

## Fundamentum Launches Fund 2, raises \$227 Mn

**Bengaluru, August 19, 2022:** Fundamentum Partnership has raised \$227Mn for its second fund which would be invested in early growth stage Indian start-ups. Fundamentum plans to fund enterprises that have attained product-market fit and have developed momentum in their scale-up journey.

Continuing its approach of concentrated bets, Fundamentum plans to lead or co-lead \$25-40 million round, investing in 4-5 start-ups each year.

Fundamentum will focus on tech-driven enterprises in the consumer internet and enterprise software space in India. Fundamentum will back India-based entrepreneurs who are set to move from the start-up phase to the scale up phase.

Fundamentum's first fund was deployed strategically in early growth stage start-ups, including Pharmeasy and Spinny which have attained Unicorn status. Post the fund's initial investment, Fundamentum's portfolio companies have collectively raised over \$1 billion in follow-on rounds.

Speaking at the launch of the second fund, Co-founder and General Partner, Nandan Nilekani said, "Digital acceleration, brought on by the pandemic, has dramatically increased technology spending across the world. India has all the ingredients in place—capital, entrepreneurs, stories of success, and liquidity. In this decade, we will see entrepreneurs making a material impact on the country at scale as the digital intensity of society increases. We are in the early stages of that journey."

He further added "At Fundamentum, we tested the waters with the first fund. We now intend to go deeper into our investment program, focus on Entrepreneurs creating built-to-last companies out of India, and steadfastly support them in their exciting journey."

Sanjeev Aggarwal, Co-founder and General Partner, added "The second fund is significantly oversubscribed. We plan to continue the same strategy as used in Fund I – investing in tech driven enterprises from India. Entrepreneur quality is the single biggest determinant in the success of a company. We like to back missionary

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entrepreneurs who have an unwavering focus on customer experience. A strengthened team and focus on emerging sectors such as Bharat Apps, SaaS and Clean-tech, among others, will enable us to propel growth of our investee firms.”

Speaking on the learnings so far, Ashish Kumar, Co-founder and General Partner, said, “There are two key advantages that Fundamentum brings. First, it is an ‘Entrepreneur Venture’, with an experienced team of former entrepreneurs. We can leverage our own experience to contribute to the early-growth stage companies that we are investing in. Second, this stage is still very under-served in India and needs on-the-ground, homegrown investors for a fleet-footed approach and robust operational diligence. We have a healthy pipeline and are seeing over 200 deals a year with an aim to invest in 4-5 start-ups every year.”

Commenting on the fundraise, Prateek Jain, Principal, said, “The fact that we were able to raise the Fund in a short span of time, despite the tough market, shows that Fundamentum has a good standing with the investing community. About 25% of the money comes from the Fundamentum Team which demonstrates high belief and skin in the game. We are excited about partnering in the journey of startups with the potential to disrupt markets across sectors. We have nurtured home-grown unicorns like Pharmeasy and Spinny, and would continue our search for business models which will attain an equivalent status.”

## **About Fundamentum Partnership**

Launched in 2017, Fundamentum is one of the first home-grown funds to focus on early growth stage companies with a portfolio of market leaders, including two Unicorns, PharmEasy and Spinny. Managed by a team of erstwhile entrepreneurs, Fundamentum was co-founded by Nandan Nilekani and Sanjeev Aggarwal. It has operated on a model of ‘Investment + Advice’. Beyond capital investment, the team of entrepreneurs-turned-investors have mentored companies and assisted them in their scale up journey. Fundamentum’s other investments include Fareye – a logistics SaaS start up, Ayu Health - a network of high quality hospitals and, Probo - a technology infrastructure company for events trading.