



India Kitchen Congress

Venture Capital Environment for Entrepreneurs

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Startup Landscape in India - Some statistics

The Indian startup ecosystem has experienced incredible growth since 2014 till 2023 and made it the 3rd Largest Startup Ecosystem in the World:

Number of Startups Emerged between 2014 and 2023 : Over 65,000

Total Capital Invested: \$141 Billion - FY '14-23

Combined Valuation: \$500 Billion - FY '14-23

Number of Startup Unicorns: 110

AIF (Alternative Investment Funds) - The New Emerging Asset Class - non traditional

Startup Impact in India

The startups are undeniably playing a pivotal role in shaping India's economic future. Their contributions to job creation, skill development, innovation, and attracting foreign investment are driving economic growth and transforming the country's employment landscape:

- **Job Creation: Addressing Unemployment Concerns:**
- **Skill Development And Upskilling: Nurturing A Future-Ready Workforce:**
- **Innovation And Technology: Catalysts For Economic Transformation:**
- **Global Recognition And Foreign Investment Influx:**

Two Waves - Startup 1.0 and now 2.0

First wave - 1.0 - 2012 to early 2022

Gap - Funding Winter - mid 2022 to mid 2024, Healthy correction !!

Second Wave - 2.0 - mid 2024 to 2034 - next 10 years

What the future holds for this new sunrise segment

The **home improvement** industry is in a constant state of flux due to the evolving needs and desires of homeowners. Few promising areas of innovation are in these categories:

- **Smart Home Technologies - Connected devices, Smart TVs, Smart locks, kitchen appliances**
- **Artificial Intelligence – Vertical AI - Use of computer vision viz object recognition, image analysis, security cameras**
- **AR/VR Experience - Use cases in designing and Interior projects**

VC Landscape in India - why the bullishness here ?

In recent years, the venture capital industry in India has experienced explosive growth.

India as a venture capital destination is the wide variety of investors who are able to effectively function within the country:

- **Domestic VCs - Emerged in early 2010-2011, Saw good exits, have raised significant funds**
- **HNIs / Family Offices - Have been consistently investing, becoming more aggressive now**
- **Global VCs - Larger cheque sizes coming into Late Stage Deals**
- **Corporate VCs - New emerging source of capital for startups**

What are the key characteristics of a startup?

- **Innovation**
- **Solving a Large problem, pain point**
- **Absorption of Capital**
- **Asset Light, Technology at the core or as an enabler**
- **Traces of Scalability**

Role of VC Fueling Growth of Startup

VC funds enable the business by adding **fuel** to the fire.

Startups can utilise the **funds received** from a VC for scaling, helping expand into other markets, and differentiation or diversification of product lines depending on the current stage of the business.

While these are direct benefits, some indirect benefits that businesses accrue when they get VC funding are:

- **Industry Expertise - thru' ex-Entrepreneurs / ex-Founders starting funds**
- **Support - Corporate Governance, Fiscal discipline and Best practices**
- **Network Expansion - through their portfolio cos**



Whats does it take to raise your first cheque from a VC?

- **Clear well articulated problem statement**
- **Good team with sound execution track record**
- **Large market opportunity, providing high growth potential**
- **Defensibility - MOAT**
- **Right VC firm - Fitment**

REMEMBER

THE SECOND WAVE IS ABOUT TO BEGIN !!

***SIGNIFICANT WEALTH WILL BE CREATED IN INDIA IN THE
NEXT 10 YEARS !!***

& most of it will be created by emerging new startups

Thank you

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