Nandan Nilekani's VC firm Fundamentum to focus on scale-up market

VC firm led by Infosys co-founder Nandan Nilekani pivots to two-pronged approach targeting scale-up investments and AI startups as Fund II outperforms peers

Nandan Nilekani, Fundamentum

Peerzada Abrar | Bengaluru
3 min read Last Updated : Sep 10 2025 | 11:16 PM IST

Connect with us

Listen to This Article

0:00 / 3:14

1x

Fundamentum Partnership, the venture capital firm co-founded by Nandan Nilekani, said its flagship growth fund has been generating 35 per cent internal rate of return, performance that has prompted the firm to launch a dual-track investment strategy targeting the country's underserved scale-up market and emerging artificial intelligence sector.

The firm claimed that its Fund II, launched in 2022, has been outperforming most growth-stage funds in India as the country's startup ecosystem matures. The performance has prompted Fundamentum to split its investment approach between dedicated teams for Series B rounds and deep-technology ventures.

"We are ready to take the next step with a two-pronged strategy under the Fundamentum brand," said Nilekani, co-founder and general partner, Fundamentum.

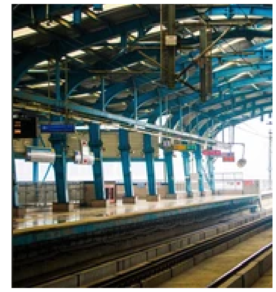
"The Indian ecosystem is at an inflection point, we are witnessing both the rapid scaling of growth-stage companies and the emergence of globally competitive AI and DeepTech ventures," he said.

Fundamentum will continue to make new investments from Fund II while actively supporting the existing portfolio as companies advance to their next stage of growth. Fundamentum is expanding its investment

Also Read

Suhora, Satellogic partner for exclusive Earth observation in India, Nepal

In a first, Bharti Airtel ties up with Perplexity to offer AI to users
premium



Making PPPs work for m acquisition is non-negot

platform with a two-pronged strategy under its brand, deploying dedicated expertise across these opportunity sets.

The "scale-up sector-agnostic investing" strategy would be led by Sanjeev Aggarwal, co-founder and general partner. The Indian VC landscape is crowded at the early stages and dominated by global growth funds at the late stages.

ALSO READ: **PM Modi speaks to Italian counterpart; discusses EU-India trade pact**

However, the scale-up 'Series B' space is still relatively underserved by specialised investors.

The 'AI and DeepTech' strategy would be led by Ashish Kumar, co-founder and general partner. The practice will focus on spotting opportunities at the right inflection points, irrespective of the stage. It will support entrepreneurs through patient capital and a proprietary tech & data platform.

"Each of these frontiers demands dedicated expertise, conviction, and long-term commitment," said Nilekani.

"Both (Sanjeev and Ashish) bring a distinct edge that positions Fundamentum strongly for the road ahead and reflect our commitment to back outstanding founders. As we steer into this next phase, the team at Fundamentum continues to stay deeply focused on realising returns from the investments made by the fund," he said.

Fund II has to date made nine investments in tech-led firms across consumer internet, Bharat, fintech, B2B commerce, enterprise tech, and emerging sectors in India. The portfolio is recording 80 per cent revenue growth over the last one year.

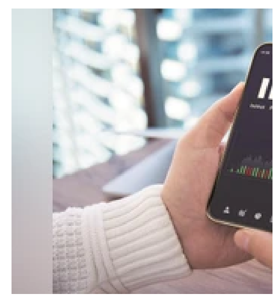
“Fund II’s performance validates the potential of growth-stage opportunities in India,” said Sanjeev Aggarwal.

“Tech startups today are achieving scale much faster than their predecessors, driven by rapid consumer adoption and the strength of India’s digital rails,” he said.

More From This Section

Shringar House IPO subscribed 2 times on Day 1 with strong demand

Tata Capital concludes IPO roadshows, positions itself as NBFC green leader



TechD Cybersecurity sets 193/share for ₹39 crore I

Topics : Company News | Public-private partnerships

First Published: Sep 10 2025 | 7:13 PM IST

Read Comments (0) Add Comment

Recommended for you

Explore News

Stock Market LIVE Updates | Stocks to Watch Today | India vs Korea Women's Hockey Asia Cup LIVE | Nepal Protest LIVE | Who is Larry Ellison | Nepal Updates | Apple Iphone 17 Series | GST Reforms | Upcoming AGM/EGM | Upcoming IPO 2025

Business Standard
Insight Out

HOT STOCKS

Suzlon Energy Share Price | Adani Enterprises Share Price | Adani Power Share Price | IRFC Share Price | Tata Motors share price | BHEL shares Price Today | Auto Stocks Price | Prime Focus stock | MosChip Technologies Share | Vedanta shares Price | Samvardhana Motherson shares |

TOP SECTIONS

Latest News | Company News | Market News | Commodity News | Immigration News | Cricket News | Personal Finance | Technology News | World News | Industry News | Education News | Opinion | Health News | Economy News | India News | Politics News | Lifestyle News |

Today's Paper | About Us | T&C | Privacy Policy | Cookie Policy | Disclaimer | Investor Communication | GST registration number List | Compliance | Contact Us | Advertise with Us | Sitemap | Subscribe | Careers | BS Apps |

KEY EVENTS

Stock Companies List | IPO News | EMI Calculator Tool | Subscribe to Newsletters | Free Sudoku Puzzle | Free Crossword Puzzle | Income Tax Calculator 2025-26 | Bihar Election 2025 | Stock Market LIVE | Nepal Protests Live Updates | Aisa Cup 2025 |