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Questions Every Founder Asks:

No-fluff answers from the trenches

Lessons from Rajesh Yabaji's journey of building BlackBuck

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The path of an entrepreneur is rarely linear. While entrepreneurship is often explained through frameworks, but the most durable lessons come from long execution cycles, failed assumptions, painful pivots, and survival.

Rajesh Yabaji's journey building **BlackBuck**; from an early, capital-heavy model that struggled to scale to a profitable, lean, and publicly listed company, offers grounded answers to the questions founders repeatedly ask.

This note captures some of the crucial lessons in a series of questions and answers.

1. Is prior industry experience always a boon for founders?

Prior industry experience can help founders start faster, but it is not always an advantage. In Blackbuck's case, Rajesh's background at ITC helped build credibility with investors and customers, but it also created strong mental models about how the trucking market should work.

Those assumptions delayed first principles learning and masked deep issues in unit economics and operations. **Experience can narrow thinking if founders unconsciously try to replicate what worked in a different context.**

> Sometimes, founders without deep domain baggage are forced to learn directly from the ground, and as a result, reach better answers sooner

Rajesh emphasizes that deep domain expertise is not a prerequisite for building a meaningful business. What matters more is:

- **Obsession** with the problem
- **Willingness** to learn directly from users
- **Stamina** to keep going when progress is slow.

In hindsight, Blackbuck may have reached its eventual model faster if fewer assumptions had been carried over from experience. Learning speed often matters more than starting knowledge.

2. How should founders think about PMF, and how does “Dhanda vs Disruptive Tech” shape that thinking?

Product–Market Fit cannot be evaluated in isolation from the type of business being built. Rajesh’s experience shows that whether a startup is a Dhanda (traditional or run-of-the-mill) business or a genuinely disruptive tech business fundamentally changes how PMF should be tested.



Disruptive tech businesses benefit from structural cost declines over time. Early unit economics may look weak, but scale itself improves viability. For these businesses, **PMF may initially show up as strong adoption despite imperfect economics.**



Most startups are Dhanda/traditional businesses, even if they use technology. These businesses are driven by people, logistics, operations, or working capital. Their costs do not automatically improve with scale. For them, PMF must be visible at a small scale, with real unit economics working from the start.

Blackbuck’s early failure came from treating a Dhanda business like a tech business. **Growth appeared strong because capital was masking inefficiencies.**

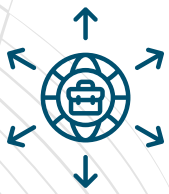
How Rajesh defines PMF for a ‘Dhandha’ business:

A core framework for evaluating PMF is to distinguish between genuine traction and artificial scale. Rajesh believes that there are two tests that can identify PMF in a ‘Dhandha’/Traditional business.

Calories vs Muscle: 'Calories' represent growth fueled by unsustainable spending. 'Muscle' is genuine, durable growth built on a product customers truly value and a business model that works.



Calories come from funding, discounts, marketing spend, and rapid hiring - growth that looks impressive but collapses when the push is removed. Muscle is growth that remains even when funding slows. When Blackbuck’s funding environment tightened and growth dropped sharply, it revealed that much of the earlier traction was calorie-driven, not muscle-driven.



The Micro-Market test: True PMF for a non-disruptive business must work in a tightly defined micro-market. If a business cannot be profitable in one city, one corridor, or one focused segment, scaling will not fix the model; it will only amplify the flaws.

Only models that work end-to-end in a small market deserve to be scaled.

> Founders should not become emotionally attached to their initial idea but must remain relentlessly focused on finding a model that truly works, even if it looks nothing like their day-one plan

3. How does just solving the right problems for your users eventually help? Why do you just have to survive?

Blackbuck's most valuable businesses **did not start as grand strategies** or revenue plans. They **began as small, practical solutions** to real trucker problems - tolling, fuel payments, and telematics.

By repeatedly solving real problems, Blackbuck earned truckers' mindshare and operational dependence - Truckers spent more time on the platform because **it became genuinely useful to their daily work.**

> You do not need perfect foresight. You need to solve the right problems honestly and survive long enough for outcomes to compound

The company was **not trying to predict tailwinds** or regulatory changes. It was simply **staying close to user pain and surviving.** When India's FASTag mandate arrived, one of these "side features" suddenly became a critical national requirement.

