



# Startups in India - An Overview

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KPMG in India

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# Impressive momentum



1

\$11 Bn investments\*  
in 2018, 743 deals,  
2x growth over 2016



2

Over 1200 startups were  
registered in 2018, including  
8 unicorns  
~7200 total number of  
startups in India



3

B2B start-ups now  
over 40% growth

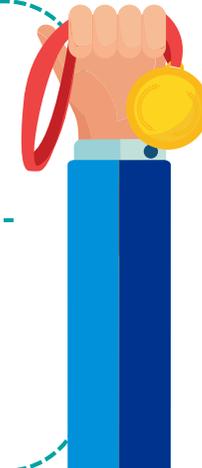


4

210+ active incubators /  
accelerators;  
growth of 50% from 2016

5

Rise in Ease of Doing  
business rankings from  
142 in 2014 to 77 in 2018 --  
and other startup  
focused Government  
initiatives



# A powerful ecosystem for startups to grow

**Telecom  
companies**

**Retailers and E-Tailers  
Other Internet  
business – Food,  
Classifieds, Auto,  
Education, Tickets**

**Indian Funds/  
Corporate startup  
funds**

**Government and  
Regulators**

**Non-Tech startups**



**Customer and his  
mobile phone**

**Content payers**

**Logistics players**

**Digital Wallets**

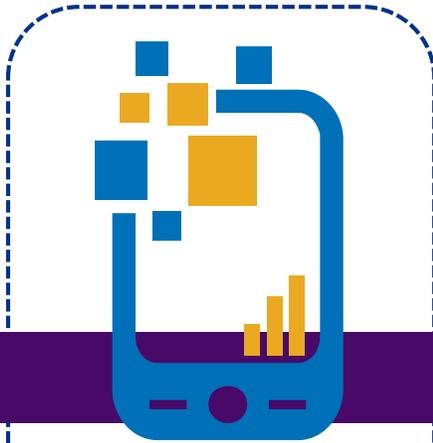
**AI/ IoT and Data  
Analytics players**

**Banks & Financial  
Institutions**

# Key trends impacting the startup ecosystem



**Shift in startup activities towards B2B startups**



**Rise of Assisted Commerce**

**Digitally enabled channels like AADHAR centers, ticket booking outlets**



**Online only Indian brands**



**International plans by Indian B2B startups in**

**AI, IoT, Marketing Insights, Process Automation, Health Tech**



**Specialized startups focused on customer clusters**

# Customer clusters in India - an illustration



**Ecommerce customers**



**Senior citizens**



**Indian language internet users**



**Farmer families**



**Digital Mothers**



**Software Engineers**



**Services workers**



**Government Employees**



**Fitness oriented/  
gym goers/  
runners**



**Bank Employees**



**Retailer influenced buyers**



**Microfinance customers**



**Non employed consumers  
12-21 years**



**New product seekers**



**Price sensitive middle class and lower strata**



**Large institutional buyers**



**First time employees**



**Social media and content influenced buyers**



**Geography specific customers**



**Migrant population**

# Sectors in focus for startups

Online  
Education  
(EdTech)



Internet  
Gaming



Online  
Food  
Delivery



SCM &  
Logistics



Fintech



Health  
Tech



# Government sponsored startup hubs

## Rajasthan

### Techno Hub

Inc

**2018**  
Launched In



Spread Across  
**100K Sqft**  
In Jaipur

Has a seating capacity for  
**700**



**180+** Startups has set up their base at the Techno Hub (August 2018)

**50+** Mentors have been onboarded for the incubation programmes

## Hyderabad

### T-Hub: Factfile

Inc

**2015**

Launched In



Spread Across  
**70K Sqft**  
In Hyderabad



Has provided  
**1137**  
National & International startups with access to mentors, customers, corporates, investors & government agencies



**457**

Startups Associated/ Incubated with/at T-Hub



**58**

Startup Success Stories (Raised Funds, M&A)



**60+**

International connects for Catalyst startups since March '17



**36**

Registered IPs/Trademarks



## Kerala

### Technology Innovation Zone, Kerala

Inc

**2019**  
Launched In



The Phase I Spread Across  
**180K Sqft**  
in Kochi, Kerala



Till now  
**1,660**  
Startups have set up their base at TIZ



The zone comprises of an incubator operated by KSUM, Maker Village, a consumer electronics-based innovation lab cum incubator and Bionest — a biotech acceleration programme

Phase II will be an expansion of  
**350K Sqft**

Source – Inc42

# Kerala's startups are pushing boundaries

The State accounts for 15% of the 5,000 odd technology startups



**Zappyhire**

**AI for end-to-end  
hiring solutions**



**SASTRA**  
R O B O T I C S

**Robotic solutions for  
automated functional  
testing of physical  
devices**



**ignitarium**  
Spark On.

**AI/ ML based  
solutions for multiple  
sectors**

# Boosting Kerala's growth

## Revamping curriculum

Improve general, technical and vocational training by collaborating with academia

## Culture of entrepreneurship

Build-on existing ecosystem, leverage digital lead, focusing on domains such as AI, ML and emerging technologies

## Making Kerala attractive for non-Keralites

Leverage natural advantages  
Create recreational hubs for the young  
Improve higher education

## Involve Kerala expats to promote development

Given Kerala's dynamism and talent, many startups will benefit from good mentors





# Thank You

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