



PM MODI WANTS YOU TO START UP

Never in the history of India we have heard any Prime Minister talking majorly about start-ups in his Independence Day speech. It was not just a mention that went unnoticed. It was taken forward in form an action plan and an event that turned to be a Mecca for entrepreneurs, charmed by the world of start-ups.

By Punita Sabharwal



Dear entrepreneur, it's the time for you to act – This message was loud and clear in PM Narendra Modi's speech at Vigyan Bhavan on the much-awaited Startup India event. Above all, his signals for the change and recognition of the critical role that start-ups can play in employment creation, economic growth and solving India's challenges through innovation were well taken. And it was not only from his speech that seem to go well, the thought percolates through all levels of politics and bureaucracy. PM Modi, in his speech, invited start-ups in the areas of agriculture wastage and Indian handicrafts to solve the real problems of India. His aim is to ignite youth to be job creators rather than job seekers.

The event not only showcased success stories of national and international entrepreneurs, but also acted as a platform to hear out their challenges and expectations from the government. Finance Minister Arun Jaitley introduced the Prime Minister's ambitious Startup India mission at Vigyan Bhavan in New Delhi. Through this landmark programme, PM Modi was willing to create India as the international hub of entrepreneurship, an initiative to empower businesses and giving them support from the government. While addressing the entrepreneurs at Vigyan Bhavan, the finance minister said, "It is a final break from the conventional Licence Raj of India. We ostensibly broke away with it (Licence Raj) in 1991. But the break was only partial, because who would be funded, there was an invisible role of the state, control over land permissions, foreign investment proposals, and environmental clearances." The government engaged with the community to really look into the issues that are hindering the ecosystem from growing. With the Startup India Action Plan, more young entrepreneurs are expected to take the risk of starting their own ventures, providing innovative solutions to solve meaningful problems for Indian as well as for global community. The government in the Union Budget next month will announce a friendly tax regime that will encourage the setting up of start-ups in the country, he said.

The world of start-ups has been all exciting. Ravi Gururaj, CEO, QikPod, said, "There is no better time to be an entrepreneur in India." Sharing his experience, Vijay Shekhar Sharma, Founder, Paytm, said, "When others see risk and you see an opportunity that's entrepreneurship."

21 POINTS TO HELP

Compliance Regime based on Self-Certification

In case of the labor laws, no inspections will be conducted for a period of three years. In case of environment laws, start-ups that fall under the "white category" would be able to self-certify compliance.

Startup India Hub

Startup India Hub will be set up and will be a friend mentor and guide for start-ups through their entire journey.

Starting a start-up in one day on a mobile app

A mobile app shall be made available from 1 April 2016 to ensure that start-up companies/ partnerships are registered in one day.

Fast-track mechanism of start-up patent applications

Panel of facilitators to provide legal support and assist in filing of patent applications

80 percent rebate on filing of patent applications by start-ups

Relaxed norms of public procurement for start-ups

Companies in public procurement start-ups (in the manufacturing sector) shall be exempted from the criteria of "prior experience/ turnover" without any relaxation in quality standards or technical parameters.

Faster exit for start-ups

Fast-tracking closure of businesses have been included in The Insolvency and Bankruptcy Bill 2015. The start-ups with simple debt structures may be wound up within a period of 90 days from the making of an application for winding up on a fast track basis.

Funding Support through a Fund of Funds with a corpus of Rs 10,000 crore

The government will set up a fund with an initial corpus of Rs 2,500 crore and a total corpus of Rs 10,000 crore over a period four years.

HOW THE INDUSTRY REACTED?

A welcome development

"We welcome the government's efforts in proposing to put together a network of incubators and the Startup India Hub. We at Microsoft Ventures have been trying to create a similar platform through our partners and peers in the ecosystem and the government's help in this direction will be most welcome."

Ravi Narayan, Director, Microsoft Ventures



Reflection of young India

"Startup India is a reflection of young India's aspirations, and we congratulate the government for launching this. NASSCOM once again reaffirms its commitment to support 10,000 technology start-ups and expand its network of Start-up Warehouses."

R. Chandrashekhhar, President, NASSCOM

A freedom from inspector raj

"Specific to the PM's announcements, the three-year window for self-certification will free start-ups from the rent seeking inspector raj and is very welcome as is the three-month window for closing down a start-up, which would be great if it applied to all companies.

The tax break is welcome though most start-ups take longer to be profitable."

Saurabh Srivastava, Chairman, Indian Angel Network



START-UPS TAKE ACTION

Credit Guarantee Fund for start-ups

Credit guarantee mechanism through National Credit Guarantee Trust Company (NCGTC)/ SIDBI shall be rolled out with a budgetary corpus of Rs 500 crore per year for the next four years.

Tax exemption on capital gains

Exemption shall be given in case capital gains are invested in the Fund of Funds recognized by the government. In addition, existing capital gain tax exemption for investment in newly formed manufacturing MSMEs by individuals shall be extended to all start-ups.

Tax exemption to start-ups for three years

Profits of start-ups, setup after 1 April 2016, shall be exempted from income-tax for a period of three years.

Tax exemption on investments above fair market value

In line with the exemption available to venture capital funds to invest in start-ups above Fair Market Value (FMV) investments made by incubators above FMV shall also be exempted.

Launch of Atal Innovation Mission (AIM)

ENTREPRENEURSHIP PROMOTION:

- Establishment of sector specific incubators
- Establishment of 500 Tinkering Labs with 3-D printers in Universities across the country including smaller cities.
- Pre-incubation training to potential entrepreneurs
- Strengthening of existing incubation facilities
- Seed funding to high growth Start-ups

INNOVATION PROMOTION:

- Institution of Innovation Awards (three per state/ UT) and three National level awards
- Providing support for State Innovation Councils for awareness creation and organizing state-level workshops/conferences
- Launch of Grand Innovation Challenge Awards for finding ultra-low cost solutions to India's pressing and intractable problems

Setting up of 35 new incubators in institutions

Building of 31 innovation centers at national institutes

Setting up of seven new research parks modeled on Research Park setup at IIT Madras

The government shall set up seven new Research Parks in six IITs and IISc with an initial investment of Rs 100 crore each.

Promoting start-ups in the biotechnology sector

To foster and facilitate bio-entrepreneurship, five new Bio-Clusters, 50 new Bio-Incubators, 150 technology transfer offices and 20 Bio-Connect offices will be set up in research institutes and universities across India. Biotech Equity Fund – BIRAC AcE Fund in partnership with National and Global Equity Funds (Bharat Fund, India Aspiration Fund among others) will provide financial assistance for young biotech start-ups.

