

Executive Summary

DAZA-NETLINK WIRELESS (DNW) is an innovative start-up company that provides wireless broadband Internet connections in BHUTAN to several URBAN & RURAL neighbourhoods. Utilizing Wi-fi technology and proprietary antennas and repeaters, DAZA-NETLINK WIRELESS (DNW) will be able to serve a large area with broadband Internet connections.

DNW will be founded by Mr.Daza of Paro, Bhutan, in technical collaboration with NETLINK GROUP and its JV Partners of India. The combination has given DNW the requisite skills to execute on this well-researched business plan.

Mr.Daza is an established businessman of BHUTAN, with interests in diversified businesses like RETAIL (Indo General Store—started in 1998—Paro Town), ENGINEERING (Indo Auto Engg Works—started in 2006—Paro Town & Indo Engg & Fab Works—started in 2007—Paro Town), CONSTRUCTION (Indo Construction—started in 2008—Paro Town & Indo Wood Base Industry—started in 2000—Bonday (Paro)) and MINING (Druk Kuenphen Mining—started in 2009—Chukha Dzongkha). The present market value of landed assets (land & buildings) owned by Mr.Daza aggregates Nu.88 Million. Besides, he also owns other movable fixed assets (in the form of equipment, plant & machinery and vehicles etc.) aggregating several million Nu.

NETLINK GROUP, based in Kolkata, India provides IT & Software Consultancy, WiFi & Networking Solutions, It Services & Solutions, and Management. NETLINK GROUP has entered into an arrangement/association with Mr.Sanjib Kumar Bhattacharyya and others to provide Finance & Project Consultancy Services. NETLINK GROUP together with such associates has formed a CORE TEAM. This CORE TEAM have provided consultancy and advisory services to different companies and/or business entities globally. The technical expertise of this Core Team with average experience of about two decades, provides the backbone for both technical, project management & managerial acumen of DNW.

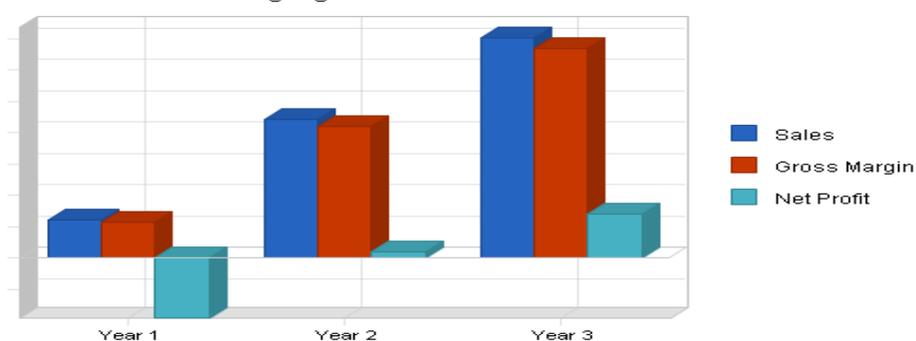
The DNW team has spent a long time in research for the WiFi Business Plan, which has given the team not only an incredible and reasonable boost in confidence to accomplish a business venture, but also provided them with solid project management skills and experience.

The market for wireless broadband Internet connections is wide open. Demand for traditional broadband connections is surpassing conservative forecasts. The wireless market is even more exciting due to the significantly lower costs needed in terms of delivery infrastructure. As DNW's customer base grows, costs decrease through scales of economy, creating an even more compelling argument for DNW's existence.

DNW has targeted three distinct groups. The first is students, a market segment that uses the Internet the most and also have high expectations regarding the speed of the connection. The second group is professionals, people with disposable income, not a lot of excessive time on their hands, and a group that uses the Internet a fair amount, both personally as well as professionally. The last group that will be targeted is techies. This group is the early adopters of any type of technology and spend incredible amounts of time immersed in Internet technology.

