1. Executive Summary
2. Introduction
3. India’s Startup Ecosystem
4. India’s IPO Landscape
5. Outlook
6. Case Studies
Executive Summary
Indian startups disrupting ways of the industry by seizing opportunities, changing status quo, and focusing on niche segments

**Booming Startup Ecosystem**
- Over the last 5 years, there has been an exponential increase in the number of startups
- Enterprisetech, followed by e-commerce and Fintech are sector leading the race
- In 2021, India added 44 unicorns, with a total valuation of $94.37 Bn, making it the third-largest country by number of unicorns
- India also has four decacorns (companies with a valuation of $10 Bn and above)

**Evolving IPO Story**
- In 2021, 11 Indian tech startups have ignited the capital market by going public
- These startups raised over $7.36 Bn through IPOs
- On average, the startups took 14-15 years to launch an IPO
- Primary reasons cited for going public are market expansion, exit route for PE and VC and strengthening brand value

**Positive Outlook**
- Amid positive stakeholder sentiments, the Indian market is expected to break more records
- The country is expected to add over 20,000 startups in FY2022-23, with a unicorn tally expected to reach over 150
- Following the bandwagon, at least 16 startups are expected to go public in 2022
- With investor demand for high-growth and disruptive-tech stories likely to continue, it is highly likely that the IPO pipeline will remain hot in 2022 and well beyond

With a growing startup ecosystem, significant funding and investors participation, conducive regulatory environment, and ever-growing stakeholders’ confidence, the Indian startup landscape presents a unique opportunity and is expected to reach new heights.
Introduction
India has the 3rd largest startup ecosystem in the world

Over the last decade, the startups’ ecosystem has flourished at an unprecedented pace in India. According to the Economic Survey 2021-22, India has over 61,000 DPIIT recognized startups making it the third-largest startup ecosystem in the world after the US and China.

With significant funding from PE and VC, collaborative corporate culture, and a conducive regulatory environment, startups are scaling to new heights. In 2021, 44 startups have achieved unicorn status (a billion-dollar company) taking the overall tally of startup unicorns to 94 as of 22nd March 2022.

Recently, a new trend has emerged among startups. Several startups are going public, primarily to raise capital to accelerate growth and increase brand value. With more and more Indian startups filing for an IPO, this report outlines insight on the startup growth trends to the IPO market and what it meant for the ecosystem.
India’s Startup Landscape
India reported 18,308 DPIIT recognized startups in the financial year 2021-22*

*Data is till March 1, 2022
Sources: Transform India, Startup India, Benori Knowledge; Financial Year: April-March; DPIIT - Department for Promotion of Industry and Internal Trade

India’s Startup Landscape

- India witnessed an exponential increase in the number of startups, with more than 18,000 DPIIT recognized startups in FY 2021-22 from only 733 in FY2016-17

- Around 555 districts in the country saw at least one new startup, with most being in the IT/knowledge-based sectors

- Maharashtra led with the highest number of recognized startups at 11,308 between April 2019 and December 2021, followed by New Delhi with more than 5,000 startups and Bengaluru with 4,514

- The year also saw a recorded 2.5x jump in M&As to 206 deals from 82 in 2020 led by e-commerce with over 30% share
India saw 15% increase in new startup launches in 2021; Top five sectors comprised of 62% of total active startups

**Number of Startups Launched**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Startups</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>5,200</td>
</tr>
<tr>
<td>2017</td>
<td>4,500</td>
</tr>
<tr>
<td>2018</td>
<td>4,200</td>
</tr>
<tr>
<td>2019</td>
<td>3,500</td>
</tr>
<tr>
<td>2020</td>
<td>1,250</td>
</tr>
<tr>
<td>2021</td>
<td>1,436</td>
</tr>
</tbody>
</table>

**Sector-wise Distribution of Total Active Startups**

- **Enterprisetech** (18.7%)
- **E-commerce** (30.0%)
- **Fintech** (12.8%)
- **Consumer Services** (12.1%)
- **Healthtech** (9.5%)
- **Edtech** (8.9%)
- **Others*** (8.0%)

