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Startups no longer concentrated in South India, extend to even Kutch desert

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Far from India's tech cities of Bengaluru and Hyderabad, and their backyards, a bevy of startups has mushroomed in the towns and cities of Gujarat, Rajasthan and Madhya Pradesh, emphasising that "geography" is cliche in the world of entrepreneurship.

Without government support, a handful of entrepreneurs, educationists, educational institutions and self-motivated startup players have established incubators, angel investment groups and startup communities in places like Indore, Bhopal, Jaipur, Udaipur, Ahmedabad, Vadodara, Rajkot, Surat and even the desert district of Kutch. And the count is rising.

In recent years, Madhya Pradesh has witnessed a boom in startups in cities like Indore and Bhopal. About two months ago, Make in Bhopal, a start-up and entrepreneur community was established. This was preceded by Indore Startups Community (ISC) in March 2014 and Indore Entrepreneurs Network (IEN) in February 2013.

While Make in Bhopal has 16 entrepreneurs, mostly from the software and educational domains, IEN has 20-25 members who organise monthly workshops on startup-related subjects. Recently , Indore-based startups Twist Mobile and Carmel Organics received private equity funds.

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"Indore Startups Community (ISC) held its first meeting on May 25, 2014 in Cafe Coffee Day in Indore, where 16 startups participated, said Aditi Chaurasia, founder of EngineerBabu, a bootstrapped startup. After a year, ISC, with more than 50 members, has organised seven major workshops.

State-wide Spread

Madhya Pradesh
- Startup boom in Indore, Bhopal
- 'Make in Bhopal' established
- Indore Startups Community set up in March 2014
- Indore Entrepreneurs Network set up in Feb 2013

Rajasthan
- Startups in Jaipur, Udaipur
- In 2013, Startup Oasis formed in Jaipur
- 40 startups associated with Startup Oasis

Udaipur
- 'Young Entrepreneurs of Udaipur' founded
- YEU has 15-20 start-ups

Gujarat
- Ahmedabad has 11 incubators
- National Institute of Design, MICA, Ahmedabad University, Gujarat Technological University have incubators

According to Nemesh Singh, a Bhopal-based entrepreneur who heads 'Make in Bhopal', carwale.com started in Bhopal and then moved to Mumbai after tying up funds.

In Rajasthan, popular tourist destinations Jaipur and Udaipur have entered the startups directory . In 2013, Startup Oasis was formed in Jaipur as a joint initiative of Rajasthan State Industrial Development and Investment Corporation and the Indian Institute of Management's Centre for Innovation, Incubation and Entrepreneurship (CIIE).

"The first wave of startups was of IT and mobile-related ventures, but now there is an increasing trend of handicrafts and social startups," said Chintan Bakshi, COO at Startup Oasis.

Today, there are 40 startups associated with Startup Oasis, of which 33 have been incubated. Recently, Razor Pay, a Jaipur-based startup, received Rs 80 lakh funding from YCombinator. By 2014, a startup trend had become visible in Jaipur and Rajasthan Angel Investors Networks conducted its first investment around that year. Jaipur-based Dilnawaz Khan, whose primary role is to hunt for startups with mass impact, said, "In Jaipur, people were known for their Marwadi style business, it is now gradually moving to new-age startups style, adding altogether a new dimension to it." Khan is manager business development from Unitus Seed Fund.

Just 450 km away in Udaipur, another community of startups surfaced under the banner 'Young Entrepreneurs of Udaipur' (YEU), cofounded by a restaurant entrepreneur and eight entrepreneurs in 2014.

YEU has 15-20 startups and entrepreneurs including doctors, chartered accountants, engineers and businessman. There are two or three startups at LNM Institute of Information Technology and two startups at MNIT. A few others are in the idea stage.

In Gujarat, the startup bug has bitten every major city.Ahmedabad has 11 incubators, including IIMA's CIIE."Five years ago in 2010, there were only three incubators in Ahmedabad and Gujarat. Today, there are 11," said UT Rao, chairperson, MICA Incubator. Almost all universities and institutes of excellence in the state like National Institute of Design, MICA, Ahmedabad University and Gujarat Technological University, have their own incubators.There is also a home-grown angel investors' group - Ahmedabad Angel Network and Ahmedabad Ventures - which has been formed mainly by businessmen.

EChai, founded in 2009 by Jatin Chaudhry, is now a successful startup community in Gujarat. Over the last six years, eChai's programme has been attended by more than 30,000 participants. Startup communities like eChai are present in all major cities of the state, including Ahmedabad, Vadodara, Rajkot, Surat and even Kutch.

ICreate, an incubation centre formed in 2013, is being headed by NR Narayana Murthy of Infosys. "There is no accounted data on the growth of startups in western India, as it is a recent trend in this region. But we can say that one of the reasons for this surge is accessibility to good internet service, mobile connectivity, new thought process mixed with a traditional entrepreneurial mind-set," said Chetan Khandhadia, partner, PWC India, who focuses on the Gujarat market.

According to Khandhadia, while in Bengaluru and Hyderabad, it was the growth of IT industry that gave birth to IT-based startups, in the case of western India, the growth and easy accessibility to technology have prompted startups in non-IT business segments. In Rajkot, Gujarat, Jatin Kataria's 'WE GROUP' helps create a startup ecosystem. In the last two years, it has organised 17 conferences. It has nearly 100 individuals and startups as members. Next month, Kataria said he will launch `Startup Co-working Space' for Rajkot-based startups, which will have common infrastructure facilities like internet, working space, printers etc.

Even in far-flung Kutch, a desert region in Gujarat, there is sign of the emergence of a startup culture, aided mainly by 24-hour power supply and decent internet connectivity. Suresh Kerai, an MCA and Android app developer, left his job in Ahmedabad and moved to his village Mankuva in Kutch, and started Arkay Apps. He has published two apps for Apple and 24 Android applications.