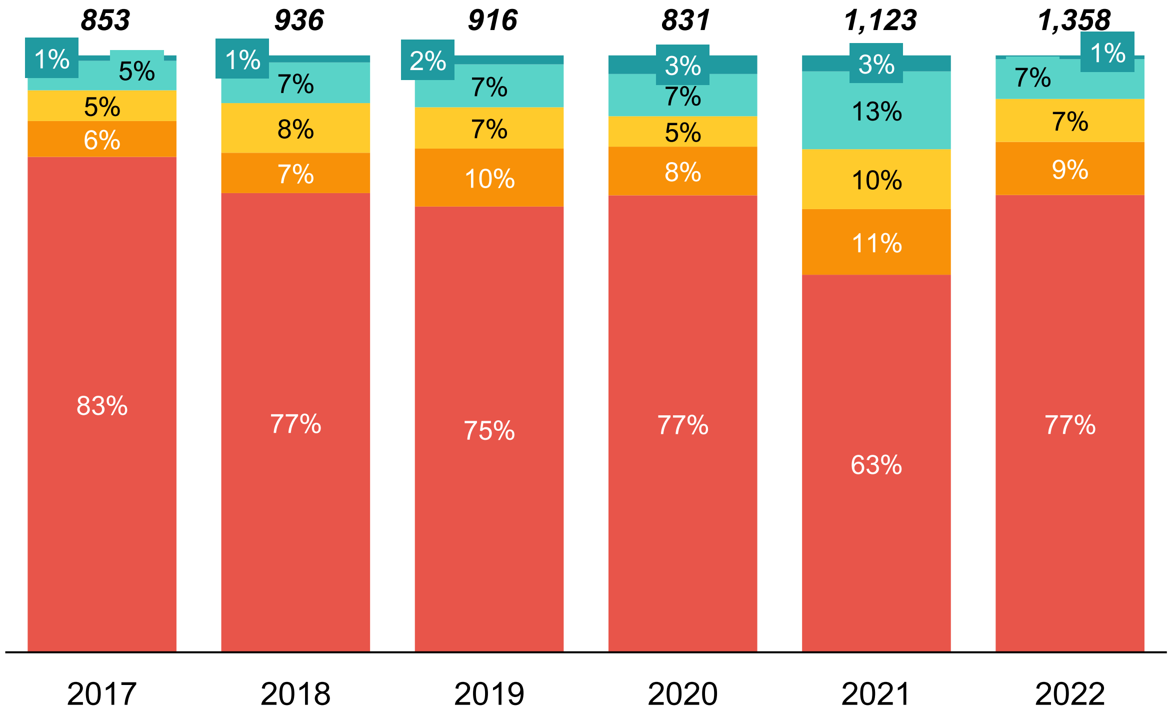
Despite global slowdown in dealmaking, less than US$ 25M deals has been in throttle mode increasing by 15%

Split of PE/VC deal value
(US$ B, 2017-2022)



Large deals volume dropped by ~70% as central banks across the world increased interest rates to control inflation

Split of PE/VC deal volume
(#, 2017-2022)



Less than US$ 25M | US$ 25-50M | US$ 50-100M | US$ 100-500M | More than US$ 500M

Note(s): Real estate deals have been excluded
Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Top 20 deals of 2022 [1/2]

#	Company	Founded	Sector	Sub-sector	Funding (US$ M)	Funding stage	Investors
1	Viacom18	2007	Consumer app & platforms	Media & entertainment	1,780	Late	Bodhi Tree
2	YES BANK	2004	BFSI	Banking	1,100	PIPE	Advent International, The Carlyle Group
3	dailyhunt	2009	Consumer app & platforms	Media & entertainment	805	Late	CPPIB, OTPP, Luxor Capital, Sumeru Ventures, Sofina Group, Baillie Gifford
4	iGT SOLUTIONS	1998	IT services	BPO	800	Buyout	Baring Asia
5	SUVEN PHARMA	2018	Healthcare & Life Sciences	Pharma & Biotech	762	Buyout	Advent International
6	SWIGGY	2014	Ecommerce & listing platforms	FoodTech	700	Late	Invesco, Baron Capital Group, Kotak, Prosus, Lathe Investment
7	ALLEN CAREER INSTITUTE KOTA (RAJASTHAN)	1988	Retail	Others	600	Growth	Bodhi Tree
8	IDFC MUTUAL FUND	2000	BFSI	Asset management	593	Buyout	GIC, ChrysCapital, Bandhan Bank
9	TATA POWER	2016	Energy	Renewable energy	526	Late	MUFG, BlackRock
10	IIFL WEALTH	2005	BFSI	Financial Services	486	PIPE	Bain Capital
Total					**8,152**		

Note(s): Real estate deals have been excluded
Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Top 20 deals of 2022 [2/2]

#	Company	Founded	Sector	Sub-sector	Funding (US$ M)	Funding stage	Investors
11	Poonawalla Housing Finance	2004	BFSI	Financial services	471	Buyout	TPG Capital
12	Hero Future Energies	2012	Energy	Renewable energy	450	Late	KKR, Hero Group
13	polygon	2020	Saas/AI	Others	450	Growth	Sequoia Capital, Tiger Global, Elevation Capital, Accel Partners, Steadview Capital
14	ReNew Power	2011	Energy	Renewable energy	400	PIPE	CPPIB
15	Sunsure	2014	Energy	Renewable energy	400	Buyout	Partners Group
16	serentica	2022	Energy	Renewable energy	400	Late	KKR
17	uniphore	2008	Saas/AI	Conversational Intelligence	400	Growth	NEA, March Capital
18	fractal	2000	Saas/AI	Analytics	360	Growth	TPG Capital Asia
19	R Systems	1993	IT services	PES	359	PIPE	Blackstone
20	Delhivery	2011	Transportation & logistics	Logistics services	303	PIPE	Tiger Global Management, Steadview Capital, Bay Capital, Government of Singapore (GIC), Monetary Authority of Singapore
Total					**3,993**		

Note(s): Real estate deals have been excluded
Source(s): 1Lattice Deals Pulse Database, Praxis analysis

23 Indian companies were added to the unicorn club in 2022 surpassing the UK to become the third largest startup ecosystem

2011-16 (6 unicorns)

InMobi, Flipkart, *Mu Sigma, zomato, Paytm, OLA

2018 (8 unicorns)

BillDesk (All your payments. Single location), freshworks, Udaan, Paytm mall, policybazaar.com, OYO, SWIGGY, BYJU'S

2019 (9 unicorns)

lenskart, OLA ELECTRIC, CitiusTech, RIVIGO, DELHIVERY, bigbasket, Icertis, druva, DREAM11

2020 (13 unicorns)

Postman, ZERODHA, zenoti, dailyhunt, firstcry.com, glance, Pine Labs, highradius, Razorpay, TEKION, unacademy, NYKAA, CARS24

2021 (41 unicorns)

digit, innovaccer, INFRA.MARKET (Construction by innovation), slice, meesho, ShareChat, Urban Company, PharmEasy, Chargebee, gupshup, zeta, Groww, CRED, moglix, BrowserStack, ofbusiness, BharatPe, upGrad, MindTickle, ZETWERK, ERUDITUS Executive Education, droom, REBEL FOODS, Pristyn Care, MyGlamm (European Beauty, Live Glamorous), upstox, COINSWITCH KUBER, GROFERS, MobiKwik, Vedantu, CoinDCX, SPINNY, NOBROKER, BLACKBUCK, MENSA (House of Brands), cure.fit, Licious (Born to Meat), CarDekho (Right car, right now), ACKO, MPL Mobile Premier League, apna

2022 (23 unicorns)

Yubi, LIVSPACE, fractal, Oxyzo, darwinbox, HASURA, TATA 1mg, DealShare, molbio, one card, open, PHYSICS WALLAH, leadsquared, mamaearth, amagi, LEAD, purplle, Shiprocket, XPRESSBEES (delivering happiness), uniphore, GAMES24SEVEN, CommerceIQ, ElasticRun (Thinking Network)

Note(s): *acquired
Source(s): 1Lattice India unicorn list, Praxis analysis

Consumer apps & platforms and SaaS/AI sectors created maximum number of unicorns in 2022

Sector wise unicorns in 2021 vs 2022

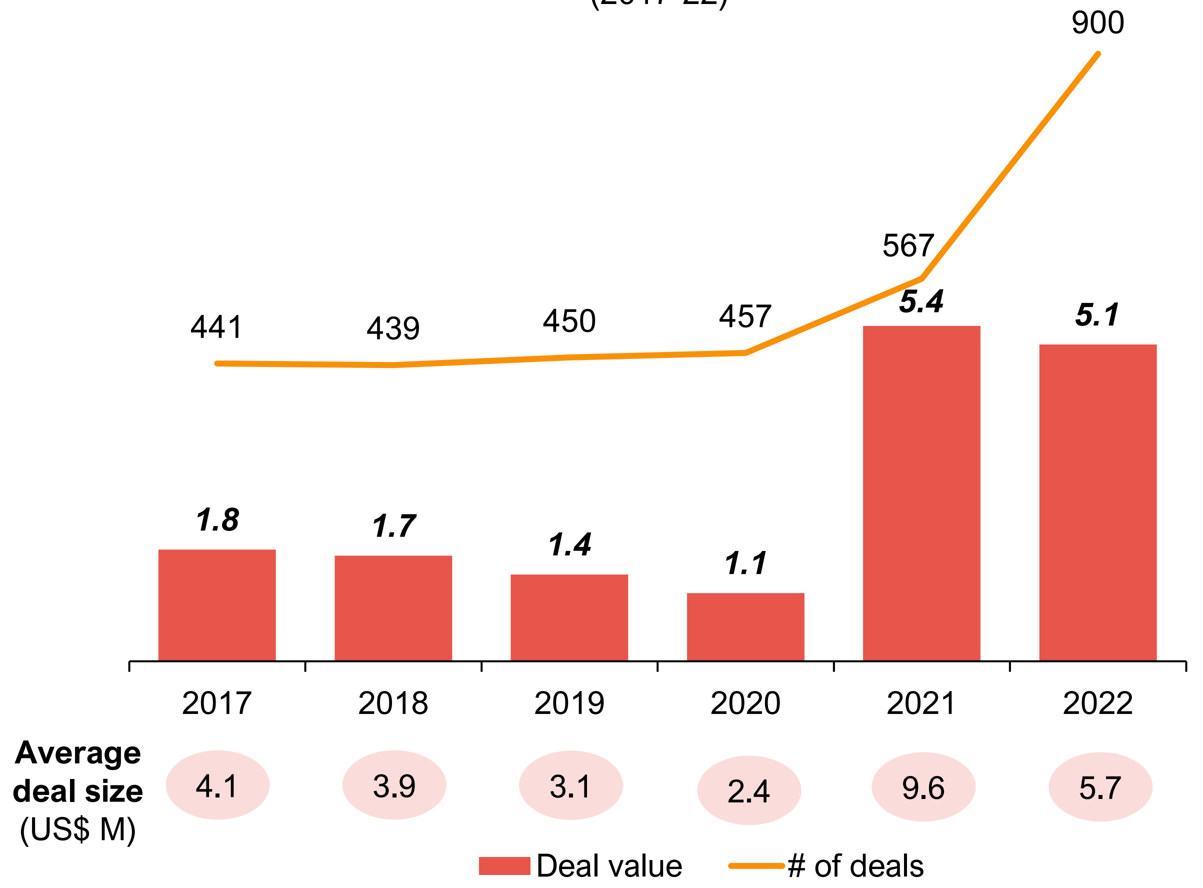
Sector		2021	2022
Ecommerce & listing platforms	Fashion & Lifestyle	meesho	purple
	Auto-tech	SPINNY, droom	
	B2B commerce	ZETWERK, INFRA.MARKET, moglix, ofbusiness, BLACKBUCK	elasticrun
	Home & interior	Urban Company, NOBROKER	LIVSPACE
	D2C aggregator	MENSA	
	Food tech	REBEL FOODS, GROFERS	DealShare
	HR services	apna	
Consumer app & platforms	Media & entertainment	ShareChat, MPL Mobile Premier League, gupshup	GAMES 24 SEVEN
	Edtech	Vedantu, ERUDITUS Executive Education, upGrad	PHYSICS WALLAH, LEAD
	Fintech	Groww, ACKO, upstox, slice, CRED, MobiKwik, CoinDCX, digit	Yubi, one card, Oxyzo, open
	Fashion & lifestyle	cure.fit	
SaaS/AI	Enterprise tech	BrowserStack	darwinbox, HASURA
	Fintech	BharatPe, Chargebee, zeta	
	Conversational Intelligence		uniphore
	Advertisement & sales	MindTickle	leadsquared, amagi, CommerceIQ
	Healthtech	innovaccer	
	Analytics		fractal
Travel and logistics			XPRESSBEES, Shiprocket
Healthcare & Life Sciences	Healthtech	PharmEasy, Pristyn Care	TATA 1mg, molbio
FMCG	D2C brand	MYGLAMM, Licious	mamaearth

Source(s): 1Lattice India unicorn list, Praxis analysis

Funding winter of 2022 bypassed early-stage investments

Positive investor sentiment among early-stage VC funds despite a cautionary macro-economic environment

PE/VC deal value (US$ B) and number of deals
(2017-22)



Top 10 early-stage investments in 2022

Company	Sector	Founded	Amount (US$ M)	Investors
oxyzo	BFSI	2016	200	Alpha Wave, Tiger Global, Norwest Venture Partners, Matrix Partners, Creation Investments
RARIO	Consumer app & platforms	2021	120	Dream Capital, Alpha Wave Global
PW	Consumer app & platforms	2016	100	GSV Ventures, Westbridge Capital
NESO BRANDS	Ecommerce & listing platforms	2022	100	KKR, Softbank, Alpha Wave Global, Temasek
FanCraze	Consumer app & platforms	2001	100	Insight Partners and B Capital
keka	Saas/AI	2015	57	Westbridge Capital
G.O.A.T BRAND LABS	BFSI	2021	50	Winter Capital, 9Unicorns, Venture Catalysts, Vivriti Capital
TheMathCompany	SaaS/AI	2016	50	Brighton Park Capital
LOCO	Consumer app & platforms	2020	42	Hashed, Catamaran Ventures
ALTIGREEN DRIVE ELECTRIC	Manufacturing	2013	40	Sixth Sense Ventures, Xponentia Capital, RIL
Total			**952**	

Note(s): Real estate deals have been excluded; Early-stage deals include seed, pre-series A and series A investments
Source(s): 1Lattice Deals Pulse Database, Company websites, Praxis analysis

Regulatory framework for start-ups has added to the deal flow

	2016	2017	2018	2019	2020	2021	2022
# start-ups recognized	452	5,147	8,689	11,328	14,534	20,089	23,773
# unicorns	2	1	8	9	13	41	23
Regulatory framework	• Start-up definition notified and income tax benefits announced • Income tax exemption on reinvestment of long-term gains in eligible startups	• Compliance relaxation to start-ups • Expansion of startup definition covering entities up to 7 years from date of incorporation	• Definition of startup modified to allow income tax exemption benefit • Benefit to claim IT exemption increased up to 7 years from incorporation	• Tax exemption for proceeds raised by Category 1 and 2 AIFs • Expansion of startup definition covering entities up to 10 years from incorporation • GeM – dedicated portal for start-ups to sell products launched	• # of incorporation procedures reduced to 3 v/s 10 reducing time to 4 v/s 18 days • Tax on ESOPs deferred to earlier of 5 years or time of sale or exit	• Turnover eligibility to claim income tax exemption extended to INR 1000M (~US$ 12M) • Released guidelines for recognition of start-ups resolving ambiguity on definition	• Effective tax rate reduced to 23.9% from 28.5% • Surcharge on long term capital gains for unlisted companies capped at 15% from existing 37% • MCA and DPIIT harmonized definition of startups

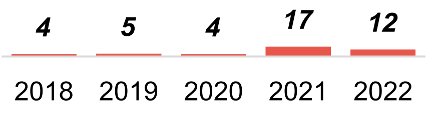
52x growth in number of recognized start-ups between 2016 to 2022

Source: 1Lattice Deals Pulse Database, Praxis analysis

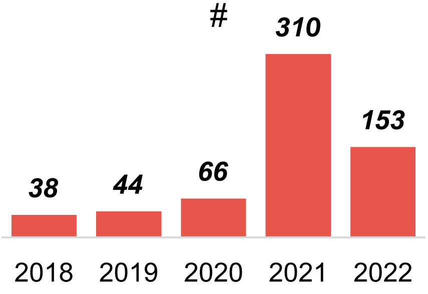
India outpaced China in new unicorn creation in 2022

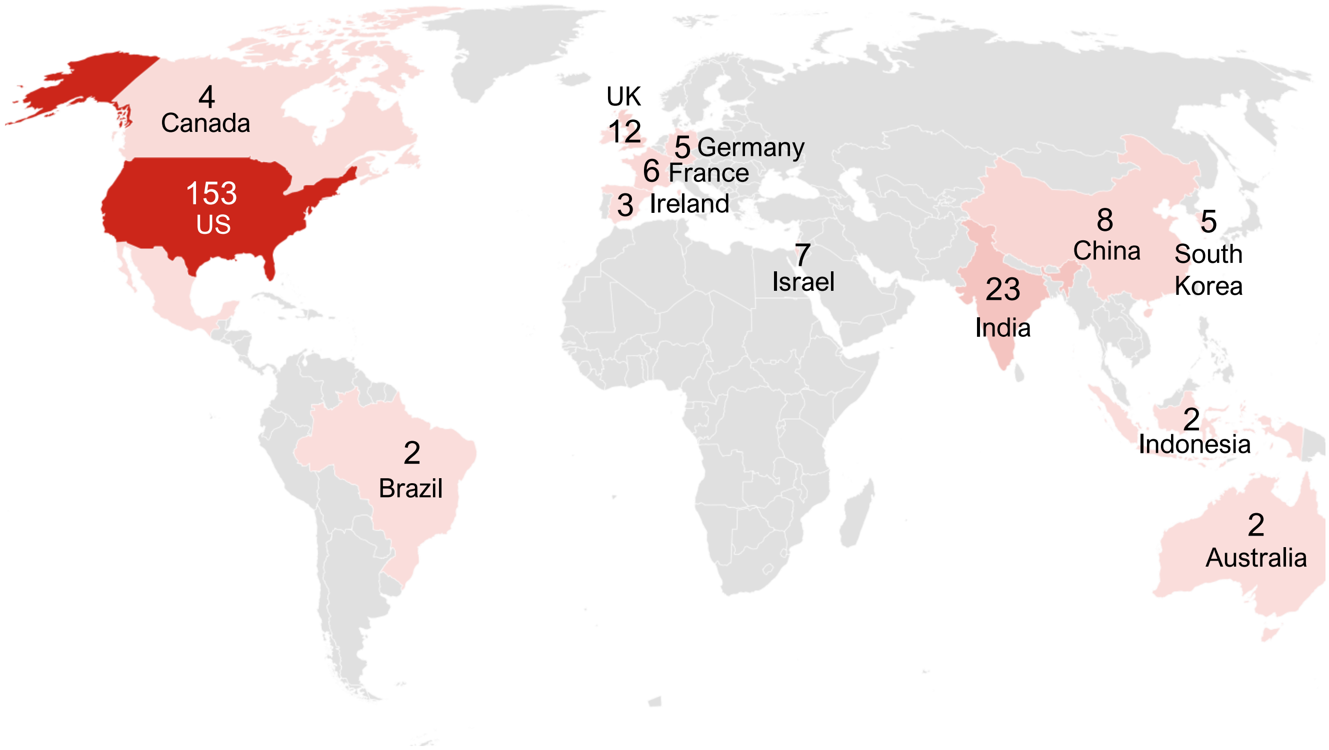
Unicorns added in 2022
(#)

