THE MUN FACTORY

*presents*

# SHARK TANK TMF

*India's Student Startup Simulation Platform*

Background Guide | Validation · Visibility · Mentorship · Investor Readiness

SECTION 01

# Understanding Entrepreneurship

## 1.1 What Entrepreneurship Actually Means

Entrepreneurship is the disciplined pursuit of opportunity beyond the resources currently controlled — a definition popularised by Harvard Business School's Howard Stevenson and still the most rigorous working definition used in venture education today. It is not simply 'starting a company.' It is a repeatable process of identifying an unmet need, designing a solution that is technically feasible and economically viable, and building an organisation capable of delivering that solution at scale, under conditions of extreme uncertainty.

Three elements distinguish entrepreneurial activity from ordinary business operation: uncertainty (the outcome is not knowable in advance), resource-constrained action (founders act before they have the resources a large company would consider necessary), and value creation through novel recombination — of technology, business model, or market insight.

## 1.2 Types of Startups

| Type | Definition | Example Archetype |
|---|---|---|
| Lifestyle Startup | Built to sustain the founder's desired way of life; growth is optional. | Boutique consulting practice |
| Small Business Startup | Local, self-funded, profit-from-day-one operations. | Neighbourhood retail chain |
| Scalable Startup | Designed from inception for venture funding and exponential growth. | SaaS, marketplace, deep tech |
| Buyable Startup | Built explicitly to be acquired by a larger player. | Feature-startups in AI tooling |
| Social Startup | Mission-first; financial return is a means, not the end. | Impact-driven CleanTech ventures |
| Large-Company Startup | Innovation unit inside an existing corporation. | Corporate innovation labs |

## 1.3 The Startup Lifecycle

Every venture — regardless of sector — moves through a recognisable set of stages, though timelines vary widely. Understanding this lifecycle is essential for founders pitching at Shark Tank TMF, since jury feedback is calibrated to the stage a company claims to be in.

| Stage | Primary Question | Typical Focus |
|---|---|---|
| Ideation | Is there a real problem worth solving? | Customer discovery, problem validation |
| Validation / MVP | Will anyone pay for this? | Minimum viable product, early pilots |
| Early Traction | Can this repeat? | First paying customers, retention signals |
| Growth | Can this scale profitably? | Channel expansion, unit economics |
| Scale | Can this dominate a category? | Multi-market expansion, Series B/C |
| Maturity / Exit | What is the long-term outcome? | IPO, acquisition, or sustained profitability |

## 1.4 Why Startups Fail

CB Insights' longitudinal analysis of startup post-mortems remains the most cited dataset on failure causes. The leading reasons, in order of frequency, are consistently:

- No market need (running ahead of, or without, real demand)
- Running out of cash / failure to raise the next round
- Wrong team — missing critical skills or founder conflict
- Getting outcompeted by a faster or better-funded rival
- Flawed or unscalable business model
- Poor product — usability, pricing, or timing failures
- Ignoring customers and failing to iterate on feedback

## 1.5 The Global Startup Ecosystem — Snapshot

The Startup Genome Global Startup Ecosystem Report and the StartupBlink Global Startup Ecosystem Index remain the two most authoritative annual rankings of startup hubs worldwide, scoring cities and countries on performance, funding, market reach, connectedness, knowledge and talent.

- Top global hubs consistently include Silicon Valley, New York, London, Beijing, Boston, Los Angeles, Tel Aviv, Shanghai, Bengaluru and Seoul.
- India is recognised as the world's third-largest startup ecosystem by both DPIIT and StartupBlink, behind only the United States and China.
- Global venture activity increasingly concentrates around AI, climate technology, and deep tech, a shift accelerated through 2025–2026.

**Further Reading & Official Sources**

- Startup Genome — Global Startup Ecosystem Report (startupgenome.com)
- StartupBlink — Global Startup Ecosystem Index (startupblink.com)
- CB Insights — 'The Top 20 Reasons Startups Fail' (cbinsights.com/research/report/startup-failure-reasons-top)
- Harvard Business School — Howard Stevenson, 'A Perspective on Entrepreneurship'

SECTION 02

# Evolution of Startup Culture

## 2.1 The Silicon Valley Blueprint

Modern venture-backed entrepreneurship traces its institutional roots to post-war California, where Fairchild Semiconductor's 'traitorous eight' seeded a culture of spin-outs, stock-option-driven talent mobility, and risk-tolerant capital. Stanford's engineering school, Route 128-style defence contracting, and later Sand Hill Road's concentration of venture funds turned a valley of orchards into the templated model every other ecosystem now studies.

### Y Combinator

Founded in 2005 by Paul Graham, Jessica Livingston, Trevor Blackwell and Robert Morris, Y Combinator pioneered the modern accelerator model: small, uniform investment (cash for a fixed equity stake), a fixed-length cohort program, weekly office hours, and a culminating Demo Day. YC's own published data places its portfolio's combined valuation among the highest of any accelerator globally, with alumni including Airbnb, Stripe, Dropbox, Coinbase, DoorDash and Razorpay — the last a prominent Indian fintech unicorn.

### Sequoia Capital

Founded in 1972 by Don Valentine, Sequoia is frequently cited as the most successful venture firm in history by cumulative value created, with early bets on Apple, Google, and later WhatsApp, Zoom and Stripe. Its India practice (now operating as Peak XV Partners after a 2023 split) backed early-stage Indian companies including Zomato, Freshworks and BYJU'S.

