

Maya Crockeries



Brief Bio Data of the Entrepreneur

• Name	:	Pabitra Kumar Roy Age: 33 years
• Address	:	Vill: Arenda, Post: Deara, Upazila: Sadar , Dist: Jessore.
• Mother (<i>Grameen Bank Borrower</i>)	:	Maya Rani Roy, Centre # 16/Mo, Group No: 01, Loan No: 1853, Arobpur Branch. Member since : 2002 Existing Loan – BDT 50,000 Outstanding Balance – BDT 31,000
• Educational Qualification	:	H.S.C Pass
• Experience	:	Entrepreneur has 4 (Four) years experience in crockeries business.

BUSINESS BRIEFING

•	Proposed Business	:	<i>Maya Crockeries</i>
•	Location	:	Kather Pool, Jail Road, Jessore
•	Total Investment	:	BDT 565,000/-
•	Financing	:	➤ Entrepreneur -305,000/-(EB) ➤ Investor BDT- 260,000/-(As Equity)
•	Implementation	:	
	The business is running with different items such as wooden crockery, plastic products, ceramic & steel made products, showpiece, etc. targeting break even within first year & pay back period is estimated to be four (04) years.		

Objectives

- Enhancement of entrepreneurial skills;
- Employment opportunities for others;
- Improving livelihood of the entrepreneur;
- Become a prominent Nobin Udyokta;

INVESTMENT BREAKDOWN

Particulars	Existing Business (BDT)	Proposed (BDT)	Total (BDT)
Investment in Ceramic & Steel	80,000	100,000	180,000
Wooden Crockery's	20,000	50,000	70,000
Plastic Product	20,000	100,000	120,000
Advance Shop Rent	140,000	5,000	145,000
Decoration	20,000	-	20,000
Wood Purchase for Decoration	25,000	5,000	30,000
Total Capital	305,000	260,000	565,000

Means of finance

Particulars	Amount (BDT)	%
Entrepreneur's Contribution	305,000	54%
Investor's Investment	260,000	46%
Total	565,000	100%

Existing Business

Particulars	EB (BDT)		
	Daily	Monthly	Yearly
Estimated Sale of Product	2,800	72,800	873,600
Total Sales (A)	2,800	72,800	873,600
<u>Less: Variable Cost:</u>			
Est. Cost of Product	2,380	61,880	742,560
Carrying & Labor Cost	28	728	8,736
Total Variable Cost (B)	2,408	62,608	751,296
Contribution Margin (CM) [C=(A-B)]	392	10,192	122,304
<u>Less: Fixed Cost:</u>			
Shop Rent	104	2,700	32,400
Salary (Self)	192	5,000	60,000
Salary (Assistant)	-	-	-
Electricity bill	13	350	4,200
Entertainment Expenses	23	600	7,200
Ownership Transfer Fees	-	-	-
Depreciation Expenses	6	167	2,000
Night Guard Bill	4	100	1,200
Other Expenses	19	500	6,000
(D) Total Fixed Cost	362	9,417	113,000
(C-D) Net Profit:	30	775	9,304

Key Assumptions:

- Sales growth will be 100% in 1st year of injecting additional investment and 10% thereafter.
- Gross profit margin is calculated as 14% on average.
- Carrying cost is charged @1% on gross sales.

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 Sale of Product	5,600	145,600	1,747,200	6,160	160,160	1,921,920	6,776	176,176	2,114,112	7,454	193,794	2,325,523
Total Sales (A)	5,600	145,600	1,747,200	6,160	160,160	1,921,920	6,776	176,176	2,114,112	7,454	193,794	2,325,523
Less: Variable Cost:												
Est. Cost of Product	4,760	123,760	1,485,120	5,236	136,136	1,633,632	5,760	149,750	1,796,995	6,336	164,725	1,976,695
Carrying & Labor Cost	56	1,456	17,472	62	1,602	19,219	68	1,762	21,141	75	1,938	23,255
Total Variable Cost (B)	4,816	125,216	1,502,592	5,298	137,738	1,652,851	5,827	151,511	1,818,136	6,410	166,662	1,999,950
Contribution Margin (CM) [C=(A-B)]	784	20,384	244,608	862	22,422	269,069	949	24,665	295,976	1,044	27,131	325,573
Less: Fixed Cost:												
Shop Rent	110	2,850	34,200	110	2,850	34,200	110	2,850	34,200	110	2,850	34,200
Salary (Self)	269	7,000	84,000	288	7,500	90,000	308	8,000	96,000	327	8,500	102,000
Salary (Assistant)	115	3,000	36,000	135	3,500	42,000	154	4,000	48,000	173	4,500	54,000
Electricity bill	19	500	6,000	21	550	6,600	23	600	7,200	25	650	7,800
Entertainment Expenses	150	600	7,200	200	800	9,600	225	900	10,800	250	1,000	12,000
Ownership Transfer Fees	-	-	-	38	1,000	12,000	64	1,667	20,000	64	1,667	20,000
Depreciation Expenses	16	417	5,000	16	417	5,000	16	417	5,000	16	417	5,000
Night Guard Bill	4	100	1,200	4	100	1,200	4	100	1,200	4	100	1,200
Other Expenses	19	500	6,000	19	500	6,000	19	500	6,000	19	500	6,000
(D) Total Fixed Cost	576	14,967	179,600	662	17,217	206,600	732	19,033	228,400	776	20,183	242,200
(C-D) Net Profit:	208	5,417	65,008	200	5,206	62,469	217	5,631	67,576	267	6,948	83,373
Cumulative Net Profit:			65,008			127,477			195,052			278,426

Break even analysis

Particulars	Monthly	Yearly
Contribution Margin Ratio: (CM/Seles)	14%	14%
Break Even Point (BEP):	14,967	179,600
	14%	14%
Break Even Point (BDT)	106,905	1,282,857

Cash flow (Rec. & Pay.)

<i>Particulars</i>	<i>Existing Business(BDT)</i>	<i>Year 1 (BDT)</i>	<i>Year 2 (BDT)</i>	<i>Year 3 (BDT)</i>	<i>Year 4 (BDT)</i>
Cash Inflow					
New Investment Infusion by Investor's	-	260,000	-	-	-
Net Profit (share transfer fee added back)	9,304	65,008	74,469	87,576	103,373
Depreciation Expenses	2,000	5,000	5,000	5,000	5,000
Opening Balance of Cash Surplus	-	11,304	81,312	88,781	61,356
Total Cash Inflow	11,304	341,312	160,781	181,356	169,730
Cash Outflow					
Investment in Ceramic & Steel	-	100,000	-	-	-
Wooden Crockeries	-	50,000	-	-	-
Plastic Product	-	100,000	-	-	-
Advance Shop Rent	-	5,000	-	-	-
Wood Purchased for Decoration	-	5,000	-	-	-
Investment Pay Back (including share transfer fee)	-	-	72,000	120,000	120,000
Total Cash Outflow	-	260,000	72,000	120,000	120,000
Total Cash Surplus	11,304	81,312	88,781	61,356	49,730

Outcomes

- The business will start with **BDT 565,000** and it is expected that by the end of four (04) years after payback of investor's money the entrepreneur's capital will be **BDT 583,500**.
- The business will serve the community by selling quality and in demand products and strive to improve every year.

Risk Factors

- Theft & Fire
- Local competition
- Non availability of raw material

Risk Management

- Adequate precautions to be taken
- Proper security measures will be taken
- Close market watch to compete



Pictures



Thank You

