

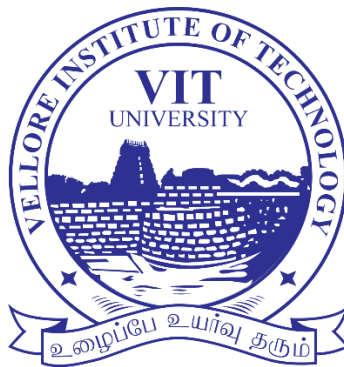
LEAN STARTUP MANAGEMENT
Project Report
Business Model for a LED TV Brand
MGT1022, Slot-TC1

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UNDER GUIDANCE OF

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VIT BUSINESS SCHOOL

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CERTIFICATE

This is to certify that the Project work entitled “ **Business Model for a LED TV Brand**” that is being submitted by “**Aryan Singh, Pranav Santhosh Nair, S.Anurag, Aparna, Sayak Dhar, Mohammed Abdurahiman,(Madhusudhanreddy M, Yati Tomar ,N Teertha** ” for CAL in B.Tech Lean Startup Management MGT 1022 is a record of bonafide work done under my supervision. The contents of this project work have not been submitted for any other CAL course.

Place : Chennai

Date : 30-03-18

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Visionics® Corporation

Executive Summary

1. Company mission statement

We saw the television products that are currently available in the market, became aware that the technology available to the people is at very high tag price. Hence we came up with our brand that'll provide people the luxury of Technology at an Affordable Price.

2. Company philosophy and vision

- a. Honesty, integrity, innovation and community are values we strive to follow in our Company.
- b. Visionics's vision is to become the markets leading company with broad market recognition.

3. Company goals

Our primary goal is to achieve 10% market share in Televisions within next 5 years. And spread our technological advancements in multiple fields. To achieve that goal we'll have to have a profitable sale in the current fiscal year.

4. Target market

The current generation is shifting towards smart TVs and AI TVs. We are here to serve such customers who want to see the future with our Vision. We'll provide them the necessary Technology at a price that they'll have enough to spend on other technologies too. They are the key to our nation's future and we'll help them see it.

5. Industry

Television Industry in a huge industry. According to 6Wresearch, India smart TV market was valued at \$0.22 billion in 2011 and is expected to reach \$10.41 billion by 2017. According to CEAMA TV market in India is expected to grow at a robust CAGR of 19% till 2017

6. Management Philosophy

Basic management philosophies that ensure Visionics will accomplish its business activity goals. Visionics Code of Ethics. We, at Visionics, share and believe in two key corporate principles - "Creating value for customers" and "Respecting human dignity." Based on these principles and in the spirit of our Management Charter, we strive to promote self-governing management and its accompanying responsibilities. It is our intention to uphold the principle of free market economy, which embodies the spirit of fair competition. We are committed to attaining our goal of becoming a global leader, and as such we will continuously pursue mutual benefits for our stakeholders on the basis of trust and cooperation.

Company Description Worksheet

Business Name	Smart Television Manufacturer
Company Mission Statement	We saw the television products that are currently available in the market, became aware that the technology available to the people is at very high tag price. Hence we came up with our brand that'll provide people the luxury of Technology at an Affordable Price.
Company Philosophy/ Values	<ol style="list-style-type: none"> Honesty, integrity, innovation and community are values we strive to follow in our Company. Visionics's vision is to become the markets leading company with broad market recognition.
Company Vision	We are committed to create a better world full of richer digital experiences, through innovative technology and products. The goal of the vision is to become a beloved brand, an innovative company, and an admired company
Goals & Milestones	<ol style="list-style-type: none"> Our primary goal is to achieve 10% market share in Televisions within next 5 years To achieve that goal, we'll have to have a profitable sale in the current fiscal year.
Target Market	The current generation is shifting towards smart TVs and AI TVs. We are here to serve such customers who want to see the future with our Vision. We'll provide them the necessary Technology at a price that they'll have enough to spend on other technologies too. They are the key to our nation's future and we'll help them see it.
Industry/ Competitors	<ol style="list-style-type: none"> Samsung LG Sony