UK
#

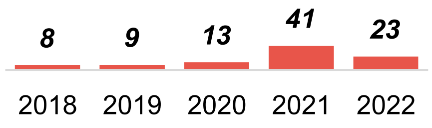


US
#

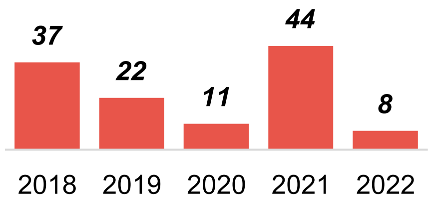




India
#



China
#

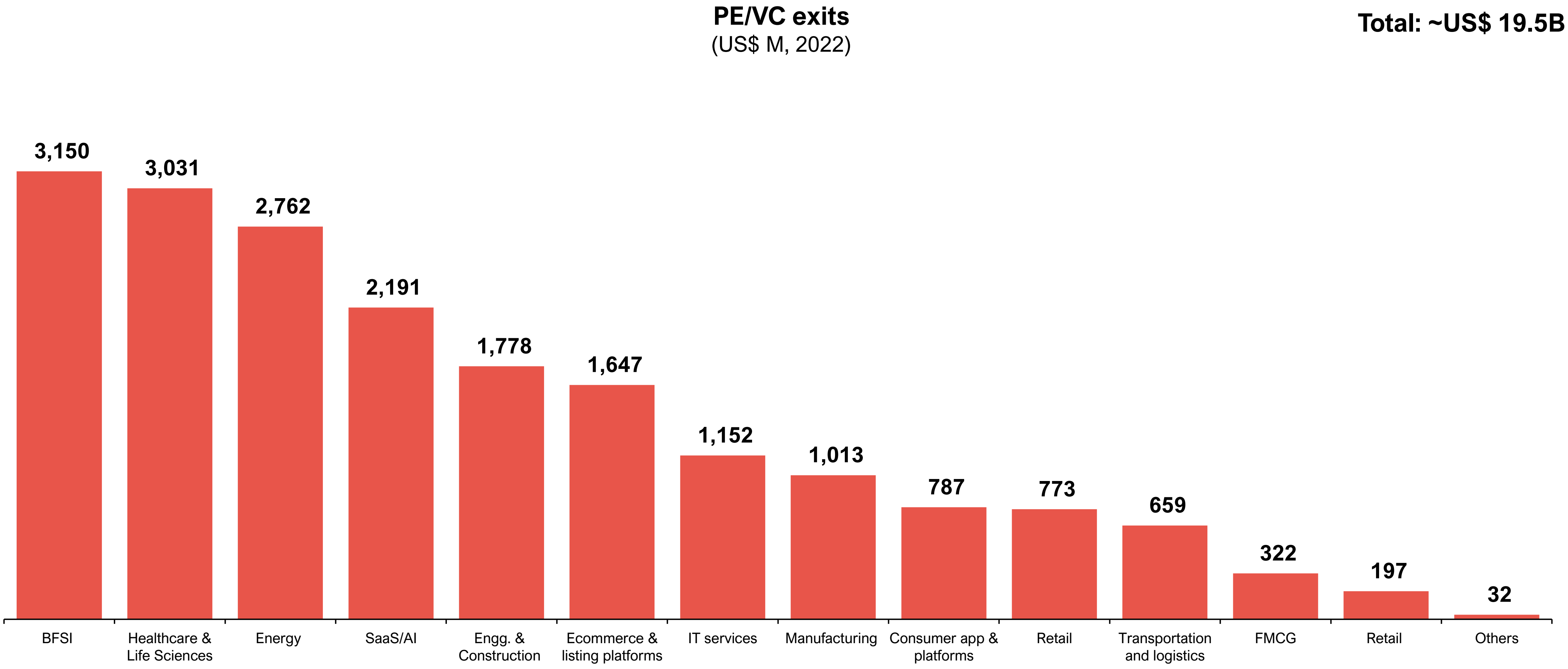


Source(s): 1Lattice Deals Pulse Database, Industry reports, Praxis analysis

Agenda

- Preamble
- Deals landscape in 2022
- **Exits landscape in 2022**
- Appendix: Sector deep dive

Banking, Financial Services and Insurance sector saw maximum exits in 2022 due to several buyout deals

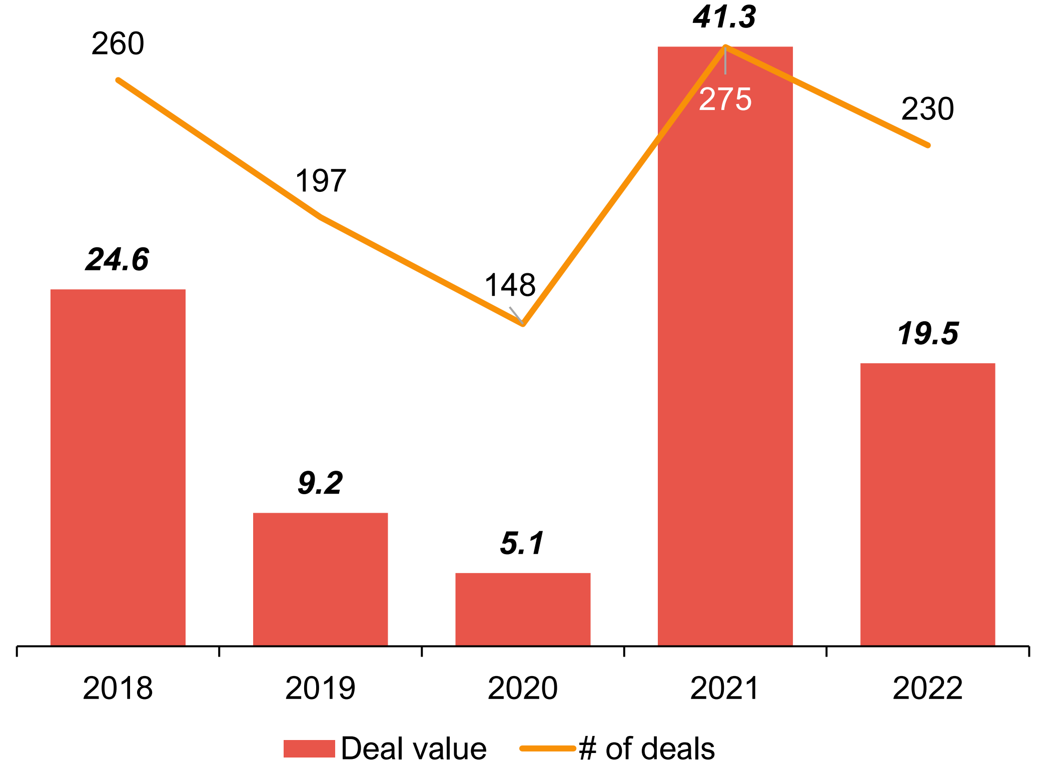


Note(s): Real estate deals have been excluded
Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Exits fell sharply in 2022 with every route in decline (~53% lower than all-time high US$ 41.3B in 2021) as GPs faced less than favorable market conditions

Poor performance of listed internet companies and less than favorable market conditions in 2022 led to a lull in exit activity

PE/VC exits value (US$ B) and # exits
(2018-22)



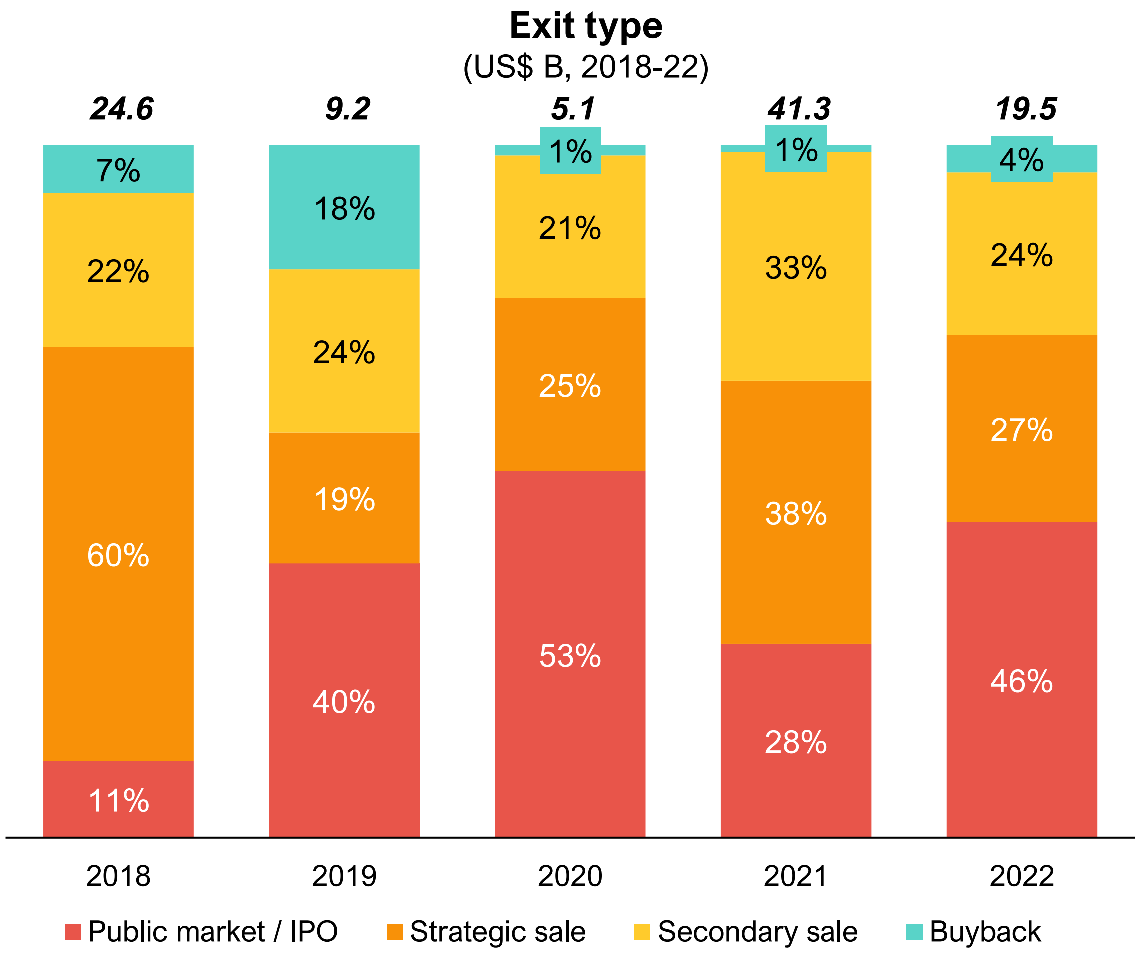
Top 10 exits in 2022

Company	Sector	Amount (US$ M)	Investors exited
Sprng Energy	Energy	1,550	Actis
Five road assets	Engg. & Construction	1,200	Brookfield
MAX Healthcare	Healthcare & Life Sciences	1,187	KKR
CitiusTech	SaaS/AI	960	Baring Asia
kotak Kotak Mahindra Bank	BFSI	893	CPPIB
IGT Solutions	IT services	810	AION Capital
blinkit	Ecommerce & listing platforms	570	Sequoia Capital India, Tiger Global, SoftBank Corp, DST Global, Apoletto, KTB Ventures
SONA BLW	Manufacturing	508	Blackstone
Mu Sigma DO THE MATH	SaaS/AI	501	General Atlantic, Sequoia Capital India
IIFL WEALTH	BFSI	486	General Atlantic, Fairfax Holdings
Total		**8,665**	

Note(s): Exited deals with undisclosed amount are also included in the analysis
Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Sharp fall in exit activity driven by the absence of large strategic and secondary deals compared to 2021

Post-COVID rally in PE/VC exits came to a halt as strategic and secondary exits declined by more than 60% in 2022



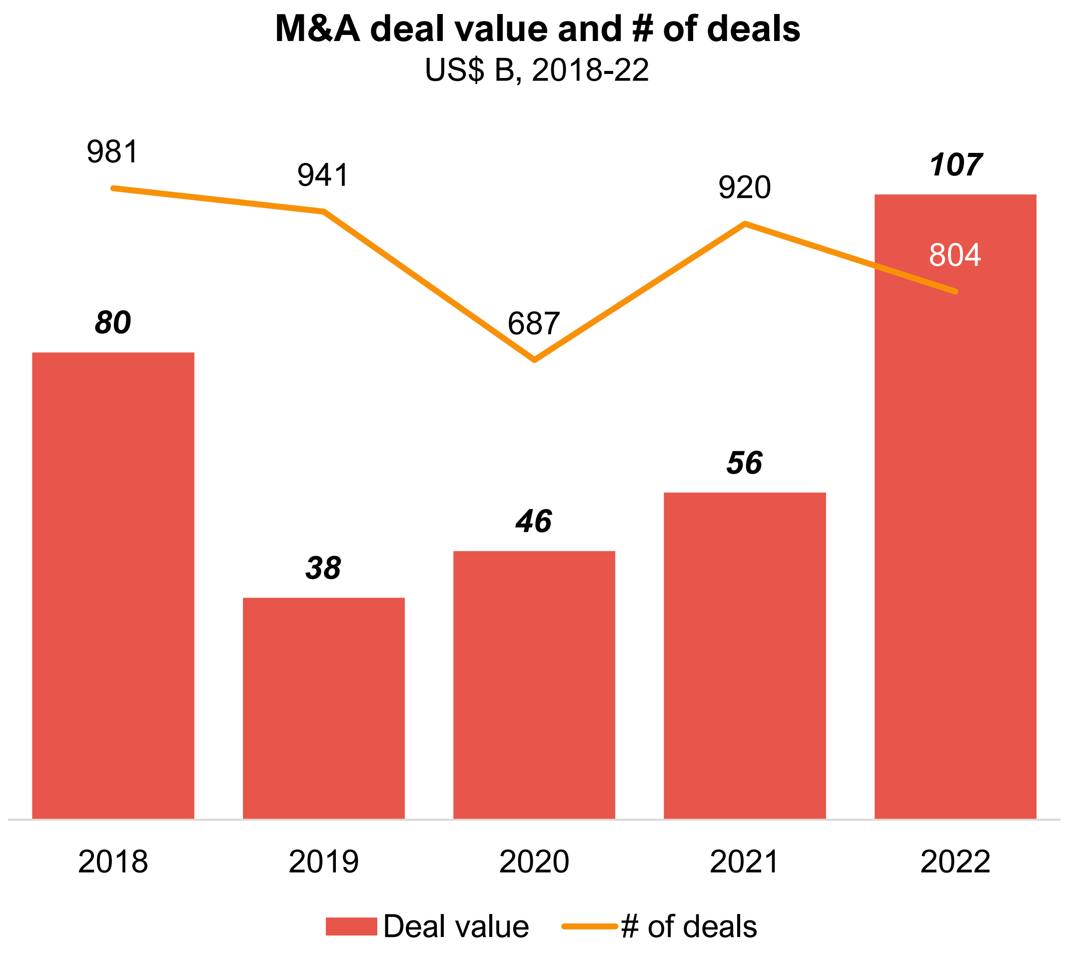
Top 10 PE/VC backed IPOs in 2022

Company	Sector	Issue Size (US$ M)
Delhivery	Transportation and logistics	5,235
Medanta	Healthcare & Life Sciences	2,206
Five Star Business Finance Limited	BFSI	1,593
Rainbow Children's Hospital	Healthcare & Life Sciences	1,581
KFintech	BFSI	1,500
Campus	Manufacturing	1,400
Fusion Microfinance	BFSI	1,104
Sula Vineyards	FMCG	960
Bikaji	FMCG	881
Syrma SGS	Manufacturing	840
Total		**17,300**

Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Amid global funding winter and a dull IPO activity in 2022, strategic M&A reached all-time highs driven by strong corporate balance sheets

