

AMONG THE UNICORNS It's time to pick the next Unicorns. A high-power jury will select the winners of the second edition of The Economic Times Startup Awards, the finest accolade recognising the best of Indian entrepreneurship

Cherry Picking in Startupland



WE, THE JURY: Nandan Nilekani, Amitabh Kant, Sachin Bansal, Subrata Mitra, Rajan Anandan, Vijay Shekhar Sharma, Vani Kola, Mukesh Bansal and Kartik Hosanagar

THE ECONOMIC TIMES
STARTUP AWARDS 2016

HARVEST SEASON
MEET THE HIGH-PROFILE JURY WHICH WILL PICK THE BEST AND BRIGHTEST OF INDIA'S FLOURISHING STARTUP ECOSYSTEM

The Economic Times has assembled a jury comprising the finest minds tracking Indian startups to select the winners of **ET Startup Awards 2016**. They will meet on August 6 to choose the eight winners of the second edition of India's most prestigious startup awards. Presenting the jury:

Nandan Nilekani

Nandan Nilekani has invested in nearly a dozen startups, including Team Indus, which is building a spacecraft capable of landing on the moon. The former Infosys CEO, who spearheaded the Aadhaar project is also a mentor to a dozen other startups. His investment philosophy is to back big, transformative ideas that address major pain points of society.

Amitabh Kant

Amitabh Kant, CEO of NITI Aayog, is a key architect of path-breaking federal initiatives such as 'Make in India' and 'Startup India'. As secretary of DIPP till March 2016, he was responsible for formulation of industrial and foreign direct investment policies. He is also credited with re-positioning Indian tourism with the 'Incredible India' campaign in 2002.

Sachin Bansal

Sachin Bansal, as a cofounder of Flipkart, has pioneered several innovations that have defined India's e-commerce sector. He is also a keen investor and has backed electric scooter maker Ather, that is preparing for a commercial launch this year, an online platform for artists called TouchTalent and news aggregator In Shorts.

Vijay Shekhar Sharma

Vijay Shekhar Sharma's latest obsession is his new payments bank. The CEO of One97 Communications, the parent company of Paytm, is preparing to launch financial products including insurance, loans and wealth management services — returning to the cycle of starting up. He had cofounded his first venture, Xs Corp, while still in engineering school.

Subrata Mitra

Subrata Mitra was among the earliest investors to bet on future unicorns Flipkart and Mu Sigma. His other investments include Mynt and Perfint. As a senior partner at Accel India, he has been instrumental in raising three India funds, taking the firm's total assets under management to over \$500 million.

Rajan Anandan

Rajan Anandan, managing director of Google—Southeast Asia and India, has backed about 60 early-stage ventures in the big data, consumer internet, cloud computing and mobile commerce segments. He was among the earliest backers of Druva, Capillary Technologies and Sapience, touted to be among the next big product tech ventures to emerge from India.

Vani Kola

Vani Kola, managing director of Kalaari Capital, boasts an enviable record of spotting entrepreneurs who would go on to build some of the largest companies in their categories. Among them, Snapdeal founders Kunal Bahl and Rohit Bansal and Mynta founder Mukesh Bansal. She won ET Startup Awards 2015's 'Midas Touch Award for Best Investor.'

Mukesh Bansal

Mukesh Bansal, founder of Mynta, is busy with his second venture — a healthcare, sports and fitness company. He sold Mynta to Flipkart in 2014 for about \$375 million, still among India's largest startup acquisition deals. At Flipkart, he helmed the core online commerce business until shortly before he stepped down in February 2016.

Kartik Hosanagar

Kartik Hosanagar, who teaches internet commerce and entrepreneurship at Wharton School, is also an entrepreneur and an investor. He cofounded Milo that was sold to eBay, Yodle that was acquired by Web.com, and LiveLovely that was bought by RentPath. He has invested in at least a dozen startups, including RJMetrics, Sociosquare and NextGenPMS.

AND THE AWARD CATEGORIES ARE...

STARTUP OF THE YEAR

The award will pick the startup that has the potential to become a blue-chip corporation. The ET Startup of the Year will be characterised by breakthrough innovation, top-class execution and fast-paced growth. The quality of the founding and management teams will be an important component in decision-making.

demonstrated the ability to win customers and earn revenue without having raised outside funds. It should possess the potential to scale into a large enterprise.

