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Headline: Tea e-tailer Teabox raising up to \$7M in Series A; Accel buys out Horizen's stake

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BY SAINUL K ABUDHEEN

In March, Teabox raised \$1 million in seed funding from Accel Partners and Horizen Ventures.

Bangalore- and Singapore-based AsianTeaexpress Pte Ltd, which runs the speciality tea e-tailer Teabox.com, is in advanced talks with four international funds to raise \$5-7 million in its Series A round of funding, its founder Kaushal Dugar told VCCircle.

“We are in advanced talks with four funds, of which two are from East Asia and one each from the US that also include a leading hedge fund with investment across China and US markets,” said Dugar. “We will use the capital to expand operations in the existing markets and enter new markets, in addition to hiring talent and acquiring customers. We expect to close the round next week,” he added.

In March this year, Teabox had raised \$1 million in seed funding from Accel Partners and Singapore-based early-stage VC fund Horizen Ventures. Dugar informed that Accel bought out the shares from Horizen a few months after the investment, and has shown interests in participating in the fresh round.

The startup was founded in 2012 by Dugar, who holds a bachelor’s degree from the Singapore Management University. Prior to founding Teabox, he worked at KPMG Singapore as a senior associate & corporate finance analyst. He had previously worked with various government agencies, private corporations across Southeast Asia and the Middle East on long-term corporate strategy development and corporate finance projects.

Teabox provides fresh Indian tea chosen by team experts online and ships them to customers all over the world. With its fulfilment centre in Darjeeling, Teabox sources premium tea directly from the plantations. The company says it has a selection of over 100 varieties of tea, chosen from over 75 plantations in Darjeeling, Assam & Nilgiri.

Teabox claims it ensures freshness of the products by vacuum packing the tea within 24-48 hours of production and shipping within the next 24 hours. The buyers receive the packs within three-five business days. The firm says it has already delivered 13 million cups of tea to people in over 75 countries, including regions such as Federated States of Micronesia, Chile, Argentina, Fiji, Ural Mountains (Siberia), and Iraq.

“The Indian e-com space is dominated by the likes of Flipkart, Amazon and Snapdeal. Catering to the local populace, whether it is their big billions in products or revenue, these companies keep the news and social media buzzing. But this kind of achievement clearly shows that the niche brand e-com plays are making their presence felt,” he noted.

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“In terms of revenues, the US overtook Russia to be the key market, followed by Korea, Japan, the UK and India,” Dugar said.

Dugar claims that the number of orders it gets on its platform grew over 7x since December last year, and it currently sees around 100 orders per day. The firm recently appointed Starbucks' senior R&D product developer Shruti Tripuraneni as its manager for product development.

(Edited by Joby Puthuparampil Johnson)