

BERKLEE COLLEGE OF MUSIC

Culminating Experience - OUTCOME PAPER

ROHIN BACHWANI

Index

1. Executive Summary
2. Company Overview
 - a. Name/Brands
 - b. Core Activity
3. Corporate Identity
 - a. Mission Statement
 - b. Values/Mantra
 - c. Visual Identity
 - d. Communication
4. Business Environment & Customer
 - a. Value proposition
 - b. Pricing Policy
 - c. Marketing Positioning
 - d. Customer Segmentation
 - e. Customer Data
5. Environment Analysis
 - a. Major Trends
 - b. Market Size
 - c. Business Competition
 - d. Swot Analysis
6. Financial Projections
 - a. Required Capital
 - b. Pro-Forma Balance Sheet
 - c. Pro-Forma Income Statement
 - d. Pro-Forma Cash Statement
 - e. Cash Burn Rate
7. Risks
8. Implementation Plan
9. Appendix

1. Executive Summary

The following business plan outlines the details of a start-up called ROBACH. This is a limited liability company that provides musical artist with all the necessary tools like management, booking agency and a record label to successfully penetrate the music market, specifically India. We aim to globalize the Indian music community through cross collaborations between Indian and western artists.

Unlike other artist management agencies, we handpick artists who are open to the idea of collaborations. We further aim to focus on the management and development of the Indian artists by providing artists with all tools required to be successful.

The ultimate aim is to export talented musicians in India to the world and allow western producers to enter the rapidly growing market through cross collaborations.

ROBACH has the potential to grow not only globally but also expand further into other management industries. Although, the market is competitive, we believe that ROBACH's values and beliefs along with precision in data analysis and finding right trends in both markets, will allow it to compete and become a threat to the already existing artist management companies and indie record labels. Below is a detailed plan of the company environment, market analysis, financial projections and plan of actions for ROBACH LLC.

2. Company Overview

- *Name/Brands*

Legal Name:

- *ROBACH, LLC*

Brands:

- *ROBACH – The Management Company*
- *ROBACH - The Booking agency*
- *BACHBEATS - The Record Label*

The umbrella name of the company is ROBACH. All brands will fall under this name i.e. The Booking Agency, The Management Company, and The Record Label. The management division will be launched first and once we have signed 2-3 artists. The Record label will be formed to release collaborations with western producers which will eventually lead to the formation of the booking agency when the artist is ready to begin touring.

- *Sector*

NAIC Code 2741, Services, Not Elsewhere Classified

Example of a company (Only Much Louder India)

Since ROBACH will offer multiple services like Artist Management, Record Production, Consulting Services and Music Publishing it is the best umbrella term to classify the company

- *Legal form*

Limited Liability Company

In order to remove personal liability and ensure that the company will be able to live longer than the owner (me), ROBACH will be registered as an LLC.

- *State of registration*

ROBACH will be registered in my home state of Maharashtra, Mumbai, INDIA.

Since I live in Mumbai, it will be better to register my company in the same city.

- *Core Activity/Competitive Advantage*

At ROBACH we aim to globalize the Indian music community through cross collaborations between Indian and western artists. Our goal is to find western electronic music producers and get them in the studio with best of local/upcoming talent in India, to create a fusion between western and regional music with dominating Indian flavours. Once the record is ready we aim to release the track either on the in-house record label BachBeats or license the records to other labels which would help with a worldwide release. We further aim to focus on the management and development of the Indian artists by providing artists with all tools required to be successful. We will even focus on finding artists shows in the local and international market by pitching them to festival and clubs.

Unlike other artist management agencies, we handpick artists who are open to the idea of collaborations with western producers. Using our knowledge in data analytics

we find current trends in the Indian and western market, we provide all the research to the artists before they get into the studio to produce tracks based on a strategy.

We help bridge the gap between India and rest of the world through cross collaborations, we aim to globalize the Indian music industry. We aim to break Indian artists worldwide through this concept.

We are one stop for everything from producing a track, to marketing and promotions of the record, to management and bookings for the artist. The artists just need to focus on making a record and the rest is taken care by the company.

India is growing rapidly and with 25% of the world population living there we believe many western producers will like to enter this fast growing market but our unaware about how to go about it, we help bridge this gap through finding the right collaborations and bring an idea to reality

3. Corporate Identity

- *Main Stakeholders*

The main stake holders are music producers, singers, songwriters, artist & label Managers, administrative staff, equipment suppliers, music consumers, record labels, publishers, and booking agents. In order for this business to work, I will need to have connections with many parties and have several clients. Some of the artist collaborations and cross pollination examples in the past which could act as guidance and point of reference to the company are as follows

1. Marshmellow and Pritam – Biba (https://www.youtube.com/watch?v=UhYRII_bpJQ)
2. KSHMR ft. Sonu Nigam – Underwater
(<https://www.youtube.com/watch?v=AnKvKo7VJqk>)
3. Guru Randhwa ft. Pitbull – Slowly Slowly
(<https://www.youtube.com/watch?v=hGsVLXnFgbA>)
4. Arjun Vagale and Ramiro Lopez start a cross pollinized record label
(<https://www.discogs.com/label/191540-Odd-Recordings>)

People/Networks to Hustle: Saavn, Spotify India, T- series, Anna agency, OML, Stem, Gaana, Bandwagon Recording studios, Anjunadeep, Involved group, Connected artists, Represent management.

