Engineering Management

Field Project

Startup Business Plan for Educational Technology Providing Firm in India

By

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1. Acknowledgements

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I would like to thank my husband, Santosh, for motivating me to get the higher education in the USA. He did not only motivate me but also supported me all throughout my course of studies. I would also like to thank my parents and parents-in-law for their unconditional support and love.

One of the reasons for writing this business plan was a personal one. That is, to open up some avenue of self-employment in that class of professionals, who, by some reason, do not have access to formal employment. One of such example is professionally trained women employees or work-from-home mothers, who decided to leave their jobs in order to take care of their family, but still would prefer to work from home and contribute to making the world better. This business plan essentially makes an effort to create a virtual organization and function as virtual team, another wonderful application of enabling technologies. For this matter, I would like to thank all my college friends from India who inspired me to find a venture by which we all can be self-employed.

2. Introduction

Advancements in the Information and Communications Technology (ICT) have completely transformed our life. Internet has become a technology without which it is difficult to survive now. Internet was initially used as means to access the information. But now, with the help of so many web applications, internet is providing enormous amount of business and personal tools. These tools are specially designed to make particular tasks easy. Internet is also used to share information and communicate with people who are geographically apart. Many businesses and social fields have benefited from the application of these technologies; and education industry is no exception.

There are many applications of (ICT) technologies in education. The use of multimedia such as projectors and computers has captured education industry from decades. But when we specifically talk about internet or communication technology than distance learning using these enabling technologies is the first one that comes in our mind. Apart from that, there are many other terms which are related to digital technology and education industry such as e-learning, digital learning, simulation software, Learning Management Systems (LMS) and Competency Management Systems (CMS). All these technologies together make the process of providing quality education much easier and faster.

LMS is usually deployed in educational institutes where it can facilitate the interactions between teachers and students more efficient. With the help of this technology, teachers can share coursework related information with their students, upload course documents, homework assignments and initiate online discussions. On the other hand, students can create their own study groups, post questions and comments in discussion forums and upload/submit

assignments/homework. Teachers can track the progress of a student online. All these facilities improve the quality of communication and in turn education. This also reduces a lot of administrative overhead since all the information is stored online.

CMS is similar in concept to LMS but it is mostly deployed by businesses. Many businesses, especially the consulting firms whose business model depends upon knowledge workers and their skills, need to manage the competency of their employees. Usually such businesses promote advanced learning and skills development among their employees by integrating learning and development as the part of their performance management systems. These companies can benefit by deploying company-wide CMS [12]. Through CMS, they can assign particular skills and competency to a particular employee and monitor their progress online. The same system can be used by companies to make project and resource allocation decisions by readily accessible mapping of competencies.

Many universities and companies in USA actively use these technologies in some form or the other. However, although India is a leading provider of high class information technology professionals in the world, many Indian education institutes do not use ICT technologies to the fullest, especially LMS[6]. The primary reason for not adopting to the new technologies is the lack of IT infrastructure in the rural areas and increasing cost of ICT deployments in bigger cities. Deploying such technology in schools and colleges becomes very expensive. Usually, there are individual contractors who design the required systems for schools and universities. Designing and developing such systems is time consuming as well as expensive. Once deployed, these systems also have high maintenance costs.

There are not many standard and easy-to-use commercial products in the market which universities could readily deploy on the campus and start using it. There is a strong need of such web applications, which could be easily used by education industries in India. This business plan is an attempt to bring the power of technology to Indian education industry.

3. Executive Summary

Company Information: "EasyEd Inc." would be privately owned company, with its headquarter in Mumbai, India. The company will be a virtual organization and all the associates of the company would function in a virtual team format, meaning that associates would work from geographically different locations and EasyEd would not have its development office. Associates would make extensive use of internet and technology to carry out business activities.

Company's Mission, Vision and Value:

Value – Love and respect for individuals, growth and continuous learning are the principle values in which EasyEd strongly believes. These values will dictate all the policy making decisions within EasyEd.

EasyEd writes its mission statement as below:

"EasyEd's mission is to become India's number one provider of Information and Communication Technologies to the education industry and be known for providing best in class web application products to increase the efficiency of education institutes. EasyEd's mission is to provide its technology solution to 5% of education market in Mumbai by the end of December 2015 with 98% of customer satisfaction."

EasyEd writes its vision statement as below:

"EasyEd's vision is to transform the efficiency of education process in India by introducing them to new information and communications technologies. EasyEd would help their customers improve the efficiency and quality of education."

Strategic Goals: EasyEd is a startup company. The short term goal of EasyEd is to establish itself in the industry with at least 10 stable customers in the first two years of operations and provide a steady cash flow for the company to enter the growth period within 3 years of its operation. Once EasyEd has a portfolio of a good number of satisfied customers, , approximately 10-15 large coaching class accounts and 3 – 4 higher education institutes, it would shift its focus towards gaining the market share by focusing more on marketing and business development.

Products and Services: EasyEd would primarily focus on providing educational technologies, specializing in management software like LMS and CMS to schools and universities and businesses in India. Initially, to provide for some cash flow and build the credibility in the market, EasyEd would do consulting projects and freelance projects. At the same time, EasyEd team would focus on developing web based LMS and CMS applications which can be used by educators to improve the interactions between teachers and students and to improve the operational efficiency.

Target Customer: Indian education industry is the primary customer of EasyEd. Indian education industry is mainly categorized in two markets; formal and informal markets. Formal market is the one that provides formal education to students i.e. K-12 and higher education systems. Informal education industry is the one that supports formal education market. This includes pre-schools, coaching classes and vocational training class, ITC in education market and books for education. ITC is a broad category and includes all the services like e-learning content, multimedia (computers and projectors) in schools and various software product

development services. EasyEd would provide part of the services provided by ITC industry (LMS and CMS) and its primary customer would be formal education market and rest of the informal education industry. All the educational institutions that has a tech-savvy student base and could benefit from managing student's interactions and performance information online using LMS, would be potential customer of EasyEd. Small and medium size companies which needs to monitor and manage their employee's competencies with the help of CMS is another segment of customers. By this definition, EasyEd considers all higher education coaching classes, vocational classes, higher education schools and universities and small and medium size business owners as EasyEd's potential customers. In its initial phase, EasyEd would focus on customers in Mumbai and would expand to other cities and metros in India.

Marketing and Sales strategy: EasyEd would primarily target the customers through the owner's personal contacts. At the same time, EasyEd would provide access to the trial version of their software free of cost for first one month. EasyEd would also provide enrollment of first 30 students free to these customers. This would enable customers to test the product and provide feedback. This will also help EasyEd to establish some proof points. In the initial 2 years, EasyEd would employ direct sales strategy and would engage more in marketing and sales strategies from third year of operations. Even with the direct sales marketing, EasyEd estimates 3 to 4 customer accounts each year.

Competition: The ICT in education industry is very much fragmented industry in India. There are many small vendors selling their proprietary software to educational institutions both formal and informal markets. There are big players as well but they are more focused towards providing multimedia and content management solution for e-learning applications. LMS and CMS space is not really ruled by a single competitor. However, low start up cost and availability of many IT

professionals in India suggests the higher risk of new entrants in the market. That is the reason that EasyEd needs to take action faster and take the first movers advantage. Another competition is from open source LMS solutions available on the internet e.g. Moodle. Such applications are complex to set up and require technical know-how from customers.

Company Management: Company's management team includes experienced, highly focused and dedicated team of professionals, who have proven track record in the industry. Apart from the founding team, company would hire consultants, freelance contractors and highly talented and dedicated professionals ready to work in a virtual team format.

Operations: EasyEd would rent an office space in Mumbai area. This space would serve the purpose of setting up customer meetings and providing customer interface. Rest of EasyEd's development team would function in virtual team format. EasyEd would develop a detail operating plan with detail information about communication protocols, timings and tools to be used to make it easier for all to function in virtual format.

Stage of Development: EasyEd is still in the conception phase and has not actively started working on this project. EasyEd estimates that it would take them six months to come up with viable commercial product in the market. EasyEd does not anticipate starting selling before the October of 2013. Once the product is introduced in the market, EasyEd would give free access to initial customers to get their feedback. EasyEd plans to introduce LMS products first in the market. The learning from the first product launch would be useful and beneficial to EasyEd while developing CMS products at a later stage.

Financials: The first few months of the operation would go in development of the product. The company does not expect to sell much in this time, except for consulting services which is not

considered as company's core business. Most of the initial investment brought in would be used by the 8th month of operation. Company would start making positive income by 9th month of its operation when it gets a real paying customer. The company would start making positive profit after completing almost a year of operations. The average profit margin is expected to be close to 40%. The company would than focus on acquiring more customers in the coming years while simultaneously focusing on developing new products and features in the existing products portfolio.

Initial funds and utilization: EasyEd would get initial investment of Rs.20 lakh. 50% of this amount would come from private funds. The founders of the company would hold the equity in accordance with their initial investment. The rest 50% of initial investment would be raised from commercial banks in the form of bank loans.

4. Description of the Business

3.1 Ownership and Management Team

EasyEd Inc. would be a privately held company, headquartered in Mumbai, India. As per the Indian business registration regulations, a private company needs to have more than two members in the board of directors [9]. In the initial stage of conception, EasyEd would have three members in the board of directors.

Mr. Vijay Thakkar would be the founding member and CEO of the organization. Mr. Thakkar currently serves as the principal of a pharmaceutical college in Karad, Maharashtra region. He has been associated with the education system for more than 25 years and is very well aware of the bureaucracy and processes followed in the decision making of educational institutes in India. He would serve as the liaison between the organization and the education market. He would also be involved in the initial process of getting the organization incorporated and bringing it into the existence. He would continue to bring in more customers and deal with the customer logistics at the local level.

Ms. Urvashi Thakkar would serve as CTO (Chief Technology Officer) in this business. Ms. Thakkar has eight years of experience in Information and Communication Technology field. Ms. Thakkar has worked on many projects requiring complex network designing, web-application development and database management. Ms. Thakkar would lead the product development team and would coordinate with all developers. She would also work as the operations manager and would be responsible for setting up processes and policies required for smooth functioning of day-to-day activities in the development process.

Ms. Chandani Gadhia would serve as the CFO of the organization. Ms. Gadhia is a chartered accountant by profession. She has several years of experience in accounting and auditing. Her major responsibility would be to set up the accounting and billing system for the organization. She would also be dealing with legal consultant to understand the licensing procedures and other legal formalities required in setting up the legal system of organization.

Initially, EasyEd would function as a virtual organization. One of the primary goals of EasyEd is to promote the use of available technology in the education system and the best way to demonstrate this to its customer is using these technologies themselves. EasyEd would extensively use the online collaboration and cloud resources to work on its projects. The company would use online meeting tools and internet for communicating with developers. Company would look for experienced and highly committed resources to work on the projects.

3.2 Business Model and Plan

This section is written based on the idea of business model canvas from an introductory book on business model generation [3]. The canvas represents major business activities and helps in understanding the whole business at a glance. Following section briefly describes each section of the business model canvas and points to the sections where a particular topic is dealt in with more detail.

3.2.1   Customer Segment

The primary customer of EasyEd products would be all people associated with the education system and using education technology. This would definitely start with teachers and students in formal and informal markets of India. However, different customer group has different requirements. Secondly, the purchase decision would be made by people other than the actual

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users of the technology. In that sense, actual customers of EasyEd products would be schools, universities, coaching classes and businesses dealing with knowledge workers. The market review and customer review sub-sections in the marketing plan section explains the customer segmentation in more detail.

3.2.2 Value Proposition

As its name suggests, EasyEd would strive to make the process of providing education easier for the institutes. With the introduction of its LMS, a lot of administrative tasks will be taken care of by online databases. This would make the work of teachers much easier and effective. With the collaborative platforms, students would be able to get more involved. Students would be able to access required resources anytime and from anywhere. The use of technology would increase the convenience, usability and accessibility of the educational resources available in educational institutes. For the purchasing authorities, this would translate into reduction in overhead cost of maintaining student records in house and related logistics.

When CMS would be introduced, it would help small and medium size businesses to track the skills of their employees. Managers would be able to review the skills or competency that a particular resource has (human resource), assign competency, monitor the progress and map the performance management system to the competency. Managers would also be able to define the competencies specific to their own company and department and specify the exit criteria to acquire the competency. The employee, on the other hand, will be able to view the acquired competency, set goals and plan the course work required to acquire the assigned competency and monitor their own progress. The system would guide the employee with various tracks by which they can acquire a particular competency and prepare accordingly. The system will provide as a

common platform for company managers and human resource to map the knowledge pool of the company and fulfill the requirements for projects.

3.2.3   Customer Relationship

EasyEd would expect a lot of repeat business in the form of contract renewals from its loyal customers, which is why maintaining good customer relationship is much more important to the organization. EasyEd would make use of open source Customer Relationship Management (CRM) software to maintain the customer database and maintain the information about customer interactions. In the initial stage, company would provide dedicated personal assistance to its customers and would strive to keep improving the product offering to incorporate the automated service. EasyEd would also provide detail help documentation online.

3.2.4   Channels

Channels represent the means by which EasyEd would connect with their customers. In initial awareness phase, EasyEd would use direct sales approach to establish the relationships with early customer accounts. EasyEd will use the so called "Freemium" approach for evaluation phase [13]. EasyEd would provide the free access to the products and would let their customers evaluate the benefits from the product usage. Customers would be charged after initial trial phase. EasyEd would also deploy various digital marketing strategies like, creating online social network communities, blogs and using internet advertising to attract more customers in the later stages. For post purchase phases like services after sales, EasyEd would provide a customer service helpdesk to answer customer queries.

3.2.5   Key activities

As per the value propositions and customer relationship functions, following would be the key activities for EasyEd team.

Product Development – This would be the main activity of EasyEd, which would involve the phases like identifying customer requirements, doing feasibility study, product design, software development and testing.

Marketing and Communication – EasyEd would also need to acquire new customers and maintain relationship with their customers. This would involve key activities like identifying potential customers, understanding their needs, design customized solutions for customers, provide after-sales service and maintain customer helpdesk.

Business Operations – These activities would include supporting activities for ongoing business, these would include hiring resources, establishing key partnerships, developing the operating processes, developing billing and accounting systems, developing and establishing CRM database and related processes and policies for the organization.