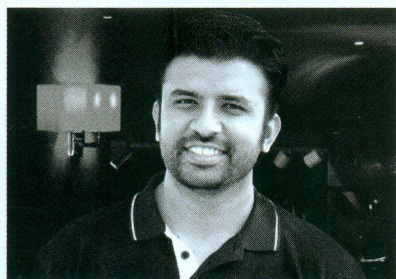
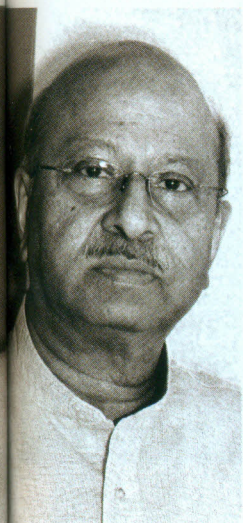
Innovation-focused programs for students

Innovation Core program shall be initiated to target school kids with an outreach to 10 lakh innovations from 5 lakh schools. A Grand Challenge program (National Initiative for Developing and Harnessing Innovations) to support and award Rs 10 lakh to 20 student innovations from Innovation and Entrepreneurship Development Centers. Uchhattar Avishkar Yojana has earmarked Rs 250 crore per annum towards fostering "very high quality" research among IIT students.

Annual Incubator grand challenge

The government of India shall identify and select 10 incubators that have the potential to be the world class. These incubators would be given Rs 10 crore each as financial assistance.

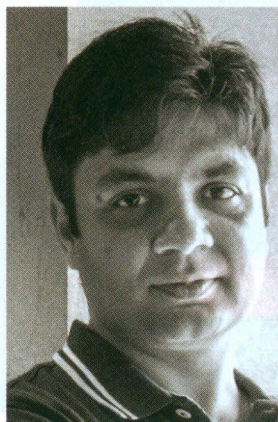
Organizing national and international start-up fests



Encouraging focus on innovation

"I think the Insolvency and Bankruptcy Bill that will allow start-ups to exit faster (within 90 days) is a great step towards encouraging people to take the plunge of starting a new venture, without the fear of failure."

Sashank ND, Founder & CEO, Practo



Reducing government interference

"From a policy standpoint there are some welcome changes. Relaxation on Capital Gains for funds is the biggest, including exemption from capital gains when one has the ability to raise capital over Fair Market Value. However the fine prints are yet to be seen on this. The Income Tax exemption might not help the start-ups too much as during build up phase, most start-ups either lose money or make very little profits."

Anurag Jain, Co-founder, GirnarSoft

WHY I FAILED & WHAT I LEARNT FROM IT?

The faster we fail, the faster we succeed. Talking about failures takes guts but more importantly where you went wrong and realizing it makes the difference. Sharing their tales, some leading entrepreneurs tell us why failure is also a part of success.

By Punita Sabharwal

HAVE A CHAMPION MINDSET

“Put everything that you have on the field, every ounce of energy and passion that you have. And when you get knocked down, because inevitably you will, get back up. And if you put everything in and keep getting back up, it’s very hard to fail. We can only bend reality, not break it.”

Travis Kalanick, CEO & Founder, Uber

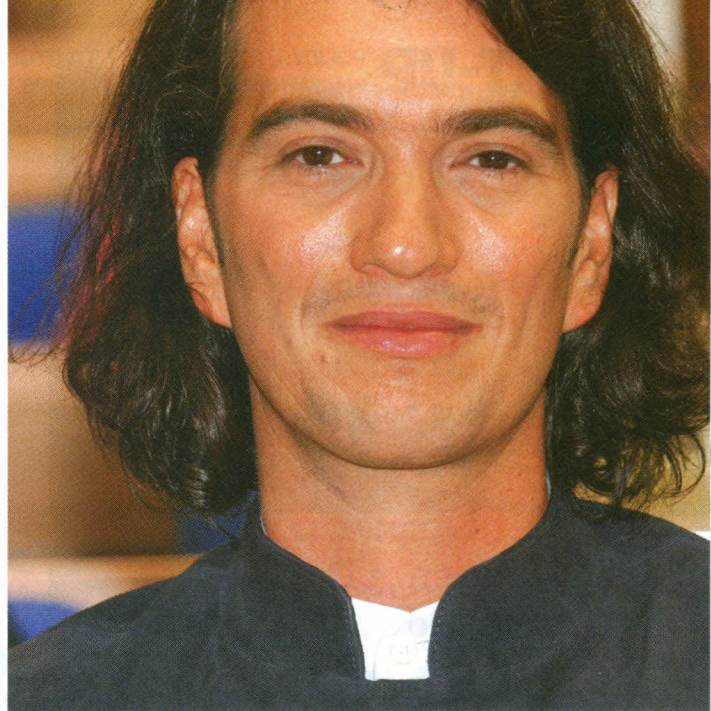


FAIL EVERY DAY

"We fail every day. You do tons of things 90 percent of them work while 10 percent don't. I will not call Dubai incident a failure or setback. It was a learning. In a start-up, you can't really expect everything to work. For Google, Google Plus didn't work. There are 500 things so some of them will work. My learning has been that I should learn from others and not try to make too many mistakes. Start-ups have to fight all odds to get things done. The first three years of a start-up actually teaches what you can expect going forward.

Life is not that easy when you are starting a company. For example, if 30 percent of our efforts are going in managing 2 percent of our revenue, we would actually get rid of that 2 percent and actually focus all our efforts on what really matters."

Deepinder Goyal, Founder, Zomato



FAILURE IS ESSENTIAL TO LEARNING

"Failing is a part of learning. It's a part of business. Success is happiness. You shouldn't work through to earn investor's money."

Adam Neumann, Founder, WeWork

EMBRACE FAILURE

"Failure seems super scary looking forward but perhaps enjoyable looking backward. To prove my credentials at failing, let me give you a non exhaustive list first. I failed in class 11th, got into engineering in third attempt, my first business attempted to make bio-diesel from black soldier fly larvae failed, followed by the second one, which was to develop electricity from chicken poop. Third one had zero revenues for over a year before it finally worked.



Very few people care whether you fail or succeed. And those who do, want to see you succeed. So, the whole world (that matters) wants to see you succeed. Isn't that a powerful motivation to keep going? I was lucky to be surrounded by those who never judged me. I remember my dad telling me when I had just given up on the poop-to-electricity idea, 'Must be impossible if you can't figure it out.' That's the kind of crazy people you got to stay around.

You have to succeed only once. People will always know you by your biggest success.

Success only gives you short-lived adrenaline jolts rather than true happiness. Failure, thus also is only short lived and won't keep you sad for long. Most entrepreneurs do what they do for the kick, they get from solving problems. Finally, the best way to learn about success and failure is to experience it. As long as you are surrounded by people who care for you, failure is good."

Samar Singla, CEO & Founder, Jugnoo

A PART OF JOURNEY

“We had a couple of falls, a couple of drop-offs. But that’s a part of the journey. Consumption habits are changing fundamentally. Value is being added. India is the place for us.”

Radhika Aggarwal, Founder, Shopclues



LESSONS LEARNT

1 Deploy Right Resources at Right Time: An entrepreneur needs to deploy the right level of resources, especially capital, at the right time. One should have a clear strategy and road map of where you need to reach, what you need to do to create the value and what resources are needed to get there. Once that is clear, one should move as quickly towards deploying the capital and other resources, as the immediate action sets the tone for a high level of growth, success and future valuation. Sometimes enterprises save on capital and make the mistake of not deploying right resources at right time. This can potentially be one of the biggest pitfalls to your growth strategy as the first spurt of growth is necessary to propel you faster.

2 Attitude beats Skill in early days: Most entrepreneurs don’t seem to realize this on day one as we are focussed on hiring the best talent for that position from early on. However, I have realized that the while skills are important, but

the attitude of success in your team is more vital. Once an enterprise is scaled to some level, the people with right skill set become important and can be brought on board. Don’t fret about it on day one.

