After-sales service provider Onsitego secures $19m from Zodius, Accel

India-based after-sales service provider Onsitego has raised US$19 million in a series B round led by the American-backed Zodius Growth Fund.

Accel Partners, an existing investor in Onsitego, also participated in the funding round.

Founded in 2015, Mumbai-based Onsitego provides extended warranties, annual maintenance contracts, and insurance protection plans for electronic devices and appliances through retailers, mobile shops, and e-commerce companies. It claims to have served over 2 million customers across India.

According to the company, the current after-sales ecosystem is fragmented and has high friction due to multiple touchpoints and processes, resulting in scalability, quality, and transparency. Onsitego aims to bridge these different parts of the market through its standardized offerings.

It plans to use the next funds to scalebook in smaller provinces and expand into small maintenance contracts, home protection, and mobile services. Saurabh Malhotra, founder and CEO of Onsitego, said that the startup also aims to scale its capabilities in home appliances and expanding distribution in parallel.

"We have been growing exponentially at a high rate and will continue to maintain growth momentum with the launch of new products, partnerships, and business lines," Malhotra said.

Last year, Onsitego sold the Economist India for a sizable sum of over US$10 million in its first year's revenue. The company also said it is looking to buy out a major retailer with an initial public offering within the next five to seven years.

A few weeks ago, the company said it expects to grow its revenue eightfold to over 20 billion rupees (around US$200 million) in the next five years. "This year, we are looking at 1.5 billion rupees (US$124 million). We hope to get around 2 billion rupees (US$160 million) in the first year, and over 2.5 billion rupees in the subsequent year," Malhotra said in the report.

Currency converted from rupees to US dollars: 1 US$ = 72.4 rupees.