



Date: 1-15 /04/2021
Volume 136, Number 132

World SME Update

(A Global Update On SME News, Events, Policies & Programs)



GENERAL NEWS

Cost of working capital finance soars for SMEs, survey finds

A global survey of SMEs has found a "precipitous rise" in the cost of working capital finance, as well as growing concerns over late or extended payments from SMEs' customers.

Carried out by working capital marketplace C2FO in December 2020 and January 2021, the survey quizzed more than 6,700 representatives from SMEs in Europe, North America and Asia Pacific on their working capital health.

Though the vast majority said they had enough liquidity on hand to survive for the next six months, C2FO says there has been a sharp increase in the cost of short-term working capital finance that appears to be concentrated in the SME market.

"While it's heartening that many SMEs in this survey have a positive outlook for their immediate future, it is also very clear that more needs to be done to provide these businesses with immediate access to the low-cost liquidity they need to grow," says C2FO's founder and chief executive Alexander Kemper.

Around two-thirds of respondents reported that the cost of borrowing for working capital purposes is over 8% APR, and a lack of low-cost financing options was found among SMEs in all 16 markets targeted by the survey.

In the last year, it found that the cost of working capital finance had increased by 30-35% in the UK, the Netherlands, Germany, the US, Italy and the Nordic region. The largest increases were reported in Turkey and India, at 69% and 56% respectively.

Rising costs are not solely attributed to a lack of financing options among SMEs, however, according to a report published by C2FO analysing the survey's findings.

"[Respondents] cited a wide range of funding sources, including revolving lines of credit, asset-backed loans, factoring, government support and supply chain finance," it says.

The issue is that uptake of those funding sources - specifically by SMEs - fell to 23% last year, down from 46% in an equivalent C2FO survey in 2017. Smaller firms appear to be reluctant not to pursue funding "beyond traditional sources", it says.

And despite the impact of the Covid-19 pandemic on trade and economic activity, the report suggests that concerns over rising liquidity costs pre-date the pandemic by over a decade.

Since the global financial crisis in 2008, it says, many smaller or community banks have closed their doors while their larger competitors remain focused on the top end of the market.

"A certain segment of SMEs... don't have access to capital markets like larger corporations do," says Ashish Jain, senior vice-president and head of capital markets at C2FO. "And from a bank's perspective, a US\$5mn loan costs the same amount as a US\$100,000 loan."

Supplier payments

Another concern for SMEs is around late payments from customers, or in some cases,

extensions to their payment terms. 37% of survey respondents said the number of customers who "often" paid invoices late increased during 2020.

The report suggests that due to the "widening pandemic, government shutdowns and economic instability, the response of many companies was to hold on to as much cash as they possibly could".

"Even after the pandemic ends, the challenge of liquidity tied up for months in receivables will likely continue," it adds, estimating that the overall amount owed to SMEs worldwide stands at around US\$16tn.

Late payment practices increased most in China, Italy and the UK, the survey found, with SMEs in all three saying the proportion grew by over 40%.

For industry participants, supply chain finance (SCF) has been touted as a way of letting buyers maximise working capital while allowing suppliers to receive payment on time or early - typically at a discount.

However, SCF is not widely available in all markets, does not always extend to the smallest suppliers, and in some cases has drawn attention from regulators concerned it allows companies to build up debt-like obligations they are not required to disclose.

Efforts are underway at international level to improve SMEs' access to SCF programmes, says Nathalie Louat, director of global trade and supply chain at the International Finance Corporation.

"We're arranging training to make sure the specifics of that market are well understood," she said during a recent online event hosted by the International Chamber of Commerce and the World Trade Organization.

"What we are also looking to do is provide more support to local banks to consider taking more risks on SMEs, and we are encouraging them with risk-sharing facilities where we encourage them to build their SME client base, and facilitate supply chain finance."

Steven Beck, head of trade and supply chain finance at the Asian Development Bank, said during the same event that "deep-tier training and capacity building" around supply chain finance is underway in Sri Lanka and Vietnam - along with efforts to overcome legislative barriers in India and Cambodia.

"Supply chain finance is really not well-known or understood, certainly in most of Asia, and we see a great opportunity to close those gaps," he said.

Source: [Cost of working capital finance soars for SMEs, survey finds | Global Trade Review \(GTR\) \(gtreview.com\)](#)

How data and analytics can boost SME performance

"Insight not hindsight" should be the guiding force for decision-making among small and medium enterprises in a post pandemic world - according to a new RSM Australia report that highlights the value of data in a competitive market.

The report challenges the common notion among small and medium enterprises (SMEs)



that data analytics is a tool for big business. Data has value for optimising operations, cutting costs, expanding the customer base, better serving existing clients and consequently boosting revenues.