3 Finding the right set of people/ Investors to raise funding: Yet another key learning that I have had is on whom to reach out to for funding of your enterprise. During early days, when raising capital, we may end up asking money from someone who does not understand the investment space well or whose values are not the same as yours. What I have learnt is that it is better to refuse the capital from someone who is not aligned to your growth strategy and does not understand your values. If you don’t, you will most probably end up wasting a few years of your life with not much to show for it.”

Mrigank Tripathi, Founder & CEO, Qustn Technologies



Ideas don't determine success

"After graduating from IIM B, I joined a very prominent and well-funded start up in business development. Everything seemed right – strategy, team and funding. One of my projects was to enable cars to be sold online via our portal, and I remember we had made some detailed processes. The dot com bust of 2001 happened followed by layoffs, eventually the company was shut down. My key learning was that externalities matter – sometimes customers and markets are just not ready yet; so you need to factor that into your plans. Then I remember, once around late 2000, along with a bunch of friends, I had planned my first education venture; we thought we had a great idea. Just when we were about to start work, another start-up launched and with the same idea.

My belief in my venture wavered and I was unable to convince myself or keep the team together. As it happened, this other company eventually went on a different path vis-a-vis our plans. And, further, shut down after a while. I learnt the hard way, not to judge and jump to conclusions based on an idea. Similar ideas may be executed very differently by different teams. Probably, the more important lesson was that ideas do not determine success or failure – what matters instead are the choices you make as you get deeper into the business and discipline of your execution.

After these two start-up adventures, I worked at some great companies, for about 11 years. All through, I believed that there were unmet needs waiting to be addressed which I eventually found. That belief, and finding co-founders who believed in the same vision, eventually led to Spanedea. This is the other

thing I want to share – it is never too late.

The way I would interpret the link between success and failure is that lasting success or multiple successful events can only happen through experimentation, and experimentation is directly linked to a large number of failures and a few successes.

Often, we arrive at truth by eliminating what doesn't work. In business, the truth emerges from honestly answering a couple of questions: Does your offering fulfil a customer need? Does your offering satisfies that need better than available alternatives? As a start-up makes a journey towards serving a large enough market, all hypotheses get tested and many hunches get destroyed. So the only way to discover a product/market fit is through experimentation; this



should be viewed as a research activity and like all such projects, lots of failures are likely. One can even say that if there are not enough failures, you are not experimenting enough."

Sanjay Bhadra, Founder & CEO, Spanedea



NEVER SAY NEVER

"I started Yebhi.com in 2009, when e-commerce was just beginning in India. By 2013, Yebhi was the largest online fashion store, generating GMV of Rs 200 crore per year. We had raised \$30 million from some of the best-known investors, and had an excellent team of 2,500 Yebhites.

At that height, imagining that the company would suddenly fail, looked like a improbability. By 2015, that improbability was a reality. There were a few reasons why we failed, but at the root of it, we failed because we thought we couldn't fail.

Five learnings from Yebhi:

Team: Companies are built by people – Not the best, but the right.

Focus: Know what you mean to your customers and be the absolute best at it.

Value capital: Build self-sustaining business and spend carefully.

Speed: Talent and capital chase winners, so if you're not going up, you're going down.

Innovate: No one is too big to fail. In the start-up era, you survive till someone brings a better solution.

At Shopsyity, that learning is coming to great use. I've the most passionate, hard working and humble team that I've ever worked with. We're building a self-sustaining, profitable business. We're raising capital only to grow, not to survive. We've reiterated a 100 times till we got the right product-market mix, and we're by far the best at it.

Very few people are lucky to get second chances, and mostly, they succeed at it."

Danish Ahmed, CEO, Shopsyity

“It is very easy to find out e-mail addresses of 50 investors and spam them. But before approaching them, you also need to do your homework – knowing those who are going to invest in your space or those who have already invested in your space.”

Girish Shivani, Director & Fund Manager, YourNest Angel Fund



1. Have Wholesome Team: For the success of any venture, a team plays a vital role. It is said that without a team, you are like a ship without the rudder. “We bet too much on teams. I think complementing team with proven minimum viable product are pre-requisites when you actually reaching out investors,” says Ashish Mittal, Founder, TurningIdeas Ventures. So, every entrepreneur needs to build a strong team by putting them together and by filling gaps between them. A strong team is the driving force in seeking funds from investors.

2. Know Your Product & Market: Always remember, before approaching an investor, every entrepreneur should be very well informed about his/her product, competitors, market scenario and target audiences. “It is very easy to find out e-mail addresses of 50 investors and spam them. But before approaching them, you also need to do your homework – knowing those who are going to invest in your space or those who have already invested in your space. Do your study with respect to what is happening in your space,” said Girish Shivani, Director and Fund Manager, YourNest Angel Fund.

3. Think Out of the Box: For investors, after team, it is the product or the idea for which you are seeking fund. Your idea should be innovative and disruptive to gain investors’ attention. “You need to innovate. The day you innovate, the disruption will happen. I don’t see entrepreneurs in India trying to innovate. We have the talent, so rather than copying models, we should come up with new models and ideas. The moment you innovate, you will see a sizable market related to your product and disruption will happen,” says Sudeep Singh, Founder, Padup Ventures Pvt Ltd.

5 TIPS FOR START-UPS BEFORE APPROACHING AN INVESTOR

At Entrepreneur India’s Startup Kickoff event this month, investors and mentors met new start-ups. And needless to say great conversations took place over hot cups of coffee. Here are some useful tips for entrepreneurs who are calling out to investors and seeking funds for their ventures.



By Samiksha Jain



THE CHOSEN ONE

Leaf Wearables Becomes the Showstopper

It is correctly said that a lot can happen over coffee and that exactly happened during the second edition of Startup Kickoff where investors gave thumbs-up to some good ideas. This edition found some startups that were solving health issues whereas others giving beauty services right at your doorstep. But above all, Leaf Wearables' SAFER won the hearts of investors.

"Leaf was born out of a need. We are solving the global safety problem through our wearable technology and smartphone app. Leaf is a design-centric company and focuses on delightful experiences by making the technology easier and simpler to use," said **Chiraag Kapil, Co-founder, Leaf Wearables.**

It is a smart wearable safety technology, which can be used to trigger alarm and send signals to pre-identified phone numbers in case of emergency. It comes with the notification feature in which you can customize important notifications via SAFER app and the app beeps to tell you that someone important is trying to contact you. Currently, they have started shipping their product to users, and within a month, they have seen immense traction from across the globe.

"With our first product we made women feel safe and globally connected. With our next, we want to reach kids and elders. We are also looking at some specific industries becoming safer and connected by our high-quality products and software solutions," says Kapil.



Close Second

Apart from Leaf Wearables, there were other startups that caught the eye of investors. Girish Shivani of YourNest liked the idea of Bindu Sharma's MSM Box. Sharma along with her two friends founded an online beauty service platform that delivers beauty products at your doorstep. Sudeep Singh from Padup Ventures was impressed by the idea of Saurabh Rastogi's Study Triangle, an online education platform for 6-12 classes. TurningIdeas' Ashish Mittal appreciated the idea of Hariom Tyagi and Rahul Gupta who founded Beauupal.com and Lab Go respectively. Jasveer Singh's Qik Stay and Mukesh Goswami's Jeevom also received applause from the funds. Yet, Leaf Wearables stole the entire show by gaining unanimous thumbs-up.

