

ANALYZING THE GROWTH AND TRENDS OF INDIAN STARTUPS

In this report I will try to analyze the growth of the start ups in India based on a dataset that I have obtained from the website KAGGLE.

About the Data Set

The dataset contains information about the startups in India in the form of 10 parameters which are as follows:

- **Sr No** -> The serial no of the startup
- **Date** -> Date of reception of a funding
- **StartupName** -> Name of the Start Up
- **IndustryVertical** -> The genre of industry the company belongs to
- **Subvertical** -> The secondary genre of the industry
- **City** -> The city in which the startup is located
- **InvestorsName** -> The investors funding the startup
- **InvestmentType** -> The type of investment done by the investors
- **AmountInUSD** -> The amount received by the companies in US dollar
- **Remarks** -> Remarks about the company

In total there are also **3044 rows** in the dataset.

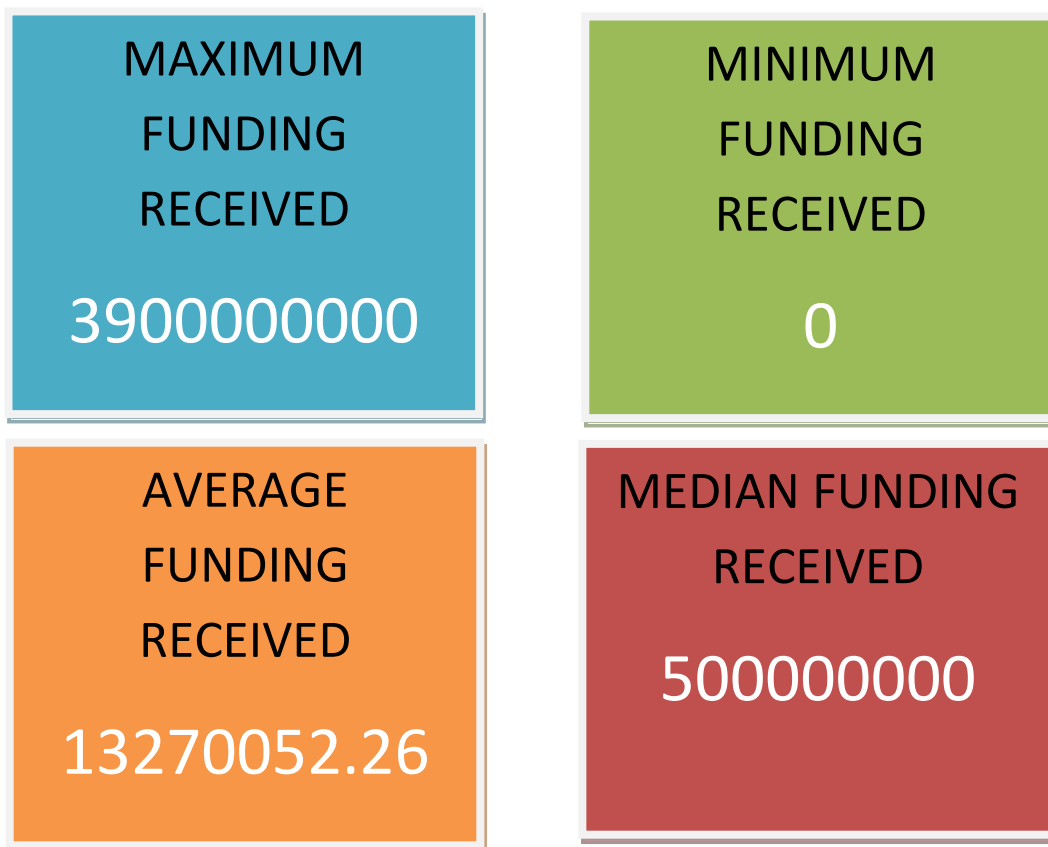
The structure of the data set in the form of table is as follows:

SNo	Date	StartupName	IndustryVertical	SubVertical	City	InvestorsName	InvestmentType	AmountInUSD	Remarks
0	1 09/01/2020	BYJU'S	E-Tech	E-learning	Bengaluru	Tiger Global Management	Private Equity Round	20,00,00,000	nan
1	2 13/01/2020	Shuttl	Transportation	App based shuttle service	Gurgaon	Susquehanna Growth Equity	Series C	80,48,394	nan
2	3 09/01/2020	Mamaearth	E-commerce	Retailer of baby and toddler products	Bengaluru	Sequoia Capital India	Series B	1,83,58,860	nan
3	4 02/01/2020	https://www.wealthbucket.in/	FinTech	Online Investment	New Delhi	Vinod Khatalmal	Pre-series A	30,00,000	nan
4	5 02/01/2020	Fashor	Fashion and Apparel	Embroided Clothes For Women	Mumbai	Sprout Venture Partners	Seed Round	18,00,000	nan