### Accel

Accel's global and India-specific funds were early institutional backers of Facebook, Slack, Flipkart and Swiggy, and remain one of the most active seed-to-growth investors in the Indian SaaS and consumer-internet space.

### Techstars

A Boulder, Colorado-founded accelerator network (2006) that scaled a mentor-driven, cohort-based model across dozens of cities worldwide, including active India-focused programs partnered with corporates such as Techstars in collaboration with sector-specific enterprises.

## 2.2 The Indian Startup Ecosystem

India's entrepreneurial trajectory shifted decisively after 2015–16, when a coordinated set of digital-public-infrastructure and policy reforms converged with a maturing venture capital base.

### Startup India

Launched on 16 January 2016 by the Government of India, Startup India is the flagship initiative that created DPIIT recognition — a formal certification unlocking tax holidays (Section 80-IAC), simplified compliance, IP fast-tracking, and access to the Fund of Funds for Startups (FFS) and the Startup India Seed Fund Scheme (SISFS).

### Digital India, ONDC and UPI

- Digital India (2015) built the broadband, Aadhaar-linked identity, and digital-payments rails that underpin nearly every consumer startup built in India since.

- UPI (Unified Payments Interface, launched 2016 by NPCI) is now the backbone of India's fintech and D2C boom, processing tens of billions of transactions monthly and cited by the RBI and NPCI as the world's largest real-time payments system by volume.
- ONDC (Open Network for Digital Commerce, piloted 2022) is a government-backed, protocol-based alternative to closed e-commerce platforms, designed to let any seller, on any app, transact with any buyer, on any other app.

### India's Startup Scale — Current Position

| Metric | Approximate Figure | Source |
|---|---|---|
| DPIIT-recognised startups | 2.3 lakh+ (230,000+) entities | DPIIT / Startup India portal, 2026 |
| Direct jobs created by recognised startups | 23+ lakh (2.3 million+) | DPIIT, as of March 2026 |
| Startups from Tier II & III cities | 51%+ of recognised startups | DPIIT / Treelife analysis, 2026 |
| Global unicorn ranking | 3rd largest by cumulative count (behind US, China) | Tracxn / Hurun, 2026 |
| India unicorns (cumulative, Tracxn methodology) | 130+ | Tracxn, mid-2026 |
| India unicorns (Hurun annual index methodology) | 61 (4th globally for 2026 cohort) | Hurun Global Unicorn Index 2026 |

*Note on methodology: unicorn counts differ across trackers because Tracxn reports a cumulative, all-time list while the Hurun Global Unicorn Index reports unicorns active and newly qualifying within a defined index year. Founders and judges should always cite the tracker alongside the number.*

### Indicative Ecosystem Timeline

| Year | Milestone |
|---|---|
| 1972 | Sequoia Capital founded in Menlo Park |
| 2005 | Y Combinator founded |
| 2010 | UID/Aadhaar rollout begins, laying India's digital identity rail |
| 2015 | Digital India launched |
| 2016 | Startup India launched; UPI goes live |
| 2019 | DPIIT startup recognition framework formalised (G.S.R. 127(E)) |
| 2021 | Record 45+ Indian startups turn unicorn in a single year |
| 2022 | ONDC piloted nationally |
| 2023 | Sequoia India rebrands as Peak XV Partners |
| 2026 | DPIIT issues revised recognition framework (G.S.R. 108(E)); turnover ceiling doubled to ₹200 crore; dedicated Deep Tech Startup category introduced |

**Further Reading & Official Sources**

- Startup India — official portal: startupindia.gov.in
- DPIIT Press Information Bureau releases: pib.gov.in

| Year | Milestone |
| --- | --- |


- NPCI — UPI product statistics: npci.org.in
- ONDC — Open Network for Digital Commerce: ondc.org
- Y Combinator — Startup Library: ycombinator.com/library
- Hurun Report — Global Unicorn Index 2026: hurun.net
- Tracxn — Unicorns in India: tracxn.com/d/unicorns

SECTION 03

# Understanding Venture Capital

A founder pitching at Shark Tank TMF is expected to speak the fluent language of capital — not because real money changes hands, but because investor-grade vocabulary is itself a signal of readiness. This section is a working reference.

## 3.1 The Funding Ladder

| Stage | Typical Cheque Size (India) | Typical Use | Typical Investor |
|---|---|---|---|
| Bootstrapping | Founder savings / revenue | Building first product | Founders, friends & family |
| Angel | ₹20 lakh – ₹2 crore | MVP, first hires | Angel investors, angel networks (IAN, LetsVenture) |
| Seed | ₹1 – 8 crore | Product-market fit, early GTM | Seed funds, micro-VCs, accelerators |
| Series A | ₹15 – 80 crore | Scaling proven GTM | Institutional VCs |
| Series B | ₹80 – 300 crore | Market expansion, category leadership | Growth VCs |
| Series C+ | ₹300 crore+ | New markets, M&A, pre-IPO scale | Growth equity, PE, sovereign funds |
| Private Equity | Varies (large) | Buyouts, majority stakes, restructuring | PE firms |
| IPO | Public markets | Liquidity, permanent capital | Public shareholders |

## 3.2 Instruments & Mechanics

**Bootstrapping** — Growing a company using personal savings and operating revenue rather than external capital.

**Crowdfunding** — Raising small amounts from a large number of backers, typically via reward, equity, or donation-based platforms.

