

BUSINESS PROPOSAL FOR PARTNERSHIP

Executive Summary

Bangalore-based Liquid Krystal is a company with a deep focus on ICT Learning. Our goal is to provide solutions that address specific pain areas. gyanX, our Online Learning Platform for academic markets in India is designed to deliver a combination of courseware, books and certification to a wide range of students through an online pipe.

What's unique?

gyanX is built on Liquid Krystal's award-winning learning platform - CodeSaw™. CodeSaw allows learners to learn over twenty-five widely used programming technologies in a Web Browser, with no additional investment in software. Combined with content from the world's best-known publishers and learning companies, gyanX supplements curriculum with ICT skills and soft skills. Designed for scale, gyanX targets 50,000 students in India in academic year 2006-07.

What gyanX offers

gyanX offers courseware for ICSE, CBSE, B.E, BSc, BCom, BCA and MCA curricula. In addition, gyanX offers several hundreds of books and courses for ICT and soft skills. gyanX is deployed on Red Hat Enterprise Server.

Soliciting Distributors and Regional Sales Partners in India

What's in it for you

Liquid Krystal is all set to launch gyanX in March 2006, in time for the next academic year. The minimum target for partners is 5000 students/quarter. At 5000 students/quarter, gyanX provides an income opportunity for interested individuals and companies, with almost no investments.

Read more for details.

About gyanX

gyanX is designed to be the single-largest online learning platform in India. It will help students supplement curricula learning and also improve their ICT skills and soft skills.

gyanX will be offered in a B2B model to academic institutions including schools, colleges and universities. Each institution will buy annual subscriptions for their students from Liquid Krystal and redistribute them to their students at a fixed annual fee ranging from Rs. 600 to Rs. 1000/student/year.

The goal is to offer a comprehensive online education program that supplements curricula in the early years of a student and builds employable skills at college levels.

gyanX is hosted at www.gyanx.com.

gyanX Business Model

gyanX is currently only sold in a B2B model. B2C model is planned for Q3, 2007. A predetermined number of subscriptions are sold to an academic institution on an annual basis. Each subscription is tied to a specific set of content (a combination of courses and books). In some cases, academic institutions are free to markup the prices to their students. Annual subscriptions range from Rs. 600 to Rs. 1000/student/year depending on the content.

Example 1: A school in Kerala buys 500 subscriptions for their school for Class 8-12 ICSE syllabus. For an annual subscription of Rs. 600/student/year, gyanX will offer a custom catalog for each student as shown in Table 1.

Class	Category	Content
VIII	Curriculum	Courses for Math, Science and Social Studies
	Non-Curriculum	Course for Computer Literacy
IX	Curriculum	Courses for Math, Science and Social Studies
	Non-Curriculum	Spoken English, Introduction to Programming, C
X	Curriculum	Courses for Math, Science and Social Studies
	Non-Curriculum	Introduction to Object Oriented Programming, Internet Programming, Written English
XI	Curriculum	Courses for Physics, Chemistry, Biology and Math
	Non-Curriculum	Java, C++
XII	Curriculum	Courses for Physics, Chemistry, Botany, Zoology and Math
	Non-Curriculum	Presentation Skills, E-Business

Table 1: Indicative Catalog for ICSE High Schools

Example 2: An Engineering College in Bangalore buys 400 subscriptions for their students. For an annual subscription of Rs. 800/student/year, gyanX will offer a custom catalog as shown in Table 2.

Year	Content
1	Courses for B.E 1 st Year (Common Syllabus)
	Introduction to Computer Concepts and Programming
	Spoken English
	Library of 50 books consisting of IT, Business Topics from Safari
2	Business Writing
	Introduction to Object Oriented Programming, Internet Programming,
	Library of 50 books consisting of IT, Business Topics from Safari
3	Resume Writing & Interviewing
	Library of 50 books consisting of IT, Business Topics from Safari
4	Presentation Skills
	Library of 50 books consisting of IT, Business Topics from Safari

Table 2: Indicative Catalog for B.E

Typical Implementation

gyanX is designed to be administered by a B2B Administrator. Each institution will be provided with a single Administrator ID that can manage local student accounts. The salient steps for implementation are:

Institution is provided with fixed number of keycodes; each keycode is associated with a predetermined catalog.