Analyzing the Amount Received by different startups in the dataset

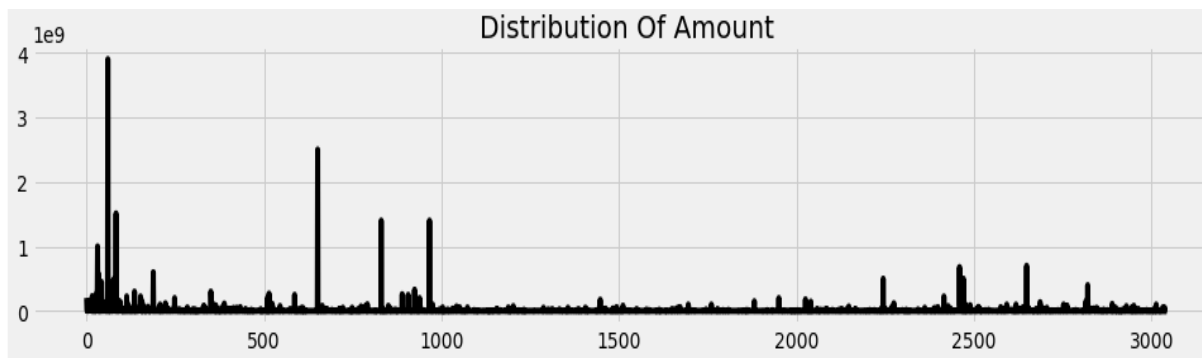
count	3.044000e+03
mean	1.327006e+07
std	1.044042e+08
min	-9.990000e+02
25%	-9.990000e+02
50%	5.000000e+05
75%	4.000000e+06
max	3.900000e+09

From the above table the following things can be inferred about the fundings received by the startups



(The values in the above boxes are in US Dollars)

Now let us analyze the distribution of funding amounts to the startups



The above graph shows the distribution of amounts received by different start up companies from their respective investors. The amounts in the above graph is of the scale $\times 10^6$ USD.

From this we can say that a **lot of start ups has funding under 20crore USD** as we can see **some large spikes between 0-500000000** and then the spikes go down with a few more between **500000000-1000000000** and then the lines are pretty flat through out. Although at the last half of the graph we can see some relevant spikes between **2500000000-3000000000 USD**. So this is the trend of startup funding in the Indian market by the investors.

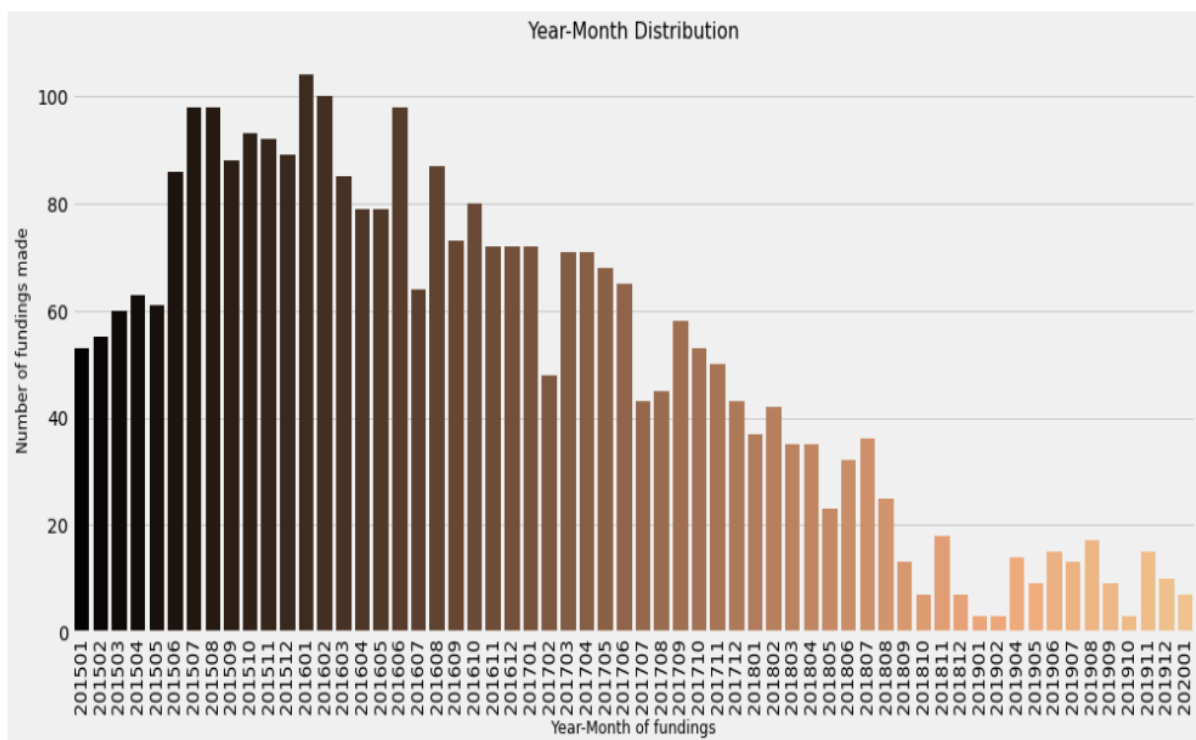
From a table earlier I was seen that the median value of a start up funding in India was 500000000 USD. **In the following table we will see the companies that received a funding more than that:**