**Debt Financing** — Capital raised as a loan, repayable with interest, without diluting ownership.

**SAFE Note (Simple Agreement for Future Equity)** — A Y Combinator-originated instrument in which an investor gives cash today in exchange for the right to equity at a future priced round, without setting a valuation immediately.

**Convertible Note** — A short-term debt instrument that converts into equity at a future financing round, usually at a discount and/or valuation cap.

**Cap Table (Capitalisation Table)** — The authoritative record of who owns what percentage of a company across all rounds, instruments, and option pools.

**Dilution** — The reduction in existing shareholders' ownership percentage that occurs when new shares are issued to new investors.

**Runway** — The number of months a company can operate before cash reserves run out, calculated as cash balance ÷ monthly burn.

**Burn Rate —** The rate at which a company spends its cash reserves, usually expressed monthly (gross burn = total cash out; net burn = cash out minus revenue in).

**CAC (Customer Acquisition Cost) —** The total sales and marketing cost required to acquire one paying customer.

**LTV (Customer Lifetime Value) —** The total net revenue a business expects from a customer over the life of the relationship. A healthy SaaS benchmark is an LTV:CAC ratio of 3:1 or higher.

**GMV (Gross Merchandise Value) —** The total value of goods sold through a marketplace platform, before deducting fees, returns, or discounts — a top-line, not a revenue, metric.

**MRR / ARR (Monthly / Annual Recurring Revenue) —** Predictable, subscription-based revenue normalised to a monthly or annual figure — the core health metric for SaaS businesses.

**Unit Economics —** The direct revenues and costs associated with a single unit of the business model (one customer, one order, one subscription), used to test whether the model is fundamentally profitable at small scale before it is scaled.

**Valuation —** The estimated worth of a company, typically set at the price of its most recent priced funding round (pre-money valuation + new capital = post-money valuation).

**Exit —** The event through which investors and founders realise a return on their equity — most commonly acquisition or IPO.

**ESOP (Employee Stock Ownership Plan) —** A pool of equity set aside to grant option-based ownership to employees as a retention and alignment tool, typically 8–15% of the cap table at seed/Series A stage.

## 3.3 Illustrative Example

A founder raises ₹2 crore in a seed round at a ₹10 crore pre-money valuation (₹12 crore post-money), giving the investor roughly 16.7% ownership. Eighteen months later, the company raises a ₹20 crore Series A at a ₹60 crore pre-money valuation. Existing shareholders are diluted proportionally, but the ₹2 crore seed stake is now worth a multiple of its original value — illustrating why investors accept short-term dilution in exchange for long-term value creation, provided the company executes.

**Further Reading & Official Sources**

- NVCA (National Venture Capital Association) — Yearbook: nvca.org
- Y Combinator — 'A Guide to Seed Fundraising': ycombinator.com/library
- SEBI — Alternative Investment Funds regulations: sebi.gov.in
- Carta — Equity 101 and cap table education: carta.com/blog
- PitchBook — NVCA Venture Monitor (quarterly report): pitchbook.com

SECTION 04

# Business Models

A durable business model answers three questions simultaneously: who pays, what they pay for, and why the economics improve as the company scales. Founders at Shark Tank TMF are expected to name their model precisely rather than describe it vaguely.

## 4.1 Revenue & Distribution Models

| Model | Definition | Example Companies |
|---|---|---|
| B2B | Selling products/services to other businesses. | Freshworks, Zoho, Salesforce |
| B2C | Selling directly to individual consumers. | Nykaa, Swiggy, Amazon |
| D2C (Direct-to-Consumer) | Brand manufactures and sells directly, bypassing traditional retail. | Mamaearth, boAt, Warby Parker |
| Marketplace | Platform connecting buyers and sellers, monetised via commission. | Flipkart, Airbnb, Urban Company |
| Subscription | Recurring payment for ongoing access to a product or service. | Netflix, Spotify |
| SaaS (Software-as-a-Service) | Cloud-hosted software licensed on a recurring basis. | Zoho, Freshworks, Chargebee |
| Freemium | Free core product with paid premium tiers. | Duolingo, Canva, LinkedIn |
| Licensing | Charging others for the right to use IP, technology, or brand. | ARM, Qualcomm |
| Franchise | Licensing a proven operating model to independent operators. | McDonald's, Lenskart (hybrid) |
| Platform | Enabling third parties to build and transact on top of core infrastructure. | Shopify, UPI, ONDC |
| Aggregator | Curating and controlling demand across fragmented, undifferentiated supply. | Ola, Uber, OYO |
| Open Source | Free core software monetised via support, hosting, or enterprise features. | Red Hat, MongoDB |