**Highlights**

- In 2021, nearly **1,436 new startups were launched in India**, recording a 15% increase over last year, which saw a massive decline of more than 64%
- **Upsurge in technology adoption, rise in venture capital inflow, and increase in interest among the Indian workforce towards entrepreneurship were primary drivers of growth in 2021**
- By segments, **Enterprisetech (with 18.7% share) reported the highest number of active startups** driven by huge demand for SaaS and HRtech. This was followed by e-commerce with a 12.8% share on the back of a rising number of D2C startups

*Others include tech fields, advertising, media & entertainment, real estate & construction, energy & utilities, professional services, SCM & logistics, cybersecurity, aviation, telecom & govt. tech, travel & hospitality, automotive, agri-tech mobility, fitness & wellness, industrial and manufacturing. Sources: NASSCOM, Economic times.*
The sharp increase in active and passive investors in India can be attributed to the following reasons:

- **Government Support**: The government supports startups through its 50+ schemes and has also formulated conducive policies including tax benefits to promote entrepreneurship.

- **Corporate Collaboration**: Due to immense potential in startups, private enterprises like Facebook, Goldman Sachs, Microsoft, etc., actively invest or partner with them.

- **Active-Investors**: Improving investor ecosystem provides easy access to venture capital, startups and entrepreneurs; as a result of which unique investors increased by 3x during 2014-2020.

- **Internet Penetration**: In 2021, nearly 47% of Indians had internet subscription, thereby providing opportunities to startups to connect and innovate in fields like ad-tech, edtech, and Fintech.

- **Per-capita Income**: There has been a significant increase in per capita income of Indians that surged over 65% during 2010-19, thus providing more disposable income to spend on new products and services.

*Sources: Startup India, Media reports*
Under the #startupindia program, numerous schemes are focusing on incubation of startups and businesses

- **Venture Capital Assistance** scheme is financial support in the form of an interest-free loan provided by SFAC to qualifying projects to meet the shortfall in the capital requirement for project implementation.

- **SIP-EIT** is a scheme to provide financial support to MSMEs and technology startup units for international patent filing to encourage innovation and recognize the value and capabilities of global IP.

- **Stand Up India** scheme facilitates bank loans between 10 Lakhs - 1 crore to at least one scheduled caste or scheduled tribe, borrower, and at least one woman per bank branch for setting up a greenfield enterprise.

- **Single Point Registration scheme (SPRS)** allows the government to become the single largest buyer of a variety of goods, with a view to increase the share of purchases from the small-scale sector.

- Launched a scheme to **Support IPR Awareness Workshops** for sensitizing and disseminating awareness about IP Rights among various stakeholders.

Sources: Startup India
Indian Startup Funding Trends

Funding secured by Indian startups in 2021 is higher than the total money raised in the last three years

Sources: Economic Times, Media reports

Growth in deals and funding raised

- In 2021, funding surged by **252%** and deal volume grew 66% over last year
- **2,487** Investors participated in startup funding
- **Bengaluru** saw maximum number of deals to 116, reflecting a Y-o-Y jump of **163%**
- By sector, **Fintech stands at the top** with the highest number of funding at 280, while e-commerce top with the highest funding volume of $10.6 Bn
- India saw a **9x** increase in the number of investors and **7x** increase in the number of incubators during 2015-21
India ranked 3rd in the world with unicorn tally reaching 94 in March 2022

- Globally, the US added 254 unicorns in 2021, followed by China with 74 and India with 44 unicorns
- Edtech start-up Byju’s led the Indian unicorns list with a valuation of USD21 Bn, followed by Inmobi (USD12 Bn), Oyo (USD9.5 Bn), and Razorpay (USD7.5 Bn)
- Mensa reported being the fastest Indian startup to enter the unicorn list, in just 6 months
- India has four decacorns (companies with a valuation of USD10 Bn and above) – Flipkart, Paytm, Byju’s, and Oyo Rooms

Sources: Media reports
India’s IPO Landscape
India’s IPO Landscape

Startup’s IPO accounted for 1/6\textsuperscript{th} of the total IPOs launched in India in 2021

