

Govt. Venture Capital Firms for Startups

Venture Capital Funds in India in India, venture capital funds (VCFs) can be categorized into the following groups:-

Promoted by the Central Government controlled development finance institutions, for example:

SIDBI Venture Capital Limited (SVCL)

IFCI Venture Capital Funds Limited (IVCF)

Promoted by State Government controlled development finance institutions, for example:

Gujarat Venture Finance Limited (GVFL)

Kerala Venture Capital Fund Pvt Ltd.

Punjab Infotech Venture Fund

Hyderabad Information Technology Venture Enterprises Limited (HITVEL)

Promoted by public banks, for example:

Canbank Venture Capital Fund

SBI Capital Markets Limited

Promoted by private sector companies, for example:

IL&FS Trust Company Limited

Infinity Venture India Fund

Overseas venture capital fund, for example:

Walden International Investment Group

SEAF India Investment & Growth Fund

BTS India Private Equity Fund Limited

Benefits of VC over other Funding Methods: Venture capital has a number of advantages over other forms of finance:

It injects long term equity finance which provides a solid capital base for future growth.

The venture capitalist is a business partner, sharing both the risks and rewards. Venture capitalists are rewarded by business success and the capital gain.

The venture capitalist is able to provide practical advice and assistance to the company based on past experience with other companies which were in similar situations.

The venture capitalist also has a network of contacts in many areas that can add value to the company, such as in recruiting key personnel, providing contacts in international markets, introductions to strategic partners, and if needed co-investments with other venture capital firms when additional rounds of financing are required.

