



IIM-B
Survey authors: Mr. Rakesh Barnwal
Section 1: Company Background
1. Company name Vyom Technosoft Pvt Ltd
2. Company address #38, 12 th Main BTM 1 st Stage, Bangalore-29
3. Company phone number 091-080-41508362
4. Founder(s)' name(s) Mr. Rakesh Barnwal, Mr. Amit Mathur
5. Year founded 18 th May 2005
6. Annual revenue (FY 2006, as of March 31, 2006) 90 Lakhs
7a. Type of business (sector, business model): Websites, Web advertisements, Web & windows based offshore software developments and process deployments.
7b. Reasons for choice of this business: Sense of satisfaction, pride and achievement which gets felt deep within the heart while creating a good organization from scratch, which can add value to the society at large. Reason for the choice of the above domain: Previous expertise and experience in web technologies along with successfully running a useful website for last 6+ years.
8. Why did you choose Bangalore as location of your business? Was already in Bangalore since quite a few years and know it better. Brand Bangalore and comparatively lesser involvements of governments in industry, here.

Section 2: Founder(s)' backgrounds
9. Are you a native of Bangalore: Yes / No: No
10a. Prior to this endeavor, had you ever been an entrepreneur before? Yes / No: No
10b. If so, then what was your previous experience? NA
11. Where were you working prior to becoming an entrepreneur (CIRCLE ONE): large company / medium sized company / small company / start-up / academia / other <u>large company</u>
12. Why did you choose to become an entrepreneur? For Pride & Satisfaction of creation.
13. Response of your family and friends to your decision to become an entrepreneur: Worried but positive due to their faith in our abilities.
14. Biggest learning / most unexpected learning since becoming an entrepreneur Process is as (if not more) important as any technology or the platform and human element is much more valuable than we normally recognize.
Section 3: People

15. Current team size: 25
16. Expected team size: Dec 31, 2006: 100 Dec 31, 2007: 500
17. Approximate percentage (%) of engineers on team: 84%
18. Approximate percentage (%) of MBAs on team: 8%
19a. How would you rate recruiting talent (CIRCLE ONE): extremely difficult / difficult / no problems / easy / extremely easy easy for the talent but extremely difficult for the right ones.
19b. Why / Why not? Each year more than 0.5 million fresh engineers come to Bangalore so easy to get engineers. But the thinking person, the mature man, who can come out of the .Net & J2EE web, to recognize and increase the "usability" of technology, with little fire inside, is just too difficult.
20. Please list the top 3 hiring-related issues 1. Incompatibility between the industry needs & academia. 2. Lack of correct combination of aptitude and attitude. 3. Lack of in-depth knowledge and long-term commitment.
21. Please list the top 3 retention-related issues 1. Company Brand. Its positive as more than 70% engg. Graduate have heard about us at least at some point of their career. Negative due to the size and other factors. 2. Compensation related issues.

3. Vision sharing issues.
22a. Do employees find options an attractive form of compensation? Yes / No: NA
22b. Why / Why not? Has not been provided in the company. Not in plan in near future.
23. Are options viewed as a valid alternative to cash: Yes / No: No as one should play the game with their own rules and our strength is job satisfaction of taming big enough problems and intellectual challenges and not the cash. Moreover control to the company and its culture is vital for the long-term growth of the company.
24. Can you compete with the compensation offers given by MNCs: Yes / No: Yes but don't do that.
Section 4: Growth / Scalability
25. What are your year-over-year (Y-O-Y) growth expectations plans? At least 150%.
26a. Are you satisfied this growth rate: Yes / No: NO
26b. Why / Why not? It's a long path and the time is quite less for the same. Need to be faster in absolute terms and percentage is quite a vague term as in initial stages, any growth will result in comparatively high percentage value but not enough in absolute terms.
27. Will your team be able to scale in order to achieve this growth: Yes / No: Yes
28a. Do you want outside funding to accelerate your growth: Yes / No: No
28b. Why / Why not? Enough revenue is being generated to sustain & accelerate the growth. Also, can't

allow diluting the most precious entities like the basic values, culture and the sense of fulfillment, by diluting the ownership. Don't want to purchase a comb by selling my hairs.
Have already received few final offers for the same.

