With total of 90, Indians top list of US unicorns' immigrant founders
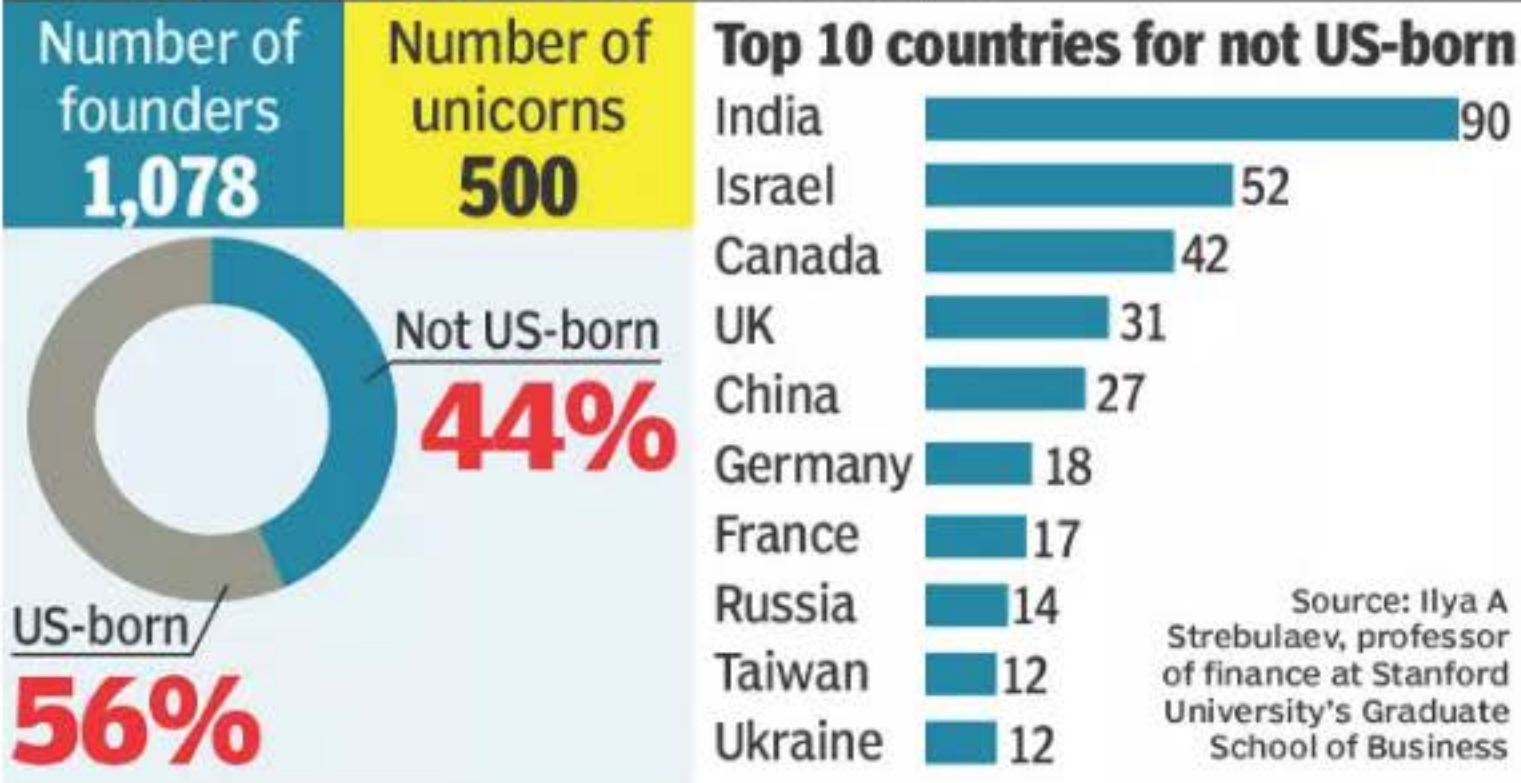
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BENGALURU: Indians are creating unicorns not just in India, they are doing it in the US too.

A study by Ilya A Strebulaev, professor of finance at Stanford University's Graduate School of Business, finds that 90 out of 1,078 founders across 500 US unicorns were born in India. Strebulaev's data covers US unicorns between 1997 and 2019. He tweeted that "Over four out of ten unicorn founders are first gen immigrants." Israel and Canada followed with 52 and 42 founders respectively.

Among Indian founders of prominent unicorns – past and present – are Baiju Bhatt of Robinhood, the commission-free stock trading app, Rohan Seth of Clubhouse, Apoorva Mehta of Instacart, Dheeraj Pandey, Mohit Aron and Ajeet Singh of Nutanix, Arun Murthy and Suresh Srinivas of Hortonworks, Aayush Phumbhra of Chegg, Gagan Biyani of Udemy, Dhiraj Rajaram of Mu Sigma. Fractal Analytics, which turned a unicorn this year, was founded by Nirmal Palaparthi, Pradeep Suryanarayan, Pranay Agrawal, Ramakrishna Reddy and Srikanth Velamakanni in California, though, like Mu Sigma, has most of its delivery out of India.

WHERE WERE THEY BORN?

Number of founders **1,078**	Number of unicorns **500**	

Not US-born **44%**

US-born **56%**

Top 10 countries for not US-born

Country	Founders
India	90
Israel	52
Canada	42
UK	31
China	27
Germany	18
France	17
Russia	14
Taiwan	12
Ukraine	12

Source: Ilya A Strebulaev, professor of finance at Stanford University's Graduate School of Business

Last year, Mohandas Pai's investment firm 3One4 Capital estimated that 67 of the 288 American unicorns at that time had at least one Indian-origin founder.

America has had a history of extremely successful Indian-origin entrepreneurs including Kanwal Rekhi, Pramod Haque, Kumar Malvalli, Sanjay Malhotra, Gururaj Deshpande, B V Jagadeesh, and Sabeer Bhatia. Many of them may not have built ventures valued at over $1 billion then, but there were indeed the "unicorns" of those times.

Four years ago, US-based Kauffman Foundation estimated that 33.2% of the co-founders of engineering and technology firms founded by immigrants in the US since 2006 were Indians. The next highest were the Chinese, at 8.1%.

Another study done in 2007 for the period 1995 to 2005 had found that Indians accounted for 26% of the co-founders during that period. Kauffman Foundation found that the Indian immigrant contribution was the only one that increased; most other immigrant communities saw a decline in their contributions, leading to a general stagnation in immigrant entrepreneurship in the US.

Centre for Security and Emerging Technology (CSET), a policy research organisation within Georgetown University's Walsh School of Foreign Service, conducted a study in 2020 to understand how immigration shapes AI (artificial intelligence) entrepreneurship in the US. The findings showed that 33 of the top 50 AI companies have at least one first-generation immigrant founder, and 53 of the 125 founders are first-generation immigrants. India and Israel were the largest senders of immigrant AI founders, followed by the UK, China, and Portugal.