



**LEXTECH**

Centre for Entrepreneurship,  
Innovation and Law



सत्ये सिध्यते धर्मः ॥

ISSUE - 2

OCTOBER, 2021

# MONTHLY HIGHLIGHTS

## *In this Issue*

**US-based Stripe Acquires Indian Fintech Start-up Recko**

**Indian Start-ups raise \$10 billion in one quarter for the first time**

**Facebook fined a sum of \$70 million on its Giphy acquisition**

**Udaan files complaint before CCI against Parle**

**Varda Space Industries collaborates SpaceX**

**Acquisition of Mr. Milkman startup by US-based dairy-tech company dairy.com**

**Licious becomes India's first D2C Unicorn**

**Gaming giant Nazara raises INR 315 crores**

**Udaan files complaint before CCI against Parle**

---\*-----\*-----\*---



## **US-based Stripe Acquires Indian Fintech Start-up Recko**

Stripe, a \$95 billion-dollar Irish American financial services company has recently acquired Bengaluru-based start-up "Recko" to expand its presence in the Indian market. Stripe entered the Indian market in 2017 but did not get the traction it hoped for. Stripe majorly offers services that include streamlining revenue management and payment processing software.

This acquisition is a first for Stripe in India. Through Recko, they want to automate payment reconciliation, a type of accounting process that compares two or more sets of records to confirm accuracy.



## Varda Space Industries to send its first space factory to orbit on a SpaceX Falcon 9 Rocket

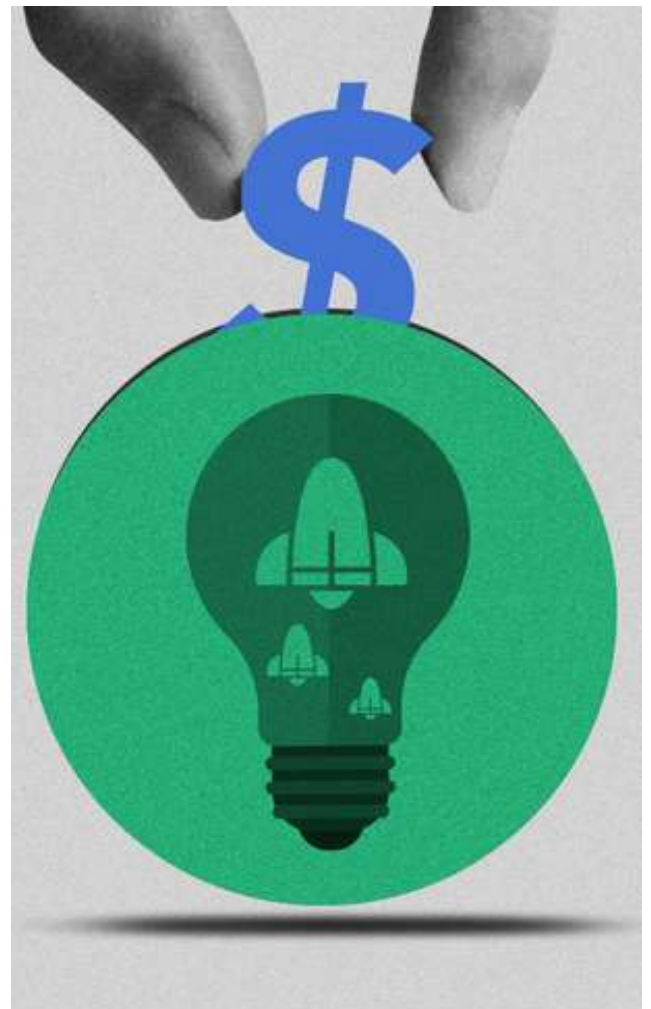
Space manufacturing start-up Varda will launch its first spacecraft on a SpaceX Falcon 9 Rocket by 2023. This spacecraft will spend almost 3 months in orbit in testing. After this, a re-entry module will bring back the materials produced during the orbit.

