



Ahmedabad  
University

EFB509 IDEA TO BUSINESS PLAN | PROJECT REPORT

# Ready To Go!!

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"More Than Rental"

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# Chapter - 1 : Purpose

- With urban communities developing and interminable street lines, transportation is turning into a test for the individuals who don't have individual transportation. In this data age, where everything and everything is worked with by online methods, our organization is a one-stop answer for these issues. We offer vehicle rental and exchange administrations on the web. In the event that anybody needs a vehicle for a restricted time frame, they can utilize this site to discover one that is nearest to their inclinations and reach.
- Only few organizations are offering the assistance of bike leasing and vehicle exchanging administrations to their clients, so we are here to offer this support for them.
- We are here for:
  - People who want to earn, people who have vehicles or spare vehicles and want to earn some amount of income by lending it, this will increase their source of income. They will be playing the role of renters here.
  - People who want to save money, many people are very conscious about spending money but many times they have to pay high fares in travelling, and therefore this application will be very beneficial for them as they will get vehicles on rent at reasonable rates. They will be playing the role of Rentees here.
  - People who are car lovers or bike lovers and are always eager to ride or drive new cars, then this would be one of the best platforms for them as this would be one the platforms which will provide vehicle exchanging service. They can exchange their vehicles by another person's vehicle, this will fulfil their requirements of driving or riding different vehicles and this will also save their huge amount of purchasing new vehicles.
  - People who need to travel daily and do not have their personal vehicle are very difficult for them on the basis of time and money, this platform will help those people to find a vehicle for their daily purpose with reasonable charges and using that will cut their time duration as well as cost of travelling. Professionals and College Educates are the one who use transportation in their daily routine, so they are main target customers for us.
  - People who are planning to purchase any particular vehicle and want to take a trial for some period of time and test it before investing huge amounts in purchasing a vehicle, can use the service of taking a vehicle on rent.

# Chapter - 2 : Value Proposition

- Our plan is to build a system which would offer its users to rent a four-wheeler, two-wheeler or a cycle. It would provide the user to let out his/her vehicle for rent and also an option to hire a vehicle for a limited period of time. Other than renting facilities, the system will provide an option for car enthusiasts to trade their vehicles with other people having different categories of vehicle but similar price range for a limited period of time.
- For Renters:
  - Offer own vehicle for listing on the portal to earn passive income
  - Instant listing on portal of ready to go to send your lazy vehicle to generate income
  - Flexible on pricing
  - Doorstep pickup of vehicle
  - Quick payment
  - Long term business / membership
- For Rentees:
  - Lower rates on renting offering
  - Easy to use portal
  - Instant booking / On demand
  - Doorstep delivery
  - Refers and get discount
  - The cycle is available for rent
  - Simple pricing system
  - Long term recurring moto by services
- For Car Exchangers:
  - Only verified cars for trade
  - Doorstep delivery
  - Vehicle exchange is available
  - Experience of driving different cars and long route driving
  - On demand availability
  - Flexible exchange days
  - Pre booking reservation available

# Chapter - 3 : Industry Analysis

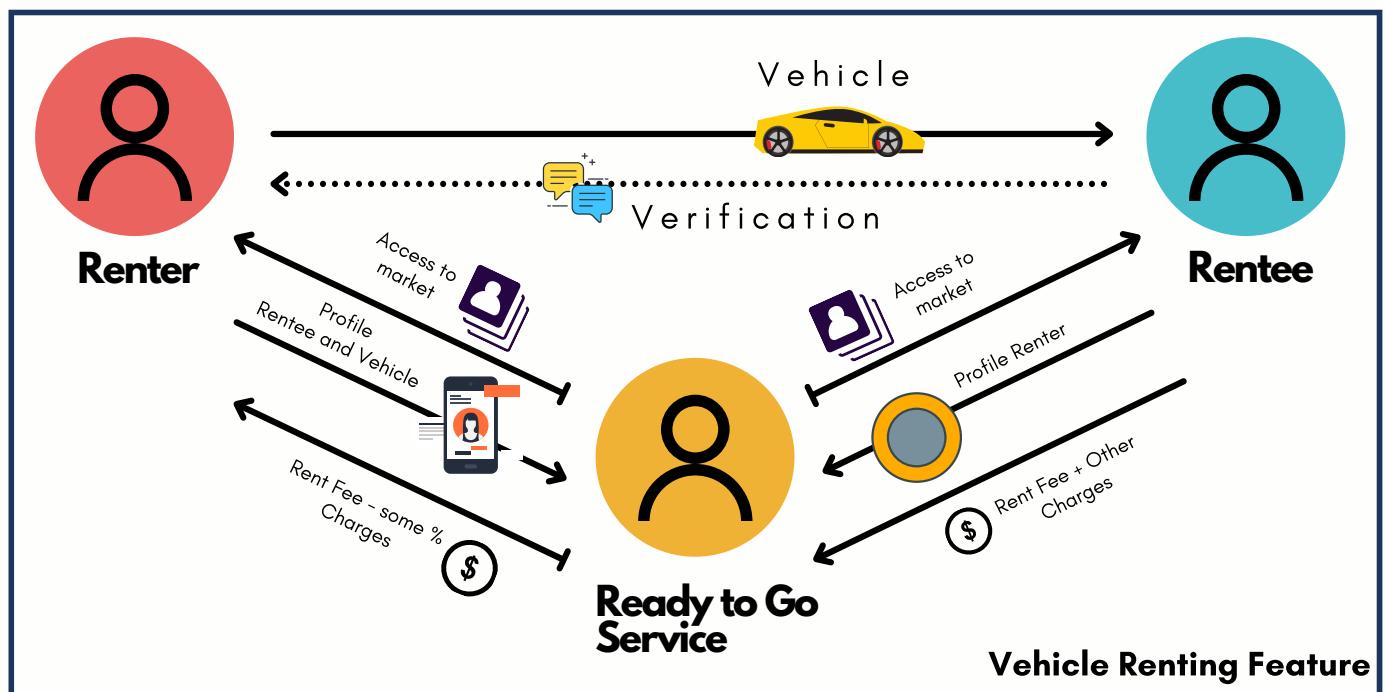
- Global car rental market size in 2018: 88.2 billion USD
- Compound Annual Growth Rate (CAGR): 5.1%