SNo	Date	StartupName	IndustryVertical	SubVertical	City	InvestorsName	InvestmentType	AmountInUSD	yearmonth	
60	61	27/08/2019	Rapido Bike Taxi	Transportation	Bike Taxi	Bengaluru	Westbridge Capital	Series B	3.900000e+09	201908
651	652	11/08/2017	Flipkart	eCommerce	Online Marketplace	Bangalore	Softbank	Private Equity	2.500000e+09	201708
83	84	06/06/2019	Pratilipi	Digital Media	E-Books	Bengaluru	Qiming Venture Partners	Series B	1.510950e+09	201906
830	831	18/05/2017	Paytm	ECommerce	Mobile Wallet & ECommerce platform	Bangalore	SoftBank Group	Private Equity	1.400000e+09	201705
966	967	21/03/2017	Flipkart	eCommerce	ECommerce Marketplace	Bangalore	Microsoft, eBay, Tencent Holdings	Private Equity	1.400000e+09	201703
31	32	25/11/2019	Paytm	FinTech	Mobile Wallet	Noida	Vijay Shekhar Sharma	Funding Round	1.000000e+09	201911
2648	2649	28/07/2015	Flipkart.com	Online Marketplace	nan	Bangalore	Steadview Capital and existing investors	Private Equity	7.000000e+08	201507
2459	2460	29/09/2015	Paytm	E-Commerce & M-Commerce platform	nan	New Delhi	Alibaba Group, Ant Financial	Private Equity	6.800000e+08	201509
188	189	30/08/2018	True North	Finance	Private Equity Firm	Mumbai	nan	Private Equity	6.000000e+08	201808
33	34	02/10/2019	Udaan	B2B	Business development	Bengaluru	Altimeter Capital, DST Global	Series D	5.850000e+08	201910

From the above table we can see that **there are as many as 10 instances where companies not only received an amount higher than the median amount but the amounts received by them is insanely high.**

The **highest amount** which was previously seen to be **3900000000 USD** was received by **RAPIDO BIKE TAXI**. One more thing to note from the above table is that **PAYTM made that list thrice and FLIPKART twice**. No wonder they are one of the most successful startups in India.

Number Of Fundings Per Month Per Year



The graph above shows the number of times a fund was received by any company in a particular month of a year in ascending order of time frame.

It can be seen that the maximum number of investments were received in the month of January 2016 and the investments were somewhat steadily flowing till April 2017. But from June 2017 there has been an exponential decline of investments in Indian Start Ups.

Next will be a table which shows the number of fundings, their month and year sorted by number of fundings in descending order.(Top 10)

Number of funding per month in decreasing order (Top 10)

201601	104
201602	100
201508	98
201507	98
201606	98
201510	93
201511	92
201512	89
201509	88
201608	87

StartUps With No Fundings

After analyzing the dataset it was found that there were as many as **971 start ups without any fundings**. Few of the them are as follows:

	StartupName	AmountInUSD
2125	Splitkart	-999.0
1464	TAC Security	-999.0
708	FableStreet	-999.0
709	Monsoon Fintech	-999.0
710	MonkeyBox	-999.0

SPLITKART, TAC SECURITY, FABLESTREET, MONSOON FINTECH, MONKEYBOX are the 5 companies out of the 971 which does not have any investment made on them by any investors

While I was cleaning the dataset the converted the blank spaces in the AmountInUSD to -999 and so the values -999 in the column in the above table essentially means no funding.