M&A deal value has increased by more than 90% in 2022



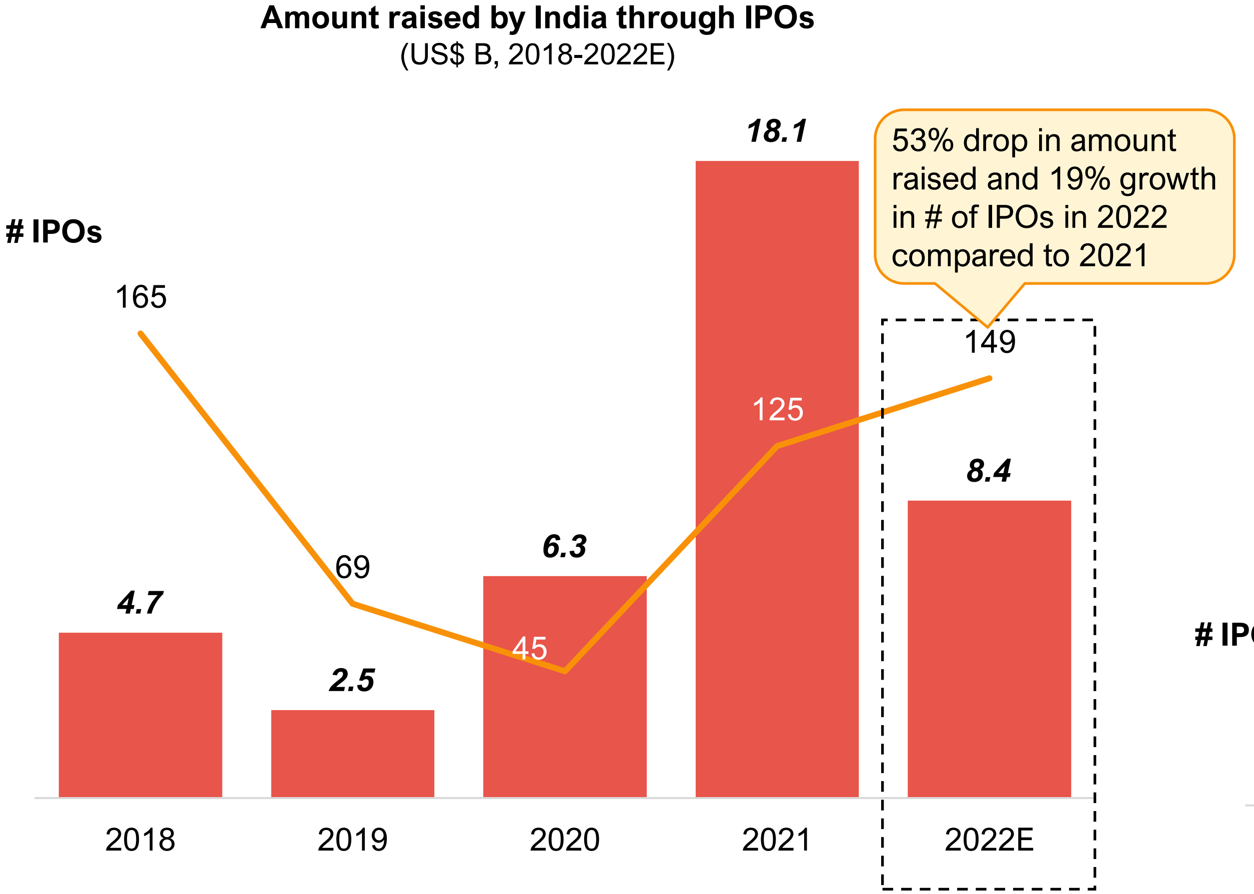
While corporates are acquiring new growth engines, internet firms are entering new segments & acquiring new capabilities

Company	Acquisitions in 2022
Reliance Retail	• Acquired several brands such as Campus Cola, Lotus Chocolate, Sosya Beverages and Clovia • Acquired Metro Cash & Carry and V Retail to capture greater share of retail market
Hindustan Unilever Limited	• Entered the wellness and nutrition space by acquiring digital-first brands Oziva and Wellbeing Nutrition
Aditya Birla Group	• Bought controlling stakes across eight brands to create a new digital-first house of brands
zomato	• Has forayed into the quick commerce space by acquiring 100% shares of Blinkit
amazon	• Acquired a reseller startup GlowRoad making its first acquisition in the social commerce segment
pine labs	• Acquired Setu, a fast-growing API fintech startup to strengthen its online payments and lending platform
INFRA.MARKET Building Revolutions	• Acquired a strategic stake in Shalimar Paints

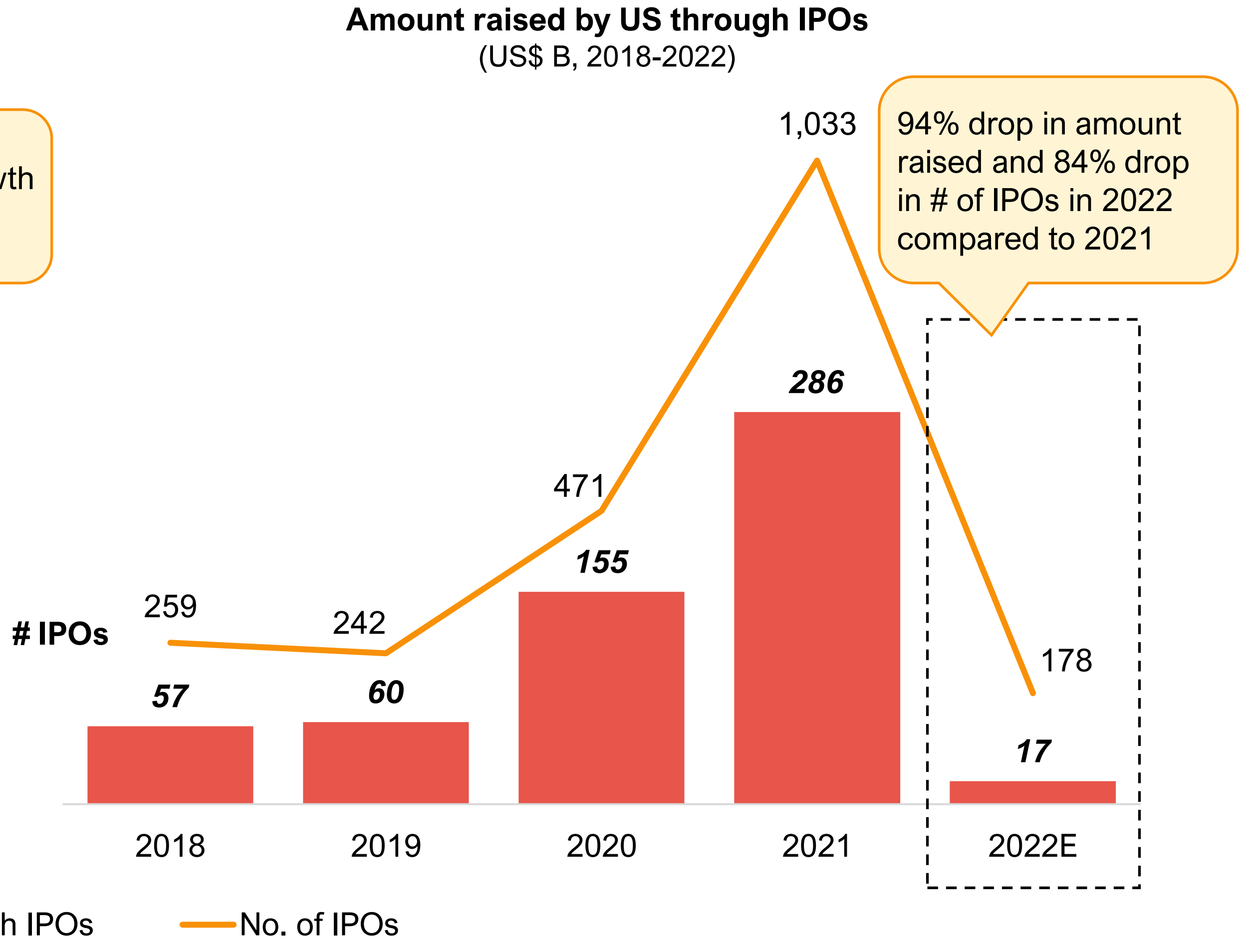
Note(s): US$ 1 = INR 82, Excluding Infrastructure and Real Estate deals
Source(s): 1Lattice Deals Pulse database, Praxis analysis

Faced with unfavorable market conditions in 2022, many companies held off on public market exits

In 2022, number of IPOs in India grew to 149 with a 53% drop in amount raised compared to 2021



Public markets shut down in 2022 in the US

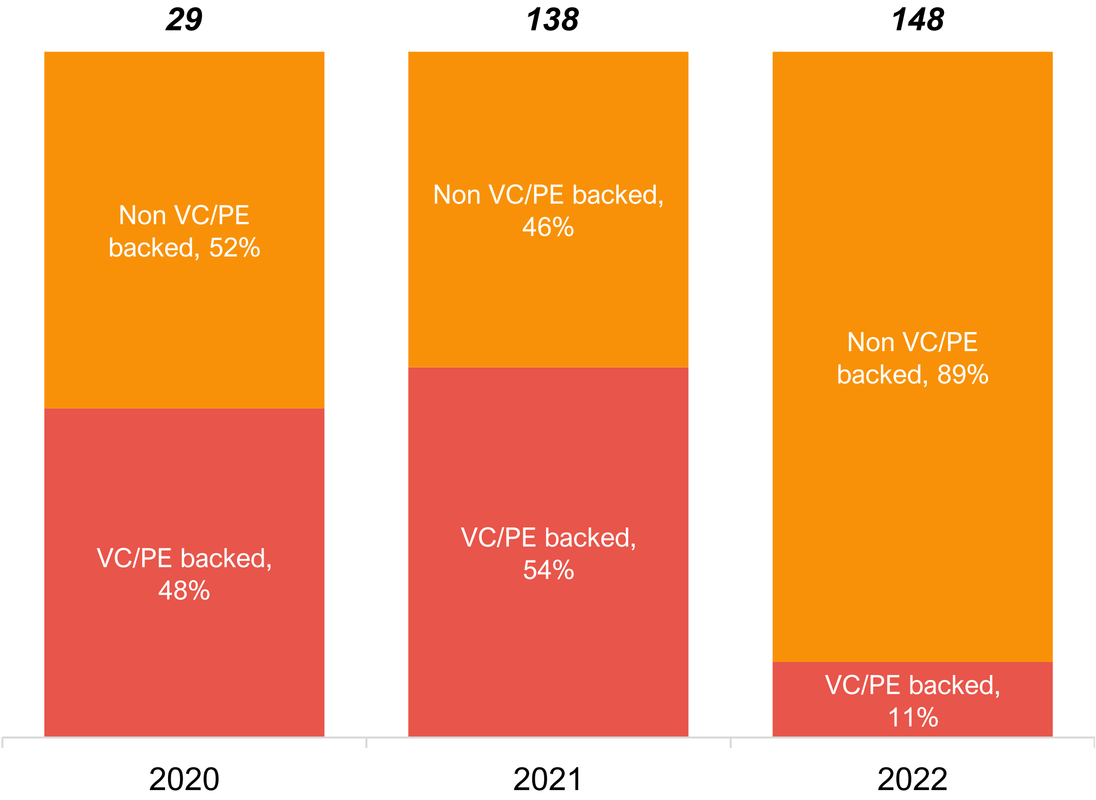


Note(s): This includes both NSE & BSE mainboard and SME IPOs; US$ 1 = INR 82
Source(s): Secondary research, Praxis analysis

PE/VC backed companies filing DRHPs have substantially declined in 2022 driven by bearish sentiments in public markets

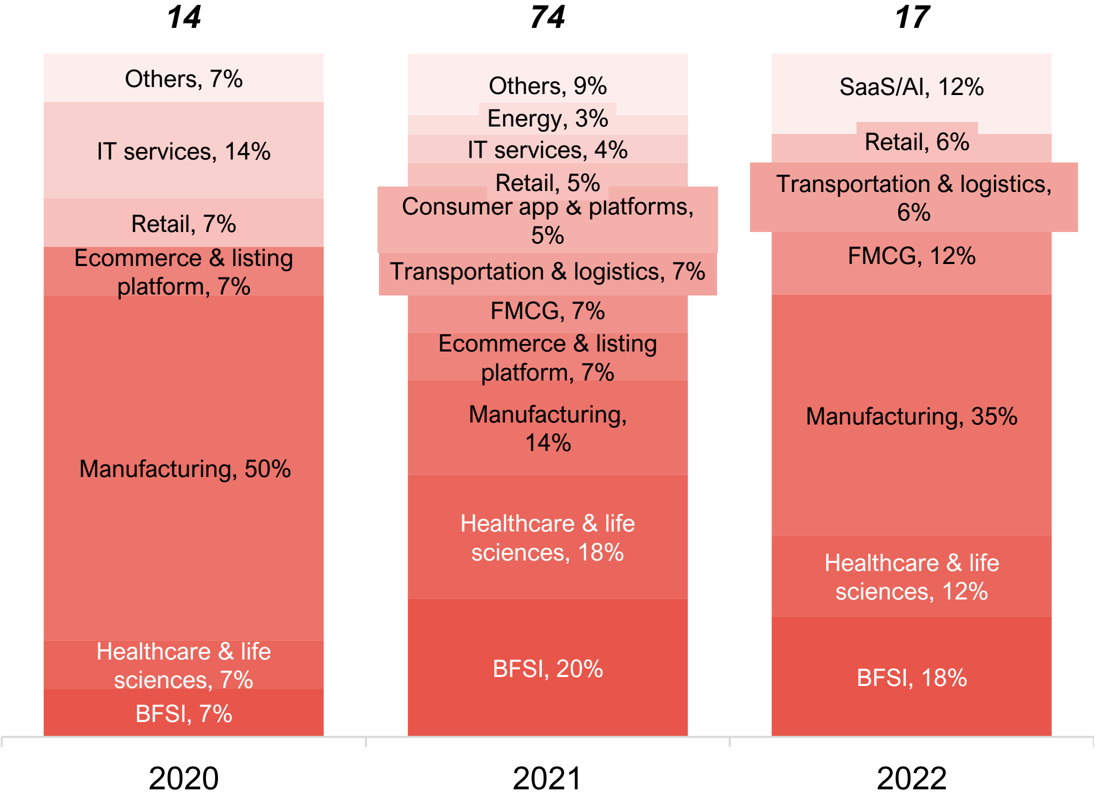
Out of 148 DRHPs filed in 2022, only 11% were backed by PE/VC investors

DRHPs filed
(2020-22)



Out of 17 DRHPs filed in 2022 by PE/VC backed companies, 35% were from manufacturing and 18% were from BFSI

PE/VC backed companies filing DRHPs
(2020-22)



Source(s): SEBI, Praxis analysis

Top 20 exits of 2022 (1/2)

#	Company	Founded	Sector	Exiting fund	Acquirer	Deal amount (US$ M)	Route of exit
1	spring energy	2017	Energy	Actis	Shell Overseas	1,550	Strategic Sale
2	**Five road assets**		Engg. & Construction	Brookfield	IndInfravit	1,200	Strategic Sale
3	MAX Healthcare	1985	Healthcare & Life Sciences	KKR	-	1,187	Public Market Sale
4	CitiusTech	2005	SaaS/AI	Baring Asia	Bain Capital and TPG Growth	960	Secondary Sale
5	kotak Kotak Mahindra Bank	1985	BFSI	CPPIB	-	893	Public Market Sale
6	IGT SOLUTIONS	1998	IT services	AION Capital	Baring Asia	810	Secondary Sale
7	blinkit	2013	Ecommerce & listing platforms	Sequoia Capital India, Tiger Global, SoftBank Corp, DST Global, Apoletto, KTB Ventures	Zomato	570	Strategic Sale
8	SONA BLW	1995	Manufacturing	Blackstone	-	508	Public Market Sale
9	Mu Sigma DO THE MATH	2005	IT services	General Atlantic, Sequoia Capital India	Promoters	501	Buyback
10	IIFL WEALTH	2008	BFSI	General Atlantic, Fairfax Holdings	Bain Capital, TPG Growth	486	Secondary Sale
	Total top 10					**8,665**	

Note(s): Real estate deals have been excluded
Source(s): PGA Exits database, Praxis analysis

Top 20 exits of 2022 (2/2)

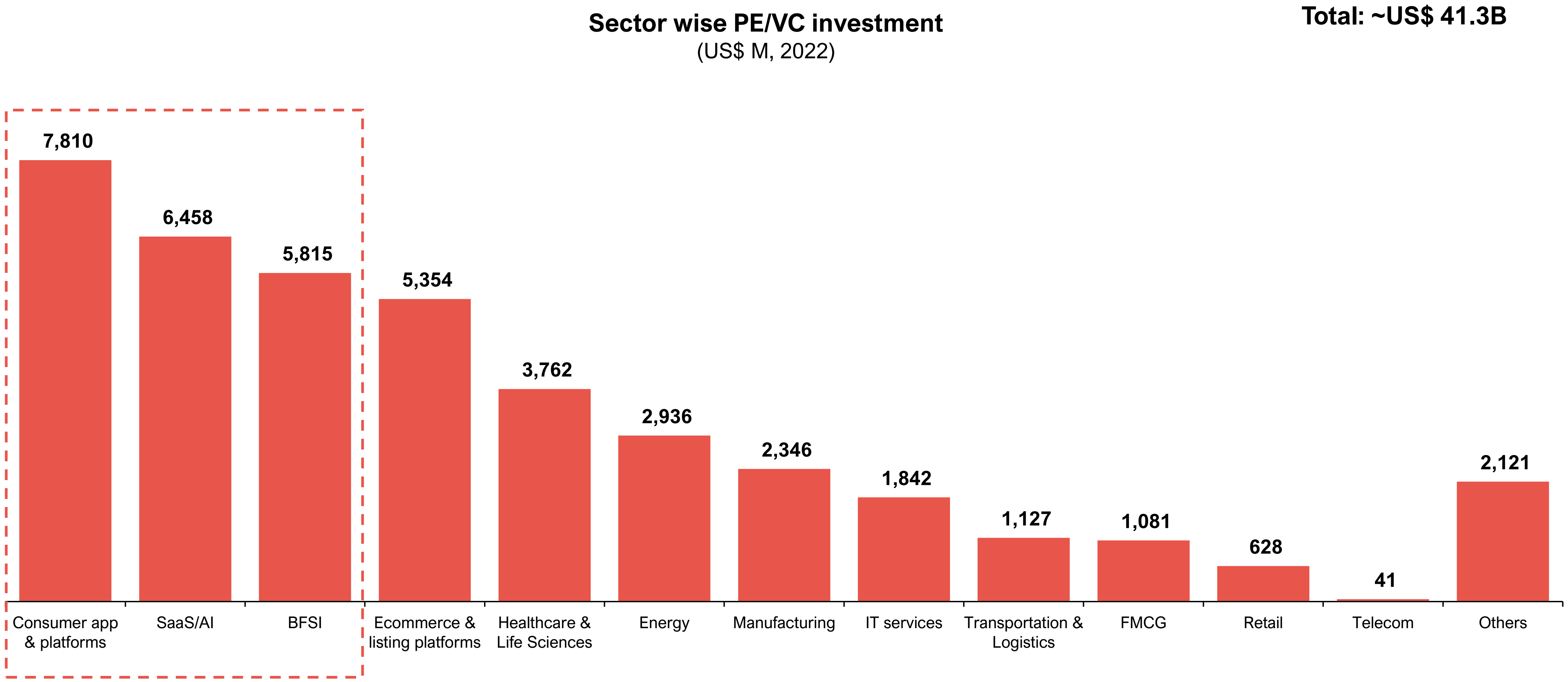
#	Company	Founded	Sector	Exiting fund	Acquirer	Deal amount (US$ M)	Route of exit
11	MAX Healthcare	1985	Healthcare & Life Sciences	KKR	-	434	Public Market Sale
12	AXIS BANK	1994	BFSI	Bain Capital	-	412	Public Market Sale
13	ReNew POWER	2011	Energy	Goldman Sachs, ADB	CPPIB	400	Secondary Sale
14	fractal	2000	SaaS/BI	Apax Partners	TPG Capital	360	Secondary Sale
15	VECTOR green energy	2016	Energy	India Infrastructure Fund II	Sembcorp Green Infra Limited	345	Strategic Sale
16	Coforge	1992	IT services	Baring Asia	-	335	Public Market Sale
17	SBI card	1998	BFSI	Carlyle	-	330	Public Market Sale
18	NYKAA	2012	Ecommerce & listing platforms	TPG Growth, Lighthouse	-	276	Public Market Sale
19	INTAS	1985	Healthcare & Life Sciences	Temasek	ADIA	261	Secondary Sale
20	UPL OpenAg	1969	Energy	TPG Capital, ADIA	-	241	Buyback
Total top 20						**12,058**	

