

# BEGINNING THE DEBATE ON STARTUPS

## Experts Laud Gujarat's Success At National Level

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**Ahmedabad:** Mitesh Sanghvi, a startup mentor now, remembers how a decade ago the fresh-faced graduates used to throng the events at locations like the Centre for Innovation, Incubation and Entrepreneurship (CIIE) at IIM Ahmedabad about starting their own enterprises. 'Startup' was still not a buzzword then and nobody was thinking about becoming the next Ola, Swiggy or UrbanClap.

### GOOD START

"Technology was not yet available to match with the youth's dreams and funding was a major problem. What they however did not lack was passion and those who persisted have found the solid foundation now. The government has woken up to

## STARTING THE FUTURE

Incubator	Patents	Startups
iCreate	20	138
CIIE, IIM-A	10	123
ISC, GTU	9	28
VentureStudio, AU	7	33
GUSEC, GU	6	72
CrAdLe, EDII	6	26
IIC, PDPU	3	36
IIEC, IIT-Gn	1	10
LEAF, GLS	1	24

### Startup ecosystem

Entrepreneur, mentor, corporate, service providers and knowledge workers; local, state and national governments; incubator and accelerator; investment/ funding agency; university and research institutions

### IMPETUS FOR THE SECTOR

- ▶ Schemes for assistance for startups/innovations 2015-19 supported 184 startups and approved 33 institutions
- ▶ Electronics and IT & ITeS Startup 2016-21 has supported 13 startups and approved one incubator
- ▶ Student startup innovation policy 2017-21 has got 549 proof of concepts, supporting 345 IPRs and has 51 institutions and 23 universities approved
- ▶ Rs 97 crore has been allotted in the present budget for startups
- ▶ The Gujarat Venture Fund Limited (GVFL) Startup Fund of Rs 250 crore created by the state government for the ecosystem

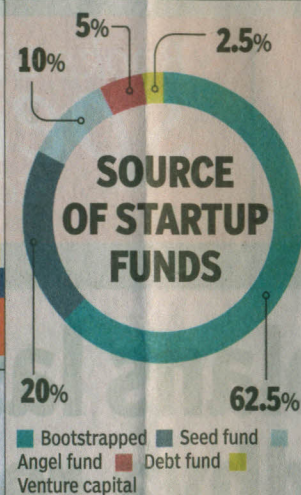
the need of an overall ecosystem and now a number of events such as startup yatra, hackathons and startup meets have more serious contenders," says Sanghvi.

As Gujarat has bagged the position of best performer at State Startup Ranking Framework 2018 of Department of Industrial Policy and Promotion (DIPP) of

**TALK ABOUT MONEY:** Over ten companies such as Arinna Lifesciences, Let's Recycle, Pastiwala, Gingercrush and Salebhai in diverse fields have managed to raise over \$ 1.5 million in funding in past decade. Number of such ventures is expected to grow in next decade

All figures and data based on StartUp Gujarat, Vibrant Gujarat Startup and Technology Summit 2018 report; StartUp Vision Document 2020 and Entrepreneurs India : Gains & Misses 2018 report

central government's ministry of commerce, experts point out that it surely is a feat to applaud but the state still needs its own success stories.



### AHMEDABAD RULES

71% of the Gujarat startups are based in Ahmedabad, followed by Vadodara (8%), Rajkot (7%), Surat (5%) and Gandhinagar (4%). Other centres constitute just 5%

According to experts, in the past decade, out of 15,000-odd startups registered with different incubators and accelerators, only 700 have survived the stage

of entering the market and commercialization. A study by ASSOCHAM and EDII also mentioned that the survival rate of startups in India is about 10% due to multiple factors.

Mayank Patel, CEO of incubation centre Cradle, said that the ranking is result of the government's focus on achieving policy objectives, involving experts, academic institutions and other stakeholders. Jaimin Shah, chairman of NASSCOM's domestic council, said, "Once the industry starts sharing their problem statements with the start-up ecosystem, we will be able to see more and more real-time industry accepted startup solutions in the market."

The critique however comes from the fact that the focus is solely on tech-based startups emulating a tried-and-tested model. "New ideas need bold thinking and reaching out to schools and colleges is a good step. However, one also needs course-correction at an early stage so that we don't waste precious years and resources," said a startup mentor based in Ahmedabad.

"The ecosystem in Ahmedabad has matured in past 10 years with several awareness and handholding seminars. The need of the hour is to reduce the mortality rate and focus on key projects



**Mitesh Sanghvi** | STARTUP MENTOR

Startups need help even after seed funding at prototype development and market



**Menaka Gurnani** | HIDAA LIFESCIENCES

research. We have novel ideas that need patient hearing. But what ultimately drives a venture is passion of promoters