3.2.6 Key Resources

For providing the above services and doing the above mentioned activities, EasyEd would require human resources for software development and network and technology resources for intra-company communications.

Software developers and testers – EasyEd, being the virtual organization, would source its human resource talent on contractual terms. Software consultants would be able to work from their home and would connect to company resources and contribute their work. As mentioned in the introduction section, a lot of women professionals seek the kind of work which can be done

from home. In the initial stage, EasyEd would use its personal contacts to get them work on the projects. Whenever required, EasyEd would also use the professional talent pool from the websites such as www.freelancer.com and www.elance.com.

Technical Resources – The other requirement for any technology company is the technology and network resources. EasyEd would strive to make use of lot of open source products and internet technologies to minimize the costs associated with the product development. EasyEd would require all of its associates to own a computer/laptop and have internet connection, to be able to work with the organization. The other major resource that EasyEd would require is the available cloud infrastructure services. EasyEd would host its own website and clients resources on the shared cloud infrastructure.

3.2.7   Key Partnerships

Cloud service providers would be the major partners for the company. EasyEd would strive to establish healthy relationship with cloud infrastructure providers and Freelance service provider to ease out the development process. While developing CMS systems, EasyEd would establish key partnerships with e-learning content providers to create the learning paths for various competencies. Going forward, EasyEd will keep looking for potential partnership and alliances to keep coming up with new products and services.

3.2.8   Cost Structure

Main cost drivers for EasyEd would be the usage rates of cloud infrastructure and salaries of IT professionals. The Cost and Revenue sections of Financial Plan would deal with this topic in more details.

3.2.9   Revenue Structure

EasyEd would charge their customers based on the usage of their resources. EasyEd would adopt dynamic pricing structure, meaning the price of the product/service would depend on order size and commitment terms. The main source of the revenue would be from usage fees of the software product. Usage fees mainly refer to the number of student enrollment.

3.3 Startup Summary

As per table no. 4 in Appendix, the company would require startup capital of Rs.7.7 lakh (~USD 15,500). In addition, since company would not be making any sales in initial few months from its core business and only from the consulting services, EasyEd would require some reserve funds to pay developers and meet other costs related to development and production. The startup expenses would be funded by bank loans and personal equities. EasyEd intends to raise Rs. 10 lakh in startup funds from friends by giving them equivalent equity share in the company. At the same time, EasyEd would raise Rs.10 lakh funds from banks. EasyEd would use personal property as the collateral for raising this fund. EasyEd would monitor its quarterly financial performance and would seek funding from angel investors and venture capitalists after 5 years of operations if the business model looks positive and future projections are promising. This would help EasyEd to do more rigorous marketing to grow the business at a faster rate.

5. Marketing Plan

4.1 Market Review

As mentioned earlier, EasyEd would primarily focus on making education delivery easy for educational institutions and businesses through the use of ICT technologies. This section would give more details about the size and attractiveness of market and would define the target market for the business.

4.1.1   Industry Size and Trend:

Indian education industry is the third largest education industry in the world with the network of more than 1 million schools and 18,000 higher education institutes. The entire industry is estimated to be $80bn industry by the end of 2012. Despite of having huge demand, the industry is facing its own growth issues. As per IDFC - SSKI analysis report [1], Indian Education Industry is mainly divided into two parts: Formal education and informal education. Formal education is the dominant market which provides primary and higher education in India through K12 schools, universities and colleges, and most of them are government funded institutes. Total formal education market was about $26.5bn in 2009, which grew to $64.4bn in 2012. This market is not very much developed mainly because of two reasons. One, due to huge population, it is difficult for government to cater to the demand with limited budget. And second, because of the regulatory mandate that educational institutes have to be not-for-profit organization, very few private organizations are willing to invest in this sector.

Figure below, taken form CLSA, analysis report [2], provides a clear view of education market in India.
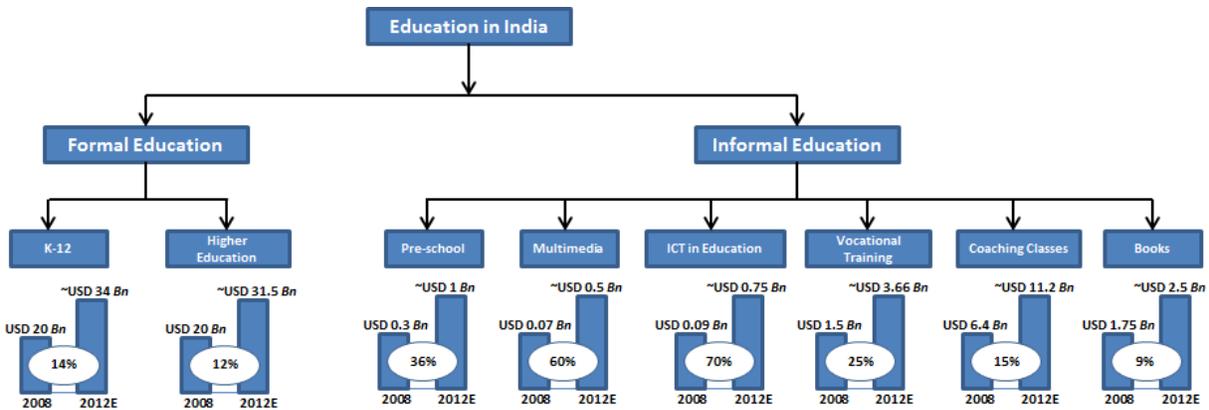
Fig. 4.1 – Indian Education Market Distribution – total market of ~$80 bn with highly scattered informal education market.

On the other hand, informal market, an estimated to be $10 billion market with the compound average growth rate (CAGR) of 18% in 2012 is non-regulated but highly fragmented. This market consists of Pre-schools, vocational classes, coaching classes and Information and Communication Technology (ICT) in education service providers. The primary reason for this market to be highly fragmented is that it is difficult to achieve the scale of economy in above localized businesses. However, there are few businesses that have expanded through franchise model.

4.1.2 Trends in Education Industry:

The government regulations is the biggest issue as far as the growth of formal market is concerned. Similarly, scalability is the major concern in informal market. Despite these growth issues in the above markets, Indian education industry is showing some positive trends such as adoption of technology is increasing, online and correspondence courses are rising in vocational education market etc [1].

Although, India is the IT powerhouse and the major supplier of IT professionals across the world, Indian education system is still not up to par as far as application of educational technologies is concerned. However, this trend is changing slowly but steadily; Indian education industry is shifting gears to incorporate digital systems and ICT in education.

At one end, the demand for application of ICT in education is increasing. But on the other hand, ICT providers themselves are highly fragmented. Universities and colleges are adopting ICT in the form of campus management software packages which keeps track of admissions, attendance, financial payments and marks of each student. The access to such systems is only available to staff and that does not provide any feature to facilitate learning process. Most of the times, these software applications are tailored made, designed and customized by third party IT consultants. Due to personalized consulting, these applications are expensive to develop and maintain. In most of the cases, educational institutes own and maintain the infrastructure required for these systems. Also, only big universities and institutes can afford such huge investments. There are very few commercial software applications that educational institutions can purchase or rent. EasyEd intends to fill this gap and make learning management software easily available to several institutes.

4.1.3 Industry Market Hierarchy

Below is the industry market hierarchy that EasyEd Inc. finds suitable for their business.
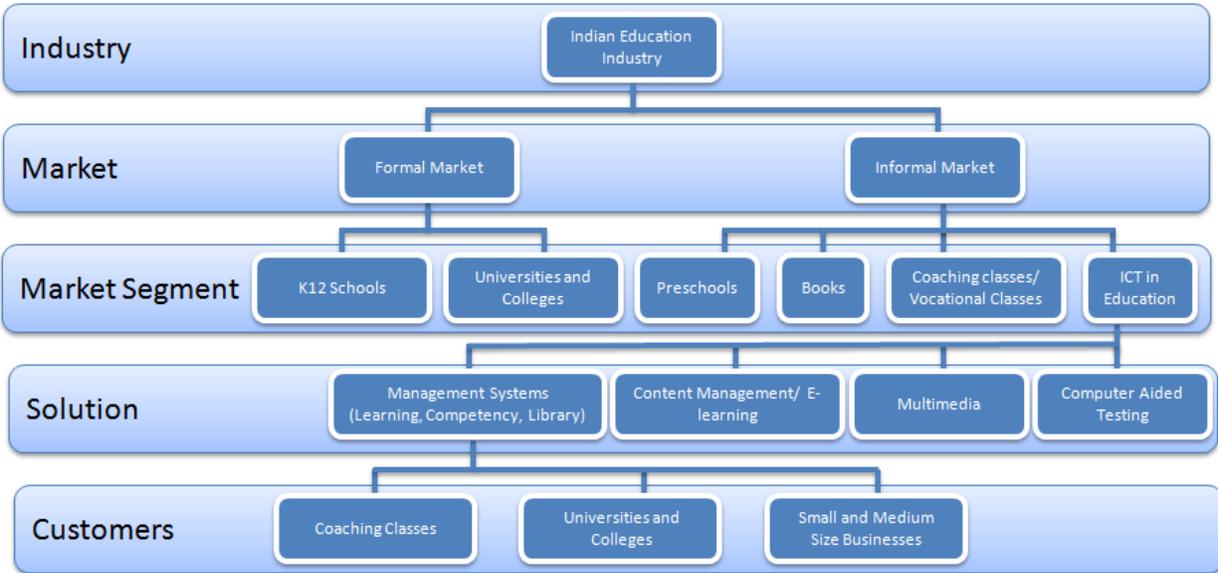
Figure 4.2 – Industry Market Hierarchy for EasyEd Inc. – Formal markets of Indian education systems serves as the customer of informal markets.

As per the above figure and as mentioned earlier, ICT in education is part of the informal market. One can say that ICT providers act as suppliers to the formal and rest of the informal education market. However, ICT (Infrastructure and Communication Technologies) for education is a bigger term. There are several technologies and providers in the market. Some of them are, computer-aided testing service providers, multimedia (such as projectors and computers) providers, content management and e-learning content providers and then learning management, competency management and library management systems provider.

Though EasyEd is equipped to provide all kinds of ICT services, their primary focus would be to provide services in various education management systems (e.g. LMS & CMS) which could be made commercially available to educational institutes and businesses along with consulting services in other areas such as multimedia and network design. EasyEd has identified coaching classes, higher education institutes and small and medium size businesses as their primary target market.

4.1.4   Market Size

According to IDFC-SSKI [1] India research report, the higher education market has grown to be a \$31.5bn market with 12% growth rate estimated over FY08-12. Coaching classes business is \$6.4bn (2008 figures) growing at ~15% rate. As per the Crisil research report [2], the tutorial business (coaching classes) in India is expected to grow from Rs. 4017cr in 2010-11 to Rs. 75,629cr in 2014-15, which is \$8bn to \$15bn. This business majorly comprises of subject based tutoring in schools and colleges. With increasing number of tech-savvy students, it is a potential market for EasyEd products where teachers can make use of online learning management systems and manage student-teacher interaction in this area. According to the same report, vocational training market is a parallel \$1.5bn market (2008 figures).

4.2 Customer Review

As this start-up would be headquartered in Mumbai, the initial focus would be to roll out the business in Mumbai and look for customers in this area. This would give the company sufficient time to get the feedback from initial customers and improve the products based on feedback. It would also give the company a chance to understand customer's requirement in a better way to develop further features efficiently. The below sections covers more information about customer segmentation, customer characteristics and expected demand from the customers.

4.2.1 Customer Segmentation

Although, primary customers are generally categorized as any educational institution, providing education services to their students, this section further classifies customers in various segments as below.

Coaching and vocational classes: Coaching class business is a thriving and highly localized business. As mentioned earlier, coaching classes mainly refers to subject-based tutoring in schools and colleges. But it also includes institutes providing coaching for test preparations and coaching for grad level students like medical, engineering and accountancy. While some coaching classes are more commercialized and have grown big within a geographic area, many others are relatively small and un-registered classes. Some of these classes charges way higher amount of fees to the students. Because of less number of seats in educational institution and increasing competition, student usually pay more in tutoring classes than in formal education institutions. This means that coaching class institutions usually have more money to spend on IT systems. Another reason for targeting this customer segment is less bureaucracy and absence of government regulations in the purchasing decisions of these institutes.

Higher education institute: Another major customer segment is higher education institutes. The main feature of the learning management systems is that it facilitates student and teacher communication and promotes students discussion and participation in class activities. This feature requires a certain level of computer literacy and accessibility in students. K12 is not suitable market for interactive LMS systems. Therefore higher education programs are more suitable as a customer segment. Both, government and private higher education institutions are potential customers, once the product is established in the market and has earned its credibility.

Small/Medium size businesses: Small and medium size businesses is another line of customer which requires their employees to build their competency and map the competency to job descriptions. Large corporate usually have their in-house competency management systems proprietarily built. But such software development and related maintenance of hardware is not possible for small and medium sized businesses. Integrated learning management and competency management systems and related product line would be best suited to cater to the needs of such customers. However, the standard products would need some customization for them to be suitable for such customers.

4.2.2 Customer Characteristics

Since we segmented customers in different classes, we realize that each class of customer has different characteristics and needs.

Coaching classes: In this class of customers, 80% of the market is subject based tutoring in schools and colleges [1]. While there are few very big players in the market, there are many small classes and private tutors who cater to very small amount of students every year. These customers have some peculiar characteristics.

They have good purchasing power and purchasing decision making authority.

- They are usually very cost sensitive and look for free services

- Grad level coaching classes, test-prep classes and vocational classes are best suited for EasyEd product as the students in these classes usually have internet connection at home and they are computer literate.

- Many of these classes are usually not registered and they usually look for services which are free. One of the advantages of providing basic software to these customers for free is to get their feedback on the product, study the usage pattern and convince them to use products with higher capabilities.

Higher Education Institutes:

- These customers have more students and once convinced that can provide large accounts and lots of recurring business.

- Highly bureaucratic

- Long decision making cycle and government regulations governs the decision making process.

Small/Medium size businesses:

- They are the untapped class of customers.

- Has greater requirement for learning management systems.

- Potential customer base once the company gets enough credibility in the market.

