

MAA DECORATOR AND SOUND SERVICE



BRIEF BIO DATA OF THE ENTREPRENEUR

Name	:	Md. Apple Mahmud
Date of Birth	:	30 years
Address	:	Vill: Uttar Shathalia, Post: Munshir Hat, Upojela: Shaghata, District: Gaibandha.
Mother <i>(Grameen Bank Borrower)</i>	:	Mrs. Sherin Begum, Shaghata, Gaibandha, Centre # 47/4, Loan no.: 5513/1, Group: 3 Member since 2011 Existing Loan – BDT 16,000 Outstanding- 8026
Education	:	SSC Pass
Experience	:	04 (Four) years experience in digital studio, decorator and computer related service business. Entrepreneur started his business with BDT 50,000 (fifty thousand) and now it's value is BDT 2,10,000 (Two lacs ten thousand)

BUSINESS BRIEFING

- Proposed Business : Maa Decorator and Digital Studio
- Shop location: Munshir Hat
- Total Investment: **BDT 410,000**
 - ❖ Financing
 - ❖ Self BDT 210,000 (from existing business)
 - ❖ Required Investment BDT 200,000 (as equity)
- **Implementation:**

The business will start with different items and services such as grocery product, cosmetic items, food items (for children) etc. targeting break even point within the **first year** & pay back period is estimated to be within **four year**.

OBJECTIVES

- 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 & service to meet demand in the community;
- Contribute in improving socio-economic condition.

INVESTMENT BREAKDOWN

Particulars	Existing Business (BDT)	Proposed (BDT)	Total (BDT)
Investment in Mobile Accessories	21,000	-	21,000
Investment in Mobile sets	-	50,000	50,000
Investment in bkaash	8,000	18,000	26,000
Investment in Flexi-Load	7,000	2,000	9,000
Sound system & Decorator Equipments	101,400	110,000	211,400
Computer, Printer, Camera	48,600	-	48,600
Furniture, Fixtures & Decoration	4,000	20,000	24,000
Advance Rent for Shop	20,000	-	20,000
Total Capital	210,000	200,000	410,000

MEANS OF FINANCE

Particulars	Amount (Tk.)	%
Entrepreneur's Contribution	210,000	51%
Investor's Investment	200,000	49%
Total	410,000	100%

EXISTING BUSINESS

Particulars	EB (BDT)		
	Daily	Monthly	Yearly
Est. Income from Decoration	200	6,000	72,000
Est. Income from Mobile Servicing, Multimedia, Accessories	383	11,500	138,000
Est. Income from Photo, printing, laminating	27	800	9,600
Est. Income from Mobile sale			
Est. commission from bkaash	179	5,000	60,000
Est. commission from Flexi-Load	54	1,500	18,000
Total Sales (A)	842	24,800	297,600
Calculation of Variable Cost:			
Less: Variable Cost:			
Est. Cost of Decoration (Repair, labor etc)	150	4,200	50,400
Est. cost of Mobile Servicing, Multimedia, Accessories	308	8,625	103,500
Est. cost of Photo, printing, laminating	23	656	7,872
Est. cost of Mobile sale			
Total Variable Cost (B)	481	13,481	161,772
Contribution Margin (CM) [C=(A-B)]	361	11,319	135,828
Less: Fixed Cost:			
Shop Rent		500	6,000
Electricity bill		700	8,400
Solar Panel Rent		370	4,440
Salary		6,000	72,000
Entertainment		-	-
Depreciation Expenses		2,257	27,080
Ownership Transfer Fees		-	-
(D) Total Fixed Cost		9,827	117,920
(C-D)Net Profit:		1,492	17,908

KEY ASSUMPTIONS (I/S)