<table>
<thead>
<tr>
<th>IPO Launch and Funding Data</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Startup IPO Count</strong></td>
</tr>
<tr>
<td>11</td>
</tr>
<tr>
<td><strong>Overall IPO Count</strong></td>
</tr>
<tr>
<td>63</td>
</tr>
<tr>
<td><strong>Amount raised startup IPO</strong></td>
</tr>
<tr>
<td>559</td>
</tr>
<tr>
<td><strong>Amount raised overall IPO</strong></td>
</tr>
<tr>
<td>1,190</td>
</tr>
</tbody>
</table>

Sources: NASSCOM, Media reports

### IPO activity in India increased 156% and 314% Y-o-Y by deal numbers and proceeds

**11 startups** went public among 63 IPOs in 2021

**Zomato**
First unicorn to launch IPO

**Paytm**
grabbed the light with $2.4 Bn

**$47.8 Bn**
Cumulative market capitalization of startups that went public in 2021
These 11 startups raised over $7.36 Bn through IPOs with an average $669 Mn raised through stock market listings

<table>
<thead>
<tr>
<th>Company</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paytm</td>
<td>Fintech company specializing in digital payment system and e-commerce</td>
</tr>
<tr>
<td>Nazara</td>
<td>Diversified gaming and sports media platform</td>
</tr>
<tr>
<td>RateGain</td>
<td>SaaS solutions provider for travel and hospitality</td>
</tr>
<tr>
<td>CarTrade.com</td>
<td>Online auto classifieds place for new and old cars</td>
</tr>
<tr>
<td>Nykaa</td>
<td>Makeup &amp; wellness-based e-commerce company</td>
</tr>
<tr>
<td>Zomato</td>
<td>Food delivery company and restaurant aggregator</td>
</tr>
<tr>
<td>Fino</td>
<td>Fintech bank specializing sourcing and servicing micro customers</td>
</tr>
<tr>
<td>Freshworks</td>
<td>SaaS firm providing innovative customer engagement software</td>
</tr>
<tr>
<td>EaseMyTrip.com</td>
<td>Online travel company offering B2B2C and B2C services</td>
</tr>
<tr>
<td>MapmyIndia</td>
<td>Tech firm that builds digital map data, telematics, location-based SaaS and GIS AI technologies</td>
</tr>
</tbody>
</table>

**Startup IPO Launch Highlights**

- The 11 Indian startups that went public raised over $7.36 Bn through the public markets, with an average of $669 Mn raised through stock market listings.
- Most IPOs were focused on the offer for sale (OFS) component, wherein existing investors sell shares rather than raising public money for future growth. Few players sought to raise capital for expansion of market and production capacity, general corporate purpose, as well as to achieve the benefits of listing and exit route for PE and VC.
- The market saw mixed results for listings with Paytm’s IPO subscribed 1.89 times, whereas that of FSN E-Commerce Ventures (the company behind Nykaa) was subscribed ~82 times at the end of final day of bidding.

Sources: Media reports
IPOs provide a financial cushion that helps the company grow, innovate, expand, and take risks

“Recent filings and public offerings reflect the maturity of our market to accept the business models of new-age tech companies, which aren’t amenable to valuation through conventional metrics of profitability,”

Ajay Tyagi, Ex-Chairman, Securities Exchange Board of India

“In the wake of strong global IPO market activity over the past few months, Indian markets continue to reach new highs. The strong momentum seems to continue with several companies planning for an IPO later this year. Detailed regulations for direct overseas listing are much awaited as they are expected to provide further impetus and opportunities for Indian companies. They may also facilitate better benchmarking between peers, promote best practices and increase cross-border collaboration”

Prashant Singhal, Technology, Media, Telecom (TMT) Leader, Emerging Markets, EY
These 11 startups sought over $55.14 Bn through IPOs

