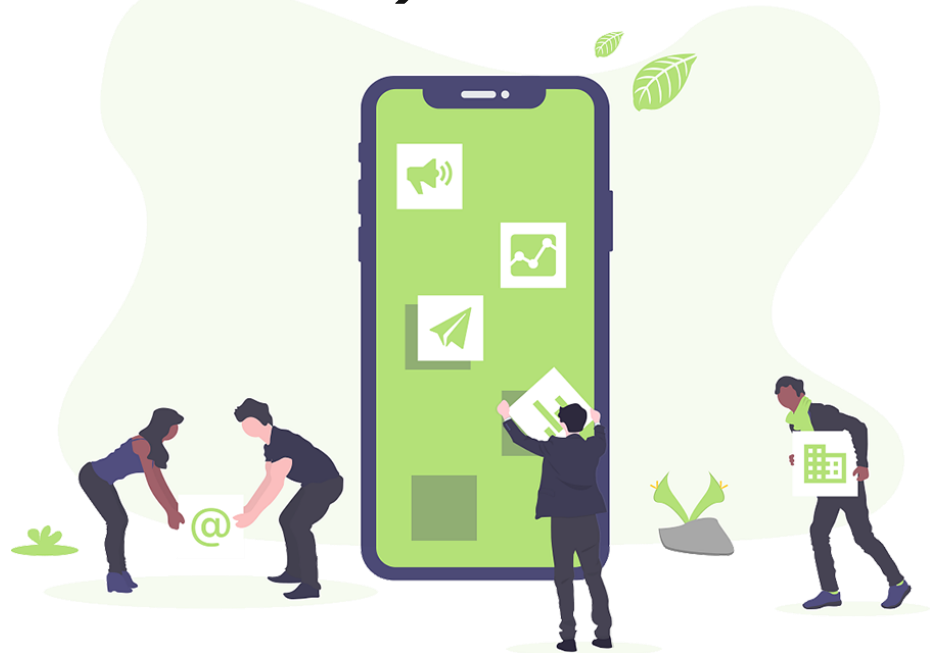


LEAN START-UP MANAGEMENT

Project – Auxilium(a student friendly mobile application which provides various services)

Submitted by:

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Abstract

This project deals with **three** problems of VIT students:

1) Students face difficulty in getting access to **second-hand books, lab coats and xerox papers.**

2) It is not easy to find a cheap **cab service** at the required times and people to share the same cab.

3) For students staying in single or double-bedded rooms, the problem of adjusting occurs and finding rooms and **suitable roommates outside VIT** is a gigantic task.



Introduction

Firstly, Our start-up intends to provide a solution wherein both kinds of students, **the one who want to sell** their used products as well as **those who need it**, can come on a common platform through a mobile app so that they mutually interact and buy and sell second hand items with ease.



Secondly, For cab issues, our start-up tends to provide an online platform where students can search for cabs and post a request for cab share. Other students can check requests, accept requests, gain contact details and post new requests according to their required timings.



“ Finally, for the **accommodation issue**, our website will provide a catalogue of single and double-bedded rooms nearby VIT, so that students can find their ideal room for the best price.



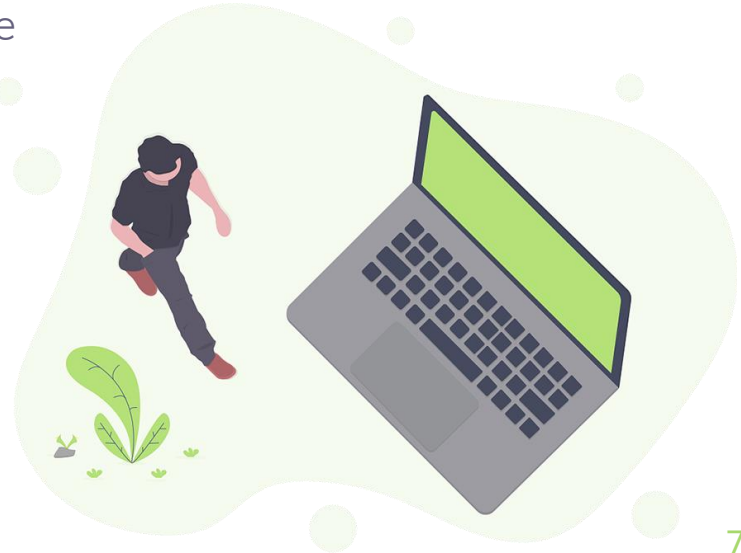
Main Idea

- To create a student friendly mobile application to solve these problems.