## 4.2 Sector / Deep-Tech Categories

| Category | Focus | Example Companies |
|---|---|---|
| AI | Machine learning and generative AI applied to products or infrastructure. | OpenAI, Sarvam AI, Krutrim |
| Deep Tech | Science- or engineering-led innovation with high technical risk. | Agnikul, Ideaforge |
| Climate Tech | Technology addressing decarbonisation, energy transition, sustainability. | Ather Energy, BluSmart |
| Health Tech | Technology-enabled healthcare delivery, diagnostics, or wellness. | Practo, PharmEasy |

| Category | Focus | Example Companies |
|---|---|---|
| FinTech | Technology-driven financial services. | Razorpay, PhonePe, Groww |
| AgriTech | Technology solutions for farming, supply chain, and agri-inputs. | DeHaat, Ninjacart |
| EdTech | Technology-enabled learning and skilling. | BYJU'S, Physics Wallah |
| SpaceTech | Satellite, launch, and space-infrastructure technology. | Skyroot Aerospace, Agnikul Cosmos |
| DefenceTech | Technology for defence and dual-use applications. | Ideaforge, Big Bang Boom Solutions |
| BioTech | Biological science applied to healthcare, agriculture, or industry. | Biocon, MapMyGenome |

**Further Reading & Official Sources**

- Business Model Navigator (St. Gallen) — 55 archetypal business models
- a16z — 'The Business of Software' resources: a16z.com
- Tracxn Sector Reports: tracxn.com
- Invest India sector pages: investindia.gov.in

SECTION 05

# How Investors Think

## 5.1 What Investors Actually Look For

Every credible investment thesis — whether from an angel network or a Tier-1 VC — filters a pitch through a consistent set of lenses. Shark Tank TMF's jury is briefed to apply the same lens, minus the cheque.

| Lens | Investor Question |
|---|---|
| Founder quality | Is this team capable of executing this specific vision, and of adapting when it's wrong? |
| Market size | Is the addressable market large enough to justify a venture-scale outcome (TAM/SAM/SOM)? |
| Problem statement | Is this a painful, frequent, and expensive problem — or a 'nice to have'? |
| Scalability | Does the model improve, not just repeat, as it grows? |
| Competitive advantage | What stops a well-funded competitor from copying this in six months? |
| Traction | What evidence exists that real customers want this, beyond the founder's belief? |
| Revenue & margins | Does the unit economics story hold up, or does the company lose more on every sale as it grows? |
| Vision | Is there a 10-year version of this company worth funding today? |
| Execution | Has the team shipped, iterated, and shown velocity — or only planned? |
| Founder chemistry | Can this team survive conflict, pressure, and a down round together? |
| Risk | What could kill this company, and does the founder know it? |

## 5.2 Common Red Flags

- Vague or shifting answers about who the paying customer actually is.
- TAM claimed in the trillions with no bottom-up SAM/SOM logic.
- Founders unable to state their CAC, churn, or gross margin without hesitation.
- Overreliance on a single large channel, customer, or partner ('key-person'/'key-account' risk).
- Defensiveness or dismissiveness when challenged in Q&A — a proxy for how the founder will behave under real investor pressure.
- A pitch built entirely around the product with no visible go-to-market or distribution thinking.

**Further Reading & Official Sources**

• Sequoia Capital — 'Writing a Business Plan' memo template: sequoiacap.com
• a16z — 'The Investor's Frame' and portfolio essays: a16z.com
• Y Combinator — 'How to Evaluate Startup Ideas': ycombinator.com/library

SECTION 06

# Pitch Deck Guide

A pitch deck is not a design exercise — it is an argument, built slide by slide, that a specific team can capture a specific opportunity better than anyone else. The sequence below reflects the structure most consistently recommended by Sequoia, Y Combinator, and Guy Kawasaki's widely taught '10/20/30 rule' (10 slides, 20 minutes, 30-point font).

| # | Slide | What It Must Prove |
|---|---|---|
| 1 | Problem | This pain is real, frequent, expensive, and currently poorly solved. |
| 2 | Solution | This is a credible, differentiated fix — not a feature. |
| 3 | Market (TAM/SAM/SOM) | The opportunity is large enough for a venture-scale outcome. |
| 4 | Product | The product works today, shown — not merely described. |
| 5 | Competition | The founder understands the landscape and has a genuine wedge. |
| 6 | Business Model | Money flows in a way that gets structurally better with scale. |
| 7 | Traction | Real customers, usage, or revenue validate the thesis so far. |
| 8 | Financials | The numbers are grounded, not aspirational fiction. |
| 9 | Go-To-Market | There is a specific, funded plan to acquire the next 1,000 customers. |
| 10 | Team | This exact group of people can execute this exact plan. |
| 11 | Vision | The 10-year ambition justifies the ask. |
| 12 | Closing / The Ask | What is being asked for, and precisely what it will be used for. |

## Illustrative Example — Slide 7 (Traction)

A strong traction slide does not say 'we are growing fast.' It says: '₹18 lakh MRR, growing 22% month-on-month for the last 4 months; 340 paying customers; 4% monthly churn; NPS of 61.' Specificity, not adjectives, is what jury panels and real investors are trained to reward.

**Further Reading & Official Sources**

- Guy Kawasaki — 'The Only 10 Slides You Need in Your Pitch'
- Sequoia Capital — Pitch Deck Template: sequoiacap.com/article/writing-a-business-plan
- Y Combinator — 'How to Build Your Seed Round Pitch Deck': ycombinator.com/library
- DocSend — Startup Pitch Deck Benchmark Report: docsend.com

SECTION 07

# Business Frameworks

Frameworks are not academic decoration — they are compression tools that let a founder reason through a decision quickly and let a jury audit that reasoning fast. The frameworks below are the working set every Shark Tank TMF founder should be conversationally fluent in.

