TABLE OF CONTENTS

TITLE PAGE

Name: XYZ Co.

Team Members:
Name : A
Institution: ABC
Year of study:

Name : B
Institution: ABC
Year of study:

MENTOR DETAILS:

EXECUTIVE SUMMARY

OBJECTIVES:

- To tap into the un-charted market
- ……………………………
- …………………………….etc.

WHY IS THERE A DEMAND / WHY DO PEOPLE NEED TO USE IT?

CURRENT MARKET SITUATION:

There are no current manufacturers As such it is a virtually untapped segment with huge potential with no competition to speak of.

Unawareness of the product will be the weakness that we will be counteracting.

MARKETING STRATEGY:

Eliminating the unawareness among the public with a direct marketing and information campaign. This will be accomplished by:

1. Making them mandatory for
2. Use Press, Online, Television, And Promotional Advertisements.
3. …………………………..
4. ………………………………………etc

TARGET GROUP:

To make full use of limited resources and monitor and control the business objectives

STRENGTHS AND COMPETITIVE ADVANTAGE:

1. Use of brand name
2. ………………………
3. ………………………..etc

INVESTMENT NEEDED:

A) **INVESTMENT**:

- Bank loan- ₹ 1, 40,000.
- Own investment- ₹ 70, 000.
- Government Funding

Note:-own contribution will be available for margin on machinery + 1 month raw material. Other miscellaneous expenses as per schedule enclosed.

MARKETING COST: *Approx.: ₹ 50, 600*

B) **PROFIT AND LOSS ACCOUNT** for 3 years:
Loss 1st Year
Break Even to Profit in 2nd Year
Profit in 3rd Year

BACKGROUND

Based on the idea incase of any historical evidences to the product or processes to create awareness the same can be indicated here

COMPANY PARTICULARS

Location:
Year of Commencement:
Address:
Products and Services:
Stage of Finance: Currently funds have been approved from for Testing of

References**:**
Faculty/journal…………….
Financial Position**:** .

Current Operational Position: Ongoing Design Testing

MANAGEMENT AND ORGANIZATION

DELEGATIONS OF RESPONSIBILITIES

Positions:
Operations:
Marketing:
Manufacturing:
Finance:
Legal:
Share Holdings:

SWOT ANALYSIS

STRENGTHS:

1. Untapped sector of the Indian Market.

Sr. No	Name of shareholder	Category of investor	Percentage stake
1		Venture investor	26%
2		Promoter	22%
3		Promoter	22%
4		Promoter	22%
5		Individual investor	4%
6		Individual investor	2%
7		Individual investor	2%

- *Risk Factors*

Weaknesses

The only weakness that we foresee is unawareness and ignorance of the product.

Opportunities

The opportunities in India are limitless as the market is virtually untapped.

Threats

Acceptance among the masses in general will be the biggest threat.

PRODUCTS AND SERVICES

Features: Custom Designed.

User Benefits:

- ……………………………..

Uniqueness:

With the only competition being stock ……………………will be <u>unique and one of a kind</u>.

Pricing: Priced competitively against currently available stock which is around ₹ 300

Technology:

- Pressure Lamination Technique

Value Proposition:

Product will offer the same value as a ₹ 6000 available in the market in ₹ 300.

STRATEGY:

Eliminating the unawareness among the public with a direct marketing and information campaign. This will be accomplished by:

1. Educational camps in schools and colleges.
2. Educating the private practitioners
3. Handing out pamphlets / information brochures.
4. Providing promotional material
5. We will try to patent the technique used to manufacture

Market

BUSINESS STRATEGY AND PROSPECTS.

PRICING AND VALUE PROPOSITION: A ₹ 300 will offer the same value as a ₹ 6000…… available in the US market.

MARKETING STRATEGY:

TARGET GROUP:

To make full use of limited resources and monitor and control the business objectives, we initially plan to focus on **contact martial arts**

At a later stage, after monitoring our progress in above, we plan to move into **Non-contact materials**

ADVERTISEMENT:

Initial advertisements will focus on the benefits of using our product ………….., over the regular commercial ones.

Press advertising:

- ✓ Magazines
- ✓ Posters
- ✓ Newspapers
- ✓ Banners

TV adverts

- ✓ Short animation films or an actual filming

Online advertising:

- ✓ Contextual ads that appear in search engine results, banner ads

Promotion activities:

- ✓ ………………………………………..

PRODUCT LAUNCH:

- ✓ Our product ………..will initially be launched during…………………..