Benefits

- ❖ A common platform so that they can mutually interact
- ❖ buy and sell second hand items
- ❖ provide easy availability of products along with its description
- ❖ Since both buyer and seller are present in the same demographic region, transportation cost will be minimal
- ❖ It will benefit us in terms of saving both money and time



Market analysis

Industry Description and Outlook: The industry involved is e-commerce and online rental information system.

Target Market: The ideal customers for this project include VIT hostellers.

Market Test Results: A survey was taken in which the students of VIT were asked about the existing services and if they are satisfied with it. The results show that there is a need and good scope of an innovative start-up which can provide them with better solutions.

Competitive Analysis

- ✓ The strengths of the competitors involve the trust of the students gained over years and access to transport and law services.
- ✓ The weaknesses, on the other hand, involves the high price they charge for the services or products provided and the lack of coordination among various services.

Marketing plan

- Sponsoring clubs/chapters of VIT
- Facebook page and pages on other social networking sites
- Being active on pages of VIT on various social networking sites
- EMAIL marketing
- Conducting events inside VIT campus
- Advertising on billboards just outside VIT
- Advertising through posters in restaurants near VIT
- Coupons
- Whatsapp status to promote our business



Funding plan for start-up



According to a recent study, over 94% of new businesses fail during first year of operation. **Lack of funding** turns to be one of the common reasons.



How do I finance my start-up?

1

Raise Funds By Winning Contests

An increase in the number of contests has tremendously helped to maximize the opportunities for fund raising

2

Crowdfunding

It's like taking a loan, pre-order, contribution or investments from more than one person at the same time

3

Get Angel Investment In Your Startup

angel investors have helped to start up many prominent companies, including Google, Yahoo and Alibaba



4

Get Venture Capital For Your Start-up Business

This is where you make the big bets. Venture capitals are professionally managed funds who invest in companies that have huge potential.

5

Get Funding From Business Incubators & Accelerators

Early stage businesses can consider Incubator and Accelerator programs as a funding option. Found in almost every major city, these programs assist hundreds of startup businesses every year.

6

Govt Programs That Offer Startup Capital

The Government of India has launched **10,000 Crore Startup Fund in Union budget 2014-15** to improve startup ecosystem in India.

Sources of Revenue

Government schemes – Start-up India

1. Single Point Registration Scheme (SPRS)

- Headed by - National Small Industries Corporation (NSIC)
- Fiscal incentive - Micro and small enterprises will get exemption from payment of Earnest Money Deposit (EMD) and will be issued tender sets free of cost.

2. Pradhan Mantri Mudra Yojana (PMMY)

- Headed by - Micro Units Development and Refinance Agency Ltd. (MUDRA)
- Fiscal incentive - MUDRA offers incentives through these interventions:
 - > Shishu: covering loans upto INR 50,000/-
 - > Kishor: covering loans above INR 50,000/- and upto INR 5 Lakhs
 - > Tarun: covering loans above INR 5 Lakhs and upto INR 10 Lakhs

3. Stand Up India

- Headed by - Small Industries Development Bank of India (SIDBI)
- Fiscal incentive - Composite loan between INR 10 Lakhs and INR 1 Cr to cover 75% of the project cost can be taken up, inclusive of term loan and working capital.

Continued..

Investers in chennai

- ANOVA corporate Services which is located in Chennai. They're very good in facilitating fund raising and investment opportunities for Start up companies. Many other investment related services we can avail from them.
- Some major services we can avail from them.
 - Mergers and Acquisitions
 - Fund raising
 - Business Valuation
 - Due Diligence
 - IPO Advisory

Continued..