4. Be Ready With Proof-of-

Concept: Whenever an investor thinks of pouring funds in a start-up, the proof of concept is one point which he/she examines very critically. "Whenever a start-up approaches me, I want to look at what kind of initial traction and proof-of-concept they have. If they have an app, I want to have a look, how UI/UX of the app look like. When I get on a call with somebody I would have at least spend 30-45 minutes understanding what they do, downloading the app, test running it, etc," said Shivani.

5. Have that Killer Passion: Your passion and ability to achieve goal will enable you to seek an investment. Every entrepreneur should be passionate enough for his entrepreneurial dream. This will help in convincing an investor and securing investment for his venture.

HOOKING UP INDIA ONLINE

Targeting young singles who are looking for meaningful relationships has turned into business opportunity for many. A bunch of entrepreneurs has emerged who are finding a niche between casual dating apps and typical matrimonial sites through their apps.

These entrepreneurs claim to let you find love based on your interest and the way you want it.

By Punita Sabharwal

Register now

DITCHING FILTERING

Filling the gap – between casual fling-oriented dating apps and old-fashioned matrimonial portals – as urban singles are increasingly realizing it takes a lot more – common lifestyles, interests and vision for life – that helps one to identify a life partner, Woo was launched.

Sharing his start-up story, Sumesh Menon, Co-founder and CEO, Woo, says, “Woo is a project that my co-founder Ankit Nautiyal and I had worked on for about two years with lots of extensive consumer research and iterations. In our increasingly isolated lives, finding the person you want to spend your life with is becoming a challenge, and Woo is committed to solving that human problem.” A safe and secured platform for users to meet people like themselves – urban singles who share their interests, have similar career aspirations and passions is the idea behind Woo. Woo is a mobile matchmaking app for urban singles looking for

a life partner. Matrimonial sites make something as important as finding a life partner a very transactional process, where you are judging someone by not who they are but filters like weight, complexion, etc. Woo is very clear about standing for commitment and long-term relationships. Talking about finding its space in a clutter, Menon says, “Competition in a young category fuels the growth of the category, so that’s always a good thing. Our confidence comes from the validation we are seeing from users, who are responding to it very well.” Currently Woo claims of around two million users with 15,000 matches made every day.



(L-R) Sid Misra, Siddharth Mangharam & Simran Mangharam, Founders, Floh

MATCHMAKING IN A FUN MANNER

Floh was created to provide a platform for singles to meet like-minded people in a fun way. The outcome to this is very natural that people get into relationships. It is solving the problem of urban Indians who have a paucity of time and not enough avenues to meet. Woo solved this problem through deep curation of the network and creating interactive events for them to meet.

On adding a unique proposition to the platform, Siddharth Mangharam, Founder and CEO, Floh, says, “Being single is a great phase in one’s life, and we believe it should be spent with fun and meeting interesting people. We make our members to meet in real at our highly interactive events. We guarantee that they will get to interact with an absolutely diverse set of people (you name a profession and we have it represented at Floh).” The events are highly

interactive and allow people to be who they are. All of this certainly leads to many couples dating and getting married. Floh plans to host over 1000 events this year. On competition, Mangharam says, “There is a saying among start-ups that it is better to have 1,000 raving fans who fiercely love your product than a million users who merely like your product. Every action of ours is focused on creating an exceptional experience for our members. This approach has led to Floh having an exceptionally loyal customer base which is a significant competitive edge.” Around 92 percent of new members come to Floh on the recommendation of existing members. With 75 percent active users, it Boasts of having 55 percent of female members. Keeping its exclusivity out of 35,000 applicants only 3000+ memberships have been approved. On an average, one couple gets married at Floh every week.



Sumesh Menon, Co-founder & CEO, Woo

A REFLECTION OF REAL WORLD

Tinder is a global app having users in 196 nations. Sharing more about Tinder, Taru Kapoor, Head India, Tinder, says, "Just like you go to Facebook to connect with people you know and go to WhatsApp to connect with your close friends, you go to Tinder to make new friends – This is driven by 20-21-year old people who are coming to Tinder in huge numbers and using it the way they wanted. It's spreading across other user groups and ages as well, but it is mainly driven by young people who are not afraid of anything, who don't have mental barriers and constrains as some of older people had."

On how users take it in different markets, Kapoor says, "Everywhere, users use it a little bit differently, but at the same time a lot of aspects are common as we are humans, we have basic human needs and Tinder matches those very well."

The real power of the Tinder is the app is the reflection of real world. One out of 100 guys could be creepy or said something you did not want to hear, and you got scared talking to other 99. The nice guys, well-intentioned people suffered from it, and it is very hard for them to break the mould. Yes, you can have the conversation that you may not like it is simple to opt out on Tinder. So you are in control of your conversation. By giving you the power to eliminate these one percent conversations, you can also discover 99 percent conversations with like-minded people that would not have been possible because in India we are very scared to walk up to a stranger and talk to him/her.

On taking competition from Indian players, Kapoor says, "I don't worry about competition. It is not a market share game, it is about educating people and letting

Sachin Bhatia,
Co-founder,
TrulyMadly



them come online to you. Look at the Internet users of India coming online in five years down the line, especially youth and singles, and this will boggle your mind."

SPEED DATING START-UPS

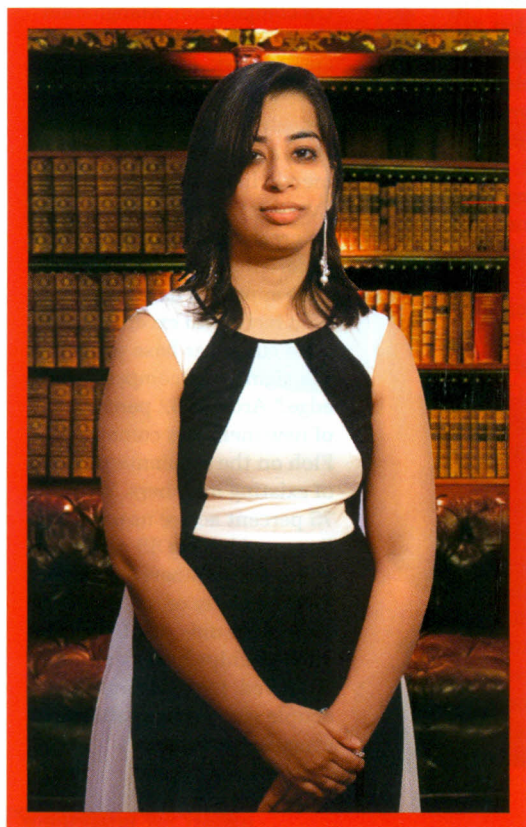
In India, there are 250 million singles aged 18-34 and that is essentially the market that TrulyMadly is after. Talking about the challenge, Sachin Bhatia, Co-founder, TrulyMadly, shares, "Selling concept was a biggest challenge. As online dating was there in the West, so it was very easy to transit people from web to app, in India there was no online dating, thus the onus was on us to establish online dating app as a nice, comfortable and safe way of meeting other singles. So we are investing in that as it is an opportunity and challenge as well."