Geographical expansion strategy:

- ✓ By second year we will focus into a region within 500 km around Manipal
    - Udupi
    - Bangalore
    - Dharwar
    - Mysore
    - Belgaum

- ✓ By third year we would like to cover the main cities of South India.
- ✓ By fourth year we should be able to cover PAN India.

REVENUE MODEL

COST OF PROJECT AND MODE OF FINANCE

Cost of the project (Amount in Rs.)		Sources of funds (Amount in Rs.)	
Machinery	1,75,000	Equity capital	1,25,000
Working capital	44,640	Loan assistance#	1,09,820
Excess capital to meet interest on loans and other miscellaneous expenses	15,180		
Total	2,34,820	Total	2,34,820

#: It is being assumed that loan assistance is being provided at a commercial rate of 15.00% per annum and calculated on reducing balance

MANPOWER PLANNING

1. **Operations Manager:** Operating the necessary machine requires some dental expertise, one of us (Dentist), will filling in that role to make sure all the technical process are carried out smoothly.
2. **Production Manager:** Since this field requires more expertise on the dental aspect, 1 of us (Dentist) will be handling the production
3. **Sales and Marketing Manager:** Company will have 2 marketing representatives in our panel, who are more than qualified to take the essential requirements pertaining to this field. They will be guiding and supervising the activities of our respective sales representatives.
   The 2 managers will also have the additional responsibility of finance. However, the periodic accounting will be handled by a local chartered accountant.

Labour: The Company will hire 2 unskilled labourers to serve the purpose of mixing the various plaster and impression materials required to form a base
Sales Representatives: As mentioned in the plan, for at least the first 2 years, the company will hire 2 sales representatives, working under the guidance of the sales

and marketing representatives. During the later years, once the projected earnings are reached, the company, based on market realities, consider hiring 1 or 2 more sales representatives to deepen the company's penetration into the market.

4. Testing Personnel: Since inception, the company would like to stress on adhering to the highest possible quality standard. To ensure the product not only caters to standards on the mechanical aspect but also meet up with the set norms of biocompatibility

REQUIREMENT OF FUNDS:

Expected: ₹ 300

Particulars	Amount in Rs.
Technology incl. Machine Cost	1,75,000
Labour Costs x 2: Management and Operations Personnel x 3 Sales Rep x 2	3,000 20,000 5,000 + 3% Cost of Mouth Guard
Material Cost:	35,000
Running & MTC	2,000
Electricity	2,500

Material Cost: 35,000

Includes:

Particulars	Amount in Rs.
Stock Trays	350
Alginate / Kg*	620
Plaster of Paris* (2 Kg)	105
Dental Stone* (2 Kg)	100
Markers*	25
Trimmers and Hand Pieces	23000
Burs*	400
Polishing Kits*	1000
Boxes for Guards Per piece*	25
Label Maker	250
Safety Wrap*	60
Gloves*	350
Masks*	300
Spirit*	100
PUH/EVA (1 Sheet)*	650

*: Variable Cost

Process Implementation:
Electricity: Rs. 2,500
Machines: Rs. 2,000

Human Resources: Labour cost x 2 = ₹ 3,000 x 2 = ₹ 6,000

Operative cost = 20,000 x 3 = ₹ 60,000
Sales representative x 2 = ₹ 5,000 * 2 = ₹ 10,000 + 3% per sales person

Marketing Cost: Approx.: ₹ 20,000, which will include

1. Domain + Hosting = ₹ 800 / Year
2. Online Advertising
3. Bulk SMS
4. Publications in IDA, KDJ
5. Private Practitioners
6. Manipal University
7. Various Tournaments
8. Fitness Magazines
9. Sports Magazines
10. Online Promotions via search engines such as Google, Yahoo
11. Social Networking Websites (Facebook, Twitter, Orkut,): Advertising on such websites to promote our product.
12. Organizing Workshops at various conferences and tournaments where gives options of Franchises are provided
13. Affiliation with IDA.