Business Incubators :

- Centre for Entrepreneurship Development and Incubation (CEDI)
Tamil Nadu , Tiruchirappalli
National Institute of Technology, Tiruchirappalli 620015, Tamil Nadu, India.
Website application link - <http://www.nitt.edu/home/other/cedi/>
- University of Madras – TBI
Tamil Nadu , Chennai
UOM-TBI University of Madras Dr. A L M PGIBMS , Taramani campus, Chepauk Chennai – 600113
Website application link -
<http://www.unom.ac.in/index.php?route=department/department/about&deptid=69>
- Nadathur S Raghavan Centre for Entrepreneurial Learning (NSRCEL)
Karnataka , Bangalore
NRSCel, Indian institute of Management Bangalore, Bannerghatta Road, Sundar Ram, Shetty
Nagar, Bilekahalli, Bengaluru 5600076
Website application - <http://www.nsrcel.org/>

Finance Management

S. No.	Activities	Cash Inflow	Cash Outflow
1	Domain and Server	0	INR 6000
2	pamphlets for Publicity	0	INR 2000
3	Facebook and Instagram Ads	0	INR 3000
4	Advance payment to Xerox shop	0	INR 10000
5	Payment by students	INR 7,00,000	0
6	Payment to Employees(4) including petrol	0	10,000*4 = INR 40,000
7	Payment for printing	0	INR 4,20,000
Net cash flow = 7,00,000 - (6000+5000+10,000+40,000+4,20,000) = INR 2,19,000			

2,19,000

Investment

20,000+ students

And a lot of customers

100%

Total success!



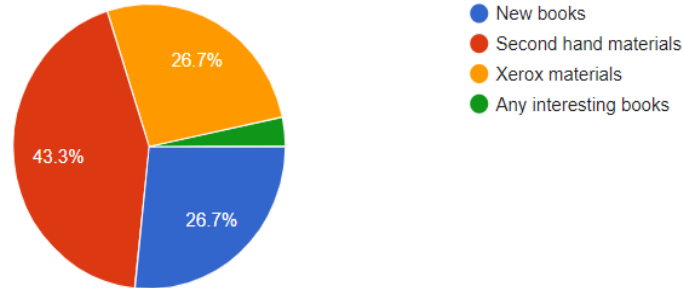
Data interpretation

We seek to understand the demands of our target audience. Hence we have taken a survey amongst our colleagues to help us study the needs of the target audience.



Do you prefer..

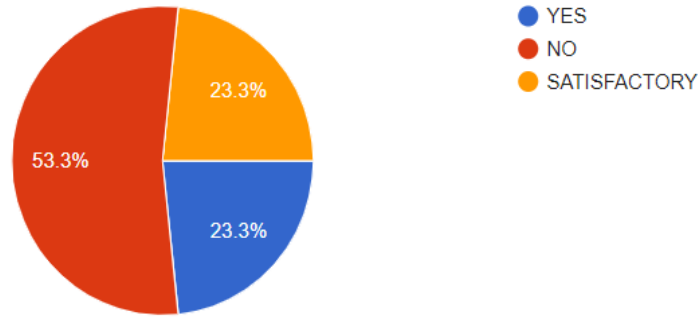
30 responses



According to the data , Most people prefer using second hand materials. Hence we would initially focus more of our expenditures on second hand books and depending on the progress we have made further we would invest it on new books and Xerox materials as well.

Are you satisfied with the cab service currently available in vellore ?