- *Mission Statement*

Our mission (The Company): Bridging the gap between Indian artists and rest of the world through cross collaborations, we aim to produce records with a fusion of Indian and western music which caters to both the markets. We research and analyse data to find current trends in both the markets and produce a track based on a strategy.

Unlike other record labels, we handpick artists who are open to the idea of collaborations with western producers. Using Data we find current trends in the Indian and western market, we provide all the research to the artists before they get into the studio to produce tracks based on a strategy.

We further manage and develop the artist to provide all the tools required by the artists to be successful, once the artist has a few solid releases we prepare the artist for touring and manage his bookings as well.

The ultimate aim is to globalize the Indian music community, export talented musicians in India to the world and allow western producers to enter the rapidly growing market through cross collaborations.

- Values/Mantra

The core values that I would like to promote in ROBACH are:

Family is everything

Treat people with respect independent of their status or disagreement with you

Fear and failure are nothing more than rest stops on the road to success.

Contribute effectively outside of your specialty

Empower others, make leaders

Seek what is best for the company rather than best for yourself or your group

Be optimistic and enthusiastic about the progress

Inspire the world to try

Be the change you wish to see

Collaborate

Be Involved

Artist commitment

Our Mantra: Bridging the Gap

We will bridge the gap between India and rest of the world through cross collaborations between the artists and export Indian artists to the world by managing, developing and providing them with all the tools required to be a worldwide success

- *Visual Identity*

Bridge the Gap between India and rest of the world. We aim to globalize the Indian music community through cross collaborations between Indian and Western artists.

The company works on analysing trends in both the markets and find the right match between the two artists and eventually get both the artists into the studio.

The company's identity is to create quality music by finding young talented Indian artists who are open to the idea of collaborations with western producers. We aim to cater to both the markets through cross collaborations.

We help Indian artists realize they have a meaning and worth and help them find their path to purpose and execute on it, We also help western producers enter into the rapidly growing market and provide all the tools needed for them to be successful.

The brands visual identity is bespoke, exchange, affiliation, bold and confident.

Logos(s)

Main Logo



The Agency



The Record label



Colours

1. <https://www.musicplus.in/indian-music-industry-grow-15-5-2023-kpmg/>
2. <https://www.ifpi.org/downloads/GMR2018.pdf>
3. 1 USD = 70 INR // 1 Euro = 80 INR

- Primary: Black (#000000); White (#ffffff)

Fonts

- Primary Logo Font: Serif
- Website Text: Sans Serif

- *Communication*

The form of communication will be through the company's website and social media channels

- Printed:

- Business Cards
- Printed USB cards
- Stickers
- T-shirts
- Customized phone hand holders
- Caps
- Phone Card holders

- Digital:

- Social Media
 - Instagram - @ROHBACH
 - Twitter - @ROHBACH
 - Facebook - @ROHBACH

- Social Media (Record Label)

- Instagram - @BachBeats
- Twitter - @Bachbeats
- Facebook - @BachBeats
- Website : www.robach.com

3. Business Environment/Customer

- *Value Proposition*

We help bridge the gap between India and rest of the world through cross collaborations, we handpick Indian artists who are open to the idea of collaborations with western producers. Using our knowledge in data analytics we find current trends in both the markets and provide all research to the artists before they get into the studio. We are one stop for everything from producing a track, to marketing and promotions of the record, to management and bookings for the artist. The artists just need to focus on making a record and the rest is taken care by the company.

Value to Artists (Pains and Gains):

Cross collaborations help artists tap into each other's market which gives them access to a newer set of audiences, India is growing rapidly and with 25% of the world population living here we believe many western producers will like to enter this rapidly growing market but are unaware about how to go about it, We believe India has many unique artists and their music could be heard around the world but not having any cultural resemblance many labels do not

tend to sign these artists or import their music. However, through cross collaborations and finding artists of the right calibre we can overcome this barrier and globalize Indian music industry and take Indian artists to the world.

We further aim to focus on the management and development of the Indian artists by providing artists with all tools required to be successful. Unlike other artist management agencies, we handpick artists who are open to the idea of collaborations with western producers. Having a good team is the difference between a successful and unsuccessful career. We would connect artists with our network that we trust and have a strong relationship with that would provide significant value to the artist both in the short term as well as the long term. We will also focus on finding artists shows in the local and international market by pitching them to festival and clubs.

Using Data, we find current trends in the Indian and western market, we provide all the research to the artists before they get into the studio to produce tracks based on a strategy. The artist's work to create a fusion between western and regional music with dominating Indian flavors. Once the record is ready we aim to release the track either on the in-house record label BachBeats or license the records to other labels which would help with a worldwide release. The initial cost of renting the studios, making the records, marketing the records, paying producer advances, marketing, publishing and distribution is going to be taken care by the record label in return for owning the masters of track by the company, depending on the deal with the respective artists and producers.

The company has three divisions which helps the artist grow rapidly in his career, in-house record label, a management company and a booking agency. The above-mentioned services

and products are the main source of gains delivered to the artists, however they also act as pain relievers.

The main pains that we relieve can be best summarized in 3 categories:

The fears and emotional obstacles associated by Indian artists performing outside their home territory, that can be possible when artists have a fan base outside their home country which is possible to achieve through cross collaborations between Indian and western artists.

Export of Indian music is possible through the inhouse label which will help the artists get a wider reach in terms of their audience. This includes the intense competitive environment and flood of artists also trying to get their music heard by western labels.