Products & Services

1. **Our company's products and services:** We will start with the assembly and sales of budget Televisions in the Indian market. We are aiming at the low-end segment with our product primarily at the 15,000 Rs segment keeping in mind the average Indian consumer. We are launching 32inch Smart TV Aquila in this segment.
2. **The problem that our product or service solves:** Most Smart TVs support such popular services as Hulu, Amazon Prime Video and Pandora. However, some sets offer only a handful of apps that rarely change, while other models deliver several screens of offerings, ranging from MLB to Facebook to Stitcher. The lower-priced models of some manufacturers offer only the most popular apps, while higher-priced sets provide a complete array of services but the cost is generally out of the pockets of an average Indian Consumer. We at Visionics will provide our customers with latest features in the most affordable range.
3. **Proprietary features that gives us a competitive advantage:** We have the best quality LED display in the segment. Our product supports most of the popular apps such as Netflix, Hulu, Amazon Prime Video and Pandora. Also giving a 6-month free subscription of Netflix. We have highest screen to body ratio and also provide a Front camera which can be used for video conferencing. Provides Wifi internet Access. Supports the Android TV box services.
4. **How will we price your product or service:** We'll Price our product initially with a 15% profit margin so as to gain as much popularity as possible in the short period of time. Then after we gain our Brand value we'll produce within the competitor's price range. We are reaching out to discerning consumers with keen sensibilities - people who continue to explore new activities and take on new challenges to experience more and achieve a better life. We have developed our brand image gradually and consistently, always to communicate, we're contemporary yet authentic, always evolving our fundamental philosophies to the modern arena.

Product & Service Description Worksheet

Business Name	Visionics® Corporation
Product/ Service Idea	A smart LED TV which supports most of the popular apps such as Netflix, Hulu, Amazon Prime Video and Pandora. Has a Front camera which can be used for video conferencing. Providing with the Roku TV intuitive interface and the built-in ability to stream content over the internet, watch live TV with an antenna, and access connected devices like a cable set-top box or game console. This eliminates the need to buy a separate cable connection.
Special Benifits	Also giving a 6-month free subscription of Netflix Providing a Front camera which can be used for video conferencing. Providing the Roku TV interface.
Unique Features	Providing a Front camera which can be used for video conferencing. Our product supports most of the popular apps such as Netflix, Hulu, Amazon Prime Video, Spectrum and Pandora. We have highest screen to body ratio in the segment with Wi-Fi internet Access. Supports the Android TV box services. Also a 6-month Netflix subscription free of cost.
Production and Delivery	Import of materials from China and assembly plants in India. Delivery and Distribution to be taken care off by our prime partner Amazon. Standard delivery within 5 days.
Suppliers	Television Manufacturer: GUANGZHOU FUGUO ELECTRONICS CO. LTD, Guangzhou District, China Camera Manufacturer: GUANGZHOU SINCERE INFORMATION TECHNOLOGY LTD, Guangzhou District, China (Samsung 5-mp camera) Interface Chip: Roku TV, 150 Winchester Circle Los Gatos, CA 95032
Product/ Service Description	Tie up with 247customer for providing the call centre service.

Marketing Plan

Visionics's philosophy revolves around people, sincerity, and sticking to the fundamentals. It is to understand our customers and to offer optimum solutions and new experiences through ceaseless innovation, thus helping our customers lead better lives.

We are reaching out to discerning consumers with keen sensibilities - people who continue to explore new activities and take on new challenges to experience more and achieve a better life. We have developed our brand image gradually and consistently, always to communicate, we are contemporary yet authentic, always evolving our fundamental philosophies to the modern arena.

Visionics believes that making a difference in your life and making it more meaningful is the reason of our being.

Market Trends

The Indian television industry is undergoing a seismic shift. The pace of technological change is accelerating so quickly that finding the right balance between addressing today's daily operational challenges and planning for the next big thing can be a struggle. Many executives are so focussed on the critical issues that they need to address today that looking forward is nearly impossible. And yet, looking forward is what executives need to do if they want to innovate, prosper and survive.