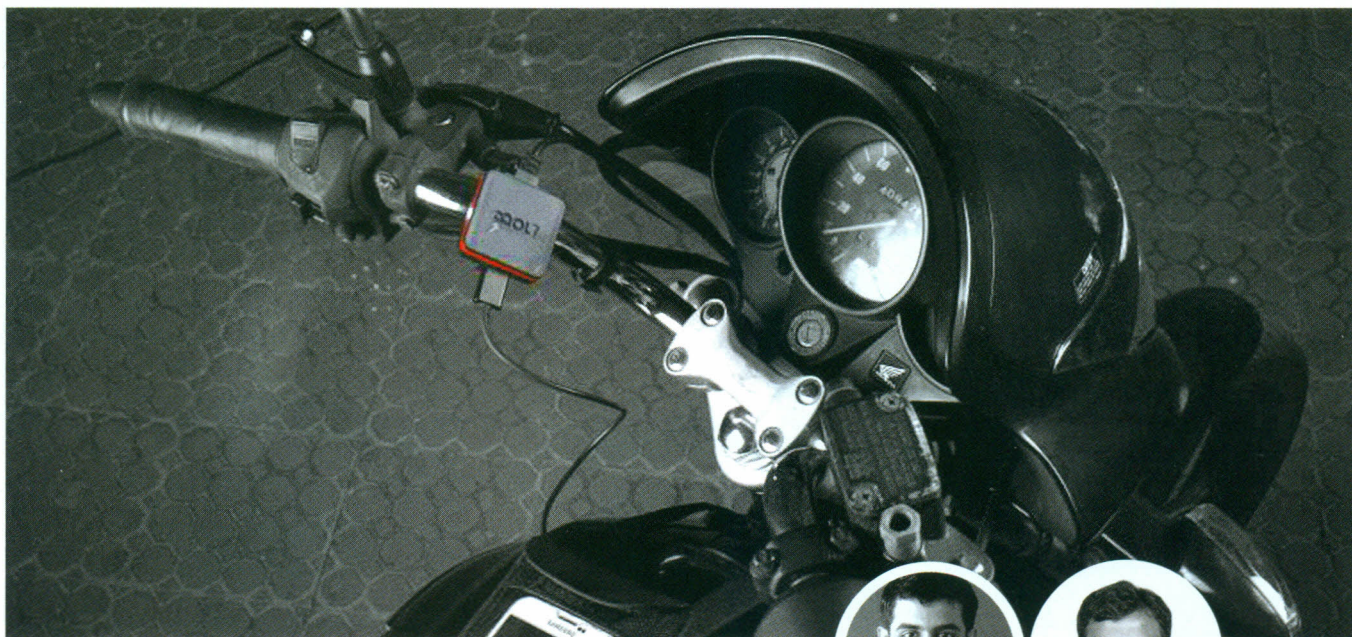
Sharing more, he says, "We do a lot of on the ground activities because for us it is not about a full page advertisement in a newspaper, it is really about word of mouth publicity.

We do a lot of on the ground stuff be it in colleges or other youth hangouts. We have two popular properties Unsingle Mixers, which we do at night clubs, pubs, etc. Another is Unsingle Comedy Tour, which we do at campuses, so we got Kaneez Surka, one of the leading female stand-up comedians. She goes from campus to campus talking about TrulyMadly in a fun interesting manner and that's what resonates with our audience."

On monetizing the app, Bhatia says, "We are going to attain break even in the next eight months as we have started monetization. We certainly need to scale this further. If not go global we can extend this app to South-East Asia as it culturally similar to India. We can start off with Jakarta." Last year, TrulyMadly raised \$5 million from Helion and K capital. The app saw two million app downloads within a year. [©]

Taru Kapoor,
Head India,
Tinder





A Bolt from the Blue

Had Satyajee Mohanty's smartphone not ran out of battery while on a bike trip, he might have never thought of creating a smartphone charger for bikes. With bikes being a predominant commuting mode in developing countries like India, Mohanty, Co-founder & CEO of Hyderabad-based Bolt Auto Technologies, might have just cracked a billion-dollar market opportunity. He along with Ronak Kumar Samantray, the co-inventor of the idea and chief advisor, shares their craziness with Entrepreneur.

By Sandeep Soni



Ronak Kumar Samantray & Satyajee Mohanty

“Aha” moment- Satyajee Mohanty (SM): While I was working as a finance executive at NowFloats (enabling online presence for SMEs), our field sales people driving bikes had to grapple with low battery issues with their smartphones. I too had experienced similar problem during a bike trip, which I later discussed casually with Kumar Samantray (Co-founder, NowFloats) and wished of having a smartphone charger which I could use while riding. So I quit NowFloats and along with Ronak started working on creating a smartphone charger for bikes in July

2014. Samantray, however, continues to lead NowFloats simultaneously. The product went through 10-15 iterations during 3D printing or manufacturing till July 2015 when we launched it.

Charged up – Ronak Kumar Samantray (RS): Called Bolt Red Streak, it is a compact detachable charger from the bracket (to be fastened on the bike's handle through screws) to prevent misuse or theft. The bracket has wires that need one-time installation on the bike's battery. The phone is connected through the USB cable to the charger while being secured in a pouch

called “Bolt Pocket” on the fuel tank. The pocket has straps that fix it across the fuel tank. The user can also use the phone from within the pocket as it has a transparent screen. The charger will only draw power from battery when the phone is connected to it which makes it quite power efficient. Both charger and pocket are water resistant. Also, there is a Bolt Riders app that fulfils our larger motive of enhancing the riding experience. The app, which runs offline on Android or iOS platforms, tracks the bike's average speed, real-time location, total distance covered, pit stops, etc.in


PRICE – Rs 1,699
WEIGHT – 50 gm
UNITS SOLD – 400 per month, around 1,500 till date, 50,000 expected by FY 17 end
NO. OF DEALERS – 100
FUNDING – Rs 25 lakh, looking to raise \$650,000

the background and creates a riding profile of the user which can be shared on social networking sites.

Made in India – (RS): We thought that since we would be a manufacturing company and given that Make in India had also been gaining ground, we would tap into. When we went to different banks for collateral free loan, we found that they were only good to invest in non-risky traditional manufacturing businesses and not in the new-age technology manufacturing start-ups as they didn't understand our model.

