

Jahangir Engineering Workshop





Brief info of Nobin Uddagta

Name Nobin Uddokta	:	Md Jahangir Alam
Mother's Name	:	Mrs Jahanara Khatun (She is a GB Loanee. Her ID # 1705/1, Alampur, Kustia)
Father's Name	:	Md Shomsher Juaaddar
Address	:	Belaghoria, Shostipur, Kustia
Education Loan Received by entrepreneur	:	52,000/-
Educational Qualification	:	MSS in Economics
Experience	:	Running his engineering workshop since last 5 years.

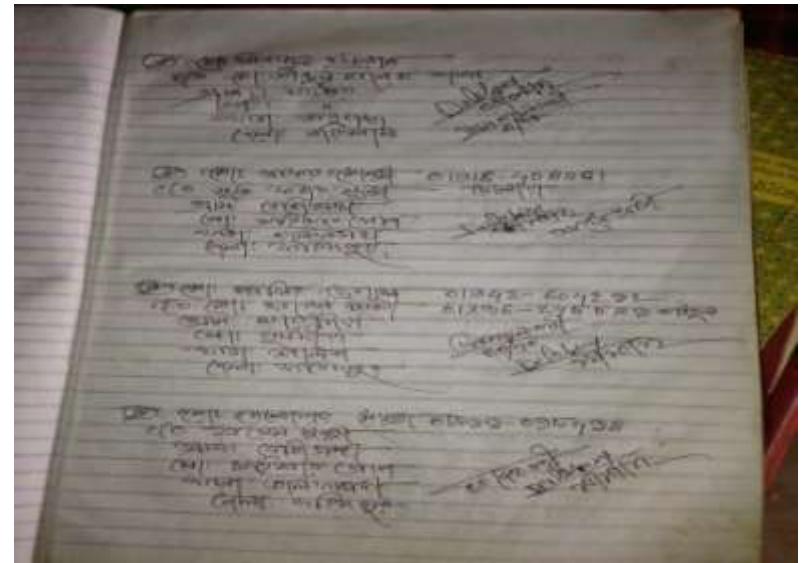
Existing Business Status

Business Experience: Five years practical experience in this business. I started my business in 2008 and since then I am making agriculture farming tools and local transportation.

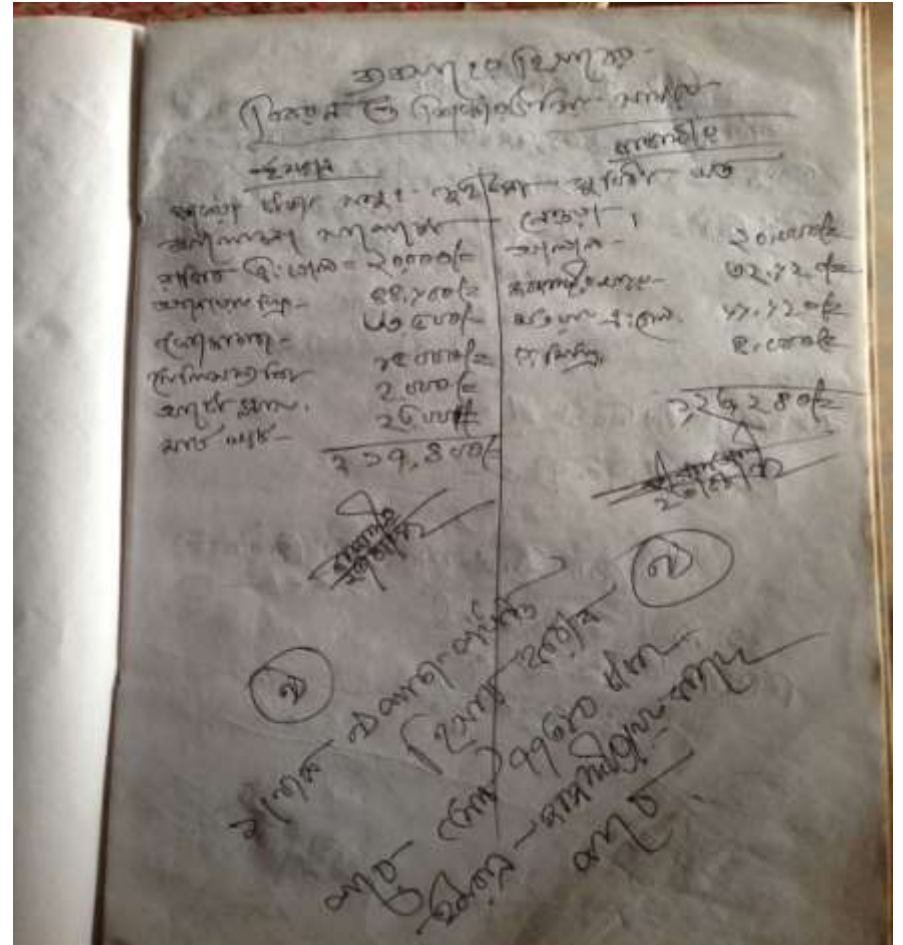
Existing Business value with particulars:

Sl No.	Particulars	Quantity	Price(Tk)	Amount(in Tk)
1	Shop Advance			1,00,000
2	Welding Machine	4	35,000	1,40,000
3	Drill Machine	1	25,000	25,000
4	Cutting Machine	1	25,000	25,000
5	Current Stock(raw materials)			2,00,000
6	Electronics Equipment			10,000
7	Others Instrument			20,000
Total				5,20,000

Existing Business Supporting papers



Existing Business Photo



Profit & Loss Account

For the period of 1st of December to 31st December 2013

Particulars	Quantity	Price	Amount
Revenue :			
Rice Husk Machine	2	14,000	28,000
Rice Husk dope Machine(engine)	1	28,000	28,000
Grambangla auto rickshaw(Tempu)	1	220,000	220,000
Auto rickshaw	1	120,000	120,000
Others (Repairs)			5,000
Total Revenue			401,000
Cost of Production:			
Rice Husk Separator Machine	2	9,000	18,000
Rice Husk dope Machine(engine)	1	22,000	22,000
Grambangla auto rickshaw(Tempu)	1	190,000	190,000
Auto rickshaw	1	98,000	98,000
Shop rent			5,000
Wages for 5 employee			28,500
Electricity Bills			4,000
Night Guard			500
Total COGS:			366,000
Gross Profit:			35,000
Administrative Expenses:			
Salary			10,000
Office Stationary			1,000
Repair and maintenances			2,000
Travel allowances/phone call			2,000
Depreciation 10% on FA			2,000
Other Expenses			2,000
Total Administrative Expenses:			19,000
Net Profit			16,000

Additional investment with particulars and Value

Now I want to extend my business as I found it is a profitable business.

SL. No.	Particulars	Quantity	Price	Amount(In Tk)
Machineries				
1.	Lathe Machine(Golden Bharat 8 feet)	1	2,70,000	2,70,000
2.	Repair welding machine	1	35,000	35,000
3.	Big drill machine	1	30,000	30,000
4.	Electricity line meter		70,000	70,000
5.	Pumper Machine	1	20,000	20,000
6.	Office decoration		10,000	10,000
	(a) Total Machineries			<u>4,35,000</u>
Raw Materials input:				
7.	Rod, Alenga, Plain metal	1.5 Ton	Tk 60,000/-per ton	90,000
8.	Plain sheet different gauge	500KG		45,000
9.	Tire	25	1800	45,000
10.	Working Capital			35,000
	(b) Total Materials			<u>2,17,500</u>
	Total (a+b)			6,50,000

Project Description

(For Expansion of proposed project)

Project Location:	Belaghoria, Shostipur, Kustia
Existing Project Value	Tk. 5,20,000
Project Expansion Cost	Tk.6,50,000
Total Project Cost:	Tk. 11,70,000
Project Finance:	
Entrepreneur	Tk. 5,20,000
Investor	Tk. 6,50,000
Project Implementation: The expansion project will start with some new machineries where I will add some additional products. The main products are Rice Husk Machine(manual), Rice Husk dope Machine(engine), Grambangla auto rickshaw (Tempu), Auto rickshaw (easy bike), wheat separator machine and other sources of income are repair and services. Pay back period is estimated to be in three years. The expected date to start the project is early May, 2014.	

