



UK-India Tech Roundtable Series Early Stage Indian Tech Companies in the UK



Department for
Digital, Culture,
Media & Sport



LSEG

Introduction

In September 2021, Global Tech Advocates, Tech India Advocates and the London Stock Exchange Group convened a group of Indian early stage tech founders and investors with the Department for Digital, Culture, Media and Sport.

As the Indian cricket team was conducting a Test series in England, the roundtable was designed to showcase the strength of the relationship between the thriving tech ecosystems in the UK and India and to recognise the importance of Indian tech founders operating across the country.

The UK is now widely regarded as the world's third tech ecosystem and has shown remarkable resilience during the pandemic. Investment into UK tech has reached record levels during 2021 and successful exits from the likes of Darktrace and Wise have demonstrated that London can produce world-class tech companies.

However, whilst the UK is negotiating new trade relationships with global business and tech hubs, this roundtable highlighted the role Indian companies and tech talent must play in the continued success of the British tech sector.

The roundtable - hosted by Russ Shaw CBE, founder of Global Tech Advocates and Oliver Dowden, former Secretary of State for the Department for Digital, Culture, Media and Sport - focused on two key themes:

- The experience of early stage Indian tech companies scaling in the UK
- Collaboration across the UK and Indian tech ecosystems

This report outlines the key discussion points and conclusions from the roundtable.



Attendees

15
ATTENDEES

Oliver Dowden
Former Secretary of State, Department for Digital, Culture, Media & Sport

Russ Shaw CBE
Founder, Global Tech Advocates

Ani Kaprekar
Co-Lead, Tech India Advocates

Aftab Malhotra
Co-Lead, Tech India Advocates

Neil Shah
Technology Sector Specialist, London Stock Exchange Group

Richard Heald OBE
Chair, UK India Business Council (UKIBC)

Bina Mehta
Chair, KPMG

Priya Guha
Partner, Merian Ventures

Debu Purkayastha
Managing Partner, 3rd Eye

Nadia Sood
Founder, Credit Enable

Jaivir Pall
BioSapien

Vivek Badiani
Founder, Eco-Sense Technologies

Prasannajeet Mane
Founder, Cerina

David Kesel
Founder, Music Teacher's Board

Gaurav Singh
Founding Partner, JPIN VCats

Sujata Rastogi
Founder & CEO at You've Got This!



Key Findings

What emerged from the contributions of early stage Indian tech founders and investors was a set of very practical benefits to scaling a startup in the UK.

The strength of the ecosystem was most commonly cited, with many Indian founders feeling the UK presented opportunities to access a network of British universities, founders and investors to help realise their growth ambitions.

The increasing maturity of the tech investment landscape is also clearly resonating on the world stage, with many founders coming to the UK to engage with a VC community that is driving unicorns and record levels of tech investment.

There was also significant recognition for the policies and regulatory environment created by Government to encourage startup growth. A number of Indian founders had directly benefited from the Enterprise Investment Scheme and Seed Enterprise Investment Scheme. There was also appreciation for the transparent and supportive regulation for fintech companies that has allowed the UK to create a world-class fintech hub.

From a talent perspective, founders had also utilised the Tier 1 Exceptional Talent visa to enter the UK and start their business here.

And for specific tech verticals – particularly healthtech and fintech – there was a commercial opportunity for Indian founders to leverage this supportive regulatory environment by setting up their business in the UK but then scaling the business by acquiring customers in the Indian market.

Finally, it was the close cultural and familial ties for many founders between the UK and India that seemed most attractive. Many founders had moved to the UK to study at university and then stayed to create their companies and felt that the UK was a good base to operate in the US and Europe whilst maintaining close connections to India.

Despite the headline figures about tech investment in the UK, several Indian founders expressed concerns about access to funding for early stage tech companies.

Some entrepreneurs explained that funding was available for billion-dollar tech companies with global ambitions, but that funding was harder to secure for smaller to medium-sized businesses. This was due to a lack of growth capital and a relatively private and closed investor community in the UK.