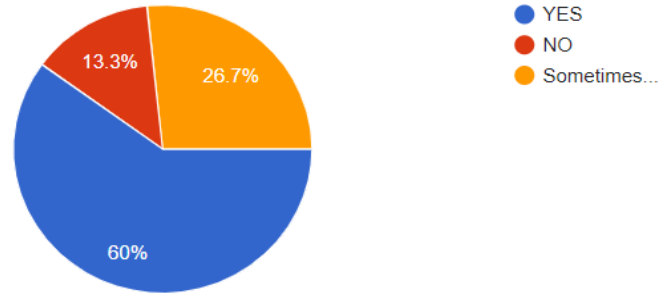
30 responses



As per this data, many do not like the cab services currently. We plan to search more reasons to why they are disappointed and use this as a key to improve our cab services further.

Do you prefer carpooling

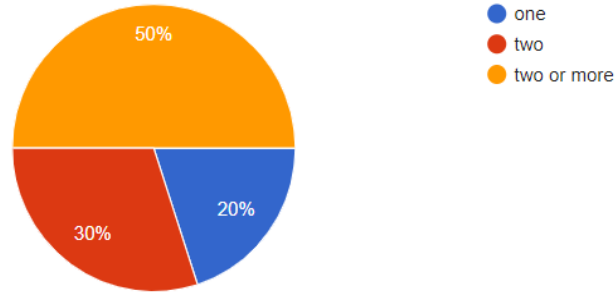
30 responses



As per the data, majority of people prefer carpooling . We plan to find out the reasons why some people don't prefer carpooling.

How many members do wish to car pool with

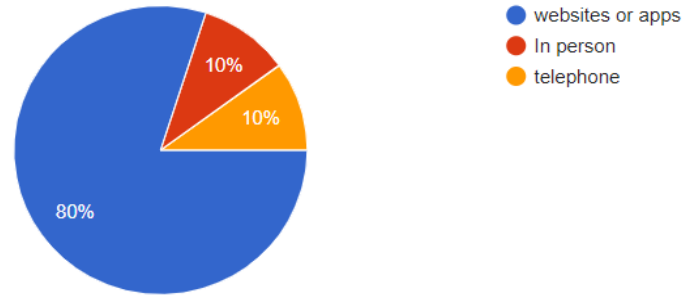
30 responses



As per the data, majority of people prefer two or more members for carpooling. We will plan our policies accordingly

What is your preferred method of ordering?

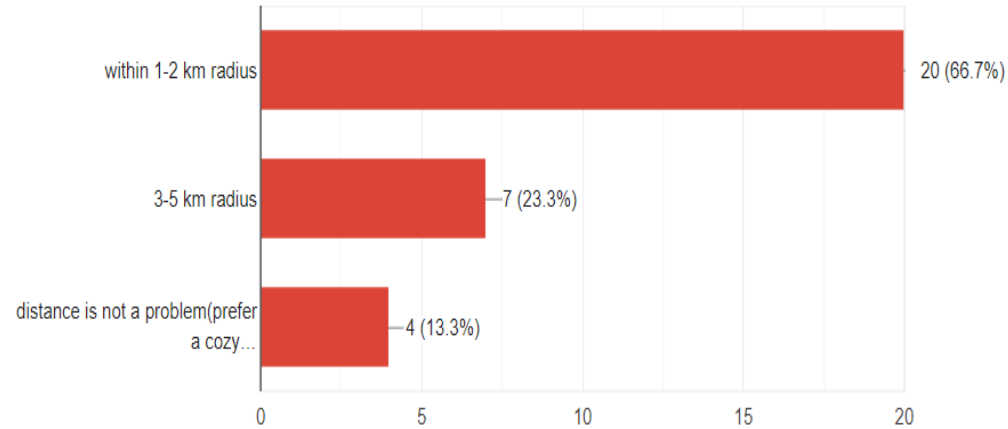
30 responses



According to the data, Most people prefer using websites or apps .Hence this would be of great advantage to us as we use websites and app to sell our products.

If you wish to be a day scholar and plan to rent a house.

