

PAN SUPARI STORE

BRIEF BIO OF THE ENTREPRENEUR

Name	:	Bidhan Chandra Sarkar
Age	:	33 years
Address	:	Village: Krishnopur, Upazila: Mithapukur, District: Rangpur
Mother (<i>Grameen Bank Borrower</i>)	:	Mrs. Kadhambini Sarkar, Mithapukur, Centre # 35Mo, Loan no.: 7917, Member since 2005 Existing Loan – BDT 20,000, Outstanding- 17,000
Education	:	Class Five
Experience	:	5 (Five) years experience in selling Pan (Betel Leaf) and Supari (Areca Nut). Entrepreneur started his business with BDT 2,000 and now it's value is BDT 260,000.

BUSINESS BRIEFING

- Business Name: ***Pan Supari Store***
- Shop location: Krishnopur, Mithapukur, Rangpur
- Total Investment: **BDT 460,000**
 - ❖ Financing
 - ❖ Self BDT 260,000 (from existing business)
 - ❖ Required Investment BDT 200,000 (as equity)
- **Implementation:**

The business is going to be scaled up with pan and supari and other related items targeting break even point within the **first year** & pay back period is estimated to be **four years**.

OBJECTIVES

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

ADDITIONAL INFORMATION

- Salary will be used for his family (5 members) expenses;
- He has trade license & ownership in his own name;
- GB loan taken for his business;
- He has to provide GB loan installment from his business;
- Maintains regular records of business transactions.

INVESTMENT BREAKDOWN

Particulars	Existing Business (BDT)	Proposed (BDT)	Total (BDT)
Investment in Goods	150,000	200,000	350,000
Stock of Goods-Supari	100,000	-	100,000
Furniture, Fixtures & Decoration	10,000	-	10,000
Total Capital	260,000	200,000	460,000

MEANS OF FINANCE

Particulars	Amount (Tk.)	%
Entrepreneur's Contribution	260,000	57%
Investor's Investment	200,000	43%
Total	460,000	100%

EXISTING BUSINESS

Particulars	Existing Business (BDT)		
	Daily	Monthly	Yearly
Estimated Revenue	8,000	208,000	2,496,000
Total Sales (A)	8,000	208,000	2,496,000
<i>Less: Variable Cost:</i>			
Estimated Cost of Sale	7,200	187,200	2,246,400
Total Variable Cost (B)	7,200	187,200	2,246,400
Contribution Margin (CM) [C=(A-B)]	800	20,800	249,600
<i>Less: Fixed Cost:</i>			
Electricity bill		400	4,800
Salary- own		12,000	144,000
Others		200	2,400
Depreciation Expenses		167	2,000
Ownership Transfer Fees		-	-
(D) Total Fixed Cost	426	12,767	153,200
(C-D)Net Profit:		8,033	96,400

KEY ASSUMPTIONS FOR FORECASTING

- Sales growth will be 40% in 1st year and 10% in every year after introducing additional investment.
- Gross Profit on products on an average is estimated to be 10%.
- Depreciation has been charged on fixed assets at the rate of 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 Revenue	11,200	291,200	3,494,400	12,320	320,320	3,843,840	13,552	352,352	4,228,224	14,907	387,587	4,651,046
Total Sales (A)	11,200	291,200	3,494,400	12,320	320,320	3,843,840	13,552	352,352	4,228,224	14,907	387,587	4,651,046
<i>Less: Variable Cost:</i>												
Estimated Cost of Sale	10,080	262,080	3,144,960	11,088	288,288	3,459,456	12,197	317,117	3,805,402	13,416	348,828	4,185,942
Total Variable Cost (B)	10,080	262,080	3,144,960	11,088	288,288	3,459,456	12,197	317,117	3,805,402	13,416	348,828	4,185,942
Contribution Margin (CM) [C=(A-B)]	1,120	29,120	349,440	1,232	32,032	384,384	1,355	35,235	422,822	1,491	38,759	465,105
<i>Less: Fixed Cost:</i>												
Electricity bill		400	4,800		400	4,800		450	5,400		450	5,400
Salary- own		12,000	144,000		13,000	156,000		14,000	168,000		15,000	180,000
Others		400	4,800		400	4,800		400	4,800		400	4,800
Depreciation Expenses		167	2,000		167	2,000		167	2,000		167	2,000
Ownership Transfer Fees		-	-		833	10,000		1,250	15,000		1,250	15,000
(D) Total Fixed Cost		12,967	155,600		14,800	177,600		16,267	195,200		17,267	207,200
(C-D)Net Profit:		16,153	193,840		17,232	206,784		18,969	227,622		21,492	257,905
Cumulative Net Profit:			193,840			400,624			628,246			886,151

BREAK EVEN POINT ANALYSIS

Particulars	Monthly	Yearly
Contribution Margin Ratio: (CM/Sales)	10%	10%
Break Even Point (BEP):	12,967	155,600
	10%	10%
Break Even Point (in Tk.)	129,667	1,556,000

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	-	200,000	-	-	-
Net Profit (ownership transfer fee added back)	96,400	193,840	216,784	242,622	272,905
Depreciation	2,000	2,000	2,000	2,000	2,000
Opening Balance of Cash Surplus	-	98,400	294,240	453,024	607,646
Total Cash Inflow	98,400	494,240	513,024	697,646	882,551
Cash Outflow					
Purchase of Product	-	200,000	-	-	-
Investment Pay Back (including ownership transfer fee)	-	-	60,000	90,000	90,000
Total Cash Outflow	-	200,000	60,000	90,000	90,000
Total Cash Surplus	98,400	294,240	453,024	607,646	792,551

OUTCOMES

- The business will start with BDT 460,000 and it is expected that by the end of four years after payback of investor's money the entrepreneur's capital will be BDT **11,46,000**.
- The business will serve the community by selling quality and in demand products and strive to improve every year.

RISK FACTORS

- Theft
- Local competition
- Political unrest

RISK MANAGEMENT

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

PICTURE









Thank You