

**Business Name: *Tripti Shilpaloy and Srijan Dasokarmo Vandar***

**Presented at: *26th Yunus Centre Design Lab***

**Date: *24 August, 2014***



# Brief Bio of the Entrepreneur

Name	:	Ranojit Malakar
Age:	:	23 years
Marital status:	:	Unmarried
Address	:	Village: Krisnopur bakultola , Post: Mithapukur, Union: 14 no. Durgapur, Upazila: Mithapukur, Dist: Rangpur.
Mother Father <b>(Grameen Bank Member)</b>	:	Tripti Rani Malakar Jitendranath Malakar Loan ID: 1872, Center : 26/pu, Branch Name: Mithapukur, Rangpur. Member since: 10/05/1983 GB loan-BDT 35,000. Outstanding balance-BDT 24,000. Others Loan-nil.
Utilization of salary	:	Salary Tk. 8,000 will be used to meet his own and family expenses.
Payment of other loan	:	He has to provide outstanding GB loan from his business.
Education	:	S.S.C
Experience	:	Entrepreneur has <b>10 (ten)</b> years experience in sculpture and related business. The Business started in 2012 with <b>BDT 50,000</b> . Now its value <b>BDT 85,000</b> .
Source	:	Grameen Telecom Trust (GTT).

# Proposed Business Briefing

• Business Name	:	<i>Tripti Shilpaloy and Srijan Dasokarmo Vandar</i>
• Location	:	Mithapukur bazar, Mithapukur, Rangpur.
• Total Investment	:	<b>BDT 285,000/-</b>
• Financing	:	➤ <b>Entrepreneur BDT-85,000/-(EB)</b> ➤ <b>Investor BDT-200,000/-(As Equity)</b>
• Implementation	:	
<p>The business will scale up with different types of brass metal products such as plate, glass, pot, tray, bracelet (shaka) and shongkho. It targets to break even point within <b>first year</b> and payback period is estimated to be four <b>(04)</b> years.</p>		

# Existing Business

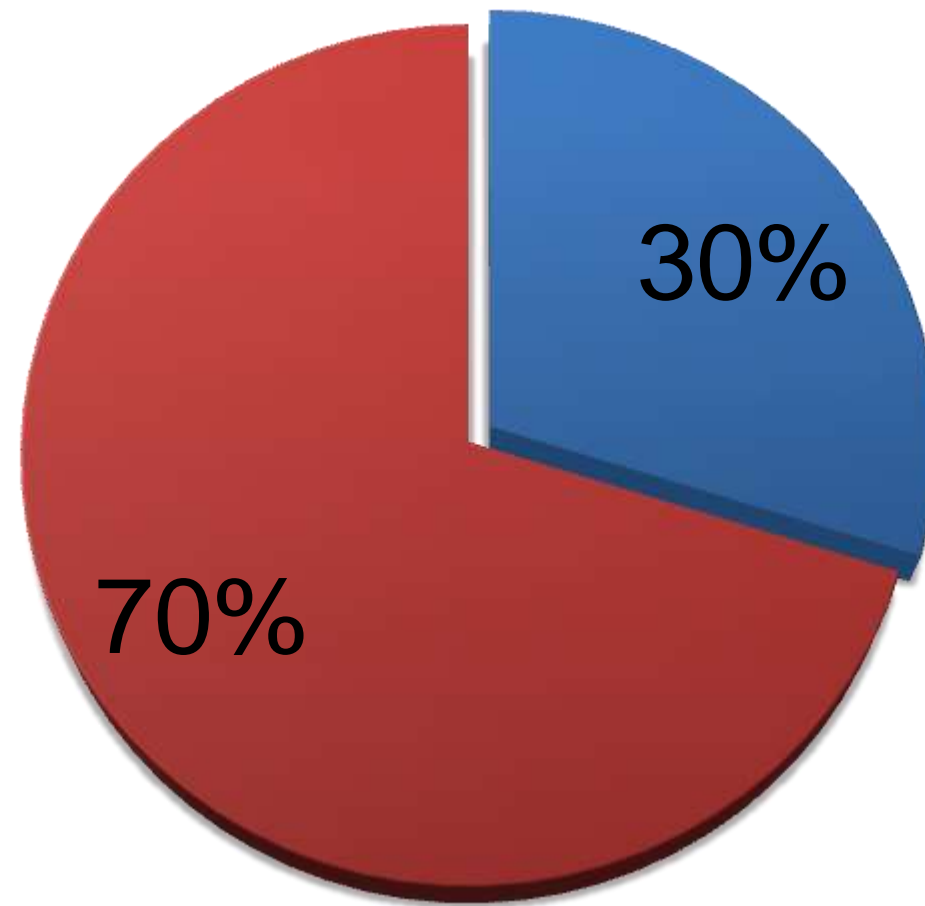
Particulars	EB (BDT)		
	Daily	Monthly	Yearly
Estimated Sales of products	1,000	26,000	312,000
<b>Total Sales (A)</b>	<b>1,000</b>	<b>26,000</b>	<b>312,000</b>
<b>Less: Variable Cost:</b>			
Estimated cost of products	400	10,400	124,800
<b>Total Variable Cost (B)</b>	<b>400</b>	<b>10,400</b>	<b>124,800</b>
<b>Contribution Margin (CM) [C=(A-B)]</b>	<b>600</b>	<b>15,600</b>	<b>187,200</b>
<b>Less: Fixed Cost:</b>			
Shop Rent (self)		700	8,400
Salary (Self)		6,000	72,000
Salry (Assistant)		2,000	24,000
Electricity bill		400	4,800
Interest of GB loan		92	1,100
Generator bill		150	1,800
Depreciation Expenses		175	2,100
Other Expenses (including SMS & monitoring)		2,000	24,000
<b>(D) Total Fixed Cost</b>		<b>11,517</b>	<b>138,200</b>
<b>(C-D)Net Profit:</b>		<b>4,083</b>	<b>49,000</b>