<table>
<thead>
<tr>
<th>Startup</th>
<th>Years to Unicorn</th>
<th>Years to IPO</th>
<th>IPO Month (2021)</th>
<th>Valuation Sought in IPO</th>
<th>Total IPO Subscription (Times)</th>
<th>Total Money Raised through IPO</th>
</tr>
</thead>
<tbody>
<tr>
<td>policy bazaar</td>
<td>10</td>
<td>13</td>
<td>November</td>
<td>$6 Bn</td>
<td>16.59</td>
<td>$766 Mn</td>
</tr>
<tr>
<td>Nazara</td>
<td>NA</td>
<td>22</td>
<td>March</td>
<td>$460 Mn</td>
<td>175.46</td>
<td>$79 Mn</td>
</tr>
<tr>
<td>EaseMyTrip</td>
<td>NA</td>
<td>13</td>
<td>March</td>
<td>$275 Mn</td>
<td>159.33</td>
<td>$69 Mn</td>
</tr>
<tr>
<td>Paytm</td>
<td>15</td>
<td>21</td>
<td>November</td>
<td>$19 Bn</td>
<td>1.89</td>
<td>$2,493 Mn</td>
</tr>
<tr>
<td>Nykaa</td>
<td>8</td>
<td>9</td>
<td>Oct-Nov</td>
<td>$7 Bn</td>
<td>81.18</td>
<td>$729 Mn</td>
</tr>
<tr>
<td>Zomato</td>
<td>7</td>
<td>13</td>
<td>July</td>
<td>$10 Bn</td>
<td>38.25</td>
<td>$1,277 Mn</td>
</tr>
</tbody>
</table>

Sources: Media reports
On average, startup took 14-15 years to launch an IPO

<table>
<thead>
<tr>
<th>Startup</th>
<th>Years to Unicorn</th>
<th>Years to IPO</th>
<th>IPO Month (2021)</th>
<th>Valuation Sought in IPO</th>
<th>Total IPO Subscription (Times)</th>
<th>Total Money Raised through IPO</th>
</tr>
</thead>
<tbody>
<tr>
<td>RateGain®</td>
<td>NA</td>
<td>17</td>
<td>December</td>
<td>$600 Mn</td>
<td>16.17</td>
<td>$176 Mn</td>
</tr>
<tr>
<td>CarTrade.com</td>
<td>NA</td>
<td>12</td>
<td>August</td>
<td>$1 Bn</td>
<td>20.29</td>
<td>$409 Mn</td>
</tr>
<tr>
<td>Fino</td>
<td>NA</td>
<td>4</td>
<td>Oct-Nov</td>
<td>$500 Mn</td>
<td>20.03</td>
<td>NA</td>
</tr>
<tr>
<td>freshworks</td>
<td>8</td>
<td>11</td>
<td>September</td>
<td>$9 Bn</td>
<td>57.66</td>
<td>NA</td>
</tr>
<tr>
<td>MapmyIndia™</td>
<td>NA</td>
<td>26</td>
<td>December</td>
<td>$800 Mn</td>
<td>1.55</td>
<td>NA</td>
</tr>
</tbody>
</table>

Sources: Media reports
Outlook
India expected to have 20,500+ DPIIT registered startups and 75+ unicorns in 2022

**Startups**

The number of DPIIT registered startups is expected to increase by 20,000+ reporting a CAGR of 19% for the past 3 years.

**Expected Startups**

- FY2019-20: 12,874
- FY2020-21: 16,287
- FY2021-22: 18,308
- FY2022-23(E): 20,588

**Unicorns**

Number of companies expected to turn unicorns is ~75 with a CAGR of 66% recorded during 2019-2021.

**Expected Unicorns**

- 2019: 9
- 2020: 10
- 2021: 44
- 2022(E): 75

Sources: Transform India, Startup India, Benori Knowledge
2022 is expected to have over 80 IPO listings, near 1/4th of them will be startups

**Market Highlights**

- India is expected to see over 80 IPO listings in 2022 of which nearly 16 will be startups as analysts and investors are bullish on the IPO potential of tech startups and new-age companies
  - MobiKwik and Tracxn have received SEBI approval for IPO while five are waiting
- The startups are expected to continue to attract capital in 2022 but at a slower growth rate. IPOs are likely to hit a rough patch due to a global decline in tech stocks and sub-par quarterly results from publicly listed Indian startups
- Some of the driving factors are as follows:
  - Accelerated tech adoption due to pandemic, which resulted in a rise of many startups
  - Increasing interest of international investors in Indian tech startups with promising and unique ideas
  - Growing number of unicorns in the ecosystem
  - Favorable government norms where SEBI reduced the time for early-stage investors to hold 25% of the pre-issue capital from two years to one year. Also, now startups can allocate up to 60% of the issued IPO to an eligible investor basis a 30-day lock-in period