DNW is a compelling business concept that leverages advances in technology and proprietary tools to offer a market need at below market prices. In addition to earning great margins with low infrastructure costs, margins increase as the customer base increases. This exciting business plan has a high likelihood of success with DNW's CORE TEAM responsible for the execution of it. The business will earn modest profits in year two, increasing exponentially in year three. Net profit is forecasted to be commensurate in years two and three.

Highlights



1.1 Mission

It is DNW’s mission to provide fast, wireless Internet access at a reasonable price. The most important thing to remember is that every customer must be satisfied with our services

1.2 Keys to Success

- ☐ Practice disciplined growth
- ☐ Reach profitability by year two
- ☐ Ensure that the customer's needs are met and maintain a 90% customer retention ratio

1.3 Objectives

- ☐ Provide, fast, reliable, wireless Internet access.
- ☐ Treat customers with the upmost respect.
- ☐ Become profitable within two years.

COMPANY SUMMARY

DNW will be formed in 2014 to offer an inexpensive, wireless broadband Internet connection to compete with DSL or cable offerings. Using Wi-Fi technology, it is inexpensive to set up a neighbourhood network. The company will be founded by Mr.Daza of Paro Bhutan, who will be the prime mover and primary financier of the venture, and proposes to bear the necessary start-up costs. Mr.Daza may rely on outside investors for expansion. The technical know-how, and expertise in technical, project management, financial & managerial matters will be provided by a CORE TEAM formed with active participation from Mr.Daza, NETLINK GROUP, Mr.Sanjib Kumar Bhattacharyya & other associates, who have extensive experience in providing expertise, consultancy, advisory & managerial inputs on a global scale

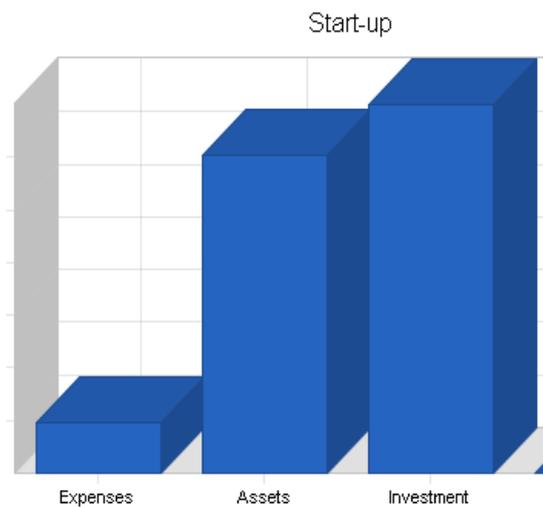
2.1 Company Ownership

DNW is a Bhutanese Company with Mr.Daza as the principal and majority owner

2.2 Start-up Summary

Equipment that will be needed is as follows:

- ❖ Three computer workstations;
- ❖ Wireless access point;
- ❖ Five repeaters;
- ❖ Five antennas;
- ❖ Assorted office equipment and supplies



Start-up Funding

Expenses

Start-up Expenses Nu 8,45,000

Assets

Start-up Assets Nu 16,05,000

Erection & Commissioning Nu 3,50,000

Total Funding Required Nu 28,00,000

Planned Investment

Capital Funds/Own Funds

Daza Nu 10,00,000

Other Investors NIL

Borrowed Funds/Loans

Institutional Loans Nu 10,00,000

Supplier's Line of Credit/Creditors Nu 8,00,000

Total Planned Investment Nu 28,00,000

SERVICES

DNW offers wireless broadband Internet access. The service is DSL speed with customers only needing a Wi-Fi card and to live within range of the signal which covers a 5 KM radius currently. **The coverage area would be approximately 10 sq. KMs.** There are plans to enlarge the coverage area as more customers sign up.

Wi-Fi technology is based off of 2.4 mhz spectrum wireless transmissions. Using the same wavelengths that some cordless phones use, the Internet signals are broadcasted out through the neighbourhood. With the supplied password and a Wi-Fi receiver in each customer's computers and other handheld devices, customers will have fast, wireless Internet connections

MARKET ANALYSIS SUMMARY

Within the last three years there has been a proliferation of broadband Internet connections. With so many people enjoying fast connections at work, they are no longer willing to deal with a dial-up connection at home. With the advent of Wi-Fi technology, customers can now enjoy a fast connection without having to lay expensive cables since the signal is sent via radio waves. The targeted market segments are: students, professionals, techies.

