**Estimate of cloud expenses for 3 years**

|  |  |  |  |
| --- | --- | --- | --- |
| Category | Year 1 costs | Year 2 costs | Year 3 costs |
| Hardware | - | - | - |
| Setup costs | 3,50,000 | - | - |
| Software (Licensing) | - | - | - |
| Labour costs | - | - | - |
| Service costs | 10,00,000 | 25,00,000 | 40,00,000 |
| WAN costs | 500,000 | 7,50,000 | 12,00,000 |
| Cost for a year | 18,50,000 | 32,00,000 | 52,00,000 |

Notes:

1. All costs mentioned above are rough estimates, and may or may not reflect the actual cost to be incurred by the company.
2. All costs are in INR.
3. Software licensing costs indicated do not consider software suits to be used in company’s internal network.
4. Labour costs indicated refer to labour for hardware and server maintenance. It does not include costs for software engineers.
5. The year-on-year increase in service costs and WAN costs have been proposed according to the company’s scalability goals over the coming years.
6. Setup costs indicated refer to any costs incurred by the company for initial setup of cloud infrastructure, associated planning costs, shifting of existing data from private servers to cloud, etc.