**Startups Expected to Go Public in 2022 & 2023**

Sources: Media reports
Recent IPOs
CarTrade Tech provides automobile trading ecosystem

**Business Description**

- A multi-channel auto platform, facilitating trading in new and used cars.
- Operates under five brands: CarWale, BikeWale, CarTrade, Shriram Automall, and Adroit Auto.
- Supports automobile customers, vehicle OEMs, vehicle dealers, insurance companies, banks, and other stakeholders involved in new and used vehicles.

**Key Facts**

- Website: www.cartradetech.com
- Headquarters: Navi Mumbai, Maharashtra
- Founded: 2009
- Stock exchange: NSE, BSE as ‘CarTrade Tech’
- Number of employees: 1,994

**Website**

www.cartradetech.com

**Headquarters**

Navi Mumbai, Maharashtra

**Founded**

2009

**Stock exchange**

NSE, BSE as ‘CarTrade Tech’

**Number of employees**

1,994

**Business Segmentation**

- **CarTrade**: Connecting buyers and sellers to facilitate trade of cars.
- **CarWale**: Connecting buyers and sellers to facilitate trade of cars.
- **BikeWale**: Connecting buyers and sellers to facilitate exchange of bikes.
- **Shriram**: Connecting large corporations to sell vehicles at scale.
- **Adroit Auto**: Provides on-site inspections and valuations.

**Financials (Revenues, $ Mn)**

<table>
<thead>
<tr>
<th></th>
<th>FY 2018-19</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>14.6</td>
<td>17.9</td>
<td>14.8</td>
</tr>
</tbody>
</table>

Sources: Company website, Media reports
IPO listed at a discounted rate of 1.12%

**IPO & Funding Analysis**

No fresh issue of equity

- **18.5 Mn equity shares** as offer for sale

Large investors are selling large amounts of shares to recoup their investment, which also act as a warning bell for investors

<table>
<thead>
<tr>
<th>Valuation (in $ Mn)</th>
<th>Valuation in June'20</th>
<th>Valuation on the IPO day (20 August 2021)</th>
<th>Market Cap (23 March 2022)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>525</td>
<td>1,000</td>
<td>370</td>
</tr>
</tbody>
</table>

Sources: Company website, Media reports

**Key Developments**

- **Jan 2022**: Plans to launch 200+ stores of CarWale abSure in India in the next two years. Currently, the company has 22 outlets in 18 cities
- **Dec 2021**: Deployed $100 Mn to invest in companies that offer innovation in the automobile space to completely digitize the trading process of the cars
- **Sept 2021**: Launched a one-stop service CarWale abSure at both offline and online retail platforms for hassle-free trade of pre-owned cars across 9 cities

**Key People (Founders & CEO)**

Founder, Chairman, MD and CEO: Vinay Sanghi
Nazara tech simplifies gaming, esports and game-based learning

**Business Description**

- An ‘Interactive Gaming and new age Sports Media’ company headquartered in Mumbai
- Has operations in 60 countries spread across India, Asia, Africa and Middle East
- Diversified business models comprising Subscription, Freemium, eSports, Skill Based Gaming in India and Chance based Gaming business in Kenya, Africa

**Key Facts**

- Website: [https://corp.nazara.com/](https://corp.nazara.com/)
- Headquarters: Mumbai, Maharashtra
- Founded: 1999
- Stock exchange: NSE, BSE as ‘NAZARA Technologies’
- Number of employees: 130

**Business Segmentation**

- **Gamified Early Learnings**
  - Gamified App for 2–7-year-old kids
- **Esports**
  - Premium exclusive content & brands sponsorships (ads)
- **Freemium**
  - Ads & virtual items purchased within the games
- **Telco Subscription**
  - Players subscribing to curated game packs
- **Real Money Gaming**
  - Skill based gaming platform

**Financials (Revenues, $ Mn)**

- FY 2018-19: 24.33
- FY 2019-20: 34.38
- FY 2020-21: 61.25

Sources: Company website, Media reports
Raised $42 Mn to acquire companies to provide add-on services