4.2.3 Customer Demand

Depending upon the above characteristics and the plan of three years, EasyEd estimates that they would first focus on acquiring business from coaching classes and then concentrate on getting annual contracts from colleges and universities. Most of the coaching institutes are not

registered and is difficult to find out the exact demand from coaching institutes. Therefore this report represents demand from higher education institutes in India.

Ultimate Demand – According to the report published by Ministry of Human Resource Development of India in 2008, Table 5 in Appendix gives the representation of number of technical colleges and polytechnics in each state of India [7, 8]. EasyEd considers all these colleges and polytechnics as the ultimate demand for their ITC products. According to the statistical data presented, there are total 24,517 higher education institutes in India which can be a potential customer.

Intermediate Customer Demands – EasyEd understands that it is very difficult to create nationwide presence and they need to focus on some particular region in the beginning for the purpose of marketing their products. For this reason, EasyEd has decided to focus in the region where there are more than 1500 educational institutes in total. Based on this criterion, EasyEd has shortlisted following states for focusing their marketing efforts in the beginning.

State	Arts, Fine Arts, Social Work, Science & Commerce	Engineering/ Technology/ Architecture	Medical	Education/Teach er Training	Others	Total Colleges	Polytechnics	Total
Andhra Pradesh	1767	335	317	570	547	3536	146	3682
Maharashtra	2182	212	117	419	328	3258	178	3436
Uttar Pradesh	2050	121	86	128	147	2532	110	2642
Gujarat	593	89	262	343	569	1856	60	1916
Karnataka	638	141	423	399	13	1614	186	1800
Tamilnadu	550	272	198	160	165	1345	261	1606
	7780	1170	1086	2019	1769	14141	941	15082

Figure 4.3 – Customer segmentation in formal education market – Number of higher education colleges in selected states in India.

Since, EasyEd would be located in Mumbai, which comes under Maharashtra state, EasyEd has decided to start serving customers in Maharashtra state first.

As per another customer characteristic, EasyEd assumes that students of engineering colleges, medical colleges, polytechnics and teacher education institutions would be more comfortable with digital media. Based on this criterion, EasyEd considers 926 educational institutes as the intermediate customer for their educational products and services.

Feasible Customer Demand – In the beginning of its operations, EasyEd would focus on educational institutes located in Mumbai.

As per the data collected from online resources about the colleges in Mumbai [8], out of 926 engineering and medical colleges in the state of Maharashtra, close to 100 colleges are in Mumbai. Table below shows the approximate number of colleges in Mumbai in relevant fields.

Types on Institute	Number of colleges
Engineering Colleges in Mumbai	48
Mumbai Medical colleges	17
Mumbai Homepathic Colleges	2
Mumbai Dental Colleges	2
Mumbai Pharmacy Colleges	2
Mumbai Nursing Colleges	25
Mumbai Ayurvedic Colleges	2
Mumbai B.Ed. Colleges	23
Mumbai PG Degree Colleges	2
Mumbai Business Management Colleges	50
Mumbai Distance Education Study Centers	12
	185

Figure 4.4 – Number of higher education colleges in Mumbai – Colleges meeting the target customer criteria

EasyEd estimates to capture 5% market in Mumbai by the completion of third year of its operation. That means EasyEd should be able to win at least 10 contracts from this customer demand.

4.2.4 Customer Database:

EasyEd would use available open source CRM systems to keep track of all the needs of their customers. With the availability of the primary data in hand, EasyEd has prepared the following list of potential customers to whom they would contact in the initial period of the product launch.

The following table gives the list of potential customers that EasyEd has identified.

Institute Name	Type	Association/Board	Size	Potential	Contact Name	Contact Number
Vaishali Pvt. Coaching classes	Coaching Class - Std V - X	Private	V. Small	Low	Ms. Priya Parekh	1111-1111
Smita Classes	Coaching Class - Std V- X	Private	V. Small	Low	Ms. Majula Pradhan	1111-2222
Saloni Coaching Classes	Coaching Class - Std. VIII - X	Private	V. Small	Low	Mr. Rahul Betai	1111-3333
Jagdish Dani Classes	Coaching Classes - X,XI,XII	Private - Registered	Medium	Medium	Mr. Jagadish Dani	1111-4444
Suresh Dani Classes	Coaching Classes - X,XI,XII	Private - Registered	Medium	Medium	Mr. Suresh Dani	1111-5555
Karla-shukla Classes	Coaching Classes - Test prep	Private - Registered	High	High	Mr. Manhar Shukla	1111-6666
S.P.Jain Management and Research Institute	Business School	Bhartiya Vidhyapith, Mumbai University	Medium	Medium	Dr. Suresh Rao	1111-7777
P.V.Polytechnic	Diploma College	SNDT University	Medium	Medium	Mr. Vinod Yadav	1111-8888
Mahesh Tutorial	Coaching Classes - All streams	Private - Registered	High	High	Mr. Daruwala	1111-9999
Bhagu Bhai Polytechic	Dimploma engineering college	SVKM, Mumbai University	Medium	High	Dr. Kiran Mangaokar	1111-1234
D.J.Sanghvi College of Engineering	Degree Engineering College	SVKM, Mumbai University	High	HIgh	Mr. Amrish Patel	1111-2345
NMIMS	Business School	SVKM, Mumbai University	High	High	Mr. Sunil Mantri	1111-3456
Mithibai college	Law and Commerce College	SVKM, Mumbai University	High	High	Mr. Jasmin Patel	1111-4567
Rutambara College	Commerce College	Mumbai University	High	High	Mr. Pranav Mashru	1111-5678

Figure 4.5 – Potential Customers – List of potential customers based on owner's personal contacts

Customers with size "very small" are private coaching classes, run in private home or garage. These classes do not have more number of students and their buying capacity is very low. But they can be used for testing the product line and getting feedback about the product. All the customers in the above list are located in the same geographical area and within 5 mile radius from the company headquarter.

4.2.4 Service Offerings

Based on customer characteristics and general needs of the education industry of India, EasyEd would start with providing learning management systems.

The basic product line would have simple structures so tutors would be able to create a central database for course content sharing, course documents, homework uploads and posting the grades. Tutors would also be able to post announcements and create discussion forums.

EasyEd would keep updating the basic product and would allow customer to add more features on a premium. More features such as online testing, sending email announcements, creating calendar entries and automating the administrative activities can be incorporated in the product line.

Separate competency management application would be developed to cater to the needs of business customers where companies would be able to map their employee's competency and provide them the learning path to help improve their skills. These businesses and customers are not yet identified. CMS would be introduced at a later time when LMS is tested in the market and very well accepted by their customers. LMS development process, actual cost and revenue structures would provide valuable experience to EasyEd staff. This experience and knowledge would be used to develop CMS products and pricing structure.

Apart from software products, EasyEd would provide occasional consultancy to institutes interested in installing multimedia and networking equipments in the campus. EasyEd would be in a position to guide their customer on the application of IT infrastructure in education. EasyEd, however, does not consider such consultation services as their core business. In the initial stage, EasyEd would concentrate on developing their LMS and CMS products and marketing of the same. The acceptance of the software products in the market would help EasyEd build the required credibility in the market space, which would enable the company to attract more

consulting projects. Depending on the demand from customers, EasyEd would make a call if they should venture in the full-time consulting business at a later stage.

4.3 Competitive Review

4.3.1 Competitive Advantage

In the competitive area, EasyEd is considering implementing "Blue Ocean Strategy" by providing services which are not readily available in the market space. There might be a slow adaption curve in the beginning but once the industry appreciates the advantage of using the products of EasyEd, it would not be difficult for EasyEd to capture the market faster and earn first mover advantage in the field. Apart from this, EasyEd considers following service offerings as addition to its competitive advantages.

Free Trial Period: EasyEd would make use of so called "Freemium" business model, meaning it would provide free access to its basic software capabilities to its customers for limited amount of time. This would enable customers to get the feel of the product and appreciate its benefits.

LMS at low cost: Usually employing LMS in an educational institute is very expensive exercise. The institute first of all has to acquire the hardware and networking equipment required to deploy the setup. Developing own LMS software or acquiring the software itself is another expensive step. And once the system is up, maintaining that system is another step that institutes have to take care of. EasyEd would ensure its customers the access to web based LMS system which would be easy to access and maintain. And all this will be available to the customers at the lower cost of ownership.

Services Tailored to customer's needs: EasyEd understands that there is no one solution that fulfills everybody's needs and software solutions are no exception. In fact, software solutions require maximum customization. EasyEd would provide customized services to its customer and would provide alternate design to the product if the customer order fits certain criteria.

Dedicated personal assistance: EasyEd would provide single point of contact and full customer service to all its customers. This would ensure dedicated personal assistance and fast adoption of new technology.

Easy to use and understand interface: While designing its products, EasyEd would keep in mind that their customers are not technical professionals but most probably the educators who would have never used such technology. With this, EasyEd would ensure simple and easy to follow interface design which would encourage students and teacher to make complete use of the online system.

Complete Security and regular data backup: EasyEd would also ensure the complete security of the data stored in the cloud. EasyEd would keep regular backup of all the data kept on cloud and would be in position of recovering the system faster.

4.3.2 Competitor's Profile

Although EasyEd is trying to put its step in an unconquered market space, there are already existing competitors providing their services in closely related markets. EasyEd considers almost all of them as potential competitor. Below is the small list of competitors who has already started to move in this space.

Company Name	Services Offered	Annual Sales	Strengths	Website
Educomp	Multimedia in schools	Rs. 33. 5bn	Has acquired lot of online and technology componies in education sector, key presence in multimedia and ICT markets	http://www.educomp.com/
Everonn	Distance learning solutions	Rs. 3.04bn	dominnant position in ICT sector and virtual learning evironment solutions	http://www.everonn.com/
NIIT	Multimedia based pure content solutions for IT and other mainline subjects including mathematics, sciences, social science, English etc. Recently launched complete hardware and content solution products.	Rs. 10068 mn	Nationawide presences, Leaders in IT training.	http://www.niit.com/Pages/DefaultUSA.aspx
Moodle	Open source LMS solution providers	Free product	Free product	www.moodle.net

Figure 4.6 – Existing competitors – List of identified existing competitors

4.4 Assumptions/Risks/Forecasts/Objectives

4.4.1 Assumptions:

The fundamental assumption that EasyEd has done here is that if the coaching class customers likes the free product than they would be willing to pay for a better version of the software. Although this is very optimistic assumption, chances are there that people would not want to buy the software and would be looking for free all the time.

Another assumption made here is that the eligible customers (educational institutions) and their customers (students) would be computer literate and would have an easy access to the technology. Although these software and technologies are meant to make the process of education simple for all, it could become a nightmare if sufficient access technologies (computer and internet connection) are not available.

4.4.2 Risks

Like any other technology company, this start-up firm would also have some major risks which are as mentioned below.

- Increasing use of open source software may lead to the stage where customers are no more willing to buy such software online and would opt to access the online free version of LMS solutions such as Moodle.

- Customers may become reluctant to buy the premium version of the software.

- Another threat to the company is that it would be easy for competitors to catch up copy the product.

- In case of large customers, they would be concerned about the security of web applications and reliability of the system as a whole.

4.4.3 Forecast

From all the above data of market analysis and customer analysis, EasyEd estimates to develop at least two web application products by the end of first year of its operation. EasyEd would not sell its products in the market very aggressively in the initial year. Instead, it will allow market to test the product and give their feedback. EasyEd estimates that it would be able to acquire five small customers in first year of its operation and would be able to win five big accounts in third year of operations with the estimated revenues of Rs. 85.68 lakh by the end of third year.

4.4.4 Objectives

Based on the above information, EasyEd has set following objectives for coming years.

- Gather resources, design, develop, test and rollout the first product by October 31st 2013.

- Establish at least five proof points for providing excellent customer service and best online LMS solution by December 31st 2014.

- Design the concept of at least two new products by December 31st 2014.

- Achieve the sales target of Rs. 85,68,000 by March 31st 2015.

- Capture 5% of education market in Mumbai by 31st December 2015 with 98% customer satisfaction

Following chart shows the tentative plan for each stage.

	Q1FY'13-14	Q2FY'13-14	Q3FY'13-14	Q4FY'13-14	Q1FY'14-15	Q2FY'14-15	Q3FY'14-15	Q4FY'14-15	Q1FY'15-16	Q2FY'15-16	Q3FY'15-16	Q4FY'15-16
Product Development & Testing	█	█	█									
Business Establishment		█	█	█								
Preparing Operating Plan		█	█	█								
Marketing Plan			█	█								
First launch			█									
Feedback and improvement				█								
Expansion Plan				█								
Raising Fund				█	█							
Direct Sales efforts					█	█						
Get 5-7 major accounts					█	█	█	█				
Expand Infrastructure						█	█	█	█			
Develop two new product/service							█	█	█	█		
Get 5-7 more accounts									█	█	█	█
Expand in other metros											█	█

Figure 4.7 – Three years start-up plan – tentative action plan of three years

4.5 Strategies

Introducing Strategy:

EasyEd is still in the conception stage and has not launched its business in the market. The first objective for EasyEd is to gather the required resources, develop the viable product and launch the product in market by the end of October 2013. The first introduction in the market at this time and inviting personal contacts to take a free trial to test the product and improve upon that so that it could be ready for final launch at the start of next academic year in 2014. EasyEd plan to implement the following strategy for its launch.

Foundation Team: EasyEd plans to create the founding team of highly dedicated and experienced professionals. These professionals would have several years of experience in the IT development and management and/or education industry. Each professional would share the company's vision to provide the power of communication technologies to the education industry to make the process of getting education easy and fun. In this founding team, each team member will be equal owner of the company and would be equally committed to the progress of the company.

Operations Strategy: One of the objectives of EasyEd is to establish at least five proof points of excellent product and customer service by the end of second year of starting the business. EasyEd would be able to achieve this objective by getting the operational efficiency and clear strategies for achieving the operational excellence. EasyEd plans to get the operational excellence by implementing following operational strategies.

Learning and Sharing Culture: We believe that in order to be the best and high class provider of educational technology solutions, each and every employee of EasyEd needs to be highly knowledgeable and always willing to learn new technologies continuously. EasyEd, from the beginning would focus on fostering the environment of learning and sharing. EasyEd would

encourage their employees to keep learning continuously and will expect them to share their learning to spread the knowledge within the team.

