

# Silicon Valley firm serves up a \$25-m Kulfi for start-ups

## 500 Startups' fund will invest in fintech, health & wellness, data analytics

### OUR BUREAU

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From Angel Fund to an Accelerator Fund, start-up investments have been given various names. On Wednesday, 500 Startups, a Silicon Valley-based venture fund, added Kulfi to this list by naming its India-focused fund after the popular frozen desert.

Explaining the choice of the name, Pankaj Jain, Part-

ner at 500 Startups, said in a blog that the opportunity in India is looking as sweet as *kulfi*. "The GDP is expected to grow at 7.6 per cent this year, faster than any other large global economy. India has the second largest internet population in the world after China, with more than 300 million users. The number of smartphones in use in India is set to reach over 700

million by 2020. The median age in India is 27.3 years. All this means that India is looking as sweet as *kulfi*!"

500 Startups, founded by Dave McClure, has announced the \$25-million fund for Indian subcontinent, including Sri Lanka and Bangladesh, and christened it '500 Kulfi'.

The fund will focus on early-stage companies mostly in sectors such as FinTech, EdTech, Health & Wellness, Data Analytics, Content and Software-as-a service. 500

Startups has already invested in over 50 companies in India since 2011 including start-ups such as ZipDial, SourceEasy, Instamojo, CultureAlley, SilverPush, KartRocket, and Headout. Last year, the company closed over 20 deals in India.

"However, we don't think that's enough. We're thrilled to announce our plans to do more in India; much, much more," Jain said.

Jain believes that India's start-up ecosystem is all set to grow and he expects more

deals this year even as the global financial markets, including of China, are facing a meltdown. According to a study by 500 Startups, the private equity investment activity in the country had gone up by 67 per cent at \$21 billion since 2014.

### Viability of online biz

While there have been some concerns on the viability of the online business model, Jain said the long-term opportunity in India remains as solid as ever and the cur-

rent market changes are part of a natural cycle. While some good companies may have tough time raising money this year, others will find it easier to get great talent.

"Some consolidation and stepping back from irrational exuberance is a good thing. In an environment like this, the Warren Buffett investor will thrive because they look for value. We hope to continue to find value in many verticals across India," he added.