

ASHRAF VARIETIES STORE



BRIEF BIO OF THE ENTREPRENEUR

Name	:	Md. Ashraful Islam
Age	:	31 years
Marital Status and family information	:	Married, Child/ren: 1 son, 1 daughter
Address	:	Vill: Othoinarayon mathari, Post: Bhogiroth mathari, Union: Sorai, Upazila: Kawnia, Dist: Rangpur
Father Mother (Grameen Bank Borrower)	:	Md. Mujibur Rahman Mst. Nobotha Begum Branch name: Mirbag, Rangpur, Centre # 48/Mo, Loan no.: 3773 Member since 1995 Existing Loan – nil, Others Loan: nil
Proposed Salary and utilization	:	Salary, BDT. 6000 will be used to meet his own & family expenses.
Education	:	Hafezi
Experience	:	He has 3 (three) years experience in general retail business. Entrepreneur started his business with BDT 20,000 (twenty thousand) and now it's value is BDT 105,000 (one lac five thousand) .
Source	:	Grameen Telecom Trust (GTT).

EXISTING BUSINESS

Particulars	Existing Business (BDT)		
	Daily	Monthly	Yearly
Estimated sales revenue	1,900	49,400	592,800
Total Sales (A)	1,900	49,400	592,800
Calculation of Variable Cost:			
<i>Less: Variable Cost:</i>			
Estimated cost of sale	1,520	39,520	474,240
Total Variable Cost (B)	1,520	39,520	474,240
Contribution Margin (CM) [C=(A-B)]	380	9,880	118,560
<i>Less: Fixed Cost:</i>			
Shop rent		200	2,400
Electricity bill		650	7,800
Salary- own		6,000	72,000
Salary- Employee (1)		300	3,600
Night guard bill		150	1,800
Others		600	7,200
Depreciation Expenses		792	9,500
<i>(D) Total Fixed Cost</i>		8,692	104,300
(C-D)Net Profit:		1,188	14,260
Cumulative Net Profit:			14,260

PROPOSED BUSINESS BRIEFING

- Business Name : Ashraf Varieties Store
- Shop location: **Amin Bazar, Othoynaraon, Rangpur**
- Total Investment: **BDT 205,000**
 - ❖ Financing
 - ❖ Self BDT 105,000 (from existing business)
 - ❖ Required Investment BDT 100,000 (as equity)
- **Implementation:**

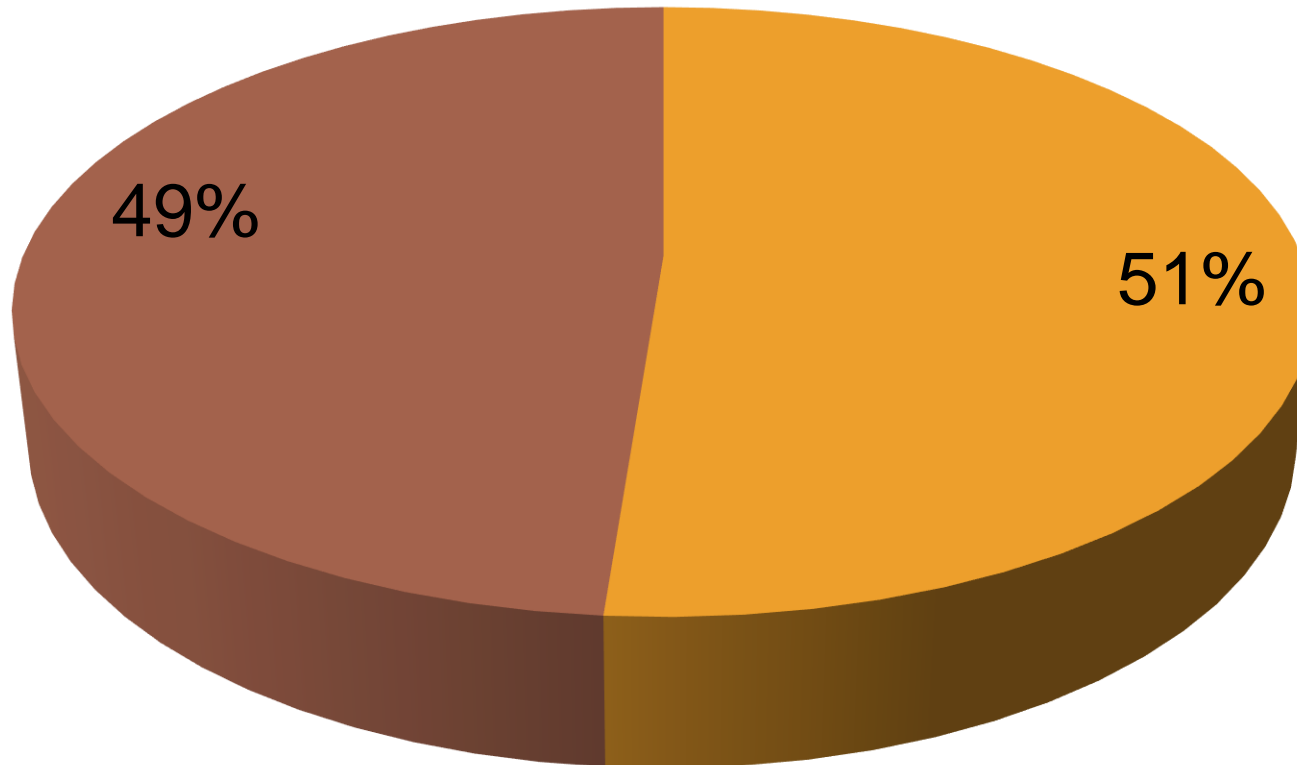
Scaling up with different items of cold drinks, foods, cosmetics, umbrella, school bag, electronic products, shoes etc. targeting break even point within the **first year** & pay back period is estimated to be within **three years**.