A few more findings about the companies in the dataset

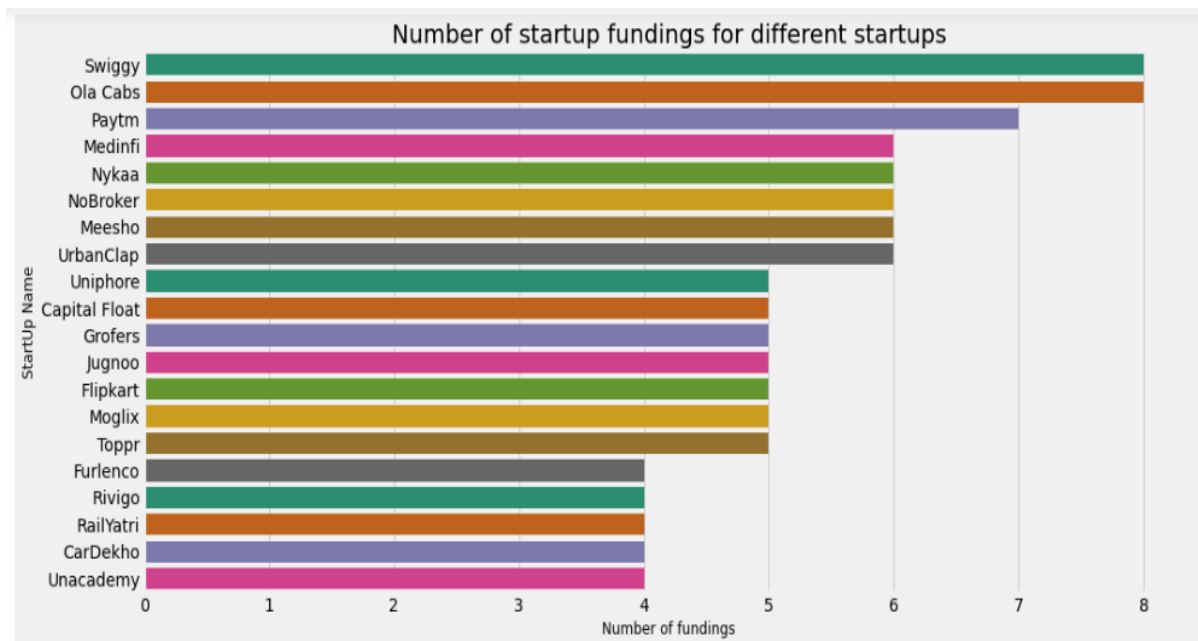
NUMBER OF
UNIQUE STARTUPS
IN THE DATASET

2457

NUMBER OF
STARTUPS WITH NO
FUNDING

971

Companies receiving multiple investments

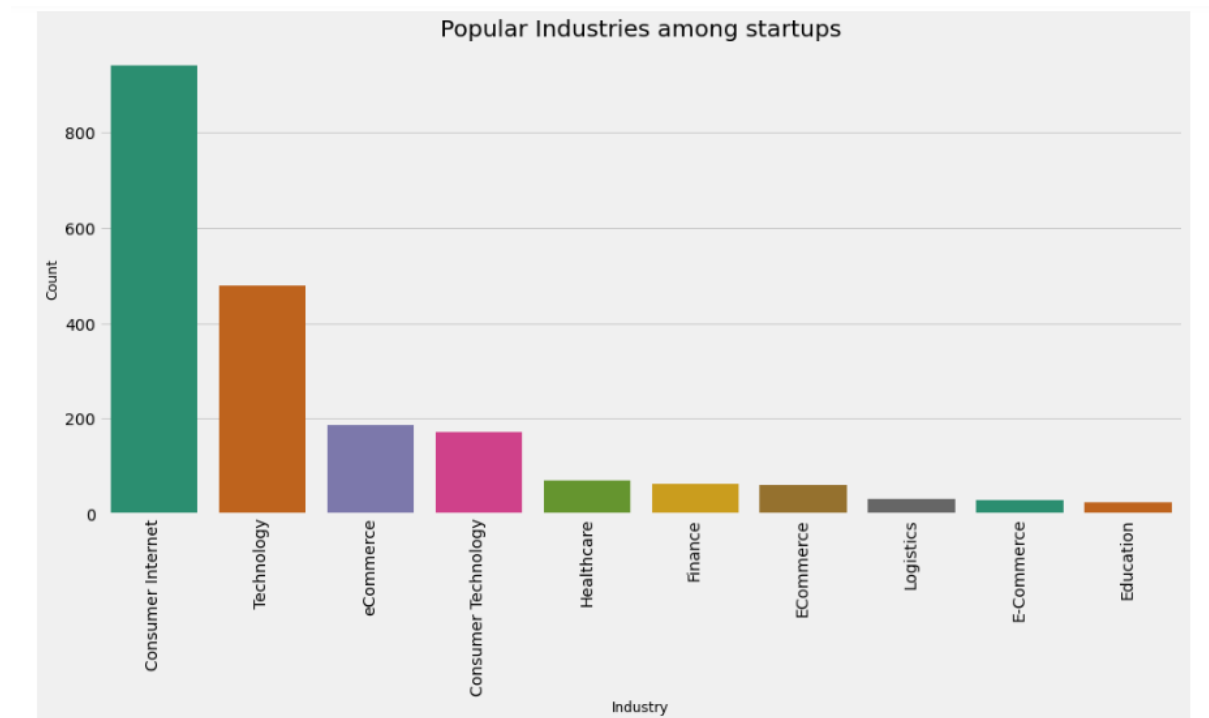


In the graph we can see a picture and understand which companies had more number of investments made on them and hence we can infer that these start ups are really doing pretty well.

We can see that:

- **Swiggy, Ola Cabs** bagged the highest number of investments with 8
- Followed by **PayTm** with 7 investors making investments on them
- **Medinfi, Nykaa, NoBroker, Meesho, UrbanClap** has 6