# INVESTMENT BREAKDOWN

Particulars	Existing Business (BDT)	Proposed (BDT)	Total (BDT)
Investment in raw materials for sculpture	10,000	5,000	15,000
Bracelet (shakha and shongkho)	5,000	60,000	65,000
Brass metal (kasha plate, glass, pot, ring, etc)	-	40,000	40,000
Finished murti (lakshmi, saraswati, durga,)	15,000	-	15,000
Crown materials (Topor)	2,000	5,000	7,000
Other Items	10,000	35,000	45,000
Advance shop rent	25,000	-	25,000
Decoration	15,000	20,000	35,000
Spray, hair dryer, glugum machine	3,000	-	3,000
Color spray machine	-	25,000	25,000
Factory renovation	-	10,000	10,000
<b>Total Capital</b>	<b>85,000</b>	<b>200,000</b>	<b>285,000</b>

# Source of Finance

- Entrepreneur's Contribution BDT 85,000
- Investor's Investment BDT 200,000
- Total Capital BDT 285,000



# **Key Assumptions:**

- Sales growth will be 80% in 1<sup>st</sup> year of injecting additional investment and 10% thereafter.
- Gross profit margin is calculated @ 60% on an average.
- Depreciation is charged @ 10% on decoration and 20% on machinery & factory.

