

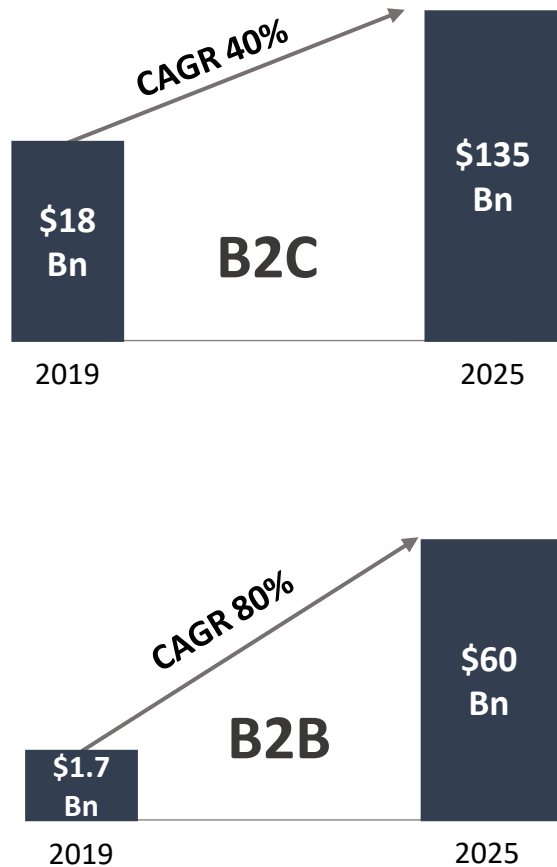
B2B Ecommerce Investment Report

November 2020

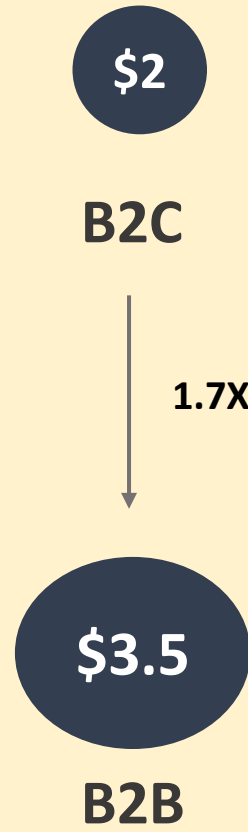


How is B2B Different From B2C?

MARKET SIZE COMPARISON



CAPITAL EFFICIENCY (GMV for every dollar invested)



FACTORS THAT MAKE B2C AND B2B DIFFERENT?

B2C	B2B
Impulsive Purchase	Rational Buying
Pre-paid/ Advanced Payments	Credit Payments
Lesser Transaction Volumes	Higher Transaction Volumes
Single Decision Maker	Multiple Decision Makers
Single Decision Maker	Multiple Decision Makers
Single Price	Quoted/Auctioned/ Bargained Price

Source: RedSeer consulting, News Articles

B2B ECOMMERCE INDIA OVERVIEW

PRE 2016



TOLEXO

B2B e-commerce startups failed to make a dent in the largely-unorganized market. Startups such as Shotang, Just Buy Live folded up while the likes of IndustryBuying and Tolexo shrank operations.

WHAT CHANGED POST 2016



The B2B market is propelled by **app-based solutions** which meet and cater to the demands, Machine Learning algorithms and the use of AI will be predominant in analyzing and identifying the customer behaviors