- **Uniphore, Capital Float, Grofers, Jugnoo, Flipkart, Moglix, Toppr** has 5 investments
- And **Furlenco, Rivigo, RailYatri, CarDekho, Unacademy** has 4

Now I will try to look up into a very interesting segment that is which Industry verticals are most popular among the entrepreneurs to open up a start up in.



We can see that the **CONSUMER INTERNET** market is by far the most preferred industry by the start ups followed by **TECHNOLOGY** with the consumer internet having around 950 companies and technology having around 500 companies. The other popular segments are **ECOMMERCE** and **CONSUMER TECHNOLOGY** having around 200 each .

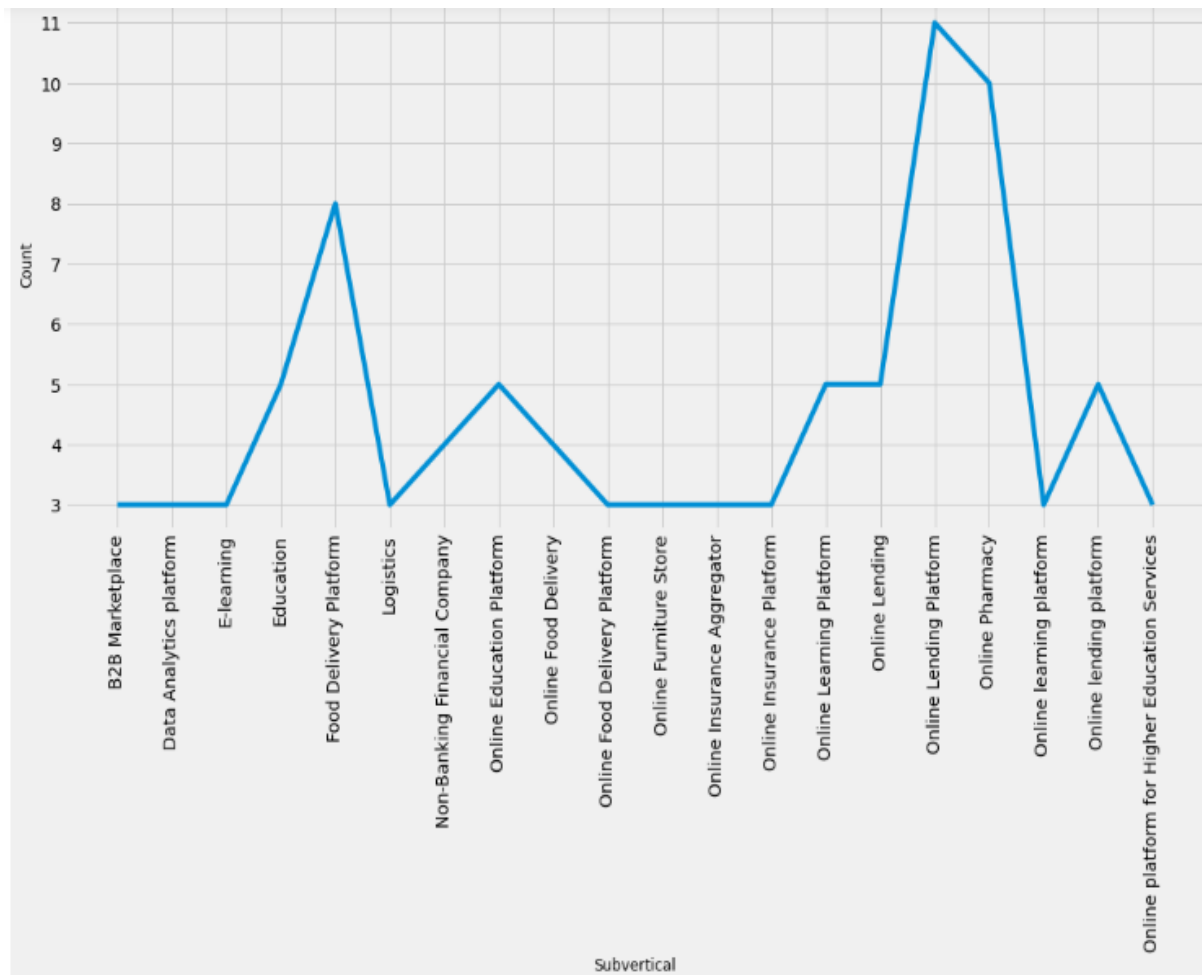
The exact numbers are as follows:

Consumer Internet	941
Technology	478
eCommerce	186
Consumer Technology	172
Healthcare	70
Finance	62
ECommerce	61
Logistics	32
E-Commerce	29
Education	24

One inference that can be drawn from this is, although consumer technology is popular among the Indian Start ups but it is also prone to saturation, similarly logistics, ecommerce, education seem to have less numbers and may seem like a viable option but

we have to analyze the factors as to why less start ups pop up in these industries. Plus these sectors also has some big players who are already pretty favourite in the market like BYJU's in Education, Flipkart in Ecommerce etc. So for any one planning to come up with a start up can consider the **Technology** domain according to me keeping in mind the relative less saturation and also having decent amount of popularity

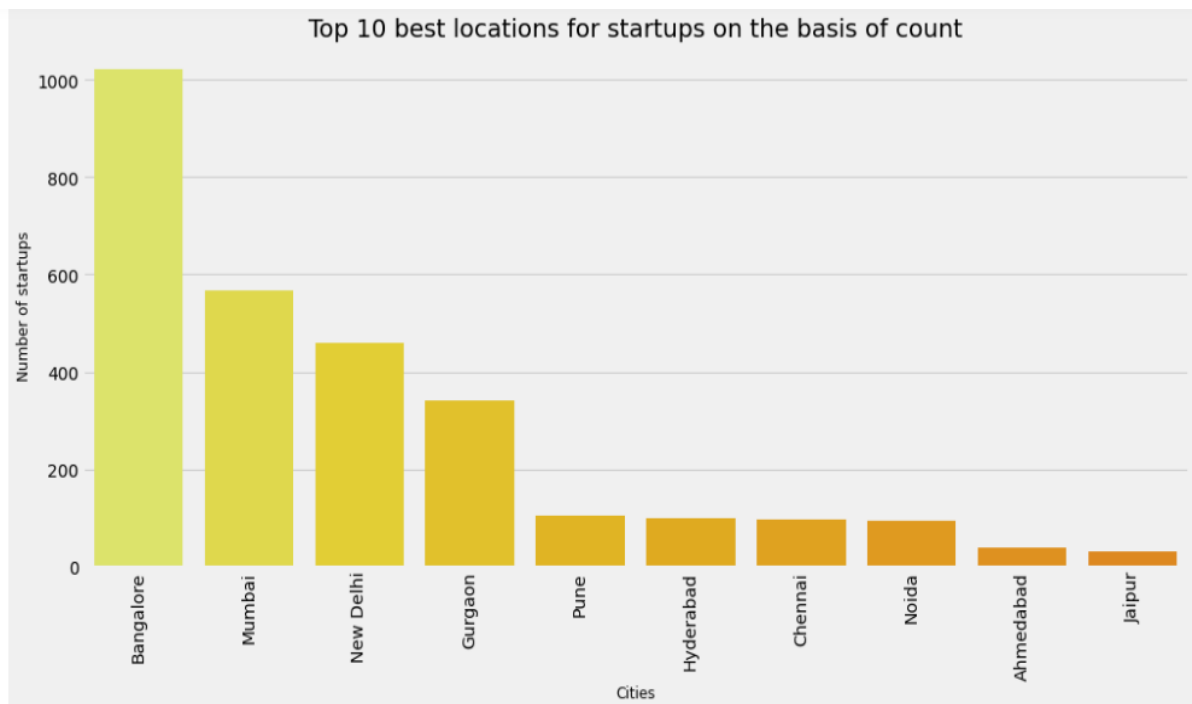
SubVerticals With their respective number of fundings