The initial cost of renting the studios, making the records, marketing the records, paying producer advances, marketing, publishing and distribution is going to be taken care by the record label, most of the artists are unable to make these investment commitments but we take the risk of producing record backed by our data strategy and help artists achieve their dreams

- *Pricing Policy*

ROBACH management - We will take 10-15% of artist net income for managing the artist and delivering all the tools required for the artist to be successful, the percentage varies depending if the artist is in his early carrier stage or already a successful name

ROBACH agency - The revenue model of the booking agency is based on commission percentage from the artist performance fee roughly 10-12%. If the artist is managed by the company we could work a bundle deal for management and booking agency of 20% or more

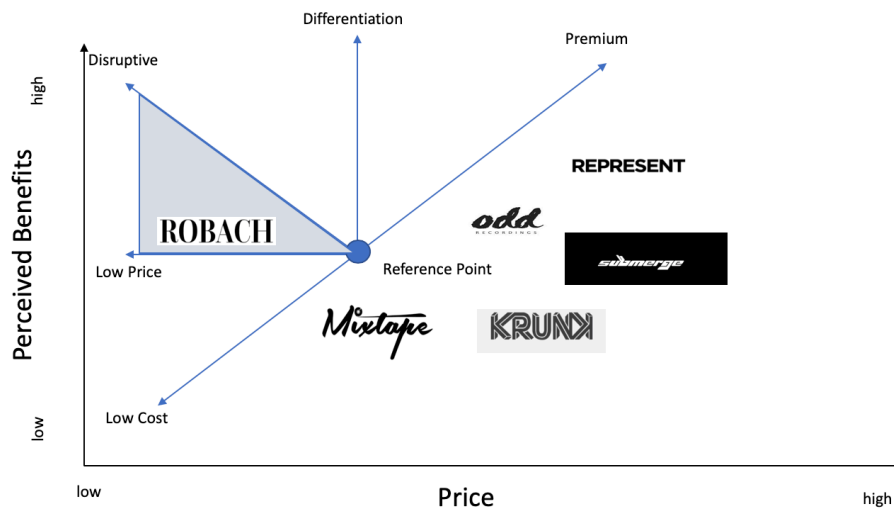
BachBeats - The initial cost of renting the studios, making the records, marketing the records, paying producer advances, marketing, publishing and distribution is going to be taken care by the record label in return for owning the masters of track by the company, depending on the deal with the respective artists and producers. We could even look at licensing deal with the artist, where the label owns the master rights up to 10 years. The deal could even be a combination of royalty split and flat fee, it completely depends upon the artist

- *Market Positioning*

The below strategy clock (figure 1) illustrates how we map our offer in comparison to others in the market place. In relation to both our substitutes and our direct competitors, we are a combination of a low price and disruptive offering. We disrupt the business models of our substitutes (labels and management agencies) by offering a combination of their core offerings and bridge the gap between India and rest of the world through cross collaboration.

We are low price in comparison to competitors like Azadi Records, Soupherb Records, and differentiated in quality from direct competitors like Represent Management. This puts us in a slightly different position on the clock depending on the competitor, but overall, our aim is to globalize the Indian music community, export talented musicians in India to the world and allow western producers to enter the rapidly growing market through cross collaborations.

Figure 1



- *Customer Segmentation*

Our target buyer can best be described as unsigned emerging Indian artists or successful artists who are looking for collaborations with western producers and are willing to export their music outside India. The following are key areas in segmenting these customers:

Demographic/Geographic: He/she is an Indian artist and is willing to collaborate with western producers to export their music outside India, In case of the western artist, he/she is willing to collaborate with the Indian artists and is willing to produce a record with dominating Indian flavours which would help the western artist make relevance in the Indian market. This is somewhat of a requirement.

Economic: Although this is a very common area for customer segmentation, it is not for ROBACH. We do not have any preference over artists' level of income. We are looking for talented artists who may be just starting of their career or already successful in the scene. We are appealing to artists of almost any economic class, as long as they are talented and passionate about achieving their dreams.

Psychographic: Socio-economically, they are considered "skilled workers" (good musicians). We want to target talented musicians that have the most potential for commercial success. We want the artist to be open minded and to collaborate amongst each other to create fusion, experimental music which shows the cross collaborations effort and gives the audience something fresh that they haven't heard before

- *Customer Data*

We are currently in the process of surveying our potential customers. Questionnaire for the survey are below

Questionnaire for Western artist

1. Would you ever collaborate with an artist based in India?
2. Do you consider India as important market for your music/genre?
3. Would you like to start a label with an Indian artist?
4. Do you think your tracks combined with Indian vocals could cater to the Indian market?

5. Are you signed to record label?

Questionnaire for Indian artists

1. Would you ever collaborate with an artist based outside India?
2. Would you like to start a label with artists outside India?
3. Would you like to play shows outside India? (If he/she is a performing artist)
4. Do you think your tracks combined with pop/western beats could be exported outside India?
5. Are you signed to record label?

4. Business Environment

4.1 Major Trends

India is a developing and upcoming market, with 25% of the world's population living in India. Digital Service Providers have understood that the importance of this rapidly growing market. "As per reports if just 1% of its Indian users started paying for YouTube Music, that's nearly 2.5 million new subscribers. Paid subscribers provide a stable source of revenue for the DSP's but unfortunately, In India, less than 1 per cent of the subscribers are paid users and nearly 14 per cent subscribers are bundled users; the remaining 85 per cent of users are on free subscription.¹ The habit of paying for music among Indian consumers is very new and most of them don't believe in ever paying for music till the time YouTube exists.