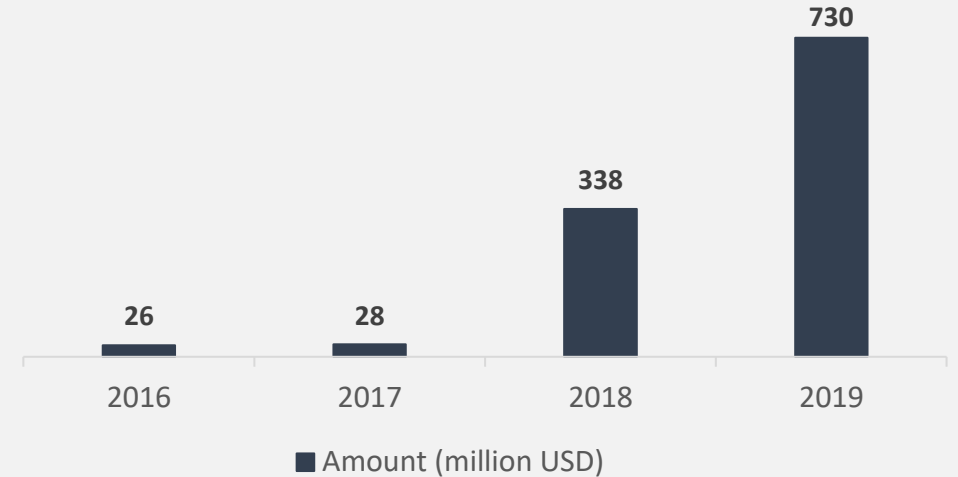


Rise in the level of credit opportunities for SMEs. **Digitization** led to availability of SME company data and facilitated growth in credit facilities

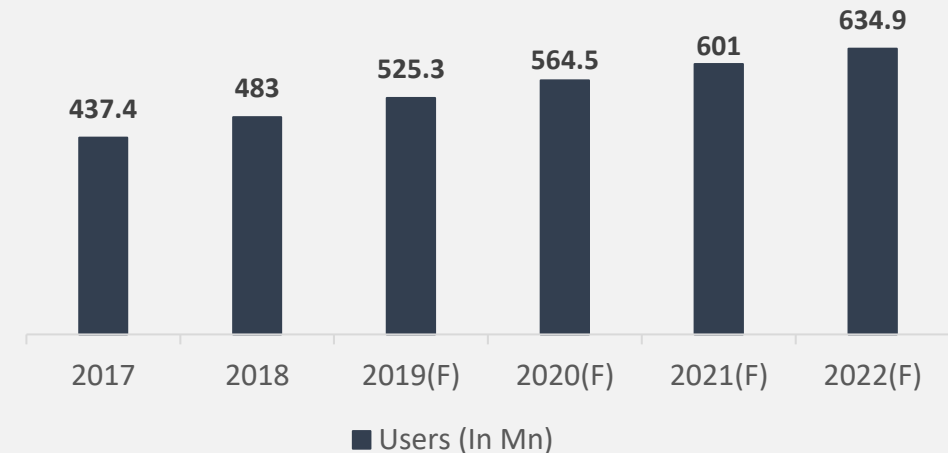


Disruptions in the telecom sector have given a push to the digital India initiative, thereby increasing the internet users

FUNDING VOLUME



INTERNET PENETRATION



SECTORS POISED TOWARDS GROWTH

Consumer Durables



Mobile Accessories



Apparels



Office Supplies



Home furnishings



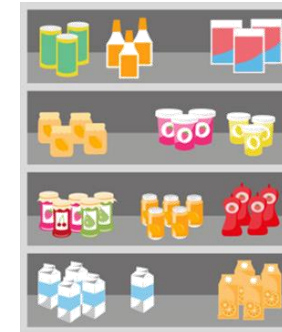
Healthcare



Construction & Industrial Supplies



Food & Grocery



These B2B verticals have the potential to boom in the upcoming years with core industries like construction and industrial supplies witnessing progressive growth.