Core business objectives aside, each of these outcomes has become a crucial ticket to SME survival in a pandemic-stricken economy - as

noted by Srdjan Dragutinovic, a Melbourne-based data analytics director at RSM.

"Uncertainty about the future and anxiety around next steps are new realities for many SMEs. The question "what will happen next" is high on the agenda for virtually every business and needs to be addressed, quickly." Analytics can add value here, although SMEs tend to shy away from it for several reasons.

"Some businesses don't realise just how much quality data they have to help grow their business, whilst others have so much data they're overwhelmed by it and don't know where to start." Instead, businesses use hindsight to speculatively inform their next steps, rather than using their data repositories to make concrete forecasts.

Strategy and Culture

An insight-driven approach is crucial - built on two fundamental principles of strategy and culture. Strategy comes into play when selecting the type of data to gather and analyse. Sifting through all enterprise data is wasteful and time-consuming. SMEs should define a clear set of problems that they hope to solve, and collect only relevant data.

At the same time, the most relevant of data - accurately analysed - comes to no avail if the business lacks a data-minded culture that "that values and seeks out data driven insight, to help identify and prioritise strategic initiatives and new opportunities," according to Dragutinovic.

And much like most behavioural practices, a data-driven culture is better inspired than instructed. "Culture change starts at the top. Business owners and managers should lead by example and set expectations that employees will focus on data-led insights in decision-making." The rest can be managed through a combination of training and technology.

Combining these strategies can help SMEs lay a concrete foundation for their future. No doubt, hindsight is a key tool to have in the armory. But the experts recommend an approach of "understanding the past, and predicting the future."

Source: [How data and analytics can boost SME performance \(consultancy.com.au\)](https://www.consultancy.com.au)

'More Indian SMEs shut shop than global peers during pandemic'

As small businesses around the world still struggle to cope with the ongoing pandemic amid vaccine roll-out, small and medium businesses (SMBs) in India have reported higher rates of closure, with SMB leaders being least confident in their ability to continue for at least six months, a new Facebook global report revealed on Thursday.

The SMBs in India and Pakistan reported higher rates of closure, with 32 per cent (rising

from 24 per cent in October and dropping from 46 per cent in May) and 28 per cent (rising from 23 per cent in October and dropping from 38 per cent in May) reporting they were closed at the time of the survey, respectively.

"While the roll-out of vaccines gives a reason to be hopeful, our latest 'Global State of Small Business Report' is a timely reminder that many are still vulnerable and need support," Sheryl Sandberg, Chief Operating Officer at Facebook, said in a statement.

"Those feeling the impact of the pandemic the most are women and minority-owned businesses - a further reminder that whenever crises hit, it's always the most vulnerable who are hit the hardest," she lamented.

SMB leaders in Egypt and India were least likely to be confident in their ability to continue for at least 6 months, with only 31 per cent and 39 per cent, respectively, indicating confidence.

In contrast, SMBs in the US (68 per cent), Belgium (72 per cent), Germany (74 per cent), and Australia (79 per cent) were the most confident.

"Over half of operational SMBs in India reported decreased employment. About two fifths of operational SMBs reported that they had rehired former employees in the past three months in India (42 per cent)," the report mentioned.

The Asia-Pacific region saw a seven-percentage point increase in average closure rates since October.

For the report, Facebook surveyed more than 35,000 small business leaders across 27 countries and territories in February.

"Nearly a quarter (24 per cent) reported their businesses were closed, up from 16 per cent in October and not far from the peak of 29 per cent when many countries were in the first major Covid wave last May. The sharpest increases were in Europe, coinciding with recent lockdown measures," Sandberg said.

Those that are still open continue to cope with lower sales, and 30 per cent have had to reduce their workforce.

"Worryingly, just over half of those surveyed were confident in their ability to continue operating for at least 6 months if current circumstances persist, and a similar proportion said they didn't plan to rehire laid-off or furloughed employees in that time either," she noted.

If there's a silver lining, it is that many businesses found success online.

More than half of those surveyed said they used digital tools to communicate with customers, and those reporting higher shares of digital sales were also more likely to have reported more robust sales overall.

Source: 'More Indian SMEs shut shop than global peers during pandemic' ([smetimes.in](https://www.smetimes.in))

Start up

IESE-led startups create 70,000 new jobs worldwide, raise \$3.6 billion in capital

Companies founded by IESE Business School alumni have created over 70,000 jobs worldwide and raised some \$3.6 billion in capital, as the school has expanded its entrepreneurial ecosystem, according to a new report.

The report measures the impact of IESE's entrepreneurship activities over the last two decades, and sets out goals in the area for the year 2030. The numbers are based on an analysis of internal IESE data, complemented with external databases such as Crunchbase, Dealroom, LinkedIn, and others.

