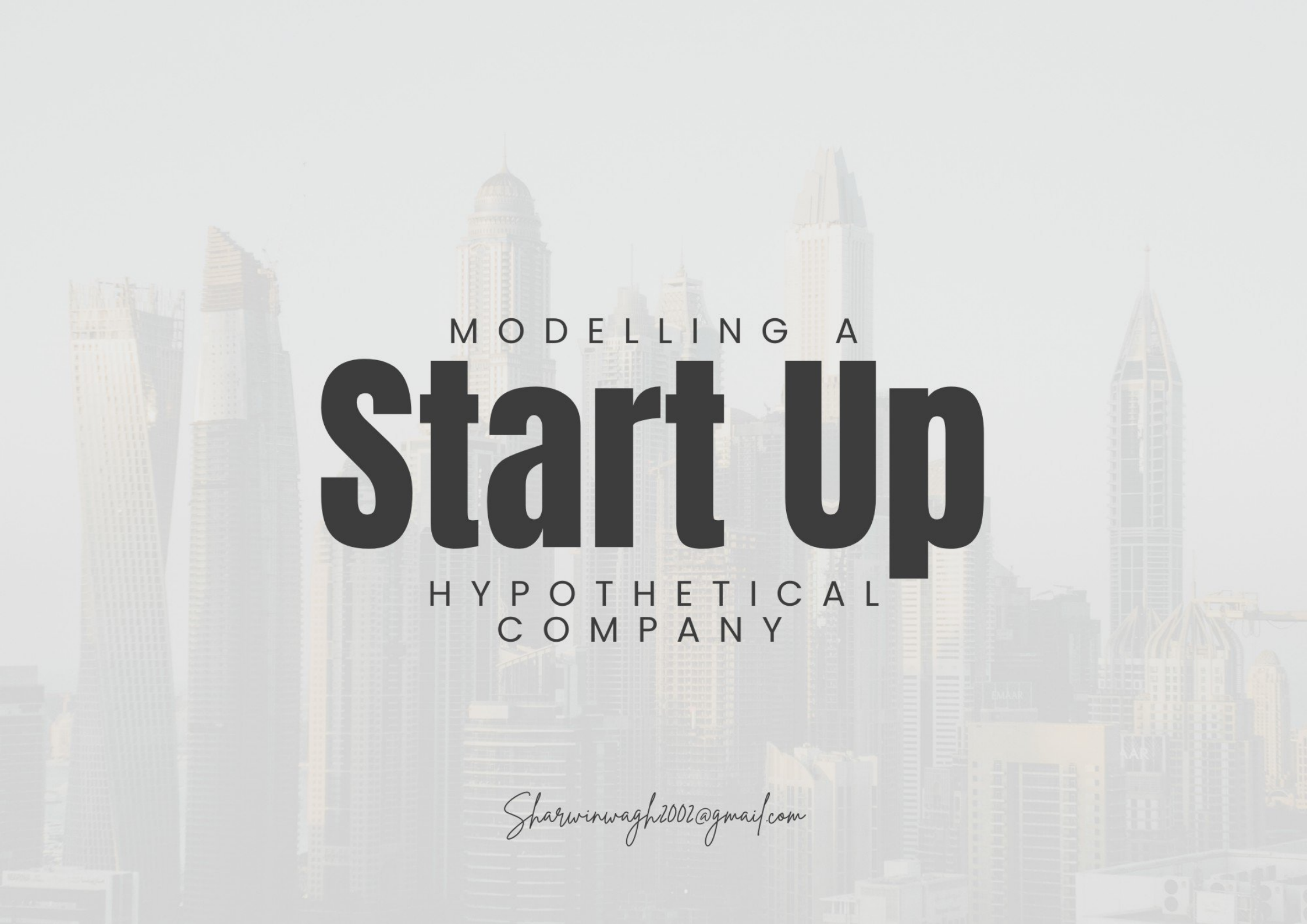

MODELLING A

Start Up

HYPOTHETICAL COMPANY

Sharwinwagh2002@gmail.com

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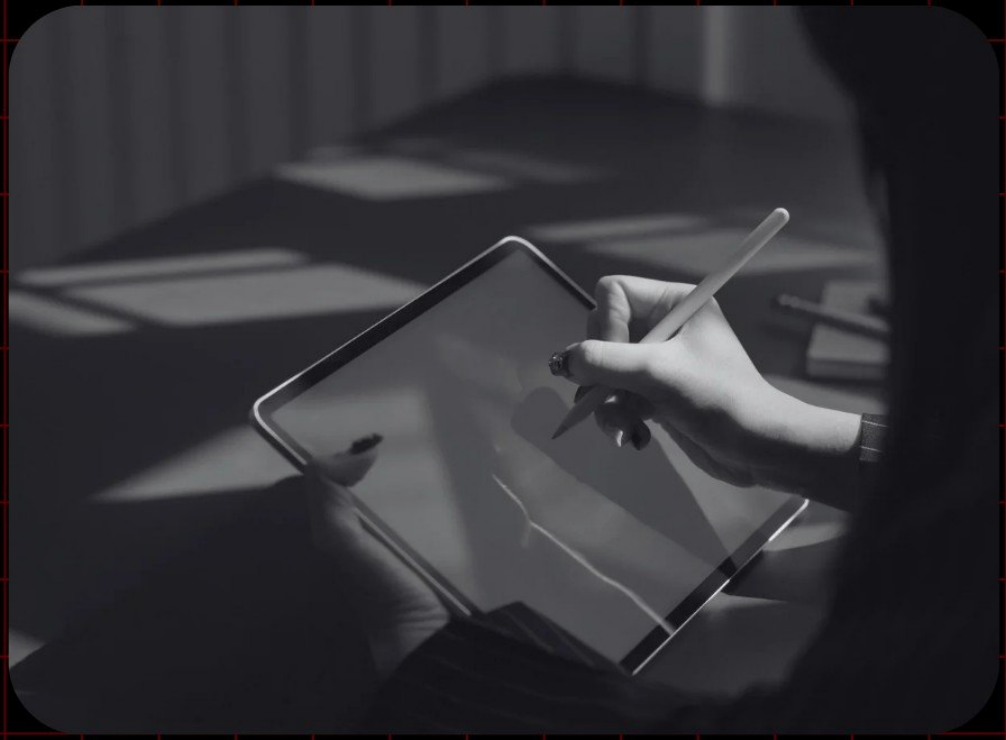


