

Detailed Project Report

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II. Executive Summary

ADRASTOR Technologies Pvt Ltd is a Mobile Value Added service company. It designs the products and application for Telco's as well it can use the Mobile VAS independent of the Telco Operator. It will have a reputation for integrity, quality, and excellence in management.

The company was conceptualised and launched on 2, Feb 2007 in Bangalore as a Pvt Ltd company by Arindam Paul(Director).

In June 2007, some activity started on designing the products and developing the same. It's been developed in house without any outside support, in a home office environment. The product concept has been showcased with some leading Telco's; we are still in initial phase of development of the Product.

The Company will experience steady growth after the funding we looking from your organization. In 2013 Feb we are planning to take our Beta products to 5Customer for the initial testing purpose. We will sign NDA and MOU with these customers.

ADRASTOR Technologies Pvt Ltd has its address in premises at 4th Block Koramangala, Bangalore 560034. Its activities fall under the Company Act.

It is involved in four distinct core activities:

1. Event based SMS Bar code reader. (Reserve Guru)
2. SMS based logistic services.(m-Reach)
3. Mobile Gaming. (ZANEGAME)
4. Mobile Banking (m-Banking)

In addition :

1. Creation of Mobile content for different VAS provider.
2. Mobile Wallet. (m-Wallet)
3. Content Royalty.

III. General Company Description

Adrastor Technologies Pvt Ltd, Bangalore, has developed few innovative mobility solutions for enterprises and actively working on VAS for enterprises and consumers.

Adrastor management team and business partners includes Wireless and networking industry's technology entrepreneurs from Qualcomm, Motorola, Nokia, and Corona Networks.

Mission Statement: To be best and No-1 MVAS company in India and then globally.

Company Goals and Objectives: The goal is to be dominant player in MVAS players. Our objectives to go IPO in Five years.

Business Philosophy: Right people on the right job.

Describe industry. It is new growth industry and it's going to grow at 30% year on year. It's the market which is technology driven and people like the new offering. The MVAS industry is going to grow in more rapid manner than any other industry as there will be introduction of 3G.

Describe your most important company strengths and core competencies. We are backed by some of the joint ventures which are successful in the own Market in their own country and they are entering the market in partnership with us which will help to and partnering with them will give our organization the edge which right now nobody has in the market. I personally have been involved in the Telecom domain for last 10 year and I've people with me who are in the same domain for so long.

IV. Products and Services

Brief Description :

1,ReserveGuru

- ReserveGuru® is a mobile based ticket booking application
- ReserveGuru® is a J2ME application, any basic Java enabled phone supports this application
- This facilitate customer to check out the seat availability, Ticket Booking, Ticket Cancellation, Seat Selection through mobile phone
- Customer do not require internet connection or computer to perform the booking, through mobile booking can be done
- The Admin web interface has got built in features, which address the day to day back office operations

2, **m-REACH** is a SMS based communication platform to reach out to customers on their mobile phone and helps to extend the enterprise into the mobile space for customers and employees.

m-REACH can be utilized in Business, Educational institutions and Govt. agencies scribe in depth our products or services

With m-REACH -businesses can send personalized, relevant text messages to customers. Enterprises/business can broadcast text messages to thousands of customers in a single go. The message can be info about a new product, update about the business etc. Customers can contact businesses through mobile and auto-respond to their queries.

Field staff, employees on the move can retrieve real-time business info using their mobile to make better decisions.hat factors will give you competitive advantages or disadvantages? Examples include level of quality or unique or proprietary features.

Benefits:

- Build long lasting rapport with customers with the timely information
- Customer retention
- Value Added Service (VAS) to Customers
- Competitive Benefits
- Always on touch with customer (24 * 7 Customer Support)
- Keep customer engaged
- Increase Footfall
- Setup own marketing campaign by using short code or long code
- Customer acquisition

3, m- Banking

- Balance Enquiry
- Mini M-Statement
- Bill Pay Service
- Cheque Related Services
- Cheque Book Request, Stop Payment, Status
- ATM, Branch and Phone No Finder
- Trigger Door-Step Service
- DD Issuance, Loan Payments, etc..
- FD Rates, Exchange Rates
- IT Related Enquiries
- TDS duplicate copy, Statement Request.