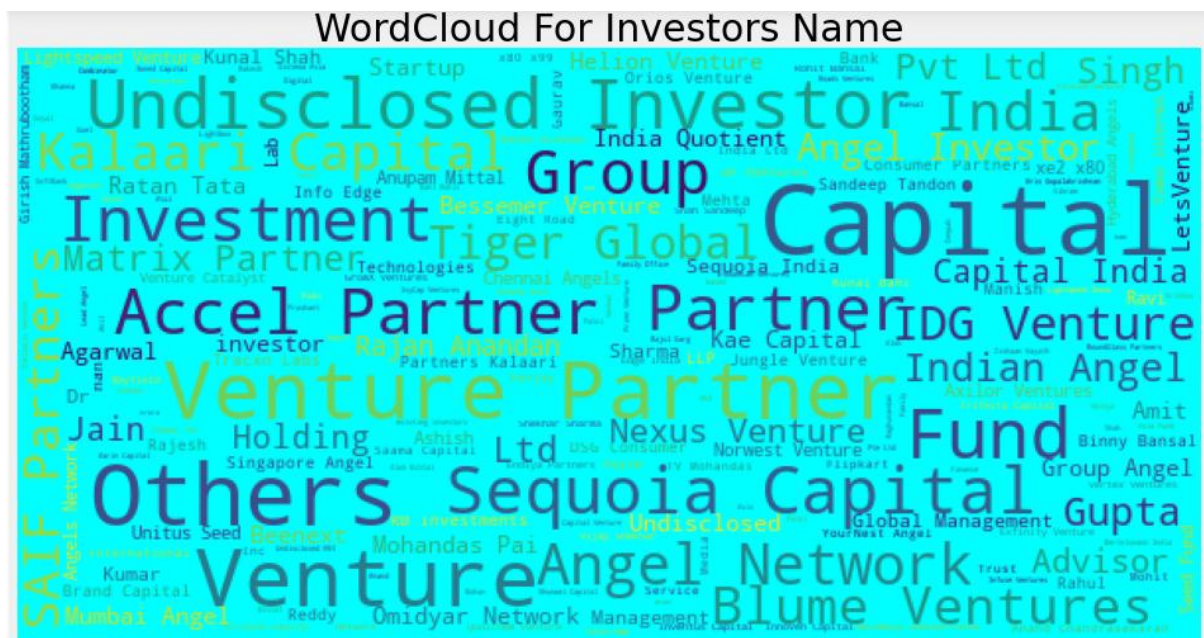
According to the graph above the subverticals like Online Lending Platforms, Online Pharmacy, Food Delivery platforms seem to attract pretty good investments by the investors and are pretty popular among them.

Whereas subverticals like B2B Marketplace, Data Analytics Platform, Elearning, Online Insurance platform does not seem to attract many investments.