01. ..... *REVENUE ASSUMPTION*

Revenue is assumed from direct-to-consumer sales of the smart wallet at a premium price, driven by functional differentiation and reliability

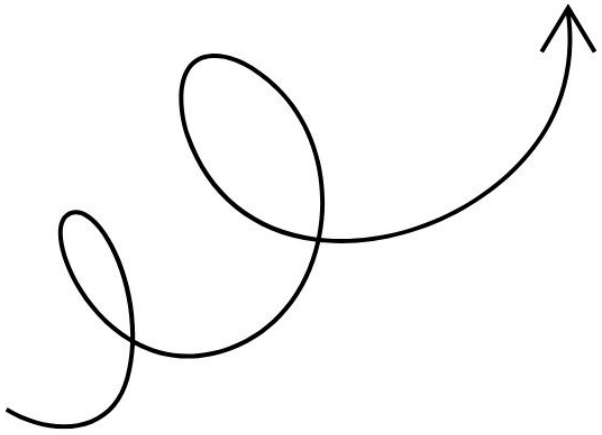
02. ..... *COST ASSUMPTION*

Costs include electronic components, materials (leather and fabric), assembly, and basic marketing, estimated on a per-unit production basis.

03. ..... *INCOME SHEET*

The income statement reflects product sales revenue minus cost of goods sold, operating expenses, and results in net profit or loss from wallet operations.