Among the highlights of the impact report:

- 70,000 jobs have been created by IESE-trained entrepreneurs in 5 continents
- \$3.6 billion of capital has been raised by IESE-founded companies
- 30% of IESE students have started a business within 5 years of graduation
- \$65 million has been invested in startups by IESE funds and other mechanisms

But IESE's impact goes beyond helping to create thousands of companies. It has also conducted relevant research and held conferences and other events related to entrepreneurship and innovation, in order to advance knowledge in the field. That impact includes:

- 15 competitive projects in which IESE has been selected by the European Commission, and governments in Asia and Latin America
- 20 publications per year over the past two decades, including refereed articles, books, studies and business cases
- 70 extracurricular events per year such as entrepreneurship conferences, hackathons and workshops - tripling the activity of four years ago

"Entrepreneurship at IESE has an increasing relevance and these numbers reflect our deep global impact," said Prof. M^a Julia Prats, Academic Director of IESE's Entrepreneurship and Innovation Center (EIC). "By developing entrepreneurs and innovators, we are supporting the creation of companies, jobs, knowledge and economic growth," Josemaria Siota, Executive Director of the EIC, said.

2030 goals in line with UN Sustainable Development Goals

The report also sets ambitious goals for 2030, in line with three of the UN Sustainable Development Goals. Those are:

- Create 50,000 new jobs by supporting 5,000 entrepreneurs in building their startups and in raising at least €500 million in venture investment (UN Goal #8 Decent Work and Economic Growth)
- Impact 2,000 C-suite executives across the globe through IESE research and activities (UN Goal #17 Partnerships to Achieve the Goals)
- Release 200 new publications related to search funds, corporate venturing, technology transfer and angel investment, in order to foster innovation (UN Goal #9 Industry, Innovation and Infrastructure)

At IESE, the entrepreneurial mindset is embedded across programs, which prepares all its graduates for the startup world or to innovate within existing firms. In addition, IESE provides research, insights, networks and funding through its Technology Transfer Group,

Open Innovation Institute, International Search Funds Center, Finaves venture capital fund, Business Angels Network and weGrow mentoring program, among other initiatives.

Source: http://www.salamancapress.com/news/state/iese-led-startups-create-70-000-new-jobs-worldwide-raise-3-6-billion-in-capital/article_176481bc-8c82-5c2f-9484-d43f975faf2b.html

In 2021 startup gold rush, Unicorn sightings peak

Unicorns are supposed to be rare. Maybe non-existent. But in India's startup world, they suddenly seem to be everywhere. Last week was an unprecedented one for India's internet economy with half a dozen startups reaching unicorn status in that short period. These companies are among the 10 unicorns created within the first 100 days of this year, itself a record considering all of 2020 saw 11 startups valued at \$1 billion or more. At least two or three more startups are expected to turn unicorns in the coming weeks, which will take the tally to over a dozen for the year. What has led to this funding gold rush at high valuations even as the broader economy is still limping back to normalcy, and India is in the grip of a second wave of Covid-19? TOI spoke to over half-a-dozen industry executives including founders, investors and other stakeholders involved in the developments of the last week.

They said India being the last remaining big global market for high-paced growth in the new economy is a big factor driving capital into new-age companies. And then there's the increased global liquidity and bullish investors like Tiger Global and Falcon Edge, who are taking aggressive bets on market leaders. "The investment surge has largely happened from large hedge funds, rather than local venture capital (VC) funds. India is one of the last markets where huge growth is possible and there is a market to be disrupted. The new unicorns are in diverse domains and are market leaders. So there is a lot of money chasing good companies and they are getting the premium (valuation)," said Souvik Sengupta, co-founder and CEO, Infra.Market.

The company became a unicorn in February following a \$100 million funding from Tiger Global, with a jump of four times in valuation since its previous fund-raise. Mohan Kumar, founder and managing partner at software-focused Avatar Ventures, said there is a lot of appetite among investors to put money in India and in local startups. "People who were sitting on the sidelines are also ready with cheques (of large size). Literally, the dollar amount has doubled. Companies that could have raised \$50-\$100 million two years ago are now raising \$100-\$300 million," he said. He added that global investors are looking for new investment avenues, beyond the expensive BigTech shares like Amazon, Apple in the US. Tiger's Roar The extent of current bullishness on India can be seen in Tiger Global, which recently closed its thirteenth global fund of \$6.7 billion, its biggest till date. It is writing new cheques after completing due diligence in just two weeks, compared to what used to be typically a month in 2019.

