

# ***MATREE STORE***



# ***BRIEF BIO OF THE ENTREPRENEUR***

Name	: Bappa Kundu
Age	: 27 years
Marital Status and family information	: Married, Children: nil
Address	: Vill: Dhakuria, Post: Protapkati, Union: Dhakuria, Upazila: Monirampur, Dist: Jessore
Mother <b>(Grameen Bank Borrower)</b>	: Parbati Kundu Branch name: Narendrapur, Jessore, Centre # 24/Mo, Loan no.: 7701 Member since 1996 Existing Loan – BDT 40,000 Outstanding- 34,000
Education	: Class Eight
Experience	: 4 (four) years experience in running own business. Entrepreneur started his business with BDT 100,000 (one lac) and now it's value is BDT 160,500 (one lac sixty thousand five hundred).

# BUSINESS BRIEFING

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- Business Name : *Matree Store*
- Shop location: Dhakuria Bazar, Monirampur, Jessore
- Total Investment: **BDT 310,500**
  - ❖ Financing
  - ❖ Self BDT 160,500 (from existing business)
  - ❖ Required Investment BDT 150,000 (as equity)
- **Implementation:**

The business is running with different general store products targeting break even point within the **first year** & pay back period is estimated to be within **four years**.

# OBJECTIVES

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

# ADDITIONAL INFORMATION

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- Salary will be used to meet his own & family expenses;
- Credit sales are limited and they are realized in a timely manner;
- He has trade license & ownership in his own name;
- He has no assets and liabilities.

# ***INVESTMENT BREAKDOWN***

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<b>Particulars</b>	<b>Existing Business (BDT)</b>	<b>Proposed (BDT)</b>	<b>Total (BDT)</b>
Investment in products	31,000	125,000	156,000
Refrigerator	44,500	-	44,500
Weight Machine	-	5,000	5,000
Furniture, Fixtures & Decoration	15,000	20,000	35,000
Advance Rent for Shop	70,000	-	70,000
<b>Total Capital</b>	<b>160,500</b>	<b>150,000</b>	<b>310,500</b>

# MEANS OF FINANCE

<b>Particulars</b>	<b>Amount (BDT)</b>	<b>%</b>
Entrepreneur's Contribution	160,500	52%
Investor's Investment	150,000	48%
<b>Total</b>	<b>310,500</b>	<b>100%</b>

# EXISTING BUSINESS

Particulars	Existing Business (BDT)		
	Daily	Monthly	Yearly
Estimated sales revenue	2,500	65,000	780,000
<b>Total Sales (A)</b>	<b>2,500</b>	<b>65,000</b>	<b>780,000</b>
<b>Calculation of Variable Cost:</b>			
<b><i>Less: Variable Cost:</i></b>			
Estimated cost of sale	2,250	58,500	702,000
<b>Total Variable Cost (B)</b>	<b>2,250</b>	<b>58,500</b>	<b>702,000</b>
<b>Contribution Margin (CM) [C=(A-B)]</b>	<b>250</b>	<b>6,500</b>	<b>78,000</b>
<b><i>Less: Fixed Cost:</i></b>			
Shop rent		400	4,800
Electricity bill		600	7,200
Salary- own		2,000	24,000
Generator bill		90	1,080
Night Guard bill		90	1,080
Transport		200	2,400
Entertainment		300	3,600
Others		200	2,400
Depreciation Expenses		867	10,400
<b><i>(D) Total Fixed Cost</i></b>		<b>4,747</b>	<b>56,960</b>
<b>(C-D)Net Profit:</b>		<b>1,753</b>	<b>21,040</b>
<b>Cumulative Net Profit:</b>			<b>21,040</b>



# KEY ASSUMPTIONS

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- Sales growth will be 50% in the 1<sup>st</sup> year of capital injection and 10% in every year thereafter.
- Gross Profit on products on an average is 10%.
- Depreciation charged on furniture @ 10% and weight machine, refrigerator @ 20%.