4, ZANE GAME

- It works of 3G and Edge
- It's an online mobile gaming which can be played of the 3G with multi player.
- The Games are downloadable according to user preference
- It will connect in the Gaming server to allow different user to connect and play and it will not share the user mobile number with any players.
- Its location independent.

5, m-Wallet

- m-wallet is going to be virtual credit cards which will allow different user to shop with the help of the mobile number.
- There is specific reader which will able to read the information where the mobile number acts as your credit card.
- The m-Banking will help to tie up the mobile number with a bank account number.
- When the transaction is done there will confirmation code will come for mobile user to enter which will validate the transaction.

V. Marketing Plan

Market research -

It is estimated India will have more than 500 million mobile subscribers by 2014. Of the 500 million phones in people's palms, 250 million will have internet connectivity, 250 million will have imaging (Camera) capability, 200 million will have radio capability and 200 million will have music capability and a 100 million will have video capability. This is the India PC. A traditional PC will find it difficult to compete with a mobile phone in India.

Indian mobile owners are becoming younger as a result of cheaper calls; subsidized handsets and widespread availability of prepaid lowering the barriers to ownership.

According to a comparative study by Telecom Regulatory Authority of India (TRAI) of the telecom market in China and India, Indians use their GSM mobile for 470 minutes as against 297 minutes in China.

India is bracing up to take a quantum leap in mobile entertainment – the market is slated to grow by about 45% this year. The value added services market within the mobile industry in India has the potential to grow to a whopping Rs.11, 600 Crores by 2014.

The Mobile VAS Industry was around Rs. 2,850 Crores at the end of 2006 and will cross Rs.15,000 Crores at the end of 2012. (Source – IMAMA, New Delhi)

Market research shows that by 2015 the MVAS Security market size will be close to 12 Billion USD. Reports polished by Gartner. This increase gives us the confidence that we start early in this market segment and be dominant player in the coming years.

Customers

The customers are end user of the product which will be offered from the different service provider. The Age groups of the customers are the one who are using their mobile phone as means of getting the lifestyle. The Age group of the customer are anywhere between 16 Years to 50 years. It will be both male and female customers.

- We are in current discussion with Idea Mobile and Reliance Telecom for their GSM and services.
- We are also in discussion with Punjab National Bank, Deutsche Bank, SCB bank, and RBS Bank.
- We are also in discussion with PVR Cinema, Fame Cinema, and couple of Event management Groups

Competition

<p>Strength: Advantage of having single solution for the whole set of technology from one single vendor. The Offering is new in the market so the acceptability from the user will depend on the ease of use which we will provide in our solution. The management team which going to work in the organization are the people who are from Telecom domain. We will hire people with similar experiences in the form of developer from the MVAS domain. We are entering the Market in partnership with other company who are very prominent players in their own markets of geographies. The technology platform is much stronger. The projection of the MVAS market is that it's going to grow at 45% YOY and with strong funding we will be able to sustain our growth.</p>	<p>Opportunities: There Nine new Telecom Operator going to come in to the market by Oct 2009 which gives us the unique position to be first in the market with our Services and Products. The Call rates are dropping drastically and for the Telecom to stay competitive with other vendors in the same space then need to innovate and come out with new services which can benefit the customers and they hook the customer for the long time.</p>
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List your major competitors:

- a. Omini Mobile , Bangalore b) m-Check, Bangalore

The above mentioned competitor will compete with just for certain products, certain customers, and in certain locations. We have Product and Services which is far more superior from our competitors because we are getting the latest technology which has been proven and successful in different geographies. Using the SWOT Analysis table we compare our company of the possibility it can deliver to customers.

Niche

The Niche of our product and service is that we don't have much competition from one single vendor. Our niche is the position we offer broad ranges of services which are currently possible with 2G and we will be ready with offering of the 3G.

Strategy

For each different product and services we tie with host of banks, and retail chains event groups and Telco to reach to out their customers.

Promotion

The promotion will be done jointly by the Telco service provider, banks and event management groups.

Advertising: Will be through print media with leading News paper across India and in the market we are going to play it out.