Founders said Tiger Global has a lean team for India investments and some of these founders haven't even met Scott Shleifer, Partner at Tiger Global who is looking at India investments, in person and yet have closed deals at a break-neck pace over Zoom calls. According to data from Venture Intelligence, Tiger Global has put more than \$590 million into several startups this year already with many more in the pipeline, for both new and existing firms. Shleifer's outlook on India is reminiscent of his predecessor Lee Fixel, who took early bets on companies like Flipkart and Ola. Of the six new unicorns last week, Tiger has invested in four of them. At least two founders of the new unicorns, who have raised from Tiger Global, said

the New York-based investor is willing to lead a new round for existing firms without new investors. Shleifer's popular bets include Chinese e-tailer JD.com and ride-hailing firm Didi Chuxing, which is now eyeing an IPO, reportedly at a valuation of \$100 billion. "Tiger is being very aggressive with its bets. We are also working with them for a couple of our portfolio firms and we are in the final stages of closing new investments. It's driving the valuations 20-25% higher and founders are not complaining," a partner at a Mumbai-based VC firm said. Another entrepreneur, whose venture turned a unicorn last year, said there was a lull from Tiger Global after Fixel's exit from the investment fund, but Shleifer started showing his bullishness in the middle of 2019. "He is equally bullish on India. Under him, Tiger has taken bets on business-to-business (B2B) and software-as-a-service (SaaS) startups too, compared to Fixel focusing largely on consumer startups," this founder said. This is visible in Tiger Global's new bets like Infra.Market, Innovaccer, and Gupshup.

It led the new funding rounds, sized between \$100-\$800 million, in multiple startups including fintech firm Cred, online food delivery platform Swiggy, fantasy sport platform Dream11, and B2B startup OfBusiness. "There will be situations when there will be excess liquidity, and then there will be less liquidity and it will normalise. You have to raise the capital when it suits you the most. You, as a founder, want to optimise the valuation because you want to dilute (holding) less. The higher valuation ensures your equity doesn't go down too much," Sengupta said, explaining the valuation jumps in the new unicorns.

Source: [In 2021 startup gold rush, Unicorn sightings peak - Times of India \(indiatimes.com\)](https://www.indiatimes.com)

Unicorns in India: 6 new unicorns in 4 days marks historic boom for India tech

It was an historic week for India's technology industry. In the space of four days, the country minted at least six new startups with a valuation of \$1 billion or more -- what techies call unicorns because they're supposed to be such rarities.

In rough order of size: The investment platform Groww raised money at a valuation of more than \$1 billion, messaging bots startup Gupshup hit \$1.4 billion, digital pharmacy API Holdings Pvt. was valued at close to \$1.5 billion, app developer Mohalla Tech surpassed \$2.1 billion, social commerce startup Meesho Inc. also reached \$2.1 billion and financial-technology provider Cred rounded out the blessing of unicorns at \$2.2 billion.

For context, India had a total of seven new unicorns in all of 2020, according to market researcher CB Insights. In 2019, it had six.

Global investors such as Japan's SoftBank Group Corp. and South Africa's Naspers Ltd. see growing opportunity in the country's startup scene. The nation of 1.3 billion people has seen the rapid adoption of smartphones in recent years, explosive growth of inexpensive internet services and a new generation of ambitious entrepreneurs.

"Large funds such as Naspers, SoftBank and Tiger Global have significant amounts of capital to invest and these startups are now on top of their list," said P.N. Sudarshan, a partner at Deloitte.

India has long trailed well behind the U.S. and China in the amount of venture capital money invested in startups. The total value of deals in 2020 was \$11.8 billion, compared with \$143

billion in the U.S. and \$83 billion in China, according to researcher Prequin.

But several startups have emerged recently to signal the potential in the South Asian country. Digital payments giant Paytm reached a valuation of \$16 billion, making it the most valuable in the country, according to CB Insights. Online-education startup Byju's is raising money at a \$15 billion valuation, Bloomberg News reported last week.

Flipkart, the e-commerce giant acquired by Walmart Inc. in 2018, is targeting an initial public offering in the fourth quarter that could value the company at more than \$35 billion.

The venture investments are helping to diversify India's industry, long best known for tech services companies such as Tata Consultancy Services Ltd. and Infosys Ltd. A Credit Suisse Group AG report last month found there are about 100 unicorns in India with a combined market value of \$240 billion, in sectors from e-commerce and fintech to education, logistics and food-delivery.

"India's corporate landscape is undergoing a radical change due to a remarkable confluence of changes in the funding, regulatory and business environment in the country over the past two decades," the report said. "An unprecedented pace of new-company formation and innovation in a variety of sectors has meant a surge in the number of highly-valued, as-yet unlisted companies."

The Covid-19 pandemic has accelerated the adoption of online technologies in India, perhaps even more than in other countries. During the coronavirus pandemic and the stringent lockdowns of last year, more than 1,600 new startups were founded, taking the total in the country to over 12,500, according to a January report by Nasscom, the country's technology industry trade body.

More than 55 of these are potential unicorns, the report said, what the venture industry refers to as "soonicons." Like in Silicon Valley, executives who got experience at leading startups such as Flipkart and Paytm are breaking out to set up their own companies, and entrepreneurs who have had successful exits are turning to their second or third startups.