INVESTMENT BREAKDOWN

Particulars	Existing Business (BDT)	Proposed (BDT)	Total (BDT)
Cosmetics item	12,000	25,000	37,000
Electronics products	8,000	20,000	28,000
Tea, Sugar, Salt, Oil, Betel leaf	2,000	14,000	16,000
School bag, Torchlight, Key Lock	2,000	2,000	4,000
Footwear items	4,000	20,000	24,000
Mobile battery, Charger, Screen paper	3,500	2,000	5,500
Cigarette	1,000	2,000	3,000
Freezing item (Curd, milk, soft drinks)	5,000	10,000	15,000
Biscuit, Cake	1,500	-	1,500
Umbrella	1,000	-	1,000
Refrigerator	40,000	-	40,000
IPS	20,000	-	20,000
Furniture, Fixtures & Decoration	5,000	5,000	10,000
Total Capital	105,000	100,000	205,000

SOURCE OF FINANCE

- Entrepreneur's Contribution BDT 105000
- Investor's Investment BDT 100000



KEY ASSUMPTIONS

- Sales growth will be 30% in the 1st year of capital injection and 10% in every year thereafter.
- Gross Profit on products on an average is 20%.
- Depreciation charged on furniture @ 15%.

FINANCIAL PROJECTION

Particulars	Year 1 (BDT)			Year 2 (BDT)			Year 3 (BDT)		
	Daily	Monthly	Yearly	Daily	Monthly	Yearly	Daily	Monthly	Yearly
Estimated sales revenue	2,470	64,220	770,640	2,717	70,642	847,704	2,989	77,706	932,474
Total Sales (A)	2,470	64,220	770,640	2,717	70,642	847,704	2,989	77,706	932,474
Calculation of Variable Cost:									
Less: Variable Cost:									
Estimated cost of sale	1,976	51,376	616,512	2,174	56,514	678,163	2,391	62,165	745,980
Total Variable Cost (B)	1,976	51,376	616,512	2,174	56,514	678,163	2,391	62,165	745,980
Contribution Margin (CM) [C=(A-B)]	494	12,844	154,128	543	14,128	169,541	598	15,541	186,495
Less: Fixed Cost:									
Shop rent		200	2,400		200	2,400		200	2,400
Electricity bill		650	7,800		670	8,040		720	8,640
Salary- own		6,500	78,000		6,500	78,000		6,500	78,000
Salary- Employee (1)		300	3,600		500	6,000		500	6,000
Night guard salary		150	1,800		150	1,800		150	1,800
Others		600	7,200		600	7,200		600	7,200
Depreciation Expenses		833	10,000		833	10,000		833	10,000
Ownership Transfer Fees		-	-		694	8,333		972	11,667
(D) Total Fixed Cost		9,233	110,800		10,148	121,773		10,476	125,707
(C-D)Net Profit:		3,611	43,328		3,981	47,767		5,066	60,788
Cumulative Net Profit:			43,328			91,095			151,884

CASH FLOW (REC. & PAY.)

<i>Particulars</i>	<i>Year 1 (BDT)</i>	<i>Year 2 (BDT)</i>	<i>Year 3 (BDT)</i>
Cash Inflow			
Investment Infusion by Investor	100,000	-	-
Net Profit (Added back Ownership transfer fee)	43,328	56,101	72,455
Depreciation	10,000	10,000	10,000
Opening Balance of Cash Surplus	-	53,328	69,429
Total Cash Inflow	153,328	119,429	151,884
Cash Outflow			
Purchase of Products	95,000	-	-
Furniture, Fixtures & Decoration	5,000	-	-
Investment Pay Back (Including Ownership transfer fee)	-	50,000	70,000
Total Cash Outflow	100,000	50,000	70,000
Total Cash Surplus	53,328	69,429	81,884

BREAK EVEN POINT ANALYSIS

Particulars	Monthly	Yearly
Contribution Margin Ratio: (CM/Sales)	20%	20%
Break Even Point (BEP)	9,233	110,800
	20%	20%
Break Even Point (in BDT.)	46,167	554,000

SWOT ANALYSIS

Strength

1. Employment- self-1, Family-0, Others-1;
2. Experience and skill;
3. Quality products;
4. He has permanent retail customer;
5. Trade license & ownership in own name;
6. Good reputation.

Weakness

1. Credit sales;
2. Systematic record keeping.

Opportunity

1. Fixed customer;
2. Location of business;
3. Employment creation;
4. It is expected that by the end of three years after payback of investor's money the entrepreneur's capital will be BDT **256,884** .

Threat

1. Local competitor;
2. Fire;
3. Seasonal effects.







Thank You