Television: It's going to jointly with the Telecom provider and in creating more about the awareness of the services which can be offered. It could animation base of human based explaining the situations of the happening.

Internet: Placing adv with Google Ad works

Proposed Location

We would like to acquire a place and have our own building to start the work of the development. The proposed location will be Bangalore and then we will have sales offices in different metros like Calcutta, .Delhi, Chennai, Mumbai, and some of the cities where there young population are more addicted to mobile phones.

Table for 12 Month sales Forecast.

Product Description	Subscription Cost / Unit Sold.	Unit Sold (Total Subscription)	Total Sales for 12 month Period.
m-Reach	Rs 30	4000000	Rs 120000000
Reserve Guru	Rs 15	5000000	Rs 75000000
m-Banking	Rs 20	2000000	Rs 40000000
m-Wallet	Rs 20	1500000	Rs 30000000
Zane Game	Rs 50	2000000	Rs 100000000
Content Delivery	Rs 200	200000	Rs 40000000
Content Royalty	Rs 20	2000000	Rs 40000000

Now that we have described our products, services, customers, markets, and marketing plans in detail, it's time to attach some numbers to our plan. We are using sales forecast spreadsheet above to explain a month-by-month projection.

We want to do two forecasts:

1) Best Guess: If everything goes according to the plan we have put up the best guess that for the deal of 44.5 Cr of Net sales can be achieved without many hindrances.

2) Worst cases: We are keeping a low estimate for our worst cases given that there are some policy changes or government and political changes our worst case will be 32 Cr of sales. We can reach this number no matter is the current state of affairs is. Our product and services are very interesting and will have good acceptance with our customers.

Forecast of the sales will help you to understand the gravity of the opportunity in the MVAS space and we will bring out the possible reach with national reach with our solutions. The Solution is scalable and technology use will help to seamlessly integrate the solutions.

VI. Operational Plan

Here we explain the daily operation of the business, its location, equipment, people, processes, and surrounding environment.

Production

We would like to have our development center in Bangalore. We would also want our Research and development to in Bangalore and we will start our research operation only after completing one year into the operation and when we think and we need to launch our new services for the 3G Market.

Explaining our methods of:

- Production techniques: Our production techniques will be focused on creating our technology platform based on the Java Technology Windows Mobile and Symbion. The backend integration will done proprietary software which will be developed in house.
- Quality control: We would like to implement ISO 9001 - 2002 into the first six month of operation and then mature into TQM for the whole organization which will help to create our process in the initial stage of company and scale it fast.
- Customer service: We would like to have two sets of people for the customer services where one set of people will be technical support and other part of the people will the customer relationship support which will take care of the end user customers.
- Product development: The product development and technology development will be done with Joint Venture companies which will bring in the technology know how and the solution will be developed in house with the engineers hired for the same.

Location

The location of our development center will be in and around Koramangala and we will have sales office in four metros like Delhi, Mumbai, Calcutta and Chennai.

Physical requirements:

- Amount of space – 20000 SqFt of space for the development Center and we will have each 1000 SqFT of space of sales office and some of finance people in the different location for collection of payments.
- Type of building: In Bangalore we would like to acquire the land and then build the building, initially we will start our operation on the rental spaces however would quickly like to move out the building we are going to purchase or build on our own.
- Zoning
- Power and other utilities

Access:

ADRASTOR

It is important that our location be convenient to transportation for the employees who are going to work with us and help reduce the cost to have minimal transportation cost and initial stage do start up.

The business hour of working will be morning 9.00 AM to 6.00 PM for the development center. For the Customer Relationship Support the working hours will 24/7 and we will make in a round robin fashion.