"The surge of funding and the breeding of unicorns is not a surprise because India has the third-largest startup ecosystem in the world and the third-largest market for such startups," said Pranav Pai, managing partner at 3one4 Capital Advisors LLP.

Pai said he knows of at least six new unicorns that will be minted in the next few months. While \$20 million rounds were notable five years ago, startups are scaling very quickly and raising \$100 million to \$200 million rounds nowadays, he said.

The investor checks out a few hundred startups each month on average.

"The difference is, instead of encountering just one high-quality startup among those, we now see eight to 10 every month," said the venture capitalist whose earlier fund Arin Capital backed edtech startup Byju's and the newly-minted e-pharmacy unicorn, PharmEasy. Many investors will see their earlier bets come full circle as a dozen Indian startups prepare to head to the public markets later this year or early next.

"Such exits will further boost investor confidence, increase liquidity and fuel a new frenzy of

funding," said Sudarshan.

Source: Unicorns in India: 6 new unicorns in 4 days marks historic boom for India tech (livemint.com)

Women Wing

10 Indian startups with women founders

1/11

10 Indian startups with women founders

Women have been equally involved in the Indian startup industry, having founded/co-founded some of the prominent ventures. Here's a list of 10 startups with women entrepreneurs behind them. by Avani Bagga



2/11 MyDala, Anisha Singh



Almost anyone who shops online knows about MyDala. Among the largest online coupon and discount platforms in India, MyDala was founded in 2009 by Anisha Singh. And in just a few years, it has grown to handling around 2, 00,000 transactions everyday and targeting 400 million consumers in over 200 cities.

Speaking of the founder, Anisha Singh holds a masters degree in political communication and an MBA in information systems from American University. Prior to MyDala, she worked for the Clinton administration and raised funds for helping women entrepreneurs.

3/11 ShopClues, Radhika Ghai Aggarwal

ShopClues, an online shopping place selling products including everything from technology and fashion to footwear and jewellery, was co-founded by Radhika Ghai Aggarwal. She is currently the chief business officer of the ecommerce company.



Prior to joining ShopClues, Radhika worked with Goldman Sachs and Nordstrom. In fact, even ShopClues is not her first entrepreneurial venture. She had earlier started a company called FashionClues, which was a content portal for NRI women.

Aggarwal holds an MBA from Washington University and has also studied Web 2.0 and Creative Writing at Stanford.



4/11 MobiKwik, Upasana Taku

Upasana Taku, along with Bipin Preet Singh, founded the semi-closed mobile wallet and online payment platform MobiKwik in 2009. But this is not her only venture. She also founded Zaakpay, another payment gateway.

Before turning an entrepreneur, Taku did her B.Tech from NIIT in 2001, and MS in management science & engineering from Stanford University. She then worked at PayPal in San Jose, California as product manager, before returning to India in 2008.

5/11 Yatra, Sabina Chopra

Yatra.com was founded by Dhruv Shringi, Manish Amin and Sabina Chopra in August 2006. It is among the largest online travel related websites in India. Speaking about the co-founder, Sabina Chopra is the COO of corporate hotels at Yatra. In the past, she has also served as the executive vice president of operations.



Before co-founding Yatra.com, Chopra headed India based operations of ebookers, an online travel company based in Europe. She completed her education from Delhi University.

6/11 Infibeam, Neeru Sharma



Involved in online retailing, e-commerce, software and internet services, Infibeam has Neeru Sharma as its co-founder and head of corporate and business development.

Before Infibeam, Neeru worked at Alcatel India as product manager, leading R&D projects in the intelligent network services domain for major telecom partners in India, Australia and France.

She holds an MBA degree from Carnegie Mellon University and an engineering degree in computer science.

7/11 Zivame, Richa Kar

After realizing that lingerie is an under-served category in India, Richa Kar co-founded Zivame in 2011. Today, it is the biggest online retailer of lingerie in India and is getting increasingly accepted by women as a comfortable way of shopping innerwear online.



Working at SAP before, Richa got to work with Limited Brands, which owns Victoria's Secret. It was then that she found out that a big quarter of their sales came from the ecommerce channel, and thought of her own venture catering to this category.

8/11 YourStory, Shradha Sharma



Hailing from Patna, YourStory founder Shradha Sharma studied at St. Stephens College, New Delhi and MICA, Ahmadabad. She then worked with The Times of India and CNBC TV18, getting her experience at field reporting. But it wasn't until August 2008 that Shradha thought of starting her own venture - YourStory.

Despite many people telling her that her venture won't survive for more than a year or two, she went ahead and started it. In 2015, YourStory completed seven years and is now known to be a platform where entrepreneurs

share their stories.

9/11 LimeRoad, Suchi Mukherjee

Gurugram-based LimeRoad happens to be India's first boutique fashion marketplace for women, and is run by Suchi Mukherjee.