4.1 Market Segmentation

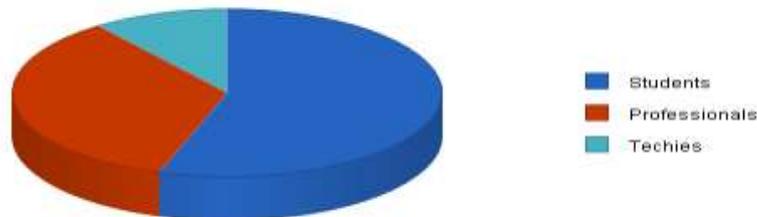
The market can be segmented into three distinct groups:

- ☐ **Students:** these are people currently in academia and are accustomed to fast connections and are willing to pay for it. This group uses the Internet the most, whether they are trading MP3s or downloading videos.
- ☐ **Professionals:** this group conducts a fair amount of business over the Internet, whether banking, e-commerce, or communications.
- ☐ **Techies:** this group embraces technology as they enjoy challenging themselves with technology and the complexity it brings.

Other than the students, DNW's customers are fairly affluent (household income > Nu30,000) and spend their money on technology offerings, whether it is digital cable, cellular service, or broadband Internet connections. The target customers are also generally well educated with 65% having a college degree and 20% having a graduate degree. Combining several demographic factors, DNW arrives at the following primary customer profile:

- ❖ Spends 10 hours a week on the Internet away from home
- ❖ Purchases something selected on a website at least once every three months
- ❖ Educated with at least some course work for an undergraduate degree
- ❖ Household income of at least Nu30,000.

Market Analysis (Pie)



Market Analysis						
Potential Customers	Growth (Year 3 onwards)	Year 1 (Part)	Year 2	Year 3	Year 4	Year 5
Students	10%	11,000	19,125	21,038	23,142	25,456
Professionals	8%	6,000	10,175	10,990	11,870	12,820
Techies	11%	1,500	2,700	2,997	3,328	3,694
Total	9.43%	18,500	32,000	35,025	38,340	41,970

4.2 Target Market Segment Strategy

DNW has chosen the three aforementioned target markets due to their adoption of broadband Internet technology. It is these three groups that are most likely to use a fast connection and the most willing to pay a premium for the connection.

4.3 Service Business Analysis

There are three main participants within the consumer broadband Internet market.

- ☐ **DSL (digital subscriber line):** A connection that utilizes the copper phone lines as the method of transmission.
- ☐ **Cable:** A connection that uses cable TV wiring for transmission.
- ☐ **Satellite connections:** These use satellites, in orbit to provide "cable" TV as well as Internet connections to residential and remote consumers.

4.3.1 Competition and Buying Patterns

As mentioned in the previous section, DSL, cable, and satellite access are the competitors in the broadband market. Consumer buying patterns are based on two factors:

- ❑ **Availability:** not every type of broadband connection is available to every consumer. Consumers often pick service providers based on what is available to them.
- ❑ **Convenience:** this is often based on where the outlet cords are based in the house, whether the computer will be located closer to the cable TV or nearer to a phone jack.

Strategy and Implementation Summary

Simply put, DNW's strategy is to offer a service, demanded by customers, at a price that undercuts the competition. This will be accomplished, not by accepting below-market margins, but by leveraging technology, to help drive DNW's costs down. Awareness regarding DNW's services will be generated effectively and inexpensively to the specific target segments that DNW has focused on.

5.1 Competitive Edge

DNW's competitive edge is the effective and efficient use of Wi-Fi technology. Wi-Fi, while a fairly recent technology, has been adopted by several different service providers as well as used for home-based networks. What provides DNW with a competitive edge is its efficient use of the technology. DNW will utilise proprietary antenna that allows for signal transmission over great distances with less signal loss. Additionally, DNW has significantly reduced administrative costs by having most administrative activities like marketing, sales, and service details administered via the Internet.

