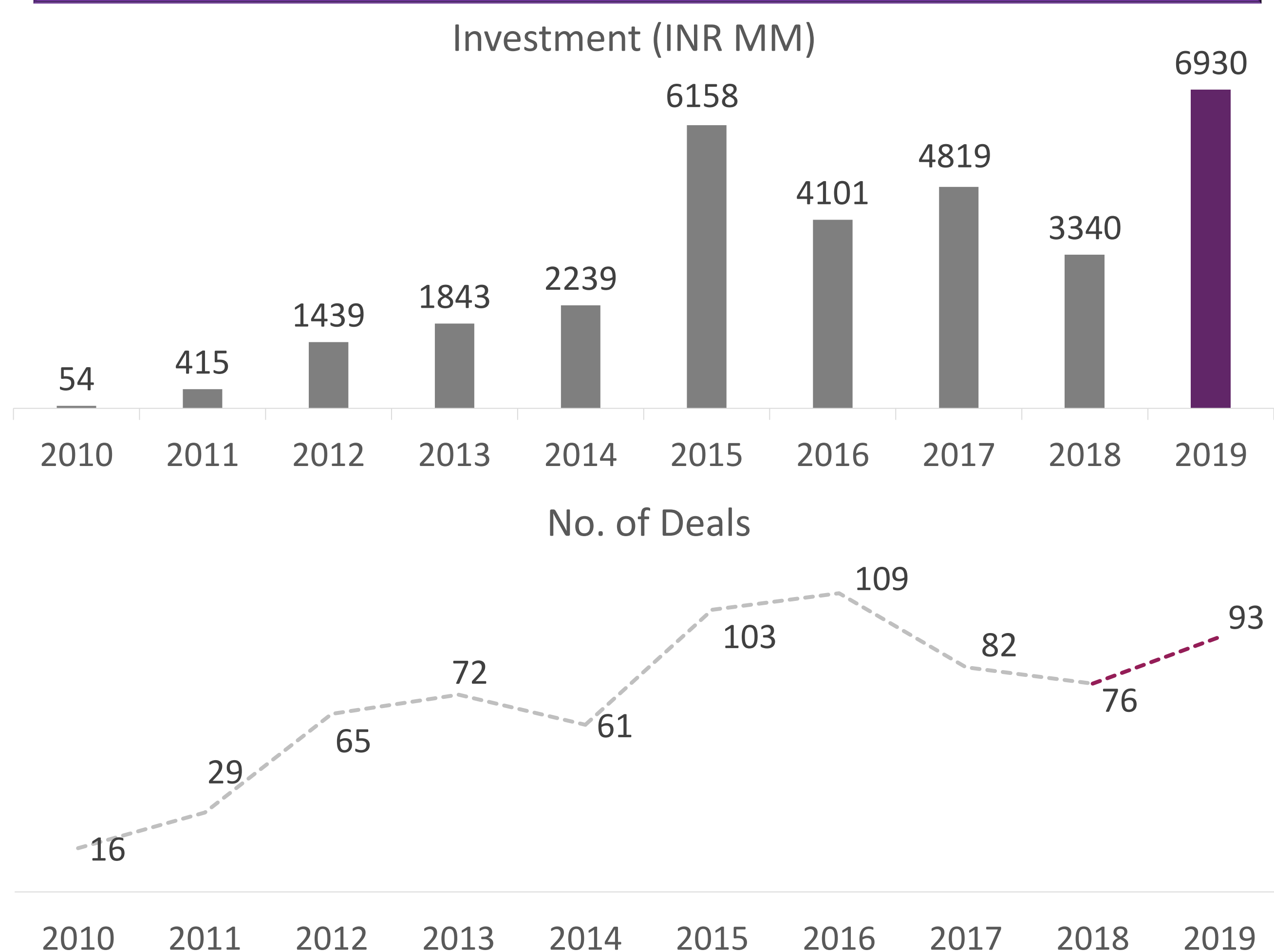


# Early stage Investment Insights Report - 2019

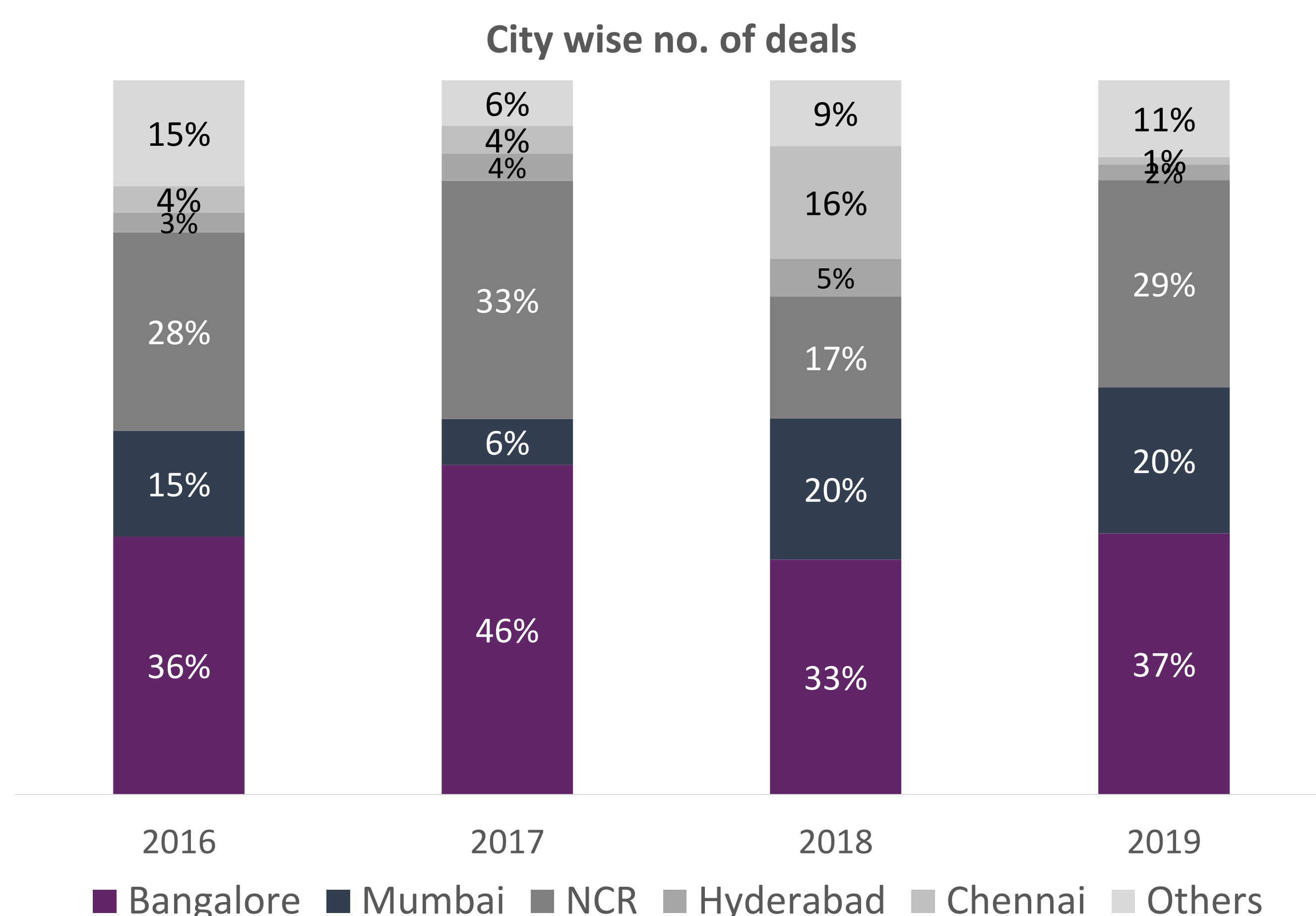
Pre-series-A investors committed INR 6930 million in 2019\* and inked 93 deals in this period