Realizing that there was no way to discover such products easily, Mukherjee, a former eBay UK executive, decided to create a lifestyle platform for women's products.

LimeRoad is an e-commerce platform where one can discover, share and shop. The startup has also raised a funding of \$50 million from investors.

10/11 Sheroes, Sairee Chahal



Sheroes curates work from home jobs in India and helps women seeking careers while still giving time to their homes. The portal also helps women find relevant resources and mentors.

It organizes community meets, job fairs, special workshops and programs, as well as coaching, mentoring, community resources to help women professionals. It was founded in 2014 by Sairee Chahal. She also co-founded Fleximoms, a platform for flexible jobs and returning professionals.

Sairee is a well known TED speaker and a finalist for Cartier's Women's Award Initiative for 2012.

(Image courtesy: Saireechahal.com)

11/11 Sugarbox, Niharika Jhunjhunwala

For those who don't know, Sugarbox is a gift subscription service aimed at women. The gifts include products in categories such as fashion, beauty, lifestyle and gourmet products. The woman behind Sugarbox is Niharika Jhunjhunwala. Hailing from Kolkata, the 25-year old entrepreneur studied economics and management from London School of Economics.



After completing her studies, she returned to India and did a brief training programme in the performance management division of the Delhi Cabinet Secretariat. It was only after she got married that she decided to start her own venture.

At first, Niharika thought of starting a line of organic baby products. But when that didn't work out, she came up with the idea of Sugarbox, which was founded in November 2014.

Source: Top 10 games you should be playing right now (indiatimes.com)

These 7 women-led startups are leveraging technology for a better tomorrow

From a cloud kitchen for samosas to determining customer preference to avoid inventory pileups, these tech startups by women entrepreneurs are innovating for a new future. 567

CLAPS +0 Just when it seems like technology cannot make our lives any more convenient than it already is, entrepreneurs show us otherwise, fuelling the Indian startup ecosystem. Marrying technology to every aspect of life has spawned unique solutions ranging from bringing your flower for your daily prayers to your doorstep to helping your little ones assimilate the power of story-telling while learning.

Before stepping into 2021, HerStory presents seven tech startups founded by women entrepreneurs that are ringing the bell of change. Be inspired! Bikayi Sonakshi Nathani noticed a unique practice at the grocery store her family runs in Raipur. They would receive messages from customers on WhatsApp and then check the inventory. Get connected to Fountain9 Noting that the latter was time-consuming, she teamed up with Ashutosh Singla, built an app for order and catalogue management, shared it with various wholesaler groups on social media, and launched it officially in April 2019. Targeting all businesses being conducted on WhatsApp, Bikayi offers both free and premium subscription priced between Rs 1,999 and Rs 7,999 per year. In August this year, the startup raised a seed round of \$2 million from a clutch of international investors, including Mantis ventures, marking the VC fund's first investment in an Indian entity. Hyderabad-based Bikayi is also a YourStory Tech30 startup for 2020.

Sign up for our exclusive newsletters. Subscribe to check out our popular newsletters. Businesses tend to have a hard time managing their inventory pileups as customer preferences keep changing. Witnessing the challenge first-hand while working with US retailer, Sears, Niki Khokale founded Fountain9 that leverages AI technology for efficient management of inventory by staying ahead of customers' changing preferences. Started in November 2019 with co-founder Rajas Lonkar, the duo developed Kronoscope, an AI engine that senses changes in-demand patterns so that businesses can adapt quickly and avoid inventory pile-ups. Based in Mumbai, the bootstrapped startup claims to offer better visibility into future demand by tracing patterns like substitution effects, stockouts, and bulk order detection. A YourStory Tech30 startup for 2020, it is targeting the US and South East Asian markets.

An avid reader consumed by life as a chartered accountant at PricewaterhouseCoopers, Anushka Shetty realised she had not read a book for a while. The same was the case with her friend Vineet and most people today stuck in the rabbit hole of texting and scrolling down social media feeds. That is when she pursued entrepreneurship to make Gen Z and millennials read in an interactive manner online, the very medium they are hooked onto. Their startup, Plopnov is a global interactive fiction entertainment platform that can be experienced in text, video, audio, simulations and role-playing. Incubated at IIM-Bangalore and part of the Goldman Sachs Startup Programme, the entrepreneur claims Plopnov is the OTT for reading, and is gaining interest from publishing houses.

While sisters Yeshoda and Rhea Karuturi have lived in Bengaluru, Ethiopia, and the US flowers remained a constant in their lives. In all the three countries, their father owned a rose farm business and the duo started their entrepreneurial journey with Hoovu, which began as Rose Bazaar in 2019. Based in Bengaluru, the flower startup operates on both B2B and B2C models. The latter is a subscription-based method where it offers various monthly subscription plans priced between Rs 600 and Rs 1,000. Customers can also avail their retail flower service through platforms like Big Basket, Amazon, Milk Basket, and Big Bazaar. The sisters also raised a pre-seed funding of \$120,000 as part of the Techstars accelerator programme.