5.2 Marketing Strategy

As the name implies, DNW will be using a grassroots approach to developing awareness of the offered services. DNW will adopt a multi-pronged marketing approach:

- ❑ **Advertising/postings:** with local retailers and commercial businesses. This will provide DNW with great visibility in the exact community that it operates in.
- ❑ **Mailings:** DNW will adopt a targeted mailing campaign to local residents.
- ❑ **Website:** DNW will leverage its website as a comprehensive and efficient source of marketing/sales information.

5.3 Sales Strategy

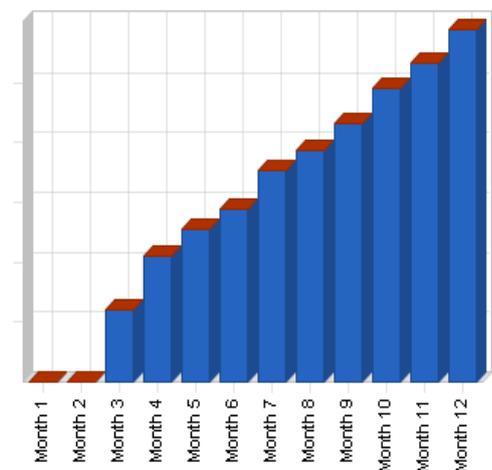
The sales strategy that DNW will adopt is based on developing an awareness of DNW's service as a viable alternative to Cable and DSL within the community. The message used will be that you can receive broadband speed connections to your computer, wherever it may be, even your laptop on your front lawn, at a price that is a fraction of the current competitors'. This will be done with targeted advertising with local retail/commercial establishments in the area. Additionally, DNW will rely on mailings to get the word out. Lastly, DNW will have a website for marketing, sales, and administrative purposes.

5.3.1 Sales Forecast

DNW has developed a conservative sales forecast. Adoption rates of customers are fairly steady from one month to the next. A conservative approach has been adopted to minimize any external variables that may effect future operations.

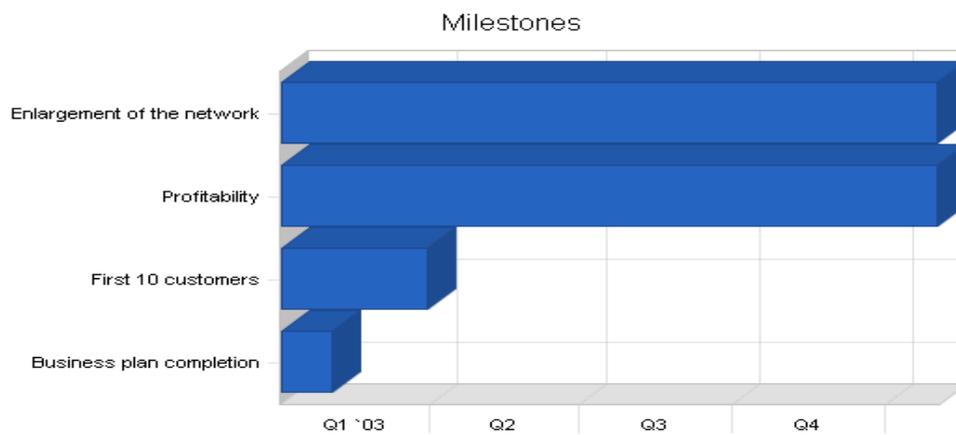
DNW believes that it will experience extensive growth for several years for several reasons. The first is the general adoption of broadband connections which has been encouraging for the last several years. Another reason DNW believes their forecast to be accurate is it offers a viable, less expensive alternative to current broadband connections.

Sales Monthly



5.4 Milestones

Milestones are a very important aspect of a business plan. They provide concrete, achievable, yet lofty goals that the business must concentrate on. By targeting lofty goals, DNW ensures that it is aiming high, therefore it is more likely to achieve more. The milestones that DNW has chosen are very specific to the company and will be embraced by all employees.



