

NIMAI HANDICRAFTS(DALIT)



DALIT:

- Caste discrimination affects huge populations in Bangladesh and “Dalits” commonly known as “untouchables” exist far below the poverty line with extremely limited access to health services, education and employment.
- They are historically associated with occupations regarded as ritually impure, such as any involving leatherwork, butchering, removal of rubbish, animal carcasses etc.

BRIEF BIO DATA OF THE ENTREPRENEUR

Name	:	Sree Nimai Chandra Roy
Age	:	20 Years
Address	:	Vill: Bat pali Gaon, Post:Pirgonj, Upojela: Pirgonj, Dist: Thakurgon
Mother (<i>Grameen Bank Borrower</i>)	:	Sreemoti Shabi Bala Daulatpur, Pirgonj, Centre # 41, Loan no.: 2854 Member since 1999 Existing Loan – BDT 30,000 Outstanding- 11,280
Educational Qualification	:	Five Pass
Experience	:	7 (Seven) years experience (family involve) in making bamboo and cane related products. Entrepreneur started his business with very little amount of capital and now it's value is BDT 12,000 (Twelve thousand)

BUSINESS BRIEFING

➤ Proposed Business : **Nimai Handicrafts**

➤ Shop location: Bat pali Gaon

➤ Total Investment: **BDT 52,000**

❖ Financing

❖ Self BDT 12,000 (from existing business)

❖ Required Investment BDT 40,000 (as equity)

➤ **Implementation:**

The business will start with different bamboo, cane, leaf made products such as basket, fence, hand fan, pot, winnowing-fan (Kula) etc targeting break even point within the first year & pay back period is estimated to be three years.

OBJECTIVES

- Become a Prominent Nobin Udyokta
- Self employment for the entrepreneur;
- Create employment opportunities for others (especially for family members of Grameen Bank Borrowers) ;
- Provide quality goods to meet demand in the community;
- Contribute in improving socio-economic condition.

INVESTMENT BREAKDOWN

Particulars	Existing Business (BDT)	Proposed (BDT)	Total (BDT)
Investment in Raw Materials (Own)	5,000	25,000	30,000
Investment in Retail Product (Trade)	5,000	15,000	20,000
Bicycle	2,000	-	2,000
Total Capital	12,000	40,000	52,000

MEANS OF FINANCE

Particulars	Amount (Tk.)	%
Entrepreneur's Contribution	12,000	23%
Investor's Investment	40,000	77%
Total	52,000	100%

EXISTING BUSINESS

Particulars	EB (BDT)		
	Weekly	Monthly	Yearly
Est. Sale of Own Product	2,000	8,000	96,000
Est. Sale of Trading Product	2,000	8,000	96,000
Total Sales (A)	4,000	16,000	192,000
Calculation of Variable Cost:			
Less: Variable Cost:			
Est. Cost of own Product	1,400	5,600	67,200
Est. Cost of Trading Product	1,560	6,240	74,880
Total Variable Cost (B)	2,960	11,840	142,080
Contribution Margin (CM) [C=(A-B)]	1,040	4,160	49,920
Less: Fixed Cost:			
Salary	500	2,000	24,000
Transportation and other related exp	-	-	-
Ownership Transfer Fees		-	-
(D) Total Fixed Cost		2,000	24,000
(C-D) Net Profit:		2,160	25,920

KEY ASSUMPTIONS (I/S)

- Sales growth will be 80% (for existing products) in the 1st year of additional capital injection and 50% in every year thereafter.
- Gross Profit on products on an average is 26%.
- Cost of production of own product is calculated @70% and trading product @78%.
- Salary of entrepreneur will be increased BDT 1,000 in every year.
- Shop rent is not charged because business is established his own residence.
- Transportation and other related cost is charged @2% on gross sales.

