

Govt sitting as a drag factor on Indian IT ecosystem: Asha Jadeja Motwani

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As an entrepreneur, Asha Jadeja Motwani knows where to put her money and as an Indian she knows how graceful it is to give back to her homeland, even if the bureaucracy turns her down.

A top-notch Silicon Valley serial angel investor and venture capitalist, Asha was in the national capital to attend the TiE Global Summit III. She has long-term plans to scout for Indian tech-talent and handhold promising Indian start-ups.

Excerpts from an interview:

On her latest initiative christened Motwani Institute for Thought Leadership in Innovation (MITLI)

The idea is to bring top faculty members and students from various Indian universities to Stanford and some US companies where we are investing. For one or two years, MITLI will take care of the entire programme with an endowment in \$30 million. Thirty to forty people will be taken care of every year.

From Stanford we plan to send up to 100 students to various universities in India and to be with some start-ups and make-ups every year.

Paying to fail

I am investing in three tiers in India. The first tier is no risk companies which are founded by repeat entrepreneurs and will be investing \$300,000 to \$1,000,000. Second tier is clone companies that replicate the likes of Uber and OYO and the band of investment will be \$100,000 to \$300,000. The third tier holds the highest risk, which I call seeding the forest where I plan to lose money. Because, if I pick somebody who is 13 years old working on a nice robot or a drone, chances are that that money is not likely to come back immediately. But that small ticket investment will create a forest of entrepreneurs who will be loyal to me. The idea is to groom them to be entrepreneurs in the next few years. I am paying monthly salary to a few people to do nothing. I am paying them to fail.

For example, some boys in A&B company, a start-up, are creating electricity from thin air. They have already presented it to people in California and they are up and running. They are trying to create power for defence and homeland security. If they pull it off it will be a very disruptive company. I don't want them to finish schooling. I want them to be high school drop outs!

(Aditya, a teenager and the founder of the company explains how he can garner electricity with the help of nano technology from the thin air of any terrain including Siachen!)

Social movement

I am making entrepreneurship a social movement. Last January, Daniel Jeevan, a young entrepreneur from Kerala visited our Maker Fest in Ahmedabad and wanted me to take it to Kerala too. Last month he had a big

Maker Fest in Kerala (at Amal Jyothi Engineering College, Kanjirappally) and that was even many times bigger than the one in Ahamedabad. He is going to have another fest soon in Kochi. This is kind of a big social movement and kids like him are running it.

Hungry youth

We didn't invest in Google, but Rajeev (Rajeev Motwani, Asha's late husband, mentor of Google's Larry Page and Sergey Grin) had founding stake in it. I want Grin (Sergey) to visit India as a tourist to get to know India and the second person that I would like to bring is David Krane who runs Google Ventures.

Eco system in India is excellent. India is a rocket ship. But if they are putting tax on angel investors, I want to send the Indian government home! They are a dead weight on the Indian IT industry. How is a bureaucrat going to know what is a start-up?

But they are sitting on a lot of money, billions of dollars of tax payers' money.

The real issue in India

If the Indian government gets out of the way, India will make it big. The Indian mind is very smart and it can shift gears very quickly. Indians are the highest income group in the United States, higher than the Jews, Japanese and the Whites. We run the (Silicon) Valley.

In India what is holding us back? The government, the whole nexus of babus and ministers. It is a challenge and we will fight it. I am planning to take legal action, if needed.

If there are people who want to come back why are they not welcome? I don't know about other people's experience, but some of us feel very strongly that this government is sitting as a drag factor on the Indian IT ecosystem.

I met one babu the other day and said I wanted to get back to India and invest. Anybody who has national interest in mind would ask, 'what can I do for you?' Instead, this gentleman brushed me off and wanted me to talk to his secretary. No investor faces a similar challenge in the US.

Indian government is sitting on huge money and it is difficult for them to get rid of that power. It should follow the US example where the government subconsciously devolves its power gracefully.