Note(s): Real estate deals have been excluded
Source(s): PGA Exits database, Praxis analysis

Agenda

- Preamble
- Deals landscape in 2022
- Exits landscape in 2022
- **Appendix: Sector deep dive**

Consumer app & platforms, SaaS/AI and BFSI were the top funded sectors contributing ~49% of the total investment value in 2022

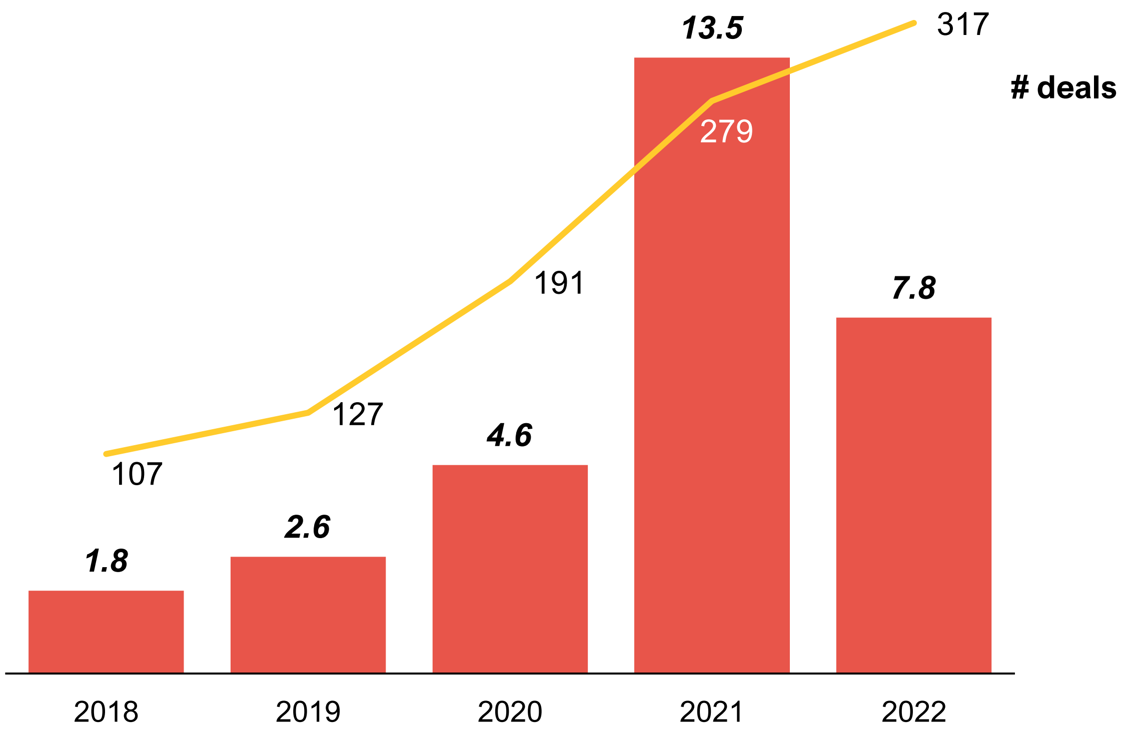


Note(s): Real estate deals have been excluded
Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Consumer app & platforms: US$ 7.8B invested across 317 deals; Media & entertainment and Fintech saw a lot of traction in 2022

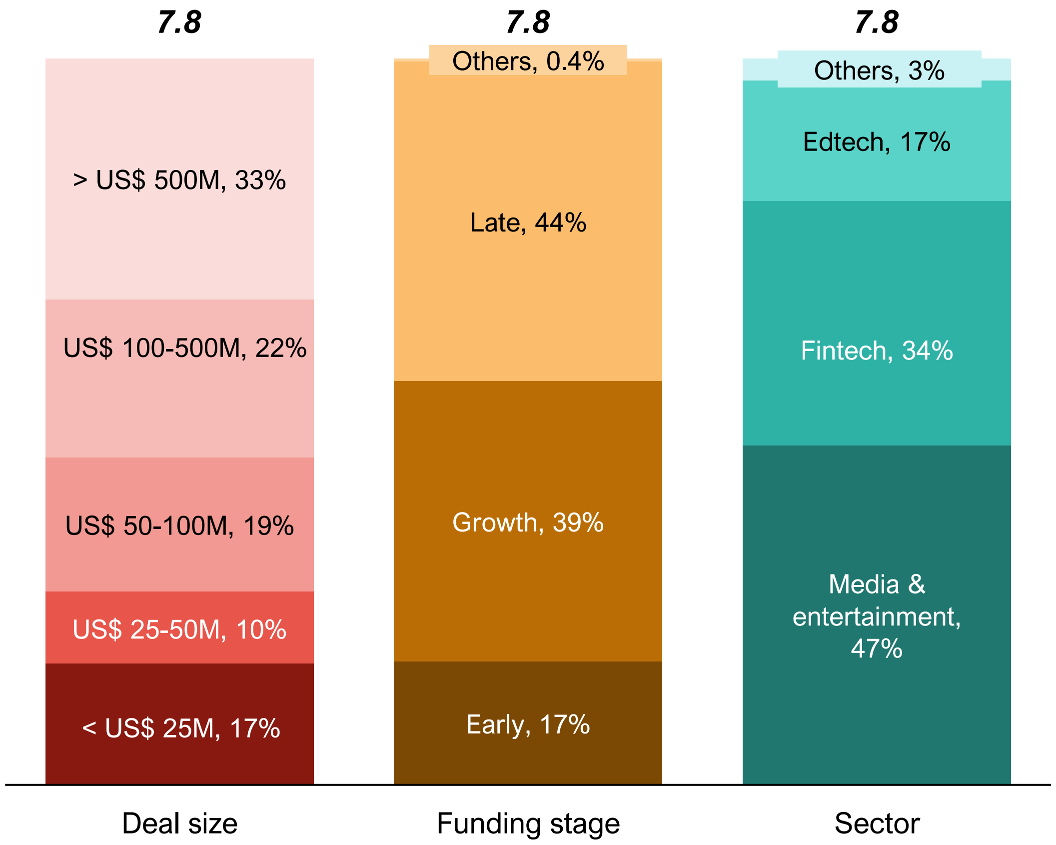
Investments in Consumer app & platforms have decreased from US$ 13.5B in 2021 to US$ 7.8B in 2022

PE/VC deal value (US$ B) and number of deals
(2018-22)



Late-stage deals contributed ~44% of the total investment in 2022

Split of PE/VC deal value
(US$ B, 2022)



Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Top 10 deals of Consumer app & platforms in 2022

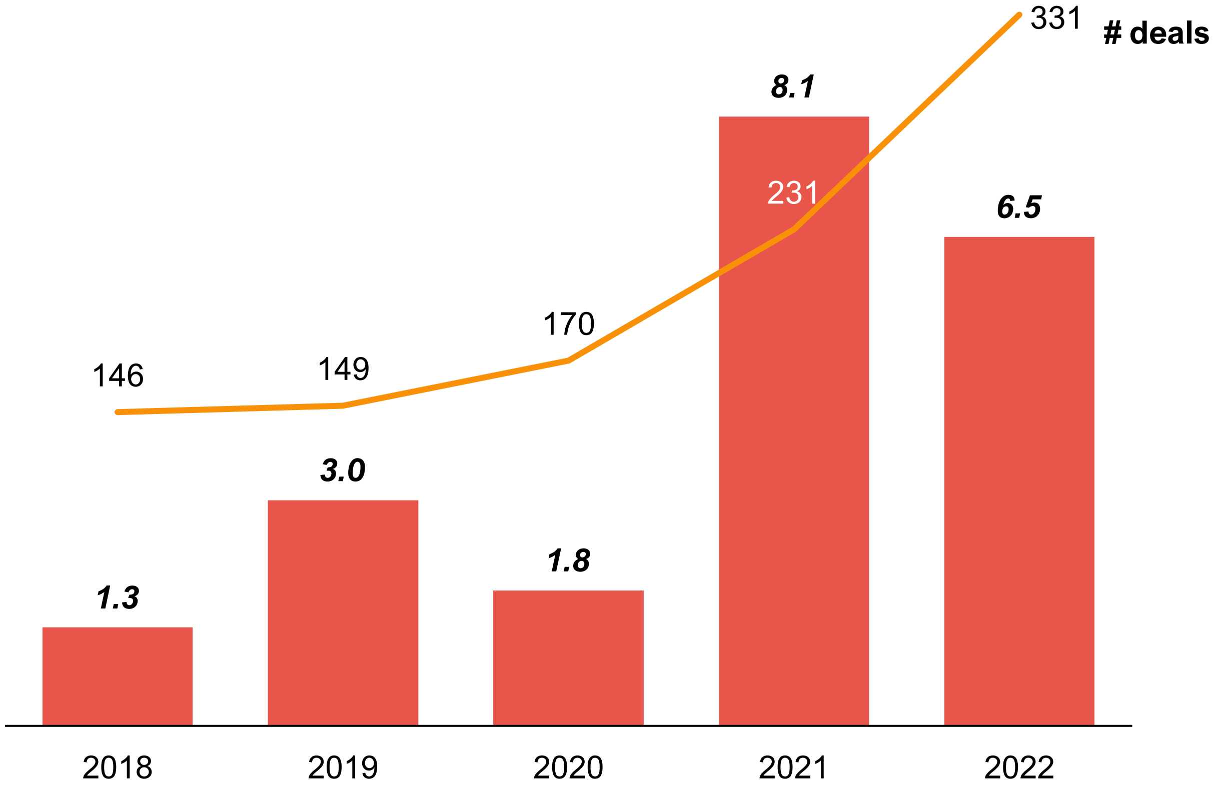
#	Company	Founded	Sub-sector	Funding (US$ M)	Funding stage	Investors
1	Viacom18	2007	Media & entertainment	1,780	Late	Bodhi Tree
2	dailyhunt	2009	Media & entertainment	805	Late	CPPIB, OTPP, Luxor Capital, Sumeru Ventures, Sofina Group, Baillie Gifford
3	ShareChat	2015	Media & Entertainment	255	Late	Google, Times Group, Temasek
4	BYJU'S The Learning App	2011	EdTech	250	Late	Qatar Investment Authority
5	upGrad	2015	EdTech	210	Late	ETS Global, Bodhi Tree, Kaizen Management Advisors Private limited, Artisan Investments
6	CoinDCX	2018	FinTech	135	Growth	Kindred Ventures, Pantera Capital, Steadview Capital Management
7	RARIO	2021	Media & entertainment	120	Early	Dream Capital, Alpha Wave Global
8	turtlemint	2015	FinTech	120	Growth	Amansa Capital, Jungle Ventures, Nexus Venture Partners
9	Fibe	2015	FinTech	110	Growth	Norwest Venture Partners, TPG Growth
10	one card	2019	FinTech	100	Growth	Temasek, QED, Sequoia Capital, Hummingbird Ventures
	Total			**3,885**		

Source(s): 1Lattice Deals Pulse Database, Praxis analysis

SaaS/AI: US$ 6.5B invested across 331 deals; ~35% of the total funds were invested in advertisement & sales and FinTech in 2022

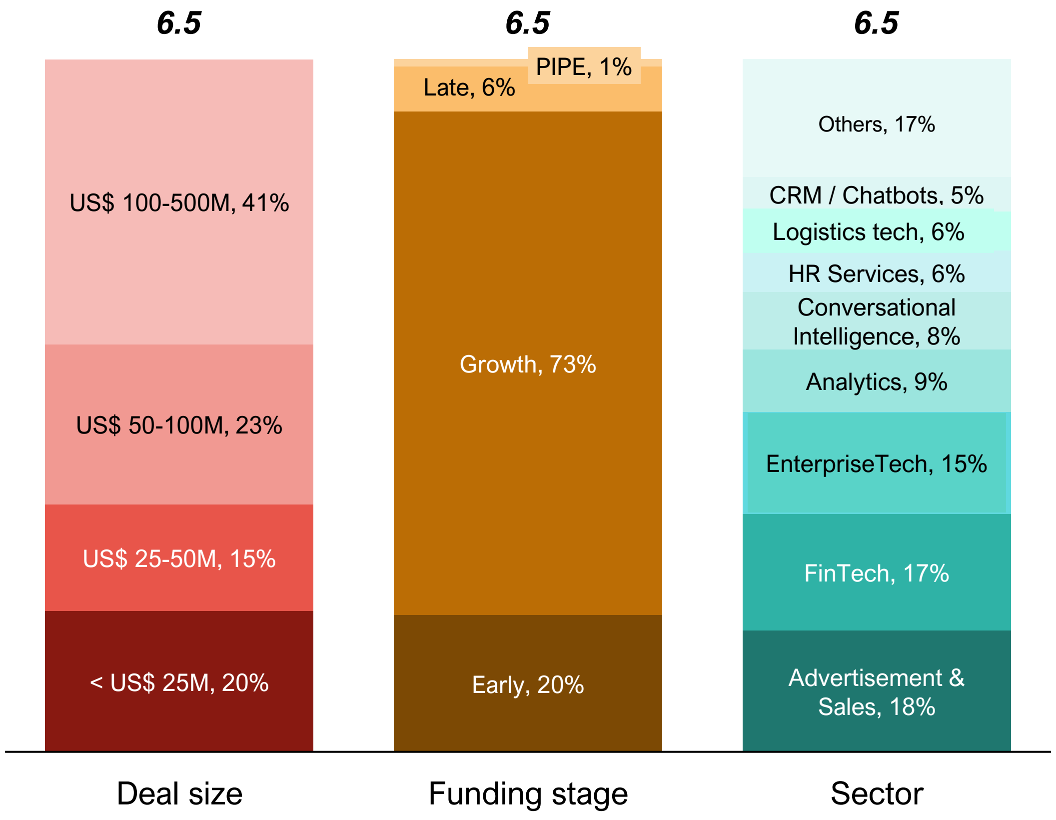
Investments in SaaS/AI has decreased from US$ 8.1B in 2021 to US$ 6.5B in 2022

PE/VC deal value (US$ B) and number of deals
(2018-22)



Growth stage deals contributed ~73% of the total investment in 2022

Split of PE/VC deal value
(US$ B, 2022)



Note(s): Others include HealthTech, EdTech, and Agritech
Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Top 10 deals of SaaS/AI in 2022

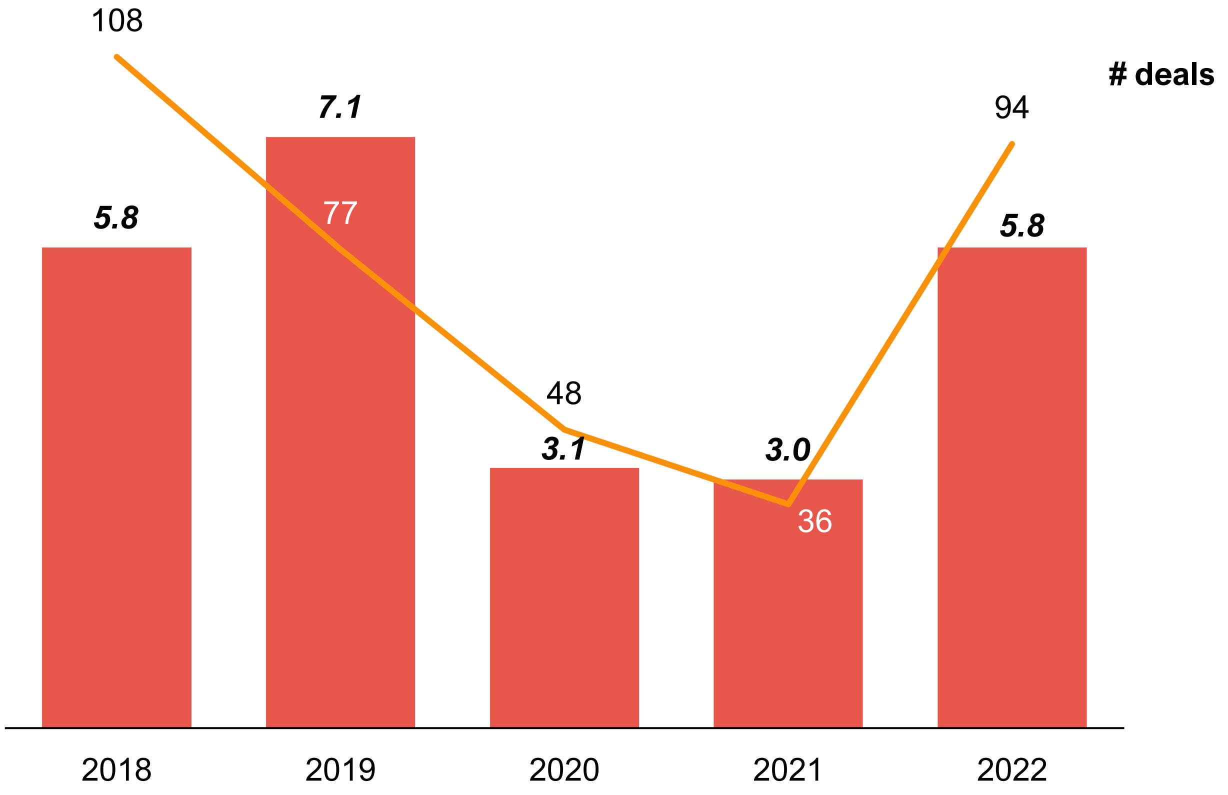
#	Company	Founded	Sub-sector	Funding (US$ M)	Funding stage	Investors
1	uniphore	2008	Conversational Intelligence	400	Growth	NEA, March Capital
2	fractal	2000	Analytics	360	Growth	TPG Capital Asia
3	Chargebee	2011	FinTech	250	Late	Tiger Global, Sequoia Capital, Insight Partners, Sapphire Ventures, Steadview Capital
4	INSTORIED	2017	Advertisement & Sales	200	Growth	GEM Global Yield
5	Tredence	2013	Analytics	175	Growth	Advent International
6	leadsquared	2011	CRM	153	Growth	WestBridge, Gaja Capital
7	FALCONX	2018	FinTech	150	Growth	GIC, B Capital, Thoma Bravo, Wellington Management, Adams Street Partners, Tiger Global Management
8	OBSERVE.AI	2017	Conversational Intelligence	125	Growth	SoftBank Vision Fund, Menlo Ventures, Scale Venture Partners, Nexus Venture Partners
9	CommerceIQ	2012	Advertisement & Sales	115	Growth	SoftBank Vision Fund, Insight Partners, Trinity Ventures, Shasta Ventures, Madrona Venture Group
10	GreyOrange	2011	Logistics tech	110	Growth	BlackRock, Mithril Capital Management
Total				**2,038**		