Best Practices and Professional Excellence: Since, EasyEd plans to operate as a virtual organization and will hire the best talent from across the globe; its success would greatly depend on the operating processes defined by the organizations. EasyEd would excessively use online open source technologies to communicate with their employees. EasyEd would invest time in learning the best practices and keep improving the processes continuously. EasyEd would follow the industry standards from day one of its operations and would be known for its process excellence.

Social Marketing: The founding members of EasyEd would be the domain experts in their field and would have extensive presence in the professional social media. EasyEd plans to market its products through social media extensively. At the same time, EasyEd would concentrate the marketing to its geographical location by advertising in local websites, radio stations and through direct sales channel.

Minimize operational expenses: In the beginning of its operation, EasyEd would focus more on keeping its investment and operating expenses to the minimum. EasyEd would make use of available open source software to carry out its day-to-day business operations. At the same time, EasyEd would tap in the huge pool of free-lancer professionals available.

Pricing strategy: EasyEd understands that there is no one thing that fits all. All customers are different and have different requirements. Therefore EasyEd would provide different pricing option options for their customers as described below.

"Freemium" business model: It has been proved in past that so called "Freemium" business model has been proved beneficial, especially in the case of software products. LinkedIn and SuveyMonkey.com are the best examples of this model. EasyEd would also provide the pricing strategy based on this.

As per this model, the customers would get some initial number of membership accounts for free. EasyEd has currently decided to provide initial 30 student accounts free. The other option is to provide a basic version of the product to customers free for some limited period of time e.g. one month trial version of the basic product. This is with the idea that once users start using the system and appreciate the benefits of using the product, they would be willing to pay for more advanced features and would be willing to pay the price for that same.

Variable Pricing Model: Another variety that EasyEd would provide is variable pricing model. Like Amazon, EasyEd would promote institutes to use their product more frequently and for all students. But every institute would have different requirement and different spending potential. EasyEd has developed a tentative pricing model as below.

The variable pricing model would incorporate the basic version of the software. This means that customers would pay for each additional feature that he feels is important for them. Also, the variable pricing would give different price levels for each level of increasing number of customers. EasyEd would encourage customers to sign up for one year or six months contract by giving them discount pricing per student in annual contract. This would help EasyEd to reserve sufficient resources in cloud and make its service cost effective. If a user wants to try out the full featured software application live than they can choose to pay per student as a usual. This pay-as-you-go scheme might prove to the customers but it also provides the flexibility to try out the

system first in their live environment and then get into the membership option. Below is the chart of tentative pricing model representation. The currency used in the below chart is in Indian Rupees (INR).

Number of students enrollment	Price per student per month (Rs.)	Annual Fees (Rs.)
0-30	Free	0
30-50	100	24000
50-100	75	69000
100-500	70	405000
500-1000	65	795000
1000-2500	60	1875000
2500-5000	55	3525000
5000-10,000	50	6525000

Figure – 4.8 – Pricing strategy – Pricing model for different level of student enrollments

Apart from the above pricing scheme, EasyEd would also let their customer use its products free for initial trial month. The first month of free trial would be provided to first time customers and the product offering would include only basic features or limited capacity (number of students). The purpose of the trial period would be to give the feel of product to the customer. EasyEd has not decided the membership or licensing fees for the product yet. The final pricing would depend on further research on pricing models and industry standard for similar product line. The current revenue projection only considers the revenue from the student membership (usage pricing) from individual institutes.

4.6 Relationship Strategies and Sales Plan

Going forward, EasyEd's relationship strategy would be to get in long-term relationship with their customers. EasyEd would in true sense become a technology partner with their customers.

EasyEd's vision is to help educational institute do their work more efficiently with the help of information and networking technologies.

In the beginning, EasyEd intends to make use of their personal contacts to try out their products and there by generating loyal customer base. Once, confident with their product capabilities, EasyEd would start making use of digital platform for marketing. EasyEd would also spend time learning about the requirements of their potential customers and building their database starting with the identification of potential customers and turning them into current customers.

EasyEd would have their feedback system in place and would ask for the testimonials from satisfied customers. EasyEd aspires to provide innovative and creative web-based learning solutions to educational institutes and wining annual contracts from their existing customers year after year.

The following table shows provides more information about the specific actions of relationship strategy.

Years of Operation	Customer Relationship Strategy
Years 1-3	Provide satisfactory market driven services to new customers
	Focus on attracting more customers and resources
	Focus on developing new products and services
	Establish at least five proof points in each year of operation
Years 3-5	Focus on new service offering to existing customers
	Focus on getting repeat business from existing customers
	Increase market share by attracting more customers through referrals
	Explore markets in other cities/states
Years 5 onwards	Achieve operational excellence in maintaining current customer accounts
	Focus on gaining customer's trust and gaining technology partnership contracts from existing

Figure 4.9 – Relationship Strategy – Three years relationship strategy

Sales Plan

In order to achieve the target of first three years of operations, following actions are planned

- Study the existing products and offerings, design the architecture of products and gather required resources

- Form a team and develop the product

- Demonstrate the product to personal contact and ask them to test the product

- Get the customer feedback and use that to improve upon the product feature before the initial launch

- Research on potential customer's requirement and alter the offerings to suit their requirements.

- Work on establishing proof points to concentrate on improving products and expanding market share.

4.7 Branding and Marketing Communications

Brand: EasyEd wishes to establish their brand to be known as a creative and low-cost learning solutions provider, especially for higher education institutes. EasyEd wishes to establish its name in providing state of the art learning solutions at a lower cost. The company wants its brand to convey creativity and connectivity.

EasyEd would convey its brand through company logo and providing company information through various communications medium. EasyEd would get its logo designed in such a way that it uniquely identifies EasyEd and conveys the message of easy and accessible learning.

EasyEd has not identified any brand statement but intends to develop one, once it officially registers the business and launches its website.

Marketing Communication: In the initial years of its operation, EasyEd would focus more on designing collateral material to build and convey brand message. EasyEd would actively use company broachers, Website and web-based ad-campaign.

EasyEd, when ready to launch, would first focus on launching its website which would represent EasyEd's product capabilities. In technology industry, website is usually the first point of contact with the customers. Although, initially EasyEd would acquire business through personal contacts, it would direct their customers to register in their website first so that the company can have their details in their CRM database.

EasyEd would also make use of news paper flyers for reaching their coaching classes customers initially.

4.8 Marketing Budget

EasyEd has planned the following budget for sales and marketing communication.

Media	Price	Remarks
Website	Rs.40000/year	EasyEd would design its own website and estimates the investments on cloud for hosting a website for a year.
Collateral Material - Design and Printing	Rs.50,000/year	Initial collateral such as company broachers, visiting cards etc.
Yellow page and business directory listing	Rs. 12,500/year	Membership fees of business directories. Initial listing would be in Maharashtra Business Directory
Google Adwords	Rs.10,000/monthly	Google Adwords account with daily limits of $5 a day and 10 cents on each click
News Paper Flyers	Rs. 20,000/year	8"x 8" Flyers in Mumbai
Travelling, Phone calls, lunch and recreational expenses for customers	Rs. 2,50,000/year	Travelling to client sites and contacting different clients and answering their phones.
Miscellaneous Expenses	Rs. 50,000/year	

Figure 4.10 – Marketing budget – tentative plan for marketing budget

EasyEd also estimates the budget of 2% of its annual sells for marketing and relationship building with the customers.

6. Operating Plan

As mentioned before, the success of this company would greatly depend on cost effective production and innovative products. To meet this requirement, EasyEd has prepared this initial operating plan.

5.1 Administrative:

Rent and Utilities: EasyEd would have their headquarter office located in Mumbai, India. The office premise would be rented in Andheri, SEEPZ location. The office would only be rented once product is fully developed and has been tested with small coaching class owners. The

reason behind renting an office space is only to give a sense of existence of the company to their customers. Since virtual organization is very much a new concept in India and some customer might not get confidence if they do not see an official setup.

Office Supplies and Miscellaneous Expenses: EasyEd would be working in virtual organization format and would require their employees to use digital tools as much as possible. Other than that if company associates require additional stationary or furniture, than they would be able to reimburse such expenses from the company account.

Professional Services: EasyEd, whenever, required would be ready to hire professional services like legal services and advertising.

Business and Professional Licenses and Registrations: Ms. Chandani Gadhia would be responsible for arranging required business licenses and getting the business registration done. EasyEd would start the development efforts irrespective of the status of company registration. Though, the company is expected to be registered and incorporated by 31st October 2013.

5.2 Technology Plan

Hardware: As of now, EasyEd does not want to invest in hardware and networking equipments of its own. For this reason, EasyEd would make use of all digital communication technologies available online. In addition to that EasyEd would use available cloud infrastructure to host its website and web application products. By comparing the price structure of the different cloud service providers, EasyEd has decided to use Amazon's Web Services as their primary cloud infrastructure provider.

Besides this, EasyEd would require their associates to own a laptop or home computer, webcam, microphone, speakers and internet connection of their own. This would enable associates to communicate efficiently. EasyEd would provide them with the list of minimum specifications required to be able to work.

EasyEd would make use of emails, chats, social networks and video chat facilities to meet online and hold weekly meetings with all their associates.

Software: EasyEd would encourage its associates to make use of open source operating systems such as Ubuntu and Linux. These OS comes fully loaded with graphical user interface which makes it easy to work with. Open source software provides a range of free applications which can be used for office applications like documentation, presentations and also web application development. EasyEd would make use of available open source software to build its product architecture.

Software Development: EasyEd would employ the best practice in software application development methodology. It would have a central document repository, where developer would be able to submit their code and that would be compiled in the actual web server on weekly basis. The sanity testing would be done on every week before the new software can be deployed in the production environment. The build and testing time would change the product and development cycle matures.

5.3 Human Resource Plan

Recruitment Plan: In the beginning, EasyEd would hire experienced talent on contract. Women contribute to almost half of the trained IT workforce in India. The same pool of trained workforce requires changing their career path in later stage of the life when they get more

involved with the family. Such professionals do not have very high financial needs but they are usually looking for meaningful work that challenges their talent and gives them the flexibility to be with their family. With the advancement in the communication technologies, such organization is possible in the form of virtual organization. Also, women are more close to the education industry since they are usually primary care taker in the family and look after the education of their children. Such workforce can give insightful ideas in the product development phase. They could also be good advocates of our products when it comes to selling to the educational institutes. EasyEd would require their employee to work from home and give them the flexibility to choose their preferred time of work. While recruiting EasyEd would like to ensure that all its associates and contractors own a laptop and have fast internet connectivity available so that the team can communicate with each other flawlessly.

Benefits: EasyEd would choose competitive and industry standard compensation packages to keep their employees/contractors motivated to work with them. The initial staff in the company would be potentially the equity holder in the company. This would foster a sense of ownership in company's employees and they would be motivated to contribute to the growth of the organization.

At this moment, EasyEd has estimated an annual package of Rs. 2.4 Lakh for their development and testing team including all benefits. Apart from this, EasyEd would reimburse any additional expense like office supplies, stationary, internet bill and travelling expenses that company associates may accrue.

Payroll: In the beginning, EasyEd would use available open source software to organize the payroll. EasyEd does not expect to hiring lot of professionals fulltime in first two years of

operations. Once, the product picks up the market and when the company requires expanding in other cities, EasyEd would need personal sales force to increase the sales in other geographical areas. EasyEd would formally hire professionals and set up a formal payroll system when that time comes.

Work Schedules: Since EasyEd would be working in a virtual organization format, the company would not have a formal work schedule. Associates would have the freedom to choose comfortable work timing. EasyEd would set weekly work targets to their associates and would require them to complete the assigned task and report that in the coming week. EasyEd would also require their associates to fill in time-sheet logs. Only the salaried associates would require filling in time-sheets. Such requirement would not exist for free-lancers. Freelance consultants, if hired, would have their complete project assigned and would require to complete the project by mutually agreed deadline.

Competency Building: EasyEd would encourage its team members to keep up with the new technologies and keep learning about new product development ideas. EasyEd would have weekly presentations among team members in order to promote the culture of learning and sharing. In addition to that, EasyEd would design and deploy its own competency management system in the organization. This will help EasyEd to test its own product and make use of its product to improve the competency of its core team. Later on, when company starts to mature and have more number of full time employees, this competency management system would help keep track of organization's capability and will help in designing performance management and promotion guidelines.

5.4 Risk Assessment and Mitigation Plan

For any business, sustainability is an issue of concern in this turbulent economy. This is especially true for technology companies. EasyEd would take special efforts in learning about the risks to the organization and work towards making a formal risk management plan. In this section, EasyEd has attempted to address some of the risks.

Mitigate Single Point of failure: In any risk management plans, it is very much important for an organization to find out single point of failure and work to address those risks. In the case of EasyEd, one risk is the dependability on cloud infrastructure and web hosting service providers. EasyEd would attempt to have its website backup weekly and ready to be hosted from different vendor in case of unavailability of the service from existing vendor. Vendor diversification would be considered seriously while making official risk management plan.

Cyber Security: For any web hosted application, it becomes extremely important to keep the application secure from cyber attacks. A competent web security analyst consultant would be hired to make the website and application secure. Cloud services have also raised questions about security. EasyEd would hire consultant right before launching the products in the market to make sure all its applications and websites are secure enough. This is much more important even for customers to gain confidence in the operation.

Customer Usage Tracking: EasyEd would collect the information about the customers logging into the system and will keep track of the usage pattern. This will help EasyEd to keep track of and ensure that only eligible customers have logged in to the system. At the same time, usage patterns would enable EasyEd in allocating enough hardware resources whenever needed and free up the resources when not in use. This will help EasyEd function cost effectively. Monitoring usage patterns would also enable EasyEd detect early signs of product failure and

would give warning signals to the organization before EasyEd invest heavily in any specific product.

Fund Reserves: EasyEd would keep 50% of its startup cost in the funds reserve to be able to handle business uncertainty in future.

7. Financial Plan

This section provides some detail information about the expected financial performance of EasyEd Inc.