## Sales Projection

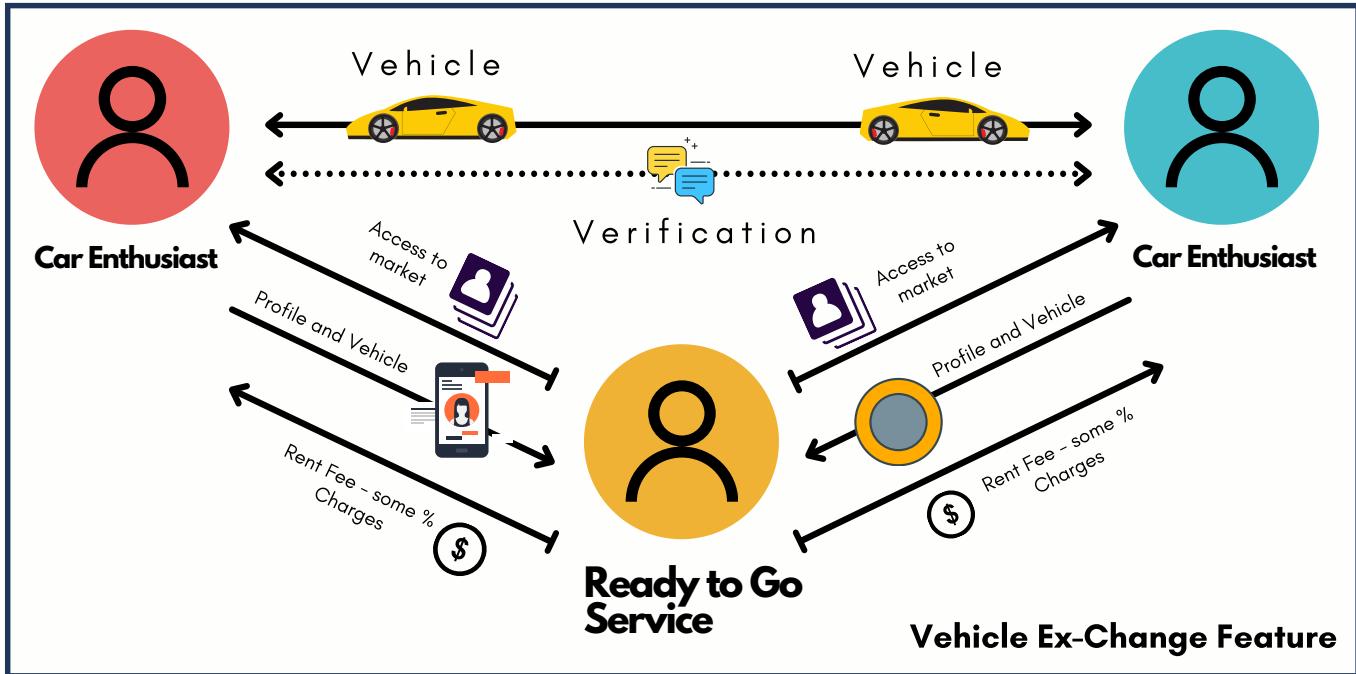
(In Rs.)

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Sales	1,158,980	2,420,270	5,946,750	11,280,400	18,946,800

- Industry Structure:
  - Car rental is a highly concentrated industry in India.
  - Concentrated industries are dominated by a few large firms.
  - The main reason behind this is that all of these are single-sided platforms unlike ours, i.e. the cars being rented are company owned and hence require huge capital investment for expansion.
  - On the other hand, our platform is one of its kind in India where we provide a multi-sided platform and we do not have to invest in vehicles.
  - Structure for vehicle renting:



- Structure for vehicle exchange:



- Nature of Participants:

- As mentioned above, our service is a bit different from the ones already existing in India.

 Instant Cabs car rental locations in India <a href="#">28 Locations</a> <a href="#">See all locations ▾</a>	 Europcar car rental locations in India <a href="#">26 Locations</a> <a href="#">See all locations ▾</a>	 Avis car rental locations in India <a href="#">18 Locations</a> <a href="#">See all locations ▾</a>
 Car Club car rental locations in India <a href="#">18 Locations</a> <a href="#">See all locations ▾</a>	 Myles car rental locations in India <a href="#">13 Locations</a> <a href="#">See all locations ▾</a>	 SS Travels car rental locations in India <a href="#">11 Locations</a> <a href="#">See all locations ▾</a>
 1First Car Rental car rental locations in India <a href="#">10 Locations</a> <a href="#">See all locations ▾</a>	 Eco Rent car rental locations in India <a href="#">10 Locations</a> <a href="#">See all locations ▾</a>	 MC&A car rental locations in India <a href="#">9 Locations</a> <a href="#">See all locations ▾</a>
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### Some of the car rentals services in India

- We plan to expand our rental services to 9 cities within the first 5 years.

- Comparison with competitors:

Competitors	Ready To Go!
Single sided platform where vehicles can only be rented.	Multi sided platform where the users can lend as well as rent vehicles.
To return the car must be in the same place where it was delivered, otherwise there will be a charge penalty for changing the place of delivery.	No need to return the car in the same place where it was delivered, it can be delivered in the radius of 5kms otherwise the penalty will be there.
Customers will have to pay more for damage, sometimes companies will rob you with extra money without any particular reasons.	Transparent and minimalistic damage costs. Tie ups with third-party insurance for lenders.
Customers can't go outside the state.	Customers can go anywhere in the country, they just have to pay toll taxes and state entry taxes.
Limited variety of vehicles to choose from as they are company owned and company applies cost cutting policies.	As the vehicles on rent come from users themselves, renters will have a wide range of vehicles to choose from.
Majority of the rental services are focused only on cars.	Our platform offers cars, 2-wheelers as well as bicycles on rent.

- Unique in our service:

- There are multifarious people who are car enthusiasts and they like to have driving experience of different cars but there is no service like exchange of cars available in India. Our app connects people who are car enthusiasts and they can exchange cars.
- As per the observations from our smoke test, in big cities like Ahmedabad where there are high number colleges and corporate sector jobs, the 2-wheeler renting segment of the industry is more in demand.

- Key Success Factors:
  - Reasonable Rates
  - Wide range of variety of vehicles
  - Damage Protection
  - Marketing Network and Support:
    - The analysis focus on the assessment of business network includes number and location of business network as well as roles and responsibilities of each business network.
    - Companies with extensive and wide coverage business network will have better capability to enhance their customers' base and deliver more reliable service. The abilities to enhance its brand awareness and to set effective marketing strategies are also considered in rating determination.
    - The availability of sophisticated information technology is also important as it provides reliable and real time business information to support the company to manage and monitor its customers and business network.
  - We gain the trust between company and customer.

# Chapter - 4: Company Description

- Ready to Go is a platform where deals for renting a vehicle can be done. In the current world of hustle and bustle, it becomes difficult for people to find the public transport. We have a platform where renters and rentees can connect with each other. Renter can add photos and description of the vehicle he/she wants to add and the rentee, if interested, will contact the renter for renting the vehicle for a particular period of time.
- The other service that our platform provides is regarding the car exchange. There are many people around the country who like to try their hands on different cars. On the other hand there are people who like to drive a car before purchasing one and investing huge amount of money into it.
- There are also people who like to drive luxury cars and get a luxurious experience. We are there to help them with this. We help car enthusiasts to find a person who can exchange cars with them.
- We work on the motto of "More than a rental" which means we are not confined to provide renting services but we also provide our users with the car exchange service and a great experience. The experience which is unexperienced. Our rates are affordable for every class of people.