One major challenge that Chetana Somavarapu faced in over a decade of living in the UK was getting authentic Indian products at her convenience. She always had to ask her friends and family members to send over things to a point it got embarrassing. Knowing this to be a common challenge for all NRIs, Chetana and her husband Rajesh Gavini started an international package forwarding service, Forward Parcel in 2018. Their startup facilitates customers from across the world to shop across ecommerce platforms with an Indian address and get all products delivered at once through Forward Parcel. It also helps them save at least 70 percent of the cost they would have to bear if shipped individually. With over 6,000 registered customers from outside India, they have also been able to attract non-Indian customers as well.

This woman entrepreneur is disrupting the snacks sector with a Samosa Party Samosa Party Entrepreneur Diksha Pande is giving traditional Indian snack samosa a modern twist with her foodtech startup Samosa Party. Founded in 2017 with co-founder Amit Nanwani, it offers 20 varieties of preservative-free samosas along with tea and desserts like Gulab Jamun. With 11 outlets in Bengaluru and cloud kitchens, they are available on Swiggy and Zomato, besides on its own website. Dishka who looks after operations, people, and customer experience believes that those in traditional and authentic business of snacks like samosas lack the structure for scale and speed. In the next few months, she plans to enter other cities like Chennai and Hyderabad and is eyeing Dubai, Asia, and select Western markets by 2021.

Kutuki Learning app Sneha Sundaram saw how children enjoyed the freedom of expression through creative arts while working at Teach for India, a stint that shaped her current mission in transforming how India's youngest 200 million learns. Founded with her husband Bharath Bevinahally in January 2019, the duo's Kutuki Kids Learning App facilitates learning based on three well-loved characters Kutu, Ki, and Minku infused with music and song. The name Kutuki is derived from the Sanskrit kautuka that means 'the curious one'. At the core of this edtech startup is a unique team of educators, artists, musicians, and storytellers. Kutuki raised a pre-seed funding round from Jerry Rao, Better Capital, and First Cheque. It also gained recognition from PM Narendra Modi as the winner in the e-learning category in the government's Aatmanirbhar Bharat App Innovation Challenge.

source: <https://yourstory.com/herstory/2020/12/women-led-startups-tech-entrepreneur>

Why women entrepreneurs are the future of startup ecosystem in year 2021?

According to the Global Gender Gap Report 2020, it will take another 100 years to achieve gender equality based on the current rate of progress in the growth of female entrepreneurs in the ecosystem.

According to the Global Gender Gap Report 2020, it will take another 100 years to achieve gender equality based on the current rate of progress in the growth of female entrepreneurs in the ecosystem.

This prediction has been significant in pushing decision-makers, stakeholders across industries, and access points to work towards bridging this gap and solving for female representation in boardrooms. In the face of the COVID-19 pandemic, the year 2020 was a

historic year for women in leadership. The progress for women has proven substantial.

More women have assumed leadership of huge and influential companies. More women have also been elected to high office around the world, be it Kamala Harris or Ngozi Okonjo-Iweala.

In this day and age, women are aware of what they bring to the table and how their EQ and empathetic attitude contribute to the rise of every venture they associate themselves with. This awareness has led to a rapid rise in gender parity and has witnessed women-led startups thrive and soar. It is proven that diversity in leadership positively impacts growth. As an investor, we have been fortunate to collaborate with and invest in some phenomenal female founders, and here's our take on why investing in women pays:

High Emotional Intelligence

It has been proven time and again that leaders with high emotional intelligence are more effective in managing teams. They lead with a transformational leadership style and have empathetic nature which nurtures a positive working environment in an organization and women entrepreneurs have often been observed leading with it, which unequivocally impacts the overall growth and environment of emerging startups.

Dynamic and adaptable

Startups work in a dynamic environment and adaptability is a key virtue for a leader. According to research conducted by Bain & Company, Google, and AWE Foundation based on the survey of 350 women solopreneurs and small business owners in urban India, it is observed that startups led by women founders are resilient and quick to adapt. They often believe in the approach of dissecting a problem and finding the solution thereon. Women are also better at multitasking than men due to conditioning, which helps them focus on multiple fronts of a business rather than one.

Women entrepreneurs bring a better retention rate

Female founders as thought leaders are more likely to possess a high level of knowledge around financial success than their male counterparts. A study from new BCG shows that female-led businesses generate 12 percent higher revenues annually, and use an average of a third less capital than male-led startups. It is noted that women founders are more likely to understand broader target markets which lead to a better retention rate.