Revenue Assumption



FINANCIAL MODEL FOR START UP

Revenue Assumption

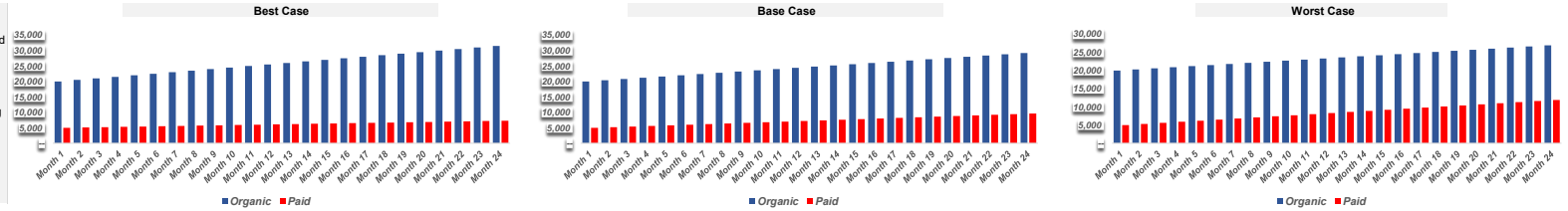
Assumptions	Unit	Jan-26 Month 1	Feb-26 Month 2	Mar-26 Month 3	Apr-26 Month 4	May-26 Month 5	Jun-26 Month 6	Jul-26 Month 7	Aug-26 Month 8	Sep-26 Month 9	Oct-26 Month 10	Nov-26 Month 11	Dec-26 Month 12	Jan-27 Month 13	Feb-27 Month 14	Mar-27 Month 15	Apr-27 Month 16	May-27 Month 17	Jun-27 Month 18	Jul-27 Month 19	Aug-27 Month 20	Sep-27 Month 21	Oct-27 Month 22	Nov-27 Month 23	Dec-27 Month 24
Revenue Assumptions											Best Case														
Page Traffic																									
Organic	#	20,000	20,500	21,000	21,500	22,000	22,500	23,000	23,500	24,000	24,500	25,000	25,500	26,000	26,500	27,000	27,500	28,000	28,500	29,000	29,500	30,000	30,500	31,000	31,500
Paid	#	5,000	5,100	5,200	5,300	5,400	5,500	5,600	5,700	5,800	5,900	6,000	6,100	6,200	6,300	6,400	6,500	6,600	6,700	6,800	6,900	7,000	7,100	7,200	7,300
Total Traffic	#	**25,000**	**25,600**	**26,200**	**26,800**	**27,400**	**28,000**	**28,600**	**29,200**	**29,800**	**30,400**	**31,000**	**31,600**	**32,200**	**32,800**	**33,400**	**34,000**	**34,600**	**35,200**	**35,800**	**36,400**	**37,000**	**37,600**	**38,200**	**38,800**
Conversion Rate																									
Organic	%	3.0%	3.1%	3.1%	3.1%	3.2%	3.2%	3.2%	3.3%	3.3%	3.3%	3.4%	3.4%	3.4%	3.5%	3.5%	3.5%	3.6%	3.6%	3.6%	3.7%	3.7%	3.7%	3.8%	3.8%
Paid	%	2.0%	2.1%	2.1%	2.1%	2.2%	2.2%	2.2%	2.3%	2.3%	2.3%	2.4%	2.4%	2.4%	2.5%	2.5%	2.5%	2.6%	2.6%	2.6%	2.7%	2.7%	2.7%	2.8%	2.8%
Average Conversion	%	**2.5%**	**2.6%**	**2.6%**	**2.6%**	**2.7%**	**2.7%**	**2.7%**	**2.8%**	**2.8%**	**2.8%**	**2.9%**	**2.9%**	**2.9%**	**3.0%**	**3.0%**	**3.0%**	**3.1%**	**3.1%**	**3.1%**	**3.2%**	**3.2%**	**3.2%**	**3.3%**	**3.3%**
Orders																									
Organic	#	600	636	651	667	704	720	736	776	792	809	850	867	884	928	945	963	1,008	1,026	1,044	1,092	1,110	1,129	1,178	1,197
Paid	#	100	107	109	111	119	121	123	131	133	136	144	146	149	158	160	163	172	174	177	186	189	192	202	204
Total Orders	#	**700**	**743**	**760**	**778**	**823**	**841**	**859**	**907**	**925**	**944**	**994**	**1,013**	**1,033**	**1,085**	**1,105**	**1,125**	**1,180**	**1,200**	**1,221**	**1,278**	**1,299**	**1,320**	**1,380**	**1,401**
Order Details																									
Average Item Value	₹	₹ 50.00	₹ 50.00	₹ 50.00	₹ 50.00	₹ 50.00	₹ 50.00	₹ 51.00	₹ 51.00	₹ 51.00	₹ 51.00	₹ 51.00	₹ 51.00	₹ 52.00	₹ 52.00	₹ 52.00	₹ 52.00	₹ 52.00	₹ 52.00	₹ 53.00	₹ 53.00	₹ 53.00	₹ 53.00	₹ 53.00	₹ 53.00
# of Items per Order	#	1	1	1	1	1	1	1	1	1	2	2	2	2	2	2	2	2	2	3	3	3	3	3	3
Average Order Value	₹	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 51.00**	**₹ 51.00**	**₹ 51.00**	**₹ 102.00**	**₹ 102.00**	**₹ 102.00**	**₹ 104.00**	**₹ 104.00**	**₹ 104.00**	**₹ 104.00**	**₹ 104.00**	**₹ 104.00**	**₹ 159.00**	**₹ 159.00**	**₹ 159.00**	**₹ 159.00**	**₹ 159.00**	**₹ 159.00**
Revenue Assumptions											Base Case														
Page Traffic																									
Organic	#	20,000	20,400	20,800	21,200	21,600	22,000	22,400	22,800	23,200	23,600	24,000	24,400	24,800	25,200	25,600	26,000	26,400	26,800	27,200	27,600	28,000	28,400	28,800	29,200
Paid	#	5,000	5,200	5,400	5,600	5,800	6,000	6,200	6,400	6,600	6,800	7,000	7,200	7,400	7,600	7,800	8,000	8,200	8,400	8,600	8,800	9,000	9,200	9,400	9,600
Total Traffic	#	**25,000**	**25,600**	**26,200**	**26,800**	**27,400**	**28,000**	**28,600**	**29,200**	**29,800**	**30,400**	**31,000**	**31,600**	**32,200**	**32,800**	**33,400**	**34,000**	**34,600**	**35,200**	**35,800**	**36,400**	**37,000**	**37,600**	**38,200**	**38,800**
Conversion Rate																									
Organic	%	2.0%	2.1%	2.1%	2.1%	2.2%	2.2%	2.2%	2.3%	2.3%	2.3%	2.4%	2.4%	2.4%	2.5%	2.5%	2.5%	2.6%	2.6%	2.6%	2.7%	2.7%	2.7%	2.8%	2.8%
Paid	%	1.0%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%	1.4%	1.4%	1.4%	1.5%	1.5%	1.5%	1.6%	1.6%	1.6%	1.7%	1.7%	1.7%	1.8%	1.8%
Average Conversion	%	**1.5%**	**1.6%**	**1.6%**	**1.6%**	**1.7%**	**1.7%**	**1.7%**	**1.8%**	**1.8%**	**1.8%**	**1.9%**	**1.9%**	**1.9%**	**2.0%**	**2.0%**	**2.0%**	**2.1%**	**2.1%**	**2.1%**	**2.2%**	**2.2%**	**2.2%**	**2.3%**	**2.3%**
Orders																									
Organic	#	400	428	437	445	475	484	493	524	534	543	576	586	595	630	640	650	686	697	707	745	756	767	806	818
Paid	#	50	57	59	62	70	72	74	83	86	88	98	101	104	114	117	120	131	134	138	150	153	156	169	173
Total Orders	#	**450**	**486**	**496**	**507**	**545**	**556**	**567**	**608**	**619**	**631**	**674**	**686**	**699**	**744**	**757**	**770**	**818**	**831**	**845**	**895**	**909**	**923**	**976**	**990**
Order Details																									
Average Item Value	₹	₹ 100.00	₹ 100.00	₹ 100.00	₹ 100.00	₹ 100.00	₹ 100.00	₹ 100.00	₹ 100.00	₹ 100.00	₹ 100.00	₹ 100.00	₹ 100.00	₹ 102.00	₹ 102.00	₹ 102.00	₹ 102.00	₹ 102.00	₹ 102.00	₹ 102.00	₹ 102.00	₹ 102.00	₹ 102.00	₹ 102.00	₹ 102.00
# of Items per Order	#	1	1	1	1	1	1	1	1	1	1	1	1	2	2	2	2	2	2	2	2	2	2	2	2
Average Order Value	₹	**₹ 100.00**	**₹ 100.00**	**₹ 100.00**	**₹ 100.00**	**₹ 100.00**	**₹ 100.00**	**₹ 100.00**	**₹ 100.00**	**₹ 100.00**	**₹ 100.00**	**₹ 100.00**	**₹ 100.00**	**₹ 204.00**	**₹ 204.00**	**₹ 204.00**	**₹ 204.00**	**₹ 204.00**	**₹ 204.00**	**₹ 204.00**	**₹ 204.00**	**₹ 204.00**	**₹ 204.00**	**₹ 204.00**	**₹ 204.00**
Revenue Assumptions											Worst Case														
Page Traffic																									
Organic	#	20,000	20,300	20,600	20,900	21,200	21,500	21,800	22,100	22,400	22,700	23,000	23,300	23,600	23,900	24,200	24,500	24,800	25,100	25,400	25,700	26,000	26,300	26,600	26,900
Paid	#	5,000	5,300	5,600	5,900	6,200	6,500	6,800	7,100	7,400	7,700	8,000	8,300	8,600	8,900	9,200	9,500	9,800	10,100	10,400	10,700	11,000	11,300	11,600	11,900
Total Traffic	#	**25,000**	**25,600**	**26,200**	**26,800**	**27,400**	**28,000**	**28,600**	**29,200**	**29,800**	**30,400**	**31,000**	**31,600**	**32,200**	**32,800**	**33,400**	**34,000**	**34,600**	**35,200**	**35,800**	**36,400**	**37,000**	**37,600**	**38,200**	**38,800**
Conversion Rate																									
Organic	%	1.5%	1.5%	1.5%	1.5%	1.6%	1.6%	1.6%	1.7%	1.7%	1.7%	1.8%	1.8%	1.8%	1.9%	1.9%	1.9%	2.0%	2.0%	2.0%	2.1%	2.1%	2.1%	2.2%	2.2%
Paid	%	0.5%	0.6%	0.6%	0.6%	0.7%	0.7%	0.7%	0.8%	0.8%	0.8%	0.9%	0.9%	0.9%	1.0%	1.0%	1.0%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%
Average Conversion	%	**1.0%**	**1.1%**	**1.1%**	**1.1%**	**1.2%**	**1.2%**	**1.2%**	**1.3%**	**1.3%**	**1.3%**	**1.4%**	**1.4%**	**1.4%**	**1.5%**	**1.5%**	**1.5%**	**1.6%**	**1.6%**	**1.6%**	**1.7%**	**1.7%**	**1.7%**	**1.8%**	**1.8%**
Orders																									
Organic	#	300	305	309	314	339	344	349	376	381	386	414	419	425	454	460	466	496	502	508	540	546	552	585	592
Paid	#	25	32	34	35	43	46	48	57	59	62	72	75	77	89	92	95	108	111	114	128	132	136	151	155
Total Orders	#	**325**	**336**	**343**	**349**	**383**	**390**	**396**	**433**	**440**	**448**	**486**	**494**	**502**	**543**	**552**	**561**	**604**	**613**	**622**	**668**	**678**	**688**	**736**	**747**
Order Details																									
Average Item Value	₹	₹ 50.00	₹ 50.00	₹ 50.00	₹ 50.00	₹ 50.00	₹ 50.00	₹ 50.00	₹ 50.00	₹ 50.00	₹ 50.00	₹ 50.00	₹ 50.00	₹ 49.00	₹ 49.00	₹ 49.00	₹ 49.00	₹ 49.00	₹ 49.00	₹ 49.00	₹ 49.00	₹ 49.00	₹ 49.00	₹ 49.00	₹ 49.00
# of Items per Order	#	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	2	2	2	2	2	2
Average Order Value	₹	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 50.00**	**₹ 49.00**	**₹ 49.00**	**₹ 49.00**	**₹ 49.00**	**₹ 49.00**	**₹ 49.00**	**₹ 98.00**	**₹ 98.00**	**₹ 98.00**	**₹ 98.00**	**₹ 98.00**	**₹ 98.00**