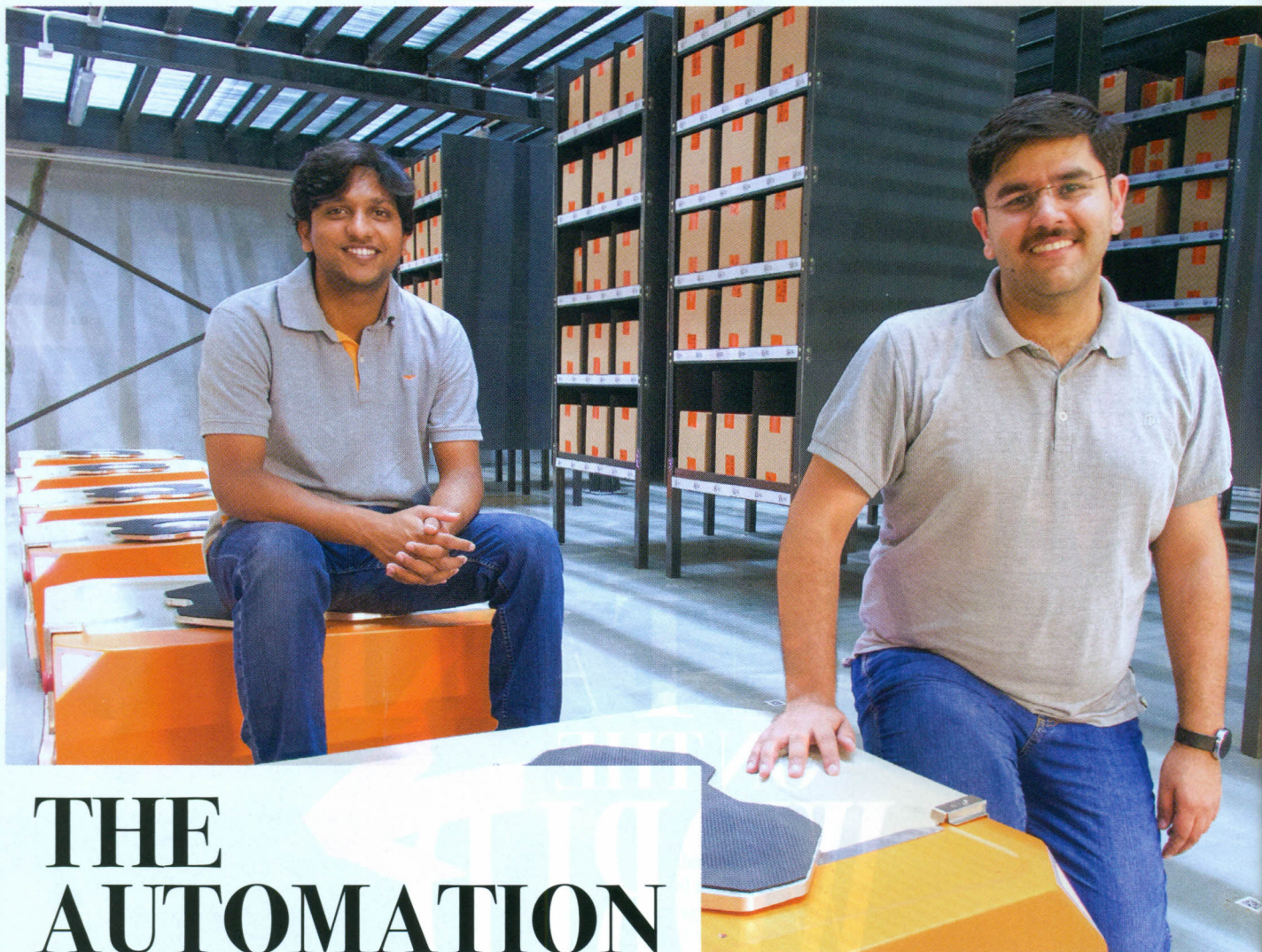
Opportunity – (SM): In India every year 1.2 million new hi-end bikes are sold and our target is to get at least 2-3 percent market share by next fiscal year end. If we take into account commuter bikes, it is a very big market. We don't recommend Bolt for scooters as it is not designed for them. Bikes have comparatively thinner handle than scooters. (E)

15 FIRED UP MILLENNIALS OF TAKE ON THE WORLD



When there is an increasing clamor across the globe for India's growth to be the centerpiece of 21 century, it doesn't essentially means the change in political will and the economic u-turn. What it signifies lying beneath the surface is the rise of millennial entrepreneurship in this country that has grown by going against the tide. Out of these enterprising youths, *Entrepreneur* picks 15 millennial entrepreneurs who had most electrifying growth in this vibrant ecosystem in a short span of time and are all pumped up to break into the big league in 2016.

By Sandeep Soni



THE AUTOMATION EXPERT

Samay Kohli, 29, CEO & Co-founder, GreyOrange; Akash Gupta, 26, CTO & Co-founder, GreyOrange

I along with my co-founder Akash Gupta started in 2011 with the passion of building a hardware product company in India. We were looking at different sectors that can be benefitted maximum through robotics. There have been few innovations using technology around warehousing and logistics in the last many years, which instead of a focusing on product, worked on designing a lot more custom solutions for warehousing where scaling up was tough. What we changed was that we brought a product approach to warehouse solution. We started with two hardware products or robots called Butler, an automated storage system and Sorter, a packet

sortation system that would help faster and efficient storage and packaging of goods at warehouses minimizing labor requirement and chances of mistakes.

One of its Kind

Currently, we are serving multiple warehousing sites of around 10 customers such as Flipkart, DTDC, Delhivery and Mahindra. We have seen spurt in growth in last few months with e-commerce boom. We have installed our solutions at 40 different sites in India in the last two months against eight installations done in previous 18 months. This is a steep growth for us. Moreover in terms of competition in India, there is no company doing the same thing but soon we will see the coming up of some firms. The growth is sustainable for us; we are well funded as we raised our Series B round of \$30 million in August 2015, led by hedge fund Tiger Global.

The year 2016 will be a year for us to expand global. We already had

installations in couple of sites in Hong Kong and other parts of China, and we are working with a company in Japan as well. We already have a team in Singapore as we are focusing aggressively on Asia pacific and Japan. We have also started exploring Middle East. Moreover, we are coming up with one new end-to-end hardware and software product for warehousing next month that will have much higher sorting capacity and efficiency. We are looking above around \$200 million in revenue. Currently, we are close to 320-people strong and are planning to grow by around five times in terms of revenue and would be around 500-600-people big by 2016 end. In terms of customers, we would be growing three times with investments going into our global expansion, new products' development, team building, etc.

A Start-up Data Miner

Abhishek Goyal, 34, Co-founder, Tracxn

While I and my co-founder Neha Singh were working at VC firms previously, we realized of a huge information gap when it came to start-ups. So we thought of setting up a central research team to track data related to start-ups as today everybody wants to know about them. So in May 2013, we started Tracxn but it took us one and a half years to get the right product/market fit. Our customers include companies in private market investment industry and large corporates or public companies such as LG, Samsung and GE. We have multiple servers crunching data around start-ups and tracking interesting aspects from the web to find interesting companies. So technology is a centerpiece of it. It would cost us 10 times more to do it in absence of technology.

Leading the Game

We entered 2015 with just 25 people but ended with 260 people. Our revenue also grew by almost five times in the same year with around 150 customers and 6,000 paid users (multiple users in one company). Globally, there are less than 10 companies tracking start-ups. We are ahead of all of them in terms of depth of research. Moreover, we are pretty much the largest team in this space. We do due diligence for start-ups which is not offered by anyone else. We are growing 15 percent monthly, adding roughly 30 customers a month. We are synonymous to what Bloomberg or Gartner do for public market research. However, overtime private market research will become phenomenally large worth around \$2-3 billion. Last month, we raised a strategic angel round of less than

\$1 million from Tata Son's Chairman Emeritus Ratan Tata.