1. Unbundling of content will drive new revenue models
2. Technology will enable Omni platform consumption
3. Increased content cost will shift power to the content producer
4. Social dynamics will lead to more real-time feedback
5. "On-tap" content will lead to time-shifted bingeing

Market research

The Indian TV market has seen significant transitions in last one decade. The market which was once dominated by CRT TV, shifted towards plasma TV then LCD TVs and is now evolving towards LED TVs. Consumer's demand for multi-functional services, on-going TV network digitization and increasing internet penetration is helping smart TV market to grow in India. The shifting consumer preferences toward online content as a result of growing proliferation of high-speed internet in most parts of the world is providing an impetus to the industry growth. Several providers are teaming up with streaming device manufacturers to gain a foothold on the market. For instance, Sharp Corporation has incorporated Roku in its smart TV sets so that customers can personalize the screens of their TV sets and access the Roku channel store.

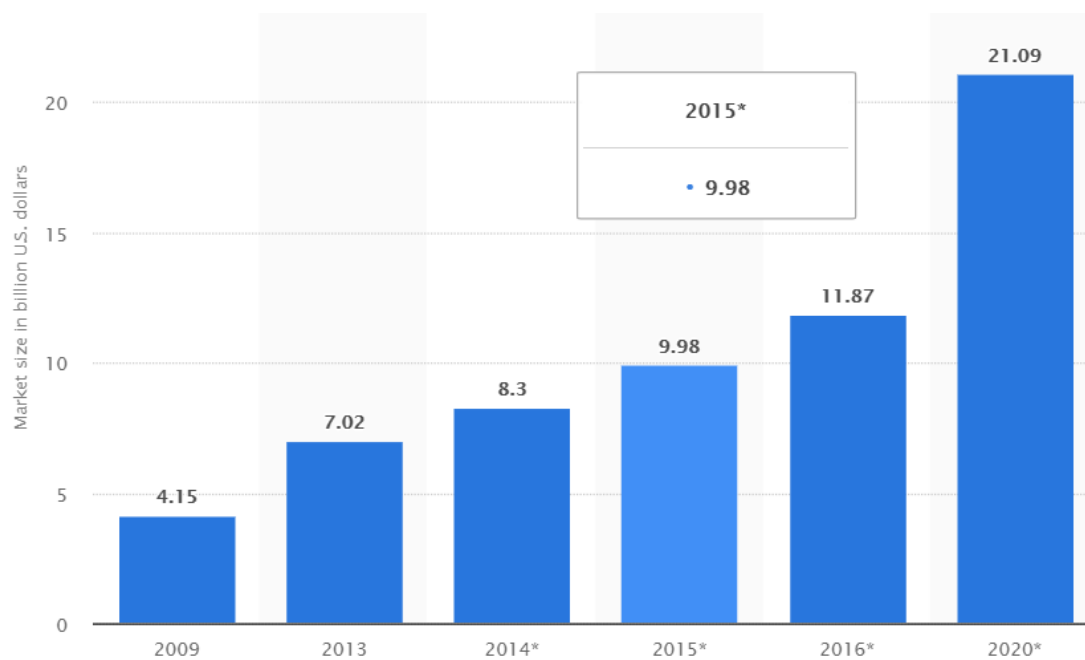
Increased popularity of smart TVs has affected the cable TV market as well as the set-top-box and the conventional television platforms to a certain degree, especially in the developed countries. On the

other hand, the growing demand for online streaming has opened opportunities for service providers to venture into the Over the Top (OTT) space and distribute content via the Internet.

At present, the Television market is dominated by the LCD TVs segment and its market share will continue to rise till the end of 2018 (as per CEAMAReport).

According to CEAMA TV market in India is expected to grow at a robust CAGR of 19% till 2016

According to 6Wresearch, India smart TV market was valued at \$0.22 billion in 2011 and is expected to reach \$10.41 billion by 2017, growing at a CAGR of 87.02% during the period 2012-2017.



Our Competitive Advantage

We recognize the importance of a competitive marketplace that encourages companies to innovate to best serve our customers' and society's interests. Adherence to fair competition rules that enable strong and competitive markets is essential for maintaining our capability to innovate and deliver value to our customers. When we follow these laws, not only do we better our society, we help our Company and our business partners to deliver better customer value. We are committed to following the fair competition laws in all of the countries where we operate. In this way, our commitment to fair competition not only builds trust among our business partners and consumers, it helps us become a stronger and more innovative company, as well. Understand that fair competition laws are quite complex and vary by jurisdiction. It can be difficult to determine what is or is not a violation of these rules. Some countries have implemented rules that extend the reach of their laws beyond their borders, and many have increased enforcement actions and penalties.

