

# Start-up with SBI

March, 2016



"Whatever you do, be different – that was the advice my mother gave me, and I can't think of better advice for an entrepreneur. If you're different, you will stand out." – Anita Roddick

As we are celebrating international women's day on 08th march, to recognise women's achievements and contributions to business and society, we will dedicate this month's issue to more powerful modules of society. Here are India's most powerful women entrepreneurs in startup arena who would inspire you to breathe business and be most successful.

Shubhra is the co-founder of Chumbak along with her husband Vivek Prabhakar. This online store sells apparels designed for young Indians. Chumbak has over 120 retail stores all across the country.

**Chumbak**

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

Her web portal sheroes.in offer women a space for conversation with other like minded women.

**SHEROES**  
TAKE CHARGE

Social Samosa is co-founded by Ankita Gaba. The site has ideas, trends and news related to Indian social media. Ankita is also listed in Global 100 Social Media Agencies and Consultant for 2012-2013. She also worked as PR executive in various companies.

**social samosa**

**YOUR STORY**

Shradha, a girl from Patna, is founder of Yourstory. It deals with some of the success stories related to entrepreneurship. Earlier she worked for times of India and CNBC TV 18 and gained experience from field reporting and was inspired to launch her own website called Your Story.

Anisha Singh holds a masters degree in political communication and MBA in information systems from American University. She was conferred the 'Women Leadership Award' at the World Women Leadership Congress in 2014 and the 'Leading Woman in Retail Award' in 2012

**mydala.com**  
We Bargain You Gain

Radhika is Co-Founder and CMO of ShopClues. She is a product right from Silicon Valley. She started this site from there and before this she was a fashion blogger.

**SHOPCLUES**.COM

**MobiKwik**

Upasana has a strong payments background as a senior product manager with PayPal in Silicon Valley and prior to that with HSBC. She is an NIT Jalandhar Engineering grad and a Masters in Management from Stanford university.



**yatra.com**  
creating happy travellers

Sabina already had exposure in travel industry. She worked for Europe's leading online travelling company then she also worked for Japan Airlines before launching Yatra.com.



**infi beam**  
Shop with a smile

Neeru has worked for Amazon USA in corporate development and media retail. As far as her educational qualification goes, she holds an MBA degree from Carnegie Mellon and Engineering degree in computer science.





Kiran Mazumdar-Shaw, the founder and chairperson at Biocon India Ltd, is often held as the poster-girl of Indian women entrepreneurship, her journey in getting to where she is today, having become almost the stuff of legends.

The humble beginning of her company in her garage, the way she battled prejudices against women entrepreneurs to get funds, the scepticism she met with, coming from various quarters, and how she overcame all these hardship, to head the top bio-pharma company in the country – have all become part of business folklore in the male-dominated sphere of corporate India.



Having gained eminence in her field and the credibility that comes with it, Kiran has now transferred her attention to larger issues, such as bringing some coherence into the drug industry, especially from the regulatory perspective, and highlighting the importance of affordability and greater access to medicines and the lack of focus in multinational pharma companies on this aspect. She points out that we need to encourage domestic pharma companies and give them a level playing field, so that they can enable the government to introduce an affordable healthcare system in the country.



When Vandana approached her rather conservative father-in-law with the idea of opening a small wellness and beauty centre. He was very sceptical and predicted that her venture would not last more than six months. Vandana turned down his offer to advance her some money as capital. She procured a loan of Rs. 1.5 lakh from State Bank of India, she bought out a beauty salon in Delhi's Safdarjung Enclave.

Her Father-in-law's dire prediction did not come true. Today, Vandana VLCC Healthcare, has more than 300 centres spread across 109 cities in 9 countries including Singapore, UAE, Oman, Bahrain, Qatar, Kuwait, Saudi Arabia, and Kenya.

### IMPORTANT EVENTS HELD DURING THE MONTH...

CGM Bangalore, Ms. Rajni Mishra addressing participants at Startup Master Class V3, organised by IIT Kanpur Alumni Association



Interaction of InCube Staff with Startups at Startup Master Class V3 by IIT Kanpur Alumni Association



Discussion with Startups on offering from SBI at Ginserve (Global Incubation Services), Kodihalli, Bangalore

## Startup Defined:-

DIPP in notification dated 17<sup>th</sup> Feb, 16 has given definition of Startup. Accordingly an entity will be identified as a startup-

- ➊ Up to five years from the date of its incorporation/registration,
- ➋ If its turnover for any of the financial years has not exceeded Rupees 25 crore, and
- ➌ It is working towards innovation, development, deployment, and commercialisation of new products, processes, or services driven by technology or intellectual property.



## Budget Highlights and Reactions from Startups:-

FM Mr. Jaitley in his budget speech, elaborated on a series of policy initiatives and schemes that aim at eliminating the common challenges startups come across. Few of the key highlights are:

- ➊ No tax on income from Startups. 100% deduction on profits for startups for 3 out of first 5 years; MAT to apply.
- ➋ Shortening of the holding period from three to two years to get benefits of long term Capital Gain regime in case of unlisted companies.
- ➌ Registration of a company will take no longer than just a day under the Government's 1 Day Incorporation Policy.
- ➍ The corporate income tax rate for the next financial year of relatively small enterprises i.e companies with turnover not exceeding Rs. 5 crore (in the financial year ending March 2015) is proposed to be lowered to 29 % plus surcharge and cess. The new manufacturing companies which are incorporated on or after 1.3.2016 are proposed to be given an option to be taxed at 25% plus surcharge and cess provided they do not claim profit linked or investment linked deductions and do not avail of investment allowance and accelerated depreciation.