**Funding doubled, ~70% increase in ticket size, 22% increase in deals**

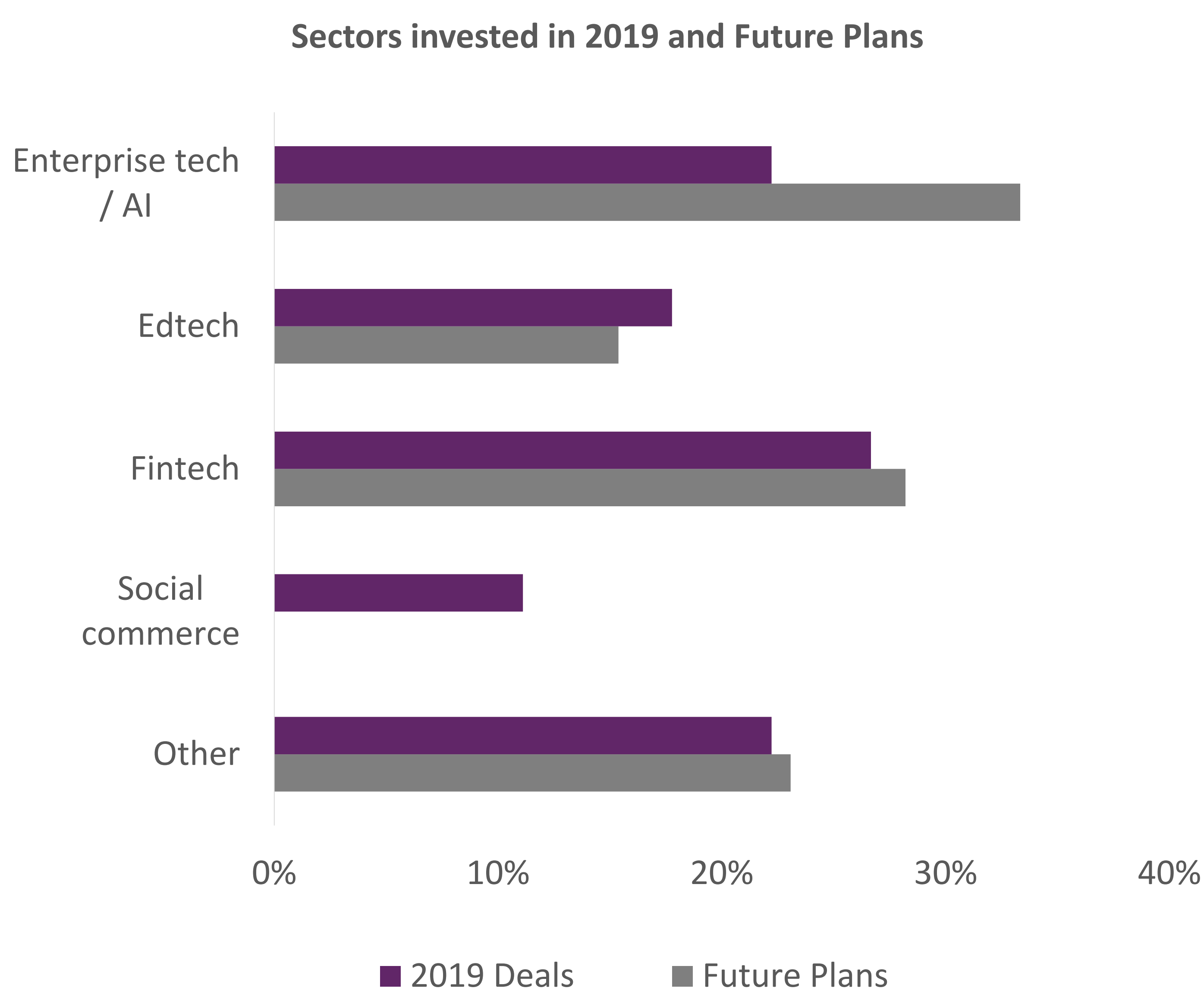