Legal Environment

Describe the following:

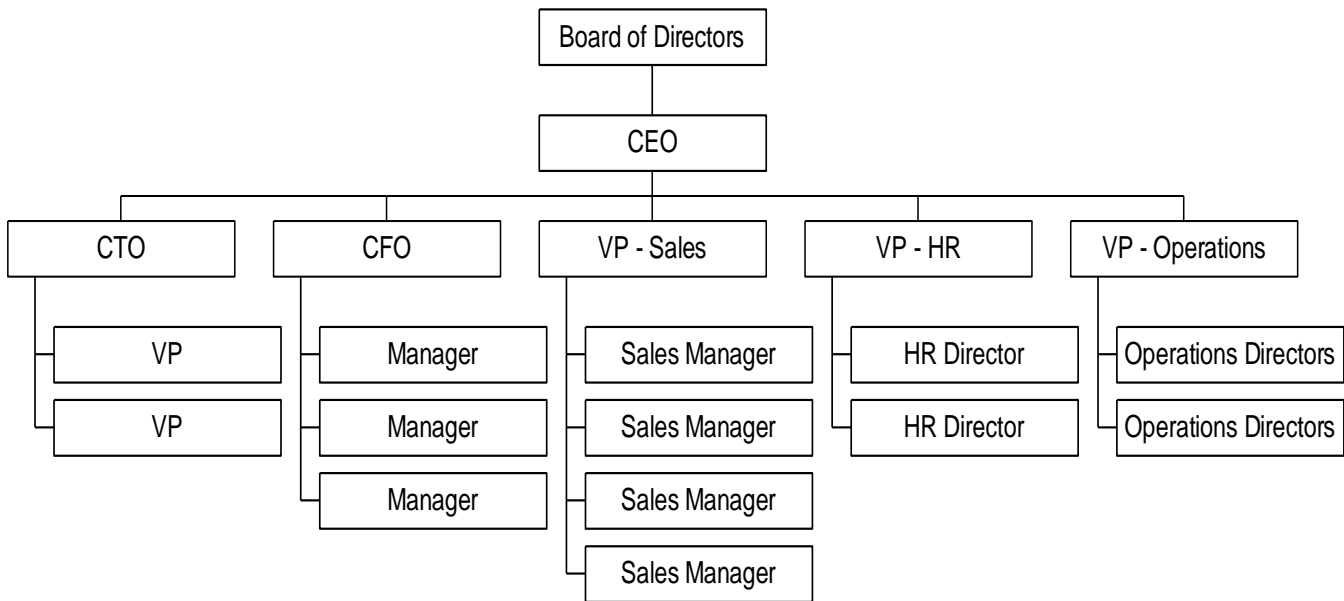
- Licensing and bonding requirements: We need to purchase some software and server where we need to be compliance with licensing with vendors. We need to have high end servers for the transaction processing.
- Permits: We need to have some of the permits with STPI approval for tax benefits which we don't have currently and needs to process.
- Health, workplace, or environmental regulations: We need some government clearance on the health and composite insurance benefits
- Insurance coverage: We need to process the Insurance coverage for each of the employee which will give cover to their immediate family.
- Trademarks, copyrights : We need to process on the copyright and trademark on the product logo we are going to work on the same .

Personnel

- Number of employees : We will have 15 people in the management role 100 Developer the rest will the financial people operation , customer support and technical support people.
- Type of labor : We would like to skilled people on the job and professional who has be into the similar domain and has worked in the industry for long to understand the technology and business and articulate the same.
- Where and how will you find the right employees: There are lots of startup which are struggling with cash and over head of the people and because of the recession there are lots of people is with job we can reach out to them by recruiters and advertisement campaigns.

VII. Management and Organization

The management of the business on a day-to-day basis will look like more like the Org Chart mentioned below. Most of the senior management team has more than 10 years of experience. The details of the furnished at the time of discussion as these people will only come forward once we have funding in place and accordingly they could be introduced to the investors.



VIII. Loan Requirement and tenure.

A loan of 100 Cores to be used for current near term expenses including Office Space, Hiring new employee , marketing and Acquisitions of three new companies who were doing good in the market and because of the market fall they are in a good position to get acquired in less valuations. The details of the company can't be shared at this moment once the funding agreement is done we can share the technical feasibility. The Tenure of the Loan should be 10 years to make us the payments.

We are currently looking for 15 Cr Loan to kick start the operation and move it forward. Using the 15 Cr we are planning to raise 50 Million USD from ECB .We have our contact which can be materialize for doing the same.

