**BUSINESS PROPOSAL**



Pema Wangchuk

CEO, Founder, OpTech Business Solutions

Contact no: 17732628

Email Address:pemawangchuk177@gmail.com

|  |  |
| --- | --- |
| Proposed Name of Business | OpGoal |
| Nature of Business | Online video sharing Platform operator |
| Proposed location | Thimphu |
| Business ownership | Sole proprietorship |
| Mode of financing | 90% loan 10%equity |
| Total project cost | 11000000 |
| Promoter equity | 1000000 |
| Loan from bank | 10000000 |
| Projected total employees | 10 |

|  |  |
| --- | --- |
| Name of promoter | Pema Wangchuk |
| Sex | Male |
| Age | 24 |
| Date of birth | 02/03/1998 |
| CID# | 11501003334 |
| Contact no. | 17732628 |
| Permanent address | Trashigang |
| Village | Zoor |
| Gewog | Bartsham |
| Dzongkhag | Trashigang |
| Academic Qualification | Undergoing (computer engineer) |
| Training | Computer engineer (PDPU) |
| Skill | System development |
| language | Dzongkha,English and sharshop |

**OpGoal - Online Video sharing platform**

OpGoal is the first of its kind online video sharing platform providing video streaming and uploading services to Bhutanese in the country and abroad with a wide range of Bhutanese content that can be accessed anywhere, anytime and on any device connected to the internet.

Through this venture, OpGoal promotes local content creation, creativity and innovation. Furthermore, it provides a platform to local content creators, artists and other talents to showcase their creativity, share stories and build a better community while earning from it.

OpGoal is developed in-house using advanced AI technology, machine learning and data analysis which provides a safe and reliable browsing experience while retaining the data in Bhutan.

**Vision**: to create a vibrant local content

**Objectives**

1. To be the premier online video sharing platform
2. To provide a free platform to local content creators
3. To make local content creators generate income

**Beneficiaries**

The beneficiaries of OpGoal are the Internet Service Providers (Bhutan telecom), Government (through tax), content creators and the service provider (OpGoal).

**How Bhutan Telecom will benefit though OpGoal:**

OpGoal is a free platform where local content creators will be able to share videos, short movies, animations, jokes, life-stories etc. As seen on social media such as tiktok and Youtube there are many young Bhutanese who are passionate in creating content. Though most accounts and channels are not monetized content creators make content because they love to. If given certain incentives to our creative local content creators either in form of cash or vouchers as per their performance/viewership, it will boost content creation in the country which means more people using the internet. This means more money being spent on wifi, mobile data and broadband installations increasing Bhutan telecoms profits.

Below is the average calculation of data consumed per month in the country.

Data consumed per month on YouTube is 600TB=614400GB

Average data consumption per hour by a person is 1.33 GB (calculated 99 data pack).

Average data used per day is 3 hours.

So 3x1.3=4 GB per person per day

Total data consumed is 614400/4=153600 people

So 153600 people using 4 GB data per day consumes 600TB of data. However there are more than 700k people in Bhutan and if we can target all these users to be in OpGoal then the profit generated will be more than three times to that of the current data consumption, assuming that we do this nationally. However if we can take OpGoal to international platform we can generate a thriving business.

Chart below is the process of generating reparations to valued content creators.



There are three sets of revenue sharing plan and each one with their own advantages and disadvantages. Each are explained in detailed below.

Revenue sharing scheme i (70/30)%.

|  |  |  |
| --- | --- | --- |
| Bhutan telecom | OpGoal | Content up loader |
| 30% | 35% | 35% |

**Revenue analysis,**

In this scheme content up loader and OpGoal are getting 35% each, which in turn helps benefit the content up loader to provide better services, with the remunerations received from the OpGoal platform the content up loaders can be employed full time in creating new content as now they are able to earn more from creating new contents and increasing viewers which again increases the overall data consumption and revenue.

