

# PhonePe raises growth funds at a \$12 billion valuation, led by General Atlantic

- *Funding is expected to enable next wave of growth for Unified Payments Interface (UPI) and build digital financial services for Indians at scale*
- *Announcement follows PhonePe's recent separation from Flipkart and change of domicile to India*

**Bengaluru, India and New York, NY - January 19, 2023** - PhonePe, one of India's largest fintech platforms, today announced it has raised \$350 million in funding from General Atlantic, a leading global growth equity firm, at a pre-money valuation of \$12 billion. Marquee Global and Indian investors are also participating in the round. The investment marks the first tranche of an up to \$1 billion total fundraise that commenced in January 2023. The fundraise follows PhonePe's recently announced change of domicile to India and full separation from Flipkart.

PhonePe plans to deploy the new funds to make significant investments in infrastructure, including the development of data centers and help build financial services offerings at scale in the country. The company also plans to invest in new businesses, including Insurance, Wealth Management, and Lending. The fundraise is expected to support PhonePe as it seeks to turbo-charge the next wave of growth for UPI payments in India, including UPI lite and Credit on UPI to enable greater financial inclusion for Indians.

Founded in December 2015, PhonePe has become a home-grown success story, with the company's significant expansion powered by India's emerging digital ecosystem. By building products and offerings tailored for the Indian market, PhonePe today has over 400 million registered users, meaning that more than one in four Indians are on PhonePe. The company has also successfully digitized over 35 million offline merchants spread across Tier 2, 3, and 4 cities and beyond, covering 99% of pin codes in the country.

"I would like to thank General Atlantic and all our existing and new investors for the trust they have placed in us. PhonePe is proud to help lead India's country-wide digitization efforts and believes that this powerful public-private collaboration has made the Indian digital ecosystem a global exemplar. We are an Indian company, built by Indians, and our latest fundraise will help us further accelerate the Government of India's vision of digital financial inclusion for all," said Sameer Nigam, Founder and CEO at PhonePe. "We look forward to delivering the next phase of our growth by investing in new business verticals like Insurance, Wealth Management and Lending, while also facilitating the next wave of growth for UPI payments in India."

"Sameer, Rahul and the PhonePe management team have pursued a clear mission to drive payments digitalization and significantly broaden access to financial tools for the people of India. They remain focused on driving adoption of inclusive products developed on the open API based 'India stack.' This vision is aligned with General Atlantic's longstanding commitment to backing high-growth businesses focused on inclusion and empowerment," said Shantanu Rastogi, Managing Director and Head of India at General Atlantic. "We are excited to partner with the PhonePe team to help enable the next generation of digital innovation in India."

PhonePe also recently announced a full separation from the Flipkart Group. After a partial separation from Flipkart in December 2020, a number of Flipkart shareholders, led by Walmart, acquired shares in the recent separation. This move will allow both companies to chart their own growth paths, build their businesses independently, and help unlock and maximize enterprise value for shareholders of the two companies.

## About PhonePe

PhonePe was founded in December 2015, and has emerged as India's largest payments app, enabling digital inclusion for consumers and merchants alike. With 43.5 crore (435+ Million) registered users, one in four Indians are now on PhonePe. The company has also successfully digitized ~3.5 crore (~35 Million) offline merchants spread across Tier 2,3,4 and beyond, covering 99% pin codes in the country. PhonePe is also the leader in Bharat Bill Pay System (BBPS), processing over 45% of the transactions on the BBPS platform. PhonePe forayed into financial services in 2017, providing users with safe and convenient investing options on its platform. Since then,

the company has introduced several Mutual Funds and Insurance products that offer every Indian an equal opportunity to unlock the flow of money and access to services. PhonePe was recently recognized as the Most Trusted Brand for Digital Payments as per the Brand Trust Report 2022 by Trust Research Advisory (TRA).

### **About General Atlantic**

General Atlantic is a leading global growth equity firm with more than four decades of experience providing capital and strategic support for over 445 growth companies throughout its history. Established in 1980 to partner with visionary entrepreneurs and deliver lasting impact, the firm combines a collaborative global approach, sector specific expertise, a long-term investment horizon and a deep understanding of growth drivers to partner with great entrepreneurs and management teams to scale innovative businesses around the world. General Atlantic currently has over \$73 billion in assets under management inclusive of all products as of September 30, 2022, and more than 215 investment professionals based in New York, Amsterdam, Beijing, Hong Kong, Jakarta, London, Mexico City, Miami, Mumbai, Munich, Palo Alto, São Paulo, Shanghai, Singapore, Stamford and Tel Aviv. For more information on General Atlantic, please visit the website: [www.generalatlantic.com](http://www.generalatlantic.com).

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