\*This covers period from Jan 1, 2019 to Dec 12, 2019

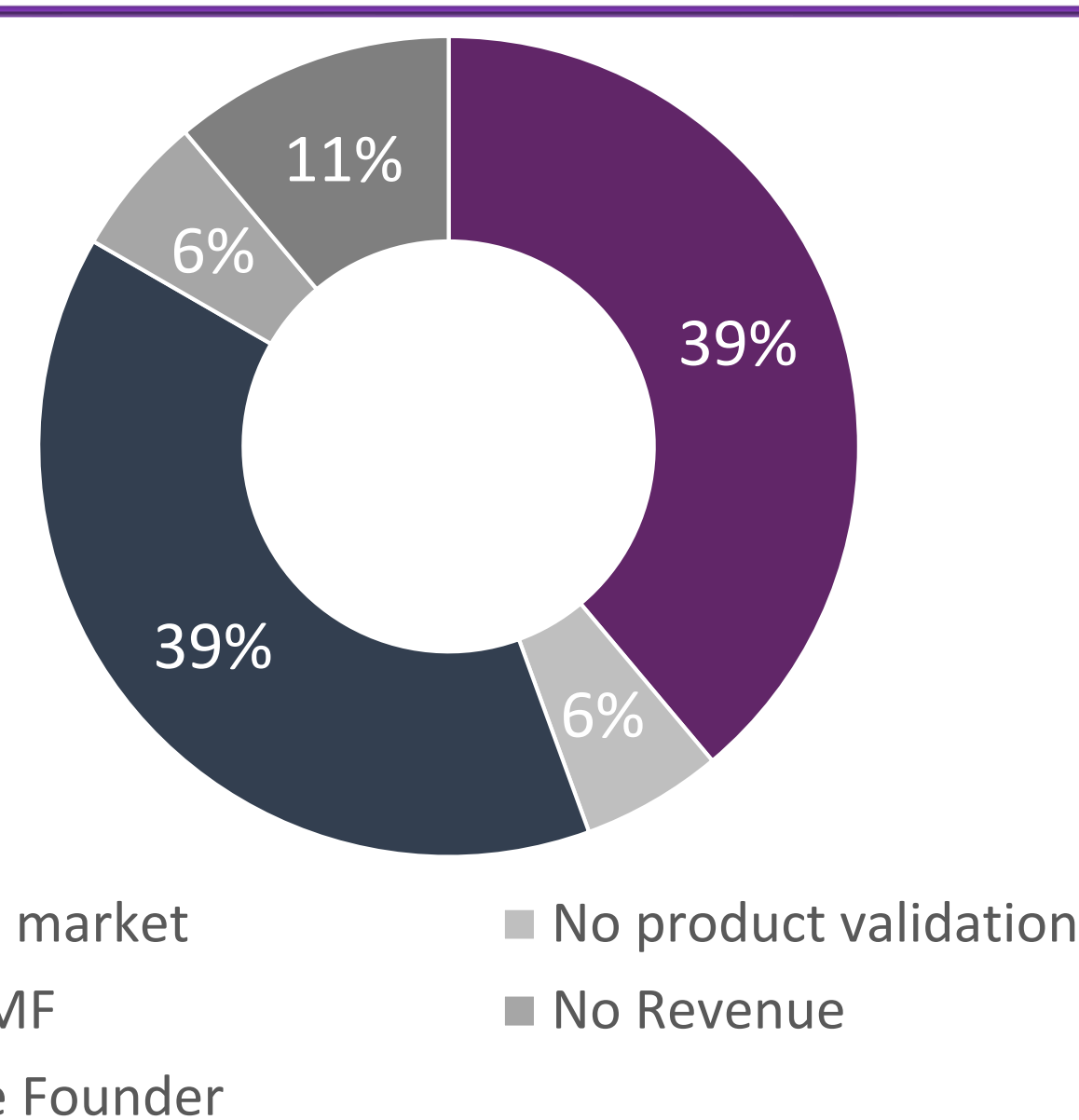
**Bengaluru, NCR and Mumbai continue to dominate**