I personally feel with Spotify launching in India less than a month ago, gives Indian artists a platform for their music to be heard all around the world. It is the right time for a company like

1. <https://www.musicplus.in/indian-music-industry-grow-15-5-2023-kpmg/>
2. <https://www.ifpi.org/downloads/GMR2018.pdf>
3. 1 USD = 70 INR // 1 Euro = 80 INR

ROBACH to start which will allow western producers to collaborate with Indian artists and enter into the rapidly growing market. Artists have recently started making money from streaming and its self-explanatory that India is going to be majority source of Income for the artists.

Main Macro Trend Threats:

1. Indian artists are not appreciated in the west due to lack of cultural resemblances
2. The existence of piracy: Piracy is always a threat to reducing the value of the music industry and thus our potential revenues

Industry Trend Opportunities:

1. Labels signing fewer artists and taking less risks
2. Launch of major DSP's such as Spotify
3. Major Festivals such as Tomorrowland, Elrow, Ultra music festival, Don't let Daddy Know doing big festivals in India
4. Lack of Indie labels in India
5. DIY artists can upload their music to Spotify and achieve a worldwide reach without going through the major labels
6. More revenue streams in the music industry for artists to take advantage of (such as streaming services, YouTube partnerships, festivals, Kickstarter campaigns, branding opportunities, and more
7. More supply of artists and access to music, creating an oversaturation of talent in the market, causing many good artists to "slip through the cracks" unnoticed by fans and labels.

8. Labels are taking less risk by signing artists who are more already established, and signing fewer and fewer artists.

Industry Trend Threats:

1. Lack of appreciation for fusion and experimental music, people think of artists as brands and its sometimes difficult from drive the audience from mainstream music to experimental and fusion
2. Herd mentality is very common amongst the India music consumers and most of the audience are passive music listeners and are not enthusiastic to find new music
3. YouTube generates 40% of Indian labels digital revenue and habit of paying for music among the Indian audience is very new.

4.2 Market Size:

Our market is comprised of all musicians in and outside India who are willing to collaborate with each other:

¹“According to the KPMG (Klynveld Peat Marwick Goerdeler)’s Indian Media and Entertainment Report 2018, the size of the Indian music industry in 2018 is reported as ₹14.4 billion which is 14.7% more when compared to the size of the industry in 2017”¹.

²” Streaming revenues grew by 38.2% and increased at a strong rate in most markets, including India (60.8%) as per IFPI report.”²

Value Chain Analysis: Robach helps globalize the Indian Music Industry and take Indian artists to the world. Robach adds value to artists management, artist development, booking agencies, Indie labels. This involves companies that help artists and creatives effectively use a high level

of effort, skill, and resources in order to create better products and services that entertain and satisfy consumers.

Suppliers: Artists are the primary suppliers and provide the “raw materials” (in the form of music, albums, talent, potential, career ambition, etc.) to our company and we find the right match for collaborations and help export the music outside India and allow western artists to enter into India. They are the main external supply source.

4.3 Business Competition

After analysing the marketplace of our target customer segments, we found that the highest priorities for them in terms of product offering are

- 1) Cross Collaborations is a must between artists
- 2) We are one stop for everything (Record label, artist management agency, booking agents)
- 3) We use data to find current trends in markets and provide artists with all research before they get into the studio

Taking that information into account, we were able to build a competitive landscape with both our substitute competition and our direct competition (outlined in figure 2)



4.4 Swot Analysis

	POSITIVE	NEGATIVE
INTERNAL	<p>Strengths</p> <ul style="list-style-type: none"> • Masters Degree in Music Business • One stop for everything(record label, artist management, booking agency) • Using data analytics to find current trends in the industry • Provide artists with all the research before they enter the studio • Berklee Network • Innovative strategy 	<p>Weaknesses</p> <ul style="list-style-type: none"> • New in the market • Large upfront costs in making records between the two artists which makes it a risky investment • Limitations to the number of artists we pick • Unproven Concept • Few years experience in the music Industry • Lack of desire among artists to collaborate
EXTERNAL	<p>Opportunities</p> <ul style="list-style-type: none"> • Increase in the number of new upcoming artists in India • Constant growth in the Indian Market • Launch of Spotify and other major players in the Indian market • Focus is Collaborations between artists who want their music to be heard outside India • Indian artist have a new way of exporting their music outside India • Labels signing fewer artists 	<p>Threats</p> <ul style="list-style-type: none"> • Other market entrants • Big competition from Majors since they have solid funding • Artists demanding a lot of advances and royalties • Adapting to the constant change in the music industry • Piracy makes a musician less profitable • New modern labels that treat artist better and use more data • DIY artists can follow the same strategy and not need a company like ours

5. Financial Projections

³“Please note since the company will be registered in Mumbai, India all the financial projections have been made in the local Indian currency (Rupees). Kindly check the footnotes for conversion rates in Us dollar and Euro”³

- *Required Capital*

Outlined below is the projected required capital for the first 12 months of starting ROBACH. As you will see, the costs outlined include the essential operating and capital expenses needed to start the company in Mumbai, India. The team will consist of the CEO, one part-time assistant who will assist in Artist Research (track sales, radio airplay, streaming review, touring history, top performing markets, etc.), one part time accountant who will help with providing artists monthly income statements and generating invoices to clients.