If your job involves sales, marketing, R&D, production planning, equipment or materials sourcing or negotiations with our channel partners or suppliers, you especially are expected to understand the Company's Fair Competition policy and how it applies to your work.

Part of what is going to count as competitive advantage for Visionics® Corporation is the vast experience of our management team, we have people on board who are highly experienced and understand how to grow business from the scratch to becoming a national phenomenon.

Lastly, our employees will be well taken care of, and their welfare package will be among the best within our segment, meaning that they will be more than willing to build the business with us and help deliver our set goals and achieve all our aims and objectives. We will also give good working conditions and commissions to freelance sales agents that we will recruit from time to time.

Barriers to entry

What barriers to entry does your startup face, and how do you plan to overcome them? Barriers to entry might include:

- High startup costs
- High production costs
- High marketing costs
- Brand recognition challenges
- Finding qualified employees
- Need for specialized technology or patents
- Tariffs and quotas
- Unionization in your industry

SWOT Analysis Worksheet

Strengths	<p>Strong vision and Idea.</p> <p>Presence Business Partners</p> <p>Presence Huge market</p> <p>Presence supply-partners</p> <p>Low manufacturing Costs in China</p> <p>Cheap Labor and assembly costs in India</p> <p>In recent years, organized sector has increased its share in the market</p>
Weaknesses	<p>Large number of competitors</p> <p>Cheap Chinese manufacturers</p> <p>Demand is seasonal and is high during festive season.</p> <p>Low purchasing power of consumer</p> <p>Limited Global Reach</p> <p>Size of the setup</p> <p>Competitors can copy the idea quickly</p>
Opportunities	<p>In India, the penetration level of white goods is lower as compared to other developing countries.</p> <p>Increase in income levels, i.e., increase in purchasing power of consumer.</p> <p>Easy Availability of finance.</p> <p>Marketing through a Virtual marketplace increases the potential customers rapidly</p>
Threats	<p>Higher import duties on raw material imposed.</p> <p>Increases in prices by suppliers</p> <p>Larger businesses have a wider reach</p> <p>Brand unfamiliarity</p> <p>Threat of copying</p>

Features and Benefits

The customers get a high end Television which can support the popular apps such as Netflix, Hulu, Amazon Prime Video and Pandora. Has a Front camera which can be used for video conferencing. Also a 6-month Netflix subscription free of cost to fulfill their entertainment needs. Providing with the Roku TV intuitive interface and the built-in ability to stream content over the internet, watch live TV with an antenna, and access connected devices like a cable set-top box or game console. An easy-to-use remote and free mobile app let you use your voice to control Roku TV and search for movies, shows and more across top streaming services and broadcast TV in your area.

- Product delivery: Within 5 working days
- Warranty/guarantee: 2 year warranty
- Service contracts
- Ongoing support
- Training
- Refund policy

Customer

We are targeting the lower middle, middle class people of the country. In Tier 1 and Tier 2 cities and all major cities of the country. In the general age group of 20 to 45 years. Prior aim is still to focus on the youths and younger generations.

For consumers:

- Age: 20-45 Age Group
- Gender: Not Specific
- Location: City
- Income: 2.5L PA
- Occupation: Not Specific
- Education level: Not specific

For businesses:

- Industry: Business Firms
- Location: Industrial Estate or Cities
- Size: Medium or large
- Stage in business (startup, growing, mature)

Competitive Analysis

We want to be respectful of our competitors and avoid situations that suggest improper interactions. In general, relationships among competitors can cause problems with fair competition. Our first duty is to serve our customers. We serve them by supporting the rules that encourage our continued innovation and success in a strong, competitive market.

