Chapter 15: From Ideas to Startups

Questions — Let's Explore

Q1 Explain why a business can fail even with a great idea if one functional area [finance, human resources (HR), operations, or marketing] is weak. If you were running a bakery, which functional area would you prioritise first and why?

A great idea alone cannot sustain a business because all four functional areas — management and operations, finance and accounting, human resources, and marketing and sales — must work together. For example, a bakery with excellent recipes but poor financial planning may run out of funds to pay rent or buy ingredients. Similarly, weak human resources means untrained staff who produce inconsistent quality, driving customers away. Even a well-run bakery fails without marketing, as customers simply will not know it exists. For a bakery, finance and accounting should be prioritised first, since without sound budgeting for ingredients, rent, salaries, and equipment, the business cannot even open its doors — all other functions depend on adequate funding.

Q2 Do you think innovation alone is enough to make a business successful? Why or why not?

No, innovation alone is not enough to make a business successful. The chapter shows through Mohan Singh Oberoi's story that entrepreneurship involves planning, teamwork, decision-making, and effective management of all functional areas. Oberoi did not just have a vision — he hired and trained skilled staff, managed finances carefully, renovated operations, and built a trusted brand. Similarly, Lijjat Papad succeeded not merely because of an innovative cooperative model but because the women maintained consistent quality, managed finances prudently, and expanded strategically. Innovation sparks an idea, but execution across operations, finance, human resources, and marketing turns that idea into a lasting, successful business.

Q3 "A business plan is a dynamic roadmap for a startup." Explain this statement with suitable examples. When should one change the business plan?

A business plan is a written document that explains the goals of a business and the steps to achieve them, guiding the entrepreneur from the initial idea stage through running the business. It is called a dynamic roadmap because it must adapt as conditions change, not remain fixed. For example, a bakery's initial plan may target families with everyday breads, but if demand for customised cakes grows, the plan must shift towards that segment. The plan should be changed when customer preferences evolve, raw material costs rise sharply, new competitors enter the market, or the original pricing fails to generate sufficient profit. Challenges and risks are an inevitable part of every venture, making plan revision essential.

Q4 Do you think every entrepreneur should think about the impact of their goods or services on society and the environment? Explain using relevant examples.

Yes, every entrepreneur should consider the impact of their goods or services on society and the environment. The chapter states that businesses contribute to society by improving quality of life, creating jobs, paying taxes, and fulfilling corporate social responsibility in education, environment, and healthcare. An entrepreneur manufacturing eco-friendly jute bags, for example, directly reduces plastic pollution. Lijjat Papad went beyond profit — it empowered over 45,000 women, provided scholarships to their children, and built financially independent communities. The chapter also highlights that startups in agri-tech and health-tech support sustainability and address real-world needs. Entrepreneurship that ignores social and environmental impact may create short-term profit but harm the broader community in the long run.

Q5 In 1931, two brothers, Digambar and Govind Dandekar, started a small business in South Mumbai selling ink powder. They began with limited resources, using recycled glass bottles to sell liquid ink. At first, they faced financial problems and struggled to convince customers to trust their products. Instead of giving up, they focused on providing good-quality stationery at affordable prices. As the business grew, they noticed that artists in India did not have access to good art materials. Seeing this as an opportunity, they travelled to Glasgow to study colour chemistry and improve their products. After returning to India, they set up a laboratory to develop colours and art supplies suited to Indian needs. Over time, the company expanded into pencils, crayons, geometry boxes, and paints, eventually becoming a well-known brand.
(a) What entrepreneurial qualities did the Dandekar brothers display?
(b) What opportunity did they identify in the market?
(c) Was travelling to Glasgow a risky decision?
(d) Which functional area helped the company improve its products?
(e) How did they serve society apart from earning profits?

(a) The Dandekar brothers displayed perseverance (they did not give up despite financial difficulties), innovation (moving from ink powder to colour chemistry and art supplies), risk-taking (investing in a trip to Glasgow and setting up a laboratory), and a commitment to quality and affordability — all qualities the chapter identifies as essential for entrepreneurs.
(b) They identified that artists in India lacked access to good-quality art materials. Rather than limiting themselves to stationery, they saw this gap as a market opportunity and acted on it by developing locally suited colours and art supplies.
(c) Yes, travelling to Glasgow was a risky decision because it required significant investment of money and time with no guaranteed return. However, like Mohan Singh Oberoi mortgaging his wife's jewellery, it was a calculated risk taken in pursuit of a larger vision — improving their products through specialised knowledge of colour chemistry.
(d) The management and operations functional area, specifically the research and development side of operations, helped the company improve its products. Setting up a laboratory to develop colours suited to Indian needs reflects a focus on efficient production, quality, and innovation.
(e) By making good-quality stationery and art materials available at affordable prices, the Dandekar brothers gave students and artists across India access to tools they previously lacked. This contribution — widening access to education and creative materials — served society beyond the goal of earning profit.

