

The storm riders: Covid entrepreneurs hope to scale up as pandemic subsides

Synopsis

The combination of new, easily accessible technologies, funds and work-from-home format proved to be a catalyst for new businesses. And they found more and more customers online — be it for education or shopping. Around 1,55,300 new companies were registered in India in 2020-21 compared with 1,22,700 companies in 2019-20.



ETtech

When Covid-19 saw people scrambling to their homes, vehicles coming to a halt and businesses and offices shutting down, there were some who found light-bulb moments in the once-in-a-century chaos. They founded businesses right in the middle of the [pandemic](#).

Like Delhi-based Arham Partap Jain, 31, who saw trucks lying idle and went on to found Trucknetic. He calls it “Uber for trucks”, an online logistics platform that connects shippers with carriers. “We want to be one of the largest truck companies by 2025, without owning a single truck,” he says.

Jain is looking forward to raising funds and scaling up even as the pandemic seems to be winding down. With over 200,000 fleet owners and 1,000 shippers, Trucknetic has a network of more than 1 million trucks. Jain is now planning to start transit insurance for truck drivers who are often the sole breadwinners of their families.

He is also looking to raise \$10 million in a Series A funding round. “So far we were bootstrapped, having won grants from [Microsoft](#) and Facebook. We are speaking to institutional investors and family offices and will close the round by December,” he says.

[BACK TO TOP](#)



ARHAM PARTAP JAIN, 31, FOUNDER, TRUCKNETIC

Covid Venture: Started Trucknetic, a logistics startup that connects shippers with carriers

Before Covid: Worked in family business

Business During Covid: Trucknetic has a network of more than 1 million trucks

Goal: Aims to be the first pan-India platform for booking trucks

Jain is one of the thousands who started a business during the pandemic, resulting in a tidal wave of entrepreneurial activity in the fields of logistics, education, networking services, online conferencing, fitness and beauty. The combination of new, easily accessible technologies, funds and work-from-home format proved to be a catalyst for new businesses.

And they found more and more customers online — be it for education or shopping. Around 1,55,300 new companies were registered in India in 2020-21 compared with 1,22,700 companies in 2019-20.

Indian [startups](#) raised over \$42 billion in 1,583 deals in 2021 compared with a funding of \$11.5 billion in 924 deals in 2020. Funding by venture capitalists in direct-to-consumer aggregators increased 30 times.

According to the latest report by Bain and Company, VC investments surged from \$40 million in 2020 to \$1.18 billion in 2021, helping create four new unicorns in the segment.

Rajani Sinha, chief economist, CareEdge Group, warns that traction is slowing down for many pandemic-born online businesses, which are going hybrid. “We cannot paint all businesses with the same brush. Businesses are moving to a hybrid format to adjust to the current circumstances,” he says.



RAJAT SINGHAL, 35,
CEO, CYBOARD SCHOOL

Covid Venture: Converted his offline school into a full-fledged online school

Before Covid: Ran a school in Gurugram

Business During Covid: Taught about 1,000 students online; doubled revenue

Goal: Looking to raise around \$4 mn

Rajat Singhal, 35, pivoted from running City Public School in Gurgaon to cofounding an online school called Cyboard during [Covid](#). “Challenging times are the best to start a business, as there is less competition for resources. It also sees new customer needs,” he says.

“Cyboard is a school without walls. We have classes till VI. We are trying to get CBSE affiliation for Classes X and XII. We have taught about 1,000 students online and will be expanding to 5,000 students, from Ladakh to Dubai.” It is looking to raise \$4 million. With the pandemic wearing off, Singhal has reopened the offline school, too.

Since the economy was in shambles and business was low, many fledgling entrepreneurs realised they could borrow capital at low-interest rates and get spaces for cheaper rent.

While the commercial rental rate grew by 3.8% y-o-y across India in 2019, it slowed down by 1.4% in 2020 and further by 0.3% in 2021. But rental rates have started recovering and have gone up by 1.2% in the first half of 2022, y-o-y, says JLL India.



JASPREET DHINGRA, 42,
CEO, BUSINESS AND NETWORKING CLUB (BANC)

Covid Venture: Started BANC where small and medium businesses can network

Before Covid: Investment banker at HSBC

Business During Covid: 100% y-o-y growth

Goal: Take BANC across India & abroad; 1,000 members in two years

For Jaspreet Dhingra, 42, the pandemic proved to be the right time to start a networking club for small and medium businesses. Dhingra quit his investment banking job at HSBC to set up BANC (Business and Networking Club) in July 2020.

It is a platform where businesses with annual turnover ranging from `50 lakh to `500 crore can make contacts and grow their business through networking. "The challenge for SMBs is growing the topline," says Dhingra.

The company's mantra is: if you get business by leveraging the power of your network, you win, and if you help someone get business, you get a referral fee. BANC gets 10-15% commission for every transaction and has managed close to \$8 million transactions.

Its aim is to touch \$50 million in two years. It has clients in India, Canada, US, Singapore, Australia, New Zealand and Oman.



