

## INDUSTRY SPEAK

“From being a business state, Gujarat is becoming a startup state. Ahmedabad, especially, has

become a hub for high-tech startups, reflecting govt efforts

**Harshvardhan Lunia** | CO-FOUNDER AND MD OF LENDINGKART

“The presence of CIIE, CO, India's foremost entrepreneurship centre, and premier institutes like IIM-A, MICA, CEPT, NID, provides an ecosystem conducive for startups

**Niraj Mulani** | MARKETING MANAGER, CIIE, CO, IIM-A

“Under Student Startup and Innovation Policy - Gujarat, over 130 institutions provide pre-incubation for student startups.

Over 400 patents have been filed under SSIP. State also provides grant funding

**Satya R Acharya** | PROFESSOR, EDII

“Gujarat is an entrepreneur hub where infrastructure costs are low, and the right skillsets for managing operations is easily available

**Vivek Sheth** | FOUNDER DIRECTOR OF ARINNA LIFESCIENCES

# GUJARAT: A LAUNCHPAD FOR STARTUP STARS

*The State Emerged As The Best Performer In 2018 In The Startup Eco-System Ranking Of DPIIT*

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Gujaratis are very good negotiators. If you can do business in Ahmedabad, you can do it profitably in any part of the country,” says Sandeep Patel, founder CEO of NEPRA Resource Management that runs under the ‘Let’s Recycle’ brand.

This Ahmedabad-based company is into waste management and works with waste-pickers. It has already completed the Series B funding round where venture capital firms like Aavishkar and Asha Impact invested in the company. The company clocked a turnover of Rs 63 crore last year and is currently in the process of raising US \$50 million. From six cities, they aim to expand presence to 25 cities by 2025, says Patel.

Known for its entrepreneurial skills and business friendly environment, Gujarat is seen as the textile, pharma and auto hub of the country. Now, with nearly 3,900 startups in the state, the state's principal city of Ahmedabad, which houses the maximum number of startup incubators,

is emerging as one of the best places in the country for launching startups.

From FMCG, pharma, IT, solar, to agriculture, the city has seen a slew of new ventures in the last few years. Be it Vishal Mehta-founded Infbeam, a digital payment and e-commerce platform service that went on to become the state's first unicorn, or Beardo founded by childhood friends Priyank Shah and Ashutosh Valani, or Arinna Lifesciences or fintech company Lendingkart, legal-tech startup Legalwiz.in to name a few, the city has been a breeding ground for new business ideas.

Their success is reflected in the fact that Gujarat emerged as the ‘Best Performer’ in 2018 in the startup ecosystem ranking carried out by Department for Promotion of Industry and Internal Trade (DPIIT), Government of India. One of the largest incubators in the country, The International Centre for Entrepreneurship and Technology (iCreate) and one of the oldest state venture funds – GVFL, both are based in Ahmedabad.

CIIE, CO, set up by Indian Institute of Management - Ahmedabad, in association with the state government and



the Centre is one of the most prominent incubators in the country. It has accelerated over 500 startups across various sectors.

Startups are normally identified as newly emerged, fast-growing businesses that aim to meet a marketplace need by developing a viable business model around innovative products, services, pro-

cesses or platforms. Gujarat was among the first few states that launched the State Startup Policy in 2015. The notified Startup Policy under industries and mines department offers benefits and incentives across various areas of intervention. Additionally, the state has announced separate policies with sector-specific focus and one specifically for

student innovators, said a senior state government official.

Among the most successful startups from Ahmedabad is Lendingkart. With focus on small and medium enterprises (SMEs), the company offers small ticket-size loans to borrowers with limited credit history.

“We have disbursed more than US \$542 million loans to small businesses in a short span of about 4 years by using the technology-based model with minimal delay and delinquencies experienced, which further proves the soundness of our model,” said Harshvardhan Lunia, co-founder & managing director of Lendingkart.

Arinna Lifesciences, funded by Motilal Oswal Private Equity, is a specialty pharmaceutical company that started operations in 2014 from Ahmedabad, and now aims to reach Rs 500 crore revenue by FY 24.

If Beardo, which is to be acquired by Marico by end of this year, has created a niche for itself in the men's grooming segment, there is also Menstrupedia, a Gujarat-based startup which uses comic book format to shatter the myths and misunderstandings surrounding menstruation.

Whichever way you go, you'll find startups from Ahmedabad making their mark in every market niche and forging ahead with the grit of Gujarat in their veins.