Blackbuck was already built, trusted, and deeply embedded in the ecosystem. Because of this preparation, the company could move quickly and capture a large share of the market.

When the original marketplace was eventually shut down, these **user-first solutions proved to be the real business.** They showed strong usage, clear customer value, and far superior unit economics. **Monetization worked because the value had already been internalized by users.**

4. How does BlackBuck embrace frugality when launching new initiatives?

Today, Blackbuck launches new initiatives very differently from its early years. New **ideas start small**, often with a **single owner and minimal resources.**

Instead of building full products or large teams, the focus is on validating demand, pricing, and economics using simple tools and manual workflows. Only **once customer value and willingness to pay are clearly proven** does the company invest in engineering and scale.

This approach exists because **reversing bad assumptions is far more expensive than validating them cheaply.**

5. Why is it difficult to pivot once a company has history, and what does this mean for early-stage founders?

Pivots are often framed as strategic decisions, but in reality **they are acts of survival.** As a company grows older, pivots become progressively harder. Capital gets raised, teams get built, expectations get set, and a narrative forms around what the company is supposed to be.

> Each additional layer of history increases inertia and raises the emotional and organizational cost of change

- **The hardest pivots tend to happen late** - When external shocks, market shifts, or financial pressure leave no room for ambiguity. At that point, founders are forced to confront the possibility that years of work may not have produced a viable model. The difficulty of this moment is rarely intellectual; it is psychological and organizational.

- This is why **early-stage companies have a structural advantage -** With fewer people, less capital deployed, and no fixed narrative, founders can pivot faster and with greater conviction. Delaying change in the hope that a weak model will eventually work only compounds the cost of correction.

The lesson is not to pivot casually, but to pivot early when evidence is clear.

6. How did Blackbuck think about retention metrics, and why did it consciously avoid changing the application layout?

- **High-frequency, mission-critical usage mattered more** - Products like tolling, fuel payments, and telematics were used daily or weekly. Retention was visible in repeat transactions, continued balances, and operational reliance, not in time spent exploring new features.

- **Human touch reinforced product retention** - On-ground sales teams, toll-plaza presence, service partners, and local hires ensured that even when users faced friction, they did not churn. The app and the physical network together drove durable retention.

- **Design for reality, not aesthetics** - An example of true user-centricity, Blackbuck has avoided changing its app's core workflow since 2019. Many trucker operators navigated the app through muscle memory rather than reading text. Buttons, flows, and screen positions were learned through repetition. Even small UI changes could break muscle memory, increase errors, slow transactions, and erode trust.

7. What is the core founder mindset that ties all these lessons together?

Underpinning all the tactical and strategic lessons from Rajesh Yabaji's journey is a core set of philosophies - a founder's mindset essential for navigating the long, arduous path of entrepreneurship.

- **Choose the right problem:** A great team trying to solve a problem in a barren market will fail, while even an average team can find success in a fertile one.

- **Be ruthless in problem solving:** Once you've chosen the right problem, you must attack it with complete honesty and relentless dedication. This means being tough on ideas, challenging assumptions, and committing fully to finding a solution.

- **Survive for a very long period:** The entrepreneurial journey is a marathon, not a sprint. The simple act of staying in the game long enough to experience market shifts, catch tailwinds, and allow your strategies to compound is one of the most powerful advantages a founder can have.

- **Embrace the Duality:** Be a Visionary and a CEO. A founder must simultaneously hold a grand, long-term vision while running the practical, day-to-day business.

- **Be Mission-focused, not Form-focused:** In the end, the specific business model or industry label - "tech company," "logistics company," "AI company", is irrelevant. The ability to remain adaptable, to iterate without ego, and to stay focused on the mission is the ultimate mindset for a founder.

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Mela Ventures is an operator-led, early-stage Venture Capital fund. We back B2B technology founders solving globally relevant problems across three broad sectors - EnterpriseTech, DeepTech, and ClimateTech.

Mela Ventures enable success beyond funding through strategic and operational insights, access to proprietary networks, and technical guidance for scalability.

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