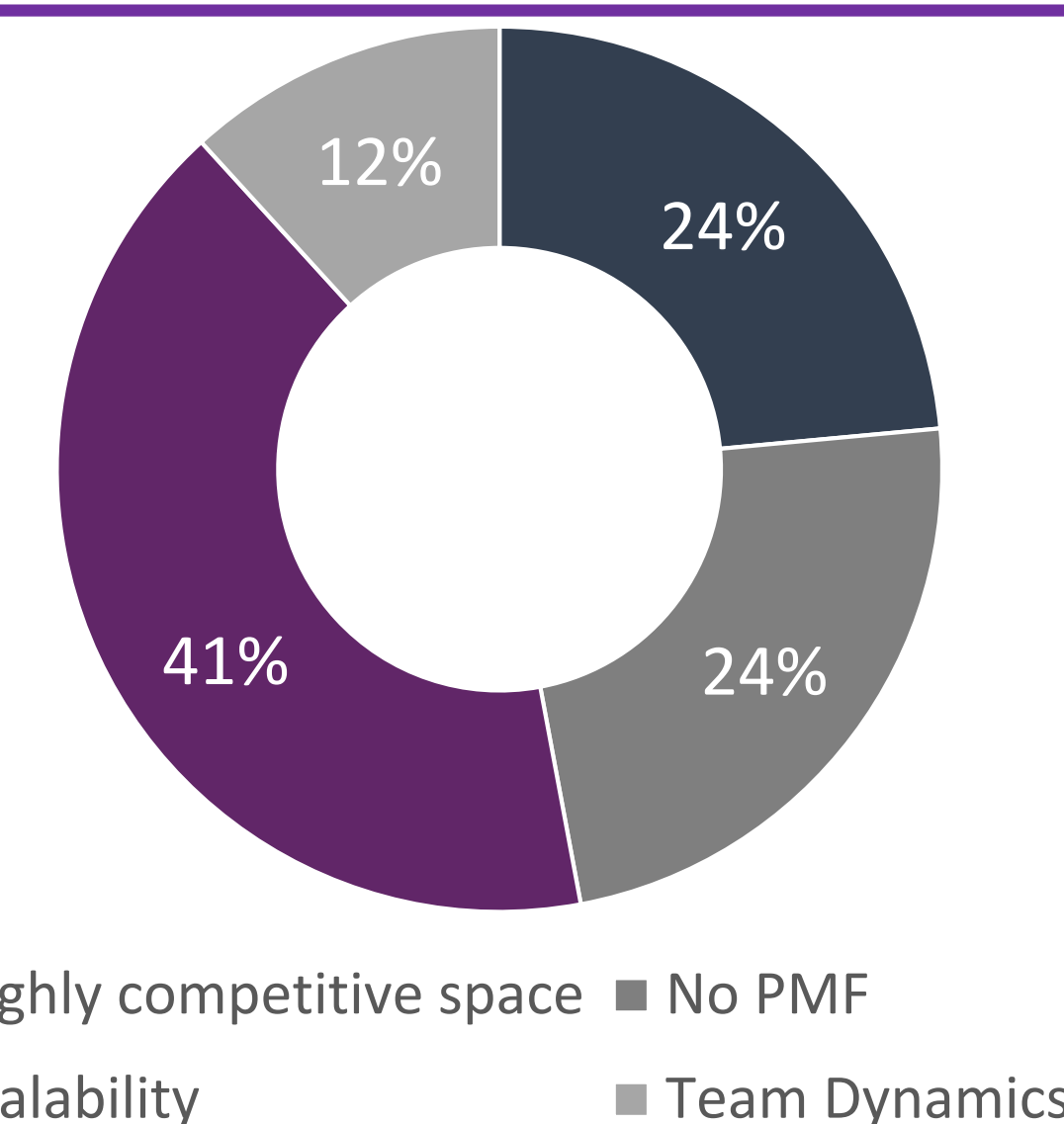
**Enterprise Tech / AI and Fintech dominated 2019 and investors continue to be positive on these sectors for 2019**



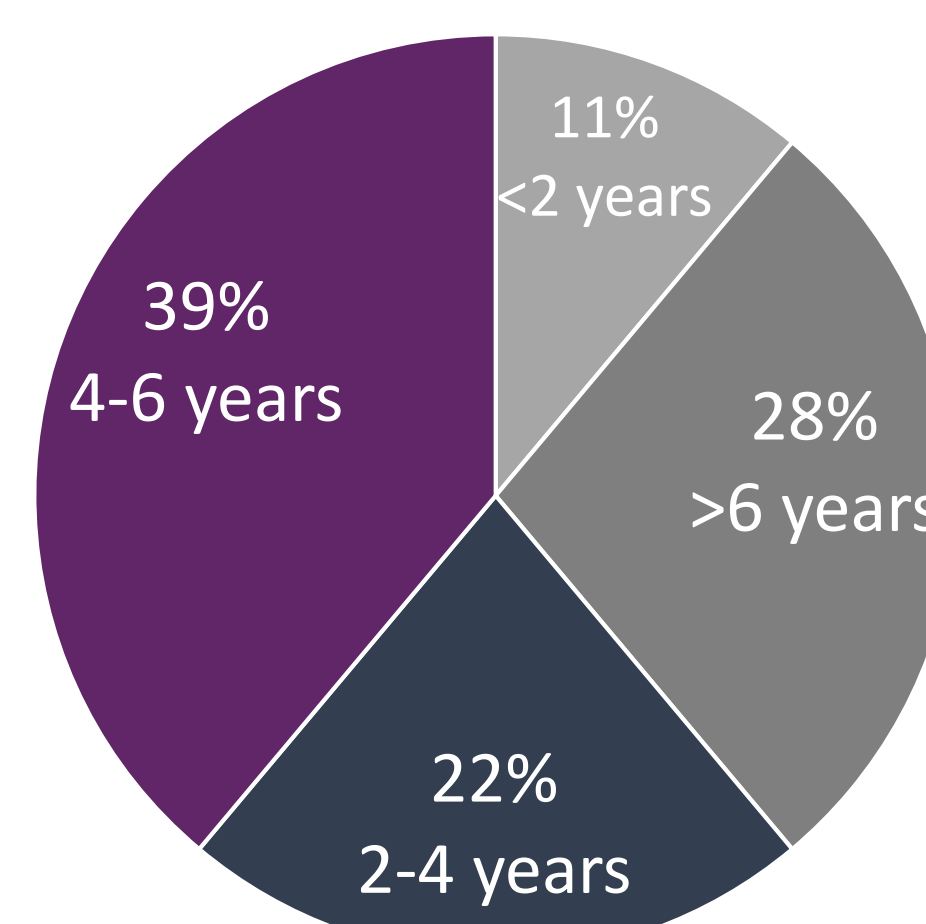
**No Product Market Fit and Niche Market key reasons for investors to reject a deal**



