Startup Bangladesh announces first series of investments for seven startups

- A Monitor Desk Report | Date: 31 March, 2021

Dhaka: On the joyous occasion of the birth centenary of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman and the golden jubilee of Bangladesh, Startup Bangladesh Ltd launched "ShotoBorshe Shoto Asha" to invest BDT 100 crore in 50 startups in 2021.

The company announced the first series of investments to seven startups on March 31.

Startup Bangladesh Ltd is the flagship venture capital fund of the ICT Ministry. Under the visionary guidance of Prime Minister Sheikh Hasina, Startup Bangladesh, the first and only venture capital fund sponsored by the government started its journey in March 2020 with an allocated capital of BDT 500 crore.

This effort will enable the nation to innovate faster, create new jobs, develop technical skills, and realise the vision of Digital Bangladesh. The fund will provide investment in equity, convertible debt, and grants in pre-seed, seed, and growth-stage startups. It would invest through co-investments, as a fund-of-funds and asset manager, and provide other in-kind support to startups and stakeholders.

The seven startups that received BDT 15 crore (USD 1.75 million) for the first series of the investments are Pathao (ride-sharing/logistics), Dhaka Cast (health-tech), Moner Bondhu (mental health and Wellbeing), Chaldal (e-commerce), Eduhive (education-tech), Sheba.xyz (domestic services and SME) and Intelligent Machines (software services).

Zunaid Ahmed Palak, State Minister, ICT Division, Mohibul Hasan Chowdhury, Deputy Minister of Education and Tina F Jabeen, MD and CEO, Startup Bangladesh Ltd are seen with the receivers of the fund at the launch ceremony

These startups received this fund to scale up their production, improve the quality of goods and services and develop their supply chain and marketing strategies.

Zunaid Ahmed Palak, State Minister of the ICT Division, was present as the Chief Guest at the launch ceremony while Mohibul Hasan Chowdhury, Deputy Minister of Education and Zuena Aziz, Principle Coordinator, SDG Affairs, Prime Minister's Office attended as Special Guests. N M Zeaul Alam PAA, Senior Secretary, ICT Division and Chairman, board of directors of Startup Bangladesh Ltd, was the Guest of Honour.

The State Minister officially launched "ShotoBorshe Shoto Asha" and declared the investment of this venture capital fund. He also shared that, through this initiative, the government created a national entrepreneurship platform to support the startup ecosystem. He further added that Startup Bangladesh Ltd could bridge the gap between the startups and their potentials with required capital financing.

"Startups could play a crucial role in addressing the market needs, which will serve as the foundation for far-reaching consequences in the GDP's overall growth. The tech-solutions provided by startups could support the nation's achieving Sustainable Development Goals by 2030," said Zunaid Ahmed Palak, State Minister, ICT Division.

Senior Secretary, ICT Division and Chairman, board of directors of Startup Bangladesh Ltd, N M Zeaul Alam PAA, commented that the organisation would develop the entrepreneurial ecosystem and connect entrepreneurs and startups to foster collaboration with all the stakeholders.

Tina F Jabeen, Managing Director and CEO, Startup Bangladesh Ltd, said, “Among all frontier markets, Bangladesh holds the most promising opportunity for venture capital and private equity investments. The country’s English-speaking, tech-savvy young population is ready for deployment. With its focus on financial inclusion, social equity, and equal access to technology, Bangladesh is positioned to become a stellar performer in achieving sustainable development goals by leveraging disruptive technologies and innovative solutions.”