Improper agreements do not have to be exclusively about consumer price. Agreements can be about anything that may influence price or customer choice, such as:

- Price fixing – Agreeing on any form of pricing for channel partners or customers, including, for example, use of pricing formulas, discounts or rebates, or agreeing on pricing to pay to suppliers.
- Bid rigging – Agreeing on how to bid for customer or channel partner business, such as by agreeing on what price or other conditions to put in a bid proposal. Typically, this is done so that a competitor wins one customer opportunity and another wins the next opportunity.
- Operation, production or distribution agreements – Agreeing on levels or other limitations of production or distribution of products, or agreeing on other operational activities.
- Market, territory or customer allocation – Agreeing to divide markets, territories or customers so that competition is reduced in each situation.
- Group boycotts – Agreeing not to do business with certain individual or groups of customers, distributors or suppliers, for instance, until that group agrees to more favorable pricing or other conditions.
- Focus on technology and innovation.
- Leveraging on technological prowess from IT hardware industry.
- Create round the year impact through marketing.

Agreements do not have to be fulfilled or even been made sincerely to be illegal. Even failed attempts to reach an agreement that any party had no intention to keep still can be viewed as a conspiracy to violate fair competition law.

Key competitors

INTEX

- Market share 3.97% (Value : 2.61%)
- Focus on technology and innovation.
- Leveraging on technological prowess from IT hardware industry.
- Create round the year impact through marketing.

VIDEOCON

- Market share 3.36% (Value : 2.30%)
- Leveraging on being an Indian company.
- Multiple brand strategy.
- Focusing on dealer/ distributor networks.

Competitive Analysis Worksheet

FACTOR	Me	Competitor A	Competitor B	Importance to Customer
Products	32" LED TV	32" LED TV	32" LED TV	4
Price	12499	13,999	12,999	5
Quality	Good	Good	Good	5
Service	Good	Good	Good	4
Reliability	Yes	Yes	Yes	4
Company Reputation	Average	Average	Good	4
Location	New Delhi	New Delhi	Mumbai	2
Sales Method	Ecommerce	Retailers and Ecommerce	Retailers and Ecommerce	3
Advertising	Online	Online & Commercials	Online & Commercials & Print	3
Image	Not Yet	Average	Average	3

SALES AND MARKETING STRATEGY

Visionics® Corporation is established with the aim of maximizing profits in the television market in both India and we are going to go all the way to ensure that we do all it takes to sell our products to a wide range of customers.

Our marketing strategies will be aimed at providing our customers with standout prices due to our low profit margins and efficient structure. Our television being relatively low priced with a high specification ratio. Emphasizing on the fact that it provides with popular apps such as Netflix, Hulu, Amazon Prime Video and Pandora. Has a Front camera which can be used for video conferencing. Also a 6-month Netflix subscription free of cost to fulfill their entertainment needs. Providing with the Roku TV intuitive interface and the built-in ability to stream content over the internet, watch live TV with an antenna, and access connected devices like a cable set-top box or game console. An easy-to-use remote and free mobile app let you use your voice to control Roku TV and search for movies, shows and more across top streaming services and broadcast TV in your area.

Advertising includes:

- Online – on social media websites (Facebook, Instagram), android apps being a cheaper option.
- Print – main newspapers
- Radio – Radio advertisements

Marketing includes:

- Business website
- Social media marketing
- Email marketing
- Mobile marketing
- Search engine optimization
- Content marketing
- Print marketing materials (brochures, flyers, business cards)
- Public relations
- Trade shows
- Networking
- Word-of-mouth
- Referrals

Our goal is to be the best premium television, not the biggest. Providing our customers an experience. An experience that no other company can provide at such a price. We will continue to play a key role in strengthening community connect and improving brand familiarity beyond our core audience.

Marketing Expenses Strategy Chart

	Social media	App Store	Experts
One-Time Expenses	10lac	2.5lac	2lac
Monthly Expenses	2lac	50,000	50,000

Pricing

We'll Price our product initially with a 15% profit margin so as to gain as much popularity as possible in the short period of time. Then after we gain our Brand value we'll produce within the competitor's price range.

So, our TV production Cost per piece after adding the direct and indirect cost is 12,136.40 /- we will sell our TV at profit margin of 13.5% i.e. at 13,999/-

Distribution channels

We will use ecommerce website **Amazon** as our exclusive partner for sales and use their distribution network. It helps in building the brand familiarity. We get a distribution network and sales platform.