IX. Projected Balance Sheet

BALANCE SHEET	Sl. No.	Particulars	Rs. In Crores		
			Year 1	Year 2	Year 3
I		SOURCES OF FUNDS			
A		SHAREHOLDERS' FUND			
	1	Share Capital	30.00	30.00	30.00
	2	Reserves and Surplus	1.69	7.87	20.12
B		LOAN FUNDS			
	1	Private loans	155.87	141.16	125.86
		TOTAL SOURCES OF FUNDS	187.55	179.03	175.98
II		APPLICATION OF FUNDS			
A		FIXED ASSETS			
	1	Gross block	100.00	100.00	100.00
	2	Depreciation	13.78	26.72	37.60
	3	Net block	86.22	73.28	62.40
B		CURRENT ASSETS, LOANS & ADVANCES			
	1	Sundry Debtors	19.01	22.81	27.37
	2	Cash and Bank balances	69.94	74.24	81.49
		Total Current Assets	88.95	97.05	108.86
	6	Less: Current Liabilities & Provision	7.42	8.90	10.68
		Net Current Assets	81.53	88.15	98.18
C		Miscellaneous Expenditure	19.80	17.60	15.40
		TOTAL APPLICATION OF FUNDS	187.55	179.03	175.98

X. Acquisitions Cost

CAPITAL EXPENDITURE BREAK-UP				
			Rs. In Crores	
PARTICULARS	COMPANY X	COMPANY Y	COMPANY Z	TOTAL
IP Rights and Patents	38.50	29.14	14.52	82.16
OFFICE EQUIPMENTS	0.10	0.08	0.05	0.23
FURNITURE & FIXTURES	0.10	0.08	0.05	0.23
COMPUTER HARDWARE & SOFTWARE	1.00	0.55	0.28	1.83
VEHICLES	0.30	0.15	0.10	0.55
TOTAL	40.00	30.00	15.00	85.00
LAND & BUILDINGS (Leased or Assest)				15.00
GRAND TOTAL				100.00

XI. Profit and Loss Statement Projected

PROFIT AND LOSS ACCOUNT	Rs. In crores		
	YEAR 1	YEAR 2	YEAR 3
PARTICULARS			
A. Sales	114.04	136.85	164.22
B. Direct Expenses			
Reserve Guru	17.06	20.47	24.57
m-Reach	46.25	55.50	66.60
X-Game	5.40	6.48	7.78
m-Banking	5.40	6.48	7.78
m-Wallet	1.01	1.21	1.45
Total	75.12	90.14	108.17
C. Gross Profit (A-B)	38.92	46.70	56.04
D. Overheads			
Advertising Expenses	11.40	13.68	16.42
Administrative expenses	2.47	2.96	3.56
Total	13.87	16.64	19.97
E. Profit before Interest, Depreciation, Amortisation & Tax (C-D)	25.05	30.06	36.07
F. Depreciation	13.78	12.94	10.88
G. Interest	6.66	6.09	5.50
H. Start up revenue expenses Amortised	2.20	2.20	2.20
I. Profit before Tax (E-(F+G+H))	2.41	8.84	17.50
J. Income Tax	0.72	2.65	5.25
K. PROFIT AFTER TAX (I-J)	1.69	6.19	12.25

XII. Cash Flow Statement Projected.

CASHFLOW STATEMENT		Rs. In Crores		
SI.No.	PARTICULARS	Year 1	Year 2	Year 3
I	CASH INFLOW			
1	Opening Balance	-	69.94	74.24
2	Receipts from promoters	30.00		
3	Loan funds	170.00		
4	Receipts from Customers	95.03	133.05	159.66
	TOTAL INFLOW	295.03	202.99	233.90
II	CASH OUTFLOW			
	Direct expenses	68.86	82.63	99.16
	Advertising expenses	10.45	12.54	15.05
	Administrative expenses	2.26	2.72	3.26
	TOTAL (A)	81.57	97.89	117.47
B	Other Items			
1	Sundry Creditors		7.42	8.90
2	Building Lease	15.00		
3	Capital Equipment	85.00		
4	Loan repayment	20.79	20.79	20.79
5	Mics Expenses	22.00		
6	Tax	0.72	2.65	5.25
	TOTAL (B)	143.52	30.86	34.94
	TOTAL CASH OUTFLOW			

ADRATOR

			225.09	128.75	152.41
	CLOSING BALANCE		69.94	74.24	81.49