

LESSONS FROM 50 START-UPS THAT HAVE RAISED VENTURE CAPITAL

We profile two start-ups with pioneering work in mobile value addition and water recycling and two more that uses tech to boost education's reach and quality. Plus, the one that helps maintain your laptop's health

Value Add in M-Space



NARASIMHA SURESH

Founder, TELiBrahma

3 TIPS TO RAISE MONEY



- ✓ **Build up a diverse network that includes entrepreneurs, customers and investors**
- ✓ **Get your vision and metrics right before approaching the investor**
- ✓ **Go ahead and pitch. You have nothing to lose**

Mobile-based advertising and marketing solutions venture TELiBrahma, though founded in 2004, arrived at its core business model only in 2008. It started out as a mobile product firm but founders, Narasimha Suresh and Ravi B R, soon realised that funding was scarce for product firms. So, the focus shifted to providing value-added services for other mobile start-ups to generate cash-flows.

In 2006, the company raised Rs 1.25 crore from Karnataka Information Technology Venture Capital Fund (Kitven) and began building a blue-tooth network across the country. In malls, airports

and other locations if a customer switched on blue-tooth or Wi-Fi on his mobile, TELiBrahma would deliver content to the phone.

"We sold off our value-added services business in 2008 and decided to focus on advertising solutions through our blu-fi network," says Suresh, the company's CEO. The same year the company raised \$2 million from Inventus Capital and Ojas Venture Partners. In 2010, the venture launched an augmented reality product, IntARact. In augmented reality graphics, audio and video from a mobile or a computer screen adds value to a real-life product or environment. TELiBrahma has clients in India, Europe and the US and they have worked with brands like Unilever, Coca-Cola, Kraft, Benz, BMW, Ford, Nike and Nokia.

In November 2011 the company raised an undisclosed round of funding from Intel Capital. "It was our first round investors who introduced us to Intel," says Suresh. "The second round of funding is more challenging as you need to prove you can take the company to the next level."

While the company has a presence in international markets, Suresh wants to expand his clientele across global markets. "Intel gives us credibility and they can connect us with the main players in the global industry," says Suresh adding that the challenge now is to make TELiBrahma an internationally recognised technology brand

Radhika P Nair

Recycling Water



HARSHAD BASTIKAR

Founder, Jaldhara

Harshad Bastikar, former vice-president & SBU head at Thermax, wanted to change the way water is managed in the country and to this end set up Jaldhara Technologies in October 2010. Bastikar says while almost 80-85% of each drop of water used can be recycled and reused, at least for non-potable purposes, high costs have hobbled the acceptance of recycling.

That is why Bastikar began developing a water treatment technology in 2010 that can fit in a container and can recycle water at the point of generation and reuse. What this means is that his Grewa brand of plug-and-play modular water treatment units that was launched in April 2011 can be installed at an apartment block or a manufacturing unit where the waste water is generated. "Our products don't need big constructions. What used to be done in three tanks can be done in just one unit," says Bastikar, who claims that his solution is 40-45% cheaper than other solu-

tions in the market. The company raised \$2 million from Nexus Venture Partners in February 2011 on the back of the prototype they built. "They were convinced by our passion," says Bastikar, adding that the company was able to bring the product to market quickly because of the funding. The company, which had an order book of Rs 7 crore in 2011-12, has 20 clients including L&T, Club Mahindra and Unitech.

The entrepreneur says the focus will continue to be on acquiring customers. "Our biggest challenge is to change the existing mindset. People are only beginning to realise that recycled water is important and can reduce costs."

Radhika P Nair

3 TIPS TO RAISE MONEY



- ✓ **Be passionate about what you are doing, if not you cannot convince others**
- ✓ **Your product or service should better the lives of your customers**
- ✓ **If you have a good product you will get money**

Tech Aid for Better English



SANJAY GUPTA

Chief Executive, EnglishHelper

India's large English-speaking population has often been credited with playing a significant role in the success of its services sector. However, with other emerging economies continuing to close the linguistic gap and given the limitations of our vernacular-oriented education system, the advantage India has held so far may not last for too long.

EnglishHelper, founded by US-based serial entrepreneur Venkat Srinivasan, has been set up to bring effective and affordable technology to help people with their English language proficiency. The start-up, which was came into existence in 2008, has developed two learning tools, ReadToMe and Writing Assistant, aimed at students seeking to learn and improve their reading and writing skills using the software's multi-sensory interactive tools.