# Chapter - 5 : Market Analysis

- Market Segmentation:
  - 4 - Wheeler Renting
  - With Doorstep Delivery
  - Without Doorstep Delivery
  - 2 - Wheeler Renting
  - With Doorstep Delivery
  - Without Doorstep Delivery
  - Bicycle Renting
  - Car Exchange
- Location-based target market selection:
  - Mega cities with high population of students and people with corporate jobs:
  - 2 - Wheeler Renting - Without doorstep delivery
  - Bicycle Renting
- Tourist places:
  - 4 - Wheeler Renting - With doorstep delivery (Hotels)
  - 2 - Wheeler Renting - With doorstep delivery (Hotels)
  - Bicycle Renting
- Target market selection based on income groups:
  - Lower and Middle class population:
    - 4 - Wheeler Renting - Without doorstep delivery
    - 2 - Wheeler Renting - Without doorstep delivery
    - Bicycle Renting
  - Upper middle class and High income population:
    - Car Exchange
    - 4 - Wheeler Renting - With doorstep delivery
    - 2 - Wheeler Renting - With doorstep delivery

- Buyer Behaviour:
  - Lenders:
    - Concerns:
      - Security against damage to their vehicles
      - Renter may overspeed.
      - Vehicle getting stolen or being used for illegal activities.
      - Proper visibility to the rentees
      - Fair and profitable pricing structure
  - Solutions:
    - Third party liability insurance tie-up plus damage refund from Ready to Go.
    - Ready to Go will install speed controllers in all the rented vehicles and set the limits as per state guidelines.
    - Ready to Go will install GPS trackers in all the rented vehicles to monitor their activity.
    - Filtering facility on the website. Impartial ordering of the cars that lie in a particular filter search. Random ordering algorithm.
    - Fair and transparent pricing structure. A few free kms are given on a particular booking. After the free kms are over, the rentee is charged on a per km basis.
- Rentee:
  - Concerns:
    - Genuinity of a lender.
    - Quality and condition of the vehicle should be in resemblance with the one in photos on the website.
    - Vehicles break down in the middle of a trip.
  - Solutions:
    - Ready to Go verifies each and every lender and their vehicle quality before registering them.
    - User feedback is taken very seriously at Ready to Go.
    - 24x7 Roadside assistance.

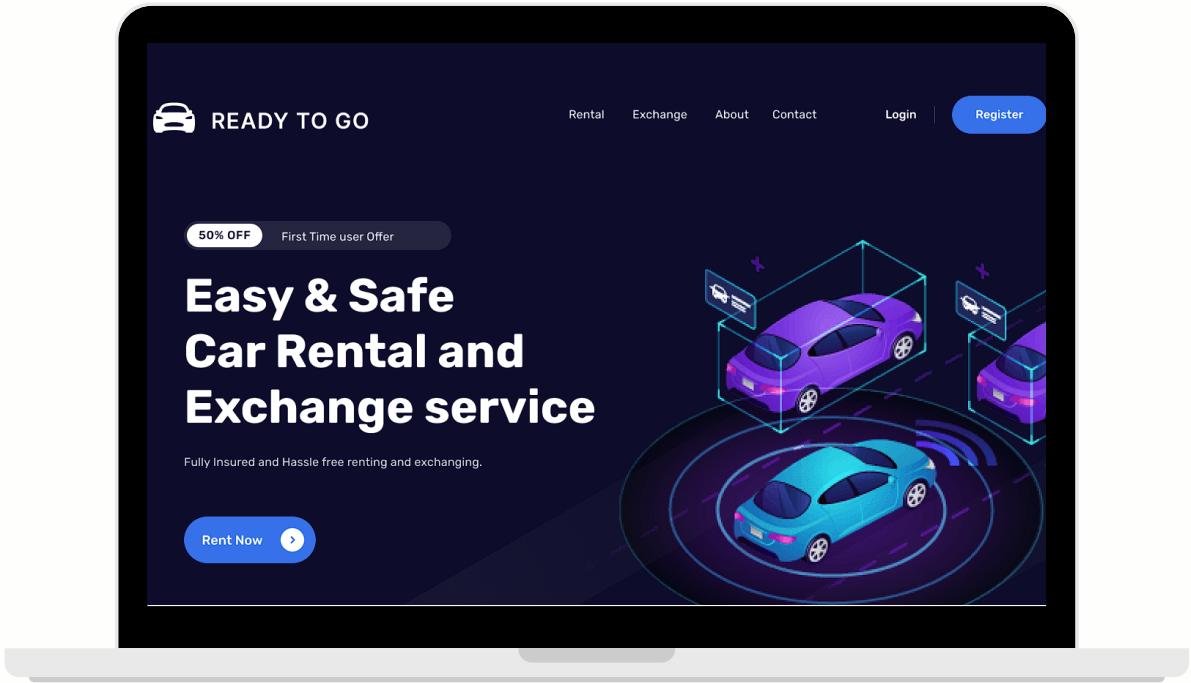
# Chapter - 6 : Smoke Test and Results Derived from it

- Strategy:
  - **Discord Community:** So, we have chosen discord community, for approaching people for our application. A Discord community is the next generation of social engagement. Discord is free, secure, and has apps for both desktop and mobile operating systems.
  - **Creating Group:** We had created our group and invited people through group link but we noticed that very few people had given their responses. People who are willing to lend their vehicles are very less.
  - **Assigning text channel:** So, first of all, Discord provides text channels that users can use to communicate through typing. These channels support various forms of mark-up and embedding, such as showing thumbnails for pictures, syntax highlighting for code fragments, or simply display emotes.
  - We will assign each renter their text channel, in which renters have access to upload their vehicle details, pictures and price and also other access like to make channel disable as per the vehicle availability, messaging rights to avoid spam messages, etc.
  - **Rentee's Interest:** If rentee liked any renter's vehicle and find it perfect to take that vehicle on rent, then rentee can put an inquiry for any vehicle if they are interested to take vehicle on rent.
  - **Renters Requirement:** Renters can verify that the person to whom he/she is lending vehicle is authentic or not by asking for details by sharing google form to the rentee whom he/she want to lend vehicle and take some details which renters required.
- List of Vehicle rented:
  - Maruti Suzuki Baleno - Hourly Based Rent (Rs.80/Hour)
  - Honda City - Car Exchange for Premium SUV
  - Activa 5G - Per Day Based Rent (Rs.400/Day)
  - Access 125 - Per Hour Based Rent (Rs.20/Hour)
  - Hero Maestro - Per Day Based Rent (Rs.400/Day)
  - Bicycle(\*3) - Per Day Based Rent (Rs.50/Day)

