



# SIDRA BANK

## WHITEPAPER



# Table of Content

<b>1.0) Plan Overview</b>	<b>03</b>
1.1) Executive Summary	04
1.2) Mission Statement	04
1.3) Financial objectives	04
1.4) Start-up summary	04
<b>2.0) Feasibility Study</b>	<b>05</b>
2.1) Market Area	05
2.2) Market Size	06
2.3) Service Analysis	06
2.4) Demographic Analysis	07
2.5) Psychographic Analysis	08
2.6) Competition Analysis	08
2.7) Feasibility Analysis	08
<b>3.0) Market</b>	<b>09</b>
3.1) Business Model	09
3.2) Marketing objectives	10
3.3) Market segmentation	11
3.4) Market Strategy	11
<b>4.0) Operation</b>	<b>12</b>
4.1) Operational Plan	13
4.2) Keys to success	13
4.3) SWOT analysis	14
<b>PESTEL</b>	<b>14</b>
<b>Roadmap</b>	<b>16</b>
<b>Distribution plan</b>	<b>17</b>
<b>Coin Distribution</b>	<b>17</b>
<b>Team Members</b>	<b>17</b>
<b>5) Projected Financials</b>	<b>18</b>
5.1) Revenue Modelling	18
5.2) Cost Modelling	18
5.3) Start-Up Expense Summary	19
5.4) Profit and Loss	19
5.5) Balance Sheet	19
5.6) Cash Flow Statement	19
<b>References</b>	<b>20</b>





# 1. Plan Overview

In recent decades, the culture of non-interest avenues-based banking revenue is rising day by day. The banks are taking interest in generating revenue from such systems. The profit revenue is anticipated to increase in the next few years. The banking sector has been robust to various instabilities and emerging at a steady rate over the last few years. The growing proportion of Europe, the Middle East and Africa (EMEA) in this respect is also anticipated to rise dramatically in the next five years (Beik, Zaenal and Rizkiningsih 2019). It signifies a huge prospect for EMEA in terms of generating revenue stream business in comparison to other regions around the world. The finance sector and the Islamic banking have been rising at an increasing rate since last few years. The market of Middle East is growing impressively by generating billions of the revenue assets from the GCC countries. Regardless of all the developments, the Islamic banking and finance industry have found to be increasing at more than double rate in comparison to the conventional banking. In this digital world, cryptocurrency is new aspect that has created enormous opportunities for the global financial investors and institutions to benefit from digitalisation and have safe and secure payment system. The digital currency network offers tokens or coins in their corresponding platforms depending on their decentralized strategies and policies.

The legislation of cryptocurrency varies greatly around the world. Cryptocurrency network has faced numerous challenges, specifically in the Arab countries. Some of the Arab counties have adopted its usage while others have banned its trade and usage. Some countries in the Arab world consider the use of Bitcoin as an unstable, volatile, and an illegal source of money which encourages illegal activities. UAE is among those Arab countries who have greatly supported use of Bitcoin technology to make Dubai a smart city in near future. Being an innovative technology, Bitcoin has not received much significant attention from experts and researchers in the Arab world. One of the complications that have prevented usage of cryptocurrency in the Arab countries include lack of public interest due to unawareness and lack of enough resources for online commercial trading of Bitcoin. Besides, lack of governmental support has also restricted usage of cryptocurrency in the Arab countries. There exists great controversy regarding the acceptance of cryptocurrency as it is regarded by the Arab world as one of illegal profiting element in Islamic trading perception.



According to the Islamic religious dimension, money should have the storability, desirability, and used as a counter-exchange. From this viewpoint, the religious scholars of Islam have been divided their beliefs concerning Bitcoin. According to such scholars, Money is simply a unit of measurement and Bitcoin is not money. Bitcoin is widely used only for intangible commercial trading dealings among internet users which is regarded as a non – shariah compliant investment. Thus, money is not considered as a commodity in Islam. Its reward is not certain, and it is depending on the outcome of production from dynamic activity which creates surplus value. This study is aimed to propose a feasibility study and strategy for crypto currency blockchain market size and opportunities to fulfil the requirements of the contemporary world and be advanced with Sidra Cryptocurrency solution. The study addresses the subject with broad exploration, rational arguments, and realistic explanations.



# PLAN OVERVIEW

## 1.1 Executive Summary

Cryptocurrency is a cyber-space financial revolution in the twenty-first century through the introduction of blockchain technology. There exist several companies in the digital market offering cryptocurrency platforms that certainly lack monitoring provisions due to uncertainty, poor strategic planning and mostly with no support strength except virtual assumption.

This offers a cryptocurre eliminate make cryptocurre model is supported backed policy being operational in terms of transactions and valued assets. The transactions in this model must be in accordance with Islamic Sharia and regulated by the standard principles of Islamic finance to avoid uncertainty at any stage by offering liberty to enjoy legitimate investment returns. Therefore, the Sidra cryptocurrency framework has the better prospect to fascinate the worldwide cryptocurrency market with sustainable presence in the development of blockchain technology.



feasibility study comprehensive Sidra ncy model that can deficiencies and innovation in the ncy market. This expected to be by an asset-

## 1.2 Mission Statement

The study will propose a Sidra cryptocurrency model operational based on standard Islamic financing principles. The complete operation of the model shall be supported by a financing structure in an Islamic-compliant manner. The acceptable instruments of Islamic Sharia along with divine principles such as co-partnership, joint venture, deposit, reward, agency with commission, trust, donation, compulsory-tax, and service charge are supposed to facilitate this model functionality and

operation. Nevertheless, it may specially be functioned through interchange platform grounded on a hybrid system of Islamic Sharia backed by the principles of exchange, transfer, custodianship, trust, agency by commission, reward for services and service charge within the frameworks of Islamic financing.

## 1.3 Financial objectives

The proposed model will address diverse aspects of Sidra cryptocurrency system through developed and coherent exploration with empirical and academic treatments in addition with conceivable recommendations. It also intends to create a global entrepreneur and enterprising community through Sidra cryptocurrency management and contribution.

## 1.4 Start-up summary

It has been very compromising to do a business with broad solutions in this challenging world nowadays. Therefore, all businesses are opting a significant level of maturity while entering in this digital currency domain. Business demands a level of security with the digital currency channels to maintain sustainability and trustworthiness (Beik, Zaenal and Rizkiningsih 2019). The proposed Sidra cryptocurrency model can be preserved as a commodity due to its nature of transition in the open digital market. To maintain security, the receiver in this cryptocurrency model shall be registered and aware of creating a level of privacy between the sender and the receiver. The proposed model will ensure protection of digital currency keeping all operations and activities directed by standard monitoring frameworks, guidelines, and policies. This model will also guarantee a sustainable presence of cryptocurrency promoting all within the Islamic legitimate frameworks. The first aspect of this cryptocurrency mining is its acceptability in a very straight manner, thus executing its mining seemingly Sidra. The other aspects that consider its as Halal include:

1. One must be an auditor offering a service.
2. The mathematical calculations necessary for the block discovery cancel out the feature of "blind chance".
3. The certainty of difficulty and mining is constant, so one can easily calculate the code to acquire some free Bitcoin.