WOMAN AHEAD

The startup should be launched and led by a woman that competes and wins against the best in the business.

COMEBACK KID

This award will celebrate failure and recognise those who have survived to tell the tale. It will be given to an entrepreneur who has bounced back to rebuild or launch a successful business.

SOCIAL ENTERPRISE

This award will recognise the startup that best embodies the 'double bottomline' model that combines profits and public good.

MIDAS TOUCH AWARD FOR BEST INVESTOR

The award will recognise an investor who has a track record of identifying potential winners. The startups, backed by the investor, should have gone on to demonstrate exemplary growth.

BEST ON CAMPUS

The award will showcase a startup whose impact can be judged both by the idea and the execution. The startup should have begun as an idea on campus. There must be some level of validation either through investors or customers. College projects don't qualify.

TOP INNOVATOR

The award will recognise innovations that launch a business or give it a big boost. It should be an original idea that is core to the business or one that provides the differentiation that sets it apart from competition.

BOOTSTRAP CHAMP

The Bootstrap Champ will have

HOW WINNERS ARE PICKED

ET has contacted key stakeholders in the startup ecosystem for their nominations. A long list of companies will be drawn up from this pool, and our knowledge partner Zinnov will crunch the numbers to come up with a first shortlist in seven categories. ISPIRT is ET's partner in preparing the shortlist in the Bootstrap Champ category. The jury will make its final choice from a shortlist of five entrants in each of the categories. They will be presented with a 'black book' containing profiles of the chosen individuals and companies.



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JOHN MAEDA
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Design is the act of neatly folding a pile of freshly washed laundry. Art is the freedom to get them all (meaningfully) dirty again.

Piggybank

A round-up of the top funding stories of the day from the startup world

BookMyShow Gets a ₹550-crore Ticket

Portal now valued at over ₹3,000 crore; to use funds to expand its market share & grow overseas

Our Bureau
Bengaluru: Bigtree Entertainment, which owns movie and entertainment ticketing portal BookMyShow, has raised ₹550 crore (\$80 million) led by US-based growth fund Stripes Group in one of the largest rounds of funding for an Indian internet company this year. The deal, in which existing investors Network18, Accel Partners and SAIF Partners participated, has valued the Mumbai-based company at over ₹3,000 crore, marking a three-fold jump in valuation from two years ago when it last raised money. Ashish Hemrajani, the cofounder and CEO, said his company now has enough capital for the next three years and will use the money

to expand its market share, grow overseas and build content and communities around movies and entertainment. BookMyShow has a near monopoly in the Indian online event booking space. The funding, which was in the works for at least six months, will also bring strategic heft to BookMyShow. Dan Marriotti, a managing partner at Stripes, was earlier the executive vice-president for corporate strategy and development as well as a member of the board of directors of Nasdaq-listed Ticketmaster, one of world's largest ticket-sellers. "BookMyShow is uniquely positioned to tap into India's digital advertising and entertainment markets, which are among the fastest growing globally," Marriotti was quoted as saying in a statement.

DAN MARRIOTT
Managing Partner, Stripes

BookMyShow is uniquely positioned to tap into India's digital advertising and entertainment markets

In its previous funding round, the Mumbai-based company raised ₹150 crore from SAIF Partners, Accel Partners and Network18 Media. While some in venture capital circles believe BookMyShow's current valuation is "rich" given the investment climate, others feel that it is a function of fundamentals. "In a tough market, businesses

which are built on hope and promise see their valuations subdued but those strong with fundamentals get (higher) valuation," said Rutvik Doshi, a director at venture firm Inventus Capital. "One good thing about BookMyShow is that they charge a convenience fee which they have stuck with and everybody has paid. And they haven't thrown money on discounts, so their metrics and unit economics will be good enough to justify the valuation and fundraise." At present, BookMyShow makes 60% of its revenue from movie ticketing, and the rest from sports, live shows and plays. At the end of March 2015, it had an average of 42 million visits per month and sold over 4.5 million tickets every month. In 2015-16 it sold 100 million tickets.