**Assumption**

Nu.100 = 60 minutes of watch time

6 minutes video clip consumes data worth Nu. 10/view

Average view of a video per month 500000

So total revenue =500000\*10=5000000

Telecom gets 1500000 (30%)

OpGoal gets 1750000 (35%)

Content up loader gets 1750000 (35%)

let’s assume there are 10 content creators who have fulfilled this benchmark so each of the up loaders get 1750000 each but telecom gets 15000000 (1.5 cores) and OpGoal gets 175000000 (1.75 core) **however since OpGoal provides this service much of the revenue will be used for further development of server, services and quality of experience.**

**Revenue sharing scheme ii (40/60)%**

|  |  |  |
| --- | --- | --- |
| Bhutan telecom | OpGoal | Content up loader |
| 40% | 30% | 30% |

In this scheme content up loader and OpGoal are getting 30% each while Bhutan telecom gets 40%,**however this scheme is not as dynamic as scheme one since the content up loaders are not able to earn much since content up loaders are only partially employed. So there will be 30% decrease in number of viewers.**

**Assumption**

Nu.100 = 60 minutes of watch time

6 minutes video clip consumes data worth Nu. 10/view

Average view of a video per month 350000 (30% decreased)

So total revenue =350000\*10=3500000

Telecom gets 1300000 (40%)

OpGoal gets 975000 (30%)

Content up loader gets 975000 (30%)

let’s assume there are 10 content creators who have fulfilled this benchmark so each of the up loaders get 9750000,**telecom gets 13000000 (1.3 cores) 20 lakhs less than scheme 1 and OpGoal gets 97500000 (0.9 core) in this scheme both OpGoal and Bhutan telecom are bearing loss.**

**Revenue sharing scheme iii (50/50)%.**

|  |  |  |
| --- | --- | --- |
| Bhutan telecom | OpGoal | Content up loader |
| 50% | 25% | 25% |

In this scheme content up loader and OpGoal are getting 25% each while Bhutan telecom gets 50%,**content creators may not be fully dedicated to create good contents as there is not enough reparations. This leads to poor management of the platform so there will be 40% or more decline in number of viewers.**

**Assumption**

Nu.100 = 60 minutes of watch time

6 minutes video clip consumes data worth Nu. 10/view

Average view of a video per month 300000 (40% decreased)

So total revenue =300000\*10=3000000

Telecom gets 1500000 (50%)

OpGoal gets 750000 (25%)

Content up loader gets 750000 (30%)

Let’s assume there are 10 content creators who have fulfilled this benchmark so each of the up loaders get 7500000, telecom gets 15000000 (1.5 cores) and OpGoal gets 7500000 (0.7 core). **In this scheme Bhutan telecom does not seem to be bearing any loss however OpGoal and content creators not able to make good profits this may not be sustainable business scheme since OpGoal will not be able to survive in the long run.**

**Suggestion**

***50/50% revenue scheme may not be a viable scheme in the future since the content creators are not affected much and Bhutan telecom seems to be earning the same amount of money however OpGoal being the platform provider may not be able to sustain in the long run resulting in the dissolution of the platform which would again result in drop of sale in Bhutan telecom as well***.

**Architecture of OpGoal**

Accept

Content 1

User 2

User 1

OpGoal

ISP

**Outside country**

**Key**

Content flow

Get ownership

Data share

Data flow

ContentRequest

Content Transfer

**Ownership flow in OpGoal**

20%

OpGoal

80%Payment

Content 1

User 2

Get ownership

User 1

Accept

**Key**

ContentRequest

Content Transfer

Cash flow

**Data share between Content up loader and OpGoal**

User

ISP

OpGoal

1/3 share

60% share

OpGoal will share 1/3 of data to the content uploader. Depending on their viewer and engage time. All the flow will be calculated by the system using Artificial Intelligence and Machine Learning. Therefore there will be no error.

The cost estimate for the development of OpGoal is as below. OpTech Business Solutions will bear all costs and therefore, would like Bhutan telecom to only support this business venture through

