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Basis Vectors Raises \$50 Million to Back Low-Growth Tech Companies

By Laura Cooper

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A newly formed technology-focused firm targeting lower growth companies may see more opportunities in the wake of the coronavirus pandemic.

Basis Vectors Inc. has collected \$50 million to invest exclusively in software-as-a-service companies that aren't growing fast or, in some cases, that aren't growing at all.



Photo: Basis Vectors

The new firm was founded by Chief Executive Ambarish Gupta, co-founder of Sequoia Capital-backed cloud telephony company Knowlarity Communications Pvt.

Ltd. in Asia, and Upmanyu Misra, a co-founder and CEO of technology fund Cianna Capital in Dubai. Basis Vectors has an international presence including offices in New York and California's Silicon Valley.

The new vehicle is funded by Cianna Capital and the family offices of Tracxn Technologies Pvt. Ltd. founder Abhishek Goyal and Netcore Solutions Inc. founder Rajesh Jain. The firm invests from an open-ended revolving capital fund.

Basis Vectors aims to acquire companies in the U.S. and Canada with annual revenue of \$1 million to \$10 million, according to the firm's website.

Mr. Gupta said the firm aims to invest in 12 to 15 software companies over a period of two to three years. He noted the firm focuses on undervalued companies and always acquires a majority share of the businesses.

Basis Vectors has already invested in two companies: search software provider Relecura Inc. and Photon Technologies Inc., a specialty grocery delivery service that does business as Avocado.

Even though the firm's genesis predates the pandemic, Mr. Misra said there could be more opportunities for Basis Vectors in the near future, largely from recent economic disruptions.

"Although it wasn't done by design, it is the fact that most of the companies that fall into our target group won't survive the crisis if they don't get assistance like we are providing," Mr. Misra said. "Basis's model is actually a shot in the arm for such companies...The opportunities were there even without Covid, but more so with Covid."

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