THE BIG SHOW

FELIX VALLONTO, Box Seats At The Theater

InnoVen Clocks ₹82-crore Deals in Q1

Venture debt firm to disburse loans of \$60-70 million in India by end of the current fiscal

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New Delhi: Temasek-owned InnoVen Capital has struck deals worth ₹82 crore in the first quarter of the current fiscal, as the venture debt firm looks to make deeper inroads into Asia's third-largest economy and rapidly-maturing startup ecosystem.

InnoVen Capital, which is also backed by Singaporean multinational banking organisation United Overseas Bank, has provided venture debt financing to XpressBees, the logistics business spun out of baby and maternity products retailer FirstCry, on-demand home services provider Housejoy and online aggregator of hotel rooms and home stay, Stayzilla. It has also provided loans to peer-to-peer money transfer and recharge app Chillr, profes-

A Helping Hand

InnoVen Capital has provided venture debt financing to XpressBees, Housejoy & Stayzilla. It has also provided loans to Chillr, Simplilearn, Manthan, Ridlr & Koye Pharmaceuticals

Financial year 2016-17 has started off very strongly. Our pipeline is almost at \$20 million in term sheets at this point in time.

VINOD MURALI
MD, InnoVen Capital

national certification training company Simplilearn, big data and analytics company Manthan, public transportation app Ridlr and primary specialty care drug maker Koye Pharmaceuticals, according to Vinod Murali, managing director, InnoVen Capital. "Financial year 2016-17 has started off very strongly. Our pipeline is almost at \$20 million in

term sheets at this point in time... We're feeling very good about where we are today," Murali told ET. The companies, some of which are part of the venture debt firm's current portfolio, have all raised significant amount of funding from leading venture capital and strategic investors, including Amazon, Paytm, Sequoia Capital and Matrix Partners.

A significant number of the debt finance transactions cited above have been either structured along side, or followed, equity financing rounds raised by the companies over the past six months. According to Murali, the venture debt firm, which was formerly known as SVB India Finance, before being acquired by Temasek for about ₹300 crore last year, and then rebranded, expects to disburse loans of about \$60-\$70 million in the country by the end of the current fiscal. "I expect the forthcoming quarters to be better than this one. Companies that have raised a significant amount of equity financing, are still very keen to take on a layer of venture debt... From a founder's perspective this (venture debt) is a very useful instrument to have, because it preserves valuation," the InnoVen Capital MD said.

SpectraVR Gets Seed Funds to Change Reality

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Bengaluru: Mumbai-based virtual reality content studio SpectraVR has raised an undisclosed amount as seed funding from US-based technology venture capital firm Rottenberg Ventures for its expansion plans. The startup specialises in producing high-end, 360-degree videos and animated interactive virtual reality-based content. "We use high-end technological equipment to create a novel film experience by producing convincing point-of-view scenes, aerial shots and film-making tools to generate immersive imagery," said Sushant Baliga, founder of SpectraVR. The funds raised will be used for product development, which includes creating VR-based games for brands, creating travel-oriented experiences, movies and other short-format content. The focus will be less on creating virtual reality headsets and more on enabling users to experience the same through their smartphones in order to make it more cost effective.

Nazara Clocks ₹220 crore in Revenues

Startup plans to launch products and services in 20 additional countries

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Bengaluru: Mobile gaming startup Nazara Games reported ₹220 crore in revenues for FY2015-16, with the Indian market contributing 47% to the top line revenue. "We have seen an explosive growth of 40% CAGR in the past 4 years," said Nitish Mittersain, the founder of Nazara Technologies. Mittersain attributed Nazara's growth to rising smartphone penetration and improving data connections. "Another aspect that has helped with growth is pre-loading games on millions of devices through partnerships with handset manufacturers," Mittersain said. The gaming startup plans to launch a host of products and services in 20 additional countries, while focussing on increasing its user base from 35 million unique gamers to 100 million gamers on a monthly basis. "The expansion of Games Club, which is a subscription-based service, into 20 new markets could be a huge growth driver," said Manish Agarwal, the CEO of Nazara Games. The mobile gaming publisher is operational in 48 countries including India, Dubai, Singapore and Mauritius.

Quick Byte ANIRBAN BORA

Apple will push for organ donor registration in iOS 10

40%
of Azure revenue comes from startups and independent software vendors, says Microsoft