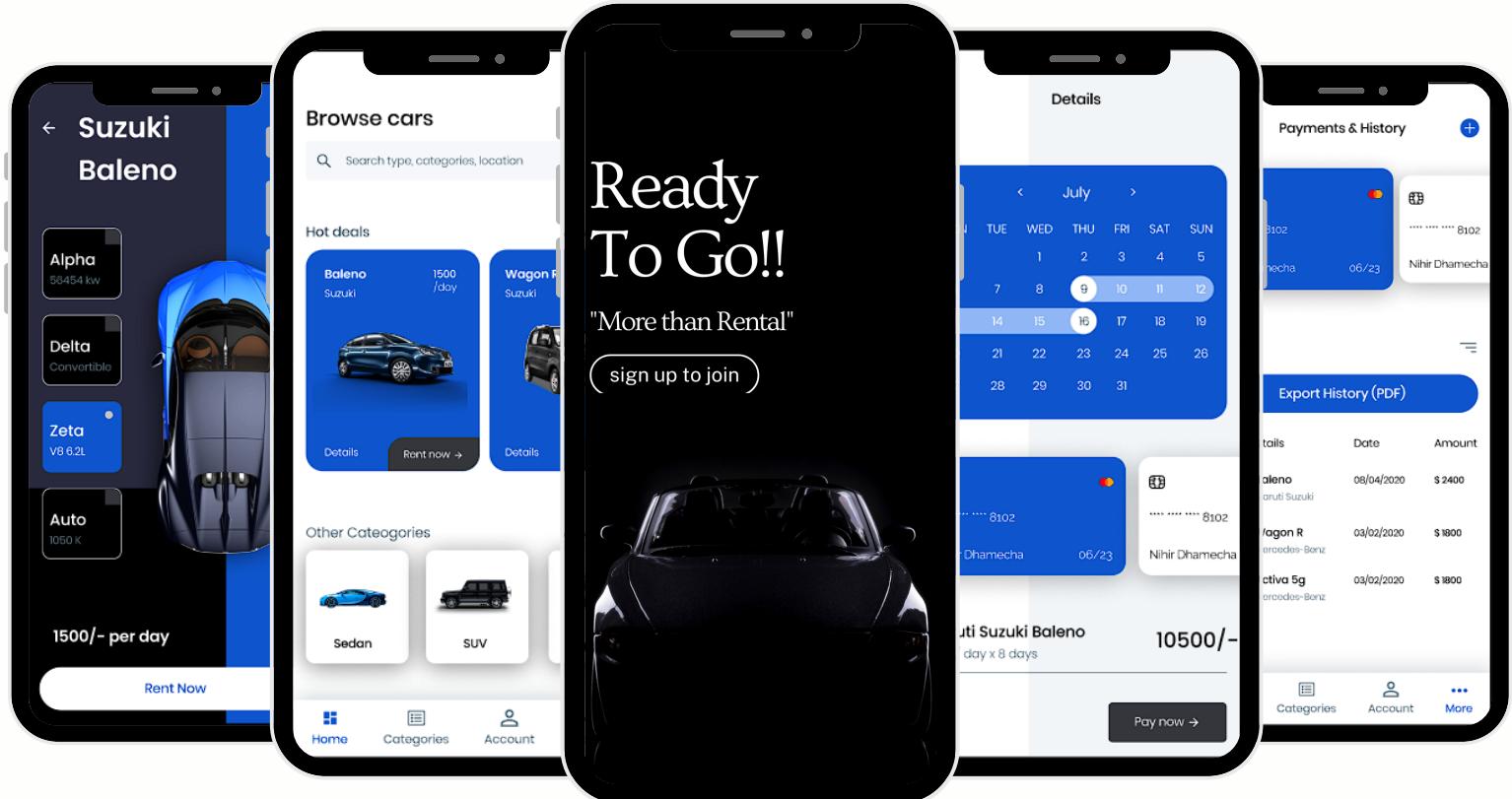
- Results from the smoke test:
  - Potential Customers : 120
  - No. of Participants in Discord: 13 (10.8%)
    - 2-Wheeler Vehicle Renting Service (Renter): 3 (23%)
    - 2-Wheeler Vehicle Renting Service (Rentee): 3 (23%)
    - Car Renting Service Customers(Renter): 2 (15.3%)
    - Car Renting Service Customers(Rentee): 1 (7.69%)
    - Bicycle Renting Service(Renter): 3 (23%)
    - Bicycle Renting Service(Rentee): 1 (7.69%)
    - Age-group: Maximum number of followers are from the age group of 20-32
    - Most attracted segment : Short-Term 2-Wheeler Renting was preferable.
- Target Groups
  - Age: Above 18 (For 2-Wheelers and 4-Wheelers Users) and no barriers (For cycles Users)
  - Gender: Male/Female/Others
  - Class: Lower/Middle/Upper Class (For Renting), Middle/Upper Class (For Car exchange facility)
  - Demographic: Away from Home Town/ Family
  - Geographic: Metro cities, Tourist Places, University area etc.
- Things that turned out to be successful:
  - Simple pricing strategy helped to attract the customers
  - We were able to entice more than 15 customers
  - Short-term renting is more convenient to renters
  - Around 80-90% of the customers were students.
  - Car-enthusiasts welcomed the idea of Car-Exchange Service.
- Things that we needed to improve upon:
  - Discord Platform is mostly used by students. So other than students, were not able to catch up with this new platform.
  - Many Renters were not comfortable with the pricing structure.
  - Due to the limited demand for drivers, we had to confine our business plan to renting and exchange.
  - Car renters were more hesitant than the 2-wheeler and bicycle renters.

# Chapter - 7 : Website/Mobile Application

## 1. Desktop/Laptop View:



## 2. Mobile View:



# Chapter - 8 : Economics of Business

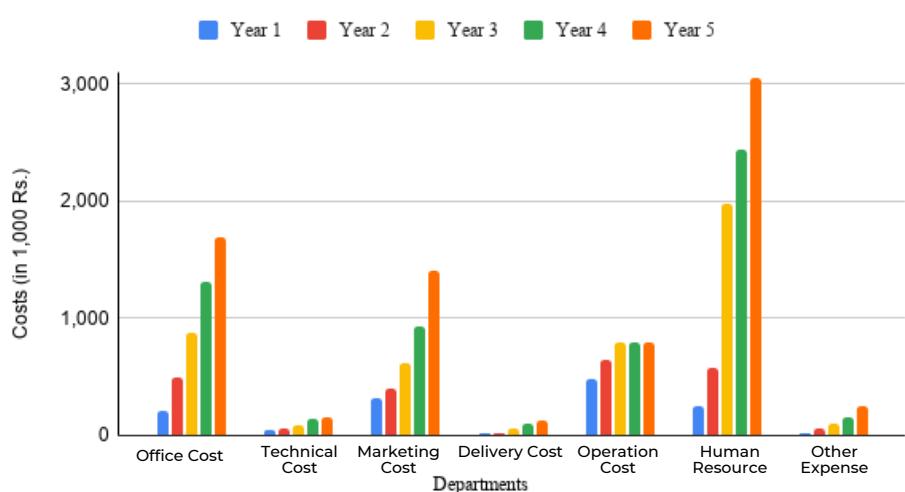
## 1. Revenue Drivers

- Revenue from service - Our main source of revenue is vehicle renting and exchange. For the first years, our profit margin would be 30% of the rent. For the next year two years, it would be 35% and from the fifth year onwards it would be 40% of the total rent.
- Revenue from Ads - Our secondary revenue form is Ads, We offer two kinds of Ads, one is the normal one which is shown at side panel (No - popup ads) and as our app has a map feature we also provide an advertisement opportunity for local cafes and restaurant by highlighting them on maps. We charge 50,000/- per campaign.
- Revenue from Late fees - If the renter the vehicle late then there is a late fee which is calculated according to the number of hours and type of vehicle. We keep 30% of the late fee received

## 2. Fixed and Variable Costs

- Fixed Costs:
  - Office Costs
  - Mass Media Marketing
  - Digital Marketing
  - HR Cost
- Variable Costs:
  - Delivery Cost
  - Cloud cost for Data storage
  - Maintenance
  - Domain name charges

**Cost Projection for 5 Years**



# Total Cost Projection

(In Rs.)

	Year 1	Year 2	Year 3	Year 4	Year 5
Fixed Costs	791,500	1,531,000	3,556,000	4,845,000	6,399,000
Variable Costs	545,000	730,000	956,000	1,043,000	1,086,000
<b>Total Cost</b>	<b>1,336,500</b>	<b>2,261,000</b>	<b>4,512,000</b>	<b>5,888,000</b>	<b>7,485,000</b>

## 3. Start-Up Costs

- Total investment of 1800000/- is needed to start the business. Each partner will invest 300000/- each.