Milestones		
Milestone	Start Date	End Date
Business plan completion	01/06/2014	30/06/2014
First 10 customers	01/06/2014	30/09/2014
Profitability	01/06/2014	30/09/2015
Enlargement of the network	01/06/2014	30/09/2015

WEB PLAN SUMMARY

The website will be used for:

- Marketing/sales;
- Administrative functions.

6.1 Website Marketing Strategy

All of DNW's marketing information will be present on the website for viewing and for downloading/printing. Awareness regarding the website will be accomplished by inclusion of the website address on all printed materials. Additionally, the website will have a comprehensive submission procedure to all of the popular search engines.

6.2 Development Requirements

The website will be developed in-house by leveraging capacity of NETLINK GROUP.

MANAGEMENT SUMMARY

Mr.Daza, founder and CEO/Managing Director will be the anchor of the management team. Mr.Daza is an established businessman with about 2 decades of rich experience of establishing and running of varied businesses & industries in Bhutan. He will head the CORE TEAM which will be responsible for overall management & supervision of DNW. Mr. Daza will be ably supported by the CORE TEAM of Global Experts, comprising the following experts –

BUSINESS MANAGEMENT EXPERTS

Mr.Sanjib Kumar Bhattacharyya --- A graduate in **Science, Law and an MBA** from a premier Management Institute. Armed with **Advanced Financial Management from IIM-Ahmedabad**, he provides specialised financial & management solutions. He has above 2 ½ decades experience in finance and management, and about 2 decades experience in legal practice arena. Has worked in senior/top management positions in major conglomerates like State Bank Group; India Carbon Group (in its 100% EOU); Lok Group (in its Infrastructure Finance & Leasing arm); CEO of an IT/KPO services company etc. Successfully handled matters related to domain knowledge and had an extremely bright, successful and fast rising career graph, with many significant achievements. Provided Management/Financial Consultancy & Advisory Services as well as Legal Consultancy & Advisory Services to many Corporate clients. Legal Practitioner (Advocate, Calcutta High Court). **Specialties:** *Corporate Strategy & Planning, Consultancy & Business Advisory, Taxation, Project Consultancy & Project Management Services, Financial Planning & Management, Legal Advisory, Legal Documentation, Due Diligence, Corporate & Commercial Law, Real Estate, Finance & Banking, Litigation Support Services, Legal Process Management Services etc.*

Mr.Sagar Dasgupta --- A graduate in Science (Bio-Chemistry) from Calcutta University and an **MBA** (from Visvesvaraya Technical University, Belgaum). He has over 17 years of work experience and specialises in handling **human resource functions** (including recruitment, training & coordination, performance appraisals etc.). Has ability to work on own initiative as well as part of

team, he has shouldered responsibility efficiently. He is a leading **motivator and trains teams** to achieve their objectives. He has developed completely new teams from scratch and ensured a zero attrition rate. Achieved the best customer service representative award. He has worked for several leading organisations like IBM (as operations manager), HSBC (HDEPI Bangalore), Convergys India Pvt Ltd (a leading US call centre), Peerless General Insurance and Finance, Faith Consultants, Jain Infrastructure etc. He is also well conversant with computers and has worked with CRM. Presently oversees administration & marketing of Netlink Group.