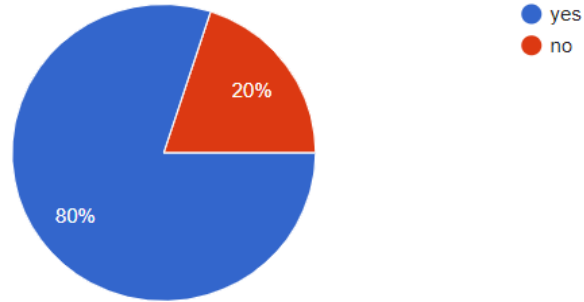
30 responses



As per the Graph , 66.7% people prefer to rent a house within 2km radius of VIT , so we will provide the rooms near VIT itself.

Do prefer the above mentioned services to be available in your campus

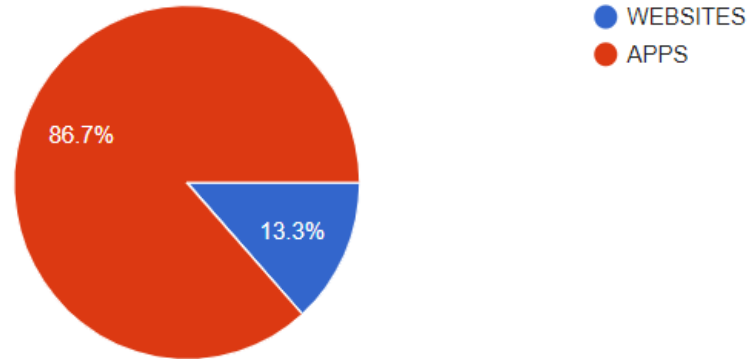
30 responses



As per this data , we come to know that many prefer these type of services .We could expect a lot of demands and hence more profit.

Do you prefer services through websites or apps

30 responses



According to the data, most people prefer apps but some people prefer websites. Hence this would be of great advantage to us as we use websites and app to sell our products.