We are choosing amazon as it is a household name. A very familiar ecommerce company in India.

Operational Plan

Production

We have made our Tie ups with Fuguo Electronics Co. Ltd, Sincere Information Technology Ltd and Roku International for the parts. We'll assemble the parts in our Assembly Plant in Noida. The recruits will only handle non fragile materials whereas the Professionals will handle the Fragile and assembly. The labor cost is cheap in Uttar Pradesh and will cost around 300 to 500 Rs. per worker per day and for Professionals it'll cost 3000 to 5000 a day.

Quality control

Each and every product that is produced in our plant will go through rigorous Testing procedures managed by professionals so as to maintaining the standard we're striving for.

Location

Our Assembly plant will be located in Noida(NCR), along with Management HQ . In this section, expand on that information with details such as:

- a. The Assembly plant is 25000sq ft of warehouse space in Noida, Uttar Pradesh.
- b. The building is commercial by Design
- c. No Zoning restrictions.
- d. Accessibility for customers, employees, suppliers and transportation if necessary
- e. Costs including rent, maintenance, utilities, insurance and any buildout or remodeling costs

Legal environment

- f. The land has been purchased and registered under the local Taluka.
- g. All the Product design is patented.
- h. The insurance coverage your business requires and how much it costs
- i. Any environmental, health or workplace regulations affecting our business
- j. No special regulations affecting our industry.
- k. Bonding requirements, if applicable

Personnel

Employees both skilled and unskilled will be required.

- l. Initially we'll need around 32 unskilled and 10 skilled employees in our Assembly Hub.
- m. Freelancers are a Good option for cheap labor hence will be considered when the need arises.
- n. The unskilled labor will be paid 300 to 500 a day whereas the skilled professionals will be paid 3000 to 5000 a day.

- o. Employees who seek new working environment and a high position in the management will readily join the company which is freshly Establishing,
- p. The Experts and Research analysts will be hired so as to plan the working Procedure.

Suppliers

Name	GUANGZHOU FUGUO ELECTRONICS CO. LTD	GUANGZHOU SINCERE INFORMATION TECHNOLOGY LTD	Roku TV
Material	LED Television	Samsung 5-mp camera sensors	DTH Chip
Address	Guangzhou District, China	Guangzhou District, China	150 Winchester Circle Los Gatos, CA 95032
Website			
Production Capacity	30000 pcs p/m	4000000 per anum	50000 PCS p/m
Minimum Order	500	1000	1000
Credit Policy	none	none	yes

Credit policies

We don't sell on credit to our customers as of now. We are planning to work on it.

Startup Expenses & Capitalization

Starting a manufacturing company is indeed a capital intensive business. This is so because the amount required in setting up a assembly plant is not a piecemeal. The bulk of the start – up capital will be sent on leasing or acquiring a facility and also in purchasing the equipment.

Aside from that, you are not expected to spend much except for purchase and servicing of distribution trucks, purchasing raw materials, paying of your employees and utility bills. This is the key areas where we will spend our start – up capital;

- The Total Fee for Registering the Business in India – **Rs.45,000.**
- Legal expenses for obtaining licenses and permits as well as the accounting services (software, P.O.S machines and other software) – **Rs.80,000.**
- Marketing promotion expenses for the grand opening of Visionics® INC, Lacing the amount of Rs.200000 and as well as flyer printing (2,000 flyers at Rs.2.5 per copy) for the total amount of – **Rs.2,00,000.**
- Cost for hiring Business Consultant – **Rs.1,50,000.**
- Insurance (general liability, workers' compensation and property casualty) coverage at a total premium – **Rs.1,50,000.**
- **Rent of the land in Delhi where plant is to be established(35,000 sq feet) – Rs.84,00,000**
- Cost for construction of a standard assembly plant – **Rs.60,00,000.**
- Operational cost for the first 3 months (salaries of employees, payments of bills et al) – **Rs.36,00,000**
- The cost for Start-up inventory (raw materials and packaging materials et al) – **Rs. 8,25,00,000**
- Cost for store equipment (cash register, security, ventilation, signage) – **Rs.8,00,000**
- The cost for the purchase of furniture and gadgets (Computers, Printers, Telephone, Fax Machines, tables and chairs et al) – **Rs.5,50,000.**
- The cost to be given to the online websites like flipkart,amazon – **Rs.2,00,000**
- The cost for our opening party – **Rs.6,00,000**
- Miscellaneous – **Rs.5,00,000**

We would need an estimate of **Rs.10.5 to 11 Crore** to successfully set up our assembly line and production plant in Delhi.(running for 3 months)

Please note that this amount includes the salaries of all the staff for the first 3 month of operation.

