

# STARTUPS – THE BOOSTERS FOR THE ECONOMIC DEVELOPMENT OF ANDHRA PRADESH

T Narasimhulu, Asst. Professor, Dept. of Economics, Govt. Degree & PG College, Puttur, Chittoor Dist.,A.P.

**ABSTRACT:** Bringing new competitive dynamics in the economic system – Startup companies are the most dynamic economic organizations on the market, since they provide additional dynamics and competitiveness to any economic system. Startup entrepreneurship is crucial because it brings innovations, new jobs and competitive dynamics into the business environment. Indigenous startups will not only make the lives of the people easier through their affordable and convenient services but will also act as a major booster for the development and the progress of the Indian economy. Developed nations are now looking towards India and Andhra Pradesh as well to gain maximum from the huge untapped potential markets. In the recent years, different countries are taking different initiatives to link up their businesses with the Indian startups in almost all sectors including defense. Such joint venture can attract the huge foreign fund which can boost the country's economic growth.

**KEY WORDS:** Accelerators / Incubators - Innovation Culture - Human Capital - She Cabs - Startup Entrepreneurship - Good Governance

Andhra Pradesh creates history as the first Government to come up with the” **Innovation and Startup Policy**“. AP created the Innovation and Startup Policy with a dream of Mr.Chandrababu Naidu to have an Entrepreneur in every family in Andhra Pradesh. IT policy of Andhra Pradesh state is the Mother Policy of the Start Up policy, meaning any applicable benefit will be valid for a start up. Shared Infrastructure, Accelerators / Incubators, Human Capital, Funding and above all, a system of Good Governance (State Support) are the five pillars on which the Andhra Pradesh Startup policy stands.

Andhra Pradesh Innovation Council (APInC) would be formed with the representatives of industry, incubators and the other stakeholders. Assistance at Rs. 12,500 per month, for a maximum period of three years per incubated Start-up company located in the identified Incubation Centre developed by the State. Fully Furnished and Ready to use Plug and Play Infrastructure along with Computers with 1GBPS internet connectivity, Electricity, Water, Security and other office facilities would be provided as Infrastructure support from the State Government for the Pilot Incubators. This Policy would be valid till 2020 unless modified to make it much better.

**The following are targets to be achieved with the policy by June 30<sup>th</sup> 2019:**

- 100 Incubators / Accelerators to be established.
- 5,000 Companies & Start Ups to be incubated.
- 1 million sq ft of Incubation Space to be developed.
- Venture Capital of Rs 1000 Cr to be mobilized for Innovation.
- Encourage and Develop Innovation Culture.
- Create at least one home grown billion dollar technology start-up.

**The Start Up Policy will focus on the following themes in the Initial Period:**

- Internet of Things (IoT)
- 'IT for X' in the areas of Pharma, Oil & Gas, Urban Management.
- Social Media, Mobility, Analytics and Cloud Computing (SMAC)
- Fables Semiconductors
- Animation & Gaming
- Entertainment
- Visual Effects
- Health and Fitness
- Automotive

Close to a year after the launch of AP Innovation and Start Up policy, Andhra Pradesh is taking steady and firm steps towards becoming the breeding State for startup companies in the IT and IT enabled services and allied sectors.

With the two incubator towers in Visakhapatnam and Kakinada in place with reputed pilot incubators in-charge, the third incubator tower in Tirupati was inaugurated by IT Minister Palle Raghunatha Reddy on August 5.

NASSCOM signed an in-principle agreement with the Andhra Pradesh Government on Tuesday for its 10,000 startups initiative in Visakhapatnam. The initiative aims to scale up the startup ecosystem in India by 10 times over the next 10 years. NASSCOM will incubate, fund and provide support for 10,000 technology startups in India over the next decade.

In Visakhapatnam incubator tower at Rishikonda built by APIIC started functioning in December, 2014 under the guidance of Kochi based pilot incubator **Mob Mee** Start Up village which pioneered the start-up concept. In the last six months, 115 start-up companies have come up working on mobile applications and innovative product development ideas.

The mandate of the empanelled incubators is to promote the culture of innovation among the start-up units while the State is looking at creating world class eco-system and lay strong foundation to make

a mark in IT product development, department sources said. Of 50,000 Sft space in the Vizag incubator tower, **Mob Mee** has taken up 15,000 Sft while Govind Capital, Singapore based pilot incubator recently acquired 2,500 Sft and has now six start-ups working in the facility. The Vizag facility is named as Technology, Research and Innovation Park.

While a few companies are ready for tie-ups with startup units in Visakhapatnam incubation tower, AP government which invested on incubation towers has a condition that these mature start ups should base their companies in the State whoever might be their venture capitalist, sources added.