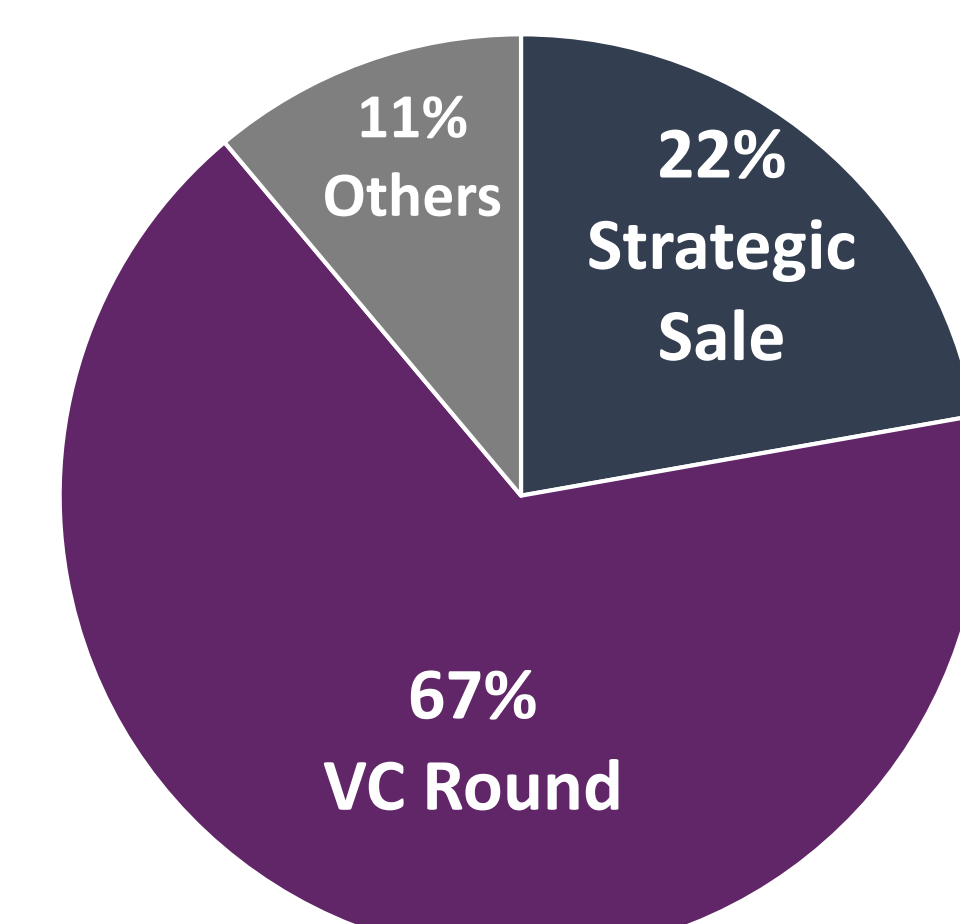
**Lack of Scalability is the key reason that startups are unable to raise the next round**



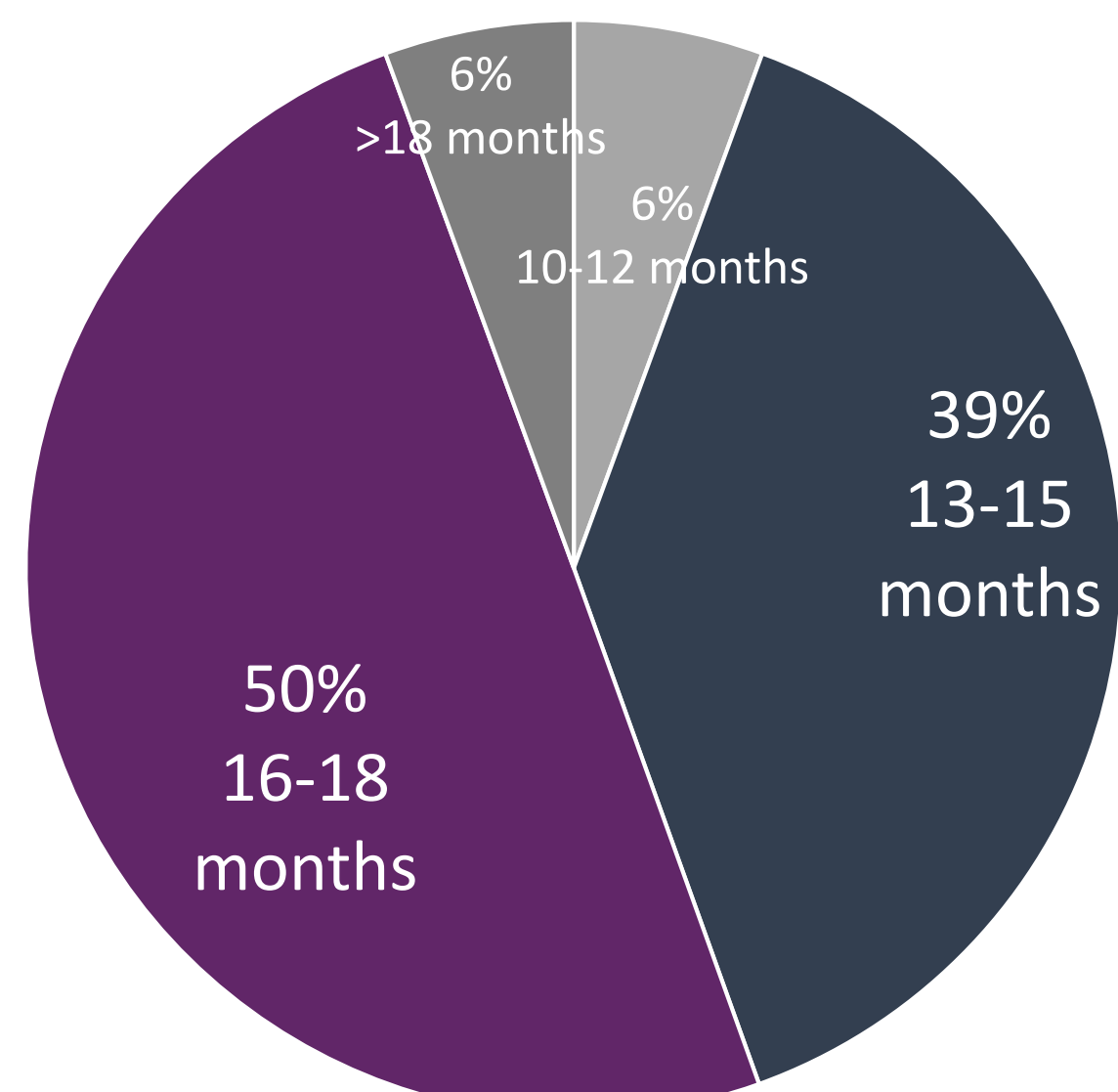
**Most early-stage investors expect an exit in 4-6 years**