Financial Forecasting and Analysis



For first year

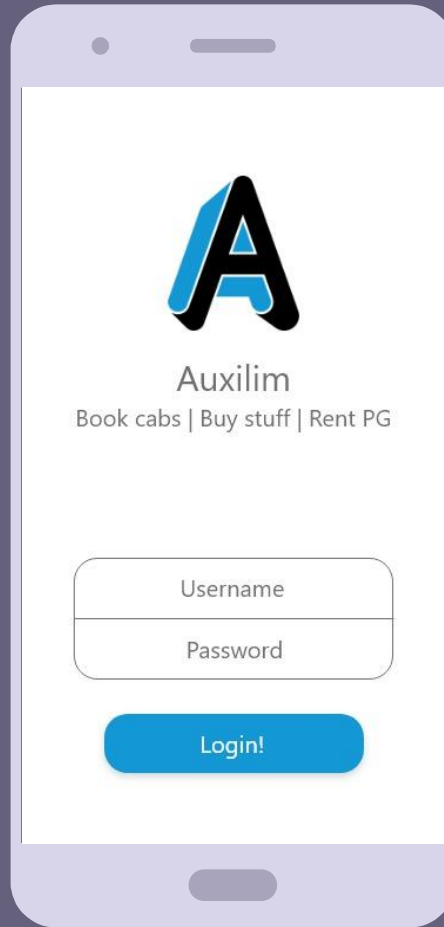
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA
3																											
4			Company Name:																								
5			Austin																								
6																											
7			Complete This Chart First:																								
8			Product Lines	Units	Sales Price Per Unit	COGS Per Unit																					
9			PG Services	0	7,000.00	\$ 3,000.00																					
10			Xerox Services	1000	\$ 0.50	\$ 2.00																					
11			Cab Booking	5	\$ 3,500.00	\$ 4,000.00																					
12			Second Hand Market	100	\$ 200.00	\$ 250.00																					
13																											
14			Product Lines	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Annual Totals	Category Breakdown	Category 1 Total									
15			PG Services																								
16			\$ Sold	2	1	1	0	1	1	1	1	1	1	0	0	10		0.1%									
17			Total Sales	14,000	7,000	7,000	-	7,000	7,000	7,000	7,000	7,000	7,000	-	-	\$ 70,000	100.0%	61.9%									
18			Total COGS	0	0	0	-	0	0	0	0	0	0	-	-	\$ 0	128.6%	57.7%									
19			Total Margin	14,000	7,000	7,000	-	7,000	7,000	7,000	7,000	7,000	7,000	-	-	\$ (20,000)	-28.6%	47.1%									
20																											
21			Xerox Services																								
22			1000 Sold	2,000	2,000	2,000	1,000	1,000	500	500	500	100	200	200	250	10,000		98.7%									
23			Total Sales	1,000	1,000	1,000	500	500	250	250	250	50	100	100	125	\$ 5,000	100.0%	4.4%									
24			Total COGS	4,000	4,000	4,000	2,000	2,000	1,000	1,000	1,000	200	400	400	500	\$ 20,000	400.0%	12.0%									
25			Margin	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	\$ (15,000)	-300.0%	35.3%									
26																											
27			Cab Booking																								
28			\$ Sold	1	1	0	1	1	0	0	0	0	0	0	0	4		0.0%									
29			Total Sales	3,500	3,500	-	3,500	3,500	-	-	-	-	-	-	-	\$ 14,000	100.0%	12.4%									
30			Total COGS	4,000	4,000	-	4,000	4,000	-	-	-	-	-	-	-	\$ 16,000	114.3%	10.3%									
31			Margin	15,000	15,000	-	15,000	15,000	-	-	-	-	-	-	-	\$ (2,000)	-14.3%	4.7%									
32																											
33			Second Hand Market																								
34			100 Sold	10	10	10	10	10	10	10	10	10	10	10	10	100		1.2%									
35			Total Sales	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	\$ 24,000	102.1%	21.2%									
36			Total COGS	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	\$ 30,000	125.0%	19.2%									
37			Margin	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	\$ (5,500)	-22.9%	12.9%									
38																											
39			Total Units Sold	2,013	2,012	2,011	1,011	1,012	511	511	511	111	211	211	260	10,134											
40			Total Sales \$	20,500	\$ 13,500	\$ 10,000	\$ 6,000	\$ 13,000	\$ 3,250	\$ 3,250	\$ 3,050	\$ 9,100	\$ 9,100	\$ 2,125	\$ 2,125	\$ 1,130,000											
41			Total Cost of Goods Sold \$	28,500	\$ 19,500	\$ 15,500	\$ 8,500	\$ 17,500	\$ 12,500	\$ 12,500	\$ 11,700	\$ 11,900	\$ 11,900	\$ 3,000	\$ 3,000	\$ 1,580,000											
42			Total Margin \$	18,000	\$ (6,000)	\$ (5,500)	\$ (2,500)	\$ (4,500)	\$ (13,250)	\$ (13,250)	\$ (12,650)	\$ (2,800)	\$ (2,800)	\$ (875)	\$ (875)	\$ (42,500)											