OBJECTIVES

- Employment generation for Nobin Uddokta himself;
- Making quality agricultural instrument available for local farmers;
- Create employment opportunities for others;
- Encourage other youths to participate in self-employment.

New Project Assumption

- New agricultural farming instrument will be added on local demand, like; auto rich and wheat separator machine;
- Current production volume will be increased;
- More products' availability will attract more customer;
- Planning to make around 25 auto rickshaws (easy bike) per year.

5 Years Financial Projection including existing business

Particulars	Quantity	Price	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue :							
Rice Husk Machine	48	14,000	672,000	739,200	813,120	894,432	983,875
Rice Husk dope Machine(engine)	25	28,000	700,000	770,000	847,000	931,700	1,024,870
Grambangla auto rickshaw(Tempu)	6	220,000	1,320,000	1,452,000	1,597,200	1,756,920	1,932,612
Auto rickshaw	24	120,000	2,880,000	3,168,000	3,484,800	3,833,280	4,216,608
Repairs and Services			60,000	66,000	72,600	79,860	87,846
Income from others Sources			12,000	13,200	14,520	15,972	17,569
Total Revenue			5,644,000	6,208,400	6,829,240	7,512,164	8,263,380
Cost of Production:							
Rice Husk Separator Machine	48	9,000	432,000	475,200	522,720	574,992	632,491
Rice Husk dope Machine(engine)	25	22,000	550,000	605,000	665,500	732,050	805,255
Grambangla auto rickshaw(Tempu)	6	190,000	1,140,000	1,254,000	1,379,400	1,517,340	1,669,074
Auto rickshaw	24	98,000	2,352,000	2,587,200	2,845,920	3,130,512	3,443,563
Shop rent			60,000	60,000	60,000	60,000	60,000
Wages for 8 employees			480,000	528,000	580,800	638,880	702,768
Electricity Bills			84,000	92,400	101,640	111,804	122,984
Night Guard			6,000	6,600	7,260	7,986	8,785
Total COGS:			5,104,000	5,608,400	6,163,240	6,773,564	7,444,920
Gross Profit:			540,000	600,000	666,000	738,600	818,460
Administrative Expenses:							
Salary			72,000	84,000	96,000	108,000	120,000
Office Stationary			2,000	3,000	3,000	4,000	4,000
Repair and maintenances			24,000	28,000	32,000	35,000	4,000
Travel allowances/phone call			18,000	19,800	21,780	23,958	26,354
Depreciation 15% on Tk. 5,50,000 FA			82,500	82,500	82,500	82,500	82,500
Other Expenses			12,000	12,000	15,000	15,000	18,000
Total Administrative Expenses:			210,500	229,300	250,280	268,458	254,854
Net Profit			329,500	370,700	415,720	470,142	563,606

Projected Cash Flow

	0	Year 1	Year 2	Year 3	Year 4	Year 5
<u>Cash inflow:</u>						
Opening Balance	0	22,500	102,000	172,700	358,420	828,562
Investment:						
(a) Nobin Uddoka	0	0	0	0	0	0
(b) Investors	650,000	0	0	0	0	0
Revenue	0	5,644,000	6,208,400	6,829,240	7,512,164	8,263,380
Total Receipts	650,000	5,666,500	6,310,400	7,001,940	7,870,584	9,091,942
<u>Cash Outflow:</u>						
Cost of goods sold	182,500	5,104,000	5,608,400	6,163,240	6,773,564	7,444,920
Operating expenses	10,000	210,500	229,300	250,280	268,458	254,854
Machinery	435,000					
Return to investor		250,000	300,000	230,000	0	0
Total payment	627,500	5,564,500	6,137,700	6,643,520	7,042,022	7,699,774
Closing Balances	22,500	102,000	172,700	358,420	828,562	1,392,168

CHALLENGES

- Excessive raw materials stock;
- Fire;
- Delivery the product on time;
- Electricity problem;
- Technical problem of the machineries.

Overcome

- Always try to avoid stock raw materials (take order then buy raw materials if possible);
- Keep fire resistances instrument in the shop;
- Try to work off pick hours to cover electricity problem;
- Regular safety check of the machineries.

Thanks

