Indian startup unicorns grow far beyond IIT, IIM, and ISBs: Study

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If you thought that Indian students from prestigious institutes like the Indian Institutes of Technology (IITs), Indian Institutes of Management (IIMs), and Indian Schools of Business (ISBs) dominate the list of founders and cofounders who build startup unicorns in the US, think again.

Of course, they play a key role, but a study undertaken by the Stanford Graduate School of Business points out that of the 120 founders identified in the research as founders or cofounders from Indian institutes, as many as 52 were from other universities and institutions across the country, including non-metros and smaller cities. Not only that, these unicorn founders were spread across 14 institutes, compared to the concentration of unicorns from seven IITs and two management institutes (ISB and IIM-Calcutta, which each sent five unicorn founders).

The study was based on 1,110 US-based venture capital-backed companies, of which 165 had Indian founders or cofounders running unicorns between 1997 and 2021. The numbers include both founders and cofounders.

At the top of non-IIT/management institutes is Birla Institute of Technology & Science (BITS), which has produced 10 startup unicorn founders in the US. In second place are Savitribai Phule Pune University and Osmania University in Telangana, each of which has produced six unicorn founders.

TAKING US UNICORNS BY THE HORNS

Institute	No. of students who built unicorns in the US
Birla Institute of Technology & Science	10
Savitribai Phule Pune University	6
Osmania University	6
Anna University	4
St Xavier's College, Mumbai University, Pune Institute of Computer Technology, NIT Warangal	3 each
The Maharaja Sayajirao University of Baroda, Ramrao Adik Institute of Technology, NIT Surathkal (Karnataka), Coimbatore Institute of Technology, Punjab Engineering College, CSIR-Central Electrochemical Research Institute, Bharathidasan University	2 each

Source: Stanford Graduate School of Business

In terms of cities, Pune has performed well, with two institutes — Pune Institute of Computer Technology and Savitribai Phule — producing nine alumni who built startup unicorns in the US.

Only one research and development institute has made the cut: the Central Electrochemical Research Institute under the aegis of the Council of Scientific & Industrial Research, based in Tamil Nadu's Karaikudi, with two unicorn founders. There are also National Institutes of Technology (NITs), previously called regional engineering colleges, which have been vibrant sources of unicorn founders, such as NIT Warangal (Telangana) and NIT Surathkal (Karnataka).

In Mumbai, you've of course heard of IIT Bombay (which has produced 14 unicorn founders, according to the research). However, three other institutions have collectively produced eight unicorn founders for the US: Ramrao Adik Institute of Technology in Navi Mumbai, Mumbai University, and St Xavier's College.

State governments have also played a key role, with Anna University in Chennai and Bharathidasan University in Trichy, both run by the Tamil Nadu government, and Osmania University, run by the Telangana government.

The data also reveals their academic backgrounds: as much as 45 per cent of them studied engineering, while 42 per cent specialised in computer engineering. In total, 81 per cent of the founders studied engineering, computer science, or both, demonstrating a strong focus on applied sciences. Only 19 per cent came from other streams, again showing the dominance of just two disciplines.

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