



सत्यमेव जयते

Department of Telecommunications
Ministry of Communications &
Information Technology
Government of India

Telecom Centre of Excellence



**Setting up and managing
a successful commercial venture
while promoting
Technology based innovation**



सत्यमेव जयते

Department of Telecommunications
Ministry of Communications &
Information Technology
Government of India

World Entrepreneurs' Day

August 21, 2015



“Opportunity on what the community has to offer Entrepreneurs
and
what the latter have to offer the Community”

IIT Delhi student named most promising entrepreneur - Reports-NDTV

- A business competition in Singapore has named Chiraag Kapil, of IIT Delhi as the Most Promising Young Entrepreneur with a prize money of \$5000.
- His team was also ranked second for their women safety pendant and won \$12,000.-- Called, SAFER

Ajay Kela, CEO, Wadhvani Foundations-

- contemporary India has a risk-averse culture. However, Indians in Silicon Valley have overcome this; 30 per cent of start-ups in the Valley were started by Indians.

Rohit Raghav, co-Founder, Phone Warrior, a mobile technology start-up –

- we faced plenty of challenges all the time. People closest to these challenges are not Fortune 500 giants, but common, enterprising Indians.



सत्यमेव जयते

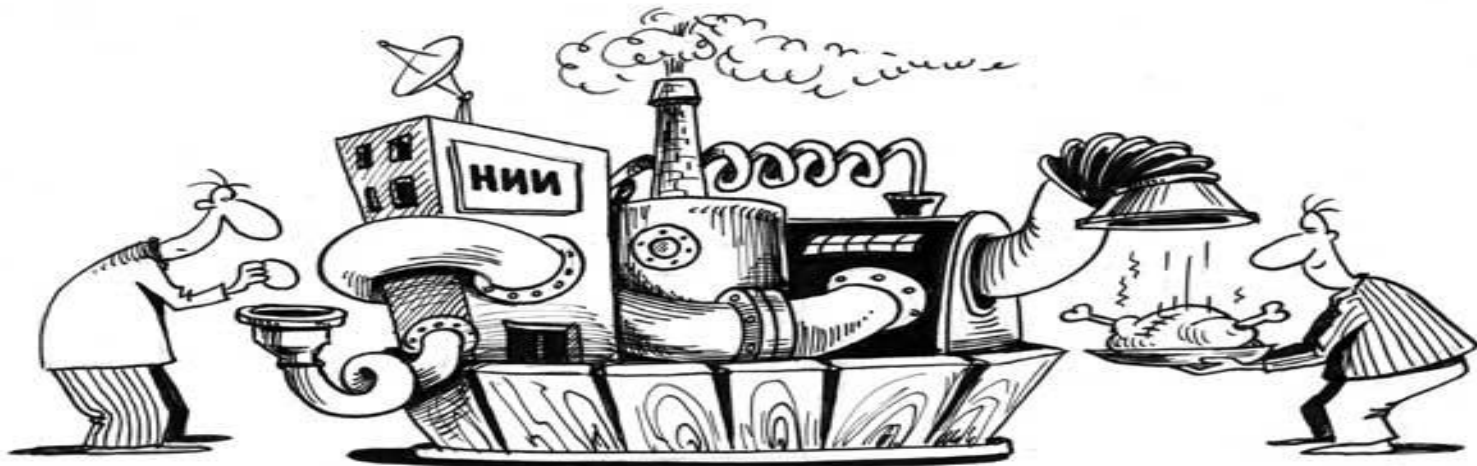
Department of Telecommunications
Ministry of Communications &
Information Technology
Government of India

School of Thought



There are two School of thoughts of Technological Entrepreneurs

1. **As Promoter-** To establish the Business, create a Market Value and Sell to another Investor.
2. **As Entrepreneur-** establish the Business, Manage it to grow, with a long term goal of scaling up the business activities.





सत्यमेव जयते

Department of Telecommunications
Ministry of Communications &
Information Technology
Government of India

Requirements for a Commercial Venture



Issues relating to Technology based innovation
to Set up and to Manage as a Commercial Venture

Pre-commencement

1. Objectives – to cater market
2. Constitution of the Entity
3. Registration of Business
4. Product availability
5. Finance Planning-cost & Revenue

Post-commencement

1. Business Plan – Budgets
2. Banking Arrangements
3. Product -Development/Manufacturing
4. Distribution Channels of Sales
5. Sales (Debtors) Recoveries
6. Statutory Compliance
7. Updated MIS & Final Accounts.