For second year

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1																	
2		Sales Forecast Year 2															
3																	
4			Company Name:														
5			Auxilin														
6																	
7		Growth Rate Year 1 to Year 2:	5.00%														
8																	
9	Product Lines	Year 1 Totals	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Year 2 Totals	Category Breakdown	Category Total
10	PG Services																
11	9 Sold	10	2	1	1	0	1	1	1	1	1	1	0	0	11		0.1%
12	Total Sales \$	70,000	14,700	7,350	7,350	-	7,350	7,350	7,350	7,350	7,350	7,350	-	-	\$ 73,500	100.0%	61.9%
13	Total COGS \$	90,000	18,900	9,450	9,450	-	9,450	9,450	9,450	9,450	9,450	9,450	-	-	\$ 94,500	128.6%	57.7%
14	Total Margin \$	(20,000)	(4,200)	(2,100)	(2,100)	-	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	-	-	\$ (21,000)	-28.6%	46.5%
15																	
16	Xerox Services																
17	10000 Sold	10000	2,100	2,100	2,100	1,050	1,050	525	525	105	210	210	263	263	10,500		98.7%
18	Total Sales \$	5,000	1,050	1,050	1,050	525	525	263	263	53	105	105	131	131	\$ 5,250	100.0%	4.4%
19	Total COGS \$	20,000	4,200	4,200	4,200	2,100	2,100	1,050	1,050	210	420	420	525	525	\$ 21,000	400.0%	12.8%
20	Margin \$	(15,000)	(3,150)	(3,150)	(3,150)	(1,575)	(1,575)	(788)	(788)	(158)	(315)	(315)	(394)	(394)	\$ (15,750)	-300.0%	34.9%
21																	
22	Cab Booking																
23	5 Sold	4	1	1	0	1	1	0	0	0	0	0	0	0	4		0.0%
24	Total Sales \$	14,000	3,675	3,675	-	3,675	3,675	-	-	-	-	-	-	-	\$ 14,700	100.0%	12.4%
25	Total COGS \$	16,000	4,200	4,200	-	4,200	4,200	-	-	-	-	-	-	-	\$ 16,800	114.3%	10.3%
26	Margin \$	(2,000)	(525)	(525)	-	(525)	(525)	-	-	-	-	-	-	-	\$ (2,100)	-14.3%	4.7%
27																	
28	Second Hand Market																
29	120 Sold	120	11	11	11	11	11	11	11	11	11	11	11	11	126		1.2%
30	Total Sales	24000	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	\$ 25,200	100.0%	21.2%
31	Total COGS \$	30,000	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	\$ 31,500	125.0%	19.2%
32	Margin \$	(5,500)	(525)	(525)	(525)	(525)	(525)	(525)	(525)	(525)	(525)	(525)	(525)	(525)	\$ (6,300)	-25.0%	14.0%
33																	
34	Total Units Sold	10134	2,114	2,113	2,112	1,062	1,063	537	537	117	222	222	273	273	10,641		
35	Total Sales \$	1,13,000	\$ 21,525	\$ 14,175	\$ 10,500	\$ 6,300	\$ 13,650	\$ 9,713	\$ 9,713	\$ 9,555	\$ 9,555	\$ 9,555	\$ 2,231	\$ 2,231	\$ 1,18,650		
36	Total Cost of Goods Sold \$	1,56,000	\$ 29,925	\$ 20,475	\$ 16,275	\$ 8,925	\$ 18,375	#####	#####	#####	\$ 12,495	#####	\$ 3,150	\$ 3,150	\$ 1,63,800		
37	Total Margin \$	(42,500)	\$ (8,400)	\$ (6,300)	\$ (5,775)	\$ (2,625)	\$ (4,725)	#####	\$(3,413)	#####	\$ (2,940)	#####	\$ (919)	\$ (919)	\$ (45,150)		