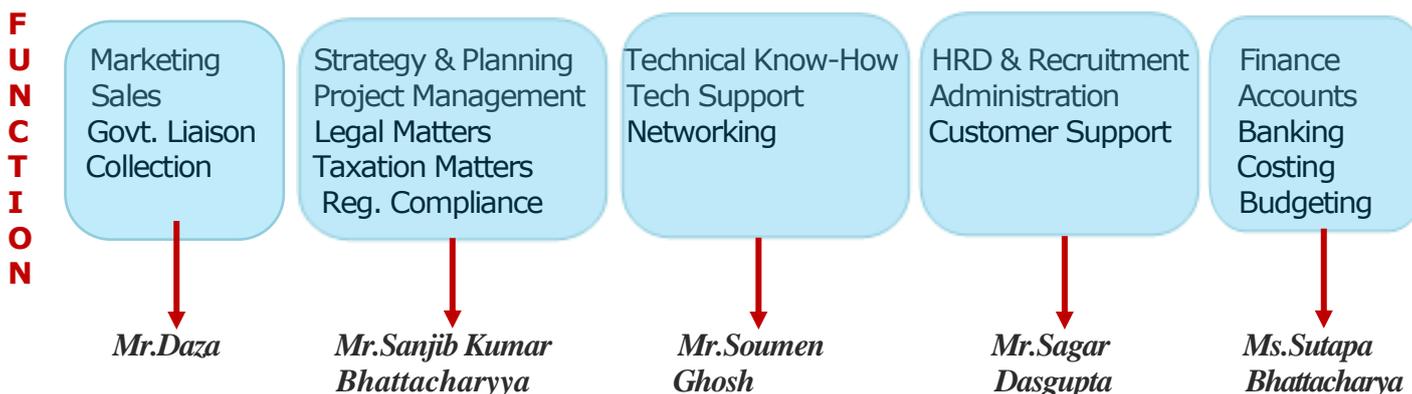
NETWORKING & COMPUTER SERVICES EXPERT

Mr.Soumen Ghosh --- A graduate in IT from Calcutta University, and a Microsoft Certified System Engineer, he also completed GNIIT (Web Centric Curriculum), QMS, NIS-(ECPD) , MCP , CCNA etc. He specialises as a Network Administrator & System Analyser. His work experience includes a stint as IT Manager in TST Systems Pvt. Ltd., Paro, Bhutan and Technical Head of Netlink Group, India. Was awarded best employee of the year twice during his service career. He has more than a decade of post qualification experience, mainly in networking & systems and has been instrumental in setting up Wifi networks, call centres, ITES backbone etc. He has provided services across diverse sectors/industries like Hotels, Tourism & Travel, Manufacturing, Utilities, Educational Institutions, Construction & Real Estate, Food Processing etc.

FINANCIAL & ACCOUNTING SERVICES EXPERT

Ms.Sutapa Bhattacharya --- A graduate in commerce and **FCMA** (Fellow Member of the Institute of Cost Accountants of India). She has about 14 years of practice experience, and is empanelled as Valuer & Surveyor in High Court at Calcutta, and leading Banks like State Bank of India, Central Bank of India, United Bank of India etc. She has provided services to leading firms in sectors like Banking & Finance, Public Sector, Coal, Copper, Mining, Iron & Steel, Cement, Telecommunications, Food Processing, Export, Retail, Tourism & Travel, Engineering, Construction & Real Estate, Infrastructure, Manufacturing, Agro-based Industries, Utilities, Processing, Transportation & Logistics, Educational Institutions, etc. She specialises in Costing – Cost Audit, Cost Compliance Reports, Costing & pricing, Cost Control & Cost Reduction, Cost Budgeting, Valuation, Accountancy & Bookkeeping, Taxation Services, Audit & Assurance -- Internal Audit, Stores Verification, Fixed Asset Verification, Stock Audit, Revenue Audit, Other Audit & Assurance Services, Project Consultancy -- Project Reports & Feasibility Studies, Risk Management, Project Accounting, Budgeting & Budgetary Control, Management Consultancy & Advisory and other matters related to finance and taxation, including outsourcing/support services

CORE TEAM



Besides the above CORE TEAM, DNW will also be drawing on the expertise of the following members of the NETLINK GROUP team of associates, on need-based requirements, from time to time –