सत्यमेव जयते

Department of Telecommunications
Ministry of Communications &
Information Technology
Government of India

Five good reasons to write a Business Plan



1. Business Plan - To test **the feasibility** of your business idea.- for a smoother startup period and fewer unforeseen problems as your business becomes established. Process of writing a business plan can do wonders to clarify where you've been and where you're going.
2. To give your new business the best possible chance of success. - pay attention to both the broad operational and financial objectives of your new business and the details, such as budgeting and market planning.
3. Secure funding, such as bank loans, PE Funding, VC Funding, Lease Funding, Supplier Credit Funding...finally Angel Funding
4. To make business planning manageable and effective.- Viable businesses are dynamic; they change and grow. what new directions your company's growth should take.
5. To attract investors.- venture capitalists and angel investors will want to conduct extensive background checks and competitive analysis to be certain that what's written in your business plan is indeed the case.



How attract Angel Investors

- An **Angel Investor** is a person who invests in a business venture, for start-up or expansion. They look for a higher rate of return than would be given by more traditional investments (typically 25 percent or more).

What are angel investors looking for :

- 1. Potential for [a good return](#) on their investment – a return better than they can do on the stock market.
- 2. **A good reason to invest**- Angel Investors are [successful Entrepreneurs](#), who enjoy the thrill of helping to build and create an innovative entrepreneur.
- 3. **A competent team** : Angel investor invest in people. They see the evidence that the business is in the hands of people who are innovative, competent and trustworthy and possess the skills to [lead the business to the next level](#).
- 4. Clarity in **Business Plan**- Angel investors look for a convincing and [complete Business Plan](#) with a developed [Vision](#) and the thought to the details of how to get there. They want to see things such as Financial Projections, sales plans, and specifics about the Market segments.
- 5. **Viable exit strategy** - While angel investors are patient and willing to make long-term investments, they're going to reap the return on their investment. The sale of shares to the company's a common [Exit Strategy](#), who hold equity ownership positions, whereas sale or merger of the company for debt-holding investors. Don't be surprised if your prospective Angel Investor wants a time-frame set.



सत्यमेव जयते

Department of Telecommunications
Ministry of Communications &
Information Technology
Government of India

start-up mistakes one must avoid



1. Ignorance to convert the idea into a profitable business model.
2. Product Utility?.....**will the market accept it inspite of** sufficient research and Product Development
3. Lack of **Funds required**.....How much and how to arrange it
4. An **Un-prepared approach** a venture capitalist or a bank to fund your business
5. **Gestation time** - you give to your business to establish and start churning profits **Are your business projections based on flaky estimates or hard data**
6. Is it the **time to start** a business or wait till you gain the required experience?
7. **Avoidance to fulfill the Legal and statutory compliances**
8. Do not know the **Revenue Model**.....How income will be generated
9. **No clarity** in regard to the Business Processes relating to Material Procurement...Production..Storage..Distribution...Sales Channels

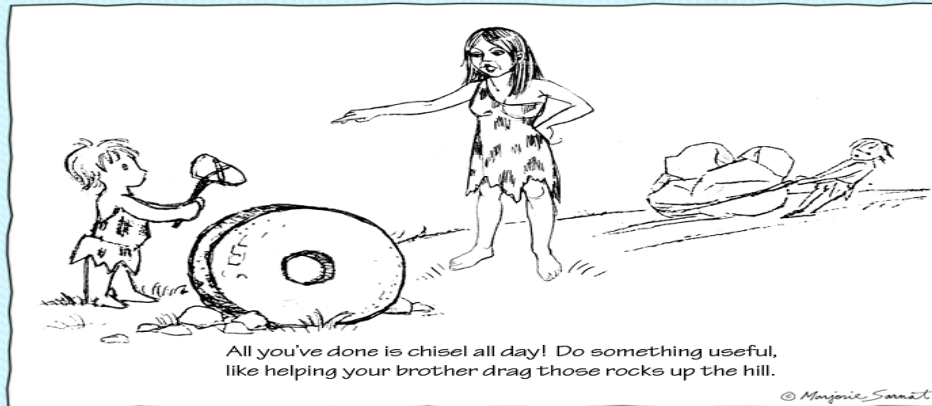


सत्यमेव जयते

Department of Telecommunications
Ministry of Communications &
Information Technology
Government of India

TCOE

supports and helps to
build an environment of innovation
by hand-holding
Technological Entrepreneurs
and change in mindsets



Thank You