Source(s): 1Lattice Deals Pulse Database, Praxis analysis

BFSI: US$ 5.8B invested across 94 deals; Over 60% of the funds were invested in Financial services and Banking sector in 2022

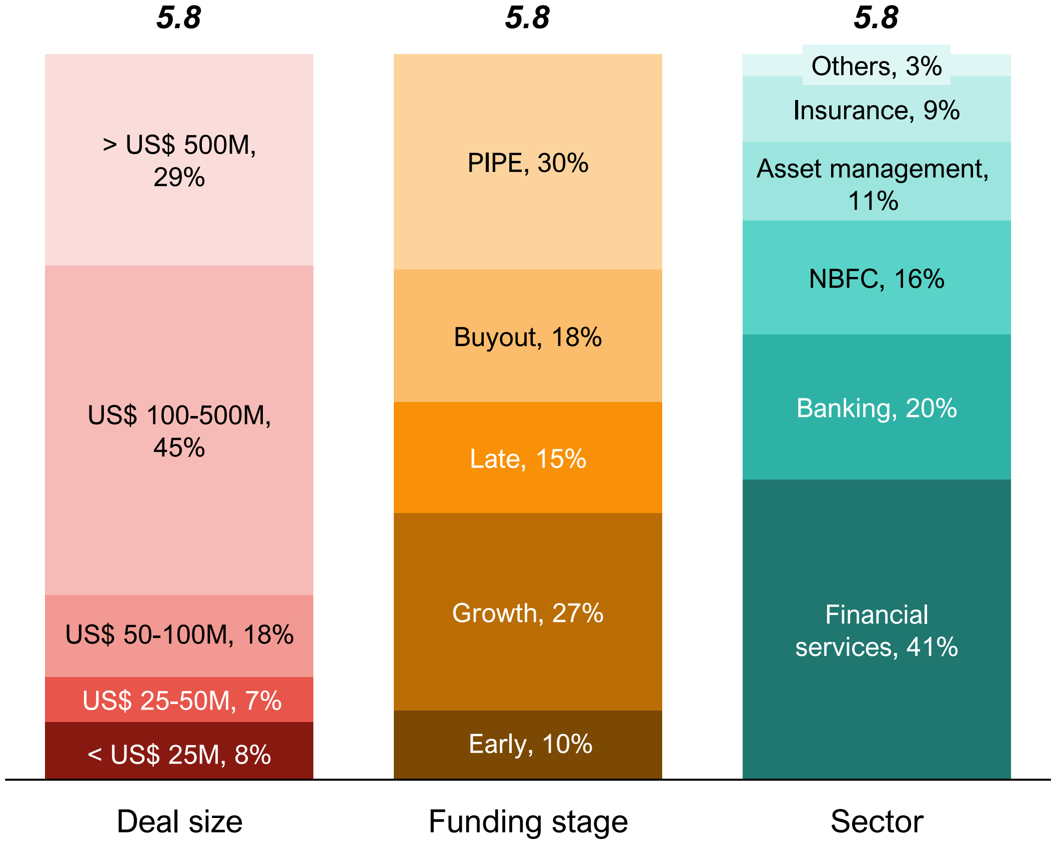
Investments in BFSI has increased from US$ 3B in 2021 to US$ 5.8B in 2022

PE/VC deal value (US$ B) and number of deals
(2018-22)



~75% of the total investment were of ticket size more than US$ 100M in 2022

Split of PE/VC deal value
(US$ B, 2022)



Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Top 10 deals of BFSI in 2022

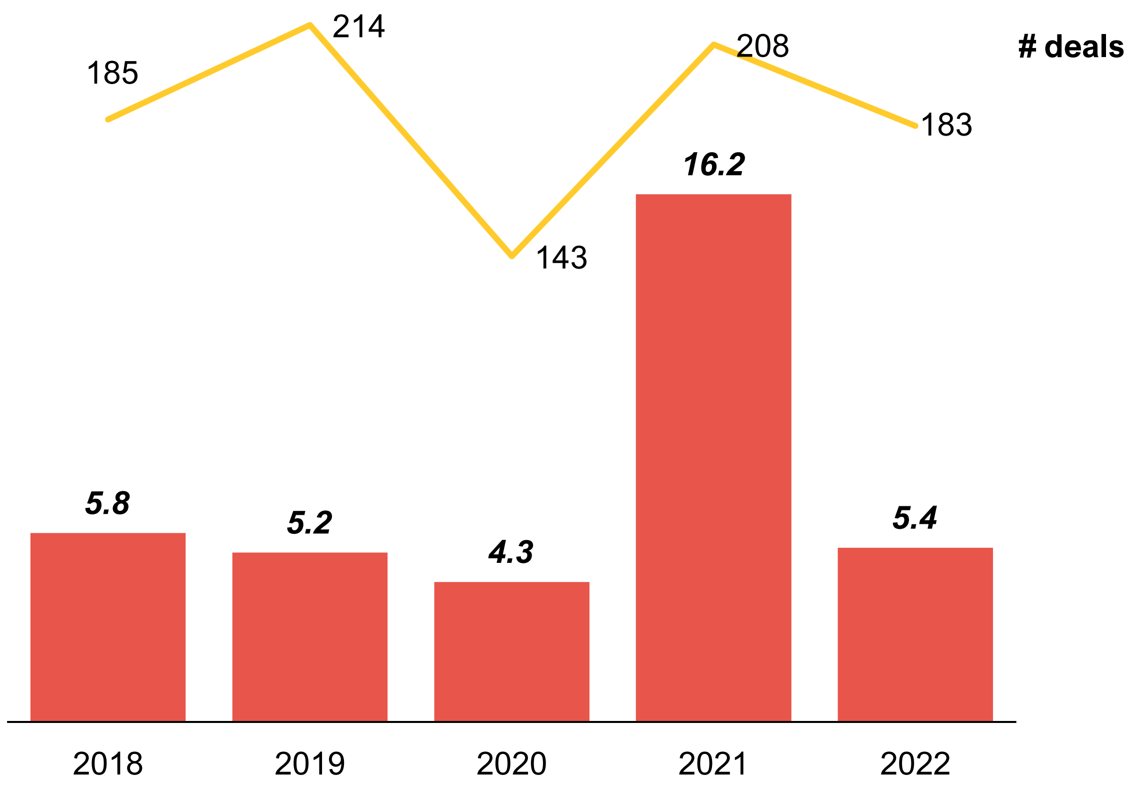
#	Company	Founded	Sub-sector	Funding (US$ M)	Funding stage	Investors
1	YES BANK	2004	Banking	1,100	PIPE	Advent, Carlyle
2	IDFC IDFC ASSET MANAGEMENT	2000	Asset management	593	Buyout	GIC, ChrysCapital, Bandhan Bank
3	IIFL WEALTH	2005	Financial services	486	PIPE	Bain Capital
4	POONAWALLA HOUSING FINANCE	2004	Financial services	471	Buyout	TPG Capital
5	IIFL HOME LOAN	2005	Financial services	283	Late	ADIA
6	HeroFinCorp.	1991	NBFC	267	Late	Apollo Management, Hero Motocorp
7	SHRIRAM General Insurance	2006	Insurance	237	Late	KKR
8	Oxyzo	2016	NBFC	200	Early	Alpha Wave, Tiger Global, Norwest Venture Partners, Matrix Partners, Creation Investments
8	Yubi	2017	Financial services	137	Growth	B Capital Group, Dragoneer Investment Group, Insight Partners
10	novo	2016	Financial services	125	Growth	Stripes, GGV Capital, Valar Ventures, Crosslink Capital, Rainfall Ventures, BoxGroup
Total				**3,899**		

Source(s): 1Lattice Deals Pulse Database, Praxis analysis

<u>Ecommerce & listing platforms</u>: US$ 5.4B invested across 183 deals; ~43% of the total funds were invested in B2B ecommerce and Fashion & lifestyle in 2022

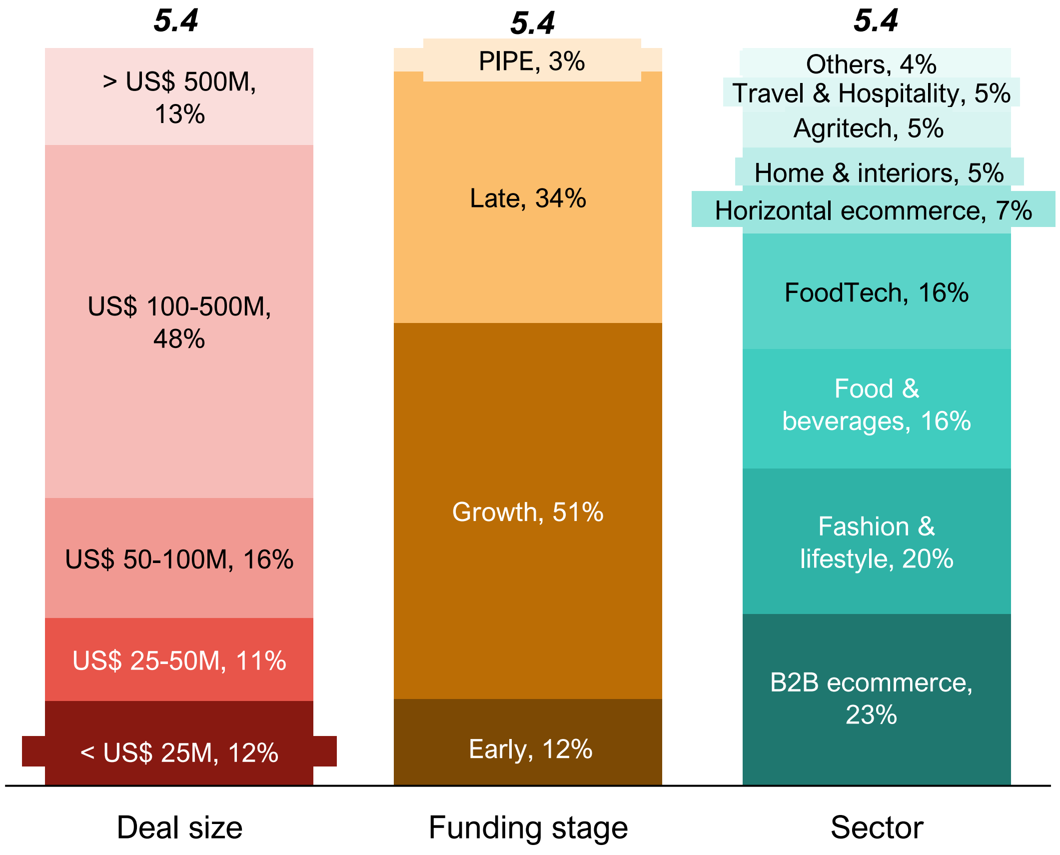
Investments in Ecommerce & listing platforms sector has decreased from US$ 16.2B in 2021 to US$ 5.4B in 2022

PE/VC deal value (US$ B) and number of deals
(2018-22)



Growth-stage deals contributed ~51% of the total investment in 2022

Split of PE/VC deal value
(US$ B, 2022)



Note(s): Others include Home & interiors, and Autotech etc.
Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Top 10 deals of Ecommerce & listing platforms in 2022

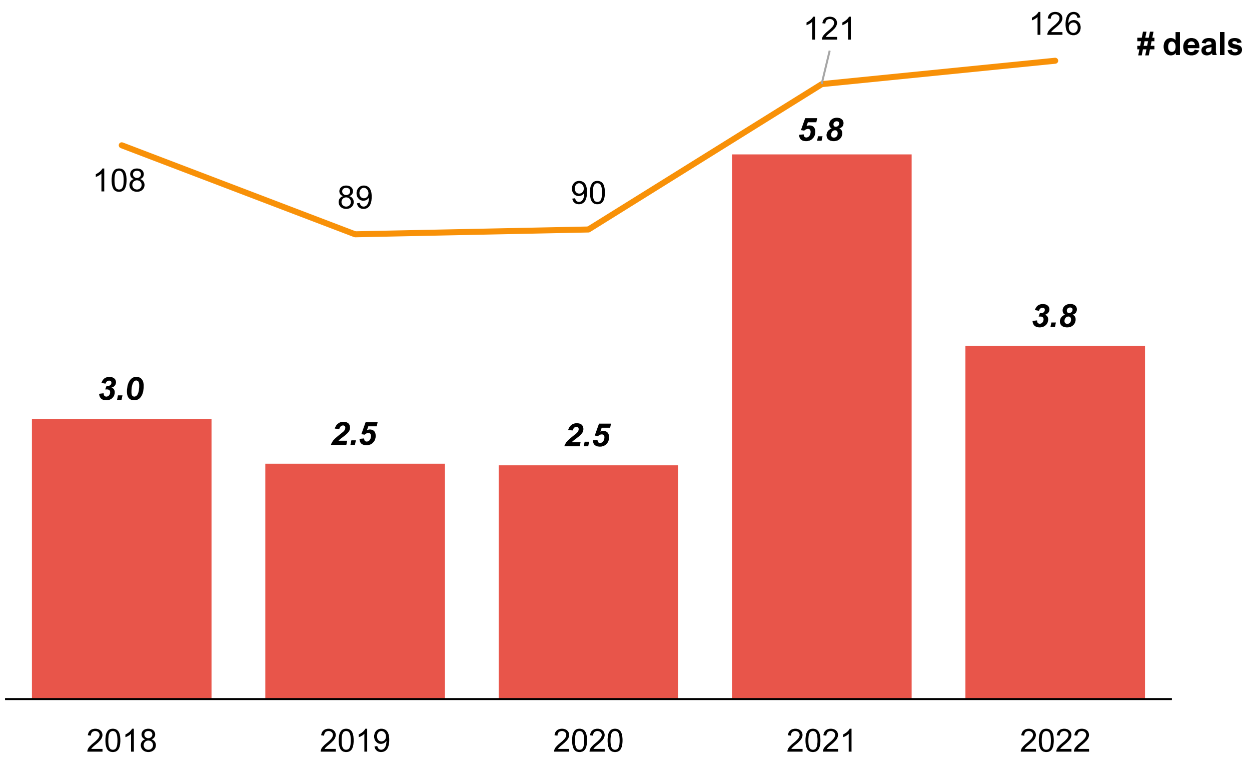
#	Company	Founded	Sub-sector	Funding (US$ M)	Funding stage	Investors
1	SWIGGY	2014	FoodTech	700	Late	Invesco, Baron Capital Group, Kotak, Prosus, Lathe Investment
2	elasticrun	2016	B2B ecommerce	330	Late	SoftBank Vision Fund, Prosus Ventures, Chimera Investments, Kalaari Capital, Avatar Ventures, Goldman Sachs
3	Flipkart	2007	Horizontal Ecommerce	264	Late	Tencent
4	moglix	2015	B2B e-commerce	250	Late	Alpha Wave Global, Tiger Global, Ward Ferry
5	firstcry.com	2010	Fashion & lifestyle	240	Late	NIIF, PremjiInvest
6	DUNZO	2015	Food & beverages	240	Growth	Reliance Retail, Lightbox, 3L Capital, Alteria Capital, Lightrock
7	zepto	2020	Food & beverages	200	Growth	Y Combinator, Kaiser Permanente Ventures, Nexus Venture Partners, Glade Brook Capital
8		2016	B2B e-commerce	200	Growth	Microsoft, Ishana Capital
9	rapido BIKE TAXI	2015	Travel & Hospitality	180	Growth	Westbridge, Shell Ventures, Nexus Ventures, Swiggy, TVS Motor Company
10	LIVSPACE	2014	Home & interiors	180	Late	KKR, Ingka Group Investments, Jungle Ventures, Peugeot Investments
Total				**2,784**		

Source(s):): 1Lattice Deals Pulse Database, Praxis analysis

Healthcare & Life Sciences: US$ 3.6B invested across 126 deals; ~45% of the total funds were invested in Pharma & Biotech in 2022