Preferred Locations for the StartUps In India



Prominent Investors In the Indian StartUp Market

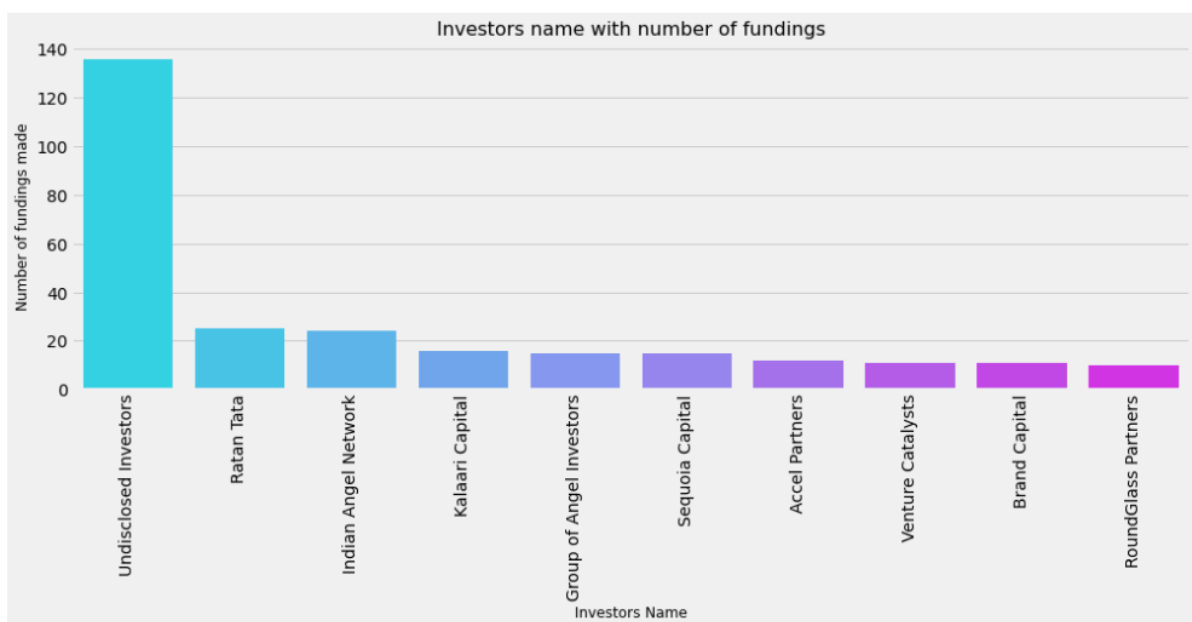


From the WordCloud above it is evident that few of the major investors in the Indian StartUp market are:

CAPITAL INDIA, VENTURE, SEQUOIA, ANGEL NETWORK etc

Let us get a clear picture of the investors by the following graph and table:

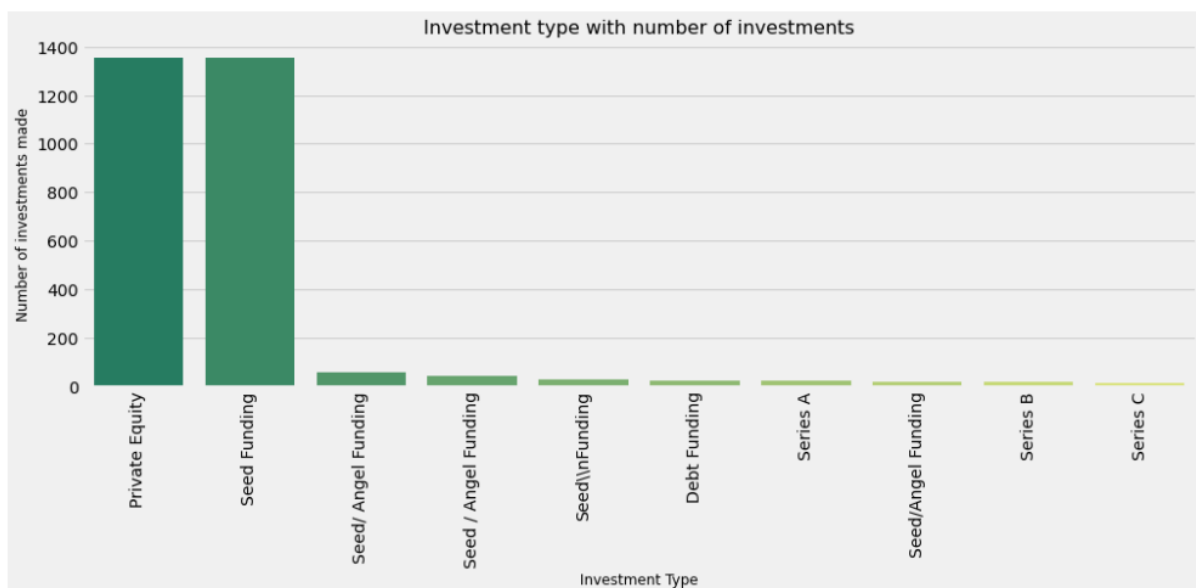
Undisclosed Investors	136
Ratan Tata	25
Indian Angel Network	24
Kalaari Capital	16
Group of Angel Investors	15
Sequoia Capital	15
Accel Partners	12
Venture Catalysts	11
Brand Capital	11
RoundGlass Partners	10



So we can see that maximum investors who invest in the Start Ups like to keep their identity **Undisclosed**. Apart from that few of the prominent investors are **RATAN TATA, INDIAN ANGEL NETWORK** which we some what guessed from the word cloud previously, **KALARI CAPITAL, SEQUOIA CAPITAL** were also guessed from the wordcloud.

Some of the other investors are **GROUP OF ANGEL INVESTORS, ACCEL PARTNERS, ROUNDGLASS PARTNERS** etc.

Finally I am keen to see the type of investments made in the start ups by the investors:



We can see that the bulk of the funding type in the start ups are Private Equity and Seed Funding.

Private Equity is composed of funds and investors that directly invest in a private company.

Seed funding or seed stage funding is a very early investment which aims at helping a business grow and generating its own capital.

SO THIS MARKS THE END OF THE ANALYSIS REPORT ON THE GROWTH OF INDIAN START UPS BASED ON DIFFERENT PARAMETERS. HOPE YOU ENJOYED READING IT.