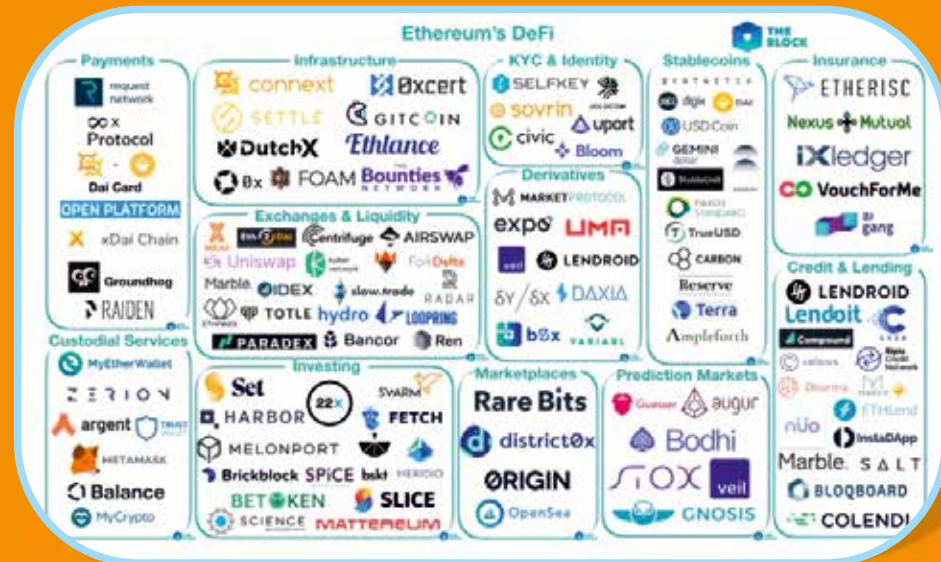


# FEASIBILITY STUDY



## 2. Feasibility Study

The feasibility study intends to evaluate whether the legitimate business model is sustainable for the start-up as considered according to the Islamic financial principles.



The market is recognised due to immense emerging prospects offered by physical cash dealings via digital applications. The notion of the feasibility study is to guarantee that the plan is made grounded on wide-ranging market intelligence for size, potential, and distinctiveness in this area. This will benefit us to propose with well-defined approach for more significant achievement and greater investment return. Business decisions driven by data are becoming the demand of the day. Thus, the feasibility study will offer comprehensive database understanding of the entire developments, comprising its market entry plan and evolution to advance greater market share in the future.

### 2.1 Market Area

The proposed model will address the markets considering the development of Islamic finance validity of Sharia law. It will assist us to comprehend the topography and significant existence of the opportunities. The global market in view of the maturity of Islamic finance is shown in figure 1 whereas figure 2 specifics the spread of Islamic finance worldwide.



unfavourably effects the research and advancement in the Islamic finance space (Billah and Atbani 2019). Figure 2 shows the distribution of global market and Islamic finance development indicators existing worldwide. The most obvious fact here is the Islamic finance development and maturity in the Malaysian market rising over the years. Nevertheless, there is little collaboration with GCC areas (Billah 2019). Consequently, there is a prospect to increase the market with novel resolutions and innovation in the technology. This is likewise the situation of Islamic finance progress when it comes to the collaboration between GCC nations and Iran..

Global Islamic Finance Development Indicator - IFDI 2018

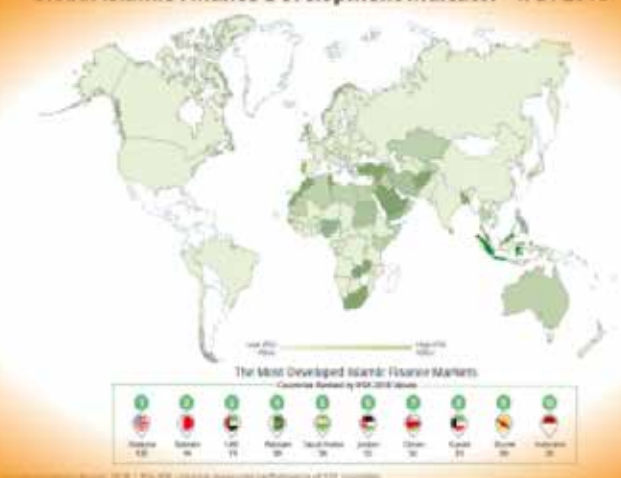


Figure 2: "Global Islamic Finance Development Indicator -IFDI 2018 (Source: Reuters Research 2018, The IFDI universe measures performance of 131 countries)"



## 2.2 Market Size

It is observed that the use of cryptocurrency and its expansion is robust around the world, specifically in the developing countries. However, the rapid growing and emerging markets have also experienced the upsurge of cryptocurrency usage in recent years (Billah 2019). The potential for Sidra cryptocurrency model implementation will be vast in UAE and Qatar as they are currently enjoying equal features in comparison to advanced countries in terms of buying power (Billah 2019). This has additionally combined with the new millennials demand and development in the technology from the payment point of view. Though, the emphasis is now moving to the revenue side for preserving margin. It can also be addressed by a greater business scale. The digital currency field is undergoing alliance via agreements that purpose to construct larger bases of capacity to spread fixed costs. The business scale expansion is aimed to generate greater revenues as the proposed model is considering the other aspects of businesses such as co-ordination and collaboration of rapidly growing cryptocurrency platforms. With growing digital payment channels, the cryptocurrency networks are also focusing on the credibility and uniqueness of their platforms. Islamic banking networks are also making their efforts to facilitate their customers by meeting their demands and capture the market promptly across all the digital platforms (Rabbani, Khan and Thalassinios 2020). In such circumstances, the Sidra cryptocurrency model will prosper rapidly than other conventional cryptocurrency models in

terms of revenue.

## 2.3 Service Analysis

The proposed Sidra cryptocurrency model recommends registration of companies and proper integration in any authority either in the onshore or offshore. The identity of a company's bank accounts



and activities must be well-known to its users without creating any uncertainty. In this way, a registered firm may also promote assistance to both the users and the receiver in the management of cryptocurrency avoiding any negligence and misuse by illegal profit at the cost of others. The conventional cryptocurrency models do not actually effort in obeying any standard policy or law or in their founding, operations, and functions. Instead, one relies on individual chosen guidelines, culture, and standard in the complete setting up, activities and processes of cryptocurrency (Siswantoro, Handika and Mita 2020). This can cause a serious threat to the policies, standard laws and orders consequently may weaken

the global financial system. Each element of one's foundation, processes and administration shall be in conformism with the ethical standard, Sharia principles, and the local jurisdiction policies besides the cyberspace guidelines in the Sidra cryptocurrency model. One of the elements of Bitcoin that is regarded as haram according to the Islamic perspective is its usage with decentralized finance loaning and margin. As receiving or paying interest is declared as 'riba', Muslims will not take interest in taking out a loan or charging interest by means of maximum decentralized financing Bitcoin practices considering it as 'haram'. A halal cryptocurrency model is therefore mandatory to launch considering standard guidelines and procedures as pre-requisite. In the present cryptocurrency's practices, there is no sovereignty provision in integrating one's actions (Saleh et al., 2020). Financial activities with no dominion and sovereignty may lead to a gigantic devastation with misconducts and creating the prospects for acquisition illegally at the cost of others.

On the other hand, in a Sidra cryptocurrency management, at first here must be sovereignty with the almighty Allah and therefore every action of it intended to be in conformism with the Islamic Sharia principles. Besides this, a capable counselling board shall be established to safeguard all actions of the operation amenable to Islamic financing principles. Henceforth, the Sharia advisory board will work as an internal sovereignty. Moreover, the central bank of local authority must control and regulate the activities in view of compliance through Sharia principles. The total process thus shall generally abide by the international monetary principles and authority.



However, the digital currency market over the years has been filled with several potential services to lure customers in this specific domain of our Sharia compliant Defi business. Some of the major services are as follows:

**DeFi Wallets:** DeFi protocols are built using smart contracts. If you are not a developer, it is enough to just scroll through the linked tutorial and see that smart contracts are basically just pieces of code that can be used to build permission less DeFi protocols. DeFi wallets are non-custodial, which means that users can store their assets without having to depend on third parties. The early DeFi wallets started on Ethereum and had a user-experience and interface that left a lot of space for improvement.