Page Traffic - Organic / Paid

Best Case
Page traffic grows strongly over time, supported by scalable organic reach and effective paid acquisition.

Base Case
Page traffic grows steadily at a moderate pace under normal operating conditions.

Worst Case
Page traffic growth remains slow and constrained due to weak organic and paid performance.



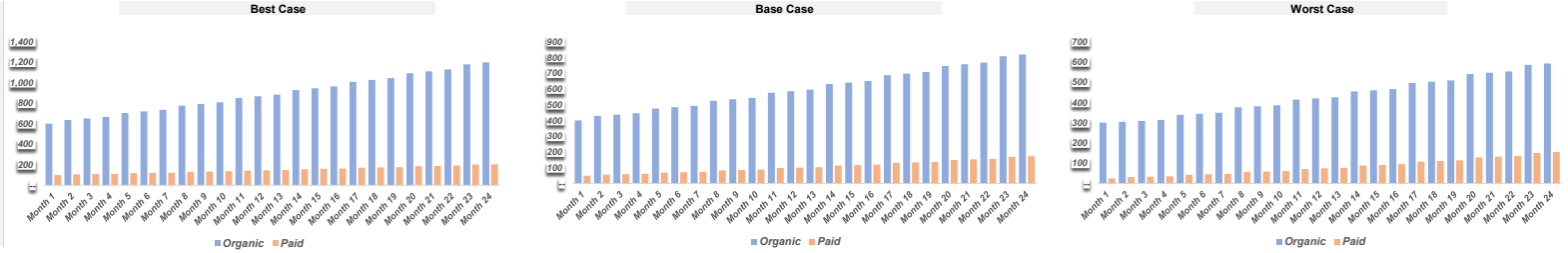
Conversion Rate - Organic / Paid

Best Case
Conversions increase rapidly with rising traffic, resulting in higher and accelerating order volumes.

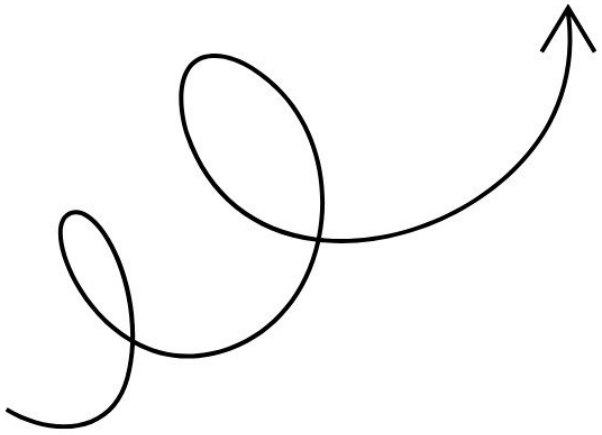
Base Case
Conversions rise gradually in line with traffic growth, maintaining stable order expansion.