**IPO & Funding Analysis**

- **5.5 Mn** shares, entirely offer for sale
- **10.8%** of company is owned by Rakesh Jhunjhunwala
- Share listed at **80.74%** premium, becoming one of the biggest wealth creator for investors for 2021

**Key People (Founders & CEO)**

- **Founder and Joint MD**: Nitish Mittersain
- **CEO**: Manish Agarwal
- **Chairman & MD**: Vikas Mittersain

**Key Developments**

- **Jan 2022**: Acquired 55% stake for INR 2.25Bn in Datawrkz, an ad-tech startup that focuses on programming advertising and monetization, to build strong gaming ad-tech offerings
- **Jan 2022**: Nodwin Gaming, Nazara’s subsidiary, acquired D2C retailer Planet Superheroes for a suspected amount of INR 49 Mn to offer iconic global merchandise
- **Nov 2021**: Acquired OpenPlay Technologies Pvt Ltd
- **Oct 2021**: Raised over INR 3.23 Bn ($42 Mn) to diversify offerings in free-to-play games, esports, and gamified learning through company acquisition

Sources: Company website, Media reports
Nykaa is an e-tailer based direct-to-consumer brand

**Business Description**

- India-based brand that specializes in multi-beauty and personal care products for all genders
- Started its operation as a direct-to-consumer e-commerce beauty product medium until it lately began setting up offline outlets across the nation
- The platform facilitates suitably prepared and priced branded products; claims to receive more than 1.5 Mn orders per month across India

**Key Facts**

- **Website**: https://nykaa.com
- **Headquarters**: Mumbai, Maharashtra
- **Founded**: 2012
- **Stock exchange**: NSE, BSE as ‘FSN E Commerce Ventures [NYKA]’
- **Number of employees**: 2,365

**Business Segmentation**

- **Online Store**
  Sell products through its mobile application under different categories: NykaaFashion, NykaaMan, NykaaLuxe, Nykaa makeup

- **Offline Stores**
  Set up physical stores across the country to increase sales by promoting touch and feel marketing strategy

**Financials (Revenues, $ Mn)**

- FY 2018-19: 15.58
- FY 2019-20: 28.51
- FY 2020-21: 26.93

Sources: Company website, Media reports
One of the hottest IPO of 2021

IPO & Funding Analysis

Total issue of 122.5 Mn shares

41.9 Mn shares sold by existing investors

Listing gains of 79.8% on listing day to every investor

<table>
<thead>
<tr>
<th></th>
<th>Valuation (in $ Bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valuation in March’20</td>
<td>2.00</td>
</tr>
<tr>
<td>IPO Valuation</td>
<td>7.40</td>
</tr>
<tr>
<td>Valuation on IPO day (10 November 2021)</td>
<td>12.86</td>
</tr>
<tr>
<td>Market Cap (23 March 2022)</td>
<td>9.54</td>
</tr>
</tbody>
</table>

Key People (Founders & CEO)

- Founder and CEO: Falguni Nayyar
- Co-Founder: Sanjay Nayyar

Key Developments

- **Feb 2022:** Company to be a part of the Nifty Next50 index from 31 March 2022
- **Dec 2021:** Plans to increase its brick-and-mortar stores to 300 in 100 cities to cater to those customers who want to buy products through touch-and-feel
- **Dec 2021:** Launched AI-powered virtual try-on tech ‘ModiFace’ to enhance the shopping experience for makeup enthusiasts
- **Oct 2021:** Acquired Dot & Key, a Kolkata-based skincare brand, to sell their products under brand name Nykaa

Sources: Company website, Media reports

Company Overview
Paytm is India’s leading P2P payment platform

Business Description

- A payment, commerce and e-wallet enterprise
- A brand of parent company One97 communications that initially launched as an online mobile recharge website and later transformed its business model to a virtual and marketplace bank model
- Controlled more than 14% of the market through 53.8 crore transactions worth INR600,940Mn in September’21