• **Smart Contracts:** Smart contracts are simply programs stored on a blockchain that run when predetermined conditions are met. They typically are used to automate the execution of an agreement so that all participants can be immediately certain of the outcome, without any intermediary's involvement or time loss.

**Uniswap:** Uniswap is currently the most popular decentralized exchange by a wide margin. It is also one of the easiest protocols in DeFi allowing the users to exchange their tokens in a completely decentralized and permission less way. In this step, we are just learning the basics of Uniswap. You can find a deeper dive into liquidity pools and automated market makers on the DeFi Apprentice level.

**Lending and Borrowing:** Lending and borrowing is one of the most important elements of any financial system. DeFi lending allows users to become lenders or borrowers in a completely decentralized and permission less way while maintaining full custody over their coins.

**Yearn Vaults:** Yearn Vaults offer an easy way to participate in yield farming without spending too much on gas fees. Among all the above-mentioned services, the Smart Contract Market is expected to boom at a phenomenal rate. In essence, the global Smart Contract market is segmented based on its type (Ethereum, NXT, Sidechains, and Bitcoin) and application (RealEstate, Automobile, Supply Chain, Healthcare, and Government).



Global smart contracts market, USD Millions

Thus, the worldwide, Smart Contract market is expected to accomplish \$345.4 Billion till 2026, increasing from \$106.7 in 2019, at a compound annual growth rate of 18.1 percent. Major factors driving the growth of smart contract market size are, increasing adoption of various applications in industries such as supply chain, banking, government, insurance, and real estate. Furthermore, the rising popularity of Blockchain technology is fuelling the demand for th or the Smart Contracts Market.

2.4 Demographic Analysis

A cryptocurrency framework of both the conventional and the Sidra model are compliment to the growth of economic and its justifiable strength worldwide. All general people with no specific constraint have the common chance to contributeto the cryptocurrency channel and make best use of one's financial objective within the legitimate contexts. The modern financial systems or corporate events do not produceany prospect for all mankind due to restriction by cultures and p o l i c i e s .



Consequently, in the enduring profit-making system and undertakings, which fail to produceaprofitablewelfare for all people with general value accepted globally. On the other hand, the cryptocurrency platform is free with least regulations, a lesser amount of effort, fewer obstacles and low restriction creating a universal chance for all people irrespective of one's religion, status, nationality, or age but with world-wide significance to exploit one's legitimate income source(Billah 2019).Therefore, the collective contribution in the management of cryptocurrency may be an important contribution and commendation to the global community strength regarding economy.

2.5 Psychographic Analysis

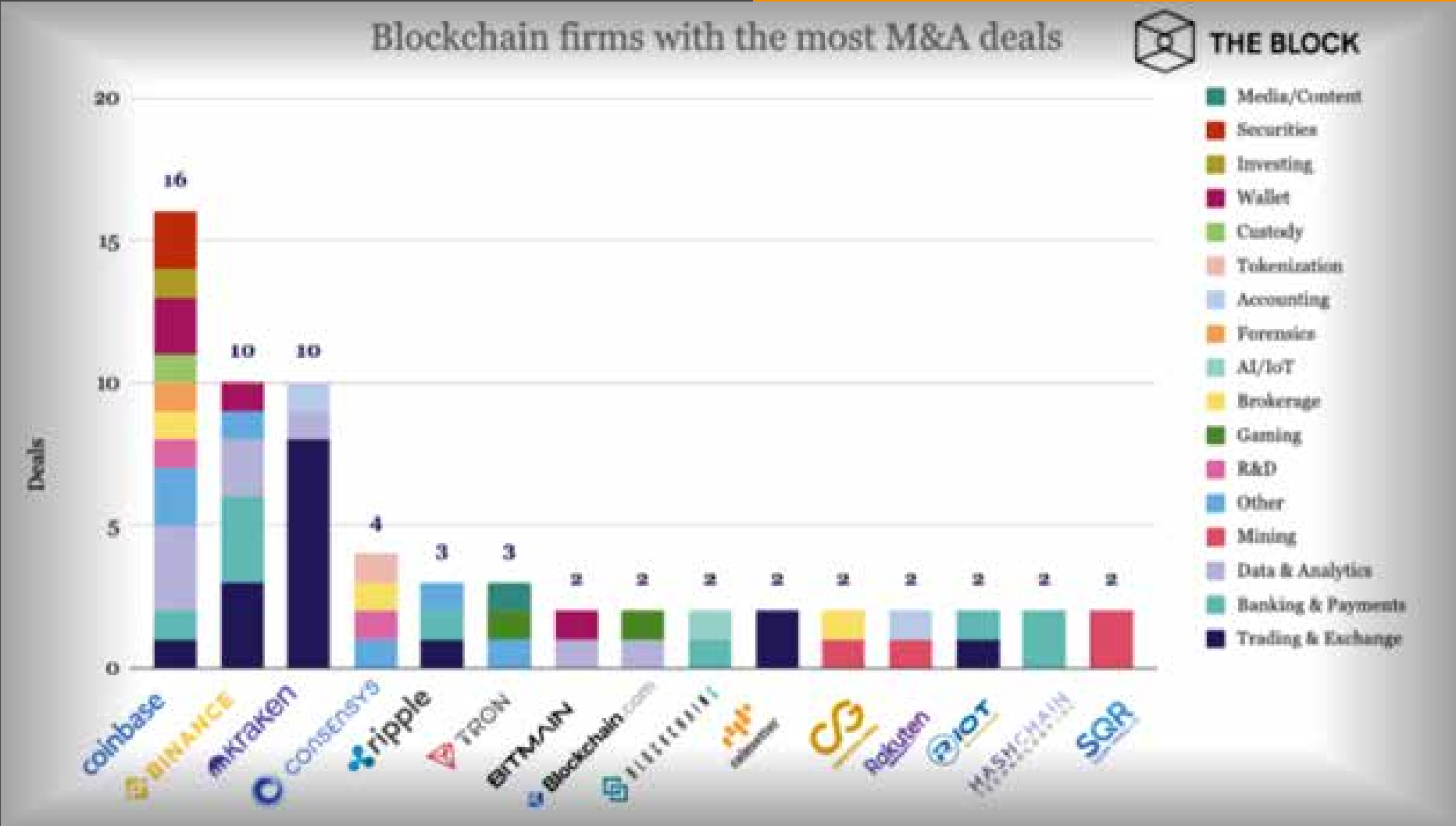
The finance and banking sector has introduced many changes in their banking culture as compared to old banking with the upsurge of innovative technologies. The leading variations are the growth of contactless payments and branchless banking services. It has carried forward entirely new proposals including not only novel and enhanced services but offers a more innovative technology-oriented customer base. It, however, depends on the usage of internet and mobile technology. Millennials have slight or no aspiration for physical branches to deliver them with banking services (Billah 2019). They request immediate response and direct access to their requirements without having needs to go to the branch. Most of millennials do not want to compromise on privacy and security and therefore rely on digital currency, social media platforms, and mobile wallets to carry out their banking transactions. Most of studies have revealed that there is not much of a dissimilarity between the preferences of non-Muslims and Muslims regarding contactless or branchless banking facility (Billah 2019). Nevertheless, the Islamic Banking network has been lagging in accepting profound and transformative approaches in comparison to its conventional counterpart.