- Sales growth will be 15% (for existing products) in the 1st year of additional capital injection and 10% in every year thereafter.
- Gross Profit on products on an average is 43%.
- Salary of entrepreneur will be increased in every year within the range of 10% to 12%.
- 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
Est. Income from Decoration	250	7,000	84,000	275	7,700	92,400	303	8,470	101,640	333	9,317	111,804
Est. Income from Mobile Servicing, Multimedia, Accessories	479	13,417	161,000	527	14,758	177,100	580	16,234	194,810	638	17,858	214,291
Est. Income from Photo, printing, laminating	33	933	11,200	37	1,027	12,320	40	1,129	13,552	44	1,242	14,907
Est. Income from Mobile sale		8,000	96,000	-	8,800	105,600	-	9,680	116,160	-	10,648	127,776
Est. commission from bkaash	223	6,250	75,000	246	6,875	82,500	270	7,563	90,750	297	8,319	99,825
Est. commission from Flexi-Load	67	1,875	22,500	74	2,063	24,750	81	2,269	27,225	89	2,496	29,948
Total Sales (A)	1,053	37,475	449,700	1,158	41,223	494,670	1,274	45,345	544,137	1,401	49,879	598,551
Calculation of Variable Cost:												
Less: Variable Cost:												
Est. Cost of Decoration (Repair, labor etc)	175	4,900	58,800	193	5,390	64,680	212	5,929	71,148	233	6,522	78,263
Est. cost of Mobile Servicing, Multimedia, Accessories	359	10,063	120,750	395	11,069	132,825	435	12,176	146,108	478	13,393	160,718
Est. cost of Photo, printing, laminating	27	765	9,184	30	842	10,102	33	926	11,113	36	1,019	12,224
Est. cost of Mobile sale		5,600	67,200	-	6,160	73,920	-	6,776	81,312	-	7,454	89,443
Total Variable Cost (B)	562	21,328	255,934	618	23,461	281,527	680	25,807	309,680	748	28,387	340,648
Contribution Margin (CM) [C=(A-B)]	491	16,147	193,766	540	17,762	213,143	594	19,538	234,457	653	21,492	257,903
Less: Fixed Cost:												
Shop Rent		500	6,000		600	7,200		700	8,400		800	9,600
Electricity bill		800	9,600		900	10,800		1,000	12,000		1,000	12,000
Solar Panel Rent		370	4,440		370	4,440		370	4,440		370	4,440
Salary		6,000	72,000		6,000	72,000		7,000	84,000		8,000	96,000
Depreciation Expenses		4,423	53,080		4,423	53,080		4,423	53,080		4,423	53,080
Ownership Transfer Fees		-	-		833	10,000		833	10,000		1,667	20,000
(D) Total Fixed Cost		12,093	145,120		13,127	157,520		14,327	171,920		16,260	195,120
(C-D)Net Profit:		4,054	48,646		4,635	55,623		5,211	62,537		5,232	62,783
Cumulative Net Profit:	48,646			104,269			166,805			229,588		

BREAK EVEN POINT ANALYSIS

Particulars	Monthly	Yearly
Contribution Margin Ratio: (CM/Sales)	43%	43%
Break Even Point (BEP):	12,093	145,120
	43%	43%
Break Even Point (in Tk.)	28,067	336,800

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	17,908	48,646	65,623	72,537	82,783
Depreciation	27,080	53,080	53,080	53,080	53,080
Opening Balance of Cash Surplus	-	44,988	146,714	205,417	271,033
Total Cash Inflow	44,988	346,714	265,417	331,033	406,896
Cash Outflow					
Purchase of Product	-	160,000	-	-	-
Investment in bikes	-	20,000	-	-	-
Decoration (Fixtures and Fittings)	-	20,000	-	-	-
Investment Pay Back	-	-	60,000	60,000	80,000
Total Cash Outflow	-	200,000	60,000	60,000	80,000
Total Cash Surplus	44,988	146,714	205,417	271,033	326,896

OUTCOMES

- The business will start with BDT 410,000 and it is expected that by the end of four years after payback of investor's money the entrepreneur's capital will be BDT **439,588**.
- 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
- Fire

RISK MANAGEMENT

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

**PHOTO
EXHIBITION**













Thank You