Explanation of my Hypothesis

1. Legal and Accounting - The company will hire an accountant on part time basis to send artists their monthly account statements, send invoices to clients and take note of all the company expenses to send yearly account statements to the chartered accountant who will file the tax returns at the end of the financial year
2. Advertising - Google Add words and Facebook posts will be boosted depending on album releases, tours and artist announcements and collaborations. I have taken 1 post

per week and allocated a budget of Rs 2,100 approx. per post and a yearly budget of Rs 1,00,000

3. Rent - I will initially be working out of a desk at co sharing work space called WeWork which will give access to printing, stationery, conference room, electricity, furniture and more
4. Business Cards- Out of my past experience, 200 Business cards cost about Rs 1000 with design and printing. I have provided a link of the source above
5. Initially I will only invest in Chartmetric to gather data to forecast the trend of the artists and the music industry and will share the login with my personal assistant who will help me with the following
 - a. Compile weekly artist updates (pull streaming stats, key highlights, radio airplay, chart positions)
 - b. Tracking Reports (pull daily streaming data across platforms to track single)
 - c. Artist Research (track sales, radio airplay, streaming review, touring history, top performing markets, etc.)
6. The average salary for an artist manager starts between 20,000 - 50,000 per month. I have accounted to be in the middle with Rs 40,000 and I will be paying 10,000 to a personal assistant part time
7. Registration and Trademark - I will be registering a private limited liability company in India which cost between 14,000-15,000 in India. The one-time cost to purchase a

trademark is between 8,000-10,000. I have double checked these costs with the Chartered Accountant and also provided links for the same. If I choose to register the company and trademark through the Chartered Accountant it will cost me an additional of Rs 10,000

Total Required Capital = Twelve Months of Fixed Expenses + Asset Purchases + Startup Expenses				
		Amount Per Month (RS)	For 12 Months (RS)	Explanation of this hypothesis
Operating Expenses (OPEX)	Monthly Fixed Expenses:			
	Accounting Software	₹ 416.58	₹ 4,999.00	Quickbooks Indian Webiste
	Accounting & End of the Year Tax Services	₹ 10,000.00	₹ 1,20,000.00	Previous experiecnce with a CA in mumbai
	Marketing and Advertising	₹ 8,333.33	₹ 1,00,000.00	Google adwords and Facebook post boost one per week

Rent	₹ 25,000.00	₹ 3,00,000.00	We Work Desk in Mumbai
Supplies/Stationary/Business Cards/Flyers	₹ 1,000.00	₹ 12,000.00	Inkmonk
Telephone & Utilities	₹ 1,666.67	₹ 20,000.00	Using my personal number for business initially
Internet & Web-Hosting	₹ 745.00	₹ 8,940.00	Wix.com (India)
Electricity	₹ -	₹ -	Included in the WeWork desk plan
Subscription for software	₹ 4,649.00	₹ 55,788.00	Chartmetric + Dropbox
Salaries (include owner) Payroll Taxes at 12%	₹ 50,000.00	₹ 6,00,000.00	Owner Salary + Personal Assistant salary
Monthly Fixed Expenses Sub-total (I)	₹ 1,01,810.58	₹ 12,21,727.00	

Capital				
Expenses	Asset Purchases:			
(CAPEX)	Software and Apps	₹ -	₹ -	-
	Computers	₹ -	₹ -	Using personal Computer initially
	Furniture etc.	₹ -	₹ -	Included in the WeWork desk plan
	Asset Purchase Sub-Total (II)		₹ -	-
	Startup Expenses You Pay Once:			<u>Private</u> <u>limited</u> <u>Company cost</u>
	Trademark & Business Registration		₹ 25,000.00	<u>Trade mark</u>
	Legal and Accounting Organization Costs		₹ 10,000.00	<u>Paid to the</u> <u>Chartered</u> <u>Accountant</u> <u>for</u> <u>registration</u>

	Licenses and Permits (PRO Blanket Licenses & Stock Exchange)	₹ -	₹ -	
	Startup Expenses You Pay Once Sub-total (III)	₹ 35,000.00	₹ 35,000.00	
	TOTAL EXPENSES (I+II+III)	₹ 1,36,810.58	₹ 12,56,727.00	
	Contingency (10%)	₹ 1,50,491.64	₹ 13,82,399.70	
	Total Estimated Cash Needed to Start For 12 Months (TOTAL EXPENSES +10%)		₹ 13,82,399.70	
		Daily Cash Burn rate	₹ 3,787.40	

- *Pro-Forma Balance Sheet*

The balance sheet outlined below accounts year 1. I will start the company when I have at least 2 artists ready to sign with company/agency who are interested in cross collaborations and our well established in India. The artists should at least be generating an income of Rs 4,00,000 each per month before the agency gets them on board. My commission will be 15% on their net profit. I aim to sign a third artist by the end of 6 months, so by the end of the first year I have 3 artists (being optimistic). In year 2, I will work towards increasing the artists

income to Rs 5,00,000 per month. In year 3, I will aim to get artists at least Rs 6,00,000 per month and also hope to get a fourth artist signed to company.

“The investment made in the second year is into a record label which is started between ROBACH LLC and Nicole Casino’s LLC in Los Angeles to promote collaborations between India and western artists” The start-up financials for the record label will be mentioned at the end.

