

IT Majors Spawn New Breed of Entrepreneurs

From the blue-chip lineage of India's top technology firms, a new generation of entrepreneurs are emerging, find **Peerzada Abrar** and **Archana Rai**

When the angel investor mentoring a raw start-up is the former chief technology officer of IT bellwether Infosys Technologies, the probability of success for the fledgling company rises exponentially, as technology product start-up Customer XPs Software is discovering.

The Bangalore-based start-up, founded by a team that was earlier part of the products division at Infosys, has built a software product based on artificial intelligence. It is now live on the portals of ICICI Bank and is expected to rake in a slew of new customers across telecom, retail, insurance, healthcare and airline industries.

"The long experience with Infosys apart from general techniques, marketing and my contacts with other banks helped me to bring value to the company," says Sharad Hegde, who led the development of Finacle, Infosys' core banking solution, during his two decade stint with the IT service major. He was the first non-founder employee of the firm.

As entrepreneurship gains pace across the country, supported by greater risk capital and a new class of angel investors, more employees of technology majors are leaving their cushy jobs to launch their own ventures. "We are observing an increase in number of IT employees launching their own ventures," says Nasscom vice-president Sangeeta Gupta. "There are some 1600 tech start-ups in the country and about 80% of them are being launched by experienced IT employees, working in India and overseas." India Emerging profiles a bunch of start-ups spawned from the high-tech crucible within some of the country's most exciting technology firms.

CUSTOMER XPS

"Customer relationship management software is mainly built on transactions. Ours is based on intelligence that works based on our likes and dislikes," says Rivi Varghese, founder-CEO of CustomerXPs, whose team spent 6-9 months reading up on Class-12 mathematics and books on psychology to build the product. Along the way, the team sought counsel from the couple who formed part of the iconic early team of employees at Infosys. Clearly, it was a connection that worked for both mentors and founders.

"Customer XPs is founded by a mature set of people. Coming from Infosys, we have the same kind of value system—trust, mutual respect and passion," says Hegde. He and his wife Anuradha Hegde are now the primary mentors of the start-up, besides having put in angel investment of about ₹3 crore.

"This product that Customer XPs is building will pull out information from credit cards and loans," says Anuradha Hegde, who spends about two days a week with Sharad Hegde at the Customer XPs office mentoring the team. "It pulls out the essence of your relationship with the bank." The founders gave up salaries for three years, relying on the hard scrabble ways learnt at Infosys where they went tight on cash but pushed the envelope on

quality of the product.

PRAKAT SOLUTIONS

After co-founding the software testing services group at Infosys, India's second-largest software services firm, and growing it to 8,000 people and \$300 million in revenues over eight years, Anuradha Biswas quit her job in December 2009 to launch her own venture, Prakat Solutions, which offers software testing services.

The Bangalore-based start-up is building a network of qualified testers to perform independent testing over the cloud and aims to have 10,000 testers in the coming years.

This crowd-sourcing model includes students, housewives, retired professionals and people on sabbatical, who can remotely access, process



Having Sharad, a former CTO of Infosys, as the mentor of the company helps boost our ability to grab a bigger dream. He is a person who has already climbed the mountain

RIVI VARGHESE

Founder-CEO, CustomerXPs

and store information on computers 'in the clouds' or data centers. "For example, if the nature of work is in the area of energy, we will outsource the work to some professor who has expertise in that area," says Biswas, chief executive of Prakat.

"I decided to go on my own as tier-I companies concentrate only on bigger customers and I was interested to tap small and medium enterpris-

es, which is a huge opportunity," says Biswas.

FRONTAL RAIN TECHNOLOGIES

Using technology to solve agribusiness problems is a growing entrepreneurial opportunity as public and private investment in the agri-sector increases. Cloud computing and mobile technologies for Indian farmers are what Frontal Rain Technologies, a start-up launched by three former SAP Labs employees in Bangalore this year, will offer.

Jayaram Srinivasan, Sreeram P and Ravi Mandayam will focus on building techno-solutions to address inefficiencies in food supply chain for small and medium sized agribusinesses.

"Poor transport conditions, lack of cold storage facilities, rapid growth of urban population and shrinking base of farmer community has led to spiralling food prices," says Srinivasan, founder and managing director, Frontal Rain Technologies, which will use emerging cloud computing and mobile technologies to reach small and mid-size farmers in remote locations.

VIMAGINO

If the Hegdes are mentoring a team of ex-Infosys employees, Mythili Ramesh, who earlier worked with Wipro, is backing this high-tech start-up co-founded by Umakant Soni, who earlier worked at Wipro.

Bangalore-based Vimagino is a start-up that is creating software agents called 'angels', which can sense and respond to human emotions in customer interactions. Machines with 'artificial intelligence' or the sense to give apt responses are preferred for customer-service calls these days.

These 'angels' provide interactive customer interaction during sales and support processes on the websites. Run by a team of IIT Kanpur graduates, who were earlier working at technology firms such as Wipro, Adobe, Google and Yahoo, the firm has some of the major online media brands and e-commerce firms as its customers.



Hi-Tech Employee to Entrepreneur

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COMPANY

FOUNDERS

Customer XPs

Rivi Varghese, Aditya Lal, Balaji Suryanarayana, Sandhya V

Prakat Solutions

Anuradha Biswas

Frontal Rain Technologies

Jayaram Srinivasan, Sreeram P and Ravi Mandayam

Vimagino

Umakant Soni (Founder-CEO), Gaurav Vaish, Sandeep Dey, Sandeep Singh

Activecubes

Rajesh Varrier, Kiran Ventrapragada

The target segments for Vimagino are travel, retail, financial services, media and entertainment. "These angels have proved to be successful in converting 65% more visitors into customers than traditional methods," says Soni.

The founders, however, found it difficult to scale up, as it was tough to raise funds. But Soni's ex-boss Mythili Ramesh, who used to be senior vice-president of Wipro's BPO business, became their mentor and angel investor. Ramesh, who quit Wipro in 2008 to start her own firm NextWealth Entrepreneurs, injected \$85,000 as seed funding into Vimagino last year.

ACTIVECUBES

Years after having worked with several companies across the globe, including a stint at Infosys, Rajesh Varrier started out on his own to set up Activecubes, an analytics and business intelligence company, along with co-founder Kiran Ventrapragada.

The duo started their first office at Bangalore with two laptops and a truckload of enthusiasm. Over the next few months, the founding team expanded to seven, with 15-25 years of experience from organisations such as Infosys, TCS, Matrix Labs and Sensis.

The start-up operates across different markets such as India, US, Australia and UK and helps firms harness information. It differentiates itself by using the power of analytics to find solutions for clients from the stored terabytes of data about their markets, products, competitors, campaigns and supply chain.

"Infosys has a culture of entrepreneurship where every division is run like a business," says Varrier. "There is so much you can learn from the leaders there. I too picked up quite a lot from them. But still, I wanted to set up something on my own." Clearly, for this new generation of entrepreneurs, the blue-chip lineage of India's top technology firms is paying off in multiple ways, from mentoring to money.