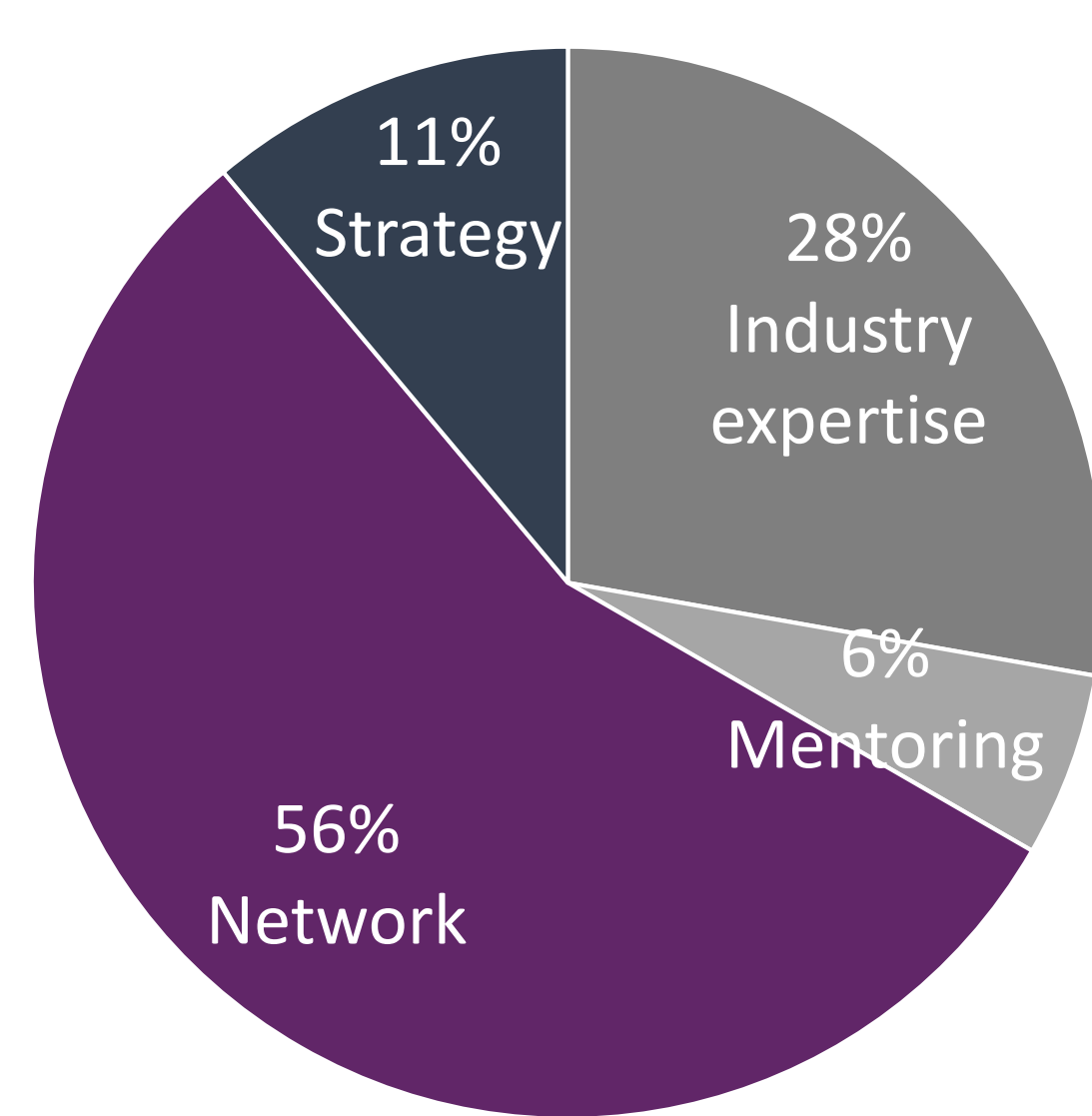
**VC round is the most common form of exit for an early investors**



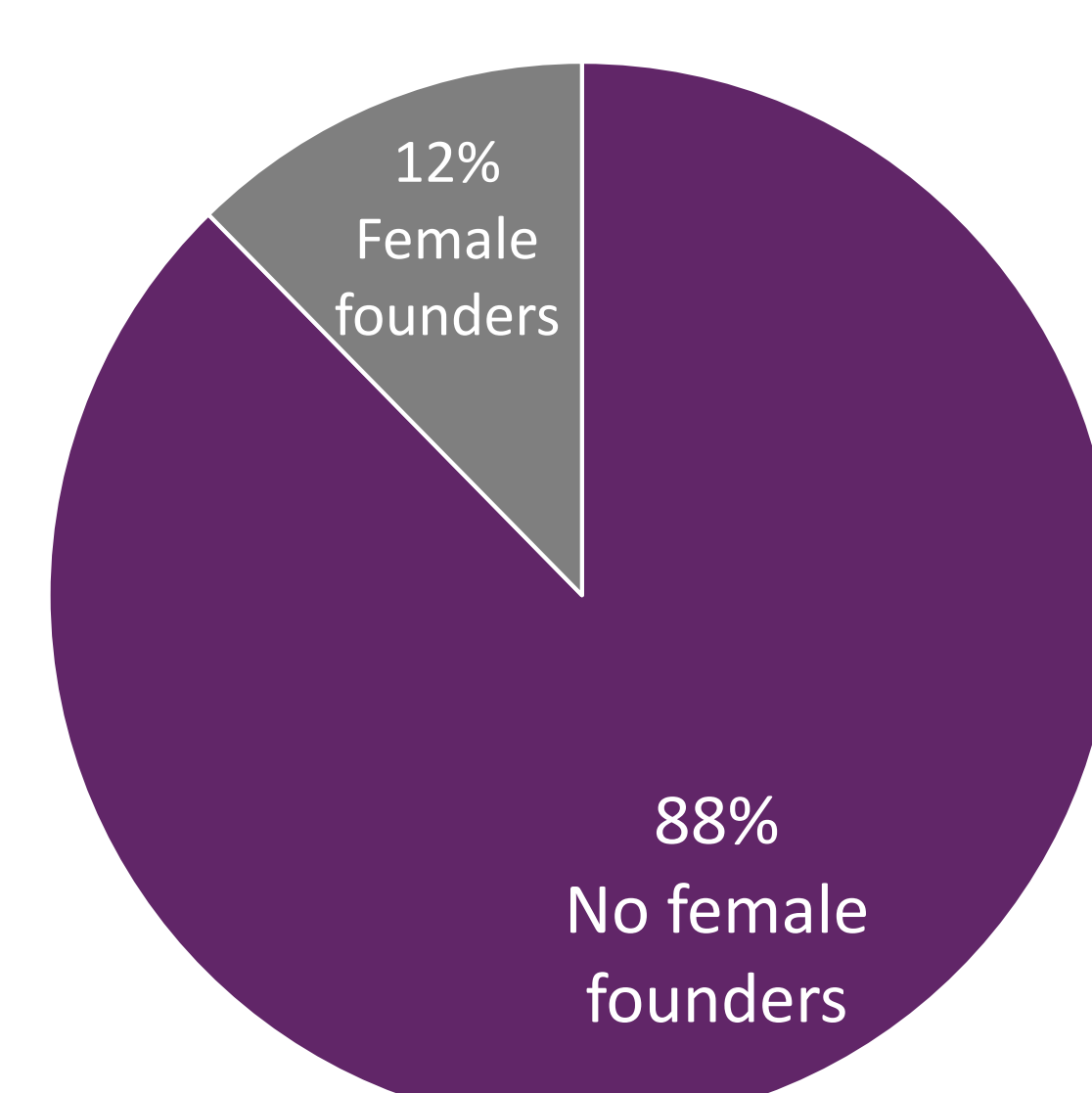
**While raising a pre-series A round, startups should budget for 13-18 months of runway before they need to raise a new funding round**