## 4. Break-even Calculations

# Mix Value

(In Units)

Product	Year 1	Year 2	Year 3	Year 4	Year 5
4- Wheeler Renting	25	25	40	10	15
2- Wheeler Renting	40	45	60	14	20
Bicycle Renting	20	15	40	10	18
Car Exchange	10	15	30	6	10
4- Wheeler Renting + Doorstep Delivery	10	15	25	10	15
2- Wheeler Renting + Doorstep Delivery	20	17	30	8	10
4- Wheeler Renting (Min 250 Kms/Day) + (10/km)	45	41	100	13	30
2- Wheeler Renting (Min 50 Kms/Day) + (5/km)	65	55	120	16	25
4- Wheeler Renting + Doorstep Delivery (Min 250 Kms/Day) + (10/km)	41	25	30	12	10
2- Wheeler Renting + Doorstep Delivery (Min 50 Kms/Day) + (5/km)	35	22	32	9	12
<b>Total</b>	<b>311</b>	<b>275</b>	<b>507</b>	<b>108</b>	<b>165</b>

# Break Even

(In Composite Units)

	Year 1	Year 2	Year 3	Year 4	Year 5
Variable Cost per Composite Unit	438.1028939	265.4545	188.5601	96.57	65.82
Selling Price per Composite Unit	1,685.369775	1,680.8	2,458.5790	1,943.33	2,152.55
<b>Break Even (In Composite Units)</b>	<b>635</b>	<b>1,082</b>	<b>1,567</b>	<b>2624</b>	<b>3067</b>

# Chapter - 9 : Business Canvas Model

## The Business Model Canvas



- Detailed Description:

### 1. Key Partners:

- Renters: People who want to give a car on rent earn income
- Rentee: People who want to take car and use it
- Car Enthusiasts: People who are willing to exchange car
- Hotels & Tour Operators: People who want to give their customers a car which can be used for travelling.
- Insurance Company

### 2. Key Activities:

- Platform development
  - Website will be the online platform where people will interact and hire or put vehicles on rent as well as exchanging processes will take place. This will be an in-house process.
- Inviting renters and rentee
  - We will invite renter and rentee through website link, this way volume of users will increase.
- Providing a marketplace for used vehicles
  - This will create demand for used vehicles, people who need vehicles on rent will take it and people who have vehicles can give for rent for their objectives.

- Renting vehicles online
  - People who have vehicles or spare vehicles can give on rent to earn some income or for their different objectives and people who are willing to take vehicles on rent at reasonable rates for their purpose.
- Exchanging vehicles online
  - People who are enthusiasts of driving or riding different cars and bikes can exchange their vehicles on this platform.
- Taking back the vehicles
  - Rentee will return the car after use and also have the option to renew renting duration or take again on rent.
- Trying to increase the number of vehicles
  - We are focusing on user increment and we assume that number of users will increase in future.
- Record maintenance
  - All the data and vehicle condition will be checked and stored in software once the vehicle is registered by us.

### **Key Resources:**

- Website / Application
  - To provide platform to renter and rentee
- Location: Currently we have in-house team so we don't need to have place but if we want to expand then we want some location to drop vehicles and also entry into physical market with sell or car rental place
  - To showcase which cars are available
  - Live renting and exchanging of vehicle
  - Build trust and relations
  - Ease of services
- Financial resources
  - Marketing

### **Customer Segments:**

- Multi sided Asset Sharing Platform
- Supply-side: Utilization of unused vehicles and earn additional income and also exchange vehicles temporarily
- Demand Side: Help to find vehicles with low cost and easy pricing strategy.
- Segment Composition:
  1. Students
  2. People with jobs away from home
  3. Tourists
  4. Car Enthusiasts
  5. Cycling Groups
  6. People who want to earn
  7. People who want to save money
  8. People who want to take trial before buying the car

## **Channels:**

- Present: At present we will communicate through the Instagram page of Ready to Go which is – “readyy.2.goo” and as well as discord community. We will give the updates regarding this application and all the offers through this page and discord group, by doing so this will increase customers attention towards this page.
- Future: In future we are planning to design a well dynamic website and communicate through that and along with that we are also planning to add features of giving notifications to users through the application. We are also planning to adopt newsletter communication for future as this is a trending and attractive way to communicate.
  - i. Members in reach: 66 (Instagram) 19 (Discord)

## **Revenue Model:**

- Commission from renters - As per our revenue model, Customers will earn 70% of the trip price and 30% will be our commission. Against this we are planning to give the following benefits to the user:
- We will pay 100% of eligible damage costs
- Late fees - In case the rentee isn't able to turn in the vehicle on time, we will charge late fees on an hourly basis 30% of which will also go to us.
- Our other revenue stream would include sponsored ads on our website and apps.

## **Customer Relationship:**

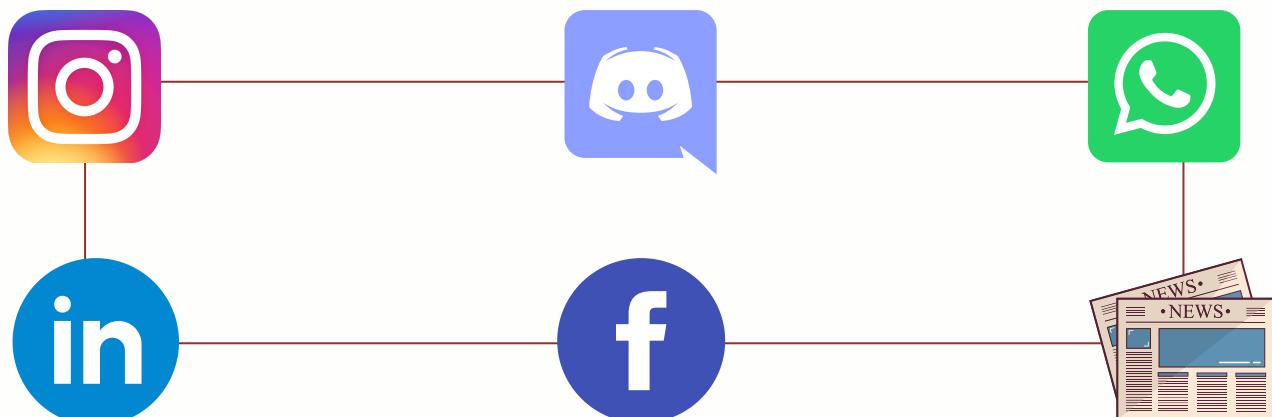
- **Customer Acquisition:**
  - Partnership with hotels and tours and travel agencies
  - Social media page
  - Referral codes for discounted Prices
  - Affiliate marketing
  - Advertisements
  - Email Marketing
- **Customer Retention:**
  - Time to time offers and discounts
  - 24\*7 Customer Care Support
  - Peer to peer rating system
  - Wide variety of vehicles to select from
- **How will a customer's query be solved?**
  - 1.Query Arises
  - 2.Contact us through our website and social media.
  - 3.We will reach back to the customer.
  - 4.Issue will be resolved in no time based on the terms and conditions of the company.