6.1 Cost and Revenue structure

Costs: While calculating the costs, two types of costs are considered. Fixed costs are the ones that company would accrue irrespective of the volume of sales. Fixed cost also has one major component, i.e. set up cost. Initial set up cost is related to the initial establishment of the company and is considered to be occurring only once. The other components of fixed cost calculations are like salaries of the team, rent of the office space, website hosting and maintenance costs, fixed marketing and advertising costs, professional memberships, and the costs of renting cloud hardware resources.

Variable costs are considered to be the percentage of sales per month. Hardware resources are considered to be the part of this cost since the hardware infrastructure requirement would change as sells increases.

Revenue Model: In the revenue calculations, each potential client is listed as an individual revenue source. As per the expected buying capacity of individual customer, the expected number of student enrollment is estimated. Based on the this number, equivalent amount of revenue is considered to be collected for the whole one year period at the start of the contractual term. For this calculations purpose, it is considered that customers would continue with the contract in the following year and it would continue using the company's product.

APPENDIX A lists several tables providing detailed calculations for three financial years.

6.2 Financial Assumptions

For the purpose of calculations, following assumptions are done.

- The number of enrollment from each customer is assumed based on personal judgment and the personal information about the overall capacity of the educational institutes.

- Interest rate on initial Rs. 10,00,000 loan is considered to be 16% pa. Similarly, opportunity cost of personal equity of Rs.10,00,000 is considered @8%. This means that the investors would have earned at least 8% interest on this private fund in a bank's fixed deposit account. This interest is considered as opportunity cost.

- The income tax, service and professional tax are counted as 30% all together.

6.3 Projected Cash flow

For any business to sustain, the cash flow becomes very important to be able to continue working on day to day basis. Based on the calculation provided in Appendix A, following charts shows the projected cash flows for all three years of operations.

1st Year Cash Flow

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Net Cash Flow	-195.8	-128.6	-107.8	-171.6	-135.8	-96.62	-130.8	-638.8	-378.2	901.39	134.32	886.39
Cumulative Cash Flow	1804.1	1675.5	1567.7	1396.1	1260.3	1163.7	1032.9	394.09	15.83	917.22	1051.5	1937.9
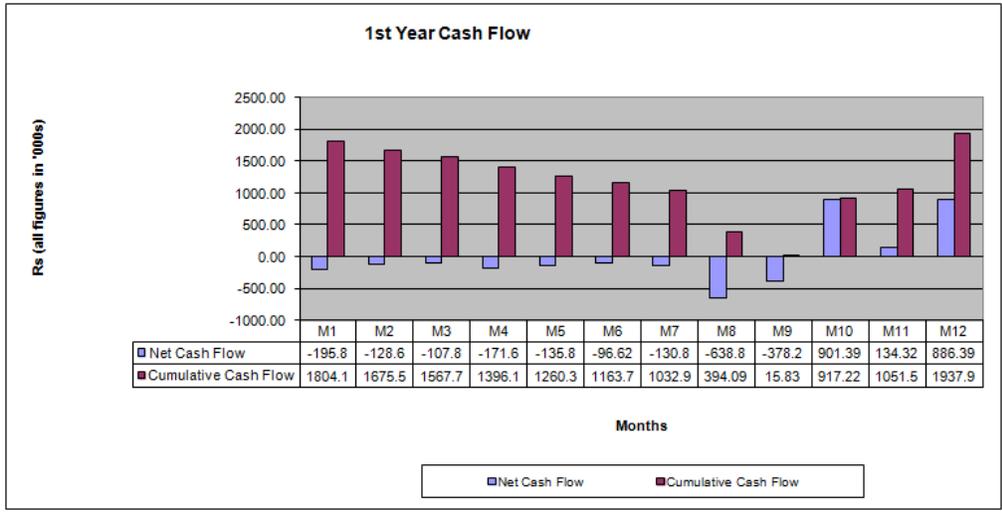
Figure – 6.1[a] – Year 1 Cash Flow Projection

2nd Year Cash Flow

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Net Cash Flow	1157.7	1330.7	-438.0	-416.0	-396.0	-381.0	1352.7	-446.0	-315.4	661.27	-62.87	689.20
Cumulative Cash Flow	3095.6	4426.4	3988.4	3572.4	3176.4	2795.4	4148.1	3702.1	3386.7	4048.0	3985.1	4674.3
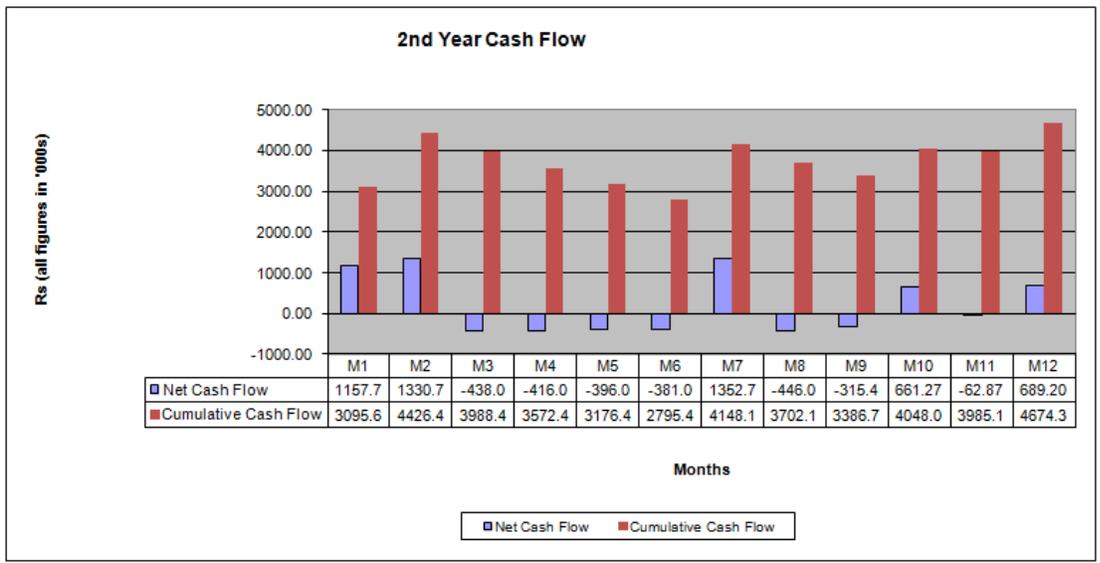
Figure – 6.1[b] – Year 2 Cash Flow Projection

3rd Year Cash Flow

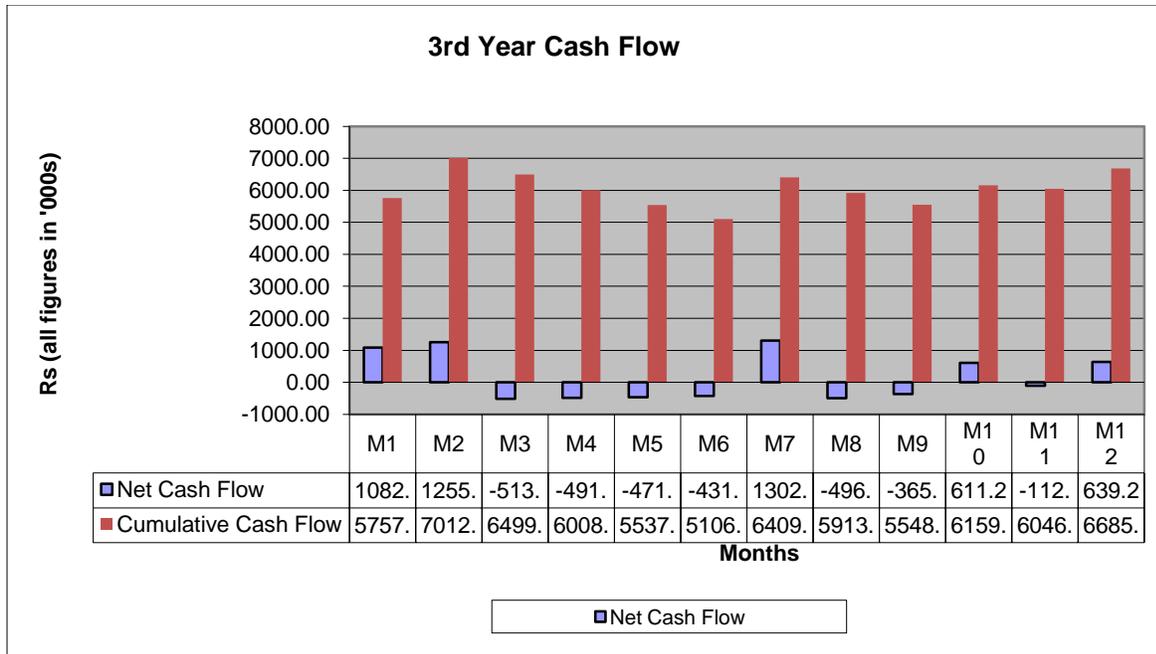|	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Net Cash Flow	1082.	1255.	-513.	-491.	-471.	-431.	1302.	-496.	-365.	611.2	-112.	639.2
Cumulative Cash Flow	5757.	7012.	6499.	6008.	5537.	5106.	6409.	5913.	5548.	6159.	6046.	6685.

Figure – 6.1[c] – Year 3 Cash Flow Projection

The net cash flow for each month is calculated as the difference between total revenue and total cost for that particular month. The positive bars in the above graphs indicated the yearly contract payment is done from the customer. Net cash flow goes negative in other months because the cash is not collected in that particular month. The above cash flow might not be the true representation of cash collection. One of the reasons is that institutions might not be able to estimate the actual usage of the system at the start of the year. The usage might also vary depending on the comfort level of tutors. Due to the above reasons, customers might prefer to pay as per the usage and create billing cycles. EasyEd would accommodate and make necessary changes in the cash-flow projections after getting the payment preference feedback from the customers. Because of above reasons, the net cash flow is not a good indicator of the available funds. Due to this reason, the cumulative cash flow is also calculated which indicates the availability of funds in the bank account.

6.4 Income Statements

The following chart gives an overall view of quarterly income statements of all three years.
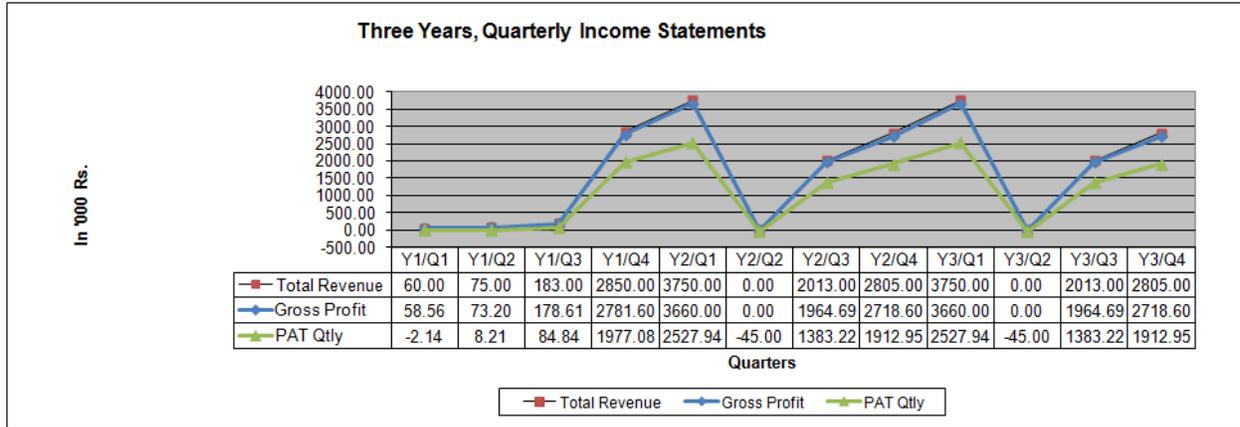

Three Years, Quarterly Income Statements

	Y1/Q1	Y1/Q2	Y1/Q3	Y1/Q4	Y2/Q1	Y2/Q2	Y2/Q3	Y2/Q4	Y3/Q1	Y3/Q2	Y3/Q3	Y3/Q4
Total Revenue	60.00	75.00	183.00	2850.00	3750.00	0.00	2013.00	2805.00	3750.00	0.00	2013.00	2805.00
Gross Profit	58.56	73.20	178.61	2781.60	3660.00	0.00	1964.69	2718.60	3660.00	0.00	1964.69	2718.60
PAT Qtly	-2.14	8.21	84.84	1977.08	2527.94	-45.00	1383.22	1912.95	2527.94	-45.00	1383.22	1912.95

Figure 6.2 – Three years income statements

As can be seen~~nm~~ from the above figure, the income statements as expected shows dips in the quarters when no revenue or cash has been collected and it shows peeks when revenue has been collected from the customers. From the above figure it seems that the company would follow the cyclic income pattern and one can expect that the income and expenses cycles would follow the similar pattern in future because of the annual payment terms with the customers. As per the current financial calculations and projections in Appendix [Tables 1 – 3], the growth in net sales from Year 1 to Year 2 is projected to be Rs. 31,68,000 to Rs. 85,68,000 ($63,360 - $171,000), i.e. growth of 63%. The calculations do not show any growth in the third year because the current projection does not reflect any new customer in year 3. This is highly pessimistic view of the business and the business with the expected customer addition would be able to grow significantly in future.

8. Suggestions For Additional Work

This business plan is the first plan for the venture. Business plans are usually the live document, which needs to be updated and modified with time. The plan needs to be adjusted as per the initial learning from development work. The financial plan would also need modifications with more accurate cost and revenue estimations in future.

Another action in future would require the back up and risk mitigation plans. For instance, if sales forecast are not met than what should be the course of action for the firm. What actions the firm should take if the customer is not willing to pay the price of the product? Should there be changes in the payment terms and pricing models? How to protect the intellectual property and how much should the firm be spending on securing their product? All the above questions would need to be answered before taking up the venture in future.