Worst Case
Conversions stay limited, leading to low and slow-growing order volumes.

Prepared for educational purpose



Cost Assumption



FINANCIAL MODEL FOR START UP

Cost Assumption

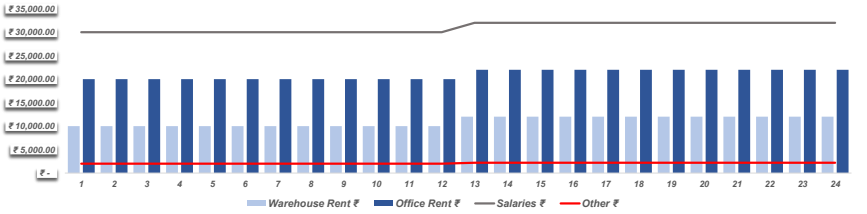
Assumptions	Unit	Jan-26 Month 1	Feb-26 Month 2	Mar-26 Month 3	Apr-26 Month 4	May-26 Month 5	Jun-26 Month 6	Jul-26 Month 7	Aug-26 Month 8	Sep-26 Month 9	Oct-26 Month 10	Nov-26 Month 11	Dec-26 Month 12	Jan-27 Month 13	Feb-27 Month 14	Mar-27 Month 15	Apr-27 Month 16	May-27 Month 17	Jun-27 Month 18	Jul-27 Month 19	Aug-27 Month 20	Sep-27 Month 21	Oct-27 Month 22	Nov-27 Month 23	Dec-27 Month 24
Cost Assumptions													Best Case												
Variable																									
Manufacturing (Per Order)	₹	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 10.00	₹ 10.00	₹ 10.00	₹ 10.00	₹ 10.00	₹ 10.00
Order Fulfillment (Per Order)	₹	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 2.00	₹ 2.00	₹ 2.00	₹ 2.00	₹ 2.00	₹ 2.00
Paid Traffic (Cost per Paid Click)	₹	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 2.00	₹ 2.00	₹ 2.00	₹ 2.00	₹ 2.00	₹ 2.00	₹ 2.00	₹ 2.00	₹ 2.00	₹ 2.00	₹ 2.00	₹ 2.00
Fixed																									
Warehouse Rent	₹	₹ 10,000.00	₹ 10,000.00	₹ 10,000.00	₹ 10,000.00	₹ 10,000.00	₹ 10,000.00	₹ 10,000.00	₹ 10,000.00	₹ 10,000.00	₹ 10,000.00	₹ 10,000.00	₹ 10,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00
Office Rent	₹	₹ 20,000.00	₹ 20,000.00	₹ 20,000.00	₹ 20,000.00	₹ 20,000.00	₹ 20,000.00	₹ 20,000.00	₹ 20,000.00	₹ 20,000.00	₹ 20,000.00	₹ 20,000.00	₹ 20,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00
Salaries	₹	₹ 30,000.00	₹ 30,000.00	₹ 30,000.00	₹ 30,000.00	₹ 30,000.00	₹ 30,000.00	₹ 30,000.00	₹ 30,000.00	₹ 30,000.00	₹ 30,000.00	₹ 30,000.00	₹ 30,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00
Other	₹	₹ 2,000.00	₹ 2,000.00	₹ 2,000.00	₹ 2,000.00	₹ 2,000.00	₹ 2,000.00	₹ 2,000.00	₹ 2,000.00	₹ 2,000.00	₹ 2,000.00	₹ 2,000.00	₹ 2,000.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00
Tax Rate	%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Cost Assumptions													Base Case												
Variable																									
Manufacturing (Per Order)	₹	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00	₹ 11.00
Order Fulfillment (Per Order)	₹	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00
Paid Traffic (Cost per Paid Click)	₹	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00	₹ 3.00
Fixed																									
Warehouse Rent	₹	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 12,000.00	₹ 13,000.00	₹ 13,000.00	₹ 13,000.00	₹ 13,000.00	₹ 13,000.00	₹ 13,000.00	₹ 13,000.00	₹ 13,000.00	₹ 13,000.00	₹ 13,000.00	₹ 13,000.00	₹ 13,000.00
Office Rent	₹	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 22,000.00	₹ 23,000.00	₹ 23,000.00	₹ 23,000.00	₹ 23,000.00	₹ 23,000.00	₹ 23,000.00	₹ 23,000.00	₹ 23,000.00	₹ 23,000.00	₹ 23,000.00	₹ 23,000.00	₹ 23,000.00
Salaries	₹	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 32,000.00	₹ 33,000.00	₹ 33,000.00	₹ 33,000.00	₹ 33,000.00	₹ 33,000.00	₹ 33,000.00	₹ 33,000.00	₹ 33,000.00	₹ 33,000.00	₹ 33,000.00	₹ 33,000.00	₹ 33,000.00
Other	₹	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,200.00	₹ 2,300.00	₹ 2,300.00	₹ 2,300.00	₹ 2,300.00	₹ 2,300.00	₹ 2,300.00	₹ 2,300.00	₹ 2,300.00	₹ 2,300.00	₹ 2,300.00	₹ 2,300.00	₹ 2,300.00
Tax Rate	%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Cost Assumptions													Worst Case												
Variable																									
Manufacturing (Per Order)	₹	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 13.00	₹ 13.00	₹ 13.00	₹ 13.00	₹ 13.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00	₹ 12.00
Order Fulfillment (Per Order)	₹	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00
Paid Traffic (Cost per Paid Click)	₹	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 5.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00	₹ 4.00
Fixed																									
Warehouse Rent	₹	₹ 14,000.00	₹ 14,000.00	₹ 14,000.00	₹ 14,000.00	₹ 14,000.00	₹ 14,000.00	₹ 14,000.00	₹ 14,000.00	₹ 14,000.00	₹ 14,000.00	₹ 14,000.00	₹ 14,000.00	₹ 16,000.00	₹ 16,000.00	₹ 16,000.00	₹ 16,000.00	₹ 16,000.00	₹ 16,000.00	₹ 16,000.00	₹ 16,000.00	₹ 16,000.00	₹ 16,000.00	₹ 16,000.00	₹ 16,000.00
Office Rent	₹	₹ 24,000.00	₹ 24,000.00	₹ 24,000.00	₹ 24,000.00	₹ 24,000.00	₹ 24,000.00	₹ 24,000.00	₹ 24,000.00	₹ 24,000.00	₹ 24,000.00	₹ 24,000.00	₹ 24,000.00	₹ 26,000.00	₹ 26,000.00	₹ 26,000.00	₹ 26,000.00	₹ 26,000.00	₹ 26,000.00	₹ 26,000.00	₹ 26,000.00	₹ 26,000.00	₹ 26,000.00	₹ 26,000.00	₹ 26,000.00
Salaries	₹	₹ 34,000.00	₹ 34,000.00	₹ 34,000.00	₹ 34,000.00	₹ 34,000.00	₹ 34,000.00	₹ 34,000.00	₹ 34,000.00	₹ 34,000.00	₹ 34,000.00	₹ 34,000.00	₹ 34,000.00	₹ 36,000.00	₹ 36,000.00	₹ 36,000.00	₹ 36,000.00	₹ 36,000.00	₹ 36,000.00	₹ 36,000.00	₹ 36,000.00	₹ 36,000.00	₹ 36,000.00	₹ 36,000.00	₹ 36,000.00
Other	₹	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00	₹ 3,000.00
Tax Rate	%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%