2.6 Competition Analysis

Modern Islamic banking is dominant enough to introduce its Sidra currency and create a positive impact worldwide by integrating legitimate elements using blockchain technology

to deliver a competitive and a smart substitute to the interest-based economy (Billah 2019). Numerous features that have resulted into restrict the cryptocurrency usage by retailers are the low demand by consumers along with the supposed limited added value of digital payments in comparison to other outdated payment procedures. In this respect there is a vast potential for Islamic and Sidra cryptocurrency model in this competitive digital currency market. It is also apparent that the blockchain, Bitcoin and Fintech technologies are progressing, and organizations are embracing them for competitive benefit.

2.7 Feasibility Analysis



It is apparent from the above feasibility study that the Islamic and Sidra cryptocurrency ideal has massive market potential. In last decades conventional banking models have dominated but now the world is transforming towards digitalisation. Islamic banking is also making use of it in accordance with the Sharia principles. There are certain standard Islamic financing principles that must be addressed to launch this legitimate model in the market. Thus, the proposed model guarantees Sharia compliance and has huge opportunity in the global market. It is also expected that the Islamic financing models will be dominating over

conventional financing models soon. However, new millennials demand safety and reliability of their current banking needs. Digital platforms are therefore making their efforts to tackle all security and privacy threats in digital transactions making a credible and trustworthy standard with the consumers globally. This prospect is an important driver for revolution and the demand for Sidra cryptocurrency system. Moreover, flaws in the conventional cryptocurrency models are indirectly demanding for the transformation need of Islamic Banking.





### 3. Market



## MARKET

While it has been assessed that there is a huge potential for banks in Europe, Middle East, and Africa (EMEA) have a significant potential to grow and increase in size in the future, it currently is facing varied issues and challenges in sustaining stability. The external environment has been negatively impacting businesses, and this has led companies to develop better contingency plans to find survival in complex markets. The current pandemic has led to slower the market growth size for most companies, and this has led to create difficulties for the banking sector in an equal manner. Zhang et al (2020) stated that even though blockchain technology has been different from the conventional and Islamic banking methods in terms of potential and growth rate, the opportunities have still been limited to a certain extent. The digital currency market has gained much importance in the recent years and has presented new prospects for individuals to optimise upon. Lee (2019) discussed that while cryptocurrency has been relatively new for individuals and investors, considering the aspects of Islamic Sharia within the digital currency market could be considered a daunting task. Other than this, overcoming the barriers of privacy and security also results in being major issues for companies offering such services.

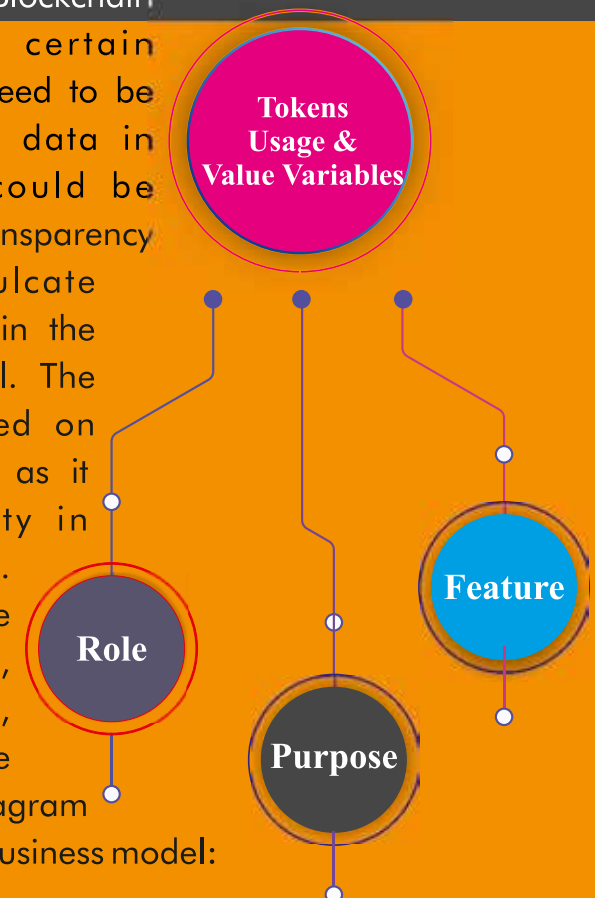
With regards to the market, it could be considered that there is a certain form of uncertainty attached to it. Even though individuals globally have depicted a good potential for digital currency market, the volatility aspect attached to it enhances the risks and instabilities overall. There is less linkage of the digital currency world with any of the specific external factors, and so it is difficult to make predictions about the future trends and patterns (Hassani et al, 2018). Even though there have been certain ambiguities regarding the growth patterns of cryptocurrencies the model has been much safer and feasible in comparison to Islamic and Conventional banking systems. The investors have been given the opportunity to make investment and earn considerable returns, along with transparent systems of results. In banking systems, investors are not directly aware of the returns being earned through investments, whereas in digital currency world, the returns earned are visible directly to investors and there is lesser chance of manipulation overall. The Middle East has been identified to be a potential market of investors, who may make considerable investments in the new business model if they are ensured trust and adequate results(Marecki and Wojcik-Czerniawska, 2020).

#### 3.1 Business Model

Developing a business model for cryptocurrency that strictly abides by the Islamic Shariah could be considered as a daunting task, inculcating varied aspects and elements. While digital currency world has gained immense significance over the past years, inculcating the aspects of Islamic Sharia further augments the intricacies. The business model is assisted by an asset-backed policy being operational in terms of transactions and valued assets. The transaction in this model takes place in accordance with Islamic Sharia and regulated by the standard principles of Islamic finance to avoid uncertainty at any stage. The instruments of Islamic Sharia such as co-partnership, joint-venture, deposit, rewards, agency with commission, trust, donation, compulsory-tax, and service charge facilitate this model's functionality and operation. Also, it will be functioned through interchange platform grounded on a hybrid system of Islamic Sharia supported by principles of exchange, transfer, custodianship, trust, agency by commission, reward for services and service charge within the frameworks of Islamic financing.

Using Blockchain, businesses can turn their firms into de-centralised platform that may alter how organisations work (Monrat et al, 2019). For using the Blockchain

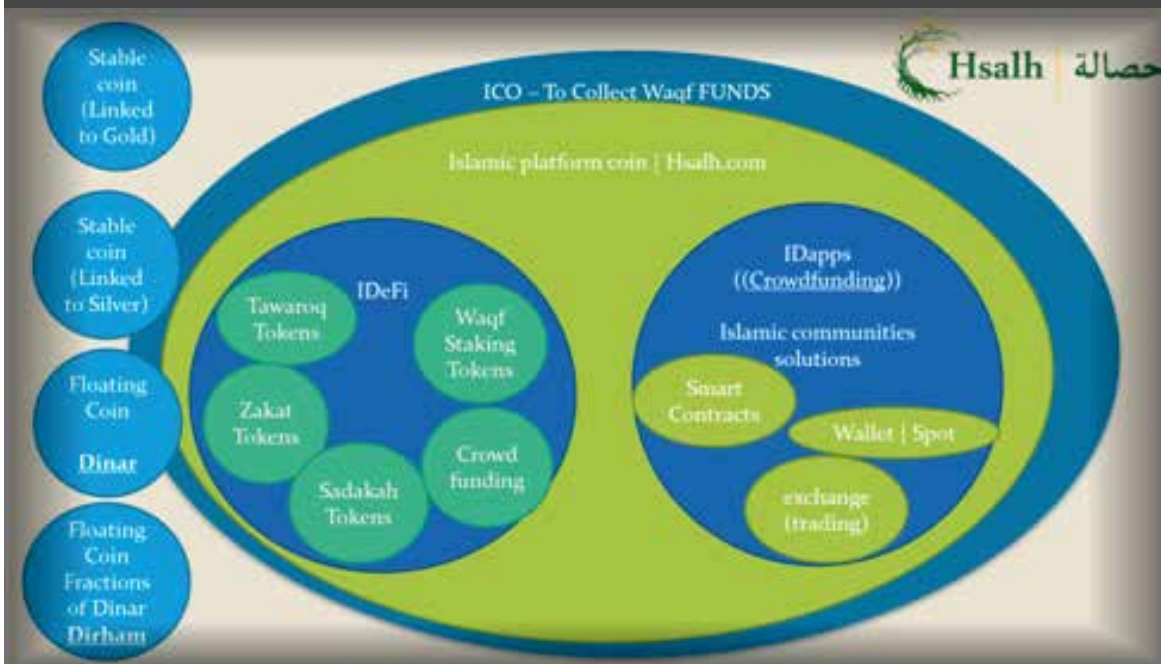
model, there are certain considerations that need to be made i.e., storing data in blockchain that could be tampered, ensure transparency for investors, inculcate artificial intelligence in the de-centralised model. The model will be based on 'Utility token Model', as it drives functionality in business using tokens. Token utility has three major properties i.e., role, features, purpose. These three are locked up in a diagram to form the basis of a business model:



# MARKET



Some imperative and critical considerations to be made in the business model would be prohibiting the use of Riba, inculcation of Zakkat, deviation from investment in haram activities and prohibition of qimar. Having said this, one of the elements that may cause disruption in following the Islamic Sharia principles is of Gharar (uncertainty). With regards to cryptocurrency, the investment is made into something that could not be described in accurate and concise detail in terms of size, type, and amount. This factor would further be required to work upon and improve to make sure that the customers are more satisfied and could rely on the offerings being provided.



## 3.2 Marketing objectives

Marketing could be considered as an overly critical and imperative element for all sorts of businesses. Having said this, marketing is even more important for start-ups or organisations

coming up with new ideas and approaches (Revathi and Ashalatha, 2019). The fact that cryptocurrency and blockchain technology is relatively newer, there must be certain considerations made by the firm in terms of marketing to enhance the effectiveness and results associated to it. Moreover, the inculcation of Islamic Sharia compliance within the offerings of the business is to be focused upon, and critically assessed while developing marketing strategy overall. Some of the major objectives that have been identified for the start-up are as follows:

- Developing digital media marketing campaigns
- Preparing adequate budget for marketing planning and implementation
- Assessing consumer preferences and trends
- Focus on lead generation.
- Work on establishing brand loyalty and improving image.
- Building brand awareness
- Grow market share through effective marketing strategies.

Marketing is considered as a complex activity and businesses must make sure that they attain their performance objectives through such activities. Firms must adapt to a holistic approach and make sure that optimum opportunity utilisation takes place. Focusing on start-up businesses, the marketing campaigns must be more effective than for any other stage of business (Rosokhata et al, 2020). The approach must attract maximum number of customers and ensure that the offerings are expanded to numerous markets.

While all such marketing objectives have been developed, the business may also face certain difficulties in attaining the set goals due to related complexities and competition in the industry. Eyal (2017) has stated that even

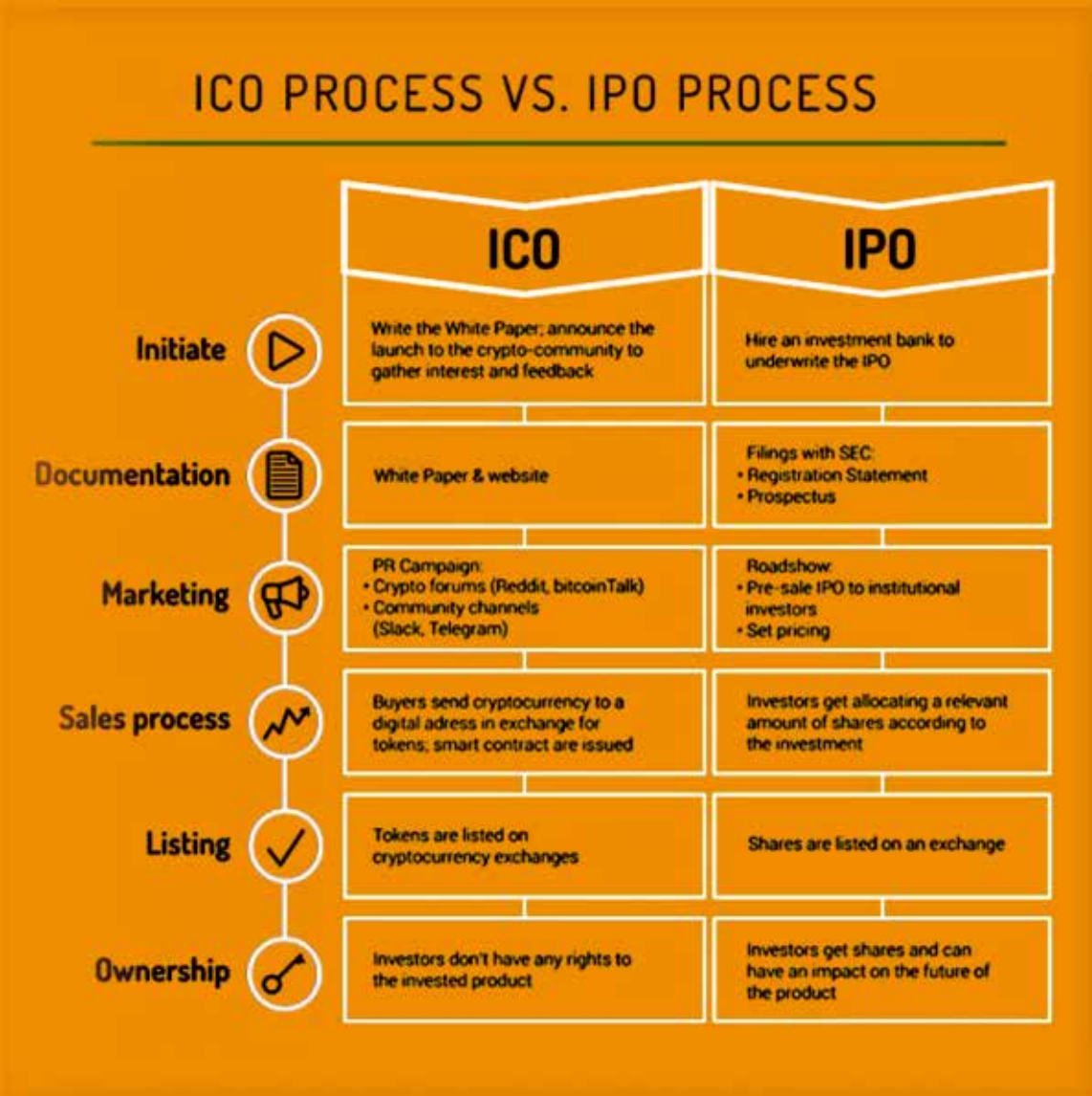
though cryptocurrency is relatively newer in the investment and finance industry, several businesses have established their presence. While most of these companies do not have a physical presence, they are operating online and providing their services to customers. Focusing on the aspect of Sidra in digital currency would be a newer dynamic to the industry, but

other companies in digital currency market would still be considered as competitors. The business would have to focus on attaining interest of customers that have already services of other businesses. Hileman and Rauchs (2017) have discussed that some of the major competitors in the cryptocurrency market could be considered as Binance, UPHOLD, Coinbase, HitBTC, Poloniex, and some more. All these firms are providing almost the same services in the digital currency market, but their business models may be unique in some form. All of these and more firms would provide direct competition to the new business model based on Islamic Sharia principles, and the emerging firm will have to consider ways through which such competition would be managed and controlled.