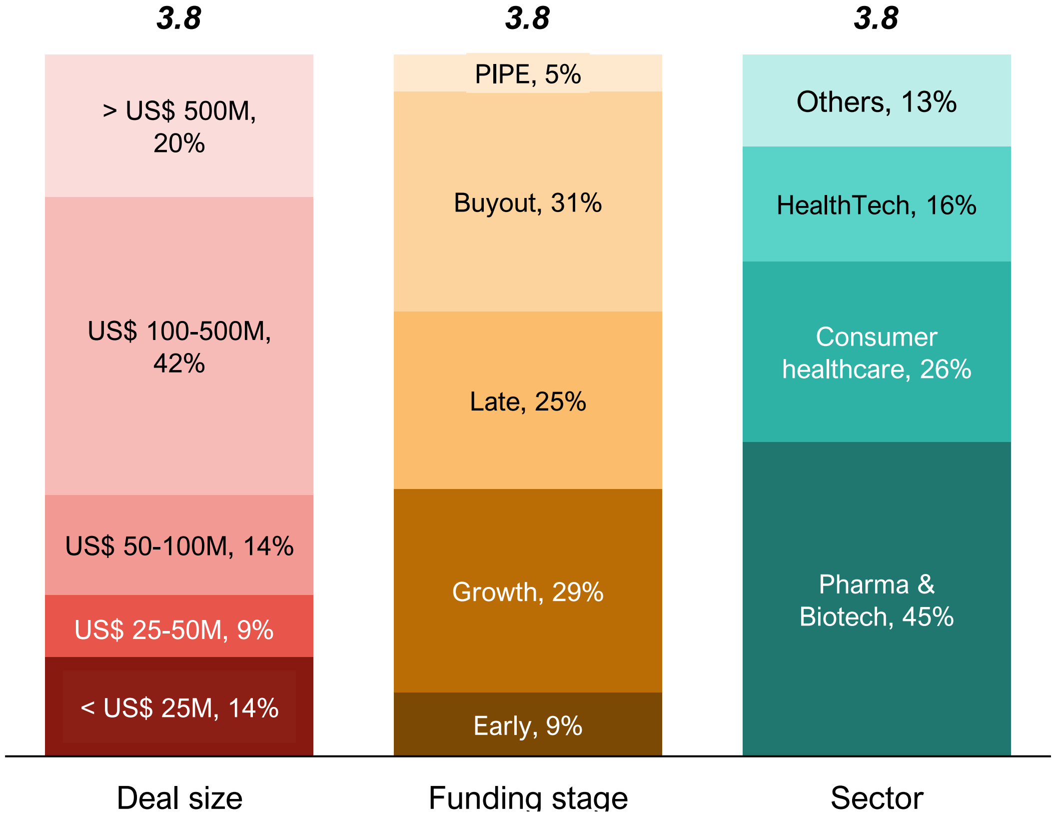
Investments in Healthcare & Life Sciences has increased from US$ 3B in 2018 to US$ 3.8B in 2022

PE/VC deal value (US$ B) and number of deals
(2018-22)



Buyout deals contributed ~31% of the total investment in 2022

Split of PE/VC deal value
(US$ B, 2022)



Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Top 10 deals of Healthcare & Life Sciences in 2022

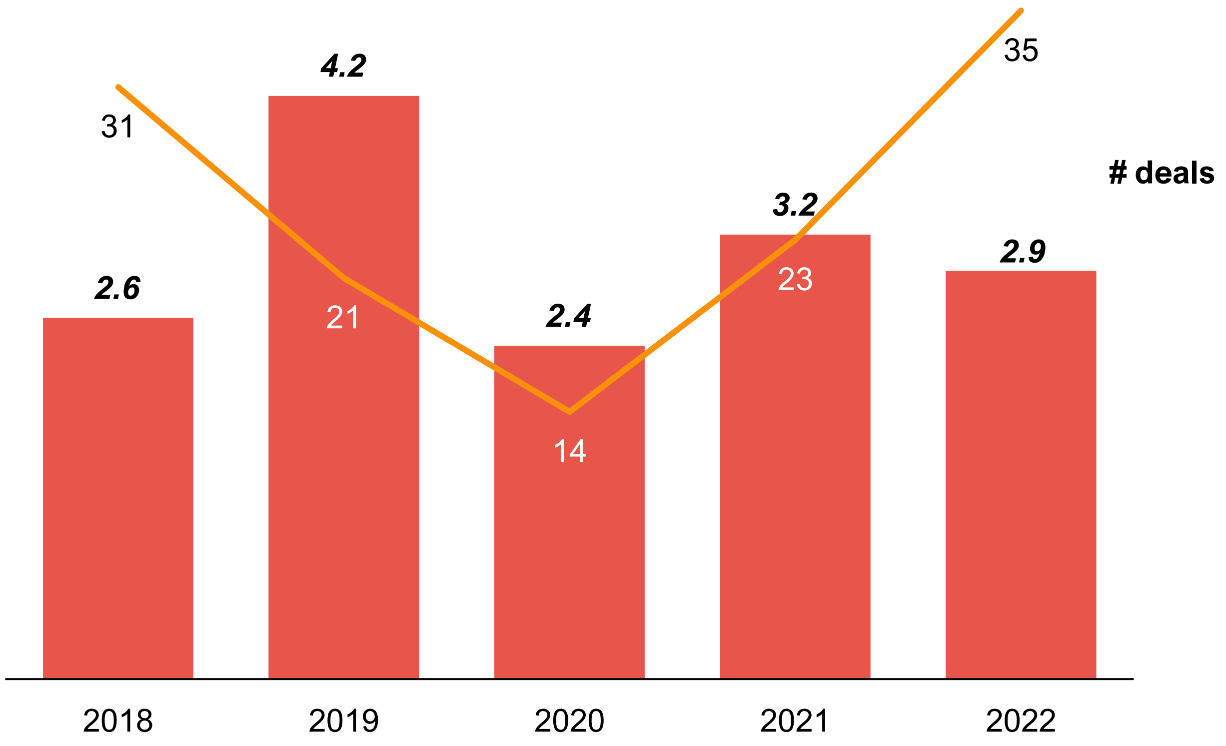
#	Company	Founded	Sub-sector	Funding (US$ M)	Funding stage	Investors
1	SUVEN PHARMA	2018	Pharma & Biotech	762	Buyout	Advent International
2	INTAS	2000	Pharma & Biotech	262	Late	ADIA
3	Optimus	2003	Pharma & Biotech	259	Buyout	PAG, CX Partners, Samara Capital
4	Meril More to Life	2006	Others	210	Late	Warburg Pincus
5	asg ASG EYE HOSPITALS meet the experts	2005	Consumer healthcare	188	Growth	General Atlantic, Kedaara Capital, Foundation Holdings
6	AHH Asia Healthcare Holdings	2016	Others	170	Late	GIC
7	Dr Agarwals Eye Hospital	2010	Consumer healthcare	136	PIPE	Temasek, TPG Growth
8	HEALTHKART	2011	Consumer healthcare	135	Late	Temasek Holdings, A91 Partners, Kae Capital
9	MediBuddy	2015	HealthTech	125	Growth	Quadria Capital, Lightrock India
10	sterling Hospitals Because life matters	2001	Consumer healthcare	113	Buyout	Arpwood Partners, Clermont Group, Somerset Health Capital Advisors
Total				**2,445**		

Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Energy: US$ 2.9B invested across 35 deals; Large-size deals (>US$ 100m) comprises of ~90% of the total funding in 2022

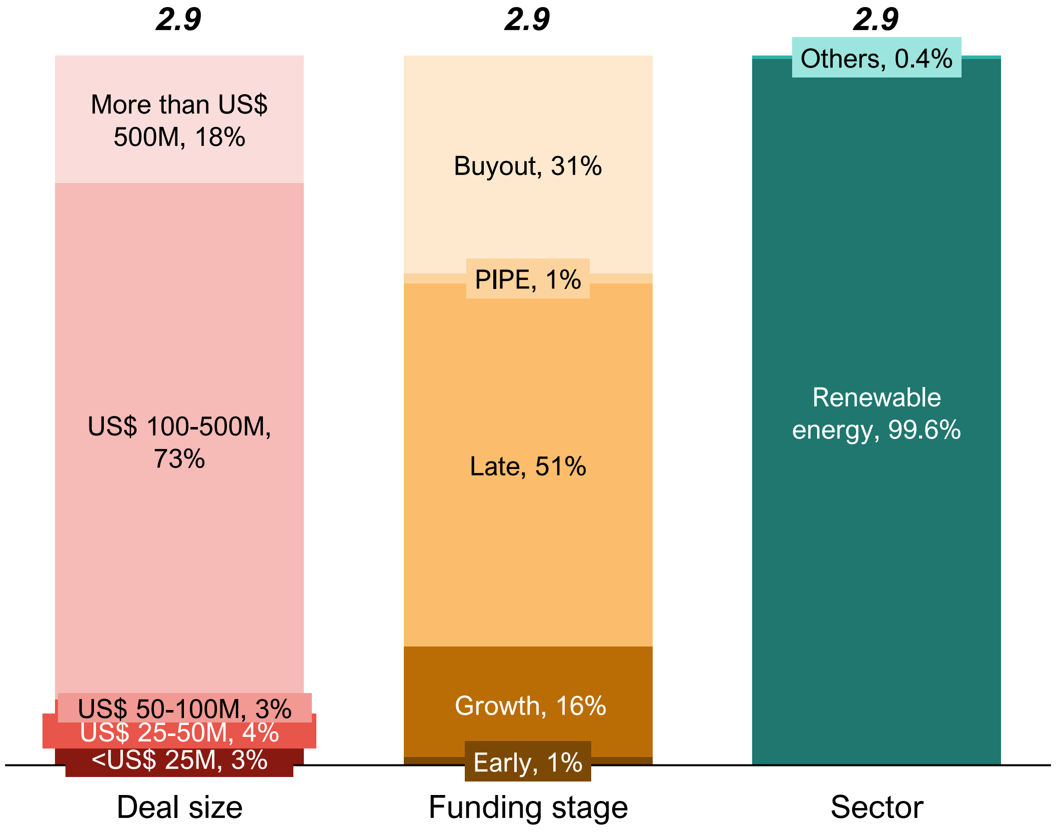
Investments in energy has increased from US$ 2.6B in 2018 to US$ 2.9B in 2022

PE/VC deal value (US$ B) and number of deals
(2018-22)



Late-stage deals contributed ~51% of the total investment in 2022

Split of PE/VC deal value
(US$ B, 2022)



Source(s): 1Lattice Deals Pulse Database, Praxis analysis

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Top 10 deals of Energy in 2022

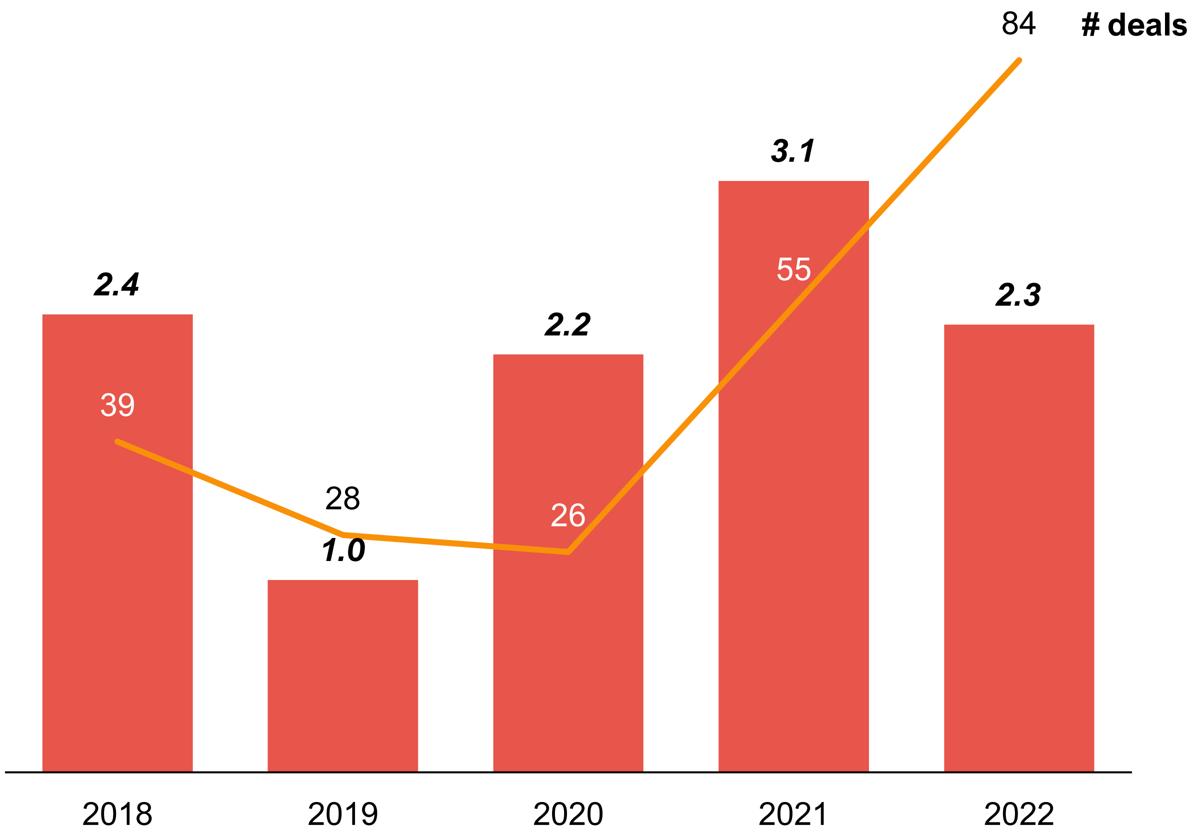
#	Company	Founded	Sub-sector	Funding (US$ M)	Funding stage	Investors
1	TATA POWER	2016	Renewable energy	526	Late	MUFG, BlackRock Real Assets
2	HERO FUTURE ENERGIES planet positive power	2012	Renewable energy	450	Late	KKR, Hero Group
3	ReNew POWER	2011	Renewable energy	400	PIPE	CPPIB
4	SUNSURE	2014	Renewable energy	400	Buyout	Partners Group
5	serentica	2022	Renewable energy	400	Late	KKR
6	sun king	2022	Renewable energy	260	Growth	BeyondNetZero, Arch Venture Partners
7	WAAREE One with the Sun	1989	Renewable energy	127	Growth	Undisclosed
8	ATHA GROUP	2006	Renewable energy	100	Buyout	Actis arm BluPine energy
9	APRAAVA ENERGY	2002	Renewable energy	80	Late	CDPQ
10	FOURTH PARTNER ENERGY	2010	Renewable energy	47	Late	British International Investment (BII)
	Total			**2,790**		

Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Manufacturing: US$ 2.3B invested across 84 deals; ~49% of the total investment were of ticket size more than US$ 100M in 2022

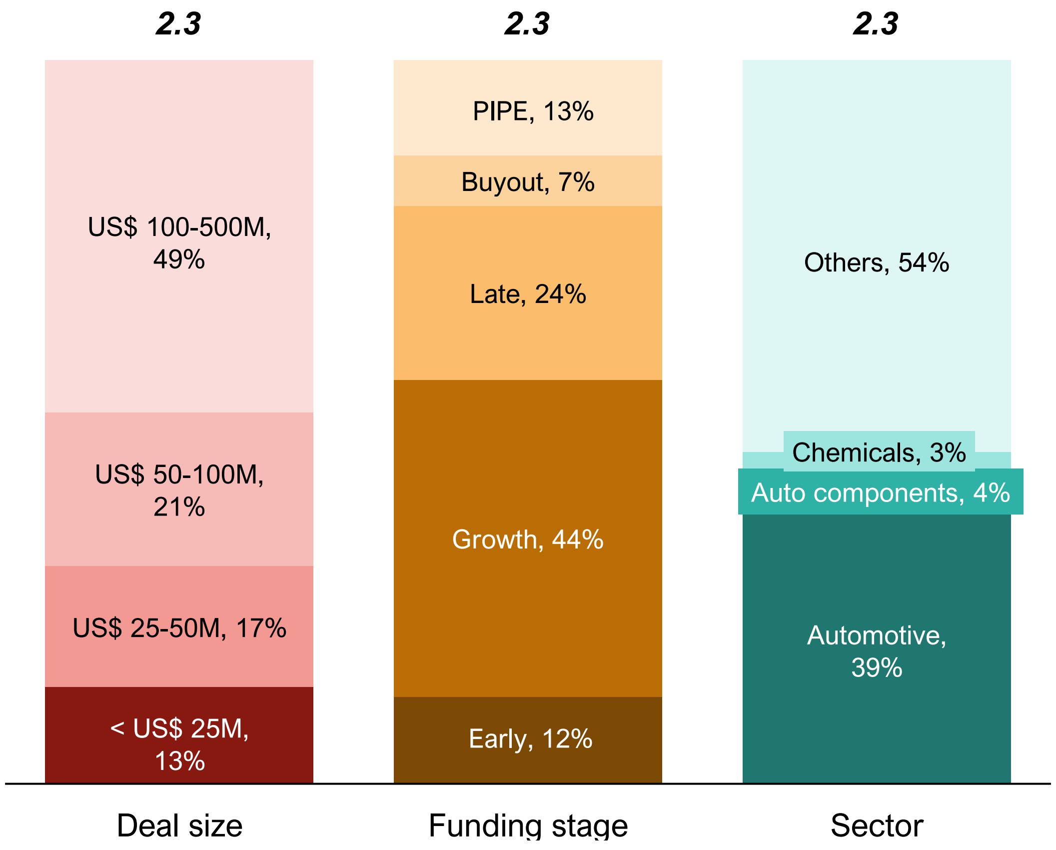
Investments in the manufacturing sector decreased from US$ 3.1B in 2021 to US$ 2.3B in 2022

PE/VC deal value (US$ B) and number of deals
(2018-22)



Growth-stage deals contributed ~44% of the total investment in 2022

Split of PE/VC deal value
(US$ B, 2022)



Note(s): Others include Packaging
Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Top 10 deals of Manufacturing in 2022

