

## Vegrow raises US\$46M in Series C funding round led by GIC

**BENGALURU, 13 December 2023** – Vegrow, India's leading B2B fruits marketplace, announced it has raised US\$46M in primary and secondary funding. The new funding round is led by GIC, Singapore's sovereign wealth fund, with significant participation from existing investor Prosus Ventures, and continued support from Matrix Partners India, Elevation Capital, and Lightspeed. Avendus Capital was the exclusive financial advisor to Vegrow on this transaction. The funds will be utilized to drive Vegrow's reach across India and fortify its global network.

Vegrow has established a strong presence in the fruits segment in India, which is a large, unorganized market that is poised for tech-led disruption due to its fragmented and localized operational structure and is characterized by the involvement of multiple intermediaries facilitating transactions. Vegrow's competitive advantage is the depth of its multi-channel demand stack and its use of technology for demand-supply matchmaking. The company maximizes farmers' income, by accurately grading produce and efficiently matching it with the most suitable demand channel. This creates a virtuous cycle, attracting more farmers through competitive pricing as well as more buyers, who seek consistency in both price and quality.

"Vegrow is the fastest agri-tech company to build a national presence, having done this within three years of its inception. Typically, it takes double the time to achieve this scale of operations," stated Vegrow Co-founder, Praneeth Kumar. The company's strategy marks a significant advancement in the efficiency and reliability of the fruit ecosystem. Over the past year, Vegrow has experienced a remarkable fivefold increase in revenue and achieved operational profitability. "At Vegrow, we distinguish ourselves from conventional operations, by creating an organizational ethos centered on agility and experimentation. Through the extensive utilization of data and technology, we provide valuable insights and optimize supply chain challenges, such as reducing perishable inventory wastage to only one-fourth of industry average, and consistently achieving industry-leading profit margins," added Vegrow Co-founder, Mrudhukar Batchu.

For GIC, Vegrow marks its first agri-tech and B2B investment in India. Vegrow leverages technology to create win-win outcomes for all stakeholders in the agri-value chain. The founders' extensive experience in the sector and demonstrated execution differentiates them, and GIC is looking forward to partnering with Vegrow in their next phase of growth.

Prosus Ventures believes Vegrow operates in an attractive sector and is creating a superior experience on both supply and demand side. The founding team has demonstrated strong execution capabilities and focused approach on profitability. Buoyed by the future growth outlook, Prosus Ventures has increased its ownership in the company. It looks forward to the next phase of growth.

"Vegrow is committed to making a positive impact for both farmers and the planet," said Vegrow Co-founder, Shobhit Jain. "Our ambition is to establish ourselves as the undisputed leader in every fruit category, ensuring transparency and higher income for farmers, while also reducing carbon consumption through supply chain optimization. We are excited to work with GIC, whose long-term vision and reputed global network can contribute to building a company that will last generations. We are also grateful for the continued support from our existing investors. As we focus on long-term institutional development and enhancing value for all stakeholders, we are excited for what the future holds."

As the first backers of Vegrow, Matrix Partners India has witnessed the company's evolution from concept to category leadership in the ~\$50 billion fruit segment. The founding team's expertise,

systematic problem-solving approach and the adept use of technology to minimize inefficiencies and waste, has been noteworthy. Vegrow's strategy has not only allowed them to establish a sustainable economic model, but also led to increased income for every participant in the supply chain. Today, the company continues to thrive, with healthy operating profits. Matrix Partners India has consistently increased its investments in Vegrow in every funding round and is optimistic about the company scaling to greater heights.

Elevation Capital believes Vegrow has been able to drive substantial impact across the fruits and agri ecosystem within 3 years. Not only have they improved the quality of lives and earnings of farmers, but they have also demonstrated that technology, when implemented well, can be used to drive efficiency and scale in such decades-old supply chains. The journey so far has been fulfilling and Elevation Capital is excited to deepen this partnership further in this round.

For Lightspeed, it's been great to partner with Vegrow on its mission to transform the agricultural value chain and B2B fruits marketplace through innovative technology. With a robust national presence and sustainable model, Vegrow has consistently empowered and added value for all stakeholders in the pyramid. Lightspeed is pleased to extend its support once again and deepen the partnership with Vegrow as it shapes the future of B2B agri-tech.