Here's the link of the Terms and Conditions document : [shorturl.at/lFGI8](http://shorturl.at/lFGI8)

# Chapter - 10 : Marketing Plan

- Digital Presence of the business: Website, SEO Planning, e-commerce presence, Social Media Presence and Strategy, Assumption of growth via online business. Ready to Go will be C2C as well as B2C as customer can earn by renting their vehicles so its C2C and if any customer will book any vehicle from panel then company will also earn commissions so B2C as well.
- Our main marketing goal is recurring customers by doing affiliate and promotional marketing, secondly membership revenue to make long term customer base. As now we plan to make landing page and funnel for capturing leads and convert them by promoting Ready to Go online website and application which contains all information of booking dates, slots, upcoming cars, cars availability, fees and charges i.e. whole brochure.
- For SEO our main focus is to optimize landing page to rank all major keywords on google by doing on page as well as off page SEO – for SEO google AdWords is best. For Ready to Go Ecommerce some white or private label travel niche products are there which will be start selling on Amazon as retail and Indiamart as wholesale as its private label their brand will be automatically promoted if any customer will buy their products.
- For social media of Ready to Go– Instagram page integrated with Facebook page and group will be created and for company main profile Ready to Go LinkedIn account will be there by doing content creation and offering some discounts to engage shoppers and gain followers organically. Opening virtual or online website will boost Ready to Go revenue rapidly as now customer will come from any place and at any time rather than 11-6pm to rent a car now they can by just few clicks.
- Strategies for e-commerce:
  - Boosting revenue
  - Generating new customer
  - Get more recurring customer

- Platforms:
  - Facebook
  - Instagram
  - Discord
  - WhatsApp
  - LinkedIn
  - Newspapers
- And to achieve these we have to plan strategies for Ready to Go,
  - Organic
  - Paid
    - By giving newspaper or classifieds promotion here 4ps will cover further steps
    - To write blogs and make backlinks for brand awareness for organic traffic.
    - We're doing website promotion by Facebook Ads and Google Ads
    - For Ads we will use mainly 2 creatives Video Ads and Carousel post
    - For further brand awareness we can do Instagram influencers promotion to engage people to Ready to Go page
    - We will plan to launch affiliate as well as referral programme to make our CPA lowest as much as possible with highest ROAS and ROI
    - Our campaign matrix goal is 2% + CTR and under 5rs CPC
    - For starting we have to spend more to get customer and once Ready to Go gets organic traffic ad spend and cpa will be lower and results and conversion will be higher
    - Engaged videos, images, banners, cards will give Ready to Go branded image to their current as well as potential customers



Platforms

# Chapter - 11: Operational Plan

## For Customers who are Rentees

### Front Stage



Searches for Vehicle according to Date and Vehicle Type

Views vehicle information and selects accordingly

Pays deposit for the selected vehicle

Gets the renter information(Address, Phone Number etc.)

Receives the vehicle (Through Delivery Boy/Direct Pickup)

Vehicle Examination and Uploading Vehicle Photos on the website

Enjoys the ride

After examining, Payment is done through an Application/Website

After Renter's Verification, Rentee will receive deposit after 24 Hrs.

### Back Stage

Based on the filter rentee uses, information from the database will be retrieved

User will get an information about fixed deposit and amount is received accordingly

Information of the rentee will be retrieved from the database based on the selected vehicle

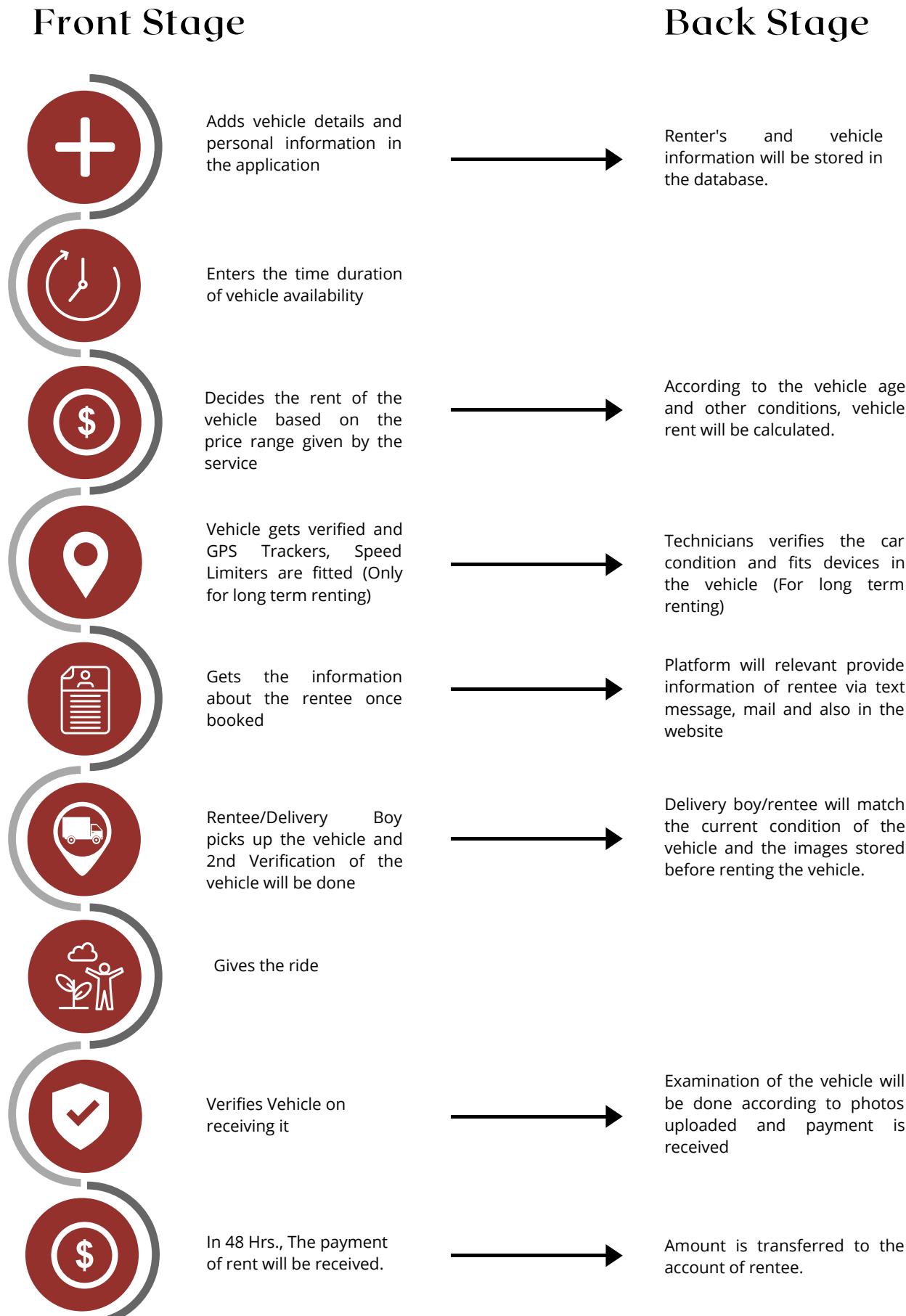
Delivery boy picks up the vehicle from the renter and gets delivered to rentee

Uploaded photos are stored in the database

Examination of the vehicle will be done according to photos uploaded and payment is received

Deposit amount is returned back

## For Customers who are Renters



- Location: Our major target customers are Tourist and Students. So we wish to start with Ahmedabad which has more than 35000 non localite students . For the 2nd year we aim to provide our services in Banglore and from the 3rd year onwards we will increase our services to 2 cities per year. Our target locations include cities of Goa, Rajasthan, Maharashtra etc and other famous tourist places all over India.

