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Guest Author

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Can't deny that time does fly fast. Feels like it was just yesterday that I was recounting my days of pondering over the thoughts of early-stage investing. Here are some hacks, tricks, and learnings for someone who wants to get into 'angel' investing.

My personal portfolio had seen some movement and a deeper sense of involvement from me in 2015. I am sure all of them are entering 2016 with a strong sense of resilience. Some ventures (LogiNext, DoorMint, Testbook) raised a significant up-round, some of them were quietly building products and services (Tavaga, Truce, NexGear), and few were rapidly acquiring customers along their journey (Betaout, Bounty). However, all of them helped me remember that it is about finding hustlers who are not looking for a handout, but instead giving me the right to partner with them and their vision.

Image: shutterstock

Here are some of my observations while starting 2016 with a sense of measured optimism.

1. Be prepared to piss off more entrepreneurs than you can imagine (for all the right/wrong/unknown reasons). But make sure that the ones who you work with can vouch how helpful and supportive you have been in their journey of venture building. Pseudo entrepreneurship can sometimes be just as rewarding if you are good at doing what you do currently.

2. You do not have to be a first-generation entrepreneur to have a similar level of passion, enthusiasm, and understanding of technology to come into this field and hopefully even

succeed with time and some effort. There are enough VCs, Twitter trolls, Tech Gurus who do this for a living and aren’t afraid to call out people who try to break into their zone.

3. Entrepreneurship and starting up is overrated and glamourised and so is ‘angel’ investing. Do it only when you have the right reason and the absolutely necessary drive needed to go into overkill mode. It is becoming commonplace for ‘entrepreneurs’. They are building the next me-too business or a clone of a Western world venture totally unsuitable to the Indian scenario (while investors are chasing them with more and more money), because from MBA to Job route seems to be passé.

4. Miss the hype-cycle investments as you will almost always be not sure of its success and picking a winner. Good to have missed the trendy investments of foodtech, hyper-local delivery, or the next fastest grocery delivery service. Glad I learned about this at an early stage and focussed on identifying ventures that create real value by capturing white spaces or creating ones to be filled.

5. Young entrepreneurs in Tier 2 cities will need a big push- Being part of the panel during some of the Tier 2 city college fests, it was evident that we need more grassroot activism. Also college students in Tier 2 cities need access to better mentorship, knowledge base, and touch points, with the startup ecosystem present in the metros.

6. Having an investment thesis does not really help much as the Indian startup ecosystem is not that wide and deep. Choose your friends wisely, your co-investors smartly, and your founders decisively.

2015 was a great year in terms of activity in the startup ecosystem. It definitely started off extremely high on exuberance. There are some exciting things in the pipeline for 2016 for all of us. Therefore, it’s time to weed out the noise around us and focus on what lies ahead.

About the author

Utsav Somani is a young tech and startup enthusiast with a bachelors degree in Information Systems Management from Singapore Management University and a Masters in Innovation & Entrepreneurship from ESADE Business School Barcelona. He is an angel investor in multiple startups and currently the Lead at LetsVenture’s Delhi Chapter.

(Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect the views of YourStory.)

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