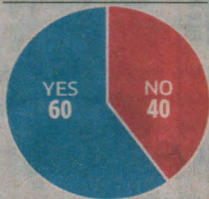


**GUNG HO** A poll of 100 C-Suite occupiers across companies has revealed that as many as 60% CXO-level execs in India invested a portion of their wealth in startups

# Startup Culture isn't Just a Fad, Signals CXO Money

## New-age Cos Here to Stay

**HAVE YOU OR YOUR FAMILY INVESTED IN STARTUPS?**



**DO YOU PLAN TO INVEST IN STARTUPS?**



**WILL YOU RECOMMEND INVESTING IN STARTUPS TO OTHERS?**



**ET POLL**

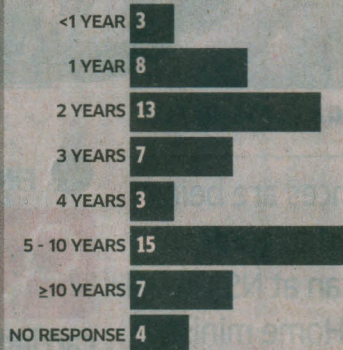
**TEAM ET**

As many as six in 10 CXO-level executives in India have invested a portion of their wealth in startups, an ET poll of 100 randomly selected C-Suite occupiers across companies in a range of industry sectors has revealed. This indicates that startup investing is more than

just a fad and is here to stay for the top honchos of Indian industry. The poll, conducted with a promise of anonymity to the participating C-Suite executives because they were revealing personal investments, showed that 60 out of 100 CXOs had invested sums ranging from a few lakhs to several crores in startups. Among the ones that hadn't, 25

**NBFCs QUEUE UP TO FUND SELLERS**  
▶▶ PAGE 8

**AGE OF INVESTMENTS**



planned to open their wallets to this asset class in the coming months.

As many as 79 CXOs said they would recommend investing in startups to others, although with an important caveat that these investments were risky and investors needed to make them with their eyes fully open.

**Investing in Friends' Ventures ▶▶ 13**

**DEDICATED FUND BEING SET UP**

## Aditya Birla Group to Tap into Disruptive Ideas

The Aditya Birla Group is setting up a fund for investing between \$2 m and \$10 m in disruptive ideas across financial services, healthcare and retail, reports **Pankaj Mishra. ▶▶ 12**

## Snapdeal Raises \$500 m more in a Fresh Round

Alibaba, Foxconn and SoftBank pick up stakes

### Deal Digest

**IN JANUARY, ALIBABA** started talks with Snapdeal to pick up stake  
**IN MAY, FOXCONN** too evinced interest

**A MIX OF VALUATION** mismatches and demand for performance-led metrics delayed closure of deal

**Biswarup.Gooptu@timesgroup.com**

**New Delhi:** Jasper Infotech, which owns and operates online marketplace Snapdeal.com, has raised fresh capital, estimated at about \$500 million, in a new round led by Chinese e-commerce giant Alibaba Group and Taiwanese electronics manufacturer Foxconn, tech news startup Re/Code claimed late on Sunday.

**Fund-raising Spree to Continue ▶▶ 13**

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# Fund-raising Spree to Continue

►► From Page 1

Citing unnamed sources, the Vox Media-owned news outlet also said Snapdeal's largest stakeholder, Japanese internet, media and telecom giant SoftBank, has also participated in the round. The news website did not provide any details relating to valuation or the stakes picked up by the new investors. However, when contacted by ET, a Snapdeal spokesperson denied the developments, and called it "speculation."

Both Alibaba Group and Foxconn, best known as a manufacturer of Apple's iPhones, had been in protracted negotiations with New Delhi-headquartered Snapdeal to invest in the latter, as they looked to grab a stronger foothold in the country's fast-burgeoning consumer economy.

In February this year, ET was the first to report that Jack Ma-led Alibaba Group had started negotiations to invest in the company. In May, ET also reported that Foxconn too had entered discussions to participate in Snapdeal's upcoming round of funding, which could potentially value the company at about \$5 billion.

However, a mix of valuation mismatches and increasingly stringent performance-led metrics being demanded by potential investors, have led to a delayed closure of the transaction.

## FLUSH WITH FUNDS

Snapdeal, along with Bengaluru-based rival Flipkart, have raised nearly \$3 billion among themselves in 2014, while Jeff Bezos-led Amazon has committed to pump in \$2 billion to its Indian operations, the third major ecommerce player in the country.

# CXOs Investing in Friends' Ventures

►► From Page 1

The poll, the first of its kind, covered executives in sectors as diverse as banking, finance & insurance to FMCG & retail and from manufacturing to technology & consulting, and its findings showed that startup investing was broadbased. Executives in venture capital and private equity firms, whose day job is to make these investments on behalf of their firms, were excluded from the poll to avoid skewing its results.

As many as 23 respondents were in the broadly defined retail and consumer sector, while nine were from infrastructure and 11 from finance and insurance.

However, in a sign that a formal financial architecture for such investments is still to evolve in the country like it exists in developed economies, a large number of the executives who have invested in startups said they had put in money in enterprises founded by friends and acquaintances. Some of them did it through angel investing networks of which they are members while a handful said

they had invested through financial intermediaries.

The reasons for investing in these firms ranged from a desire to staying ahead of the curve given the growing reputation of many startups as disruptors of traditional sectors to having an esoteric element in personal wealth management to plain gambling.

India is in the throes of an entrepreneurial boom with hundreds of startups mushrooming across sectors, many of them, especially web-based ones, chased by a flood of risk capital.

Risk capital investments in India during the first half of this year have surpassed the money inflow in all of 2014, setting the stage for another record funding year. Venture capital investors funneled in Rs 15,600 crore, or \$2.46 billion, into Indian startups this year till June 26, compared with Rs 14,850 crore, or \$2.34 billion, in 2014, closing 197 deals during the period, according to data from financial research firm VCCEdge.

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