Business Segmentation

<table>
<thead>
<tr>
<th>Payments</th>
<th>Commerce and Financial Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commission charged on every bill payment</td>
<td>Provides credit care, insurance, Paytm Mall, and more</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Paytm for Business</th>
<th>Developer Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provides financial services and business payments and software</td>
<td>Provides API for exchange and Paytm AI for fraud management system</td>
</tr>
</tbody>
</table>

Key Facts

| Website | https://paytm.com/ |
| Headquarters | Gurugram, Haryana |
| Founded | 2010 |
| Stock exchange | NSE, BSE as ‘One 97 COMMUNICATIONS (Paytm)’ |
| Number of employees | 13,740 |

Financials (Revenues, $ Mn)

<table>
<thead>
<tr>
<th>FY 2018-19</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>443.27</td>
<td>426.14</td>
<td>397.51</td>
</tr>
</tbody>
</table>

Sources: Company website, Media reports
India’s biggest IPO till date

**IPO & Funding Analysis**

India’s largest IPO, valued at $20 Bn

48.3 Mn shares for sale through fresh issue and offer for sale

Shares tanked 27% on the listing day, eroding $6.5 Bn of wealth

<table>
<thead>
<tr>
<th>Valuation in Nov’19</th>
<th>IPO Valuation</th>
<th>Valuation on IPO day (18 November 2021)</th>
<th>Market Cap (23 March 2022)</th>
</tr>
</thead>
<tbody>
<tr>
<td>16.00</td>
<td>20.00</td>
<td>13.50</td>
<td>4.45</td>
</tr>
</tbody>
</table>

**Key Developments**

- **Jan 2022**: Partnered with Fullerton India to provide lending products to merchant partners and consumers leveraging Paytm’s distribution and technology
- **Jan 2022**: Shut down its operations of the B2C app in Canada to focus on capturing the mass Indian market
- **Dec 2021**: Launched Portfolio Management Service marketplace under its subsidiary Paytm Money for high net-worth individuals with a minimum investment of INR500 Mn
- **Sept 2021**: Paytm Money partnered with WealthDesk launched a wealth and advisory marketplace, WealthBaskets, to offer customized advisory products and services to retail investors

**Key People (Founders & CEO)**

Founder, MD & CEO: Vijay Shekhar Sharma

Sources: Company website, Media reports
Policy Bazaar is a market leader with 93.4% market share

### Business Description

- An aggregator and marketplace of insurance products
- The company initially compared the prices of insurance policies and provided insurance-related information; later expanded to many areas such as healthcare, loans, and more due to rapid growth
- Along with being an insurance marketplace, the company further extends assistance for the cancellation/renewal of policies and settling claims now

### Business Segmentation

<table>
<thead>
<tr>
<th>Service</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>policybazaar.com</td>
<td>Online Insurance aggregator to compare various insurance prices</td>
</tr>
<tr>
<td>paisabazaar.com</td>
<td>A marketplace for loans and cards, EMIs, mutual funds</td>
</tr>
<tr>
<td>doc:prime</td>
<td>Provide healthcare services in real time by connecting patients and doctors</td>
</tr>
<tr>
<td>QuickFIXcars</td>
<td>One stop shop for all car needs at affordable prices</td>
</tr>
</tbody>
</table>

### Key Facts

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Website</td>
<td><a href="https://www.policybazaar.com/">https://www.policybazaar.com/</a></td>
</tr>
<tr>
<td>Headquarters</td>
<td>Gurugram, Haryana</td>
</tr>
<tr>
<td>Founded</td>
<td>2008</td>
</tr>
<tr>
<td>Stock exchange</td>
<td>NSE, BSE as ‘PB Fintech’</td>
</tr>
<tr>
<td>Number of employees</td>
<td>13,000</td>
</tr>
</tbody>
</table>

### Financials (Revenues, $ Mn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues ($ Mn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2018-19</td>
<td>69.12</td>
</tr>
<tr>
<td>FY 2019-20</td>
<td>111.83</td>
</tr>
<tr>
<td>FY 2020-21</td>
<td>125.15</td>
</tr>
</tbody>
</table>

