
Avendus Capital advises ElasticRun on its USD 40 million fundraise led by Prosus Ventures (Naspers Ventures)

Mumbai, October 30, 2019

ElasticRun, a virtual logistics network that is revolutionizing consumer products delivery across India, announced today the closing of USD 40 million fundraise led by Prosus Ventures (formerly Naspers Ventures), with participation from existing investors Avataar Ventures and Kalaari Capital. This investment positions ElasticRun to expand its network coverage to new geographies and expand in additional categories.

Avendus Capital was the exclusive financial advisor to ElasticRun on this transaction.

Headquartered in Pune, ElasticRun's services are already available in over 200 Indian cities and are built on its network of small convenience stores. ElasticRun enables small store owners to leverage quiet times of the day to gain increased revenue by handling local last mile deliveries. At the same time, ElasticRun is working with marquee consumer goods companies to offer a plug-n-play distribution network to extend their existing distribution network to the stores in its network. ElasticRun provides deeper visibility to its customers into consumption data across Indian market. It looks to extend this network to a million stores in the near future.

ElasticRun also plans to use the new funds to further build on its technology platform, expand into additional categories, and upgrade its analytics and machine learning platforms to handle national scale.

"The last mile problem is still a major issue both for logistics and consumer good companies in India. By working with the network of small stores across the country, we solve that problem while helping the store owners grow their businesses at the same time. In addition, offering a flexible logistics extension to consumer goods companies to directly reach these small retails shops is a huge advantage over traditional distribution networks," said **Sandeep Deshmukh, ElasticRun Co-Founder and CEO.**

Pankaj Naik, Executive Director and Co-head of Digital and Technology, Investment Banking at Avendus Capital said, "ElasticRun's rapid growth and success proves that technology has the potential to unlock market efficiencies in one of most crucial sectors, i.e. last mile 'kirana' network in the economy. ElasticRun, with its unique business model and innovation driven approach, helps corporates across multiple sectors to expand their reach, enrich their understanding of end consumer and bring in supply chain efficiencies. ElasticRun uses its technology to leverage the network of thousands of last mile 'kirana' shops that distributors have not been able to reach. We believe the company is strategically placed to redefine the FMCG distribution and Logistics market"

NEWS RELEASE

Release Date: October 30, 2019

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The Avendus Group (Avendus) is a leading provider of financial services with an emphasis on customized solutions in the areas of Investment Banking, Wealth Management, Structured Credit Solutions and Alternative Assets Management. Avendus relies on its extensive experience, in-depth domain understanding and knowledge of the regulatory environment, to offer customized solutions that enable clients to meet their strategic aspirations. Avendus Capital has consistently been ranked among the top investment banks. It has a strong track record of cross-border transactions and has helped multiple clients benefit from opportunities across geographies. Avendus' wide range of clients is testimony to its ability to serve its corporate clients throughout their life cycle – from growth stage funding to complex, large sized transactions later in the cycle.

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