INVESTMENT LANDSCAPE

MAJOR INVESTMENTS

 **udaan**

Founded: 2016

Funding	Investors
\$899 Mn	10

 **moglix**

Founded: 2015

Funding	Investors
\$102 Mn	16

 **industrybuying**
E-COMMERCE FOR BUSINESS

Founded: 2013

Funding	Investors
\$40 Mn	7



Founded: 2015

Funding	Investors
\$70 Mn	8



ZETWERK

Founded: 2018

Funding	Investors
\$65 Mn	9



Jumbotail

Founded: 2015

Funding	Investors
\$36 Mn	12

 **ninjacart**

Founded: 2015

Funding	Investors
\$194 Mn	19

INFRA.MARKET

Founded: 2016

Funding	Investors
\$34 Mn	4

 **SHOPX**

Founded: 2015

Funding	Investors
\$56 Mn	5

ACTIVE INVESTORS

 **ACCEL**
PARTNERS

Investments : 6



Investments : 3

 **TIGERGLOBAL**

Investments : 3

 **NEXUS**
VENTURE PARTNERS

Investments : 2

SUCCESS STORY



Company Description

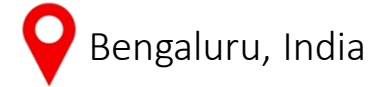
- Udaan is a network centric B2B trade platform, designed specifically for small & medium businesses in India.
- It brings traders, wholesalers, retailers and manufacturers in India on to a single platform.
- With real insights into active trends, and great B2B trade features, Udaan brings to its users the power of technology to scale & nurture their business.

Journey so far

Company was founded and posted revenues of INR 1.7 Cr for FY17		The company was valued at USD 2.8 billion
2016-17	2018	2019
	Became the fastest startup in India to become a unicorn within 26 months	

Source: Crunchbase, Company website, News Articles

Headquarters



Funding



Company Metrics



20,000
Sellers



10 Lakh
Trusted Retailers



15 Lakh +
Products



500+
Brands

Major funding details

Round	Funds Raised (USD mn)	Lead Investor	Date
Series D	585	Altimeter Capital, DST Global	October, 2019
Series C	225	Lightspeed India Partners, DST Global	September, 2018
Series B	50	Lightspeed Venture Partners	February, 2018
Series A	10	Lightspeed Venture Partners	November, 2016

CONCLUDING REMARKS

With leading start-ups and high investor funding, B2B ecommerce has the potential to surpass the B2C ecommerce market

1

India's increasing digitisation has enabled B2B ecommerce to resolve the largely unorganised traditional supply chain capabilities and enhance customer experience

2

The allowance of 100% FDI in online marketplaces has opened a floodgate of investment opportunities

3

Multiple start-ups will continue to function with minor differences in their operating models. Further this formalisation will also be replicated in other sectors

4

Because of COVID-19 the digitization in this space has increased. ShopX saw 2X increase in the signup of retailers on its app

5

ABOUT TRANSJOVAN CAPITAL

TRANSJOVAN CAPITAL is a premier new-age Board Advisory firm, focused on providing advice to clients pertaining to Corporate Strategy, Mergers & Acquisitions (M&A), Joint Ventures (JV), Capital-raising (Equity & Debt) and Organization Development.

With offices in New Delhi and Mumbai, the Firm is a preferred Board-advisor to emerging as well as established corporates. The Firm's team has advised clients spread across SMEs, large Indian Conglomerates, Institutional Investors, Fortune 500 Corporations, Government Authorities and New Ventures.

The Firm has received top industry recognition, some of them being:

'Fastest growing BFSI Companies in India' - 2016

'Most Promising M&A Advisory Companies in India' - 2015

'Most Promising Financial Consulting Companies in India' - 2014

Select Team Credentials:

- ✓ Advised on 100+ assignments for clients in the areas of corporate strategy and finance.
- ✓ Collective deal experience of USD 1+ Bn in the transaction advisory space.
- ✓ Access to 200+ PE/VC/Corporate investors
- ✓ Advised 4 of the top 10 largest Indian conglomerates in the areas of M&A advisory and business strategy.
- ✓ Advised across various geographies in India (i.e., Metros, Tier-II & Tier-III locations, etc.).
- ✓ Advised on India entry strategy and JV advisory to various MNCs.
- ✓ Extensive relationships with major Financial Institutions, Private Equity funds and various Institutional Investors - in India and globally.

For more info about the company, you may refer to: <http://www.transjovancap.com>

For any business inquiries, you may email at: info@transjovancap.com

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