- Assets:

- Land Rent(Per Office) - Rs.1,50,000/Year
- Furniture and fixtures(Per Office) - Rs.25,000
- Vehicles(2-Wheelers) - Rs.60,000-Rs.70,000
- CCTV Cameras - Rs.3,000/Camera
- Mobile Phones - Rs.7,000-Rs.10,000/Mobile Phone
- Computer - Rs.40,000

- Equipment:

- Speed Controllers -
  - Rs.300 per piece
  - Total 600 pieces will bought every year.
  - Total Cost- Rs.180,000/year
- GPS Trackers-
  - Rs.500 per piece
  - Total 600 pieces will bought every year.
  - Total Cost- Rs.300,000/year

# Chapter - 12 : Management Team & Company Structure

1. Managing Director – Mr. Samarth Shah
2. Director – Mr. Nihir Dhamecha
3. CTO – Mr. Jeet Shah
4. Sales Department Head – Ms. Seema Raghani
5. Finance Department Head – Mr. Raj Shah
6. Marketing Department Head – Mr. Vineet Patel

- Ready 2 Go has a very strong team of six members from various fields. All the teammates have their own specialty which makes the R2G Management Team more unique and different from other company's management team.
- Our management has technical, designing, marketing and financing team members under its management only, so there is no need for a third person in the management team for a few years, which will also save the huge cost for the company.
- Jeet belongs from IT field, so is comfortable with making mobile and web applications and also familiar with other technicalities, Samarth is from IT field and also expertise in designing and member from one of the clubs, so can better handle the management, Nihir also belongs from IT field, Raj, Seema and Vineet belongs to commerce background so they are enough able to manage all the works under Sales, Finance and Marketing.
- R2G has one of the perfect managing directors as well as managing team mates, so there are very few chances that the company will be stuck in any problem for much time and work will go smoothly.
- With the cities expanding and endless road lines, transportation is becoming an issue for the people who do not have their own personal transport and in this information age, where anything and everything is facilitated through online means, so our company is one stop solution for all this problem.
- We provide Online Vehicle Rental & Exchange Services. If someone needs a vehicle for a short period of time, they can find one closest to their choice and range on here. Even if one's on a vacation in an unfamiliar place, we will provide a trusted and convenient source vehicle rental.
- The user can also rent a vehicle. We also provide the feature for the users to exchange vehicles, upload their spare vehicle and earn profit out of it as a secondary source of income. So, basically it is a C2C kind of service and our portal acts as a connecting bridge.

# Chapter - 13 : Overall Schedule

## Business Plan Outlined

February,2021 – April, 2021

## Website Establishment

April, 2021 – May, 2021

## Business Plan Completed

May, 2021 – June, 2021

## Secure Critical Financing

June,2021

## Incorporation of Venture

June,2021- July, 2021

## Social & Mass Media Marketing

July,2021- September, 2021

## 1st Accounts Receivable Payment

August,2021



# Chapter - 14 : Financial Projections

## Sales

(In Vehicle Units)

	Year 1	Year 2	Year 3	Year 4	Year 5
Pricing Strategy 1	100	250	400	1,000	1,500
	160	450	600	1,400	2,000
	80	150	400	1,000	1,800
	40	150	300	600	1,000
	40	150	250	1,000	1,500
	80	170	300	800	1,000
<b>Total Sales with Pricing Strategy 1</b>	<b>500</b>	<b>1,320</b>	<b>2,250</b>	<b>5,800</b>	<b>8,800</b>
Pricing Strategy 2	180	410	1,000	1,300	3,000
	260	550	1,200	1,600	2,500
	164	250	300	1,200	1,000
	140	220	320	900	1,200
<b>Total Sales with Pricing Strategy 2</b>	<b>744</b>	<b>1,430</b>	<b>2,820</b>	<b>5,000</b>	<b>7,700</b>
Income from Late Fees (2 Hrs.)	100	300	400	500	1,000
<b>Overall Sales</b>	<b>1,344</b>	<b>3,050</b>	<b>5,470</b>	<b>11,300</b>	<b>17,500</b>

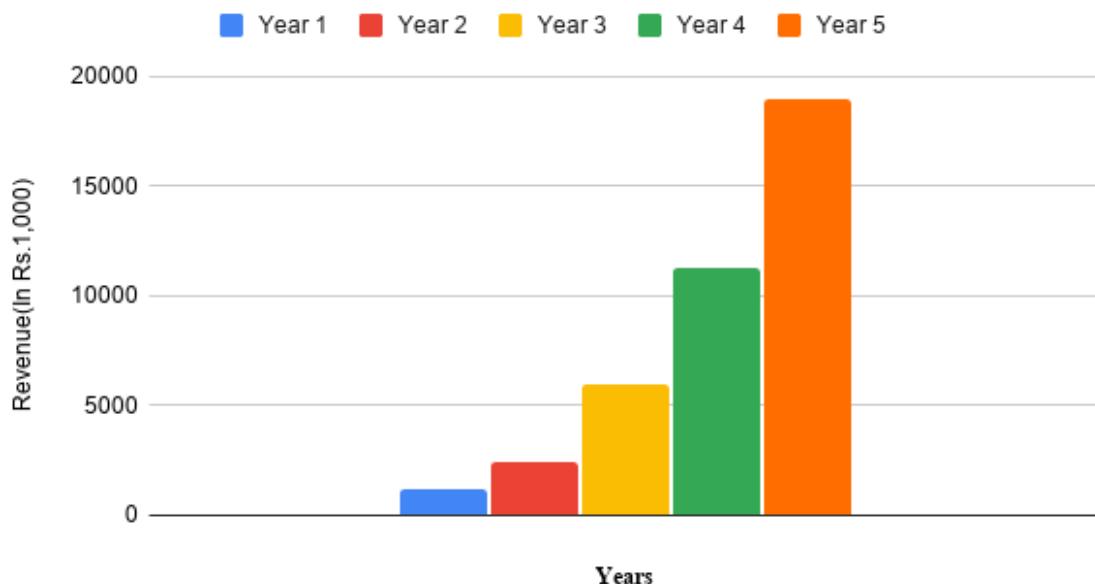
- The above table shows the sales data projection of Ready To Go for 5 years.
- Ready To Go offers 2 pricing strategies.
  - Pricing Strategy 1: This is a simple strategy and is best for short term renting. Here the rentees have to give their vehicles with a full tank and the renters have to return the vehicle with a full tank. The rentees just have to pay hourly/daily rent. Here we have assumed that the renter rents vehicle for 5 hours and at the rate of 400 per hour for cars, 100 for two-wheelers, 50 per day for bicycles.
  - Pricing Strategy 2: This strategy is for long term renting, here the pricing is package based and the price depends on the number of KMs driven. Here we have assumed that the renter rents for at least 2 days and rate of Rs.10/km for cars, Rs.5/Km for two-wheelers
- Ready to go also offers the delivery option for four-wheelers and two-wheelers. We have assumed that delivery would be between 5-12 Kms and initially we charge Rs. 150 per vehicle.
- Here we have also included the late fees, from secondary data it can be said that roughly 7-8% of renters return their vehicle late.
- Here we can see that the number of sales increases considerably as we aim to provide our services to other cities as well , We add one city per year for first two years and later we add two cities per year. The numbers assumed are based on secondary data of number of students, tourist and working professionals.

# Revenue

(In Rs.)