Mr.Shyamal Bannerjee --- A **MS in Computer Science** from Donesk State Technical University, Ukraine, he also completed professional training in UNIX and C programming (ECIL, Hyderabad), Quality Management System & Software Estimation and Sizing (NIIT). Shyamal is a highly seasoned senior technocrat with deep understanding of diverse technologies and software engineering best practices, having played crucial roles across the Software development Life Cycle (SDLC) in multiple product development initiatives and customer projects. A practitioner of Solution Architecture, System and Software engineering processes, he has played key roles in driving solution architecture and design decisions for large enterprise applications. He has hands-on experience in multiple industries and across several disciplines and has mastered a variety of

technology platforms and hence has the cross technology expertise much required for EAI and application migration projects. He also has a broad and deep understanding of diverse Databases. He has emerged as a specialist in architectural transition as well automation of application and database migration through design, development and implementation of parsing tools and technologies. He has worked with various industry verticals such as Healthcare, Financial services, and Retail Industry. Managed and executed projects in India and abroad - including USA, UK, Japan, Germany, Switzerland and Singapore. All his previous positions required use of adequate quality control activities confining to ISO 9001 and ISO 9000-3 standards as well as SEI CMM level 4 and level 5 standards for the processes implemented. His core strength is in core Java, J2EE, frameworks like spring, Hibernate, Struts, JSF and SOA. He has worked with agile project methodology like Scrum. He presently is the Technical Head of Netlink Group, India

Mr.Sajal Kumar Das --- A B.Tech. (Electronics & Tele Comm Engg) and an MBA (Systems & Operations Management) from Calcutta University, he has more than a decade's experience as software developer & designer of web-portals, company websites etc. using php scripting, MySql database, java script, page documentation, flash animation, content writing, project documentation, domain registration, ftp uploading and other web-site related matter and also using HTML, Multimedia Tolls (Flash ,Fireworks, Dream waver, Adobe Photoshop), MS Access under windows operating system. Has command over Software Languages like Visual Basic, Java Script; Operating Systems like MS Windows , MS DOS; Database like MS Access, MS SQL SERVER 7.0, MY SQL 5.0; Web Technologies like HTML, PHP,ASP and software tools like Flash, Fireworks, Dream waver, Adobe Illustrator, Adobe Photoshop, Adobe Image Ready, Cool 3D, Animation Shop 3, Paint Shop Pro 6.

Mr.Aniruddha Som --- A MCA from Ramaiah College, Bangalore and an **MBA** from Symbiosis Institute of Business Management, Pune, he has more than a decade's experience as a software developer & designer. He has been engaged in developing web-portals, company websites etc. using php scripting, MySql database, java script, page documentation, flash animation, content writing, project documentation, domain registration, ftp uploading and other web-site related matter and also using HTML, Multimedia Tolls (Flash ,Fireworks, Dream waver, Adobe Photoshop), MS Access under windows operating system. Has command over Software Languages like C, CPP, Visual Basic, Java Script; Operating Systems like MS Windows , MS DOS; Database like MS Access, MS SQL SERVER 7.0, MY SQL 5.0; Web Technologies like HTML, PHP,ASP.NET WITH C#,JSP and software tools like Flash, Fireworks, Dream waver, Adobe Illustrator, Adobe Photoshop, Adobe Image Ready, Cool 3D, Animation Shop 3, Paint Shop Pro 6. He is also an Oracle Certified Enterprise Developer (OED).

7.1 Personnel Plan

The three main streams (line functions) of employees in DNW are:

Technicians: These employees are responsible for the smooth operation of the wireless network as well as the website.

Customer Support & Administration: These employees form the general customer service position, assisting in sales collection and support.

Marketing: These employees are responsible for marketing the services offered by DNW, running advertisement & awareness campaigns, sales of products & services etc.

These line functions will be supported by service functions/departments like Finance & Accounting, HRD etc. **The personnel plan is broadly as under:**

Personnel Plan					
	Year 1	Year 2	Year 3	Year 4	Year 5
Technicians	3	6	6	6	9
Customer Support	3	3	3	6	6
Marketing	3	3	3	3	3
Marketing	3	3	3	3	3
Finance & Accounts	1	1	1	1	1
HRD & Administration	1	1	1	1	1
Other Staff	1	3	5	5	5
Total Employees	15	20	22	25	28
Total Payroll (Monthly)	225,000	320,000	385,000	500,000	616,000

FINANCIAL PLAN

The following sections outline important financial information.