Best Case Variable Cost

Variable Cost:
Variable costs scale efficiently with higher volumes due to operational efficiencies and improved cost control. Per-unit costs remain stable or decline as scale benefits are realized.

Fixed Cost:
Fixed costs remain largely stable, reflecting disciplined expense management. Revenue growth creates strong operating leverage over time.

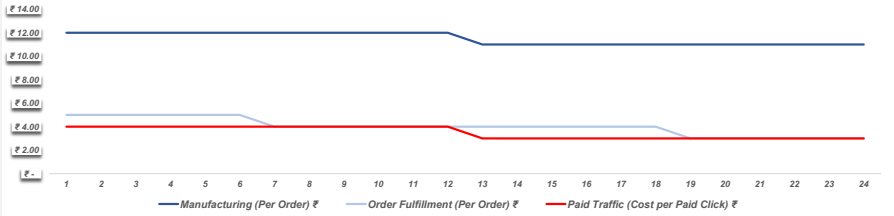
Best Case Fixed Cost



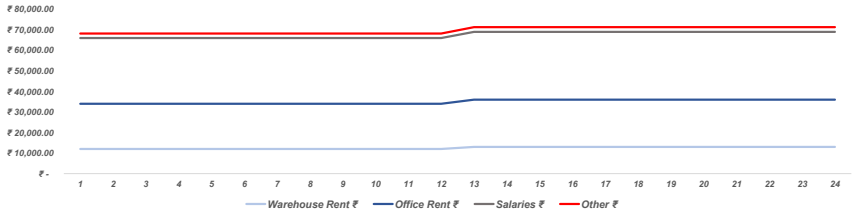
Base Case Variable Cost

Variable Cost:
Variable costs increase proportionately with sales growth under normal operating conditions. Cost behavior remains predictable without major efficiency gains or overruns.

Fixed Cost:
Fixed costs rise gradually due to normal increases in rent, salaries, and overheads. Overall cost levels remain aligned with business growth.



Base Case Fixed Cost

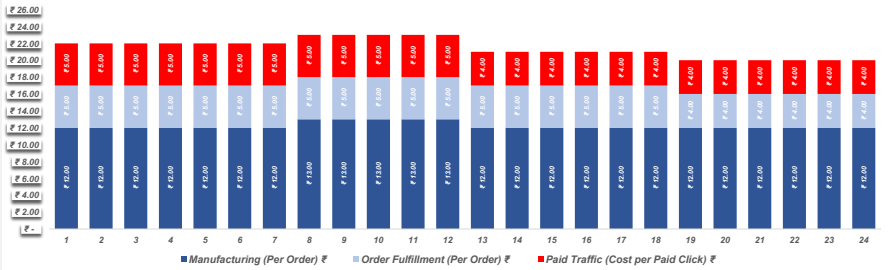


Worst Case Variable Cost

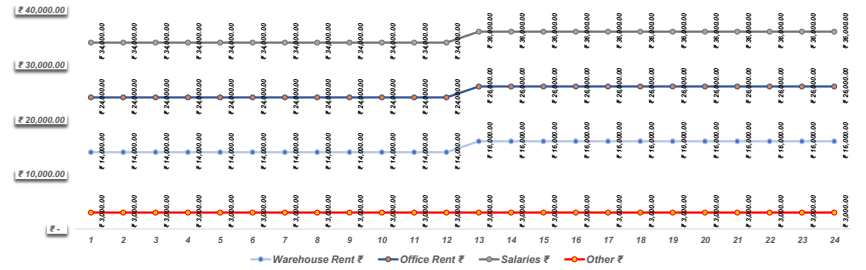
Variable Cost:
Variable costs remain elevated due to lower volumes and reduced operational efficiency. Higher per-unit costs put pressure on overall margins.

Fixed Cost:
Fixed costs remain largely inflexible despite weaker revenues. This limits cost adjustment and increases financial strain in adverse conditions.