### **Some success stories of startups in Andhra Pradesh**

#### **InterviewBuddy, the Startup Offers Virtual Practice Interviews With Industry Experts**

Mr. Ujwal Surampalli, Founder of InterviewBuddy, was a student entrepreneur who took a sabbatical from his studies and founded this startup. The idea of InterviewBuddy struck him when he first attended his campus recruitment interview with Wipro. It was when he first realized that not everyone is confident about facing interviews and he saw his batch mates falter at answering even the basic questions. This first hand encounter laid the foundation for InterviewBuddy. Without preparation or getting to know first-hand what to expect in an interview room, the candidate is destined to failure. If a candidate cannot showcase his skills to his potential employer, possessing all those scores/grades & knowledge is futile. InterviewBuddy simplifies the process of mock interviewing with credible & highly experienced industry resources to practice with. InterviewBuddy offers virtual face-to-face mock interviews with industry experts. InterviewBuddy recently has been shortlisted by the Government of Andhra Pradesh for their massive skill development initiatives.

#### **InterviewBuddy**

- Featured in the top 10 on Product Hunt (Oct 30, 2017)
- They were one of the Top 66 startups to pitch & present at the RISE Conference in Hong Kong out of 18K+ global applications.
- We're incubated in the NASSCOM 10K Startup Warehouse, Vizag.
- We are selected by the Government of Andhra Pradesh for their massive skill development initiatives.
- We're the only South Indian startup to get selected to present at the TNW Conference in Amsterdam.
- We're a recognized startup by DIPP under Startup India initiative.
- Awarded Bronze at the International Innovation Fair.
- Featured in the top 10 things disrupting the industry by Recruiter, UK.

## Seedbasket, the Agri Startup Creates an Online Platform for Kitchen Garden Lovers

One of the major reasons for starting this online portal Seedbasket (Online store for home gardening products) is the non-availability of Organic Vegetables. Then Mr. Naveen got the idea of growing vegetables at our home which is now getting a good response from the cities and urban areas. His necessity of Organic Seeds has pushed him to start this e-commerce website.

Apart from providing Organic Vegetable Seeds, Mr. Naveen has tried to incorporate all the products that are helpful for Home Gardening, which might be Vegetables Seeds flower, fruit seeds or grow bags and other gardening materials etc....

Now a day's awareness of home gardening and organic food is increasing day by day, but there no perfect source to get required information and materials. As seed basket is addressing this, there is a big scope for this king for business in near future. He had started this almost 1 year back, started with 2 orders per month, now reached up to 300 orders per month. He now is receiving appreciation calls and thankful messages from customers for providing Desi Vegetable seeds with home delivery.

## Spectra Assistive, the Startup is all about providing Assistive Technologies for the differently abled to overcome their Odds

Spectra Assistive – This Vijayawada based startup is all about providing assistive technologies for the differently abled to overcome their odds. Parsa Sai Karthik– the under-graduated Bio-Medical Engineer, was the founder of this startup called Spectra-assistive. At present 2.1% of India's population suffers from disability. These people are often either abounded or house bound due to their inability to cope up well with the computerized world. So to overcome this problem Parsa Sai Karthik took a small initiative which can help a portion of them. This thought led us to raise the idea called "Super Mouse" which is a new innovation in optical mouse. This mouse can be used in a new way of handling an optical mouse which enables even the physically handicapped people to use a computer mouse through their facial Movements and voice commands.

The main motto of this start up is to help disabled people to overcome their odds for a better tomorrow by providing innovative user friendly and easily handled assistive devices. Thinking innovative and bringing them to reality is his way of success.

"First of all, I want to thank God for throwing me out in an awesome web called IB Hubs. There I have learned all the business aspects which are going to be a great stepping stones for my startup and now my mind is tuned in such a way that, in every single aspect I am thinking in an entrepreneurial mindset. Having loved towards nation makes my thought process to think about others and help them. So for that I don't like a regular journey after graduated, I want to take risks in life that voluntary or involuntary helps

the nation. I should be like a one for the million but not one in a million. So I took this initiative to provide assistive support for the specially abled people” - **Parsa Sai Karthik**.

### **She Cabs, the startup brings cabs only for Women, Run by Women**

“She Cabs” is powered by Andhra Pradesh Balala Hakkula Sangham, a voluntary organization working for the protection of child rights. They conducted two surveys and found that the most vulnerable are the young working women and girls traveling to-and-from tuition classes, especially during late hours.

“She Cabs” has women drivers driving you in a GPS tracked cab. Each cab is provided with a button to contact the police. This button acts as an alarm system to contact the nearest police station. They started on 19th Feb, 2014 with two all-new pink cars. “I got no support from the banks and had to invest my money to make sure the project is executed on time” said Anuradha Rao, the proprietor.

The challenge initially was getting women chauffeurs. Even though the demand has been very high, the only reason for curbing expansion of She Cabs is the scarcity of funds to buy cabs. This exclusive transport system for women, by women is a non-profit initiative not only intended at improving road safety but it is also empowering women with jobs in an entirely new sector. Recently, the She Driving School has started to train and empower women from underprivileged backgrounds. The training is provided for free, but comes with condition of working for She Cabs for a year.

Hope the APBH Sangham finds a way out to get funds for the cabs and we see them all cities in Andhra Pradesh. So the next time you see a Pink Cab rolling on the road, salute the Pink Donned Woman for her courage to have entered the male dominated public transport system.