Q6 How do you think entrepreneurship is important for India's goal of becoming a developed nation by 2047?

The chapter explains that entrepreneurship creates jobs, drives innovation, produces goods and services, pays taxes that fund public infrastructure, and improves quality of life — all essential for a developed nation. India is already the third-largest startup ecosystem in the world, with around 120 unicorns in 2025 working in e-commerce, fin-tech, health-tech, and agri-tech. Government schemes like Startup India support the vision of Atmanirbhar Bharat by encouraging self-reliance through local innovation. As India moves toward Viksit Bharat 2047 — the goal of becoming a fully developed nation by the centenary of independence — entrepreneurs will continue to create employment, empower communities, drive sustainable growth, and reduce dependence on imports, making entrepreneurship central to this national vision.

Q7 Choose a product or service and develop a business plan for it using the following template: Business name, Business idea, Target customers, Product/service and price, Marketing idea, Basic cost and expected profit.

Guidance: Fill in the template using a product or service you find meaningful. A model example — Business name: FreshBite Tiffin Service. Business idea: Home-cooked lunch delivered to students and office workers in the neighbourhood. Target customers: Students in hostels and working professionals aged 18–35. Product/service and price: Daily tiffin with two rotis, one sabzi, dal, and rice at 80 per meal. Marketing idea: Posters near colleges, WhatsApp groups, and a free trial for the first week. Basic cost: Ingredients 35, packaging 5, delivery 10 per tiffin = 50 cost per tiffin. Expected profit: 30 per tiffin; serving 20 customers daily = 600 profit per day. Apply the same logic and numbers to your own chosen idea.

Q8 Find out about various government schemes to promote entrepreneurs in India. Learn about the eligibility requirements of these schemes. Prepare a write-up and discuss in the class.

Guidance: Research government schemes such as Startup India (registration and tax benefits for eligible startups), MUDRA Yojana (loans up to 10 lakh for micro and small enterprises), PM Vishwakarma (support for traditional artisans and craftspeople), and Stand-Up India (loans for SC/ST and women entrepreneurs). For each scheme, note the ministry that runs it, who is eligible, what support is offered (loans, mentorship, tax exemption, market access), and how to apply. Compile your findings into a one-page write-up covering two or three schemes in detail and present it to the class for discussion.

Q9 Take any popular brand and identify: (a) The problem it tackles, (b) Its initial target customers, (c) How it differentiated itself from other competitors or brands, (d) The resources it may have started with.

Examples — any correct brand is acceptable. A model answer using Lijjat Papad from the chapter: (a) Problem: Women in urban chawls needed a source of income, and consumers needed consistently high-quality, affordable papads. (b) Initial target customers: Urban households buying packaged papads; later expanded nationally and to export markets. (c) Differentiation: A cooperative model where every member was an equal owner ensured consistent quality (dough had to meet strict standards daily) and built deep community trust, unlike commercial competitors. (d) Starting resources: 80 of capital, borrowed equipment, a rooftop workspace, and seven women's labour and determination — no formal investors, no factory. Students may equally analyse brands such as Amul, Zomato, or BYJU's using the same four headings.

Q10 Over the next week, observe your daily routine at school and home. Identify 2–3 problems or inconveniences you or others face. For each problem, answer the following questions in a tabular format: Who faces this problem? How often does it occur? Why hasn't it been solved yet? What business idea could solve it? Would people pay for your solution?

Guidance: Spend a week actively noticing small but recurring frustrations — for example, students forgetting water bottles, lunch boxes going cold by noon, or lost stationery. For each problem you identify, fill one row of the table: name who is affected (students, teachers, parents), how frequently it happens (daily, weekly), why no solution exists yet (cost, awareness, habit), a business idea to address it (insulated tiffin delivery, a shared stationery kiosk), and whether people would pay for it and how much. The goal is to practise the entrepreneur's skill of spotting opportunities in everyday problems, as the chapter illustrates through the story of the man who started with a dead mouse.

Q11 Think of your startup idea and fill in the business plan template given below: (a) Business idea — Name, Product/service, Tagline; (b) Entrepreneur profile — Founder(s), Why this idea, What problem it solves; (c) Target customers; (d) Market research; (e) Product or service description; (f) Resources required; (g) Operations plan; (h) Marketing plan; (i) Financial plan; (j) Risks and challenges; (k) Social and environmental impact; (l) Conclusion.

Guidance: This is a personal creative activity — there is no single correct answer. Use the eight key considerations from the chapter (needs and idea, potential customers, money and costs, location, human resources, pricing and profits, promotion, and challenges and risks) to fill each section honestly. A model approach: choose a problem you genuinely face (e.g., no affordable stationery near your school), name your venture, describe your product, estimate real costs and a realistic price, pick two or three marketing channels from the list (posters, social media, school events), calculate whether revenue will exceed costs, and reflect on how your business could benefit your community or reduce waste. The financial plan section should show estimated monthly costs and revenues clearly, ending with the formula Profit = Total Revenue − Total Expenses.