### SWOT Analysis

A four-quadrant audit of a company's Strengths, Weaknesses (internal) and Opportunities, Threats (external). Best used to structure the 'why now, why us' section of a pitch.

### PESTLE Analysis

Scans Political, Economic, Social, Technological, Legal and Environmental forces shaping a market — critical for regulated sectors such as FinTech, HealthTech, and AgriTech.

### Porter's Five Forces

Assesses industry attractiveness through competitive rivalry, threat of new entrants, threat of substitutes, and the bargaining power of suppliers and buyers — the standard lens for 'why won't a bigger player crush you' questions.

### Business Model Canvas

Alexander Osterwalder's nine-block canvas (Customer Segments, Value Propositions, Channels, Customer Relationships, Revenue Streams, Key Resources, Key Activities, Key Partnerships, Cost Structure) mapping an entire business model onto a single page.

### Lean Canvas

Ash Maurya's startup-specific adaptation of the Business Model Canvas, replacing partnerships and resources with Problem, Solution, Key Metrics and Unfair Advantage — built specifically for early-stage validation.

### Blue Ocean Strategy

W. Chan Kim and Renée Mauborgne's framework for creating uncontested market space by simultaneously pursuing differentiation and low cost, rather than competing head-on in an existing ('red ocean') market.

### Jobs To Be Done (JTBD)

Clayton Christensen's framing that customers 'hire' a product to do a specific job in their life — reframing competition around the job (e.g., 'get to work reliably') rather than the product category (e.g., 'cars').

### Design Thinking

The Stanford d.school's five-stage human-centred process — Empathise, Define, Ideate, Prototype, Test — for building solutions grounded in real user behaviour.

### Customer Journey Mapping

A visual map of every touchpoint a customer has with a company, from awareness to advocacy, used to identify friction and drop-off points.

### Value Proposition Canvas

Osterwalder's companion tool to the Business Model Canvas, matching a Customer Profile (jobs, pains, gains) against a Value Map (products, pain relievers, gain creators).

### Ansoff Matrix

A 2x2 growth-strategy matrix (existing/new products × existing/new markets) mapping Market Penetration, Market Development, Product Development, and Diversification.

### McKinsey 7S Framework

Assesses organisational alignment across Strategy, Structure, Systems, Shared Values, Skills, Style, and Staff — useful when a jury probes execution capability, not just idea quality.

### BCG Matrix

The Boston Consulting Group's growth-share matrix classifying products or business units as Stars, Cash Cows, Question Marks, or Dogs, based on market growth rate and relative market share.

### OKRs (Objectives and Key Results)

Andy Grove's Intel-originated goal-setting system, popularised by John Doerr and Google, pairing qualitative Objectives with 3–5 measurable Key Results per quarter.

### North Star Metric

The single metric that best captures the core value a product delivers to customers, around which every team aligns (e.g., Airbnb's 'nights booked').

**Further Reading & Official Sources**

- Strategyzer — Business Model Canvas & Value Proposition Canvas: strategyzer.com
- Ash Maurya — 'Running Lean' and Lean Canvas: leanstack.com
- W. Chan Kim & Renée Mauborgne — 'Blue Ocean Strategy', Harvard Business Review Press
- Clayton Christensen Institute — Jobs to Be Done: christenseninstitute.org
- John Doerr — 'Measure What Matters' (OKRs)

SECTION 08

# Branding

## 8.1 Building Trust as a Startup

Early-stage companies sell a promise before they can fully deliver a track record. Trust is therefore the actual product being sold in the first 18 months — through consistency, transparency about limitations, and visible proof (testimonials, case studies, third-party validation such as DPIIT recognition or press coverage).

## 8.2 Brand Identity vs. Founder Branding

- Brand identity: the company's visual system, tone of voice, and positioning — what the product stands for in the customer's mind.
- Founder branding / personal branding: the credibility, story, and visible expertise of the founder(s), which — especially pre-revenue — often carries more trust weight than the company brand itself.

## 8.3 LinkedIn & Website as Investor-Facing Assets

Before a jury or investor meets a founder, they check two things: the founder's LinkedIn and the company website. Both should independently answer 'what does this company do, for whom, and why is this founder credible to build it' in under 10 seconds.

## 8.4 Pitch Storytelling

The strongest pitches use a narrative arc — status quo, disruption (the problem), the guide (the founder's insight), the plan (the product), and the new status quo (the vision) — a structure adapted from Donald Miller's StoryBrand framework and widely used in Silicon Valley pitch coaching.

## 8.5 Media Handling & PR

- Prepare a one-line company description and a three-line founder bio before any press interaction.
- Never promise numbers to media that haven't been shared with investors — inconsistency destroys credibility fast.
- Treat every jury Q&A as a live media training session: composed, specific, and honest about what is not yet known.

**Further Reading & Official Sources**

• Donald Miller — 'Building a StoryBrand'
• Harvard Business Review — 'Storytelling That Moves People' (interview with Robert McKee)
• Edelman Trust Barometer — annual report: edelman.com/trust-barometer

SECTION 09

# Artificial Intelligence for Founders

## 9.1 How Founders Should Actually Use AI

AI fluency is now a baseline founder competency, not a differentiator by itself. Judges at Shark Tank TMF evaluate whether AI is used as a genuine efficiency or product lever — or bolted on as a buzzword with no operational substance.

