

A CANDID INTERVIEW WITH NIDHI SARAF

FOUNDER/CEO AT KEY VENTURE



Key Venture helps early and growth stage companies scale up their businesses by raising capital through HNIs, VCs, PE, Family Offices, Institutional and Strategic Investors. They work with startups looking to raise Angel to Series B funding while acting as a bridge between the investors and entrepreneurs and support the economy to reach a new paradigm of success. Read the excerpts from the interview with Small Enterprise Magazine.

Q. Tell us something about yourself.

I started my career with the inception of the start-up ecosystem in 2008 and have worked with some leading angel networks in India - Indian Angel Network (IAN), Intelicap Impact Investment Network (IIN) and Mumbai Angels (MA). The association with The Wild East Group, a portfolio company of Mumbai Angels, later sold to Exceed Entertainment, completed my 360-degree experience in the startup ecosystem. At The Wild East Group, we created a Flagship Brand, HRX, a lifestyle brand for the renowned Bollywood Actor Hrithik Roshan and along with it handled few other brands like Kolkata Knight Riders (KKR), Yash Raj Films and Dr. Seuss.

Apart from running my own venture, I am an active angel investor and a mentor to a few start-ups. I am extremely active in Indian Startup Ecosystem and have spoken at premium institutions of IIT, IIMs and alike.

2. What is The Uniqueness of Key Venture's business model? What makes an entrepreneur and an investor to select Key Venture as a preferred fundraising partner in the industry?

At Key Venture, we understand each startup is different from another and we have a very customized and personalized fundraising process for each startup. It takes a lot of extra efforts from Key Venture's team but it's worth the time and price. Our 10 years of experience in the industry helps us with an extensive DD and filtration of startups at the very first stage. At any given point of time, Key Venture

team would work with maximum 4-5 startups with their complete devotion, focus and attention to close the fundraising process successfully.

We work very closely with each startup for close to a month for the investment collaterals - Investment Deck, Financial Model, Business Strategy, Mock Pitch and preparing for individual investor meetings.

We also realize the importance of time of our investors and startups, hence we handpick the best Investors - HNIs, VC, Family Office and Institution Investors who understand the Industry/-Sector best, shall add value beyond monetary support and ready to be a part of the roller coaster ride in the long-term journey. Finally, imparting the legal agreement knowledge, understanding and negotiation. The Key venture is an end-to-end best solution for The Smart Fund Raise process.

3. You have been evaluating and raising funds for start-ups over a decade now, how different do you think one venture is as compared to another?

I started evaluating startups when the early stage investment industry was in its very nascent stage in India. We all were trying to understand, learn and comprehend the evaluation matrix and scout for the first set of Unicorns in India.

While the startup and early stage ecosystem have really evolved a lot, but we Indians have great potential and risk-taking appetite and I feel all the development is just the tip of an Iceberg.

It is very interesting to hear two startups in the same space explaining their business model and addressing a problem statement. Each startup is different from another and what makes them different is the Core Team with their experience, industry/market knowledge, and understanding and execution skills. Some address the problem with the help of technology, some with their strong execution skills, some with setting up a deep rooted sales and distribution channels.

4. What are the evaluation and filtration criteria at Key Venture?

We, at Key Venture, believe in working closely with the startups for their fundraising process. At any given point of time, we shall be engaged only with 4-5 startups, which make us do our Due Diligence at a very initial stage of the filtration. A couple of points - if we know the startups from long or referred by a known trusted source are good, strong team background with relevant industry experience, we are sector agnostic, ticket size of \$2M - \$10M and largely focused on Startups having their operations in India.

5. Do you think the fiscal policies of Government will help start-ups and other small businesses to grow in this competitive market?

The business ecosystem has always been competitive. A business has to play the cards they have been dealt with wisely. Policies like Start-up India, Stand Up India, Make in India are great initiatives, yet the onus lies in execution like always. Things like Roads, Ports, Mobile Penetration,



Internet connectivity, Banking outreach and Income levels of the common man are as important as these policies. One should be optimistic in outlook, yet cautious in approach. Keep your business and the business will keep you. The policies provide the same advantage to each start-up, execution is still the key.

6. Do you see a need for more VC and Angel Investors in India and how it can help and incubate start-ups in India?

There's definitely more start-ups coming up every day and certainly the width and depth of VC and Angel investors have increased compared to our startup stage. There are accelerators, incubators, co-working spaces, mentors, and advisories that are ready to help you at every stage. There are success stories for inspiration, new business canvas to paint and best practices to emulate. You can talk to people who have done the funding in the past and seek guidance. There are previous valuations so people do not have unrealistic expectations. More VC and Angel investors will certainly help but there is no replacement for doing your homework.

7. What message would you give to the small businesses to grow and succeed in the competitive market?

First, our task is to do best what

lies in our hands not what lies in the distant future. Sachin has to focus on the ball to hit a century, not at the scoreboard. Everyday achieve the targets and follow deadline religiously. There is no better way to get funded than to have a promising start-up. So daily grind in the way to keep going.

Second, there is no substitute for homework. When you go to the investor, you better know what you are talking about. Before going to batting, know your pitch. Similarly, know your pitch before you go for raising the funds. Going on playing the field without coaching and net practice leads to disappointing results.

8. What are the goals for Key Venture in FY 18-19?

We would like to work with a few more exciting startups across sectors in the range of \$2M - \$10M and successfully close the fundraising transactions.

9. What is the main Checklist which start-ups should consider before approaching any investors for funding?

Funding has been considered as a success mantra and benchmark in the industry, but as an entrepreneur, one needs to do their homework well before pitching to any investor. They should have a strong business model, core team, revenue streams, sales and

marketing strategy. They should be well versed with market and industry, near, far and very far away from competition and a clear roadmap beforehand.

Today we have specialist investors for various stages of funding in a startups' lifecycle, friends and family, SEED investor, Angel Investors, Early stage VCs, Growth stage VCs, Family office and Institutions. Most of them also have preferred sectors, stage and ticket size. There are various reports and platform with the required information. It is always recommended for each startup to consider these elements and accordingly approach the respective investors for funding.

10. What is your message for all women entrepreneur, women investors and women in their corporate life?

Time is changing; we have great women role models. Not just in Metros, but also in Tier 1,2,3 cities; just not in Urban but also in rural, semi-urban geography. There is lots of awareness drive by Government and various NGOs which has given working women a platform to recognize and nurture their corporate talents. It is the best time for all the women to come out of the cocoon, spread their wings and fly high, the sky is the limit for us.