Sources: Company website, Media reports
Wealth creator for investors

IPO & Funding Analysis

58 Mn equity shares for sale

The stock listed at a premium of 17.35% on the BSE

<table>
<thead>
<tr>
<th>Source</th>
<th>Valuation (in $ Bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valuation in Nov'19</td>
<td>2.40</td>
</tr>
<tr>
<td>IPO Valuation</td>
<td>6.00</td>
</tr>
<tr>
<td>Valuation on IPO day (15 November 2021)</td>
<td>7.38</td>
</tr>
<tr>
<td>Market Cap (as on 23 March 2022)</td>
<td>4.21</td>
</tr>
</tbody>
</table>

Sources: Company website, Media reports

Key People (Founders & CEO)

- Founder & CEO: Yashish Dahiya
- Co-founder & COO: Avaneesh Nirjar
- Co-founder & Group CFO: Alok Bansal
- Co-founder & Director Finance: Manoj Sharma
- Co-founder & CBO: Tarun Mathur

Key Developments

- **Feb 2022**: Launched AI-enabled WhatsApp chatbot to provide smooth claim settlement process for all its corporate clients
- **Feb 2022**: Partnered with LIC to offer various term and investment products along with digital distribution of life insurance products to its customers
- **Jan 2022**: Collaborated with Max Life Insurance to provide homemakers to opt for term insurance, independent of their spouse’s term insurance policy
- **July 2021**: Launched a marketplace by unveiling its new Group Health Insurance program to cater to SMEs, MSMEs, and large corporates
Zomato is India’s leading food delivery application

**Business Description**

- A food delivery platform that brings numerous restaurants under one umbrella and cater to customers via its mobile application
- Currently operates in more than 19 countries and has 6 revenue streams such as food delivery, subscription programs, live events, app development for restaurants, and infrastructure service to restaurant owners as well

**Key Facts**

- **Website**: www.Zomato.com
- **Headquarters**: Gurugram, Haryana
- **Founded**: 2008
- **Stock exchange**: NSE, BSE as ‘ZOMATO’
- **Number of employees**: 14,878

**Business Segmentation**

- **Food Delivery**
  - SaaS-based food delivery model charging a commission fee

- **Restaurant advertising**
  - Restaurants promote its banner on Zomato app

- **Subscription programs**
  - Subscription fees paid by restaurants and consumers

- **Zomato Kitchens**
  - Provide kitchen infrastructure services to restaurants

- **White label access**
  - Offers restaurants to develop a customized food delivery app

- **Live Events**
  - Zomato conducts events and charges users an entry fee to attend these events

**Financials (Revenues, $ Mn)**

<table>
<thead>
<tr>
<th></th>
<th>FY 2018-19</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>182.61</td>
<td>358.52</td>
<td>276.91</td>
</tr>
</tbody>
</table>

Sources: Company website, Media reports
IPO & Funding Analysis

$1 Bn worth of fresh issue

$1 Mn to sold by existing investors InfoEdge

The net proceeds will be used for organic and inorganic growth initiatives, and general corporate purposes

Valuation (in $ Bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valuation in Dec'20</td>
<td>3.9</td>
</tr>
<tr>
<td>Valuation in Feb'20</td>
<td>5.4</td>
</tr>
<tr>
<td>IPO Valuation</td>
<td>8.0</td>
</tr>
<tr>
<td>Valuation on IPO day (23 July 2021)</td>
<td>14.0</td>
</tr>
<tr>
<td>Market Cap (as on 23 March 2022)</td>
<td>8.1</td>
</tr>
</tbody>
</table>

Key Developments

- **Feb 2022**: Plans to set up an NBFC to offer short-term credit to its delivery partners and restaurants. Till NBFC sets up, will tie up with other NBFCs to provide BNPL services to customers
- **Jan 2022**: Plan to invest in two tech companies: Adonmo Private Limited for 19.48% stake and UrbanPiper Technology Private Limited for 5% equity
- **Jan 2022**: Shut down its operations in its South Africa subsidiary as a part of a ‘clean-up exercise’
- **Dec 2021**: Acquired a 6.1% stake for $100 Mn in Curefit Healthcare Ltd
- **Sept 2021**: Zomato co-founder Gaurav Gupta decided to part ways with the company after six years

Sources: Company website, Media reports