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**About Vegrow:**

Established in 2020 by IIT alumni Praneeth Kumar, Mrudhukar Batchu, Kiran Naik and Shobhit Jain, Vegrow boasts a founding team with extensive agricultural expertise and significant exposure to hyper-growth marketplaces gained from their previous roles at ITC, Urban Company & Chronus. This blend of deep knowledge in the agricultural value chain, strategic product and tech thinking, and a shared passion for achieving a substantial impact on a large scale forms a formidable driving force within the sector. Leveraging a robust data-tech stack, the company prioritizes matchmaking between demand and supply and actively pursues innovation throughout the value chain. The company is supported by multiple investors including GIC, Prosus Ventures, Matrix Ventures India, Elevation Capital, Lightspeed and Ankur Capital.

**About GIC:**

GIC is a leading global investment firm established in 1981 to secure Singapore's financial future. As the manager of Singapore's foreign reserves, GIC takes a long-term, disciplined approach to investing and is uniquely positioned across a wide range of asset classes and active strategies globally. These include equities, fixed income, real estate, private equity, venture capital, and infrastructure. Its long-term approach, multi-asset capabilities, and global connectivity enable it to be an investor of choice. GIC seeks to add meaningful value to its investments. Headquartered in Singapore, GIC has a global talent force of over 2,100 people in 11 key financial cities and has investments in over 40 countries. For more information, please visit [www.gic.com.sg](http://www.gic.com.sg) or follow on [LinkedIn](#).

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**About Prosus:**

Prosus is a global consumer internet group and one of the largest technology investors in the world. Operating and investing globally in markets with long-term growth potential, Prosus builds leading consumer internet companies that empower people and enrich communities. The group is focused on building meaningful businesses in the online classifieds, food delivery, payments and fintech, and education technology sectors. Through the Prosus Ventures team, the group invests in new technology growth opportunities within logistics, fintech, health, blockchain, social and ecommerce platforms, agriculture and more. The team actively backs exceptional entrepreneurs who are using technology to improve people's everyday lives. Each month, more than 2 billion customers across the globe use the products and services of companies that Prosus has invested in, acquired or built. To find out more, please visit [www.prosus.com](http://www.prosus.com).

**About Matrix Partners India:**

Founded in 2006, Matrix India invests in companies targeting the Indian consumer and enterprise market at the seed, early and early growth stages. The firm has invested in several category-leading B2B marketplaces such as OfBusiness (B2B Commerce, fintech), Captain Fresh (B2B seafood marketplace), FarMart (SaaS-enabled B2B agri outputs), LoadShare (tech-enabled B2B logistics network), Bijnis (B2B fashion & footwear), Saveo (B2B for pharmacies), Ximkart (B2B Raw Material imports), ZippMat (construction supply chain platform), Wootz (Engineering exports) and Sourcewiz (SaaS-enabled B2B exports) amongst others.

Other marquee investments include Ola (mobility), Dailyhunt (mobile local language platform), Razorpay (payments), Five Star Business Finance (SME lending), Ola Electric (electric vehicles), Stanza Living (tech-enabled student housing platform), OneCard (mobile-first credit card), Country Delight (D2C dairy & fresh foods brand), Mswipe (mobile POS), GoKwik (e-commerce enablement platform), Zupee (leading skill-based gaming app) and Oxyzo (a tech-enabled smart financing solution provider) among others. Matrix India has advisory offices in Bangalore, Delhi and Mumbai. Further information is available at [www.matrixpartners.in](http://www.matrixpartners.in). To know more about our investment philosophy & ideologies, check out the #MatrixMoments podcast series.

**About Elevation Capital:**

Elevation Capital is a leading venture capital firm that provides seed and early-stage capital for emerging companies in India. Elevation Capital has been investing in India since 2002, deploying almost \$2 billion of capital in over 150 companies. The firm announced its eighth pool of capital of \$670 million in April 2022 and is led by Co-Managing Partners Ravi Adusumalli and Mukul Arora, along with Partners Mridul Arora and Mayank Khanduja. Elevation has invested in over 150 companies across Consumer Internet, SaaS, Fintech, Consumer Brands, Edtech, Healthtech and Web3/Crypto and has offices in Bengaluru and Gurgaon.

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