

Adding a new chapter: IITs and IIMs help launch manufacturing startups

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NEW DELHI: The word startup usually conjures up images of companies, which have something to do with softwares or online retail.

But beyond the limelight, there has been a sharp rise in manufacturing startups over the past five years, especially at the incubation centres of IIMs and IITs.

"Technology institutes can provide prototyping and testing infrastructure for these ideas, and management institutes can provide active business mentoring and operational scale-up support. Incubators associated with these academic institutes can be the channel of supporting these entrepreneurs," says Kunal Upadhyay, CEO, Centre for Innovation Incubation and Entrepreneurship at IIM Ahmedabad.

The key is to make these educational institutes engage with not only student entrepreneurs, but external entrepreneurs as well. The latter can often be a source of inspiration for students and provide them live learning opportunities, adds Upadhyay.

Anil Wali, managing director, Foundation for Innovation and Technology Transfer (FITT) at IIT Delhi, says academic institutions can serve as sources of innovative ideas, commercialisable research

TURNING THE GEARS

Over the past five years, more than 120 manufacturing startups have been incubated by differing success rates

Incubation centre	Manufacturing startups funded since 2010	Survival rate	Some successful startups
IIT Kharagpur STEP	12	10%	Amnivor Medicare, SG ArtHeart, Polysorb Laboratory
IIT Madras Incubation Cell	21	100%	Ather Energy, Dhvani Research, Planys Technologies
IIT Bombay SINE	34	80%	Ideaforge Technology, Sedemac Mechatronics
IIT Delhi FITT	15	60%	Sintex Esco, KritiKal Solutions, Mechartes
IIM Ahmedabad CIE	40	90%	Greenway Grameen, Tessel, Ecolibrium Energy

and technical manpower that can be leveraged by the startups.

Apart from the basic support such as a company secretary, legal help and office space, entrepreneurs see immense benefits of being a part of an incubator by the way mentorship and interaction with the alumni.

"When we started off in March

2015, we were overwhelmed with so many business opportunities for our idea. Our mentors guided and helped us identify the key areas to focus on, got us the right meetings through their connections," says Tanuj Jhunjhunwala of Planys Technologies, incubated at IIT Madras Incubation Centre.

However, the survival rate of

startups at the end of incubation ranges from 10% to 100%.

As Upadhyay says: "It is harder for manufacturing startups to find financial support as lots of venture capital funds don't invest in them."

Satyahari Dey, MD, Science and Technology Entrepreneurs Park IIT Kharagpur blames the missing "drive in the country" for the low survival rates. Increased focus of the government, though, will work in favour of these startups in the coming years, he says.

Dey says the government should create world-class incubation campuses at all these institutions with no bar on funding, to make India the number one innovation-translation destination as well.

Tamaswati Ghosh, CEO, IIT Madras Incubation Cell says: "The government should provide channels for obtaining funds for seeding and scaling-up startups, and also help us get necessary funding clearances."

However, startups in the manufacturing space are set to grow.

"Make in India initiative is giving entrepreneurs a platform to create hype about the sector and it is the right time to launch startups. With an innovative idea in mind your chances of survival will be high," says Poyini Bhatt, COO, Society for Innovation and Entrepreneurship, IIT Bombay.