Elon Musk's SpaceX was chosen because it worked out to be the most economical option, and the founders of the start-up were fairly comfortable with SpaceX's management given that the CEO and co-founder of Varda Will Bruey is an ex-employee of SpaceX himself.

## Indian Start-ups raise \$10 billion in one quarter for the first time

Despite the pandemic, India's internet economy has remained bullish, and Indian start-ups have raised over \$10.9 billion across 347 deals in a three-month time period. The Fintech sector was able to raise a whopping \$4.6 billion, which was a four-fold increase in the first 9 months of 2021, as compared to the previous year.

The Edtech sector has attracted an enormous user-base, thanks to online learning and the ease of internet access. Many start-ups achieved the "Unicorn" status this year like UpGrad, Vedantu, etc. Foodtech has seen significant expansion because of the pandemic and the safety features that the food-delivery apps have inculcated have made it more attractive for consumers to order food online.





## Facebook fined a sum of \$70 million for withholding information about the Giphy acquisition

The Competition and Markets Authority (CMA), UK's competition regulator has recently fined Facebook with \$70 million. The CMA said that Facebook deliberately withheld information relating to its acquisition of Giphy.

In August 2021, CMA launched an antitrust probe against Facebook and issued an initial enforcement order (IEO). This IEO prohibited integration between the two companies, and ordered them to operate as though no acquisition had been made at all. But Facebook failed to provide the requisite information regarding this IEO, resulting in the fine.

## Licious becomes India's first D2C Unicorn

Fresh meat and seafood brand Licious announced that with fresh funding it has become India's first Direct-to- Consumer (D2C) unicorn and is the 70th Indian start-up to cross a \$1 billion valuation. Although the fresh meat and seafood sector has a lot of potential, it remains fairly untapped and unorganised in India.

The main aim of the six-year old Bengaluru-based start-up is to make products sustainable that are curated for the Indian palate. Licious already handles the back-end supply chain. It has also made its way into the ready-to-eat segment by taking control of procurement, processing, and storage till the time it reaches the customers.



## Acquisition of Mr. Milkman startup by US-based dairy-tech company dairy.com



Diary.com has made its first investment in India by acquiring the Gurugram based start-up, Mr. Milkman with the aim of combining the technologies of the two ventures to ensure dairy supply solutions digitally in India and abroad, while maximising profits.

According to the CEO, the team is committed to developing an innovative solution to feed a growing world and the acquisition of Mr. Milkman is a natural addition to meet the goal.

## Gaming giant Nazara raises INR 315 crore for growth initiatives, acquisitions

Gaming and sports media platform Nazara Technologies announced that it has raised Rs. 315 crores from marquee investors. Manish Agarwal, CEO of Nazara Technologies said that the company plans to utilize the funds in growth initiatives and to pursue strategic acquisitions. It also intends to issue equity shares that will be locked in for one year from the date of issue.

"Friends of Nazara" is a network comprised of gaming companies in which Nazara holds a majority stake. It has offerings across interactive gaming, esports, and gamified early learning ecosystems. The company was established in 1999 in Mumbai and today it is the only listed gaming company in the country.



## Udaan files complaint before CCI against Parle



Udaan, a B2B e-commerce start-up has recently filed a complaint against India's largest biscuit maker Parle before the Competition Commission of India (CCI). Udaan and Parle have filed cases against each other under section 4(2)(c) of the Competition Act, 2002.

This section says that an enterprise should not abuse its dominant position in the market by indulging in practices that have the effect of denying access to the market to any other enterprise. Udaan alleges that Parle has a selective agreement with its distributors such that it cannot directly buy from Parle.

### *Contributors*

Shashvat Prakash  
Rishab Rajiv Raj  
Nikhil S. Javali  
Shiv Sankar  
Navya Bassi  
Nimish Ranjan  
Sholka Mathur

### *Contact Us*



[Website](#)



[Email](#)



[LinkedIn](#)



[Instagram](#)



**LEXTECH**

**CENTRE FOR ENTREPRENEURSHIP, INNOVATION AND LAW**