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Appendix A

Table 1 – Year1 Financials

Table – 1(a) Year 1 – Financial Projections Summary

Financial Projections - Year 1 - Summary															All figures in '000s
	CV	M0	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
Costs															
One-time Fixed Costs (Set-up)			100	50	0	80	50	10	10	360	110	0	0	0	770
Fixed Costs - Establishment			0	0	0	20	20	15	15	98	98	98	98	98	560
Fixed Costs - Marketing			5	5	5	5	10	10	10	65	185	35	35	35	405
Fixed Costs - HR			100	97	117	95	70	90	110	115	115	115	115	115	1254
Fixed Costs - Other			5	5	0	0	0	0	0	15	15	0	15	15	70
Total Fixed Costs			210	157	122	200	150	125	145	653	523	248	263	263	3059
Variable Costs - Marketing			0.165	0.33	0.165	0.33	0.165	0.33	0.165	0.165	1.683	13.365	4.62	13.365	34.848
Variable Costs - HR			0.105	0.21	0.105	0.21	0.105	0.21	0.105	0.105	1.071	8.505	2.94	8.505	22.176
Variable Costs - Resources			0.03	0.06	0.03	0.06	0.03	0.06	0.03	0.03	0.306	2.43	0.84	2.43	6.336
Variable Costs - Consummables			0.36	0.72	0.36	0.72	0.36	0.72	0.36	0.36	3.672	29.16	10.08	29.16	76.032
Variable Costs - Other			0.15	0.3	0.15	0.3	0.15	0.3	0.15	0.15	1.53	12.15	4.2	12.15	31.68
Total Variable Costs			0.81	1.62	0.81	1.62	0.81	1.62	0.81	0.81	8.262	65.61	22.68	65.61	171.072
All Costs - Total			210.81	158.62	122.81	201.62	150.81	126.62	145.81	653.81	531.26	313.61	285.68	328.61	3230.07
Revenues															
Source 01			15	30	15	30	15	30	15	15	15	15	15	15	225
Source 02			0	0	0	0	0	0	0	0	69	0	0	0	69
Source 03			0	0	0	0	0	0	0	0	69	0	0	0	69
Source 04			0	0	0	0	0	0	0	0	0	405	0	0	405
Source 05			0	0	0	0	0	0	0	0	0	795	0	0	795
Source 06			0	0	0	0	0	0	0	0	0	0	405	0	405
Source 07			0	0	0	0	0	0	0	0	0	0	0	795	795
Source 08			0	0	0	0	0	0	0	0	0	0	0	405	405
Source 09			0	0	0	0	0	0	0	0	0	0	0	0	0
Source 10			0	0	0	0	0	0	0	0	0	0	0	0	0
Source 11			0	0	0	0	0	0	0	0	0	0	0	0	0
Source 12			0	0	0	0	0	0	0	0	0	0	0	0	0
Source 13															
Source 14															
Total Revenues		2000	15	30	15	30	15	30	15	15	153	1215	420	1215	3168
Margin (Rev - Cost)		2000	-195.81	-128.62	-107.81	-171.62	-135.81	-96.62	-130.81	-638.81	-378.26	901.39	134.32	886.39	
Cumulative Surplus/Deficit		2000	1804.2	1675.6	1567.8	1396.1	1260.3	1163.7	1032.9	394.09	15.828	917.22	1051.5	1937.9	
Cumulative fixed costs			210	367	489	689	839	964	1109	1762	2285	2533	2796	3059	

Table – 1(b) Year 1 – Fixed and Variable Costs

Financial Projections - Year 1 - One-time Set-Up Costs

	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
One Time Set Up Costs		100	50	0	80	50	10	10	360	110	0	0	0	770
Feasibility Study		50	50	0	0	0	0	0	0	0	0	0	0	100
Company Formation		0	0	0	30	30	0	0	0	0	0	0	0	60
Bank Account Opening		0	0	0	20	20	0	0	0	0	0	0	0	40
Licensing		0	0	0	30	0	0	0	0	0	0	0	0	30
SEEPZ Office Deposit		0	0	0	0	0	0	0	200	0	0	0	0	200
Office Furniture		0	0	0	0	0	0	0	100	50	0	0	0	150
Office supply and technology		0	0	0	0	0	0	0	0	50	0	0	0	50
Signage		0	0	0	0	0	0	0	25	0	0	0	0	25
Stationery		0	0	0	0	0	0	0	25	0	0	0	0	25
Website		0	0	0	0	0	10	10	10	10	0	0	0	40
Miscelleneous		50	0	0	0	0	0	0	0	0	0	0	0	50

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Financial Projections - Year 1 - Fixed Establishment & Marketing Costs

	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
Fixed Establishment Costs		0	0	0	20	20	15	15	98	98	98	98	98	560
Phones: Landlines/Fax	3	0	0	0	0	0	0	0	2	2	2	2	2	10
Phones: Mobiles	2	0	0	0	0	0	0	0	2	2	2	2	2	10
Intenet Connection		0	0	0	0	0	0	0	3	3	3	3	3	15
Office Rent		0	0	0	0	0	0	0	50	50	50	50	50	250
Electricity	10	0	0	0	0	0	0	0	2	2	2	2	2	10
Stationery & Consumables	1	0	0	0	0	0	0	0	2	2	2	2	2	10
Staff facilities	2	0	0	0	0	0	0	0	2	2	2	2	2	10
Resources Cloud hardware							0	0	0	0	0	0	0	0
Licenses/Memberships	2	0	0	0	0	0	0	0	10	10	10	10	10	50
Subscriptions & Annuities		0	0	0	0	0	0	0	10	10	10	10	10	50
Computers & Equipments		0	0	0	0	0	0	0	0	0	0	0	0	0
Professionals (CA, Legal, etc.)		0	0	0	20	20	15	15	15	15	15	15	15	145
Fixed Marketing Costs		5	5	5	5	10	10	10	65	185	35	35	35	405
Launch & Min. Advertising		0	0	0	0	0	0	0	0	100	10	10	10	130
Launch & Min. PR		0	0	0	0	0	0	0	0	50	10	10	10	80
Retail/PoP Collateral (initial)		0	0	0	0	0	0	0	50	20	0	0	0	70
Brand/Corp Id Collateral		0	0	0	0	0	0	0	0	0	0	0	0	0
Representations		0	0	0	0	0	0	0	0	0	0	0	0	0
Distribution Set-up		0	0	0	0	0	0	0	0	0	0	0	0	0
Training		0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Conference		0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Other Fixed Costs		5	5	5	5	10	10	10	15	15	15	15	15	125

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Financial Projections - Year 1 - Fixed HR Costs

	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
Fixed HR Costs		100	97	117	95	70	90	110	115	115	115	115	115	1254
CEO		0	0	20	20	20	20	20	20	20	20	20	20	200
CTO		0	0	0	0	0	20	20	20	20	20	20	20	140
CFO		0	20	20	20	20	20	20	20	20	20	20	20	220
CMO		0	0	0	0	0	0	0	0	0	0	0	0	0
Chief - HR		0	0	0	0	0	0	0	0	0	0	0	0	0
Production/Operations Team		1	1	1	1	1	1	1	1	1	1	1	1	
Developers	25	25	25	25	25	25	25	25	25	25	25	25	25	300
		0	0	0	0	0	0	1	1	1	1	1	1	
Testers	20	0	0	0	0	0	0	20	20	20	20	20	20	120
Marketing Team		0	0	0	0	0	0	0	0	0	0	0	0	
	20	0	0	0	0	0	0	0	0	0	0	0	0	0
HR Team		0	0	0	0	0	0	0	0	0	0	0	0	
	20	0	0	0	0	0	0	0	0	0	0	0	0	0
Admin & Accounts Team		0	0	0	0	0	0	0	0	0	0	0	0	
	10	0	0	0	0	0	0	0	0	0	0	0	0	0
QC Team		0	0	0	0	0	0	0	0	0	0	0	0	
	20	0	0	0	0	0	0	0	0	0	0	0	0	0
R&D Team		0	0	0	0	0	0	0	0	0	0	0	0	
	20	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Staff		0	0	0	0	0	0	0	0	0	0	0	0	
	3	0	0	0	0	0	0	0	0	0	0	0	0	0
Recruitment		50	25	25	0	0	0	0	0	0	0	0	0	100
Staff Welfare		0	2	2	5	5	5	5	10	10	10	10	10	74
Consultants		25	25	25	25	0	0	0	0	0	0	0	0	100

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Financial Projections - Year 1 - Variable Costs

	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
Marketing		0.165	0.33	0.165	0.33	0.165	0.33	0.165	0.165	1.683	13.365	4.62	13.365	34.848
Advertising & Comm.	0.005	0.075	0.15	0.075	0.15	0.075	0.15	0.075	0.075	0.765	6.075	2.1	6.075	15.84
Distribution	0.002	0.03	0.06	0.03	0.06	0.03	0.06	0.03	0.03	0.306	2.43	0.84	2.43	6.336
PoP & Collateral	0.002	0.03	0.06	0.03	0.06	0.03	0.06	0.03	0.03	0.306	2.43	0.84	2.43	6.336
Relationships & Image	0.002	0.03	0.06	0.03	0.06	0.03	0.06	0.03	0.03	0.306	2.43	0.84	2.43	6.336
HR		0.105	0.21	0.105	0.21	0.105	0.21	0.105	0.105	1.071	8.505	2.94	8.505	22.176
Sales Counter representative	0.005	0.075	0.15	0.075	0.15	0.075	0.15	0.075	0.075	0.765	6.075	2.1	6.075	15.84
Recruitment process	0.002	0.03	0.06	0.03	0.06	0.03	0.06	0.03	0.03	0.306	2.43	0.84	2.43	6.336
Resources (Cloud Resources)	0.002	0.03	0.06	0.03	0.06	0.03	0.06	0.03	0.03	0.306	2.43	0.84	2.43	6.336
Consumables		0.36	0.72	0.36	0.72	0.36	0.72	0.36	0.36	3.672	29.16	10.08	29.16	76.032
Power/Fuel/Inputs	0.002	0.03	0.06	0.03	0.06	0.03	0.06	0.03	0.03	0.306	2.43	0.84	2.43	6.336
Raw Materials	0.020	0.3	0.6	0.3	0.6	0.3	0.6	0.3	0.3	3.06	24.3	8.4	24.3	63.36
Other	0.002	0.03	0.06	0.03	0.06	0.03	0.06	0.03	0.03	0.306	2.43	0.84	2.43	6.336
Other		0.15	0.3	0.15	0.3	0.15	0.3	0.15	0.15	1.53	12.15	4.2	12.15	31.68
Office/Admin Consummables	0.005	0.075	0.15	0.075	0.15	0.075	0.15	0.075	0.075	0.765	6.075	2.1	6.075	15.84
Facilities (AC, Elect. Etc.)	0.005	0.075	0.15	0.075	0.15	0.075	0.15	0.075	0.075	0.765	6.075	2.1	6.075	15.84

Table – 1(c) Year – 1 Revenue Projections

Financial Projections - Year 1 - Revenues														All figures in '000s
	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
RS - 1 (Qty) - Consulting		1	2	1	2	1	2	1	1	1	1	1	1	
RS - 1 (Vlaue)	15	15	30	15	30	15	30	15	15	15	15	15	15	225
RS - 2 (Qty) - JD Classes	100									1	0	0	0	
RS - 2 (Vlaue)	5.75	0	0	0	0	0	0	0	0	69	0	0	0	69
RS - 3 (Qty) - SD Classes	100									1	0	0	0	
RS - 3 (Vlaue)	5.75	0	0	0	0	0	0	0	0	69	0	0	0	69
RS - 4 (Qty) - Karla-Shukla	500										1	0	0	
RS - 4 (Vlaue)	33.75	0	0	0	0	0	0	0	0	0	405	0	0	405
RS - 5 (Qty) - SPJIMR	1000										1	0	0	
RS - 5 (Vlaue)	66.25	0	0	0	0	0	0	0	0	0	795	0	0	795
RS - 6 (Qty) - P.V.Plytechnic	500											1	0	
RS - 6 (Vlaue)	33.75	0	0	0	0	0	0	0	0	0	0	405	0	405
RS - 7 (Qty) - Mahesh Tutorials	1000												1	
RS - 7 (Vlaue)	66.25	0	0	0	0	0	0	0	0	0	0	0	795	795
RS - 8 (Qty) - Bhagubhai Polytechni	500												1	
RS - 8 (Vlaue)	33.75	0	0	0	0	0	0	0	0	0	0	0	405	405
RS - 9 (Qty) - D.J.Sanghavi	1500													
RS - 9 (Vlaue)	156.3	0	0	0	0	0	0	0	0	0	0	0	0	0
RS - 10 (Qty) - NMIMS	2500													
RS - 10 (Vlaue)	156.3	0	0	0	0	0	0	0	0	0	0	0	0	0
RS - 11 (Qty) - Mithibai College	2000													
RS - 11 (Vlaue)	156.3	0	0	0	0	0	0	0	0	0	0	0	0	0
RS - 12 (Qty) - Rutumbhara College	1000													
RS - 12 (Vlaue)	66.25	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues		15	30	15	30	15	30	15	15	153	1215	420	1215	3168