SOHAIL KHAN, 36,
CHIEF BUILDER, THE BUILDERS CLUB

Covid Venture: Started The Builders Club, a community of investors and startup founders

Before Covid: Cofounded EvrCare, a company in the eldercare space

Business During Covid: 25,000 members joined in a year

Goal: To democratise entrepreneurship process

Even entrepreneurs connected online. The Builders Club, a community of investors and startup founders, proved to be a blessing during Covid-19.

Started by Sohail Khan in November 2020, it saw entrepreneurs from different parts of the globe helping each other build products and businesses.

“Without Covid, we would never have got people to engage online and spend time in our community,” says Khan, 36. The club has about 25,000 members. “It is a one-stop shop to grow your startup,” he says.

The pandemic has accelerated the growth of online grocers. According to the Internet and Mobile Association of India and the data analytics company Kantar, there are 692 million active internet users in India — 351 million (51%) in rural India and 341 million (49%) in urban India.

The report estimates that there will be 900 million internet users in India by 2025, led by rural growth. About 346 million Indians are engaged in online transactions such as ecommerce and digital payments.

From 230 million in 2019, digital transactions grew 51% in two years. Meanwhile, 762 million have not yet adopted internet, of whom 63% are from rural India.

As rural and semi-urban areas remain largely untapped, Rozana, an ecommerce startup for rural India, aims to connect villagers to online shopping through a network of micro entrepreneurs. Rozana has over 10,000 village partners or “saarthis”, who help customers place online orders and make last-mile delivery efficient.



ANKUR DAHIYA, 31,
COFOUNDER & CEO, ROZANA

Covid Venture: Cofounded Rozana, a rural ecommerce platform

Before Covid: Dahiya and another Rozana cofounder Adwait Vikram Singh started Routier, a B2B trucking app for corporate customers

Business During Covid: Served 4,000-5,000 gram panchayats; network of over 10,000 village partners in past 6 months

Goal: To onboard 200-300 mn customers in next 2-3 years



The startup serves 4,000-5,000 gram panchayats and is working on a roadmap targeting 300 million customers in the next two-three years. “This platform will unlock the potential of the rural market, which contributes to half of India’s GDP,” says Ankur Dahiya, cofounder of Rozana.

It raised \$2.5 million in a funding round led by 3one4 Capital and Europe’s IEG-Investment Banking Group.

Dipanjan Basu, partner, Fireside Ventures, says consumer-led businesses have got a “goldmine opportunity” from tier-2 and -3 towns during Covid.

The pandemic saw the online space for beauty growing. Ritika Sharma was one of those who rushed to grab it. In 2020, she started her firm House of Beauty and launched the multi-retail format for beauty products, Boddess.

“As there was apprehension among customers to go to stores, we brought the store experience to them via Boddess. Crisis always brings hidden opportunities,” says Sharma, 35.



RITIKA SHARMA, 35,
FOUNDER DIRECTOR, HOUSE OF BEAUTY

Covid Venture: Started Boddess, a multiretail format for premium beauty products

Before Covid: Worked with Starbucks and Abbott in the US

Business Growth: Boddess opened first offline store in Gurgaon; will open 3 retail stores in 2022

Goal: 35 offline stores by 2023; expects to reach 35,000 PIN codes in 2022

Beauty is a resilient industry with generations of loyal customers. “We saw a visible shift after Covid towards high-quality products, natural ingredients and brands with strong values,” she says. Boddess is aimed at making premium brands more accessible. “We will be disrupting beauty retail with experiential stores in select cities soon,” says Sharma.

Covid disrupted Shivangi Lahoty’s plans to move to Canada in March 2020. But it couldn’t stop the 29-year-old. A designer, Lahoty saw students, who wanted to join fashion and design institutes like the National Institute of Design (NID) and the National Institute of Fashion Technology (NIFT), struggling to find the right mentorship.



SHIVANGI LAHOTY, 29,
FOUNDER, DESIGNERSHALA

Covid Venture: Started DesignerShala, an online fashion coaching centre for top fashion and design institutes such as NIFT, NID, FIT, Parsons

Before Pandemic: Ran a fashion label

Business During Covid: 2,000 students have enrolled from 11 countries

Goal: To have 100,000 students learning fashion remotely



She founded DesignerShala in mid-2020. “We prepare students for design entrance exams,” she says. Working remotely for the last 18 months, they have just opened an office space in Mumbai.

As they ride out the storm, the entrepreneurs are hoping that funds will follow and businesses will grow.

(Originally published on Oct 02, 2022)

Stay on top of **technology** and **startup news** that matters. **Subscribe** to our daily newsletter for the latest and must ...**more**

ETPrime stories of the day



ENERGY SECURITY

As power demand soars, NTPC goes back to burning coal despite its focus on green energy

7 mins read



E-COMMERCE

I believe the e-commerce policy will consider how ONDC will evolve and mature: CEO T Koshy

7 mins read



MARKETS

India's industrial index outperforms Sensex. Is manufacturing the next big thing?

5 mins read

Subscribe to **ETPrime**