|  |  |
| --- | --- |
| **Total Project Cost** |  |
| **Particulars** | **Particulars** |
| **Asset** | 2,985,000 |
| Working Capital | 634,800 |
| **Total Project Cost(developer 50000000)** | **60000000** |
| less: Equity | 50000000 |
| **Loan Amount** | **10000000** |
|  |  |
| **Working Capital(WC)** | |
| **Particulars** | **Quarterly** |
| Raw material costing | 18,000 |
| Human Resource Costing | 321,000 |
| Administration Costing | 295,800 |
| **TOTAL** | **634,800** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Assets** |  |  |  |  |
| **Sl no.** | **Particulars** | **Quantity** | **Cost** | **Total** |
| 1 | desk top | 5 | 75,000 | 375,000 |
| 2 | server | 2 | 4,626,000 | 9,252,000 |
| 3 | furniture | 1 | 265,000 | 265,000 |
| 4 | internet routers,AP and broadband | 1 | 25,000 | 25,000 |
| 5 | printer | 1 | 38,000 | 38,000 |
| 6 | scanner | 1 | 45,000 | 45,000 |
|  | **Total** |  |  | **10,000,000** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Sales** |  |  |  |  |  |  |
| **Sl no.** | **Particulars** | **Weekly(data consumption)** | **Package rate (Nu)** | **One month Package consumption (Nu.)** | **Half yearly Package consumption (Nu.)** | **One Year Package consumption (Nu.)** |
| 1 | Data consumption | 2000 (GB) | 100 | 800,000 | **4,800,000** | **9,600,000** |
| **Total** | | | | 800,000 | **4,800,000** | **9,600,000** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Raw material Costing:** | |  |  |  |  |  |
| **Sl no.** | **Particulars** | **Requirement/month (Kg,ltrs.)** | **Cost/Unit (NU.)** | **Monthly Amount** | **Half yearly** | **Yearly** |
| 1 | Cartridges | 3 | 2,000 | 6,000 | 36,000 | 72,000 |
| **Total** | | | | **6,000** | **36,000** | **72,000** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Administrative costing:** | |  |  |  |
| **Sl no.** | **Particulars** | **Monthly cost (Nu.)** | **Half yearly** | **Yearly** |
| 2 | Fuel cost | 5,000 | 30,000 | 60,000 |
| 3 | Electricity | 20,000 | 120,000 | 240,000 |
| 4 | Telephone bills | 15,000 | 90,000 | 180,000 |
| 5 | Stationeries | 10,000 | 60,000 | 120,000 |
| 6 | License renewable | 3,600 | 21,600 | 43,200 |
| 7 | Insurance | 10,000 | 60,000 | 120,000 |
| 8 | rent | 35,000 | 210,000 | 420,000 |
| **Total** | | **98,600** | **591,600** | **1,183,200** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Marketing cost** | |  |  |  |
| **Sl no.** | **Particulars** | **Monthly amount** | **Half yearly** | **Yearly** |
| 1 | Card and brochures | 1,500 | 9,000 | 18,000 |
| 2 | Advertisement | 1,000 | 6,000 | 12,000 |
| 3 | Sign board | 1,000 | 6,000 | 12,000 |
| 4 | Market research | 5,000 | 30,000 | 60,000 |
| **Total** | | **8,500** | **51,000** | **102,000** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Human Resource Costing:** | |  |  |  |  |  |
| **Sl no.** | **Post** | **Number** | **Amount** | **Monthly salary** | **Half yearly** | **Yearly** |
| 1 | manager | 2 | 35,000 | 70,000 | 420,000 | 840,000 |
| 2 | accountant | 3 | 25,000 | 75,000 | 450,000 | 900,000 |
| 3 | customer care | 3 | 17,000 | 51,000 | 306,000 | 612,000 |
| 4 | driver | 2 | 15,000 | 30,000 | 180,000 | 360,000 |
| 5 | office assistance | 1 | 15,000 | 15,000 | 90,000 | 180,000 |
| **Total** | | | | **241,000** | **1,446,000** | **2,892,000** |
| PF and GIS included. | |  |  |  |  |  |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **profit and loss account** |  |  |  |  |  |  |
| **Particulars** | **2021** | **1st year** | **2nd year`** | **3th year** | **4th year** | **5th year** |
| **Sales /Revenue(A)** | **9,600,000** | **10,080,000** | **10,584,000** | **11,324,880** | **12,117,622** | **12,965,855** |
| **Minus-Cost** |  |  |  |  |  |  |
| Raw Materials | 72,000 | 73,440 | 74,909 | 76,407 | 77,935 | 81,832 |
| Human resource costing | 2,892,000 | 2,949,840 | 3,008,837 | 3,069,014 | 3,130,394 | 3,286,913 |
| Marketing cost | 102,000 | 104,040 | 106,121 | 108,243 | 110,408 | 112,616 |