Table 2 – Year 2 Financials

Table – 2(a) Year 2 – Overall Financial Projections Summary

Financial Projections - Year 2 - Summary															All figures in '000s
	CV	M0	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
Costs															
One-time Fixed Costs (Set-up)			60	10	10	10	10	10	10	10	10	10	10	10	10	170
Fixed Costs - Establishment			100	100	100	100	100	125	125	125	125	125	125	125	1375
Fixed Costs - Marketing			150	50	50	50	55	55	55	60	60	60	60	60	765
Fixed Costs - HR			301	278	278	256	231	191	231	236	236	236	236	236	2946
Fixed Costs - Other			5	5	0	0	0	0	0	15	15	0	15	15	70
Total Fixed Costs			616	443	438	416	396	381	421	446	446	431	446	446	5326
Variable Costs - Marketing			20.625	20.625	0	0	0	0	20.625	0	1.518	21.945	4.455	13.2	102.993
Variable Costs - HR			13.125	13.125	0	0	0	0	13.125	0	0.966	13.965	2.835	8.4	65.541
Variable Costs - Resources			3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
Variable Costs - Consummables			45	45	0	0	0	0	45	0	3.312	47.88	9.72	28.8	224.712
Variable Costs - Other			18.75	18.75	0	0	0	0	18.75	0	1.38	19.95	4.05	12	93.63
Total Variable Costs			101.25	101.25	0	0	0	0	101.25	0	7.452	107.73	21.87	64.8	505.602
All Costs - Total			717.25	544.25	438	416	396	381	522.25	446	453.45	538.73	467.87	510.8	5831.6
Revenues															
Source 01			0	0	0	0	0	0	0	0	0	0	0	0	0
Source 02			0	0	0	0	0	0	0	0	69	0	0	0	69
Source 03			0	0	0	0	0	0	0	0	69	0	0	0	69
Source 04			0	0	0	0	0	0	0	0	0	405	0	0	405
Source 05			0	0	0	0	0	0	0	0	0	795	0	0	795
Source 06			0	0	0	0	0	0	0	0	0	0	405	0	405
Source 07			0	0	0	0	0	0	0	0	0	0	0	795	795
Source 08			0	0	0	0	0	0	0	0	0	0	0	405	405
Source 09			1875	0	0	0	0	0	0	0	0	0	0	0	1875
Source 10			0	1875	0	0	0	0	0	0	0	0	0	0	1875
Source 11			0	0	0	0	0	0	1875	0	0	0	0	0	1875
Source 12			0	0	0	0	0	0	0	0	0	795	0	0	795
Source 13															
Source 14															
Total Revenues			1875	1875	0	0	0	0	1875	0	138	1200	405	1200	8568
Margin (Rev - Cost)			1157.8	1330.8	-438	-416	-396	-381	1352.8	-446	-315.45	661.27	-62.87	689.2	
Cumulative Surplus/Deficit		1938	3095.7	4426.4	3988.4	3572.4	3176.4	2795.4	4148.2	3702.2	3386.7	4048	3985.1	4674.3	
Cumulative fixed costs			616	1059	1497	1913	2309	2690	3111	3557	4003	4434	4880	5326	

Table – 2 (b) Year 2 – Fixed and Variable Costs

Financial Projections - Year 2 - One-time Set-Up Costs *All figures in '000s*

	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
One Time Set Up Costs		60	10	10	10	10	10	10	10	10	10	10	10	170
Feasibility Study		0	0	0	0	0	0	0	0	0	0	0	0	0
Company Formation		0	0	0	0	0	0	0	0	0	0	0	0	0
Bank Account Opening		0	0	0	0	0	0	0	0	0	0	0	0	0
Licensing		0	0	0	0	0	0	0	0	0	0	0	0	0
SEEPZ Office Deposit		0	0	0	0	0	0	0	0	0	0	0	0	0
Office Furniture		0	0	0	0	0	0	0	0	0	0	0	0	0
Office supply and technology		0	0	0	0	0	0	0	0	0	0	0	0	0
Signage		0	0	0	0	0	0	0	0	0	0	0	0	0
Stationery		0	0	0	0	0	0	0	0	0	0	0	0	0
Website		10	10	10	10	10	10	10	10	10	10	10	10	120
Miscelleneous		50	0	0	0	0	0	0	0	0	0	0	0	50

Business Plan Template

Financial Projections - Year 2 - Fixed Establishment & Marketing Costs *All figures in '000s*

	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
Fixed Establishment Costs		100	100	100	100	100	125	125	125	125	125	125	125	1375
Phones: Landlines/Fax	3	2	2	2	2	2	2	2	2	2	2	2	2	24
Phones: Mobiles	2	2	2	2	2	2	2	2	2	2	2	2	2	24
Intenet Connection		3	3	3	3	3	3	3	3	3	3	3	3	36
Office Rent		50	50	50	50	50	50	50	50	50	50	50	50	600
Electricity		2	2	2	2	2	2	2	2	2	2	2	2	24
Stationery & Consumables		3	3	3	3	3	3	3	3	3	3	3	3	36
Staff facilities		3	3	3	3	3	3	3	3	3	3	3	3	36
Resources Cloud hardware		0	0	0	0	0	25	25	25	25	25	25	25	175
Licenses/Memberships	2	10	10	10	10	10	10	10	10	10	10	10	10	120
Subscriptions & Annuities		10	10	10	10	10	10	10	10	10	10	10	10	120
Professionals (CA, Legal, etc.)		15	15	15	15	15	15	15	15	15	15	15	15	180
Fixed Marketing Costs		150	50	50	50	55	55	55	60	60	60	60	60	765
Launch & Min. Advertising		15	15	15	15	15	15	15	15	15	15	15	15	180
Launch & Min. PR		20	20	20	20	20	20	20	20	20	20	20	20	240
Retail/PoP Collateral (initial)		50	0	0	0	0	0	0	0	0	0	0	0	50
Brand/Corp Id Collateral		50	0	0	0	0	0	0	0	0	0	0	0	50
Representations		0	0	0	0	0	0	0	0	0	0	0	0	0
Distribution Set-up		0	0	0	0	0	0	0	0	0	0	0	0	0
Training		0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Conference		10	10	10	10	10	10	10	10	10	10	10	10	120
Misc. Other Fixed Costs		5	5	5	5	10	10	10	15	15	15	15	15	125

Business Plan Template

Financial Projections - Year 2 - Fixed HR Costs *All figures in '000s*

	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
Fixed HR Costs		301	278	278	256	231	191	231	236	236	236	236	236	2946
CEO		20	20	20	20	20	20	20	20	20	20	20	20	240
CTO		20	20	20	20	20	20	20	20	20	20	20	20	240
CFO		20	20	20	20	20	20	20	20	20	20	20	20	240
CMO		0	0	0	0	0	0	0	0	0	0	0	0	0
Chief - HR		0	0	0	0	0	0	0	0	0	0	0	0	0
Production/Operations Team		2	2	2	2	2	2	2	2	2	2	2	2	
Developers	30	50	50	50	50	50	50	50	50	50	50	50	50	600
		2	2	2	2	2	2	2	2	2	2	2	2	
Testers	30	40	40	40	40	40	40	40	40	40	40	40	40	480
Marketing Team		0	0	0	0	0	0	0	0	0	0	0	0	
	20	0	0	0	0	0	0	0	0	0	0	0	0	0
HR Team		0	0	0	0	0	0	0	0	0	0	0	0	
	20	0	0	0	0	0	0	0	0	0	0	0	0	0
Admin & Accounts Team		1	1	1	1	1	1	1	1	1	1	1	1	
	10	10	10	10	10	10	10	10	10	10	10	10	10	120
QC Team		1	1	1	1	1	1	1	1	1	1	1	1	
	20	20	20	20	20	20	20	20	20	20	20	20	20	240
R&D Team		2	2	2	2	2	2	2	2	2	2	2	2	
	20	40	40	40	40	40	40	40	40	40	40	40	40	480
Other Staff		2	2	2	2	2	2	2	2	2	2	2	2	
	10	6	6	6	6	6	6	6	6	6	6	6	6	72
Recruitment		50	25	25	0	0	0	0	0	0	0	0	0	100
Staff Welfare		0	2	2	5	5	5	5	10	10	10	10	10	74
Consultants		25	25	25	25	0	0	0	0	0	0	0	0	100

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Financial Projections - Year 2 - Variable Costs *All figures in '000s*

	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
Marketing		20.625	20.625	0	0	0	0	20.625	0	1.518	21.945	4.455	13.2	102.993
Advertising & Comm.	0.050	9.375	9.375	0	0	0	0	9.375	0	0.69	9.975	2.025	6	46.815
Distribution	0.025	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
PoP & Collateral	0.025	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
Relationships & Image	0.025	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
HR		13.125	13.125	0	0	0	0	13.125	0	0.966	13.965	2.835	8.4	65.541
Sales Counter representative	0.010	9.375	9.375	0	0	0	0	9.375	0	0.69	9.975	2.025	6	46.815
Recruitment process	0.002	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
Resources (Cloud Resources)	0.002	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
Consumables		45	45	0	0	0	0	45	0	3.312	47.88	9.72	28.8	224.712
Power/Fuel/Inputs	0.010	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
Raw Materials	0.020	37.5	37.5	0	0	0	0	37.5	0	2.76	39.9	8.1	24	187.26
Other	0.002	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
Other		18.75	18.75	0	0	0	0	18.75	0	1.38	19.95	4.05	12	93.63
Office/Admin Consummables	0.005	9.375	9.375	0	0	0	0	9.375	0	0.69	9.975	2.025	6	46.815
Facilities (AC, Elect. Etc.)	0.005	9.375	9.375	0	0	0	0	9.375	0	0.69	9.975	2.025	6	46.815

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Table – 2(c) Year 2 – Revenue Projections

Financial Projections - Year 2 - Revenues	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	All figures in '000s Total
RS - 1 (Qty) - Consulting		0	0	0	0	0	0	0	0	0	0	0	0	
RS - 1 (Vlaue)	15	0	0	0	0	0	0	0	0	0	0	0	0	0
RS - 2 (Qty) - JD Classes	100	0	0	0	0	0	0	0	0	1	0	0	0	
RS - 2 (Vlaue)	5.75	0	0	0	0	0	0	0	0	69	0	0	0	69
RS - 3 (Qty) - SD Classes	100	0	0	0	0	0	0	0	0	1	0	0	0	
RS - 3 (Vlaue)	5.75	0	0	0	0	0	0	0	0	69	0	0	0	69
RS - 4 (Qty) - Karla-Shukla	500	0	0	0	0	0	0	0	0	0	1	0	0	
RS - 4 (Vlaue)	33.75	0	0	0	0	0	0	0	0	0	405	0	0	405
RS - 5 (Qty) - SPJIMR	1000	0	0	0	0	0	0	0	0	0	1	0	0	
RS - 5 (Vlaue)	66.25	0	0	0	0	0	0	0	0	0	795	0	0	795
RS - 6 (Qty) - P.V.Plytechnic	500	0	0	0	0	0	0	0	0	0	0	1	0	
RS - 6 (Vlaue)	33.75	0	0	0	0	0	0	0	0	0	0	405	0	405
RS - 7 (Qty) - Mahesh Tutorials	1000	0	0	0	0	0	0	0	0	0	0	0	1	
RS - 7 (Vlaue)	66.25	0	0	0	0	0	0	0	0	0	0	0	795	795
RS - 8 (Qty) - Bhagubhai Polytechni	500	0	0	0	0	0	0	0	0	0	0	0	1	
RS - 8 (Vlaue)	33.75	0	0	0	0	0	0	0	0	0	0	0	405	405
RS - 9 (Qty) - D.J.Sanghavi	1500	1	0	0	0	0	0	0	0	0	0	0	0	
RS - 9 (Vlaue)	156.3	1875	0	0	0	0	0	0	0	0	0	0	0	1875
RS - 10 (Qty) - NMIMS	2500		1	0	0	0	0	0	0	0	0	0	0	
RS - 10 (Vlaue)	156.3	0	1875	0	0	0	0	0	0	0	0	0	0	1875
RS - 11 (Qty) - Mithibai College	2000							1	0	0	0	0	0	
RS - 11 (Vlaue)	156.3	0	0	0	0	0	0	1875	0	0	0	0	0	1875
RS - 12 (Qty) - Rutumbhara College	1000										1	0	0	
RS - 12 (Vlaue)	66.25	0	0	0	0	0	0	0	0	0	795	0	0	795
Total Revenues		1875	1875	0	0	0	0	1875	0	138	1995	405	1200	9363

Table 3 – Year 3 Financials

Table – 3(a) Year 3 – Overall Financial Projections Summary

Financial Projections - Year 3 - Summary	CV	M0	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	*All figures in '000s* Total
Costs															
One-time Fixed Costs (Set-up)			60	10	10	10	10	10	10	10	10	10	10	10	170
Fixed Costs - Establishment			130	130	130	130	130	130	130	130	130	130	130	130	1560
Fixed Costs - Marketing			150	50	50	50	55	55	55	60	60	60	60	60	765
Fixed Costs - HR			346	323	323	301	276	236	276	281	281	281	281	281	3486
Fixed Costs - Other			5	5	0	0	0	0	0	15	15	0	15	15	70
Total Fixed Costs			691	518	513	491	471	431	471	496	496	481	496	496	6051
Variable Costs - Marketing			20.625	20.625	0	0	0	0	20.625	0	1.518	21.945	4.455	13.2	102.993
Variable Costs - HR			13.125	13.125	0	0	0	0	13.125	0	0.966	13.965	2.835	8.4	65.541
Variable Costs - Resources			3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
Variable Costs - Consummables			45	45	0	0	0	0	45	0	3.312	47.88	9.72	28.8	224.712
Variable Costs - Other			18.75	18.75	0	0	0	0	18.75	0	1.38	19.95	4.05	12	93.63
Total Variable Costs			101.25	101.25	0	0	0	0	101.25	0	7.452	107.73	21.87	64.8	505.602
All Costs - Total			792.25	619.25	513	491	471	431	572.25	496	503.45	588.73	517.87	560.8	6556.6
Revenues															
Source 01			0	0	0	0	0	0	0	0	0	0	0	0	0
Source 02			0	0	0	0	0	0	0	0	69	0	0	0	69
Source 03			0	0	0	0	0	0	0	0	69	0	0	0	69
Source 04			0	0	0	0	0	0	0	0	0	405	0	0	405
Source 05			0	0	0	0	0	0	0	0	0	795	0	0	795
Source 06			0	0	0	0	0	0	0	0	0	0	405	0	405
Source 07			0	0	0	0	0	0	0	0	0	0	0	795	795
Source 08			0	0	0	0	0	0	0	0	0	0	0	405	405
Source 09			1875	0	0	0	0	0	0	0	0	0	0	0	1875
Source 10			0	1875	0	0	0	0	0	0	0	0	0	0	1875
Source 11			0	0	0	0	0	0	1875	0	0	0	0	0	1875
Source 12			0	0	0	0	0	0	0	0	0	795	0	0	795
Source 13															
Source 14															
Total Revenues			1875	1875	0	0	0	0	1875	0	138	1200	405	1200	8568
Margin (Rev - Cost)			1082.8	1255.8	-513	-491	-471	-431	1302.8	-496	-365.45	611.27	-112.87	639.2	
Cumulative Surplus/Deficit		4674	5757.1	7012.8	6499.8	6008.8	5537.8	5106.8	6409.6	5913.6	5548.1	6159.4	6046.5	6685.7	
Cumulative fixed costs			691	1209	1722	2213	2684	3115	3586	4082	4578	5059	5555	6051	