Balance Sheet (on DECEMBER 2020)				
		Year 1	Year 2	Year 3
	ASSETS			
1	Current Assets	₹ 19,85,609.35	₹ 22,47,000.45	₹ 44,90,791.55
	Investments into N&R Label		₹ 8,48,400.00	₹ 8,48,400.00
	Accounts receivable	₹ -		
	Inventories	₹ -		
	Prepaid expenses	₹ -		
2	Fixed Assets			

	Building	₹		
		-		
	Equipment	₹		
		-		
	Accumulated depreciation	₹		
		-		
3	Intangibles	₹		
		-		
4	TOTAL ASSETS	₹	₹	₹
		19,85,609.35	30,95,400.45	53,39,191.55
	LIABILITIES and OWNER'S EQUITY			
5	Current Liabilities			
	Accounts payable			
	Accrued expenses payable			
6	Long-term Liabilities			
	Bank loans			
7	Owner's Equity			
	Investments made into N&R label	₹		
		-		
	Invested Capital	₹	₹	₹
		14,00,000.00	14,00,000.00	14,00,000.00

	Accumulated retained earnings	₹ 5,85,609.35	₹ 16,95,400.45	₹ 39,39,191.55
	Total Owner's Equity	₹ 19,85,609.35	₹ 30,95,400.45	₹ 53,39,191.55
8	TOTAL LIABILITIES and EQUITY	₹ 19,85,609.35	₹ 30,95,400.45	₹ 53,39,191.55

- Pro-Forma Income Statement

This income statement is based on the expenses needed to start the company as well as the following logic for the revenue every year as this business can be considered seasonal:

1st Year (6months) Commission earned - 1,20,000 (60,000 each) 2 Artists

1st Year (Second half) Commission earned - 1,80,000(60,000 each) 3 Artists

2nd Year Commission earned - 2,25,000(75,000 each) 3 Artists

3rd Year Commission earned - 3,60,000(90,000 each) 4 artists

After the first year, we predict that the artists income will increase by 25% every year from all possible income streams (streaming, live shows and brand endorsements)

Also, I hope to sign one new artist to our rooster every year and I don't see myself managing more than 4 artists at ones without getting more employees to the company.

The tax bracket in Mumbai, India is based on slabs depending upon the income made in the annual year. The slabs are as follows

Up to 2,50,000 – 0

2,00,000 – 5,00,000 is 5%

5,00,000 – 10,00,000 is 20%

Above 10,00,000 is 30%

For the first year the income minus 2,50,000 which is the Tax-exempt amount, it fall under the first slab. The remaining two years we fall under the 30% bracket but I aim to do fiscal optimization.

Income Statement (As of DECEMBER 2019)				
		Year 1	Year 2	Year 3
1	Revenue	₹ 18,60,000.00	₹ 27,00,000.00	₹ 43,20,000.00
	- Cost of Sales / COGS			
2	GROSS PROFIT	₹ 18,60,000.00	₹ 27,00,000.00	₹ 43,20,000.00
	- Administrative Expense / SG&A	₹ 12,56,727.00	₹ 12,21,727.00	₹ 12,21,727.00
	- Depreciation Expenses	₹ -		
3	OPERATING PROFIT (EBIT)	₹ 6,03,273.00	₹ 14,78,273.00	₹ 30,98,273.00

	-/+ Dividends and Interest Income	₹ -	₹ -	
	- Interest Expense	₹ -	₹ -	
4	PROFIT BEFORE TAXES	₹ 6,03,273.00	₹ 14,78,273.00	₹ 30,98,273.00
	Goods and Services Tax			
	Taxes	₹ 17,663.65	₹ 3,68,481.90	₹ 8,54,481.90
5	NET PROFIT	₹ 5,85,609.35	₹ 11,09,791.10	₹ 22,43,791.10

- Pro-Forma Cash Flow Statement

1st Year (6months) Commission earned - 1,20,000 (60,000 each) 2 Artists

1st Year (Second half) Commission earned - 1,80,000(60,000 each) 3 Artists

2nd Year Commission earned - 2,25,000(75,000 each) 3 Artists

3rd Year Commission earned - 3,60,000(90,000 each) 4 artists

Total amount for the 1st year is (6months x 1,20,000) + (1,80,000 x 6months) = 18,60, 000

Total amount for the 2nd year is 12 months x 2,25,000 = 27,00,000

Total amount for the 3rd year is 12 months x 3,60,000 = 43,20,000

Investments made into N&R label of 12120 USD which is Rs 8,48,400

The start-up cost of ROBACH of Rupees 35,000 has been removed from the SG&A in the second and third year as those costs have only been made in the first year.

Cash-Flow Statement (as of DECEMBER 2019)				
		Year 1	Year 2	Year 3
	INFLOW AND OUTFLOW			
1	Funds provided by:			
	Receipts #1	₹ 18,60,000.00	₹ 27,00,000.00	₹ 43,20,000.00
	Rrevenu from gigs			
	Invested Capital			
	TOTAL FUNDS IN	₹ 18,60,000.00	₹ 27,00,000.00	₹ 43,20,000.00
2	Funds used for:			
	Cost of goods acquired			

	Investments		₹	
			8,48,400.00	
	SG&A	₹	₹	₹
		12,56,727.00	12,21,727.00	12,21,727.00
	Interest expense			
	Taxes	₹	₹	₹
		17,663.65	3,68,481.90	8,54,481.90
	Building and equipemnt			
	Long-term debt reduction			
	Distribution owners			
3	NET CHANGE IN CASH POSITION (Total Funds In - Total Funds Out)	₹	₹	₹
		5,85,609.35	2,61,391.10	22,43,791.10
	CHANGES BY ACCOUNT			
4	Changes in Liquid Assets			
	Cash			
	Investment Portfolios			
	TOTAL CHANGES			

5	NET CHANGE IN CASH POSITION (Total Funds In - Total Funds Out)	₹ 19,85,609.35	₹ 22,47,000.45	₹ 44,90,791.55
---	---	-------------------	-------------------	-------------------

- Cash Burn Rate

This is the projected cash burn rate for the first 12 months of business. As you will see, we will incur the most costs pre-start up in order to start the business properly.

