

# In Indian start-ups, there's plenty of room for family

Relatives often turn co-founders, angel investors, decision-makers and mentors

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Family-owned businesses are quite the norm in the Old Economy. Descendents simply inherit the family business and profession, ranging from politics to medicine and giant conglomerates. This age-old practice is so well ingrained that educational institutions even offer a study of "family business" as part of the curriculum.

However, unlike in the West, where start-up 'unicorns' are almost exclusively run by individuals or friends/associates, India's New Economy has ample space for family.

Start-ups are increasingly getting launched by families. Else, the entities are studded with family members in key decision-making positions. Start-up founders are no longer seeking just co-founders from diverse backgrounds to boost the business; quite a few are also roping in relatives as business associates, suppliers or mentor-advisors.

Take gym-cum-fitness aggregator Fitpass, launched in 2015. Akshay Verma, who worked with a private equity firm in London, teamed up with sister Arushi, a World Bank official, to return to India and launch the company.

The platform allows health enthusiasts to go to any registered gym or fitness centre.

"One can buy our monthly pass for ₹999 — it provides them with access to any of our 1,150 partners, located next to their home or office. We are currently present in Delhi-NCR, Gurgaon and Noida and plan to expand to Bengaluru, Mumbai, Pune, Hyderabad and Chandigarh this year," said Akshay. "Fitpass has already become India's top app in the \$20-billion fitness market," he added. Similarly, sister-duo Priya and Charu Sachdev are the co-founders of elite online marketplace RockNShop.

## Growing business

The platform, launched 18 months ago, showcases Indian



and global clothes and accessories designer labels. "According to EuroMonitor, India's online luxury shopping market is expected to grow from ₹16,300 crore at present to ₹40,000 crore by 2020," Priya said.

Her start-up has grown from 12 brands in 2015 to 200 today, and is projected to showcase 3,000 brands by 2017.

Modspace.in launched in June 2015 as an online furniture company for delivering designer modular kitchens and home products.

Avijit Marwah, co-founder, roped in his sister-in-law Mehaa as co-founder, and other family

members as suppliers. "I am the fourth-generation member in my family's traditional business of modular furniture manufacturing. At Modspace, I handle the operations, Mehaa looks after social media, and my other family members are material suppliers," he told *BusinessLine*.

## Tapping synergy

This synergy, Marwah said, is necessary. "While one has technical knowhow, the other knows manufacturing with wood and equipment imported from Germany and Italy," he added.

Blood, as the cliché goes, is thicker than water.