"The philosophy is to get them to read and build their vocabulary. The tools have to be contextual and have to enable people to learn at their own pace. There has to be cognitive recognition," Sanjay Gupta, chief executive, EnglishHelper, said. "We have gone to schools, skill-building organisations and industry. We are not constrained by age or economic background," Gupta, who formerly headed American Express'

India operations, said. The start-up reaches 200 schools, from less than 10 at the end of 2011, and counts almost 50,000 users, up from 2,000 over the same period.

EnglishHelper has also tied up with IL&FS with the financial services giant acting as a distributor for the education services company.

"IL&FS have a social infrastructure business that participates in e-governance, K-12 education and skill building, and it made great business sense to partner with them," Gupta said.

The four-year old start-up has already raised \$4 million in risk capital funding since its inception, with impact investment firm Omidyar Networks investing an undisclosed sum in March earlier in the year. "We will probably have some better clarity in the next three to six months with regard to our next round of funding," Gupta said.

Biswarup Goopit

3 TIPS TO RAISE MONEY



- ✓ **Tailor the product to a consumer need, do not offer generic products**
- ✓ **Get the brand out on the streets before approaching venture capital firms**
- ✓ **Get your distribution channels in place, a start-up cannot afford to have supply chain issues**

Creating a Global Teacher



SANJAY PUROHIT

Founder, iProf

Sanjay Purohit, a gold medallist at the Indian Institute of Management has always been skeptical of the keyboard because he considered typing to be a cumbersome task for students from small states. The touch-screen technology drove Purohit to establish a personal education application called iProf. Hailing from a small town in Rajasthan, Purohit was on a constant lookout for technological solutions that would increase the access to quality education to all. He launched iProf in September 2009, three years before

3 TIPS TO RAISE MONEY



- ✓ **Have a competent team**
- ✓ **Clear-cut focused business plan**
- ✓ **Some proven expertise in hand; a proof of concept should be done**

the concept of tablets took off in India. "If Sachin Tendulkar plays at one place and the world can watch it from anywhere, then why can't a good teacher teach from a place where the whole world to watch?" says Purohit. He feels the demand for good teachers exceeds the supply and through iProf, such gaps can be narrowed through an audio-visual form.

Purohit came to India after quitting

the post of a Managing Director of a New York based company- Loughlin Meghji. He self-funded iProf for the initial one and half years, followed by an angel investment from a close friend, Sethu Raman in November 2010. The company managed to raise first round of funding worth Rs 22 crore led by Norwest Venture Partners and IDG Ventures India in March, 2011. Getting time from the investors to pitch in the ideas was an intricate task, adds Purohit.

"For any future entrepreneur, it is important to have a network of prospective friends and partners," says Purohit who had to face challenges like attracting a good workforce and infrastructure issues in the early days.

Sreejoni Nag

Extend Your Laptop Life



ROHIT CHAUDHARY

Co-Founder, CEO, eTechies.in

Once you buy that expensive laptop, you hate to see it go. It starts with a scratch here and there followed by a crash of the motherboard and the hard-disk. But there is definitely hope for it as start-ups like eTechies.in build service platforms to help consumers extend the life of their laptops and tablets.

"Technical support and repair service is a \$10 billion market in India but unorganised. We are trying to organise it," said Rohit Chaudhary, co-

founder & CEO, eTechies.in. He said consumer and SMB have to rely on unorganised service providers offering limited support without the surety of timely professional services and accurate resolution of problems. "With certified trained engineers we offer a cost effective end-to-end service, support and repair," said Chaudhary.

The Gurgaon-based firm was launched in 2010 by Rohit Chaudhary, Siddharth Bhatia and Samarth Goyal. Before starting off, they would spend hours trying to understand consumer behaviour and pain points at Delhi's Nehru Place, one of India's biggest hubs for computers and accessories. The unique service of eTechies helped Chaudhary attract angel investment and mentorship from Rajan Anandan, head of Google India. After scouting for funding for six

3 TIPS TO RAISE MONEY



- ✓ **Be true to the cause**
- ✓ **Dig in deep. You may have an idea worth \$1 billion, but execution takes time**
- ✓ **To become rich, learn to become poor first.**

months, Inventus Capital injected \$2 million in the firm. The two-year-old company has provided services to 8,000 consumers and has centres in Delhi, Bangalore and Mumbai. The company expects to earn revenues of Rs 50 crore by the end of 2012 and expand operations to other cities.

Peerzada Abrar