Section 5: Funding

29a. Did you self-fund your company: Yes / No: Yes

29b. What was the initial investment? Rs. 0.25 million.

30. Did you first approach friends and family: Yes / No: No (for funding)

31. What were / are your initially funding sources? Our income from earlier company and some freelancing works.

32a. Have you attempted to raise venture capital money: Yes / No: No

32b. Why / Why not?

Not needed as per now. Refused a few offers. Want to make it better than what most people think it can be. Afterwards, maybe, in case needed, with more teeth, can try to follow the path similar to Lary Page (google) so that the final control and development guidance are in their proper directions – A company which can add value to the society with its own value-chain system and just not a money making machine.

33. Do you have a positive view of venture capital / venture capitalists: Yes / No: Yes.

34. What are your impressions of venture capitalists?

Their presence shows we are worth something but too many of them make us worth nothing but money.

A good VC with his set of insights, experiences and intent can be a great boon provided he is just not another quick bucks, control hungry freak.

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35. How would you rate the ease in raising VC money (CIRCLE ONE):
extremely difficult / difficult / no problems / easy / extremely easy
Getting VC money little difficult but getting VC money with correct intent, tempo and firm belief extremely difficult.

36. Please discuss the issues relating to raising venture capital money
Already discussed. VCs are like wives. Till they don't take the control of house, and are the good ones, they make the home a heaven and sky is the limit.... Otherwise, well, the sky is the limit here too.....

37a. Have you attempted to raise debt: Yes / No: No

37b. Why / Why not?
Internal resources are normally sufficient. Moreover, thumb rule of debt & VC money is you will get if you don't need them and we don't need them as per now.

38. How would you rate the ease in raising debt (CIRCLE ONE):
extremely difficult / difficult / no problems / easy / extremely easy
easy as per now.

39. Please discuss the issues relating to raising debt
Assets to support the amount of debts and high interests.

Section 6: Running a start-up business

40. Please list the top three issues facing your company during the initial start-up phase

1. Clients and Good employees.

2. Infrastructure, branding & Software products.

3. Scale of working.

41a. As the company has grown, have these issues remained consistent: Yes / No Mostly.

41b. How / How not?

Clients, Good employees, products, branding, infrastructure and scale none of these can ever be enough.

42. Please comment on the level of professional services available to start-ups:

Legal / lawyers: extremely poor / poor / alright / good / extremely good
good

Chartered accountants: extremely poor / poor / alright / good / extremely good
good

Recruiters: extremely poor / poor / alright / good / extremely good
good

43. What organizations, if any, have you found helpful for networking and guidance?
Infosys as it being my earlier company and have a great culture of supports.

44a. Do you use mentor(s) / advisor(s): Yes / No: Yes

44b. How have you found mentors and advisors?

Senior ex-colleagues who admired the technical competencies and had the faith.

45. Does the government place undue burdens on starting a business: Yes / No

State government: Yes / No: Yes

National government Yes / No: Yes

46. How can the government become more start-up friendly?

By getting as far from the industry as possible. After all my limited experience, One thing I am very sure is best thing govt. can do is "sit down and shut your mouth". Just let those doers work. They will make the world succeed and a better place to live in. Want proof of my wordings; just flip a few pages of "fountain head" (by Ayn Rand), you will know what I mean.

This is my really unbiased, neutral thinking without any prejudices or anything else but "they have always broken the mirror when their faces are ugly".

47. How long did it take for you to register your business?

2 Months.

48. How long did it take to receive all of the required licenses / documents?

Fortunately due to the opaqueness of the system, I still don't know if anymore documents or licenses are needed ☺

I admire Narayan Murthy not because of what he has achieved but because of what he has achieved inspite of the system. At least now I don't need 45+ licenses to start a small soap factory with a turnover of less than 1 lakh or to wait for 8 months for a computer or pay a bribe for a telephone. But somewhere deep inside it hurts when people like dewagoda call Murthy a "land grabber".

At the end I admire him for being a Narayan Murthy when there was no Narayan Murthy to look upon too. I thank him to make me luckier and more fortunate than himself.