FINANCIAL PROJECTION

Particulars	Year 1 (BDT)			Year 2 (BDT)			Year 3 (BDT)		
	Weekly	Monthly	Yearly	Weekly	Monthly	Yearly	Weekly	Monthly	Yearly
Est. Sale of Own Product	3,600	14,400	172,800	5,400	21,600	259,200	6,480	25,920	311,040
Est. Sale of Trading Product	3,600	14,400	172,800	5,400	21,600	259,200	6,480	25,920	311,040
Total Sales (A)	7,200	28,800	345,600	10,800	43,200	518,400	12,960	51,840	622,080
Calculation of Variable Cost:									
Less: Variable Cost:									
Est. Cost of own Product	2,520	10,080	120,960	3,780	15,120	181,440	4,536	18,144	217,728
Est. Cost of Trading Product	2,808	11,232	134,784	4,212	16,848	202,176	5,054	20,218	242,611
Total Variable Cost (B)	5,328	21,312	255,744	7,992	31,968	383,616	9,590	38,362	460,339
Contribution Margin (CM) [C=(A-B)]	1,872	7,488	89,856	2,808	11,232	134,784	3,370	13,478	161,741
Less: Fixed Cost:									
Salary	750	3,000	36,000	1,000	4,000	48,000	1,250	5,000	60,000
Transportation and other related exp	-	576	6,912	-	864	10,368	-	1,037	12,442
Ownership Transfer Fees		-	-		333	4,000		333	4,000
(D) Total Fixed Cost		3,576	42,912		5,197	62,368		6,370	76,442
(C-D)Net Profit:		3,912	46,944		6,035	72,416		7,108	85,299
Cumulative Net Profit:			46,944			119,360			204,659

BREAK EVEN POINT ANALYSIS

Particulars	Monthly	Yearly
Contribution Margin Ratio: (CM/Seles)	26%	26%
Break Even Point (BEP):(Fixed Cost/CM Ratio)	3,576	42,912
	26%	26%
Break Even Point (in Sales)	13,754	165,046

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>
Cash Inflow				
New Investment Inflation by Investor's	-	40,000	-	-
Net Profit	-	46,944	76,416	89,299
Opening Balance of Cash Surplus	-	-	46,944	108,360
Total Cash Inflow	-	86,944	123,360	197,659
Cash Outflow				
Purchase of Raw Materials	-	25,000	-	-
Purchase of Retail Product	-	15,000	-	-
Investment Pay Back	-	-	15,000	25,000
Total Cash Outflow	-	40,000	15,000	25,000
Total Cash Surplus	-	46,944	108,360	172,659

OUTCOMES

- The business will start with BDT 52,000 and it is expected that by the end of three years after payback of investor's money the entrepreneur's capital will be BDT 216,569.
- The business will serve the community by selling quality and in demand products and strive to improve every year.

RISK FACTORS

- Theft
- Local competition
- Non availability of raw material
- Demand and Supply of products

RISK MANAGEMENT

- Adequate precautions to be taken
- Proper security measures will be taken
- Close market watch to compete
- Equilibrium of demand and supply

PICTURES



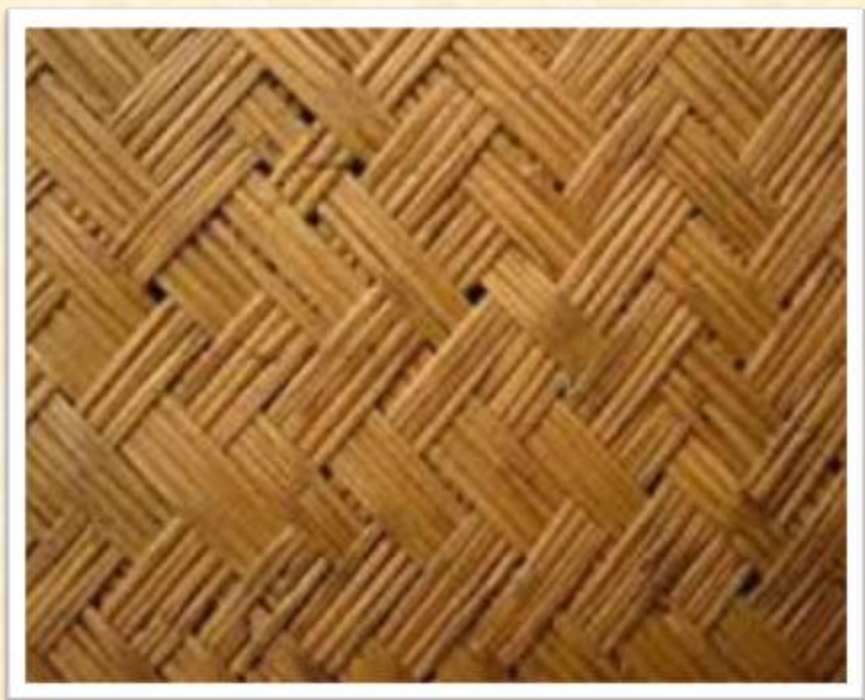
















Thank You