MEANS OF FINANCING:

a) Equity contribution by promoters
b) External loan assistance

Future Projections:

Income statement

Income statement	Year 1	Year 2	Year 3
No. of units	1,674	4,090	6,900
Growth	-	144%	69%
Selling price per unit	320	300	280
Revenue	535,680	1,227,000	1,932,000
Revenue growth	-	129%	57%
Direct cost			
Material cost	50,600	138,000	207,000
Maintenance cost	12,000	12,000	12,000
Electricity cost	12,000	30,000	45,000
Total Direct cost	**74,600**	**180,000**	**264,000**
Gross margin	**461,080**	**1,047,000**	**1,668,000**
Gross margin %	**86%**	**85%**	**86%**
Employee cost	432,000	516,000	552,000
Marketing cost	50,600	50,600	50,600

Total indirect cost	**482,600**	**566,600**	**602,600**
EBITDA	**-21,520**	**480,400**	**1,065,400**
EBITDA %	-4%	39%	55%
Depreciation	29,167	29,167	29,167
Interest	16473	16473	10848
Profit before taxes	-67,160	434,760	1,025,385
Taxes	0	124,947	348,528
Profit after tax	**(67,160)**	**559,708**	**1,373,914**

Cash Flow

Particulars	**Year 1**	**Year 2**	**Year 3**
EBITDA	-21,520	480,400	1,065,400
Add Depreciation	29,167	29,167	29,167
Less working capital	-44640	-102250	-161000
Less tax paid	0	-124947	-348528
Cash from operating activity	**-36,993**	**282,369**	**585,038**
Cash from financing activity			
Investment in fixed asset	**-175000**	-	-
Cash from investing activity			
Loans taken / (repaid)	109820	-37500	-37500
Interest paid	-16473	-16473	-10848
Equity invested	125000	0	0
Cash from investing activity	**218347**	**-53973**	**-48348**
Net Cash flow	**6,354**	**228,396**	**536,690**
Cash at the beginning	0	6,354	234,750
Cash at end	**6,354**	**234,750**	**771,440**

RISK ANALYSIS:

We assume that the anticipated sales growth halves and the cost heads remain the same. Then the impact on the broad numbers is as follows:

Income statement	**Year 1**	**Year 2**	**Year 3**
No. of units	1,674	2,879	3,887
Growth	-	72%	35%

Selling price per unit	320	300	280
Revenue	535,680	863,784	1,088,368
Revenue growth	-	61%	26%
Direct cost			
Material cost	50,600	138,000	207,000
Maintenance cost	12,000	12,000	12,000
Electricity cost	12,000	30,000	45,000
Total Direct cost	**74,600**	**180,000**	**264,000**
Gross margin	**461,080**	**1,047,000**	**1,668,000**
Gross margin %	**86%**	**79%**	**76%**
Employee cost	432,000	516,000	552,000
Marketing cost	50,600	50,600	50,600
Total indirect cost	**482,600**	**566,600**	**602,600**
EBITDA	**-21,520**	**117,184**	**221,768**
EBITDA %	-4%	14%	20%
Depreciation	29,167	29,167	29,167
Interest	16473	16473	10848
Profit before taxes	-67,160	434,760	1,025,385
Taxes	0	1,490	61,778
Profit after tax	**(67,160)**	**73,035**	**243,531**

<u>Cash Flow</u>

Particulars	**Year 1**	**Year 2**	**Year 3**
EBITDA	-21,520	117,184	221,768
Add Depreciation	29,167	29,167	29,167
Less working capital	-44640	-71982	-90697.3
Less tax paid	0	- 1490.35	-61777.9
Cash from operating activity	**-36,993**	**72,878**	**98,459**
Cash from financing activity			
Investment in fixed asset	**-1,75,000**		
Cash from investing activity			
Loans taken / (repaid)	1,09,820	-37,500	-37,500
Interest paid	-16,473	-16473	-10,848
Equity invested	1,25,000	0	0

Cash from investing activity	**2,18,347**	**-53,973**	**-48,348**
Net Cash flow	**6,354**	**18,905**	**50,111**
Cash at the beginning	0	6,354	25,259
Cash at end	6,354	25,259	75,370

RETURN ON INVESTMENT:

Sr. No.	**Year 1 (Amount in Rs.)**	**Year 2 (Amount in Rs.)**	**Year 3 (Amount in Rs.)**
Equity investment	1,25,000	1,25,000	1,25,000
Loan assistance	1,09,820	72,320	34,820
Total capital employed	2,34,820	1,97,320	1,59,820
Return (PAT + interest)	(50,687)	576,181	1,384,762
Return on investment (ROI)	-22%	292%	866%
Return on Equity (ROE)	**-54%**	**448%**	**1,099%**

DECLARATION:

The proposed business plan is original and does not violate any intellectual property rights (IPR). We are willing to start the company with the assistance and guidance of MUTBI, Manipal.