We would be looking to grow our customer base by 10 times this year and attain a hockey stick growth for both 2016 and 2017. We now know what our customer needs and our distribution strategy is streamlined. That's why, from current 30-member sales team, we are taking it to 200 people by 2016 end and overall employee strength to 600. We track almost 200+ sectors, which is a very high number, and would going to probably 300 by 2016 end. Also our geography coverage is a lot wider than other companies' as we cover almost 20 countries. From next two-year onwards, we are looking at five-10 times growth in our annual revenues. We would be probably looking to raise around \$20 million this year.





Always in News

Azhar Iqbal, 23, Co-founder & CEO, Inshorts

I dropped out of IIT Delhi in 2012. I along with my other two co-founders incorporated Inshorts (earlier known as News in Shorts) in September 2013, completely out of our own personal experience. While there are many sources of information including Facebook and Twitter, but we offer the day's top news across sectors in 60 words or less and a link back to the website where it was originally published. We are completely different from any of the similar players including messaging app Hike, which recently launched its short news feature, and Way2News from Way2Online, an Internet technology company.

Scaling 'Inlong'

Our growth has been very explosive. Currently, we publish 100-120 stories daily, and our daily active users browse

almost 80 stories daily with more than 25 million views per day in terms of engagement. This was around 20 million views per month during 2014 end, but we ended 2015 with 600-700 million views per month. We are witnessing almost half a million downloads every month currently. We recently crossed the three-million mark for our app downloads, 90 percent of which was on Android, which is largely the mobile ecosystem and rest on iOS. Our first 100,000 downloads came in December 2014, which zoomed up to around 2.8 million downloads in 2015 end, which was almost 30 times growth. Last year in November, we launched our Hindi app and the response has been more than what we expected. We have partnered with different digital publishing businesses for taking their content and generating a particular

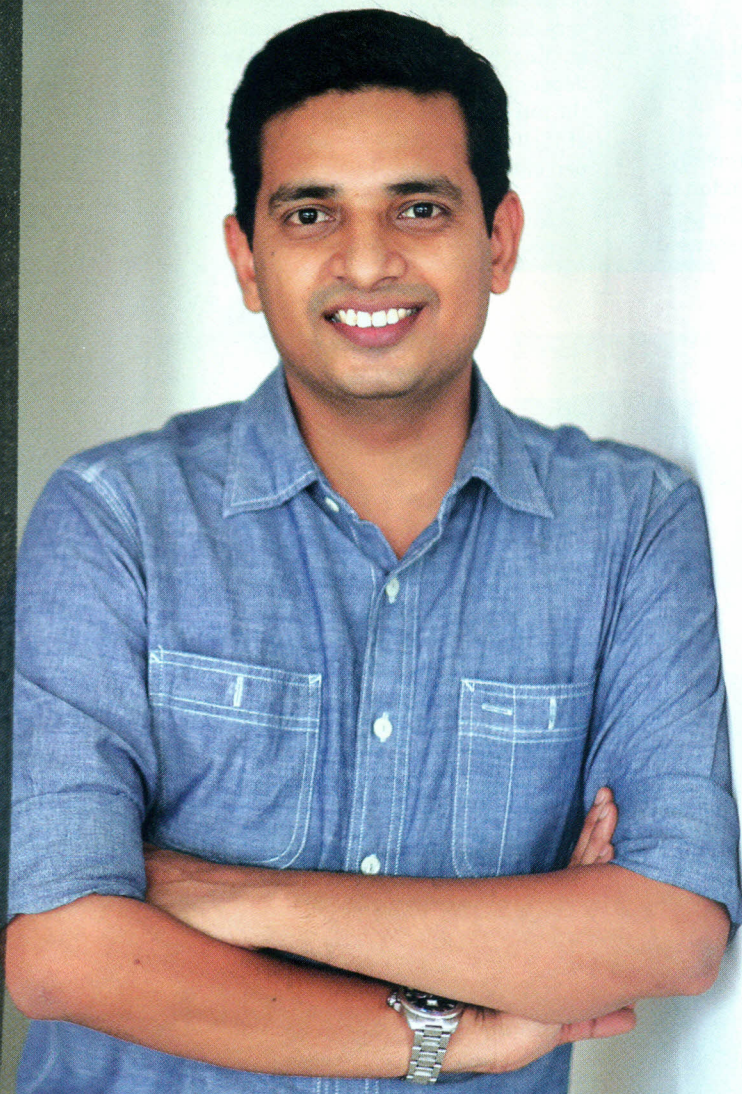
amount of traffic to their websites, which is useful for them too. If we generate more than the limit, there would be revenue sharing.

In 2016, we are expecting phenomenal growth. We will hit a total billion views per month by this month or March. There are plans to expand to other languages and in other countries as our service is not geographically limited. The expansion will probably happen in next three-six months. We are expecting more than 25 million downloads by the end of 2016 while views are expected to be around 10 billion. We raised \$20 million in our last Series B round in July last year from Tiger Global, which we have been using for team building and brand. Moreover in terms of headcount, we would be going from current 68 to around 150-200 by 2016 end.



Topping the Growth

Zishaan Hayath, 34, Co-founder, Toppr



From April 2013 when I started Toppr, an online competitive tests and exams preparation portal in Mumbai, till 2014, it was about getting the right product/market fit and experimenting, who will use it and who will not. Edtech, which has a huge potential, is highly underrated in India. Our current education system is of very suboptimal quality than what India needs and only Internet and technology can improve it, which itself is expanding, improving yet getting cheaper. Edtech (started around 2014) currently is what e-commerce was in 2007, which accelerated in 2011. It will accelerate in 2017. Moreover when 4G will expand in India, edtech will shoot up as it will unlock the strength of video and other channels.

Set for Edtech Boom

Test prep is the fastest growing vertical followed by K-12 in edtech space in India. The estimate market size is \$5-8 billion for the IIT and medical test prep. We are currently serving 5-12 standard students. By the end of 2014, we had 50,000 users, who grew astronomically to 650,000 by 2015 end. That's almost 20 times growth. While there are similar companies existing including Merit Nation and Embibe but the proof is in the pudding. The way our app interacts with the user, its design, etc. differentiate us, just like how Facebook is different from FriendFeed or Twitter from Plume, Talon, etc. Apart from that, we are an adaptive and a personalized app with eight-10 times larger question bank, engagement rate that is five times higher than others and three million questions being solved each month from students spending around 10 hours per month. Toppr is also presumably higher than most players in the market in terms of content as our question bank has 200,000 questions and over 100,000 solutions.

This year, we will launch test prep for five-seven standards as we want to reach out to two million students. From current share of 80:20 of test prep against K-12 respectively, we think the two will arrive at 50:50 share by this year end and by next year the latter will overtake. We add about 3,000 users every day and have 150 employees, up from just five people in the last one and a half years. Our courses range from Rs 3,000-6,500, depending upon the program and duration.