## 9.2 Prompt Engineering

The practice of structuring inputs to large language models to reliably produce useful outputs — increasingly a core operating skill across research, content, coding, and customer support functions inside lean startup teams.

## 9.3 Automation, No-Code and Low-Code

- No-code / low-code platforms (e.g., Bubble, Webflow, Airtable, Zapier-class tools) let non-technical founders build and test MVPs without a full engineering team — compressing the validation timeline dramatically.
- Workflow automation tools connect disparate systems (CRM, payments, support, analytics) so a five-person team can operate with the process discipline of a fifty-person team.

## 9.4 The Future of AI Startups

Per the Hurun Global Unicorn Index 2026, AI-focused companies now account for roughly 36% of total global unicorn value even though they represent a comparable count to fintech unicorns — evidence that capital markets are pricing AI-native companies at a structural premium. Founders should be able to articulate clearly whether they are AI-native (the model or data is the moat) or AI-enabled (AI improves an existing workflow) — juries increasingly probe this distinction directly.

**Further Reading & Official Sources**

• Hurun Report — Global Unicorn Index 2026: hurun.net
• Stanford HAI — AI Index Report (annual): aiindex.stanford.edu
• a16z — 'Who Owns the Generative AI Platform?': a16z.com

SECTION 10

# Legal Basics

## 10.1 Company Registration

| Structure | Best Suited For | Key Feature |
|---|---|---|
| Private Limited Company | Venture-fundable startups | Limited liability; can issue equity to investors; DPIIT-eligible |
| LLP (Limited Liability Partnership) | Services businesses, professional practices | Lower compliance burden; limited liability; harder to raise VC equity |
| Registered Partnership Firm | Small, founder-funded businesses | Simple setup; unlimited liability for partners |
| Cooperative / Multi-State Cooperative | Member-owned enterprises | Now DPIIT-eligible for startup recognition under the 2026 framework |

## 10.2 GST (Goods and Services Tax)

India's unified indirect tax regime, applicable once turnover crosses prescribed thresholds (varying by state and business type). Registration enables input tax credit and is often a prerequisite for B2B contracts and marketplace onboarding.

## 10.3 Intellectual Property

**Trademark —** Protects brand names, logos, and taglines from being used by others in the same category — registrable via the Controller General of Patents, Designs & Trademarks (CGPDTM).

**Patent —** Protects a novel, non-obvious, industrially applicable invention for 20 years from filing — DPIIT-recognised startups receive an 80% rebate on patent filing fees and access to fast-track examination.

**Copyright —** Protects original creative and literary works (code, content, design) automatically upon creation, though registration strengthens enforceability.

## 10.4 Founder Agreements & Equity

- A founders' agreement should define equity split, vesting schedule (commonly 4 years with a 1-year cliff), roles, decision rights, and an exit/'bad leaver' clause — before the company is incorporated, not after a dispute arises.
- Vesting protects the company (and future investors) from a co-founder who leaves early while still holding a large equity stake.

## 10.5 Compliance

- Annual ROC (Registrar of Companies) filings, board resolutions, and statutory audits are mandatory for Private Limited entities regardless of revenue.
- DPIIT-recognised startups must self-certify compliance under applicable labour and environmental laws to retain certain exemptions.

**Further Reading & Official Sources**

- Ministry of Corporate Affairs — mca.gov.in
- Controller General of Patents, Designs & Trademarks — ipindia.gov.in
- GST Council / GSTN portal — gst.gov.in
- Startup India — Legal & Compliance resources: startupindia.gov.in

SECTION 11

# Marketing

## 11.1 Digital & Growth Marketing

Growth marketing differs from traditional marketing in its obsession with measurable, iterative experimentation across the full customer funnel — awareness, acquisition, activation, retention, revenue, referral (the 'AARRR' or 'Pirate Metrics' framework popularised by Dave McClure of 500 Startups).

## 11.2 Core Channels

- SEO (Search Engine Optimisation): Building organic visibility through content and technical site quality — a compounding, low-marginal-cost channel over time.
- Social Media Marketing: Organic and paid presence across platforms suited to the target customer's attention patterns.
- Performance Marketing: Paid acquisition (search, social, programmatic) measured directly against CAC and ROAS (return on ad spend).
- Community Building: Owned audiences (forums, Discord/WhatsApp groups, newsletters) that reduce long-term dependence on paid channels.
- Referral Programs: Structured incentives that turn existing customers into an acquisition channel — historically central to the early growth of PayPal, Dropbox, and Cred.

## 11.3 The Sales Funnel

| Funnel Stage | Founder Goal |
|---|---|
| Awareness | Be discovered by the right audience |
| Interest | Earn attention long enough to explain value |
| Consideration | Win the comparison against alternatives |
| Conversion | Remove friction from the final purchase decision |
| Retention | Deliver enough value to prevent churn |
| Advocacy | Turn satisfied customers into referral sources |

**Further Reading & Official Sources**

- Dave McClure — 'Startup Metrics for Pirates' (AARRR framework)
- HubSpot — State of Marketing Report (annual): hubspot.com/state-of-marketing
- Reforge — Growth Series curriculum: reforge.com

SECTION 12

# Finance

## 12.1 The Three Core Statements

| Statement | What It Shows |
|---|---|
| Profit & Loss (Income Statement) | Revenue, costs, and profit/loss over a period |
| Balance Sheet | Assets, liabilities, and equity at a point in time |
| Cash Flow Statement | Actual cash moving in and out — operating, investing, financing |

## 12.2 Break-Even, Pricing & Margins

Break-even is the point at which total revenue equals total costs — the minimum viable sales volume before a business turns cash-positive. Pricing strategy (cost-plus, value-based, or competitive) directly determines gross margin, which in turn determines how much a company can spend on acquisition (CAC) while staying sustainable.