The new business model is based on Islamic Sharia principles, and this is the reason why it places itself uniquely in the

would still face difficulties in attracting and retaining customers in the long run. Binance for instance has established a



industry. Having said this, the firm would still face competition with other players present in the industry. According to Gorgun and Wolfs (2021) a huge number of potential customers are already availing finance services from companies present in the market and launching a new business would require the firm to attract those individuals towards the new brand and avail the services. While Islamic Sharia could be made a point of differentiation and optimised upon, it

strong hold in the digital currency market, and customers have started relying on it. Coming up with a new company and introducing unique traits might cause difficulties for the business at initial stages, with other companies already having a stable position in the market. Competition level is increasing in the digital currency market, and firms need to come up with effective marketing strategies through which they can incline towards growth.

3.3 Market segmentation

Market segmentation is also an imperative aspect of marketing, in which the business divides its potential market in accordance to varied criteria. In other words, it could be regarded as the process of dividing the market into smaller homogenous segments based on parameters such as psychographics, demographic, geographic, and behavioural (Liu et al, 2019). For this digital currency business model, the following segmentation has been carried out:

- Individuals ranging from the age of



20-50

- Both genders
- Working class individuals (middle and upper-middle class)
- Customers having a religious inclination, considering Islamic compliance.



3.4 Market strategy

Developing an effective market strategy is vital for businesses in the contemporary environment and various considerations must be made while establishing and implementing the same (Vieira et al, 2019). Considering digital currency model, the marketing strategy would play a highly imperative role in increasing market share and enhancing consumer awareness. The marketing for this product would be useful in varied regards such as providing information, attracting consumers, increasing sales, positively impacting consumer behaviour,

and more. The main aim of marketing is to place the new product well in the minds of customers and provide a good initial start to the brand. Different aspects must be considered while developing the strategy such as reach, approach of businesses, impact on consumers, cost efficiency and more. To be able to develop an effective strategy, the use and inculcation of digital marketing would be the most imperative aspect.

Considering the brand and its offerings, digital media marketing would be the most appropriate approach for marketing for digital currency business. Some of the most effective techniques in digital marketing that could be used to promote business offerings could be considered as:

- SEO
- Social media marketing
- Website marketing
- E-mail marketing



The above four marketing techniques will be utilised by companies to carry out the digital marketing strategy. Using digital marketing, businesses will be able to expand their reach to a greater number of customers and this eventually would contribute to increased revenue generation. The fact that digital currency is new in most markets and for most customers, providing information regarding the product would become more feasible for the new business. Bala and Verma (2018) stated that digital marketing platforms allow firms to provide information and knowledge regarding products and services through communicating with customers on an individual level.

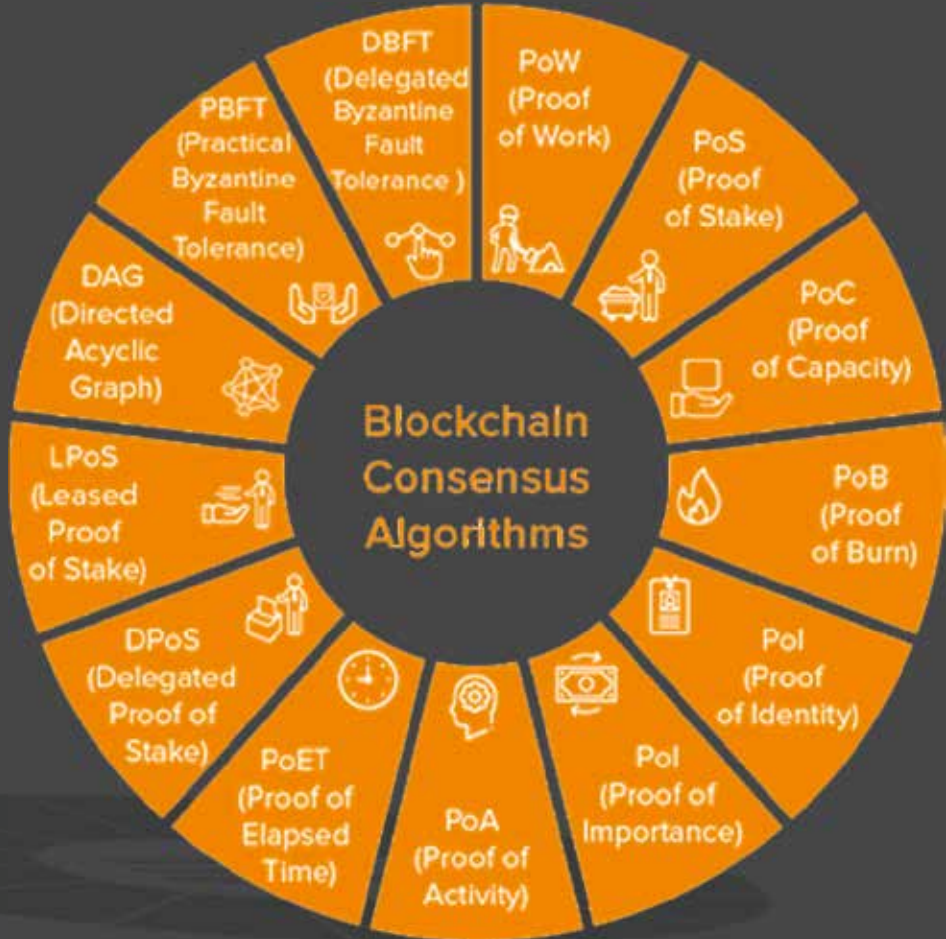
One of the other major benefits that the new venture would be able to take is that costs involved in the process would be comparatively lower, and ample marketing campaigns could be carried out to promote the offerings. While all digital marketing techniques could be used for marketing, the focus is on social media marketing through which effective communication would be carried out between the firm and the customers, and enhanced relationship building would be carried out.



# OPERATIONS

## 4. OPERATIONS

Businesses are involved in varied set of activities and functions at the same time, and each of these functions must be performed adequately and effectively to enhance optimum work efficiency. Operations of every business are critical for success, and so it is vital to put ample focus and attention on this aspect of the work. Operations management is evident in organisations as it allows firms to control, manage, and supervise services and people (Peinado et al, 2018). Customers expect effective services from firms, and businesses must consider each of these expectations while performing its operational services. With regards to Sidra cryptocurrency business model and offerings, it must be made sure that customers are provided uninterrupted services, their requirements are fulfilled, and a broad service portfolio is presented to be availed.





## **4.1 Operational Plan**

To make the business a success and optimise processes, it is imperative to provide value to customers. To enhance operational efficiency, international benchmarks would be adapted and implemented. Further, standard operating processes will be followed to provide a more holistic and rewarding experience for customers. Also, the progress will be continually monitored to make sure that any inefficiency is identified and resolved. Effective resource allocation would take place, to assign resources in the best way and enhance performance overall. The area of focus for the operational plan would be as follows:

- Inculcating technology adaptation
- Risk management plan
- Implementation timetables
- Research and development

- Optimisation of available opportunities

To make sure that the company can carry out the desired performance related activities and obtain high operational efficiency, there are certain resources that the firm may require. The resources needed to carry out the set plan could be categorised as technology, skilled human resource, capital, and materials. While the list of resources could be extended to many more, these are the major resource categories that would be required by the business to carry out its operations in an adequate manner.

