

Fosun eyes Indian start-ups with \$200-m fund

Chinese firm plans to invest in telecom, fintech sectors

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For Chinese venture capital funds, small is beautiful when it comes to investing in the Indian start-up ecosystem. A string of such funds are looking to gain a foothold herewith low-profile investments calculated to fly beneath the radar.

Kinzon Capital, the venture capital arm of Chinese conglomerate Fosun International, is the latest Chinese fund to eye opportunities in India. It has armed itself with a

\$200 million fund and will invest in at least 10-12 start-ups over the next two years, say sources.

The VC fund is likely to make Series B funding with an average deal size ranging from \$10 million to \$25 million in sectors like telecommunications, mobile Internet and financial technology.

The interest among Chinese funds in India comes in the backdrop of global Internet giant Alibaba's investment in Paytm.

Another Chinese e-commerce behemoth, Tencent Holdings, recently invested \$175 million in Hike, a home-grown rival of WhatsApp. TenCent had invested \$90 million in healthcare start-up

Practo last year. Baidu Inc, which had expressed interest in the Indian market, has set up a \$3 billion global investment fund, Baidu Capital, to invest in mid- and late-stage deals in the Internet sector globally. Experts believe some of that will flow into India. The company set up an office in Gurgaon last year, but has not made any investments yet.

Kinzon has made some key appointments in India: it has hired Tej Kapoor, former country head of London-based investment firm Daily Mail Group, and Ajay Lakhota, former India head of Vertex Venture Management, to drive its VC investments. Kapoor, Lakhota

and Fosun did not respond to mails sent by *BusinessLine*.

Fosun Group, with an annual revenue of \$12 billion and profit of \$1.2 billion according to Bloomberg, has also launched its private equity business in India and has hired Rahul Raisurana, former managing director of Standard Chartered Private Equity's India unit. It is also making its way into the real-estate sector. Sources say the company has hired Apurva Muthalia, CEO of Aditya Birla Real Estate Fund, to head its real-estate investments. Fosun is understood to have made a bid to acquire Hyderabad-based Gland Pharma Ltd for about \$1 billion.