

Start-ups bloom in small-town India

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Raipur, Solan and Motihari are not what come to mind when one thinks of start-ups. But 800 start-ups have come up in the past year in Bihar, Chhattisgarh, Himachal Pradesh, Madhya Pradesh and Odisha, creating technology hubs in unlikely towns.

Even as e-retail, health, education and payments start-ups are funded by marquee international investors, states are pushing entrepreneurs from smaller towns. Many state governments are ready with policies to promote entrepreneurs, backed by funding plans.

The Bihar government has allocated ₹500 crore for a start-up fund to be used over the next five years. The Small Industries Development Bank of India (Sidbi) is allocating another ₹500 crore for the state. The state government is set to table a start-up policy prepared after studying models in eight states.

Bihar has produced at least 300 start-ups in the past year.

"We have taken the idea of entrepreneurship to such places as Purnia and Motihari. We have two incubators, but after the policy is in place we will have more," said Abhishek Kumar, secretary-general, Bihar Entrepreneurs' Association (BEA).

To encourage new enterprises in the state, Himachal Pradesh Chief Minister Virbhadra Singh, who also holds the finance portfolio, announced a start-up scheme in the recent budget.

New enterprises in the state will be required to submit self-certified documents online or manually for registration. Provisional registration will come within 15 days of submission of documents. The department of industries will provide cheap land to units providing

employment to 100 naturalised residents.

Himachal Pradesh's chief secretary P Mitra said, "We are targeting areas like Baddi, Barotiwala, Una and Paonta Sahib to be developed as start-up hubs."

The Chhattisgarh government is trying to push the culture of start-ups to unemployed youth as well as professionals migrating to other states. The government is working on a start-up hub in Naya Raipur and has made an initial allocation of ₹45 crore. Industry bodies are helping start-ups understand business and also connecting them with investors.

"In Chhattisgarh, awareness is important. That is what we are doing with road shows. The government has made a number of changes in its policies to help upcoming companies," said Mahendra Agrawal, chairman, Chhattisgarh Council, Confederation of Indian Industry.

NURTURING THE START-UP ECOSYSTEM

BIHAR

- Allocated ₹500 crore for next five years
- To table start-up policy in Assembly
- 300 start-ups nurtured in past year

HIMACHAL PRADESH

- To launch start-up scheme
- Will provide land at

concessional rates with reduced stamp duty

- To simplify procedures by making these online

CHHATTISGARH

- To create a start-up hub in Naya Raipur
- Allocated ₹45 crore

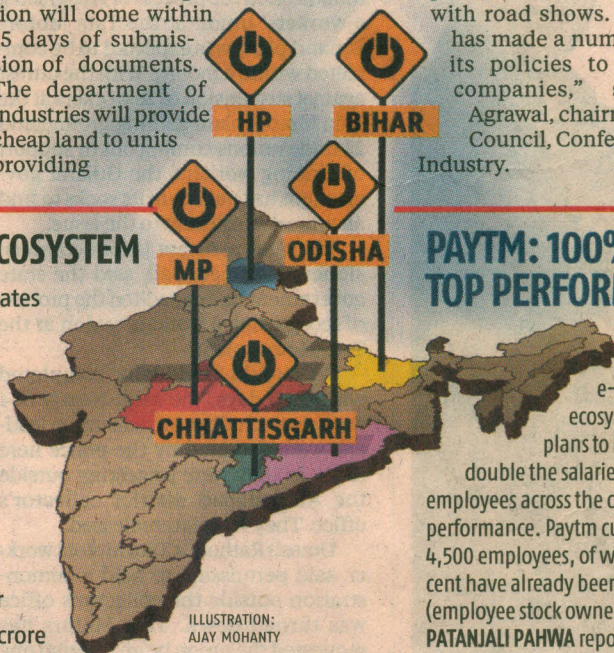


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As belts across the start-up and e-commerce ecosystem tighten, Paytm plans to buck the trend and double the salaries of more than 200 employees across the company, based on performance. Paytm currently has 4,500 employees, of which about 15-20 per cent have already been given ESOPs (employee stock ownership plans).
PATANJALI PAHWA reports