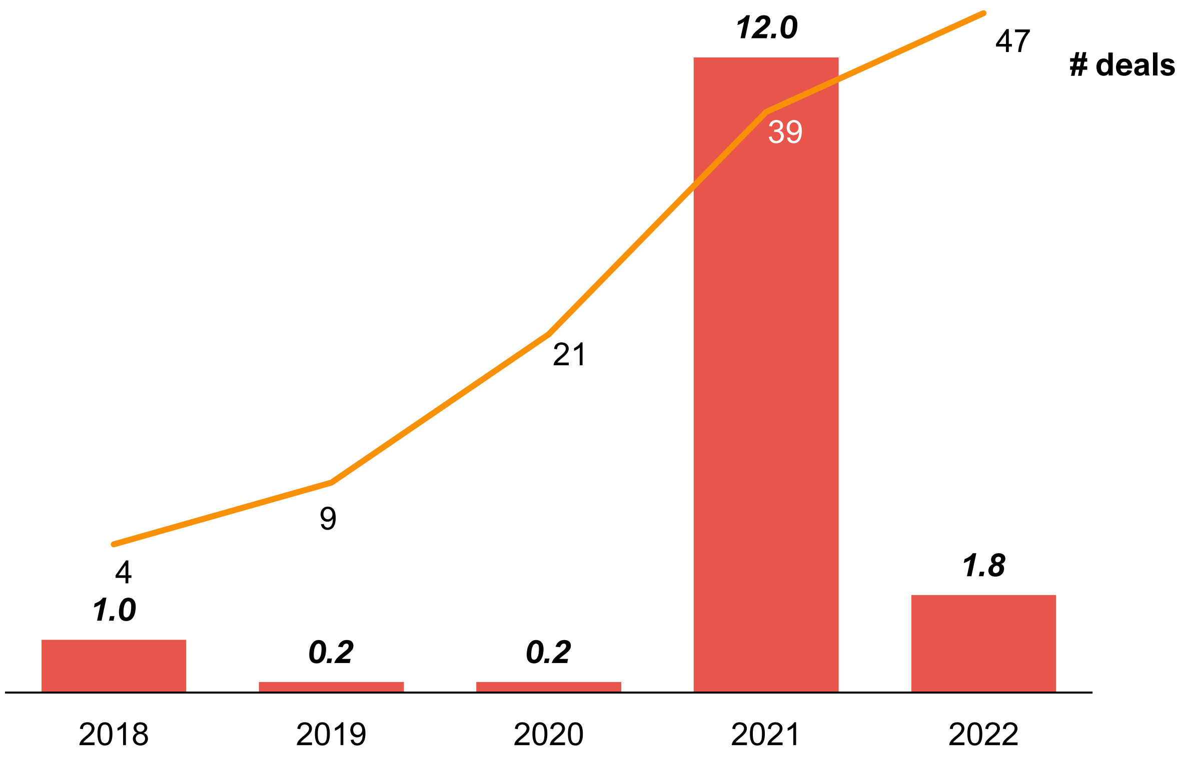
#	Company	Founded	Sub-sector	Funding (US$ M)	Funding stage	Investors
1	Jindal Poly Films Limited	1974	Others	263	PIPE	Brookfield Asset Management
2	Mahindra Electric	2022	Automotive	250	Late	British International Investment
3	OLA Electric	2017	Automotive	200	Growth	Edelweiss, Tekne Private Ventures, Alpine Opportunity Fund
4	smartron	2017	Others	200	Late	Global Emerging Markets Group
5	Ather	2013	Automotive	128	Growth	NIIF, Hero MotoCorp
6	Absentia	2015	Others	100	Growth	Celesta Capital, SoftBank Corp, PremjiInvest, Chiratae Ventures, General Atlantic
7	Crest Steel	2005	Others	80	Buyout	Nithia Capital
8	Gold Plus	1985	Others	80	Growth	Kotak Mahindra Bank, Premji Invest
9	Accumax	2003	Others	68	Growth	Creador, InvAscent, Moringa
10	boAt	2016	Others	61	Growth	Warburg Pincus, Malabar Investments
Total				**1,429**		

Source(s): 1Lattice Deals Pulse Database, Praxis analysis

IT services: US$ 1.8B invested across 47 deals; 57% of funds were used in buyouts

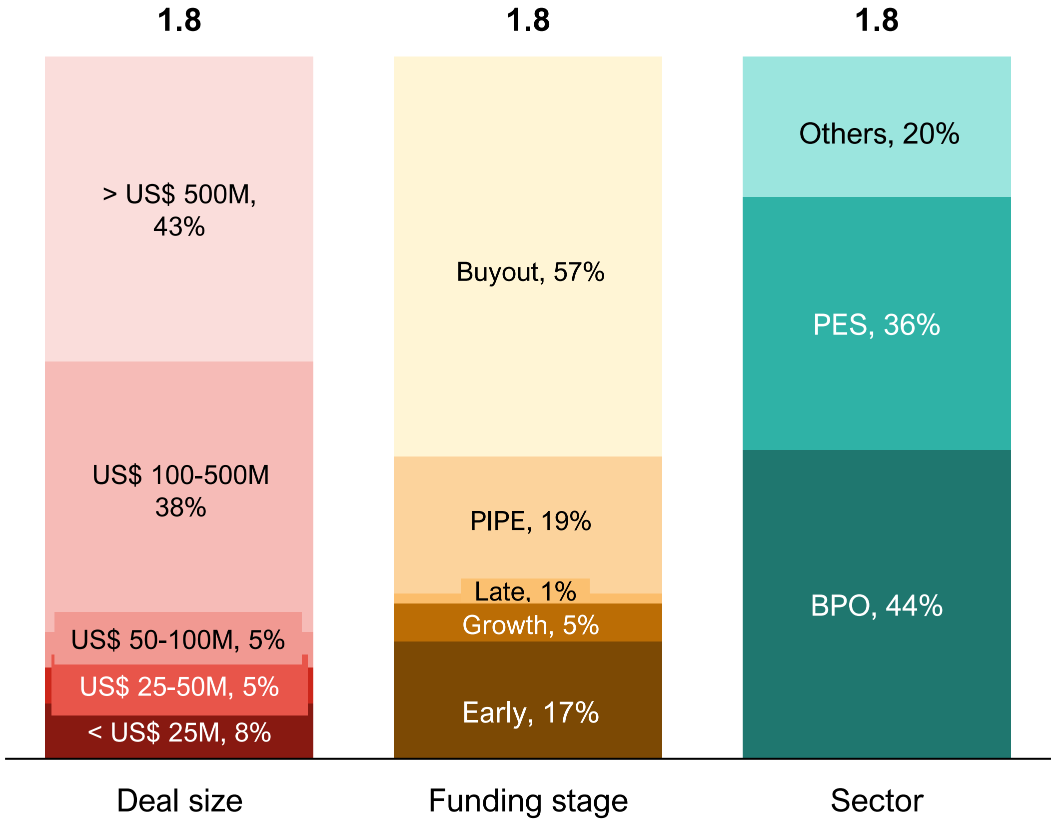
Investments in IT services has decreased from US$ 12B in 2021 to US$ 1.8B in 2022

PE/VC deal value (US$ B) and number of deals
(2018-22)



Buyout deals contributed ~57% of the total investment in 2022

Split of PE/VC deal value
(US$ B, 2022)



Note(s): Others include CRM / Chatbots
Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Top 10 deals of IT services in 2022

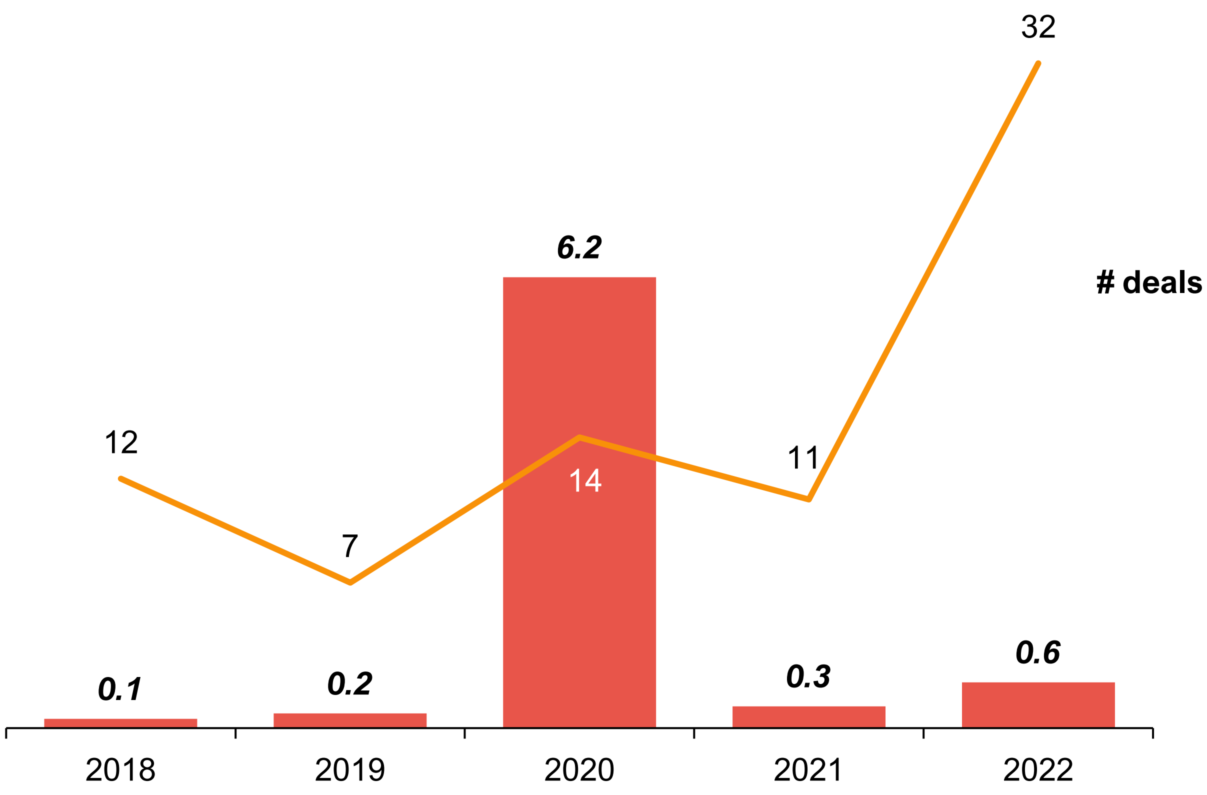
#	Company	Founded	Sub-sector	Funding (US$ M)	Funding stage	Investors
1	IGT Solutions	1998	BPO	800	Buyout	Baring Asia
2	R Systems	1993	PES	359	PIPE	Blackstone
3	ZIFO RnD Solutions	2008	Others	250	Buyout	TA Associates Management
4	Wisdom Tooth Technologies	2014	PES	100	Growth	SoftBank Vision Fund Phase 2, Hillhouse Ventures, Yunqi Capital, Mirae Asset, Index Capital
5	Accionlabs	2012	PES	93	Late	TrueNorth
6	Celebal Technologies	2015	PES	32	Early	Norwest Venture Partners
7	proarch	2006	Others	25	Late	M South Capital
8	Wi-Jungle	2014	PES	22	Early	MOX, SOSV
9	Phyllo	2021	PES	15	Early	RTP Ventures, Nexus Venture Partners, Better Capital, iSeed
10	Sprinto	2020	Others	15	Early	Accel, Blume Ventures
Total				**1,734**		

Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Retail: US$ 0.6B invested across 32 deals; More than 90% of funds invested were in food & beverages and fashion & lifestyle in 2022

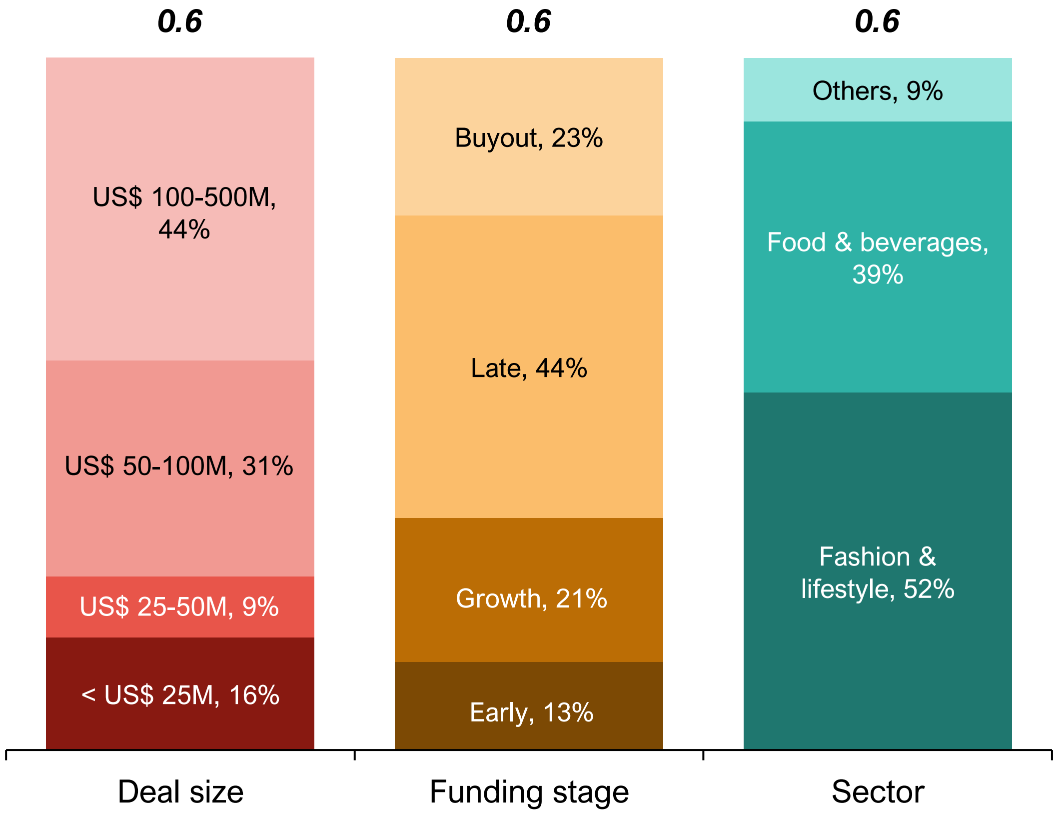
Investments in telecom has increased from US$ 0.3B in 2021 to US$ 0.6B in 2022

PE/VC deal value (US$ B) and number of deals
(2018-22)



Late-stage deals contributed ~44% of the total investment in 2022

Split of PE/VC deal value
(US$ B, 2022)



Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Top 10 deals of Retail in 2022

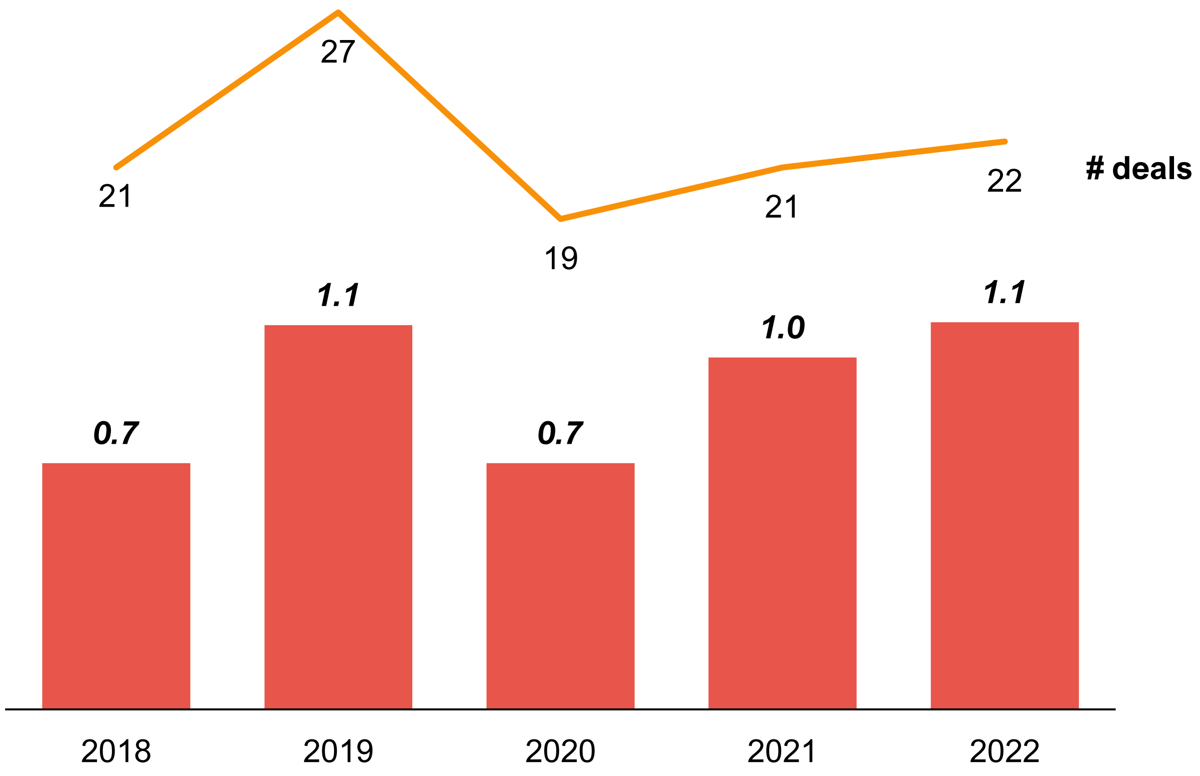
#	Company	Founded	Sub-sector	Funding (US$ M)	Funding stage	Investors
1	Aditya Birla Fashion & Retail	1997	Fashion & lifestyle	275	Late	Caladium Investments
2	Paradise	1953	Food & beverages	75	Buyout	Samara Capital
3	Impresario	2001	Food and beverages	68	Buyout	India Resurgence Fund
4	Chaayos	2012	Food and beverages	53	Growth	Alpha Wave Global, Tiger Global Management, Elevation Capital, Think Investments
5	asian	1994	Fashion & lifestyle	29	Late	Motilal Oswal Financial Services
6	fnp	1994	Others	26	Early	Lighthouse India
7	The Sleep Company	2019	Others	21	Growth	Premji Invest, Fireside Venture, Alteria Capital
8	Wow! Momo	2015	Food & beverages	16	Growth	V Ocean Investments, Oaks Asset Management
9	XY | XX	2017	Fashion & lifestyle	11	Growth	Sauce, Singularity Growth Opportunities Fund, DSG Consumer Partners
10	Just Dogs	2011	Others	7	Early	Sixth Sense Ventures
Total				**582**		

Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Transportation & logistics: US$ 1.1B invested across 22 deals; ~93% of funds invested were in logistics services in 2022