# Financial Projection

Particulars	Year 1 (BDT)			Year 2 (BDT)			Year 3 (BDT)			Year 4 (BDT)		
	Daily	Monthly	Yearly	Daily	Monthly	Yearly	Daily	Monthly	Yearly	Daily	Monthly	Yearly
Estimated Sales of products	1,800	46,800	561,600	1,980	51,480	617,760	2,178	56,628	679,536	2,396	62,291	747,490
<b>Total Sales (A)</b>	<b>1,800</b>	<b>46,800</b>	<b>561,600</b>	<b>1,980</b>	<b>51,480</b>	<b>617,760</b>	<b>2,178</b>	<b>56,628</b>	<b>679,536</b>	<b>2,396</b>	<b>62,291</b>	<b>747,490</b>
<b>Less: Variable Cost:</b>												
Estimated cost of products	720	18,720	224,640	792	20,592	247,104	871	22,651	271,814	958	24,916	298,996
<b>Total Variable Cost (B)</b>	<b>720</b>	<b>18,720</b>	<b>224,640</b>	<b>792</b>	<b>20,592</b>	<b>247,104</b>	<b>871</b>	<b>22,651</b>	<b>271,814</b>	<b>958</b>	<b>24,916</b>	<b>298,996</b>
<b>Contribution Margin (CM) [C=(A-B)]</b>	<b>1,080</b>	<b>28,080</b>	<b>336,960</b>	<b>1,188</b>	<b>30,888</b>	<b>370,656</b>	<b>1,307</b>	<b>33,977</b>	<b>407,722</b>	<b>1,437</b>	<b>37,374</b>	<b>448,494</b>
<b>Less: Fixed Cost:</b>												
Shop Rent (self)		700	8,400		900	10,800		1,000	12,000		1,100	13,200
Salary (Self)		6,000	72,000		8,000	96,000		9,000	108,000		10,000	120,000
Salry (Assistant)		6,000	72,000		7,000	84,000		8,000	96,000		9,000	108,000
Electricity bill		600	7,200		800	9,600		900	10,800		1,000	12,000
Interest of GB loan		200	2,400		-	-		-	-		-	-
Generator bill		150	1,800		200	2,400		200	2,400		200	2,400
Ownership Transfer Fee		-	-		1,000	12,000		1,167	14,000		1,167	14,000
Depreciation Expenses		925	11,100		925	11,100		925	11,100		925	11,100
Other Expenses (including SMS & monitoring)		2,000	24,000		2,200	26,400		2,700	32,400		3,200	38,400
<b>(D) Total Fixed Cost</b>	<b>-</b>	<b>16,575</b>	<b>198,900</b>	<b>-</b>	<b>21,025</b>	<b>252,300</b>	<b>-</b>	<b>23,892</b>	<b>286,700</b>	<b>-</b>	<b>26,592</b>	<b>319,100</b>
<b>(C-D)Net Profit:</b>		<b>11,505</b>	<b>138,060</b>		<b>9,863</b>	<b>118,356</b>		<b>10,085</b>	<b>121,022</b>		<b>10,783</b>	<b>129,394</b>
<b>Cumulative Net Profit:</b>			<b>138,060</b>			<b>256,416</b>			<b>377,438</b>			<b>506,831</b>



# Cash flow (Rec. & Pay.)

<i>Particulars</i>	<i>Year 1 (BDT)</i>	<i>Year 2 (BDT)</i>	<i>Year 3 (BDT)</i>	<i>Year 4 (BDT)</i>
<b>Cash Inflow</b>				
Investment Infusion by Entrepreneur	-	-	-	-
Investment Infusion by Investor's	200,000	-	-	-
Net Profit (ownership transfer fee added back 2nd & 3rd year)	138,060	130,356	135,022	143,394
Depreciation Expenses	11,100	11,100	11,100	11,100
Opening Balance of Cash Surplus	-	125,160	194,616	256,738
<b>Total Cash Inflow</b>	<b>349,160</b>	<b>266,616</b>	<b>340,738</b>	<b>411,231</b>
<b>Cash Outflow</b>				
Investment in raw materials for murti	<b>5,000</b>			
Bracelet (shakha and shongkho)	60,000			
Brass metal (kasa plate, glass, pot, ring, etc)	40,000			
Crown materials (mukut)	5,000			
Others Items	35,000			
Decoration	20,000			
Color spray machine	25,000			
Factory repairing	10,000			
Payback to Grameen Bank Outstanding Loan	24,000	-	-	-
Investment Pay Back including ownership transfer fee	-	72,000	84,000	84,000
<b>Total Cash Outflow</b>	<b>224,000</b>	<b>72,000</b>	<b>84,000</b>	<b>84,000</b>
<b>Total Cash Surplus</b>	<b>125,160</b>	<b>194,616</b>	<b>256,738</b>	<b>327,231</b>

# Break even analysis

Particulars	Monthly	Yearly
<b>Contribution Margin Ratio: (CM/Sales)</b>	60%	60%
<b>Break Even Point (BEP):</b>	16,575	198,900
	60%	60%
<b>Break Even Point (BDT)</b>	<b>27,625</b>	<b>331,500</b>

# SWOT Analysis

## Strength:

1. Employment: self (1) + family (2) + Others (1)= 4 person;
2. Quality services and products;
3. Skill and experience;
4. Trade license and ownership in his own name;
5. He has obtained training from shakhari bazar, Dhaka;
6. Maintaining books of records.

## Weakness:

1. Credit Sales.

## Opportunity:

1. Location of shop;
2. Regular customers;
3. After 4 years the capital of the entrepreneur will be Tk. 591,800 excluding payback of investor's money.

## Threat:

1. Local competitors;
2. Political unrest.

*Pictures*











# *Thank You*