The motivating factor

Female entrepreneurs are less likely to be motivated by money than male founders. Research conducted by Illuminate Ventures observed that males are nearly eight times more likely to be motivated by financial gain. 15% of male entrepreneurs are motivated to start companies for financial gain compared to only 2 percent of female entrepreneurs. This ultimately leads to them thinking about long-term financial gain rather than short-term.

We live in and create for a very diverse set of audiences today. Meaningful businesses and innovations need to be bespoke, relatable, and inclusive. We cannot achieve that unless we tap into that diversity for leadership representation. . So, this International Women's Day, let's support women in leadership for an equal future in the COVID 19 world.

Source: [Why women entrepreneurs are the future of startup ecosystem in year 2021? - cnbctv18.com](https://www.cnbctv18.com)

WASME Corner

Upcoming Event

LIVE WEBINAR FOR SME LEADERS - NAIL IT & SCALE IT

Friday, April 16, 2021 Time - 4 PM TO 5.30 PM on Online Platform

You are cordially invited.

REGISTRATION LINK -

<https://forms.gle/xXN5SveRzaGXsRsK7>

Webinar for SME Leaders

NAIL IT & SCALE IT

Focus on Accelerating the Business

by  International Coaching Monks

SPEAKERS



Prof. B.K. Dhup
Career Counselor, Life Coach



Dr. Poorani
USA Certified NLP Trainer



Ms. Anju Widge
Certified Life Coach



Dr. Sachin Sharma
Certified Executive & Life Coach

SUB TOPICS :

- Leaders develop your smart goals – learn to accelerate your business
- Know how to grow your business during crises – use your leadership acumen
- Customize all your resources - excel in your business
- Use technology – learn digitization & use online learning

www.wasmeinfo.org



Friday
16 Apr. 2021

4:00pm to 5:30pm

Follow Us :   



World Association for Small and Medium Enterprises (WASME), a global non-profit organization headquartered at Noida, India, has been spearheading the cause and development of Small and Medium Enterprises (SMEs) worldwide since its inception in 1980. Over three decades, WASME has emerged as one of the most representative, effective and leading international organizations, working towards the promotion of SMEs worldwide through policy advocacy, information dissemination, conferences, seminars, events, trainings, publication, network linkages and many more.

WASME enjoys consultative/observer status with concerned agencies in UN system such as UNCTAD, ITC, WIPO, UNIDO, UNESCO, UNCITRAL, UNESCAP and ILO, and several other inter-governmental and international organizations like WCO, OECD, ICSB, APEC, APCTT, etc.

WASME's fortnightly SME e-Bulletin "WORLD SME UPDATE" aims to keep its readers abreast of latest information on various developments taking place in the SME sector around the globe. If you have any news/information on the issues related to Government policies & programmes and latest developments in the SME sector i.e. technology and innovations, success stories, case studies, research and methods, planning and programs, training and developments, finance and management, and marketing that you would like to share with the world SME community, please do send them to us at

editor@wasmeinfo.org.

We always welcome your valuable feedback/comments on the SME e-Bulletin to further enhance our services on information dissemination. Hence, please send us your valuable guidance as well as meaningful articles as a regular contribution to SME e-Bulletin and our website in the larger interests and benefits of SMEs the world over.

Editor, World SME Update

World Association for Small and Medium Enterprises

Plot No. 4, Institutional Area, Sector - 16 A,

Noida, Gautam Budh Nagar - 201301, Uttar Pradesh, India

Tel: +91-120-4216283, Fax: +91-120-4216284 | Email: editor@wasmeinfo.org

Website: <http://www.wasmeinfo.org>

WASME

World Association for Small and Medium Enterprises



WASME Research & Publication Division

- Provide Comprehensive, Useful & Insightful Information Dissemination for world SME community.
- Highly acclaimed by its readers
- Global Subscription and circulation
- Global update on SME news, events, policies & programmes, role and activities of SME, UN and support institutions activities etc.
- Steered by experienced Editorial Board

Publications

- Monthly Newsletters
- Fortnightly E-Bull Update
- Research Articles
- Policy Recommendations
- Statements and declarations
- Research Papers
- Reports etc.

Highlights

CIRCULATION ministries, government and state bodies, UN organisations, multilateral organisations, banks, FIs, Industrial corporations, commerce, Technical Institutes, SME promoting agencies etc.

Get Global Reach & share

- Articles
- Research Reports
- News
- Notifications for SMEs

Get your Product & Services Seen Globally

- Events

Advertise with US

1 Year : INR 10000

2 Years : INR 18000

Write to US

World Association for Small and Medium Enterprises (WASME)
 WASME House, Plot No. 4, Sector- 16-A, Institutional Area,
 Gautam Budh Nagar – 201301, Uttar Pradesh, India
 Tel: +91-120-4216283 Fax: +91-120-4216284
 Email: wasme@wasmeinfo.org, Website: www.wasmeinfo.org