		Year 1	Year 2	Year 3	Year 4	Year 5
Pricing Strategy 1	4- Wheeler Renting	12,000	35,875	117,600	132,000	264,000
	2- Wheeler Renting	4,800	17,325	50,400	58,800	112,000
	Bicycle Renting	1,200	3,150	19,600	27,000	64,800
	Car Exchange	12,000	57,750	252,000	252,000	560,000
	4- Wheeler Renting + Doorstep Delivery	6,600	29,400	99,750	177,000	354,000
	2- Wheeler Renting + Doorstep Delivery	4,800	12,495	46,200	57,600	96,000
<b>Total Revenues Generated by Pricing Strategy 1</b>		<b>41,400</b>	<b>155,995</b>	<b>585,550</b>	<b>704,400</b>	<b>1,450,800</b>
Pricing Strategy 2	4- Wheeler Renting (Min 250 Kms/Day)	270,000	789,250	2,275,000	3,380,000	8,400,000
	2- Wheeler Renting (Min 50 Kms/Day)	39,000	115,500	588,000	512,000	900,000
	4- Wheeler Renting + Doorstep Delivery	253,380	503,125	735,000	3,240,000	3,000,000
	2- Wheeler Renting + Doorstep Delivery	25,200	53,900	179,200	324,000	456,000
<b>Total Revenues Generated by Pricing Strategy 2</b>		<b>587,580</b>	<b>1,461,775</b>	<b>3,777,200</b>	<b>7,456,000</b>	<b>12,756,000</b>
Income from Late Fees (2 Hrs.)		30,000	52,500	84,000	120,000	240,000
Advertisement Revenue from Hotels and Cafes		500,000	750,000	1,500,000	3,000,000	4,500,000
<b>Net income</b>		<b>1,158,980</b>	<b>2,420,270</b>	<b>5,946,750</b>	<b>11,280,400</b>	<b>18,946,800</b>

## Total Revenue Projection for 5 Years



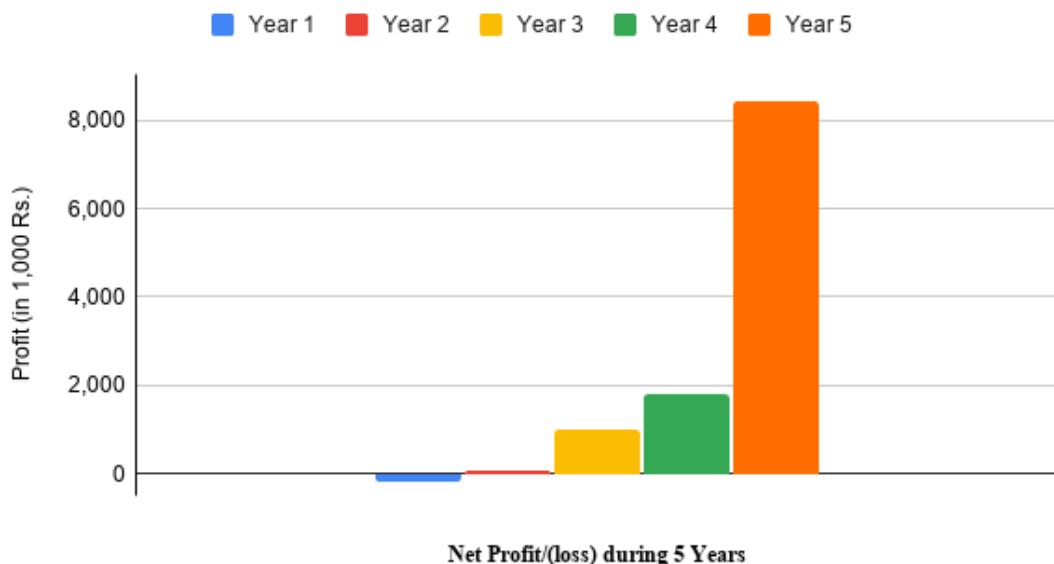
- The above table shows the revenue projection of the business for five years.
- In the earlier stage there is very less revenue as the services are limited to one or two cities but after few years the revenue increases.

# Income statement

(In Rs.)

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue from services	628,980	1,617,770	4,362,750	8,160,400	14,206,800
Other income	530,000	802,500	1,584,000	312,000	4,740,000
<b>Revenues</b>	<b>1,158,980</b>	<b>2,420,270</b>	<b>5,946,750</b>	<b>8,472,400</b>	<b>18,946,800</b>
Cost of Services	545,000	730,000	956,000	1,043,000	1,086,000
Marketing Cost	320,000	406,000	612,000	931,000	1,405,000
Employee Expenses	252,000	576,000	1,970,000	2,440,000	3,050,000
Other Expenses	219,500	549,000	974,000	1,474,000	1,944,000
<b>Total costs and expenses</b>	<b>1,336,500</b>	<b>2,261,000</b>	<b>4,512,000</b>	<b>5,888,000</b>	<b>7,485,000</b>
Profit Before Tax (EBITDA)	-177,520	159,270	1,434,750	2,584,400	11,461,800
Depreciation	26,325	54,751	111,401	162,017	234,258
Income before income taxes	-203,845	104,519	1,323,349	2,422,383	11,227,542
Provision for income taxes	-	26,130	330,837	605,596	2,806,885
<b>Net income</b>	<b>-203,845</b>	<b>78,389</b>	<b>992,512</b>	<b>1,816,787</b>	<b>8,420,656</b>

## Projected Profit for 5 Years



- The company incurs loss in the first year, after which as the revenue increases so the profit also increases.
- For the depreciation we have considered 10% for Furniture and Fixtures, 40% for Laptops and Mobile phones and 15% for CCTV cameras.

# Cash flow

(In Rs.)

	Year 1	Year 2	Year 3	Year 4	Year 5
Initial Capital	2300000				
PAT	-203,845	78,389	992,512	1,816,787	8,420,656
Depreciation	26,325	54,751	111,401	162,017	234,258
<b>Cash and equivalents at end of period</b>	<b>-177,520</b>	<b>133,140</b>	<b>1,103,913</b>	<b>1,978,804</b>	<b>8,654,915</b>

# NPV & IRR

(In Rs.)

	Year 1	Year 2	Year 3	Year 4	Year 5
Initial Capital	2300000				
Operating Cashflow	-177,520	133,140	1,103,913	1,978,804	8,654,915
NPV	-167,472	118,494	926,866	1,567,398	6,467,456
<b>Total NPV</b>	<b>6,612,743</b>	<b>NPV &gt; 0</b>	<b>Acceptable</b>		
<b>IRR</b>	<b>34%</b>	<b>IRR &gt; NPV</b>	<b>Acceptable</b>		

- Net present value (NPV) is the difference between the present value of cash inflows and the present value of cash outflows over a period of time. NPV is used in capital budgeting and investment planning to analyze the profitability of a projected investment or project. NPV considers the time value of money, translating future cash flows into today's cash it also provides a concrete number that managers can use to easily compare an initial outlay of cash against the present value of the return.
- Here  $NPV > 0$ , that is a good sign and its value is 6612743 which means the business is worth investing.
- The IRR equals the discount rate that makes the NPV of future cash flows equal to zero. The IRR indicates the annualized rate of return for a given investment—no matter how far into the future—and a given expected future cash flow.
- For NPV calculation,  $r = 6\%$  and from our IRR calculation we get  $R = 34\%$ . As  $R > r$  it is a good sign for business and ROI is high.

# Chapter - 15 : Executive Summary

Our business, Ready to Go is one the online service platforms which will provide Vehicle Rental as well as Vehicle Exchange services. We are a one stop solution, when anyone wants to give a vehicle on rent, hire a vehicle on rent or want to exchange their vehicle with another vehicle. This service is for four-wheelers, two-wheelers as well as bicycles. Our motto is to solve transportation problems for our users and to give the best services to them. Our customers are who is above 18 for two-wheelers and four-wheeler and no age barriers for cycle users, all genders can use and lower/middle/upper class for renting service and middle / upper class for exchanging service, who is away from hometown and do not have personal vehicle, Metro cities, Tourist places and university area will be our target locations.