

SBI to set up special branch for start-ups in Bengaluru

More soon in other new venture hubs

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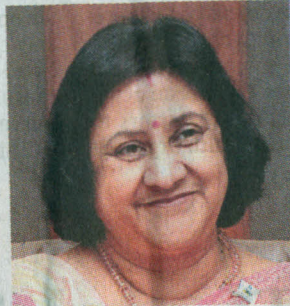
The nascent yet burgeoning start-up ecosystem has caught the attention of SBI. The country's largest bank will soon set up a first-of-its-kind branch to cater exclusively to the growing banking needs of start-ups.

The bank has zeroed in on Bengaluru, the so-called Silicon Valley of India, for setting

up its dedicated branch for emerging businesses. The city is home to hundreds of start-ups, including ZopNow, Urban Ladder, Furlenco, and Instakash. It is also the headquarters of one-time start-up and now ecommerce giant Flipkart.

Currently, SBI has specialised branches for large corporates, mid-corporates, and small and medium enterprises.

SBI Chairman Arundhati Bhattacharya said the branch will be piloted in Bengaluru



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and the bank will subsequently scale it up to other start-up

hubs. According to a Nasscom-Zinnov report, by the end of 2015, the total funding by angel/venture capital/private equity investors in India-based start-ups was estimated to be nearly \$5 billion, a jump of around 125 per cent over 2014.

"The new branch will be set up to give banking and other services to start-ups. This branch will give start-ups the necessary infrastructure and facilities for meeting their banking needs," Bhattacharya, who has been at the

helm of SBI for about 26 months, told *BusinessLine*.

Advisory service too

The SBI chief added that at the start-up branches, entrepreneurs will also be able to get advice on things such as registration of a company and tax issues.

"We have tied up with partners for advisory services so that the entrepreneurs get all services related to setting up a company under one roof," said Bhattacharya

Over the last few years,

young entrepreneurs have been floating new ventures for various services, including retail trade, financial services, education, training, travel, agriculture and clean energy.

India ranks third globally with more than 4,200 start-ups. The Nasscom report said the rapid growth in the number of active investors, the growing digital consumer base, mobile-first population, improving political environment, and interest from global investors are some of the drivers for this ecosystem.