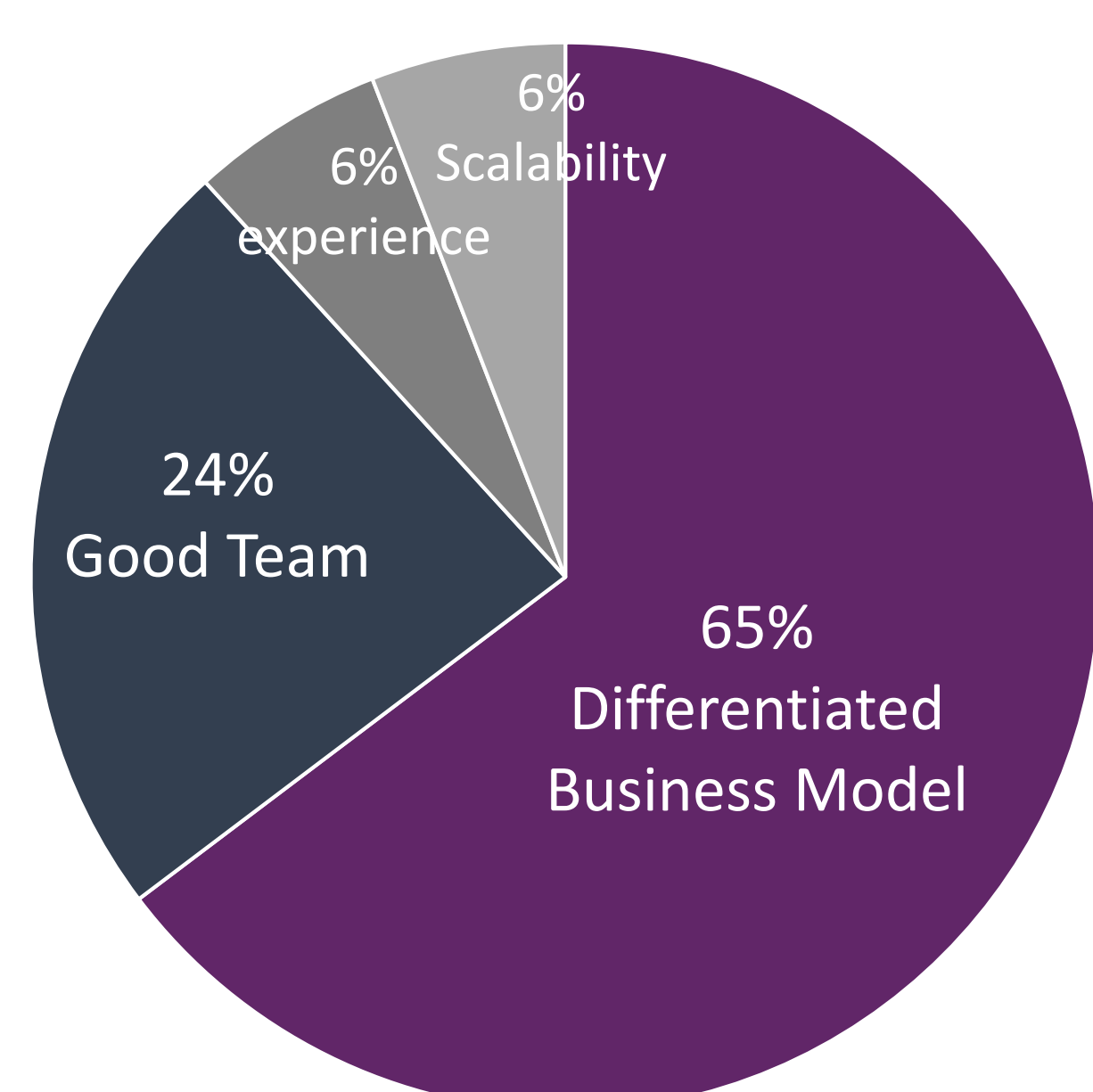
**Access to Investor's network is the main value add which an investor brings to the table for the founders. Followed by industry expertise**