## **4.2 Keys to success**

Cryptocurrency business model is a disruptive innovation approach that is varied from conventional or Islamic banking services. Digital currency usage with Islamic Sharia compliance has emerged to be a relatively newer concept which requires certain key areas of considerations. The new business model of cryptocurrency has ample potential to succeed, overcoming the limitations offered through other financial institutes and services. To ensure success for the new business model, the below elements are regarded imperative for success:

- Authenticity

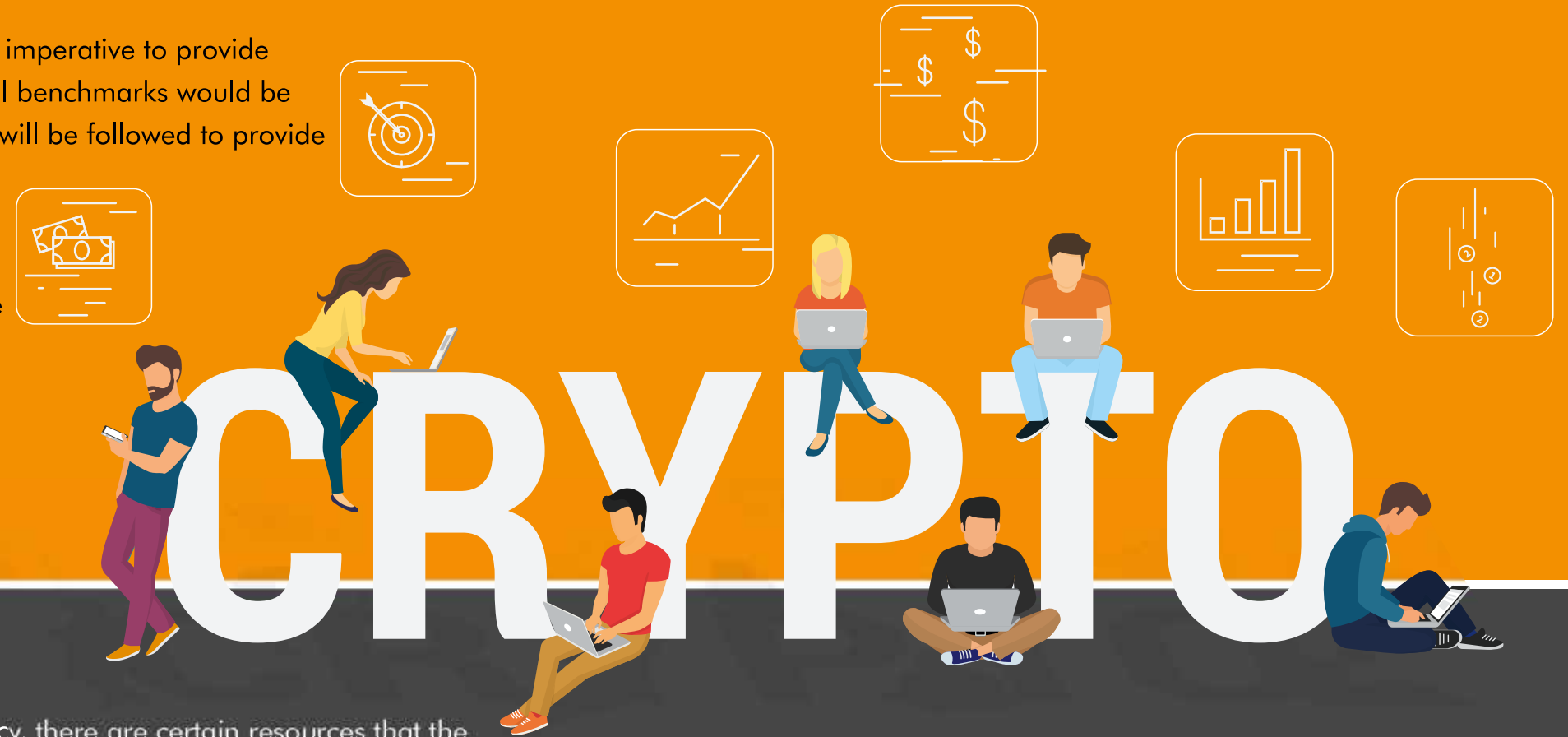
It is vital to provide authenticity to customers, to win their trust and develop loyalty. The fact that digital currency is a relatively newer concept, business may face difficulties in establishing trust between customers (Fritz et al, 2017). One of the ways through which such objective could be attained is through ensuring authenticity in service provision.

- Monitoring

Monitoring is extremely imperative to ensure that every task and service provided by the company is being delivered according to the set objectives and qualities (Kintz et al, 2017). Also, progress monitoring allows businesses to understand where they are heading in terms of performance, and which areas require improvements.

- Engaging stakeholders

Engaging stakeholders is another critical element to keep individuals connected and coordinated. Also, through engagement the interest of customers and other stakeholders is retained (Hodges, 2021). Communication is a vital element that could contribute to better engagement, and this would eventually keep all stakeholders associated with the business.





# SWOT Analysis

**The SWOT analysis will further help to analyse the feasibility of this unique idea.**



## PESTEL

### Political

It is hard to create Islamic coin as today there is a big fear from Islamic financials projects that is why we need to follow international audit standards ((Islam Phobia)) that could be a huge and big checklist specially starting it in Qatar – last media campaign against Qatar supporting Muslims groups in unclear ecosystem needs to be highlighted and careful. Suggested to be in other country such as Turkey or Malaysia.

### Economics

World economics points that USD is not the best currency now and could fall that is why there is a huge demand for alternatives to US FIAT currencies and maybe shifting to China CBDC (Central Bank Digital Currencies) and this gives us huge chance to success in this project.

### Social

Huge Islamic scholars' debates on Bitcoin and if its Halal or Haram as it has some problems with Shariah compliance as it is not backed with anything which makes our market version and ready for our ICO.

#### Technology

Blockchain technology has proven today that this is the most secure system available in the market yet, which makes us feel relaxed to jump into this technology.

### Environmental

Our environment is one of the best environments for cryptocurrencies mining as we have huge electricity capacity that will enable public to jump into the blockchain ecosystem.

### Legal

We could face some problems having legality audit especially when it comes to KYC (know your customer) and AML (Anti Money Laundry) therefore we need to be compliant with international standards sandbox and regulations.





### Human Resources - Team

SN	JOB	TASK
1	CEO	Managing the company
2	Secretary	Internal External communication - follow up\
3	CTO	Technology Director
4	Blockchain developer	Solidity
5	Backend	Database - system python
6	Frontend	Flutter - IOS - Native
7	CMO	Marketing - communications - loyalty - branding
8	CSO	Private Sales - Fund raising - rounds plans - burning alternatives
9	CFO	Financial Officer - coinicomics - accounting
10	CLO	Legal and Contracts
11	COOO	perations (DEFI Services) Smart Contracts - Sharia Background
12	PR	Public relation - social media

### Technical Resources

SN	TECH	TASK
1	Computers	Laptops
2	Internal Software's	ERP System (Finance - Payroll - HR - ...etc.)
3	Servers	Server's hosting
4	Licence graphics	Adobe 3 Years
5	Internet	Internet including Broadbands for 3 Years - 5 lines
6	Wi-Fi	Wi-Fi internal network
7	Security	Security & Audio check video production
8	Cost	Infographic + YouTube - snapchat - clubhouse events 3 years
9	Mailing List System	Mailing list & Markeing funnels