Prepared for educational purpose

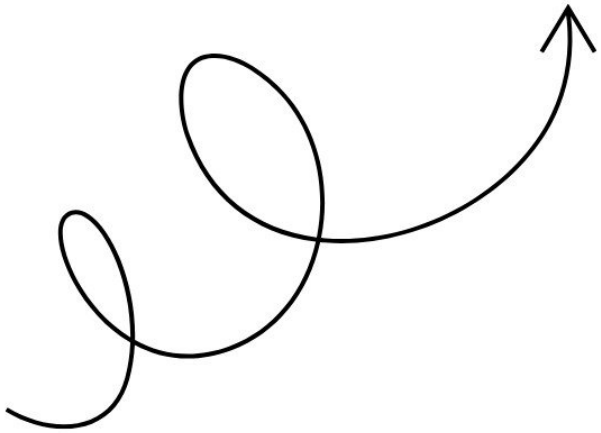


Worst Case Fixed Cost



The numbers mentioned at x - axis from 1 - 24 denotes months

Income Statement



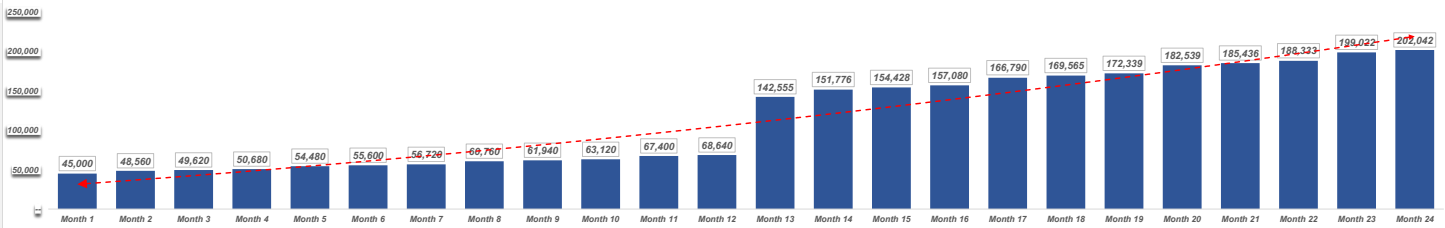
FINANCIAL MODEL FOR START UP

Income Statement

Assumptions	Unit	Jan-26 Month 1	Feb-26 Month 2	Mar-26 Month 3	Apr-26 Month 4	May-26 Month 5	Jun-26 Month 6	Jul-26 Month 7	Aug-26 Month 8	Sep-26 Month 9	Oct-26 Month 10	Nov-26 Month 11	Dec-26 Month 12	Jan-27 Month 13	Feb-27 Month 14	Mar-27 Month 15	Apr-27 Month 16	May-27 Month 17	Jun-27 Month 18	Jul-27 Month 19	Aug-27 Month 20	Sep-27 Month 21	Oct-27 Month 22	Nov-27 Month 23	Dec-27 Month 24
Income Statement						Choose case scenario for better visualization													2						
Revenue	₹	45,000	48,560	49,620	50,680	54,480	55,600	56,720	60,760	61,940	63,120	67,400	68,640	142,555	151,776	154,428	157,080	166,790	169,565	172,339	182,539	185,436	188,333	199,022	202,042
COGS	₹	5,400	5,827	5,954	6,082	6,538	6,672	6,806	7,291	7,433	7,574	8,088	8,237	7,687	8,184	8,327	8,470	8,994	9,143	9,293	9,843	9,999	10,155	10,732	10,894
Gross Profit	₹	**39,600**	**42,733**	**43,666**	**44,598**	**47,942**	**48,928**	**49,914**	**53,469**	**54,507**	**55,546**	**59,312**	**60,403**	**134,868**	**143,592**	**146,101**	**148,610**	**157,797**	**160,422**	**163,046**	**172,696**	**175,437**	**178,178**	**188,291**	**191,147**
Gross Profit Margin %	%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	94.6%	94.6%	94.6%	94.6%	94.6%	94.6%	94.6%	94.6%	94.6%	94.6%	94.6%	94.6%
Variable Cost																									
Marketing	₹	20,000	20,800	21,600	22,400	23,200	24,000	24,800	25,600	26,400	27,200	28,000	28,800	22,200	22,800	23,400	24,000	24,600	25,200	25,800	26,400	27,000	27,600	28,200	28,800
Fulfillment	₹	2,250	2,428	2,481	2,534	2,724	2,780	2,269	2,430	2,478	2,525	2,696	2,746	2,795	2,976	3,028	3,080	3,270	3,325	2,534	2,684	2,727	2,770	2,927	2,971
Total Variable Cost	₹	**22,250**	**23,228**	**24,081**	**24,934**	**25,924**	**26,780**	**27,069**	**28,030**	**28,878**	**29,725**	**30,696**	**31,546**	**24,995**	**25,776**	**26,428**	**27,080**	**27,870**	**28,525**	**28,334**	**29,084**	**29,727**	**30,370**	**31,127**	**31,771**
Contribution Margin	₹	**17,350**	**19,505**	**19,585**	**19,664**	**22,018**	**22,148**	**22,845**	**25,438**	**25,630**	**25,821**	**28,616**	**28,858**	**109,873**	**117,816**	**119,673**	**121,530**	**129,926**	**131,897**	**134,712**	**143,612**	**145,710**	**147,808**	**157,164**	**159,376**
Contribution Margin %	%	38.6%	40.2%	39.5%	38.8%	40.4%	39.8%	40.3%	41.9%	41.4%	40.9%	42.5%	42.0%	77.1%	77.6%	77.5%	77.4%	77.9%	77.8%	78.2%	78.7%	78.6%	78.5%	79.0%	78.9%
Fixed Cost																									
General & Administrative	₹	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000
Other	₹	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Total Fixed Cost	₹	**68,200**	**68,200**	**68,200**	**68,200**	**68,200**	**68,200**	**68,200**	**68,200**	**68,200**	**68,200**	**68,200**	**68,200**	**71,300**	**71,300**	**71,300**	**71,300**	**71,300**	**71,300**	**71,300**	**71,300**	**71,300**	**71,300**	**71,300**	**71,300**
Total Cost	₹	95,850	97,255	98,235	99,216	100,662	101,652	102,075	103,522	104,510	105,499	106,984	107,982	103,982	105,260	106,055	106,850	108,164	108,968	108,927	110,227	111,026	111,825	113,158	113,966
EBT	₹	**(50,850)**	**(48,695)**	**(48,615)**	**(48,536)**	**(46,182)**	**(46,052)**	**(45,355)**	**(42,762)**	**(42,570)**	**(42,379)**	**(39,584)**	**(39,342)**	**38,573**	**46,516**	**48,373**	**50,230**	**58,626**	**60,597**	**63,412**	**72,312**	**74,410**	**76,508**	**85,864**	**88,076**
Tax	₹	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	9,643	11,629	12,093	12,558	14,657	15,149	15,853	18,078	18,603	19,127	21,466	22,019
Net Profit	₹	**(50,850)**	**(48,695)**	**(48,615)**	**(48,536)**	**(46,182)**	**(46,052)**	**(45,355)**	**(42,762)**	**(42,570)**	**(42,379)**	**(39,584)**	**(39,342)**	**28,930**	**34,887**	**36,280**	**37,673**	**43,970**	**45,448**	**47,559**	**54,234**	**55,808**	**57,381**	**64,398**	**66,057**

