

# BusinessWeek

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## Asia's Best Young Entrepreneur: And the Winner Is...

Delhi's Vivek Pahwa. He's already on his third startup, a matchmaking site for India's small but growing cadre of divorced people

By [Bruce Einhorn](#)

At age 27, the winner of *BusinessWeek's* annual search for [Asia's best young entrepreneur](#) is already on his third startup. Delhi resident Vivek Pahwa launched DesiMartini.com, a social networking site, in 2006 and sold it to [HT Media](#), owner of the *Hindustan Times*, last November for an undisclosed sum. Pahwa then teamed up with some former classmates from business school to create SecondShaadi.com, a matchmaking site for divorced people, and Gaadi.com, focusing on new and used car sales.

The matchmaking startup is taking advantage of a cultural difference between [India](#) and the West, he says. Divorce remains relatively uncommon in India—Pahwa points to statistics showing a 5% divorce rate for the big Indian cities. However, that's starting to change. "There is a growing need, because second marriages are becoming more acceptable in society," says Pahwa, who adds that people who are divorced tend to marry others who are divorced. That means traditional matchmaking sites don't work. "There's a growing need for a separate platform," he says.

Luckily for Pahwa, he has been able to count on support from his relatives. His father runs Bry-Air, a family business that manufactures dehumidifiers, and the family has invested a few million dollars in Accentium, a company based in the Delhi suburb of Gurgaon that controls the different startups.

### MARRIAGE IS RECESSION-PROOF

SecondShaadi, which has backing from Pahwa, other family members, and three of his classmates from the Indian School of Business in Hyderabad, has 80,000 registered members and is adding 5,000 a month. Registration is free, but to connect with someone else on the site, a user has to pay a subscription fee. Fees vary, but the average is \$50 for three months, says Pahwa, who is optimistic that any economic slowdown associated with the global credit crisis won't have much of an impact on SecondShaadi's business. "Marriage is something that happens whether there is a slowdown or not," he says.

Pahwa's other startup might not be so fortunate. Gaadi (the word means car in Hindi) got its start in May. The Indian stock market was already weak then, but the American subprime meltdown hadn't yet made a big impact in India. Today the shock waves have reached the country, and consumers are finding it more difficult to buy autos of any kind. "Car sales definitely will see a hit," he says. Moreover, e-commerce in India is not as developed as in the U.S. or other Western countries. "It's early days with the industry here," he says. "Sooner or later, people will be going online to buy and sell cars."

Meanwhile, Pahwa is busy pursuing new projects. He's already working on three new online ventures. One will focus on education, catering to the large number of Indians shopping around for schools. "There is a need for

organizing that information to connect students with colleges," he says. Another new venture will concentrate on personal finance "to connect people who are seekers of financing and insurance with providers." And there's a third Web 2.0 venture that Pahwa would rather not discuss.

While other entrepreneurs might find it hard to get funding now, Pahwa says his startups won't have problems, even though he doesn't have any venture capital backing and any IPO is way down the road. "For the next year or two we should be well capitalized to meet our investments," he says. "These funds should see us through."

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