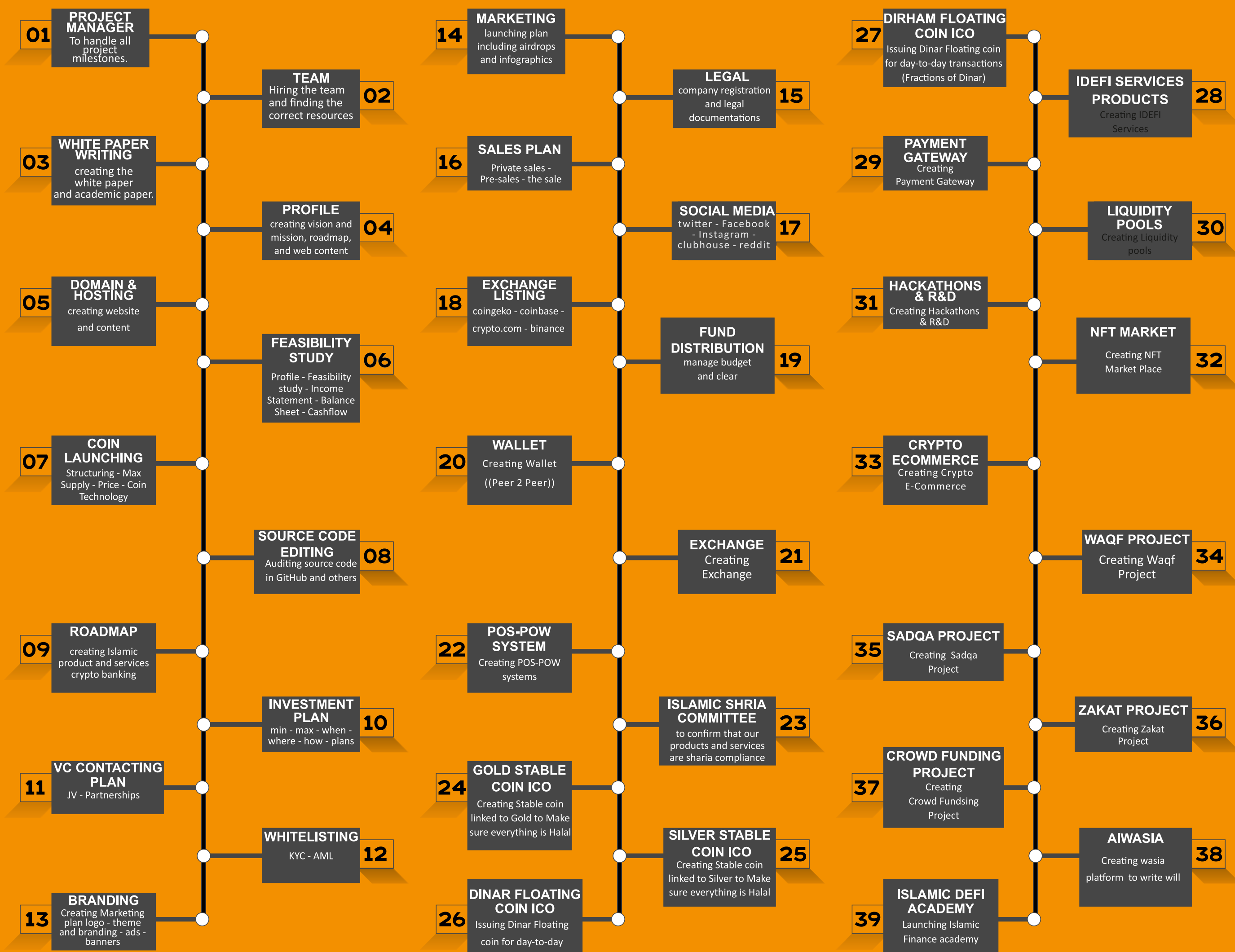
### Logistics Resources

SN	TECH	TASK
1	Car	Transportation Car bank
2	Storages	Securities & Holding store 2 locations
3	Office Rent	Offices





# ROADMAP







# PROJECTED FINANCIAL



## 5.1 Revenue Modelling

Revenue Modelling	2021	2022	2023	2024	2025
Mining hardware sales	20000000	22000000	24000000	26000000	28000000
Mining pool service	800000	750000	1250000	1500000	2000000
Mining farm service	400000	450000	620000	860000	1199000
Propretory mining	800000	1000000	750000	922000	1011200
Total Revenue	22000000	24200000	26620000	29282000	32210200

## 5.2 Cost Modelling

Cost Modelling	2021	2022	2023	2024	2025
Start-up expense	197,350				
Cost of revenue	8800000	9680000	10648000	11712800	12884080
Generaland administrative	3770000	3996200	4235972	4490130.3	4759538.1
Sales and marketing	2500000	2650000	2809000	2977540	3156192.4
Research and development	5000000	5000000	6000000	6000000	6000000
Total Expenses	20267350	21326200	23692972	25180470	26799811
Net Income	1732650	2873800	2927028	4101529.7	5410389.5



# PROJECTED FINANCIAL



## 5.3 Start-Up Expense Summary

Start-up Expense Summary	2021
Rent	\$3,250
Website	\$2,500
Payroll	\$185,000
Advertising/promotion	\$6,500
Basic office supplies	\$100

## 5.4 Profit & Loss

HALAL CRYPTO CURRENCY SYSTEM					
Projected Income Statement					
	2021	2022	2023	2024	2025
Total net revenue	22,000,000	24,200,000	26,620,000	29,282,000	32,210,200
Operating expenses	17600000	14520000	15972000	17569200	19326120
Marketing expenses	700,000	780,000	860,000	940,000	1,020,000
Operating profit	3,700,000	8,900,000	9,788,000	10,772,800	11,864,080
Profit before income tax	3,700,000	8,900,000	9,788,000	10,772,800	11,864,080
Income tax expense @30%	1110000	2670000	2936400	3231840	3559224
Profit for the year	2,590,000	6,230,000	6,851,600	7,540,960	8,304,856

## 5.5 Balance Sheet

HALAL CRYPTO CURRENCY SYSTEM					
Projected statement of Financial Position					
NON-CURRENT ASSETS	2021	2022	2023	2024	2025
Intangible	1000000	1000000	1000000	1000000	1000000
Tangible	10000000	10000000	10000000	10000000	10000000
ASSETS					
Current Assets:					
Cash and cash equivalents	6,000,000	8,000,000	8,400,000	9,600,000	10,400,000
Trade receivables	200000	220000	451600	440960	904856
Total Current assets	6,200,000	8,220,000	8,851,600	10,040,960	11,304,856
Total Assets	17200000	19220000	19851600	21040960	22304856
LIABILITIES AND EQUITY					
Current liabilities					
Trade Payables	4610000	2990000	3000000	3500000	4000000
Total liabilities	4610000	2990000	3000000	3500000	4000000
Equity					
Common stock	10000000	10000000	10000000	10000000	10000000
Retained Earnings	2,590,000	6,230,000	6,851,600	7,540,960	8,304,856
	12590000	16230000	16851600	17540960	18304856
Total liabilities and equity	17200000	19220000	19851600	21040960	22304856

## 5.6 Cash Flow Statement

HALAL CRYPTO CURRENCY SYSTEM					
Cash Flow Statement	2021	2022	2023	2024	2025
Receipts					
Revenue	22,000,000	24,200,000	26,620,000	29,282,000	32,210,200
Payments					
Start-up expense	197,350				
Cost of revenue	8,800,000	9680000	10648000	11712800	12884080
General and administrative	3,770,000	3996200	4235972	4490130.3	4759538.1
Sales and marketing	2,500,000	2650000	2809000	2977540	3156192.4
Research and development	5,000,000	5000000	6000000	6000000	6000000
Total Payments	20267350	21326200	23692972	25180470	26799811
Net Cash Flow	1732650	2873800	2927028	4101530	5410389

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