AN SME LENDING SPECIALIST

**Sashank Rishyasringa,
31, Co-founder, Capital Float**

I and my co-founder Gaurav Hinduja being in the Silicon Valley were inspired by disruptive fintech models like Lending Club, US-based peer-to-peer lending company. So when we came to India and saw huge opportunity in terms of market gap and demand for digital lending to SMEs across sectors, we started Capital Float in 2013. Today formal lending to SMEs is roughly around \$150 billion but the unmet need is from \$200 billion to \$0.5 trillion by various estimates, and this is massive. The gap exists because formal finance institutions haven't really focused on SMEs, which is a highly heterogeneous sector.

Leveraging E-commerce Growth

Since collateral and delayed payments on their invoices are a huge issue for SMEs growth, they need capital quickly and conveniently. At Capital Float, SMEs can get approval for funding within 24-48 hours and funding within 24 hours. Our seed round of \$4 million in mid 2014 was one of the largest seed rounds in India that time which helped us create mainstream acceptance of this model. We are the first mover in the space so we have reached to lot more SMEs than other players. So far, we would have funded close to 1,000 SMEs and disbursed Rs 300-400 crore across 40 cities in India. Our customer base has grown almost 20 times since early last year. On an average, we get a loan request every 10 minutes. Importantly, with e-commerce growth, lots of marketplaces are helping SMEs to grow online, so the macro environment with lots of government initiatives have also improved which is helping us grow as well. Currently, almost 50

percent of applications come from Tier 3 cities in a month. Our customers are micro and small enterprises with annual turnover worth Rs 25 lakh-20 crore. So far, we have raised about \$17 million, which has gone into building team, technology platform and lending. We are close to 200 people currently.

The most fulfilling thing about this business is that there is an opportunity to really make an impact. We plan to be reaching to 100 cities by end of next fiscal year. Our interest rates are also very competitive in terms of unsecured lending, which ranges from 16-20 percent depending on the business traction. If the business is doing well, it may get loan at 15-16 percent vis a vis around 18-19 percent if it is a new business.



CASHBACK QUEEN

Impressed by the growth of cashback businesses in the West, Swati Bhargava started cashback and coupons site Cashkaro in April 2013 along with her husband Rohan Bhargava. The start-up since then has grown fastest in the space by tying up with more than 1,000 e-tailers and registering over 10 lakh users. Cashkaro last month got Ratan Tata's backing. The firm is expected to enter Singapore by April this year as a part of its Southeast Asia expansion plan.

SWATI BHARGAVA

Co-founder, CashKaro



THE NEXT BIG MILLENNIALS

YOGENDRA VASUPAL

Founder & CEO, Stayzilla

HOME AWAY FROM HOME

One of the earliest entrants in budget stay space, which has seen OYO Rooms leading it, the growth for Stayzilla, started by Yogendra Vasupal, picked up tremendously in last two years as the market opened up. Stayzilla currently has more than 40,000 rooms, and it expects to add around 0.5 million rooms by next three years. At present, it has around 32,000 budget hotels listed on its portal across more than 4,500 cities in India. The company had around 10,000 room nights a day in 2015.



SAMEER PITALWALLA

Co-founder & CEO, Culture Machine

THE CONTENT KING

Started by Sameer Pitalwalla and Venkat Prasad, former Disney UTV and YouTube executives respectively, in July 2013, Culture Machine is a digital content creation company across genres including comedy, news, music and lifestyle. The start-up already managed more than 400 YouTube Channels till last year and had around 400 million views in 2014. Last month, it launched a new video under its UnBlushed series featuring actress Kalki Koechlin with her poem on violence against women, "printing machine," and has already got more than 10 lakh views. It raised \$18 million from Tiger Global and others, the largest funding in multichannel network space in Asia.

IN THE BEST OF HEALTH

Launched in April 2013 by former data scientist at Facebook, Saurabh Arora, Lybrate is a platform for patients to seek multiple opinions from doctors for free and initiate a one-on-one dialogue with any healthcare expert online while helping doctors and health experts build their reputation online and allows them to practice beyond boundaries, thus serve more people. Ratan Tata, Tiger Global and others invested \$10.2 million in August 2015 in Lybrate, which has more than 80,000 doctors and health experts on its platform.



SAURABH ARORA

Co-founder & CEO, Lybrate



SRIHARSHA MAJETY

Co-founder & CEO, Swiggy

BEATING THE ODDS

Swiggy is among a few food-tech start-ups in India that are scaling up in the current wave of consolidation and restricted funding. Started by serial entrepreneur Sriharsha Majety in August 2014 in Bengaluru, Swiggy last month raised its Series C investment worth \$35 million. Within a short duration of one and a half years, the start-up scaled up operations to eight cities and now it expects to have one million monthly orders by April 2016. The start-up rapidly taking over its relatively larger competitors like Tinyowl and Foodpanda.

THE FASHIONISTA

Started by Avinash Saxena and two other co-founders from IIT Delhi in 2013, Roposo is a fashion-focused discovery platform for women that help them discover fashion online. The start-up has been growing phenomenally with content creation growing twice every month as its app hit two million downloads last month. The start-up has so far raised \$20 million and is expecting close to around 10 million active users per month by next year on the app.



AVINASH SAXENA

Co-founder & CEO, Roposo

BETTING BIG ON DATA



DHRUVIL SANGHVI

Co-founder, LogiNext

Started in February 2014 by Dhruvil Sanghvi, LogiNext is a big data analytics start-up for logistics companies to optimize and make their delivery operations more efficient by giving real-time weather and traffic update and customers' location information. LogiNext is currently closing two acquisitions, in first mile and last mile segment. Its solutions are used in more than 30 cities across India, and it boast of around 55 customers including Paytm, Mahindra, Reliance and DTDC.

A SMART DRIVER

Bengaluru-based Ather Energy started in October 2013 in IIT Madras by Tarun Mehta is building India's first smart electric scooter (S340). S340 is expected to hit the market by the mid of 2016, which will outperform existing petrol scooters in critical aspects including weight, maintenance cost, ride quality and cost. S340 has connectivity with customers' smartphones and has on-board navigation system with profile for users and controls built-in, which current large players are not building. The price for 110 cc scooter and Vespa ranges from Rs 45-75k.

TARUN MEHTA

Co-founder, Ather Energy



FIRST-HAND GROWTH

Sumit Chhazed along with two other co-founders created a vertical marketplace for used bikes called CredR in February 2015. Apart from Snapdeal's Kunal Bahl and Rohit Bansal who invested an angel amount in CredR, it raised Series A round worth \$15 million in September last year. It currently sells 100 bikes daily across Bengaluru, Delhi, Mumbai, Hyderabad and Pune and looks at entering 10 other cities. Moreover, the platform claims of selling over 10,000 bikes so far while listing 150 bikes everyday on a daily basis.



SUMIT CHHAZED

Co-founder, CredR



MANISH TANEJA

Co-founder & CEO, Purpille

THE MAKE-UP MAN

The beauty and grooming space, which is growing steadily, has got marketplaces including Purpille that has been witnessing surprising growth since 2014. Claiming to be leading the space, Purpille, launched by Manish Taneja has since then added more than 450 product brands and around 6,300 salons and spas in more than 12 cities, offering beauty products at competitive pricing of Rs 50-10,000. The company receives around 2,000 orders a day and expects to hit 10,000-order mark by the end of 2016. Also, from current \$10 million in turnover, it expects to close FY16 at \$40 million.