Revenue Assumptions

Revenue Per Unit (Monthly): Students—Nu 200 Professionals—Nu 400 Techies—Nu 500

8.1 Break-even Analysis

Average per-unit revenue: based on the Nu 200 monthly minimum access fee

Average per-unit variable cost: costs based on infrastructure, and administrative costs.

Estimated monthly fixed costs: Internet connections costs.

Break-even Analysis

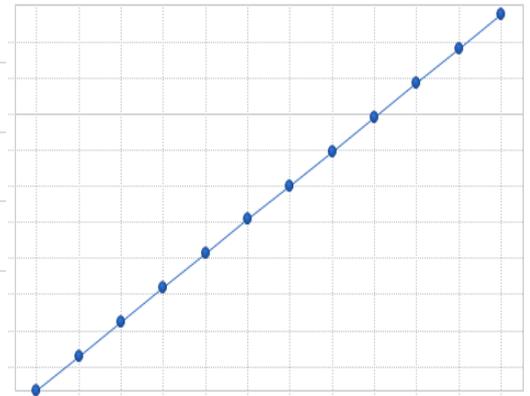
Monthly Revenue Break-even

Assumptions:

Average Percent Variable Cost 5%

Estimated Monthly Fixed Cost

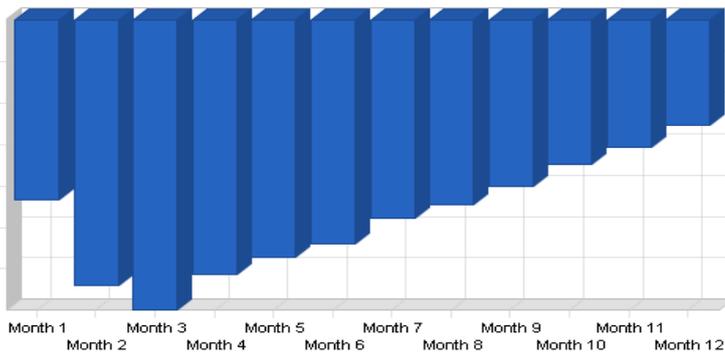
Break-even Analysis



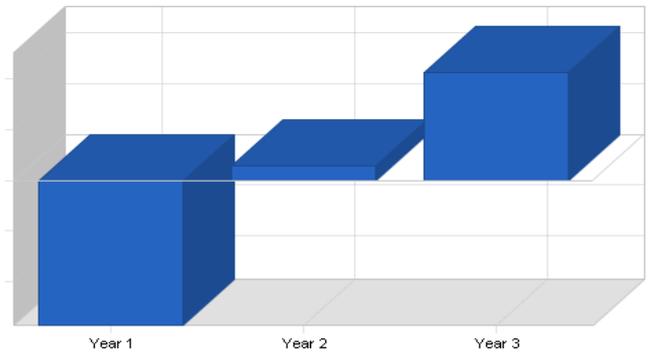
8.2 Projected Profit and Loss

The following charts show the Projected Profit and Loss — Monthly (during project implementation — 1st year) and Yearly (for first 3 years)

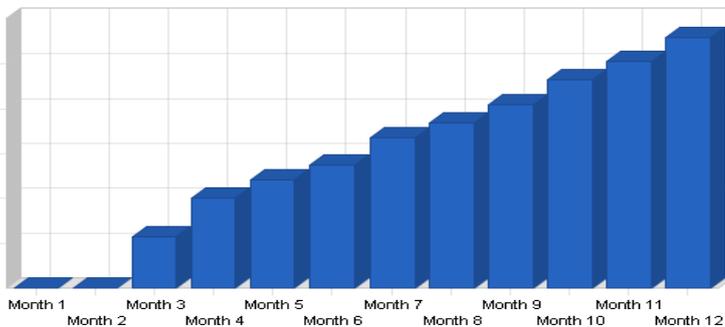
Profit Monthly



Profit Yearly



Gross Margin Monthly



Gross Margin Yearly