## 12.3 Forecasting

Founders should build a bottom-up financial model (grounded in unit economics and observed conversion rates) rather than a top-down model (starting from a market-size number and assuming an arbitrary share). Investors and Shark Tank TMF jurors consistently favour bottom-up forecasts because they are falsifiable and auditable.

**Further Reading & Official Sources**

- CFI (Corporate Finance Institute) — Financial Modeling resources: corporatefinanceinstitute.com
- SaaS Capital — Annual SaaS benchmarking survey: saas-capital.com

SECTION 13

# Shark Tank TMF — Format

Shark Tank TMF is a multi-stage founder simulation, not a single pitch event. Each stage is designed to replicate a distinct part of the real investor journey while keeping the outcome centred on founder growth rather than capital deployment.

### Registration

Founders apply with a structured submission covering problem, solution, traction (if any), and team — screened for eligibility and stage-fit before advancing.

### Founder Circle

A pre-pitch cohort space where selected founders connect with peers, receive early feedback, and refine positioning before facing the jury.

### Pitch Arena

The core stage event: founders deliver a timed pitch before an expert jury panel in front of a live audience, replicating the format and pressure of a real investor pitch room.

### Jury Questioning

A structured Q&A segment in which jurors probe the assumptions behind the pitch — market size logic, unit economics, competitive moat, and founder capability — exactly as a real due-diligence conversation would.

### Validation Reports

Every participating founder receives a written, structured assessment of their venture across the official judging matrix (Section 14), designed to be usable as a genuine improvement roadmap — not just a scorecard.

### Mentorship Sessions

Post-pitch 1:1 or small-group sessions connecting founders with domain experts to work through the specific gaps identified during jury questioning.

### Founder Growth Sprint

A defined follow-up period (typically weeks) in which founders act on validation feedback, supported by TMF's mentor network, before a closing showcase or re-assessment.

### Networking

Structured opportunities to connect with fellow founders, mentors, jury members, and the broader TMF community beyond the pitch itself.

### Awards

Recognition categories spanning the judging matrix — e.g., Most Investable Pitch, Most Innovative Solution, Best Founder Presentation, Best Social Impact Venture — celebrating dimensions beyond a single 'winner.'

### Founder Directory

A curated, searchable listing of Shark Tank TMF alumni ventures, built to extend visibility for participating founders well beyond event day.

### Community Voting

An audience- and community-driven recognition track that runs alongside expert jury evaluation, rewarding public traction and communication ability.

### TMF Startup Community

An ongoing network connecting founders across cohorts for peer learning, collaboration, and continued mentorship access after the event concludes.

### Founder Passport

A cumulative record of a founder's participation, feedback, and milestones across TMF programs — designed to travel with the founder across future TMF and partner opportunities.

SECTION 14

# Judging Criteria

The Shark Tank TMF judging matrix mirrors the evaluation lenses real investors apply (Section 5), weighted for a founder-development context rather than a pure investment decision.

| Criterion | Weightage | What Jurors Assess |
|---|---|---|
| Innovation | 15% | Originality and differentiation of the core idea |
| Market Need | 12% | Evidence the problem is real, frequent, and painful |
| Scalability | 12% | Whether the model improves, not just repeats, at scale |
| Business Model | 12% | Clarity and viability of how the venture makes money |
| Execution | 10% | Evidence of shipping, iterating, and operational discipline |
| Revenue Potential | 10% | Credibility of the path to meaningful revenue |
| Founder Capability | 10% | Team strength, coachability, and resilience |
| Presentation | 8% | Clarity, structure, and command of the pitch |
| Competitive Advantage | 6% | Defensibility against well-funded competitors |
| Technology | 3% | Technical soundness and appropriateness of the stack |
| Social Impact | 1% | Positive externalities beyond commercial return |
| Risk Awareness | 1% | Founder's clarity about what could break the venture |

*Note: exact weightages may be recalibrated per cohort or track (e.g., a dedicated Social Impact or Deep Tech track) and will be communicated to founders in advance of the Pitch Arena.*

SECTION 15

# Rules & Regulations

## 15.1 Presentation & Format

- Pitch duration and Q&A duration will be communicated per track at registration and must be strictly observed.
- Decks must be submitted ahead of the Pitch Arena within the stipulated deadline; late submissions may affect eligibility.

## 15.2 Eligibility

- Open to founder teams meeting the stage and sector criteria published for each Shark Tank TMF cohort.
- Ventures must be able to demonstrate genuine founder ownership and involvement — presenting another party's venture without disclosure is grounds for disqualification.

## 15.3 Code of Conduct

- All participants, jurors, and mentors are expected to engage with professionalism and respect; harassment or misconduct of any kind will result in immediate disqualification.
- Jury decisions on scoring and awards are final.