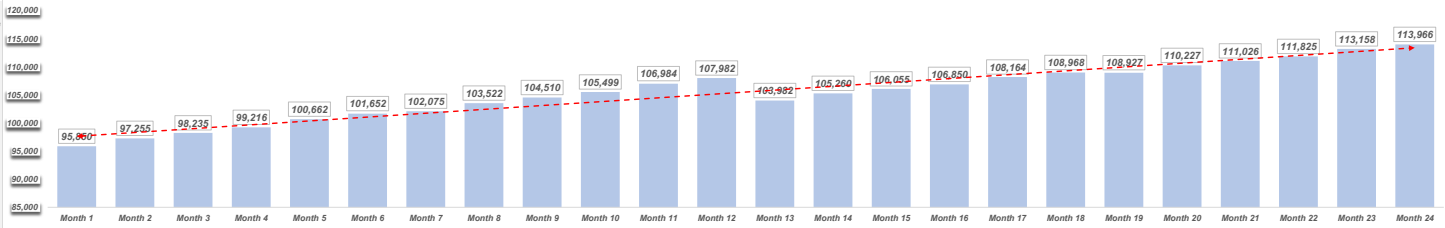
Revenue Forecast

In the base-case scenario, the startup's revenue shows steady and moderate month-on-month growth over the forecast period. This growth reflects gradual customer acquisition, improving market awareness, and consistent sales performance. Revenue increases at a controlled pace, indicating stable demand and a realistic scaling strategy rather than aggressive expansion.
Additionally, growth is supported by repeat customers and incremental improvements in pricing and distribution. Overall, the revenue trend represents a sustainable and achievable growth path



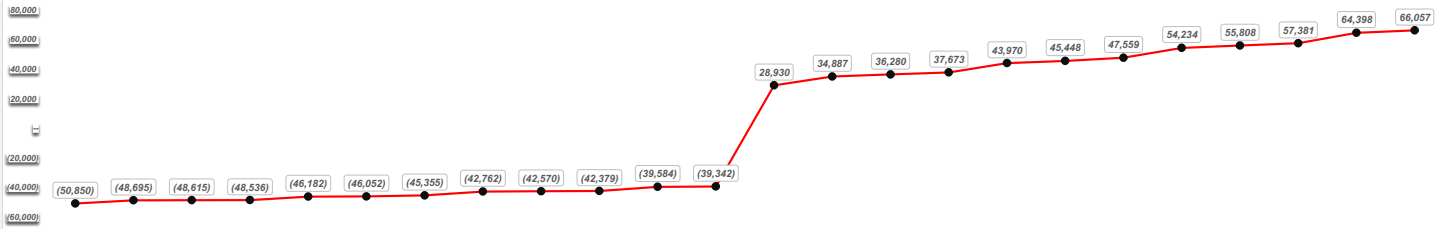
Total Cost Forecast

In the base-case scenario, total costs rise steadily as the business expands its operations. The increase is primarily driven by variable costs that move in line with revenue growth, such as production, marketing, and operational expenses. Fixed costs remain largely stable, showing effective budgeting and cost discipline.
Furthermore, cost growth remains proportionate to revenue, preventing margin pressure. Overall, the cost structure reflects balanced growth with controlled spending under expected business conditions.



Net Profit Forecast

In the base-case scenario, net income remains negative during the initial periods as the startup continues to invest in growth and operations. As revenues improve and cost efficiency increases, the company reaches breakeven and transitions into positive net income. Profit growth thereafter is gradual, reflecting a cautious and realistic improvement in margins.
Additionally, stable cost control supports consistent profitability in later periods. Overall, the net income trend indicates a financially viable business with sustainable long-term performance in the base-case scenario.



Prepared for educational purpose

This financial model has been created for a hypothetical startup with the objective of understanding how core financial statements are built and how assumptions drive overall business performance. The model is intentionally kept simple and focuses on three key components: revenue assumptions, cost assumptions, and the income statement. All figures used in the model are assumed purely for educational and learning purposes.

Revenue assumptions are derived by estimating basic business drivers such as customer activity and pricing logic, allowing a structured view of how top-line growth could evolve over time. Cost assumptions are divided into variable and fixed costs to clearly understand the operational cost structure and its impact on profitability. These assumptions flow directly into the income statement, which highlights key metrics such as gross profit, operating profit, and net income.

To assess uncertainty and risk, the model incorporates best-case, base-case, and worst-case scenarios. These scenarios help evaluate how changes in revenue and cost behavior can affect financial outcomes. However, for presentation clarity, only the base-case scenario is reflected in the final PDF, as it represents the most realistic and balanced outlook.

Overall, this model demonstrates a foundational approach to financial modeling, emphasizes logical assumption-building, and provides a structured framework for analyzing startup-level financial performance.