# 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 revenue	3,750	97,500	1,170,000	4,125	107,250	1,287,000	4,538	117,975	1,415,700	4,991	129,773	1,557,270
<b>Total Sales (A)</b>	<b>3,750</b>	<b>97,500</b>	<b>1,170,000</b>	<b>4,125</b>	<b>107,250</b>	<b>1,287,000</b>	<b>4,538</b>	<b>117,975</b>	<b>1,415,700</b>	<b>4,991</b>	<b>129,773</b>	<b>1,557,270</b>
<b>Calculation of Variable Cost:</b>												
<b>Less: Variable Cost:</b>												
Estimated cost of sale	3,375	87,750	1,053,000	3,713	96,525	1,158,300	4,084	106,178	1,274,130	4,492	116,795	1,401,543
<b>Total Variable Cost (B)</b>	<b>3,375</b>	<b>87,750</b>	<b>1,053,000</b>	<b>3,713</b>	<b>96,525</b>	<b>1,158,300</b>	<b>4,084</b>	<b>106,178</b>	<b>1,274,130</b>	<b>4,492</b>	<b>116,795</b>	<b>1,401,543</b>
<b>Contribution Margin (CM) [C=(A-B)]</b>	<b>375</b>	<b>9,750</b>	<b>117,000</b>	<b>413</b>	<b>10,725</b>	<b>128,700</b>	<b>454</b>	<b>11,798</b>	<b>141,570</b>	<b>499</b>	<b>12,977</b>	<b>155,727</b>
<b>Less: Fixed Cost:</b>												
Shop rent		400	4,800		400	4,800		400	4,800		400	4,800
Electricity bill		650	7,800		700	8,400		750	9,000		800	9,600
Salary- own		2,000	24,000		2,500	30,000		3,000	36,000		3,500	42,000
Generator bill		90	1,080		90	1,080		140	1,680		140	1,680
Night Guard bill		90	1,080		100	1,200		100	1,200		100	1,200
Transport		200	2,400		300	3,600		350	4,200		400	4,800
Entertainment		300	3,600		400	4,800		450	5,400		500	6,000
Others		200	2,400		200	2,400		200	2,400		200	2,400
Depreciation Expenses		1,117	13,400		1,117	13,400		1,117	13,400		1,117	13,400
Ownership Transfer Fees		-	-		556	6,667		833	10,000		1,111	13,333
<b>(D) Total Fixed Cost</b>		<b>5,047</b>	<b>60,560</b>		<b>6,362</b>	<b>76,347</b>		<b>7,340</b>	<b>88,080</b>		<b>8,268</b>	<b>99,213</b>
<b>(C-D)Net Profit:</b>		<b>4,703</b>	<b>56,440</b>		<b>4,363</b>	<b>52,353</b>		<b>4,458</b>	<b>53,490</b>		<b>4,709</b>	<b>56,514</b>
<b>Cumulative Net Profit:</b>			<b>56,440</b>			<b>108,793</b>			<b>162,283</b>			<b>218,797</b>

# BREAK EVEN POINT ANALYSIS

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<b>Particulars</b>	<b>Monthly</b>	<b>Yearly</b>
<b>Contribution Margin Ratio: (CM/Sales)</b>	10%	10%
	<b>Break Even Point (BEP):</b>	
	5,047	60,560
	10%	10%
<b>Break Even Point (in BDT.)</b>	<b>50,467</b>	<b>605,600</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 Investor	150,000	-	-	-
Net Profit ( Ownership transfer fee added back)	56,440	59,020	63,490	69,847
Depreciation	13,400	13,400	13,400	13,400
Opening Balance of Cash Surplus	-	69,840	102,260	119,150
<b>Total Cash Inflow</b>	<b>219,840</b>	<b>142,260</b>	<b>179,150</b>	<b>202,397</b>
<b>Cash Outflow</b>				
Purchase of Product	125,000	-	-	-
Weight Machine	5,000			
Furniture, Fixtures & Decoration	20,000			
Investment Pay Back (Including ownership transfer fee)	-	40,000	60,000	80,000
<b>Total Cash Outflow</b>	<b>150,000</b>	<b>40,000</b>	<b>60,000</b>	<b>80,000</b>
<b>Total Cash Surplus</b>	<b>69,840</b>	<b>102,260</b>	<b>119,150</b>	<b>122,397</b>

# OUTCOMES

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- The business will scale up with BDT 310,500 and it is expected that by the end of four years after payback of investor's money the entrepreneur's capital will be BDT 379,297
- The business will serve the community by selling quality and in demand products and strive to improve every year.

# RISK FACTORS

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- Theft
- Local competition
- Political Unrest
- Fire

# RISK MANAGEMENT

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- Night guard deployment;
- keeping adequate sand and ensure source of water;
- Close market watch to compete.





















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**Thank You**