## 15.4 Intellectual Property & Confidentiality

- Founders retain full ownership of their IP at all times; participation does not transfer any rights to TMF or to any juror, mentor, or fellow participant.
- Founders should exercise standard discretion regarding trade secrets in a public or semi-public pitch setting; TMF encourages founders to share what is necessary to be evaluated fairly without disclosing information they are not comfortable making public.

## 15.5 Ethics

- All claims, metrics, and traction data presented must be truthful and verifiable upon request.
- Plagiarised decks, fabricated traction, or misrepresented team composition will result in disqualification.

SECTION 16

# Preparation Guide

## 16.1 Founder Checklist

- Deck follows the 12-slide structure in Section 6, rehearsed to fit the allotted time exactly.
- Every number in the deck can be defended verbally without referring back to the slide.
- Team has pre-assigned who answers which category of question (product, financial, market, legal).
- A one-line and a three-line version of the company description are memorised.
- Competitive landscape slide names real competitors, not just 'no one does this yet.'

## 16.2 Presentation Tips

- Open with the problem in a single, concrete sentence — not a market statistic.
- Speak to the jury, not to the slide; the deck supports the narrative, it does not replace it.
- Practice the pitch against a visible timer at least five times before the actual event.

## 16.3 Dress Code & Body Language

- Business or business-casual attire appropriate to the sector (a DeepTech founder in a lab coat context may dress differently from a D2C fashion founder — context-appropriate confidence matters more than formality alone).
- Maintain open posture, steady eye contact across the panel (not just the lead juror), and controlled pacing — nervous energy reads as unpreparedness even when the underlying business is strong.

## 16.4 Handling Questions & Criticism

- Answer the question actually asked before adding context — jurors notice deflection quickly.
- If a number isn't known, say so directly and state how/when it will be validated — guessing confidently is worse than an honest 'we don't have that data yet.'
- Treat every critical question as free consulting, not an attack; the founders who visibly update their thinking in real time consistently score better than those who defend every point reflexively.

## 16.5 Negotiation Mindset

- Even without real capital changing hands, founders should practice framing an ask precisely: how much, for what use, and what milestone it unlocks — the exact structure a real term-sheet conversation requires.

**Further Reading & Official Sources**

• Harvard Program on Negotiation — 'Getting to Yes' core principles: pon.harvard.edu
• Toastmasters International — public speaking structure: toastmasters.org

SECTION 17

# Resources

## 17.1 Government & Policy

- Startup India — startupindia.gov.in
- Invest India — investindia.gov.in
- NITI Aayog — niti.gov.in
- Ministry of Corporate Affairs — mca.gov.in

## 17.2 Global Research & Data

- World Bank — worldbank.org
- OECD — oecd.org
- CB Insights — cbinsights.com
- PitchBook — pitchbook.com
- Crunchbase — crunchbase.com
- Tracxn — tracxn.com

## 17.3 Founder Education

- Y Combinator Startup Library — ycombinator.com/library
- Harvard Business Review — hbr.org
- Stanford eCorner — ecorner.stanford.edu
- Sequoia Capital Guides — sequoiacap.com
- OpenVC — openvc.app

## 17.4 Strategy Consulting Publications

- McKinsey & Company — mckinsey.com
- Boston Consulting Group — bcg.com
- Bain & Company — bain.com

SECTION 18 · APPENDICES

# Glossary — Startup & Investor Dictionary

## Business Terms

**MVP —** Minimum Viable Product — the smallest version of a product that lets a team test its core hypothesis with real users.

**PMF —** Product-Market Fit — the point at which a product satisfies strong market demand, evidenced by organic growth, retention, and word-of-mouth.

**TAM / SAM / SOM —** Total Addressable Market / Serviceable Addressable Market / Serviceable Obtainable Market — a top-down-to-bottom-up sizing of opportunity.

**GTM —** Go-To-Market — the specific plan for how a product will reach and acquire its first and next customers.

**Churn —** The rate at which customers stop using or paying for a product over a given period.

**Pivot —** A structured change in strategy without a change in vision, made in response to validated learning.

## Investor Terms

**Term Sheet —** A non-binding document outlining the key terms of a proposed investment, forming the basis for final legal agreements.

**Due Diligence —** The investor's process of verifying a startup's claims — financial, legal, technical, and reference checks — before finalising an investment.

**Liquidation Preference —** A term determining the order and amount investors are paid before common shareholders in an exit or sale.

**Pro-Rata Rights —** The right of an existing investor to maintain their ownership percentage by participating in future funding rounds.

**Down Round —** A funding round in which a company raises capital at a lower valuation than its previous round.

## Funding Terms

**Pre-Money / Post-Money Valuation —** A company's valuation before (pre-money) and after (post-money) a new investment is added.

**Vesting —** The schedule over which a founder or employee earns full ownership of granted equity, typically over four years.

**Cliff —** The initial period (commonly one year) before any equity vests, protecting the company from early departures.

## AI Terms

**LLM —** Large Language Model — an AI model trained on vast text data to understand and generate human language.

**Fine-tuning —** Further training a pre-trained AI model on a narrower, task-specific dataset to improve performance on that task.

**Inference —** The process of running a trained AI model to produce an output from new input data.

**Agentic AI —** AI systems designed to autonomously plan and execute multi-step tasks toward a goal, rather than respond to a single prompt.