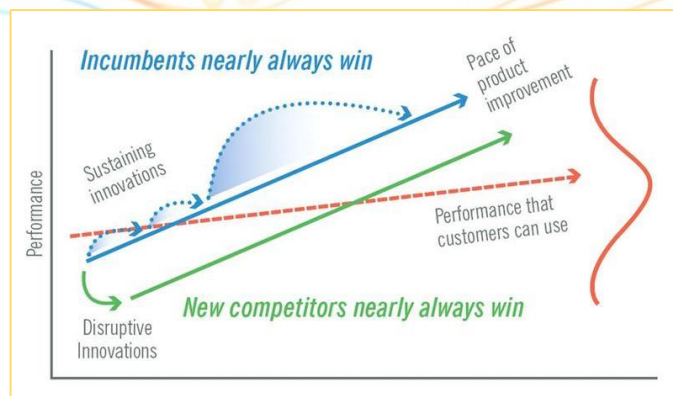
The Union Budget 2016 has been well accepted by the ecosystem, overall. However, there is a certain uneasiness that the industry has expressed on the imposition indirect taxes including MAT. Moreover, the effective implementation of the policies that have been announced by the government, is also something that needs to be waited and watched. Nevertheless, the startup community in general, looks quite happy with the government's emphasis on narrowing down the digital gulf in the country; a move that would definitely help budding enterprises grow faster and expand their footprint across geographies.

## Disruptive Innovation: - Are you "A DISRUPTOR"

Disruptive innovation, a term of art coined by Clayton Christensen in his 1997 book, The Innovator's Dilemma, describes a process by which a product or service takes root initially in simple applications at the bottom of a market and then relentlessly moves up market, eventually displacing established competitors.

Some examples of disruptive innovation include:

| Disruptor              | Disruptee                      |
|------------------------|--------------------------------|
| Personal computers     | Mainframe and mini computers   |
| Mini mills             | Integrated steel mills         |
| Cellular phones        | Fixed line telephony           |
| Discount retailers     | Full-service department stores |
| Retail medical clinics | Traditional doctor's offices   |



"Uber isn't Disruptive but Netflix is" says Clayton Christensen, Two Important qualities of a disruptor are:-

- It must gain a foothold in a low-end market that had been ignored by the incumbent in favor of more profitable customers. Otherwise, the disruptor must create an entirely new market, turning non-customers into customers. Uber doesn't fit into either of those boxes: it targets people who already use taxi services, and it doesn't provide a particularly lower-end or cheap experience.
- It begins with low-quality offerings, then eventually captures the mainstream market by improving quality.

Other characteristics of disruptive businesses, at least in their initial stages, can include: lower gross margins, smaller target markets, and simpler products and services that may not appear as attractive as existing solutions when compared against traditional performance metrics. Because these lower tiers of the market offer lower gross margins, they are unattractive to other firms moving upward in the market, creating space at the bottom of the market for new disruptive competitors to emerge.

So, if you are disruptor... Go ahead... You can be next Unicorn



## Products: - OnlineSBI

## Start-up with SBI

**Payment/Transfer:-** Funds Transfer, Intra-Bank Transfer, RTGS/NEFT Credit Card (VISA), IMPS Payments, NRI eZ Trade



**Mutual Funds**  
Investment, Viewing of Tax Credit Statement Form(26AS), SBI FX Trade: Currency Future Trading

E-tickets, Home Loan Provisional Interest Certificate, Credit Card (VISA) Bill Pay, Pay Tax using ATM cum Debit Card

**E – Deposits :-** E-TDR/e-STDR, E-TDR/e-STDR under Income Tax Savings Scheme, SBI Flexi Deposit, E-Annuity Deposit Scheme, E-Recurring Deposits, Online overdraft against e-STDR.

**Smart Cards:-** Gift Card, State Bank Virtual Card, Smart Pay-out Card State Bank Collect, Bill Payments

Apply online for Home/Car/Personal/ Education loan, e-Z trade SBI

Bill Payments, Western Union Service, NPS Contribution, Power Jyoti Fee Collection, Loan against Shares



## State Bank of India

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Users can now pay EPF Subscriptions online.



**SBI e-Tax**  
Pay Direct, Indirect & State Govt. taxes online anywhere, anytime.



**Merchant Transactions**  
Vyapaar/Vistaar users can perform merchant transactions.



**State Bank Collect**  
For online collection of funds from your customers.



**e-TDR/e-STDR**  
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**SARAL** - A simplified, single user Corporate Internet Banking facility for small entrepreneurs.



**Vyapaar** - Multi User Corporate Internet Banking for small and medium sized Organizations



**Vistaar** - Multi User Corporate Internet Banking for large and very large Organizations



**Khata** - Corporate Internet Banking with enquiry rights for Single User



**Khata Plus** - Corporate Internet Banking with enquiry rights for Multiple Users

**Suggested Reading for the Month:** - *The Industries of the Future* by Alec Ross. (Published on 2<sup>nd</sup> Feb, 16)  
Leading innovation expert Alec Ross explains what's next for the world: the advances and stumbling blocks that will emerge in the next ten years, and how we can navigate them.



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