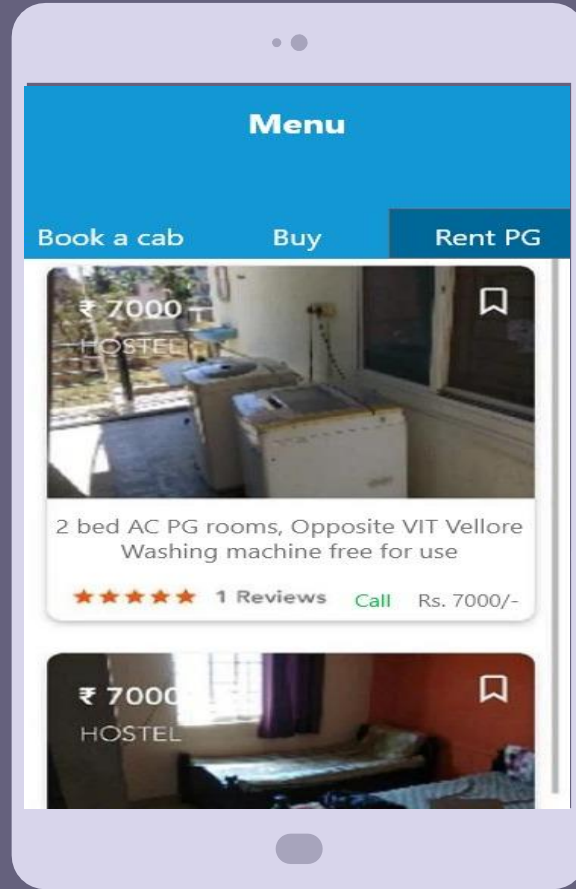
Mobile project

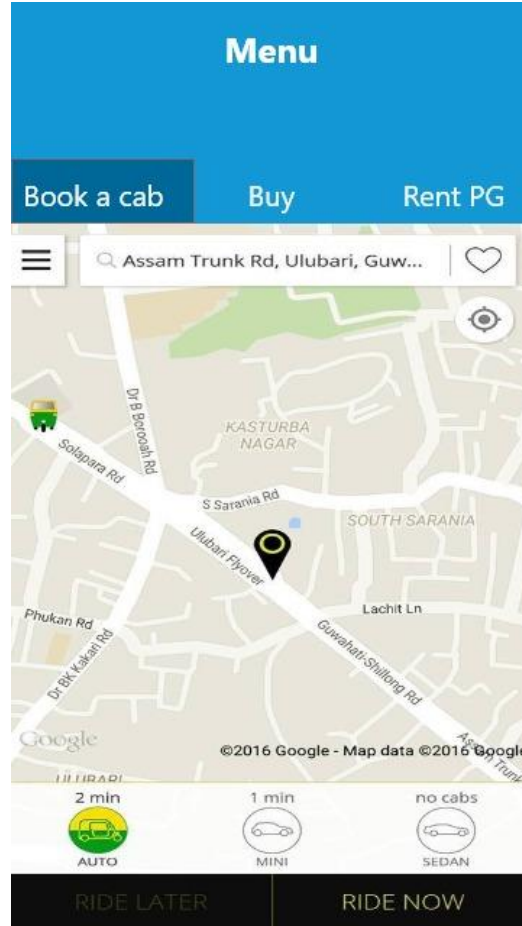
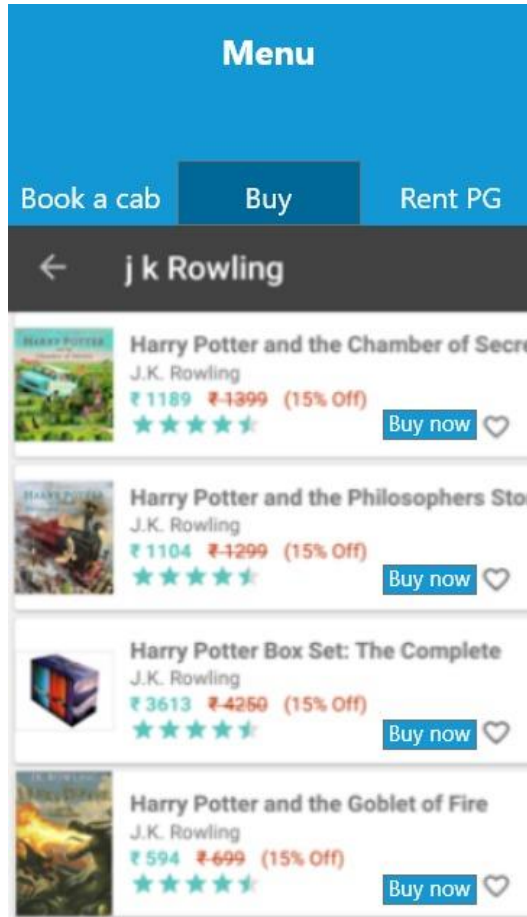
Prototype of our mobile
application



Mobile project

Screenshots





Conclusion

Project feasibility

The project has a target market limited to small demographic region, it directly addresses to customer's pain points and provides cost-efficient, easily accessible solution to the problems of the students. The market being highly physically active on online platforms tends to be inclined towards gaining advantages from the project, hence rendering this project highly feasible. Hence, we conclude the market study of the project and proceed for planning the subsequent phases of start-up management project.



Thanks!

Any questions?

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