Student is given a keycode during registration.

Student uses keycode to register on gyanX and obtains a user name. The keycode and username is unique.

Student logs into gyanX and is able to read only the authorized content. Subscription expires after 13 months, but username remains for life.

Each user is provided with an email account of the form user@gyanx.com that is retained for life.

In subsequent years, student uses a new keycode to attach existing username to fresh content for the year.

gyanX will be managed by Liquid Krystal. gyanX will be hosted at the URL www.gyanX.com and backed by 24x7 Customer Support at Liquid Krystal.

Why gyanX?

gyanX is built on Liquid Krystal's award-winning CodeSaw platform that has been proven worldwide for over five years. Some of the salient features of gyanX are:

Only platform that allows users to write, compile and run programs in a Web browser with no additional investment in software

Completely online; available 24 x 7 from anywhere

Users read, practice and get assessed in a web browser.

Only learning platform that carries courseware and Content from vendors such as O'Reilly, Addison-Wesley, Prentice Hall, Que, SAMS, Microsoft Press, Cisco Press, Pearson India, Edurite, and Ascendum.

Certification from IISc and IITB for select courses.

Business Model and price-points designed for the region.

About Liquid Krystal

Liquid Krystal is a Bangalore-based company focused on IT Learning Solutions. It was adjudged one of India's Top-6 Innovative Companies at NASSCOM 2005. The CodeSaw™ learning platform is used by over 400,000 students in global markets. Customers include some of the world's largest publishers and learning companies including O'Reilly, Addison-Wesley and Thomson Learning.

Liquid Krystal is preparing to launch gyanX for the Indian markets in March 2006. More information on the company is available at <http://www.liqwidkrystal.com>.

Why Should You Be a Distributor or Sales Partner?

India Inc's renewed dynamism provides a unique platform to help the country develop the ability to scale up. Advances in education must be met with improvements in learning and cultural attitudes if we need to bridge the global gap. Business partnerships hold significant potential for accelerating progress.

India is on the verge of change and is seeing vast opportunities in the technology space. Despite the fact that over 600,000 engineering students graduate each year in India, NASSCOM predicts that there is a shortfall of 235,000 knowledge workers. Some of the reasons for this mismatch are:

- Academic programs and skills do not match industry needs
- Lack of quality faculty across majority of institutions
- Curriculum rarely teaches IT and Soft Skills
- Few students can afford to pay an additional Rs. 10,000 to 20,000 to take private classes for IT and soft skills

Example:

Sell gyanX to 3 schools with average strength of 1500 at an average annual subscription of INR 1,000/student/year.

$$1500 * 3 * 1000 = 4,500,000$$

Your referral will be based on the size, value and duration of the deals.

Partnering with Liqwid Krystal

Liqwid Krystal solicits individuals and small companies that have excellent contacts in the academic markets in their region. Such partners must have exhibited prior experience in selling to schools, colleges, universities or government agencies.

Liqwid Krystal will appoint a maximum of two partners in each state and provide adequate support by way of marketing collateral, demo kits and presentation materials. The partner shall “front-end” the deal on behalf of Liqwid Krystal. Once the deal is completed and the finances recognized by way of payments, the partner shall be paid a commission depending on the size of the deal.

Potential partners must ideally fulfill the following characteristics:

- Must have completed at least one deal to a school, college, university or government agency in the region.
- Must have personal rapport with key individuals in the State Government or Management of institutions.
- Must be able to provide a sales plan to cover 5000 subscribers in the first quarter of operations.

Next Steps:

- Acceptance of partnership in principle
- Meeting between Liqwid Krystal Management and Potential Partner
- Plan and Schedule

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