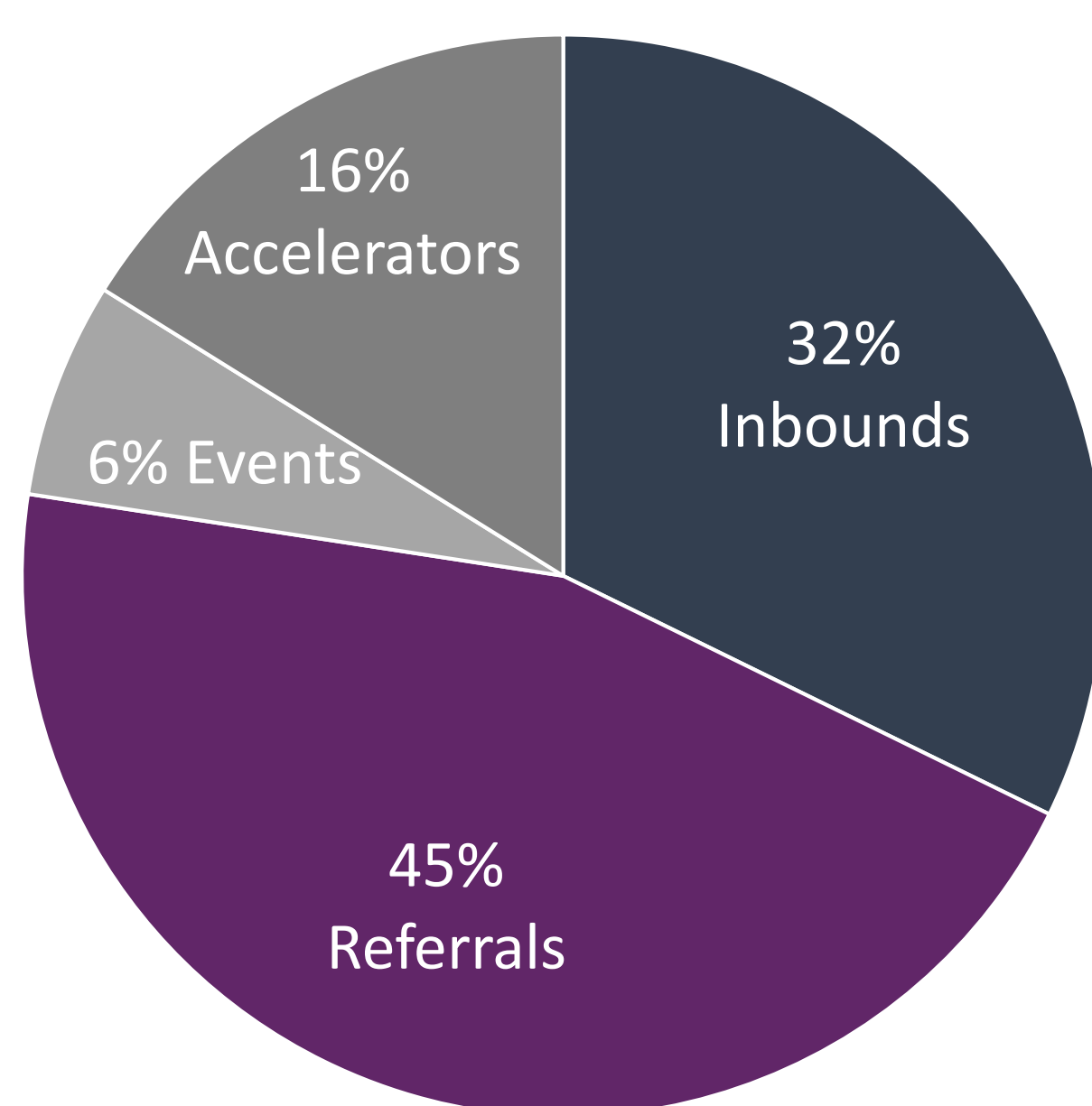
**There was a 5 points decline in start-ups with a female co-founder. It has declined by 8 points in the last 2 years**



**Differentiated Business Model and good team are the biggest challenges in finding a good investable startup opportunity**



**Credible Referral is the best way to get investor attention. Events seem to be the least unlikely place to engage with investors**



**Founder Demographics**

- A two member founding team was most successful in raising funds
- 82% of founders were starting up for the first time
- Founders had on average ~7.5 years of experience prior to starting up
- Vision and background are the most critical qualities that investors look for in founders
- Investors looking to increase pace of investments in Enterprise Tech, Ai and FinTech in 2020

Study Contributors



The 'Early Stage Investment Insights Report-2019' provides analysis and trends on Indian angels and institutional investor activity. The report has been prepared by InnoVen Capital India Private Limited ("InnoVen Capital") with inputs from reputed institutional early stage investors. The following investors participated in this edition of the report - Mumbai Angels, Indian Angel Network, Chennai Angels, Hyderabad Angels, LetsVenture, Axilor Ventures, Blume Ventures, Kae Capital, KStart, Waterbridge Ventures, Artha Ventures, India Quotient, Seedfund, Venture Catalysts, AngelCo, Dream Incubator, Lead Angels and Sauce.vc. The 2018 edition of the Report can be read [here](#). For ease of presentation, figures, percentages and otherwise, may be rounded up to the nearest whole. This presentation material is the property of InnoVen Capital India Private Limited. The material herein is provided for informational purposes only. The information should not be viewed as investment, legal or other advice nor is it to be relied on in making an investment or other decision. InnoVen Capital India is the leading venture debt & structured finance platform in Asia and provides funding to high growth start-ups backed by top venture capital investors. The platform offers multiple debt capital solutions, including venture term debt, acquisition finance, growth loans, and working capital loans. InnoVen Capital is jointly backed by Temasek Holdings and United Overseas Bank. For more information, please visit [www.innovencapital.com](http://www.innovencapital.com) and follow us @InnoVenCap\_IN.