In addition, we have

Cash-Flow Statement (For the first 6-month)													
Pre-Startup	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total
	₹ 1,20,000.00	₹ 1,20,000.00	₹ 1,20,000.00	₹ 1,20,000.00	₹ 1,20,000.00	₹ 1,80,000.00	₹ 1,80,000.00	₹ 1,80,000.00	₹ 1,80,000.00	₹ 1,80,000.00	₹ 1,80,000.00	₹ 1,80,000.00	₹ 18,60,000.00
₹ 14,00,000.00													
₹ 14,00,000.00	₹ 1,20,000.00	₹ 1,20,000.00		₹ 1,20,000.00	₹ 1,20,000.00	₹ 1,80,000.00	₹ 1,80,000.00	₹ 1,80,000.00	₹ 1,80,000.00	₹ 1,80,000.00	₹ 1,80,000.00	₹ 1,80,000.00	
₹ 35,000.00	₹ 1,01,810.58	₹ 1,01,810.58	₹ 1,01,810.58	₹ 1,01,810.58	₹ 1,01,810.58	₹ 1,01,810.58	₹ 1,01,810.58	₹ 1,01,810.58	₹ 1,01,810.58	₹ 1,01,810.58	₹ 1,01,810.58	₹ 1,01,810.58	₹ 12,56,727.00
₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -	₹ -
₹ 13,65,000.00	₹ 18,189.42	₹ 18,189.42	₹ 18,189.42	₹ 18,189.42	₹ 18,189.42	₹ 78,189.42	₹ 78,189.42	₹ 78,189.42	₹ 78,189.42	₹ 78,189.42	₹ 78,189.42	₹ 78,189.42	
₹ 14,00,000.00													
₹ 13,65,000.00	₹ 13,83,189.42	₹ 14,01,378.83	₹ 14,19,568.25	₹ 14,37,757.67	₹ 14,55,947.08	₹ 15,34,136.50	₹ 16,12,325.92	₹ 16,90,515.33	₹ 17,68,704.75	₹ 18,46,894.17	₹ 19,25,083.58	₹ 20,03,273.00	

5. Risks

The biggest risk associated with this project is signing artists. Because ROBACH is a services-based company, we will rely heavily on artist in order to gain revenue to grow the company. We will need minimum of 2 artists having an average monthly income of 4 lakhs before we have them signed to the company

While we have projected what we think is realistic for the number of Artists we can acquire yearly, there is still a risk that we could fall short of our projections. It may be possible we are not able to increase the artist income by 25% per year

We are confident that we have the ability to attract these artists, also once the Label is started in the second year we can add more value proposition to the artists and help them reach a wider audience and increase their annual growth and income

Please check below for Nicole's and Rohin's Label financials

PHASE 1				
Total Required Capital = Twelve Months of Fixed Expenses + Asset Purchases + Startup Expenses		Explanation of this hypothesis		
		Amount	For 12	
		Per	Months	
		Month		
	Monthly Fixed Expenses:			

Operating Expenses (OPEX)	Accounting Software (QuickBooks)	\$7.13	\$14.26	Quickbooks website
	Accounting & End of the Year Tax Services	\$8.00	\$100.00	Past experience with Tax accountant
	Marketing and Advertising	\$834.00	\$10,000.00	Google AdWords and Facebook post boost one per week
	Rent	\$0.00	\$0.00	Working from Home and not claiming anything, Maybe later we claim 11% of Nicole's home which is our working space
	Supplies/Stationary/Business Cards/Flyers	\$8.30	\$100.00	Vista Print.com
	Telephone & Utilities	\$0.00	\$0.00	Using our personal numbers initially
	Internet & Web-Hosting	2	24	Domain cost on Wix
	Electricity	\$0.00	\$0.00	
	Salaries (include owner) Payroll Taxes at 12%	\$843.30	\$10,120.00	Each owner making \$5,000 in salary per year
	Monthly Fixed Expenses Sub-total (I)	\$1,702.73	\$20,358.26	
Asset Purchases:				

Capital Expenses (CAPEX)	Software and Apps		240	Splice Website, Dropbox Storage
	Computers			MacBook Air Refurbished
	Furniture etc.			Copier
	Asset Purchase Sub-Total (II)		\$240.00	
	Startup Expenses You Pay Once:			
	Trademark & Business Registration		\$325.00	smallbusiness.chron.com
	Legal and Accounting Organization Costs		\$1,113.00	Source: Legal Zoom
	Licenses and Permits (PRO Blanket Licenses & Stock Exchange)		\$0.00	
	Startup Expenses You Pay Once Sub-total (III)		\$1,678.00	\$839.00
	TOTAL EXPENSES (I+II+III)		\$22,036.26	
Contingency (10%)		\$24,239.89		

	Total Estimated Cash Needed to Start For 12 Months (TOTAL EXPENSES +10%)	\$24,239.89	\$12,119.94
			Per company
		Daily cash burn rate	\$66.41