Table – 3 (b) Year 3 – Fixed and Variable Costs

Financial Projections - Year 3 - One-time Set-Up Costs

All figures in '000s

One Time Set Up Costs	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
One Time Set Up Costs		60	10	10	10	10	10	10	10	10	10	10	10	170
Feasibility Study		0	0	0	0	0	0	0	0	0	0	0	0	0
Company Formation		0	0	0	0	0	0	0	0	0	0	0	0	0
Bank Account Opening		0	0	0	0	0	0	0	0	0	0	0	0	0
Licensing		0	0	0	0	0	0	0	0	0	0	0	0	0
SEEPZ Office Deposit		0	0	0	0	0	0	0	0	0	0	0	0	0
Office Furniture		0	0	0	0	0	0	0	0	0	0	0	0	0
Office supply and technology		0	0	0	0	0	0	0	0	0	0	0	0	0
Signage		0	0	0	0	0	0	0	0	0	0	0	0	0
Stationery		0	0	0	0	0	0	0	0	0	0	0	0	0
Website		10	10	10	10	10	10	10	10	10	10	10	10	120
Miscelleneous		50	0	0	0	0	0	0	0	0	0	0	0	50

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Financial Projections - Year 3 - Fixed Establishment & Marketing Costs

All figures in '000s

	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
Fixed Establishment Costs		130	130	130	130	130	130	130	130	130	130	130	130	1560
Phones: Landlines/Fax	3	2	2	2	2	2	2	2	2	2	2	2	2	24
Phones: Mobiles	2	2	2	2	2	2	2	2	2	2	2	2	2	24
Intenet Connection		3	3	3	3	3	3	3	3	3	3	3	3	36
Office Rent		50	50	50	50	50	50	50	50	50	50	50	50	600
Electricity		2	2	2	2	2	2	2	2	2	2	2	2	24
Stationery & Consumables		3	3	3	3	3	3	3	3	3	3	3	3	36
Staff facilities		3	3	3	3	3	3	3	3	3	3	3	3	36
Resources Cloud hardware		30	30	30	30	30	30	30	30	30	30	30	30	360
Licenses/Memberships	2	10	10	10	10	10	10	10	10	10	10	10	10	120
Subscriptions & Annuities		10	10	10	10	10	10	10	10	10	10	10	10	120
Professionals (CA, Legal, etc.)		15	15	15	15	15	15	15	15	15	15	15	15	180
Fixed Marketing Costs		150	50	50	50	55	55	55	60	60	60	60	60	765
Launch & Min. Advertising		15	15	15	15	15	15	15	15	15	15	15	15	180
Launch & Min. PR		20	20	20	20	20	20	20	20	20	20	20	20	240
Retail/PoP Collateral (initial)		50	0	0	0	0	0	0	0	0	0	0	0	50
Brand/Corp Id Collateral		50	0	0	0	0	0	0	0	0	0	0	0	50
Representations		0	0	0	0	0	0	0	0	0	0	0	0	0
Distribution Set-up		0	0	0	0	0	0	0	0	0	0	0	0	0
Training		0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Conference		10	10	10	10	10	10	10	10	10	10	10	10	120
Misc. Other Fixed Costs		5	5	5	5	10	10	10	15	15	15	15	15	125

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Financial Projections - Year 3 - Fixed HR Costs

All figures in '000s

	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
Fixed HR Costs		346	323	323	301	276	236	276	281	281	281	281	281	3486
CEO		20	20	20	20	20	20	20	20	20	20	20	20	240
CTO		20	20	20	20	20	20	20	20	20	20	20	20	240
CFO		20	20	20	20	20	20	20	20	20	20	20	20	240
CMO		0	0	0	0	0	0	0	0	0	0	0	0	0
Chief - HR		0	0	0	0	0	0	0	0	0	0	0	0	0
Production/Operations Team		3	3	3	3	3	3	3	3	3	3	3	3	
Developers	30	75	75	75	75	75	75	75	75	75	75	75	75	900
		3	3	3	3	3	3	3	3	3	3	3	3	
Testers	30	60	60	60	60	60	60	60	60	60	60	60	60	720
Marketing Team		0	0	0	0	0	0	0	0	0	0	0	0	
	20	0	0	0	0	0	0	0	0	0	0	0	0	0
HR Team		0	0	0	0	0	0	0	0	0	0	0	0	
	20	0	0	0	0	0	0	0	0	0	0	0	0	0
Admin & Accounts Team		1	1	1	1	1	1	1	1	1	1	1	1	
	10	10	10	10	10	10	10	10	10	10	10	10	10	120
QC Team		1	1	1	1	1	1	1	1	1	1	1	1	
	20	20	20	20	20	20	20	20	20	20	20	20	20	240
R&D Team		2	2	2	2	2	2	2	2	2	2	2	2	
	20	40	40	40	40	40	40	40	40	40	40	40	40	480
Other Staff		2	2	2	2	2	2	2	2	2	2	2	2	
	10	6	6	6	6	6	6	6	6	6	6	6	6	72
Recruitment		50	25	25	0	0	0	0	0	0	0	0	0	100
Staff Welfare		0	2	2	5	5	5	5	10	10	10	10	10	74
Consultants		25	25	25	25	0	0	0	0	0	0	0	0	100

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Financial Projections - Year 3 - Variable Costs

All figures in '000s

	CV	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
Marketing		20.625	20.625	0	0	0	0	20.625	0	1.518	21.945	4.455	13.2	102.993
Advertising & Comm.	0.050	9.375	9.375	0	0	0	0	9.375	0	0.69	9.975	2.025	6	46.815
Distribution	0.025	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
PoP & Collateral	0.025	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
Relationships & Image	0.025	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
HR		13.125	13.125	0	0	0	0	13.125	0	0.966	13.965	2.835	8.4	65.541
Sales Counter representative	0.010	9.375	9.375	0	0	0	0	9.375	0	0.69	9.975	2.025	6	46.815
Recruitment process	0.002	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
Resources (Cloud Resources)	0.250	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
Consumables		45	45	0	0	0	0	45	0	3.312	47.88	9.72	28.8	224.712
Power/Fuel/Inputs	0.010	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
Raw Materials	0.020	37.5	37.5	0	0	0	0	37.5	0	2.76	39.9	8.1	24	187.26
Other	0.002	3.75	3.75	0	0	0	0	3.75	0	0.276	3.99	0.81	2.4	18.726
Other		18.75	18.75	0	0	0	0	18.75	0	1.38	19.95	4.05	12	93.63
Office/Admin Consummables	0.005	9.375	9.375	0	0	0	0	9.375	0	0.69	9.975	2.025	6	46.815
Facilities (AC, Elect. Etc.)	0.005	9.375	9.375	0	0	0	0	9.375	0	0.69	9.975	2.025	6	46.815

Table – 3 (c) Year 3 – Revenue Projections

Financial Projections - Year 3 - Revenues	CV		M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	All figures in '000s Total
RS - 1 (Qty) - Consulting			0	0	0	0	0	0	0	0	0	0	0	0	
RS - 1 (Vlaue)	15		0	0	0	0	0	0	0	0	0	0	0	0	0
RS - 2 (Qty) - JD Classes	100		0	0	0	0	0	0	0	0	1	0	0	0	
RS - 2 (Vlaue)	5.75		0	0	0	0	0	0	0	0	69	0	0	0	69
RS - 3 (Qty) - SD Classes	100		0	0	0	0	0	0	0	0	1	0	0	0	
RS - 3 (Vlaue)	5.75		0	0	0	0	0	0	0	0	69	0	0	0	69
RS - 4 (Qty) - Karla-Shukla	500		0	0	0	0	0	0	0	0	0	1	0	0	
RS - 4 (Vlaue)	33.75		0	0	0	0	0	0	0	0	0	405	0	0	405
RS - 5 (Qty) - SPJIMR	1000		0	0	0	0	0	0	0	0	0	1	0	0	
RS - 5 (Vlaue)	66.25		0	0	0	0	0	0	0	0	0	795	0	0	795
RS - 6 (Qty) - P.V.Plytechnic	500		0	0	0	0	0	0	0	0	0	0	1	0	
RS - 6 (Vlaue)	33.75		0	0	0	0	0	0	0	0	0	0	405	0	405
RS - 7 (Qty) - Mahesh Tutorials	1000		0	0	0	0	0	0	0	0	0	0	0	1	
RS - 7 (Vlaue)	66.25		0	0	0	0	0	0	0	0	0	0	0	795	795
RS - 8 (Qty) - Bhagubhai Polytechni	500		0	0	0	0	0	0	0	0	0	0	0	1	
RS - 8 (Vlaue)	33.75		0	0	0	0	0	0	0	0	0	0	0	405	405
RS - 9 (Qty) - D.J.Sanghavi	1500		1	0	0	0	0	0	0	0	0	0	0	0	
RS - 9 (Vlaue)	156.3		1875	0	0	0	0	0	0	0	0	0	0	0	1875
RS - 10 (Qty) - NMIMS	2500		0	1	0	0	0	0	0	0	0	0	0	0	
RS - 10 (Vlaue)	156.3		0	1875	0	0	0	0	0	0	0	0	0	0	1875
RS - 11 (Qty) - Mithibai College	2000		0	0	0	0	0	0	1	0	0	0	0	0	
RS - 11 (Vlaue)	156.3		0	0	0	0	0	0	1875	0	0	0	0	0	1875
RS - 12 (Qty) - Rutumbhara College	1000		0	0	0	0	0	0	0	0	0	1	0	0	
RS - 12 (Vlaue)	66.25		0	0	0	0	0	0	0	0	0	795	0	0	795
Total Revenues			1875	1875	0	0	0	0	1875	0	138	1995	405	1200	9363

Table 4 - Startup Summary

Startup Expenses			Sources of Capital	
			Owners' Investment (name and percent ownership)	
Buildings/Real Estate				
Company Formation	60000		Ms. Thakkar personal investment	500000
Real Estate Deposit/Buy (FPU)	200000		Ms. Poonam Dhanwani	250000
Bank Account	40000		Ms. Bijal Parekh	250000
Licenceing	30000		Other investor	0
Feasibility Study from professionals	100000		**Total Investment**	1000000
Other	5000			
Total Buildings/Real Estate	435000		**Bank Loans**	
			Bank 1	1000000
Leasehold Improvements			Bank 2	0
Item 1	0		Bank 3	0
Item 2	0		Bank 4	0
Item 3	0		**Total Bank Loans**	1000000
Item 4	0			
Total Leasehold Improvements	0			
Capital Equipment List				
Furniture	150000			
Office supply	50000			
Other	0		**Summary Statement**	
Total Capital Equipment	200000		**Sources of Capital**	
			Owners' and other investments	1000000
Location and Admin Expenses			Bank loans	1000000
Utility deposits	50000		**Total Source of Funds**	2000000
Website	40000			
Prepaid insurance	0		**Startup Expenses**	
Pre-opening salaries	0		Buildings/real estate	435000
Other	0		Leasehold improvements	0
Total Location and Admin Expenses	90000		Capital equipment	200000
			Location/administration expenses	90000
Opening Inventory			Opening inventory	0
Raw Material	0		Advertising/promotional expenses	50000
Utility	0		Other expenses	0
Category 3	0		Contingency fund	0
Category 4	0		Working capital	0
Category 5	0		**Total Startup Expenses**	775000
Total Inventory	0			
Advertising and Promotional Expenses				
Corp/Brand Idendity	0			
Signage	25000			
Printing	25000			
Packaging/Designing	0			
Launch and Min. PR	0			
Travel/entertainment	0			
Other/additional categories	0			
Total Advertising/Promotional Expenses	50000			
Other Expenses				
Other expense 1	0			
Other expense 2	0			
Total Other Expenses	0			
Reserve for Contingencies	0			
Working Capital	0			

Table 5 – Number of higher education colleges in India

Sr.No.	State	Arts, Fine Arts, Social Work, Science & Commerce	Engineering/ Technology/ Architecture	Medical	Education/Teacher Training	Others	Total Colleges	Polytechnics	Total
1	Andhra Pradesh	1767	335	317	570	547	3536	146	3682
2	Arunachal Pradesh	13	3	1	1	2	20	3	23
3	Assam	325	7	7	40	166	545	10	555
4	Bihar	817	8	36	17	34	912	13	925
5	Chattisgarh	330	17	4	4	51	406	12	418
6	Goa	24	4	7	2	6	43	5	48
7	Gujarat	593	89	262	343	569	1856	60	1916
8	Haryana	179	67	50	403	50	749	32	781
9	Himachal Pradesh	64	1	5	5	6	81	7	88
10	Jammu and Kashmir	65	6	6	127	23	227	16	243
11	Jharkhand	113	10	7	8	26	164	19	183
12	Karnataka	638	141	423	399	13	1614	186	1800
13	Kerala	189	98	125	21	1	434	59	493
14	Madhya Pradesh	740	88	97	102	149	1176	45	1221
15	Maharashtra	2182	212	117	419	328	3258	178	3436
16	Manipur	58	1	1	6	6	72	3	75
17	Meghalaya	56	1	0	1	2	60	3	63
18	Mizoram	23	0	1	2	2	28	2	30
19	Nagaland	42	0	0	4	22	68	3	71
20	Orissa	700	47	66	14	73	900	33	933
21	Punjab	231	45	69	115	12	472	89	561
22	Rajasthan	993	96	54	111	214	1468	29	1497
23	Sikkim	5	2	2	2	5	16	2	18
24	Tamilnadu	550	272	198	160	165	1345	261	1606
25	Tripura	16	2	2	1	7	28	1	29
26	Uttar Pradesh	2050	121	86	128	147	2532	110	2642
27	Uttarakhand	107	14	20	1	60	202	18	220
28	West Bengal	382	60	68	64	48	622	48	670
29	Andaman & Nicobar Islands	3	0	1	1	1	6	2	8
30	Chandigadh	17	6	4	1	2	30	1	31
31	Dadra Nagar Haveli	0	0	0	0	0	0	0	0
32	Daman & Diu	1	0	0	2	0	3	1	4
33	Delhi	89	15	7	18	41	170	16	186
34	Lakshadweep	2	0	0	1	0	3	0	3
35	Pondicherry	17	5	8	19	4	53	5	58
		13381	1773	2051	3112	2782	23099	1418	24517