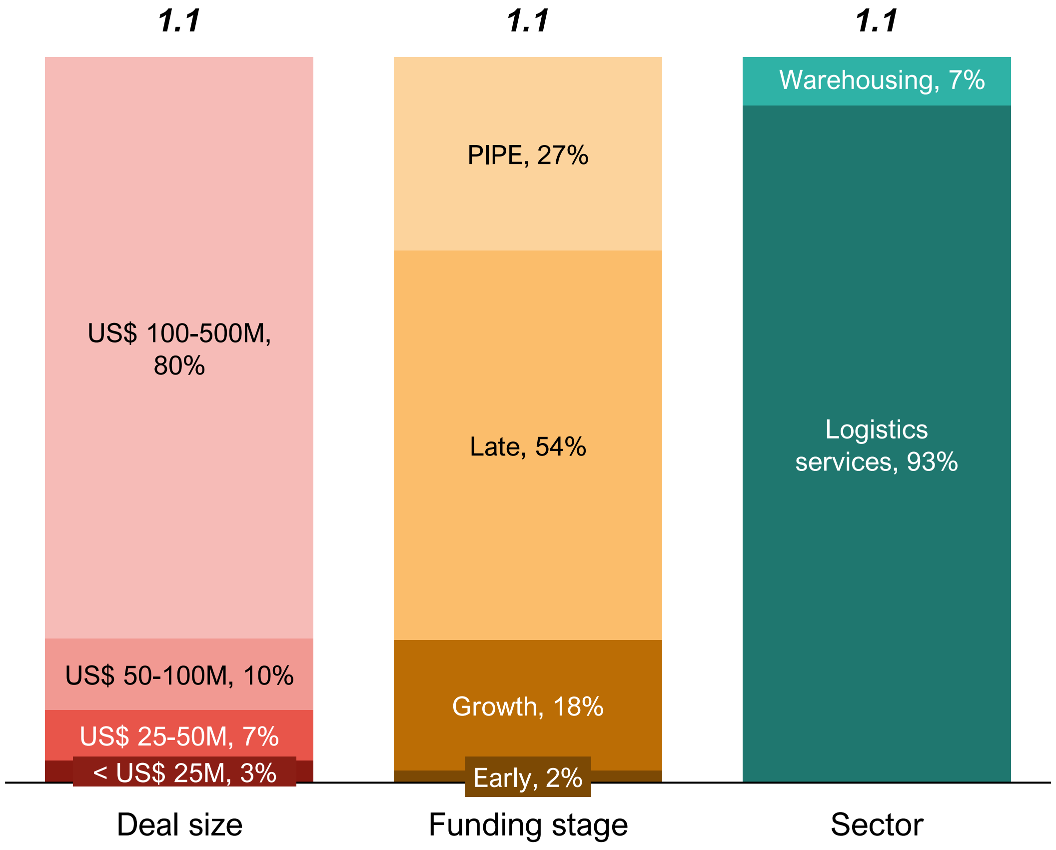
Investments in transportation & logistics has slightly increased from US$ 1B in 2021 to US$ 1.1B in 2022

PE/VC deal value (US$ B) and number of deals
(2018-22)



Late-stage deals contributed ~54% of the total investment in 2022

Split of PE/VC deal value
(US$ B, 2022)



Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Top 10 deals of Transportation and logistics in 2022

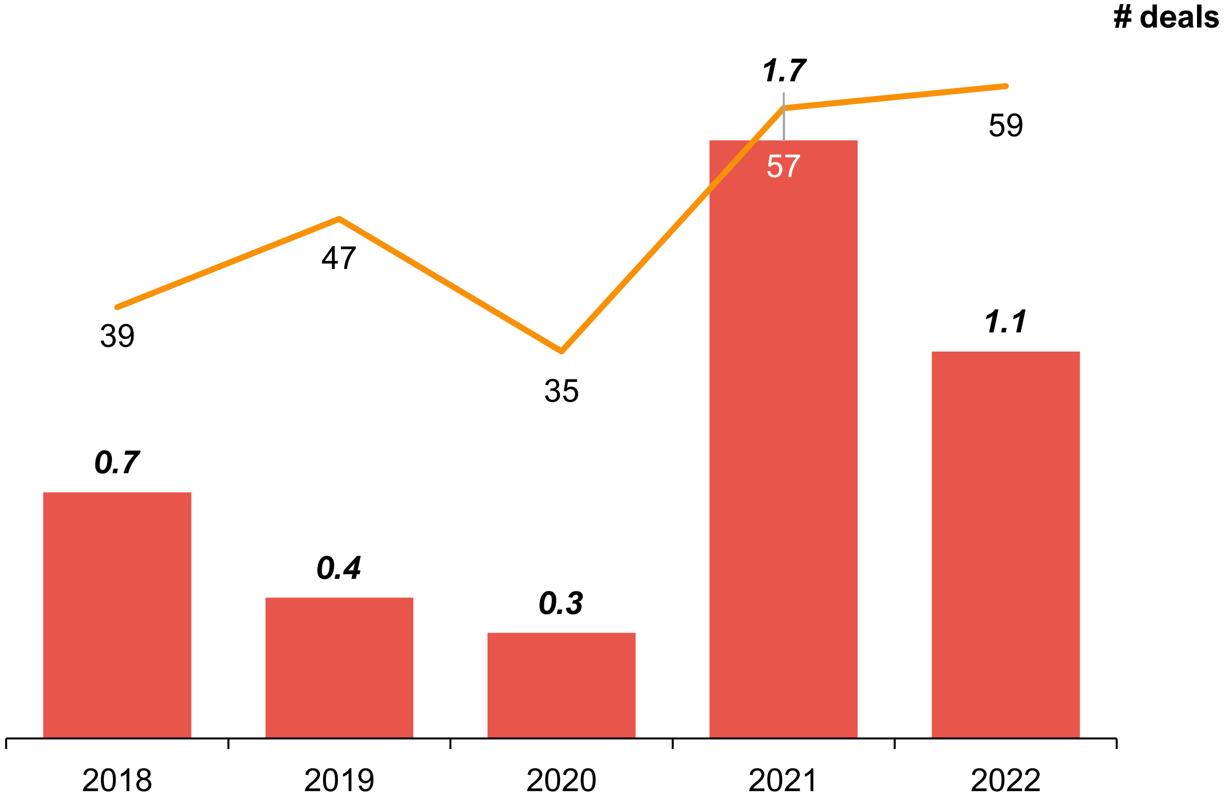
#	Company	Founded	Sub-sector	Funding (US$ M)	Funding stage	Investors
1	DELHIVERY	2011	Logistics services	303	PIPE	Tiger Global Management, Steadview Capital, Bay Capital, Singaporean wealth funds Government of Singapore (GIC), Monetary Authority of Singapore
2	DP WORLD	2008	Logistics services	300	PIPE	NIIF
3	XPRESSBEES delivering happiness	2015	Logistics services	300	Late	Blackstone, TPG Growth, ChrysCapital
4	arya	2013	Warehousing	60	Growth	Asia Impact SA, Lightrock India, Quona Capital
5	cogoport	2016	Logistics services	50	Growth	Tiger Global
6	LOADSHARE NETWORKS	2017	Logistics services	40	Growth	Tiger Global Management, CDC Group, Matrix Partners India
7	Ecom Express	2012	Logistics services	39	Growth	Partners Group, Warburg Pincus, CDC Group
8	shadowfax We Deliver	2015	Logistics services	12	Growth	Trifecta capital, Flipkart, Qualcomm
9	prozo	2014	Warehousing	10	Early	Sixth Sense Ventures, Jafco Asia and HNIs
10	EMIZA	2015	Warehousing	5	Early	Zenith Global
Total				**1,119**		

Source(s): 1Lattice Deals Pulse Database, Praxis analysis

FMCG: US$ 1.1B invested across 59 deals; Two-thirds of funds invested were in food & beverages segment in 2022

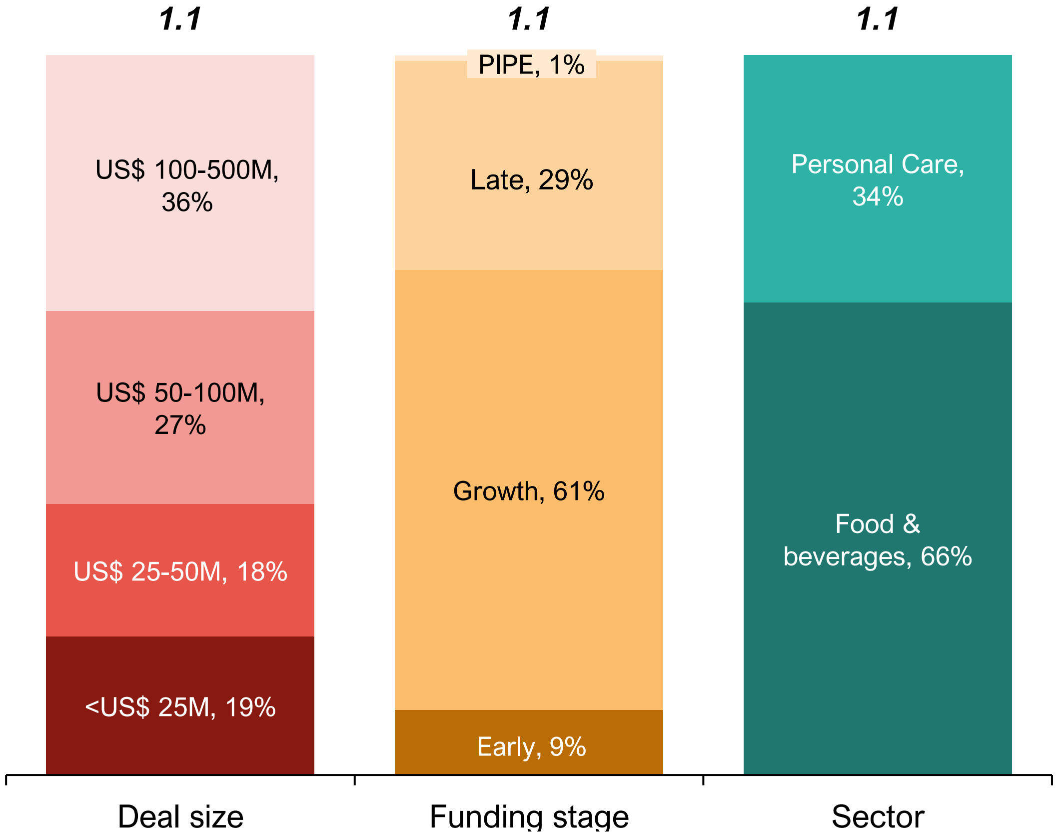
Investments in FMCG has decreased from US$ 1.7B in 2021 to US$ 1.1B in 2022

PE/VC deal value (US$ B) and number of deals
(2018-22)



Growth stage deals contributed ~61% of the total investment in 2022

Split of PE/VC deal value
(US$ B, 2022)



Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Top 10 deals of FMCG in 2022

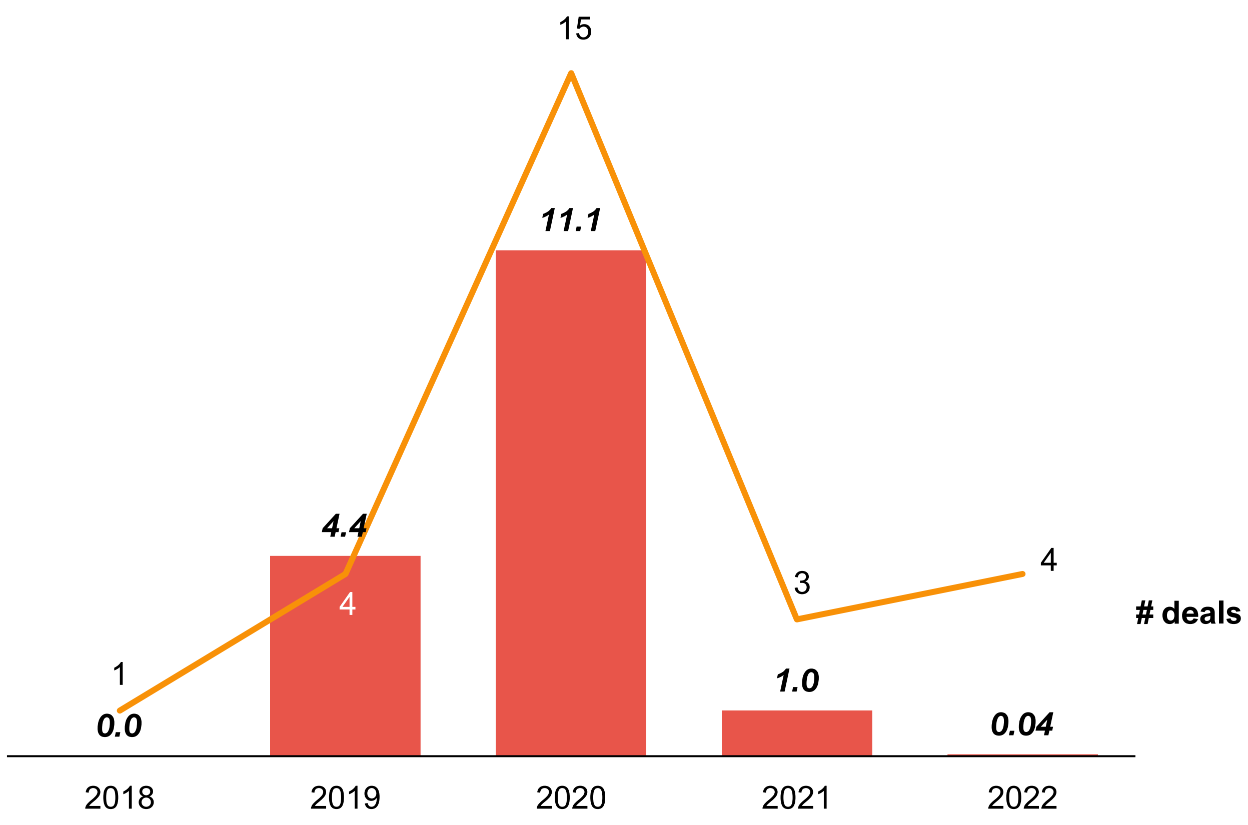
#	Company	Founded	Sub-sector	Funding (US$ M)	Funding stage	Investors
1	Licious	2015	Food & beverages	150	Late	Amansa Capital, Kotak PE, Temasek
2	adani wilmar	1999	Food & beverages	126	Late	Government of Singapore, Monetary Authority of Singapore, Jupiter India Fund
3	Country Delight	2015	Food & beverages	108	Growth	Venturi Partners, IIFL, Trifecta Capital. Elevation Capital
4	BIRA 91	2015	Food & beverages	70	Growth	Kirin Holdings
5	iD	2005	Food & beverages	68	Growth	NewQuest Capital Partners, Premji Invest
6	mamaearth	2016	Personal care	52	Growth	Sequoia, Sofina Ventures SA
7	SUGAR	2012	Personal care	50	Growth	L Catterton, A91 Partners, Elevation Capital, India Quotient
8	Hector Beverages	2009	Food & beverages	50	Growth	GIC
9	WOW Skin Science	2016	Personal care	48	Growth	GIC
10	plum	2013	Personal care	35	Growth	A91 Partners, Unilever Ventures, Faering Capital
Total				**757**		

Source(s): 1Lattice Deals Pulse Database, Praxis analysis

Telecom: US$ 41M invested across 4 deals; 90% of funds invested were in Infrastructure in 2022

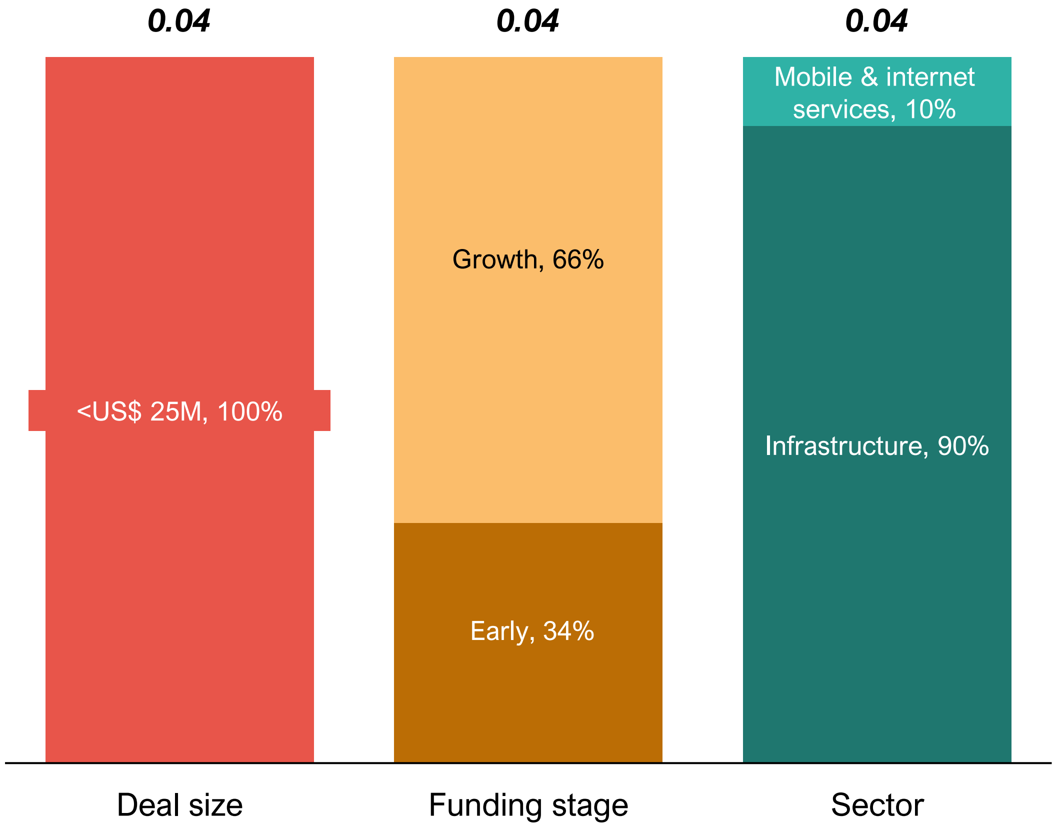
Investments in telecom has decreased from US$ 1B in 2021 to US$ 41M in 2022

PE/VC deal value (US$ B) and number of deals
(2018-22)



Growth-stage deals correspond to 94% of the total investment in 2022

Split of PE/VC deal value
(US$ B, 2022)



Source(s): 1Lattice Deals Pulse Database, Praxis analysis

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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

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