| Depreciation | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Interest On loan |  | 775,407 | 718,923 | 657,752 | 591,504 | 519,757 |
| Administration Expenses | 1,183,200 | 1,206,864 | 1,231,001 | 1,255,621 | 1,280,734 | 1,344,770 |
| **Total Expenses (B)** | **5,749,200** | **6,609,591** | **6,639,791** | **6,667,037** | **6,690,974** | **6,845,889** |
| **Gross profit (C=A-B)** | **3,850,800** | **3,470,409** | **3,944,209** | **4,657,843** | **5,426,647** | **6,119,966** |
| less:30% BIT |  | 1,041,123 | 1,183,263 | 1,397,353 | 1,627,994 | 1,835,990 |
| **Net Profit per Year** | **3,850,800** | **2,429,287** | **2,760,946** | **3,260,490** | **3,798,653** | **4,283,977** |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Depreciation Schedule @15% SLM** | |  |  |  |  |  |  |  |
| **Particulars** | **Total Amount** | **15% Depreciation** | **Year 2021** | **E.V 1st year** | **E.V 2nd year** | **E.V 3rd year** | **E.V 4th year** | **E.V 5th year** |
| desk top | 375,000 | 56,250 | 318,750 | 262,500 | 206,250 | 150,000 | 93,750 |  |
| server | 9,252,000 | 1,387,800 | 7,864,200 | 6,476,400 | 5,088,600 | 3,700,800 | 2,313,000 | 925,200 |
| furniture | 265,000 | 39,750 | 225,250 | 185,500 | 145,750 | 106,000 | 66,250 | 26,500 |
| internet router,AP and broadband | 25,000 | 3,750 | 21,250 | 17,500 | 13,750 | 10,000 | 6,250 | 2,500 |
| printer scanner | 38,000 | 5,700 | 32,300 | 26,600 | 20,900 | 15,200 | 9,500 | 3,800 |
| scanner | 45,000 | 6,750 | 38,250 | 31,500 | 24,750 | 18,000 | 11,250 | 4,500 |
| **Total** | **10,000,000** | **1,500,000** | **8,500,000** | **7,000,000** | **5,500,000** | **4,000,000** | **2,500,000** | **1,000,000** |
| depreciation sechedule from income tax of Bhutan, annexture 11. |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Cash flow** |  |  |  |  |  |  |
| **Particulars** | **2021** | **1st year** | **2nd year** | **3rd year`** | **4th year** | **5th year** |
| **cash inflow** |  |  |  |  |  |  |
| Equity | 1,000,000 | 5,517,467 | 9,654,543 | 13,224,295 | 17,365,542 | 22,061,503 |
| Loan | 10,000,000 |  |  |  |  |  |
| Sale | 9,600,000 | 10,080,000 | 10,584,000 | 11,324,880 | 12,117,622 | 12,965,855 |
| **Total InflowA** | **20,600,000** | **15,597,467** | **20,238,543** | **24,549,175** | **29,483,164** | **35,027,358** |
| **Cash Outflow** |  |  |  |  |  |  |
| **Asset purchased** | 10,000,000 |  |  |  |  |  |
| Tax paid |  |  | 1,041,123 | 1,183,263 | 1,397,353 | 1,627,994 |
| Expense from P and L account | 4,249,200 | 5,109,591 | 5,139,791 | 5,167,037 | 5,190,974 | 5,345,889 |
| Repayment of Principle Amount | 833,333 | 833,333 | 833,333 | 833,333 | 833,333 | 833,333 |
| **Total outflow B** | **15,082,533** | **5,942,924** | **7,014,247** | **7,183,633** | **7,421,661** | **7,807,216** |
| **Net Cashflow C=A-B** | **5,517,467** | **9,654,543** | **13,224,295** | **17,365,542** | **22,061,503** | **27,220,142** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Balencesheet** |  |  |  |  |  |  |
| **Assets** | **2021** | **1st year** | **2nd year** | **3rd year`** | **4th year** | **5th year** |
| Cash in hand | 5,517,467 | 9,654,543 | 13,224,295 | 17,365,542 | 22,061,503 | 27,220,142 |
| E.V of Assets | 8,500,000 | 7,000,000 | 5,500,000 | 4,000,000 | 2,500,000 | 1,000,000 |
| **Total of Assets** | **14,017,467** | **16,654,543** | **18,724,295** | **21,365,542** | **24,561,503** | **28,220,142** |
| **Liabilities** |  |  |  |  |  |  |
| **Tax payable** |  | **1,041,123** | **1,183,263** | **1,397,353** | **1,627,994** | **1,835,990** |
| E.V of Loan | 9,166,667 | 8,333,333 | 7,500,000 | 6,666,667 | 5,833,333 | 5,000,000 |
| Net Profit from Profit and Loss account | 3,850,800 | 2,429,287 | 2,760,946 | 3,260,490 | 3,798,653 | 4,283,977 |
| Equity | 1,000,000 | 4,850,800 | 7,280,087 | 10,041,033 | 13,301,523 | 17,100,176 |
| **Total Liabilities** | **14,017,467** | **16,654,543** | **18,724,295** | **21,365,542** | **24,561,503** | **28,220,142** |

THANK YOU!