6. Implementation Plan

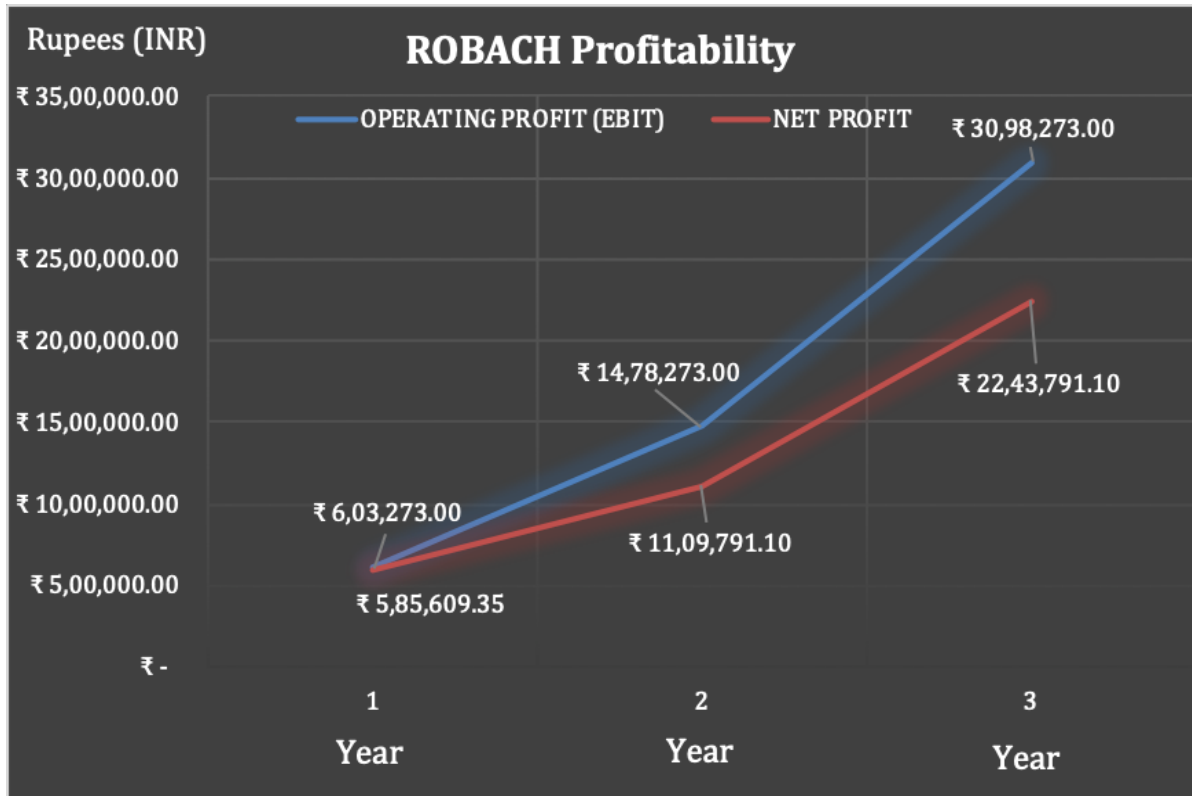
Below, is a carefully outlined implementation plan that will take in order to successfully launch the start-up, ROBACH. These steps will include the necessary activities I will need to carry out in order to have ROBACH operating.

Date of Implementation	Action Step	Explanation
17th Feb 2019	Name Sector Code Vision and Mission	Establish the beginning stages of the overall idea and concept encompassing ROBACH

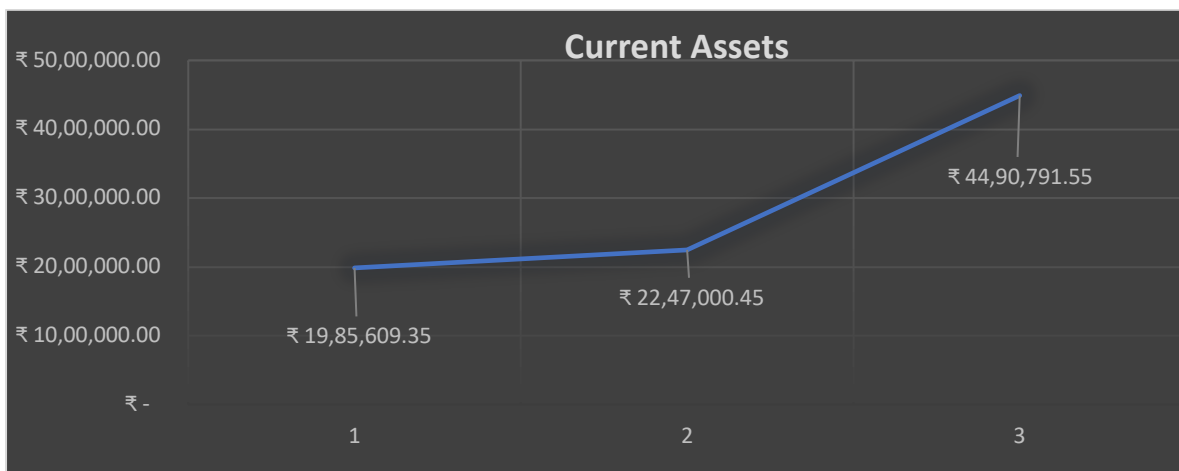
21st March 2019	Value Proposition, Market Positioning, Pricing Policy	Identifying and stating the aim of ROBACH and its offering
21st April 2019	Financial Projections	Financial Projections for the first three years and stating the amount of money required to start ROBACH
3rd May 2019	Executive Summary, Completion of the Business plan	Summing up the business plan and stating the Executive summary and Implementation plan
18th July	Registration of the company	Registering the company

7. Appendix

Below you can see the profitability of ROBACH over the first three years



Below you can see the liquidity of the company over the first three years



Thank You