Generating Funds / Startup Capital for Visionics® Corporation

Visionics® Corporation is a family business that is owned and financed by 10 prime members and their immediate family members. They do not intend to welcome any external business partner which is why he has decided to restrict the sourcing of the start – up capital to 3 major sources.

These are the areas we intend generating our start – up capital;

- Generate part of the start – up capital from personal savings and sell of stocks
- Source for soft loans from family members and friends
- Apply for loan from my Bank

Cost Report

Land- Rent

Cost – 84,00,000 /-

Area – 35,000 sq. ft. at 350 /- per sq. ft.

Location – Noida,NCR

Machinery

Cost – 60,00,000 /-

Direct Cost (for 30,000 units)

Materials	320,000,000/-
Transport	11,700,000 /-
Labour Wages	36,00,000 /-
Electricity	25,10,000 /
Fuel	6,00,00 /-
Repair and Maintenance	5,25,000/-
Factory Overhead	13,35,000 /-
Total Direct Cost	338,415,000 /-

So, Direct Cost for one pair of shoes = $338,415,000/30,000 = 11,280$ /-

Indirect Cost (for 30,000 units)

Sales and Distribution	84,50,000 /-
Interest	12,360,000 /-
Office and Administration Overhead	18,20,000 /-
Salary	30,50,000 /-
Total Indirect Cost	25,680,000 /-

So, Indirect Cost for one pair of shoes = $25,680,000/30,000 = 856$ /-

Direct Cost	11,280 /-
Indirect Cost	856.40 /-
Total Cost	12136.40 /-

Now, considering we sell our shoes at 13,999 /-

Total Cost of production = 364,095,000

Total Revenue = 419,970,000

Profit per Piece = $(55,875,000/30,000) = 1862.5$ /-

Plant Setup

Land and Building	84,00,000 /-
Machines	60,00,000 /-
Total Cost	1,44,00,000 /-

Fundings

Total Direct Cost	338,415,000 /-
Total Indirect Cost	25,680,000 /-
Total Cost	364,095,000 /-

Three, 364,095,000 /- required to run company for first financial year.

So, fund for first month = $(364,095,000/12) = 30,342,250$ /-

Now, since entities like raw materials, repair and maintainence, factory overheads, office and administrative overheads will require expenditure more than once in a month.

So, for the first month, Funds required = 40,00,000 /- (Approx.)

Including Land & Building and Machinery i.e., investment of the first month,
Total Funds required = $(1,05,00,000 + 40,00,000) /- = 1,45,00,000 /-$

Land & Building and Machinery		Fund Required for first month	
14,400,000 /-		104,000,000 /-	
Loan From Bank	Self Investment	Loan From Bank	Self Investment
50,00,000 /-	55,00,000 /-	70,00,000 /-	340,00,000/-

Loan from Bank

Purpose	Amount
Land & Building and Machinery	50,00,000 /-
Funds required for first month	25,00,000 /-
Total Loan Amount	75,00,000 /-

Considering loan from bank @ **16.48% P.A.**

Interest Amount = 16.48% of 75,00,0000 /- = 1,236,0000 /-

Self Investment

Self Investment Amount = (118,400,000 – 75,000,000) /- = 4,340,000 /-

Since 10 partners, therefore Individual Investment = (4,340,000/10) /-
= 43,40,000 /-

Break-Even Analysis

$$\text{Breakeven Sales} = \frac{\text{Fixed Costs}}{\text{Sales Price} - \text{Variable Costs}}$$

Fixed Cost = 49,095,000 /-

Sales Price= 13,999 /-

Variable Cost = 12,136.40 /-

Break Even Sales = 26,359 units