There were also issues raised about the viability of certain grant schemes. Some Indian tech founders told the group that whilst their companies were based in the UK, most of their revenue and talent came from India, which meant that in some instances they weren't eligible for grant schemes.

There was also a sense that even with the historic relationship between the UK and India, and the current efforts of both governments to increase collaboration, the UK could do more to attract Indian founders and investment to the country. With a new generation of Indian tech entrepreneurs emerging who, perhaps, didn't have the close familial ties to the UK of previous generations, there were suggestions that further incentives could be put in place to ensure Indian founders and investors were entering the UK tech market.

What attracts Indian early stage tech founders to the UK:

- World-class academic institutions
- Access to funding for fast growth tech companies
- Strong and welcoming ecosystem of founders
- Visa routes for tech entrepreneurs

Key Perspectives

Russ Shaw CBE, founder, Global Tech Advocates,
“I used to say that the UK was the third tech ecosystem behind the US and China. Now I say, it's alongside the US and China. And I think what's interesting for me is that the fourth ecosystem is India. And if the third and fourth ecosystems can work together it will only make them stronger.”

Sujata Rastogi, Founder & CEO at You've Got This!,
“I think being in the UK has definitely allowed me to access a fantastic ecosystem. There's definitely a strong community of startup founders here that helps each other and shares knowledge.”

Sujata Rastogi, Founder & CEO at You've Got This!,
“I think the venture capital space is very difficult, particularly for first time founders vying to get to that certain scale. You have to have the ability to understand how to negotiate a term sheet.”

Prasannajeet Mane, Founder, Cerina,
“What attracted me to the UK was the global financial hub and the top universities and research universities that we have here. When I look at the policies the government has put in place to support entrepreneurs as well as the SEIS & EIS schemes to help fundraise they really caught my attention.”

Nadia Sood, Founder, Credit Enable,
“I benefited from the Tier One Entrepreneur status and became a British citizen this year. So that is a very effective visa programme, which I'd like to commend the government for and hopefully it continues as it does attract talent. I think the R&D tax credits are very key and especially they've been key for us to help us experiment and build things that maybe didn't necessarily work, and then be able to innovate on that basis. The SEIS & EIS as well, are very important. And these are all things that attracted us to being here, in addition to the fact that the UK attracts a global pool of investors.”

Tech India Advocates is to shine the light on India, and also on the India-UK corridor. There is huge opportunity for both ecosystems to collaborate and we are a network designed to accelerate relationships and welcome Indian founders to the UK.”

Ani Kaprekar, Co-Lead, Tech India Advocates



My message to Government would be to motivate UK startups to enter India by reducing red tape as much as possible. We also need to look at data sharing as the process around KYC in India is completely different to the UK. Finally, we need to look at talent. We've got much better at allowing talent exchange from India to the UK but there's more we can do to bring talent into the country freely.”

Aftab Malhotra, Co-Lead, Tech India Advocates

Bina Mehta, Chair, KPMG,
“20% of the money that's been invested in the UK comes from Asian markets. And a lot of that will be Indian family offices - 25% of money is coming from families.”

Priya Guha, Partner, Merian Ventures,
“I think this is one of the genuinely two way trading relationships that we can achieve, but that requires the UK to be more engaged with India not the other way around. We can't risk just taking the India relationship for granted.”

Richard Heald OBE, Chair, UK India Business Council (UKIBC),
“Indian companies have an ability to scale up in a way that British companies don't scale up. If you're a startup, Indian companies have no fear and I think that there is something there that you can actually bring back from India, to the UK, in order to enable our startups tech companies to scale up in a way that they hadn't been able to do to date.”



My advice to anyone who wants to expand to India is don't purely rely on Indian experts. Make trips to India and facilitate that because there's always more you can learn about India. I always say that I don't know India, I remember India, that's the case with everyone.”

Ani Kaprekar, Co-Lead, Tech India Advocates

