



Vision /Mission:

- Annually thousands of poor (landless and jobless) people are engaged as (temporary) daily labors in the salt industry in the Southern part of Bangladesh, specifically in the Bharuakhali region.
- Salt is cultivated by using natural brines (water containing a high concentration of salt) along with the sun's heat for extraction. The business is very profitable and risk-free. Yet, millions of Bangladeshi Taka's are siphoned out of the area due to the activities of dishonest salt traders and middlemen, and most importantly because of the absence of a much needed (environmental friendly) salt processing factory in the region managed by the local people.
- Poor and landless labors are forced to take loans to rent land for salt cultivation (growing salt) trapping them in a system of repaying loans at high interest rates (in money or salt). Due to lack of sufficient storage space, salt growers are forced to sell their products immediately to middlemen at a low market price.
- Draining natural resources and capital out of the Southern region and the exploitation of local labors, trap the people in the Bharuakhali area in a spiral of never ending poverty and as a consequence, deprives the total region of urgent required and essential commercial and social development.
- Salt cultivation will create (direct or indirect) employment for thousands of people in the region (directly contributing to much needed regional development) and will assure a fair trade agreement with the 'salt growers' by putting an end to the exploitative system controlled by the middleman. Therefore a 'Salt Grower's Association' (Lobon Chashi Shamity) will be formed under the umbrella of a social business (trade company) to protect all labor rights.

Business objective:

- To end the exploitation of salt cultivators by middlemen,
- To provide job opportunities and job sustainability,
- To encourage and assist local entrepreneurs,
- To provide the local people of the Bharuakhali region with the opportunity to actively participate in the local economical system (by earning an income local people will be capable to pay fair prices for the goods and services they receive).



What social problem is it addressing?

- Joblessness and poverty,
- Exploitation by salt trading middlemen,
- System whereby poor people are forced to take loans to rent land for salt cultivation (growing salt), trapping them in a practice of repaying loans at high interest rates (in money or salt),
- Deprivation of the much needed and urgent economical and social development of the Bharuakhali region



How can it be overcome?

- The Social Business creates jobs and pays fair wages to those people currently being exploited by middlemen,
- The "Salt Grower's Association" (Lobon Chashi Shamity) has a significant role in the daily management of the Social Business,
- The Social Business leases the land for salt cultivation at a correct price from the local land owners, but sub-leases the same land to poor labors at a reduced rate (20% of the actual lease agreement),
- The Social Business buys crude salt from the labors at a fair market price, and sells it with a the highest profit possible, to the industries,
- The Social Business provides permanent storage facilities where crude salt is stored until market prices are higher and salt can be sold with a higher profit. Part of the storage space is rented out to salt labors, deprived of the opportunity to store their own salt production.

EMPLOYMENT OPPORTUNITY:

- Jobs and permanent source of income for the poor and jobless in the southern region of Bangladesh through fair wages, job security and promotion of private enterprises.

SOCIAL IMPACT:

Percentage of the surplus money will be used:

- To set up a pension scheme for employees directly engaged with the Social Business,
- To provide funds to develop the education system of the Dipshikha Academy Complex (a local primary & secondary school), and to organize scholarships for the children of the salt labors involved in the Social Business enrolled in the above said school,
- To sponsor a regional 'Health Care Centre for Women and Children' where labors and people from Bharuakhali receive affordable and good health care (set up in cooperation with the ICPD, the Hope Foundation Hospital and WHO)



THE DIRECT SOCIAL IMPACT:

- Better living standard for the people employed by the Social Business (and their respective families) by (a) providing a dignified source of income, (b) job security and (c) a pension scheme,
- Improvement of the local education and health system,
- Development of the Bharuakhali area

Location:

- Bharuakhali (25 KM northeast of Cox's Bazar)

Market and competitors:

- Conventional business:
 - No such salt factory and permanent salt storage space in the region proposed.
 - Competitors are mainly middlemen who exploit the local salt farmers.
- Social business:
 - No such operating social business in the region.

Particulars	2013	2014	2015	2016	2017
CAPITAL INVESTMENT:					
Office Equipment	155,000	85,000	75,000	-	-
Computer	35,000	35,000	-	-	-
Printer & Photocopier	20,000	-	-	-	-
Furniture & Fixture	50,000	50,000	25,000	-	-
Refrigerator	50,000	-	50,000	-	-
Car & Project Boat	-	-	-	-	-
Motor bike	-	120,000	130,000	-	-
Working Capital (C+D)	7,470,000	8,881,250	9,422,500	10,355,000	10,602,500
Purchases of RM (maunds/crude salt) 25%	2,000,000	3,106,250	3,262,500	3,875,000	4,062,500
Total Expenditure:	5,470,000	5,775,000	6,160,000	6,480,000	6,540,000
Salary & Allowances:	800,000	850,000	850,000	950,000	1,000,000
Training Expenses	50,000	60,000	60,000	75,000	75,000
Travelling Expenses	50,000	60,000	60,000	65,000	75,000
Land lease 200 acres	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Ware house making for salt	1,800,000	2,000,000	2,200,000	2,200,000	2,200,000
Land rent for 40 decimale for salt storage	120,000	130,000	140,000	140,000	140,000
Carriage cost	500,000	500,000	600,000	700,000	800,000
Administrative Expenses	150,000	175,000	250,000	350,000	250,000
Total investment cost in a year:	7,625,000	8,966,250	9,497,500	10,355,000	10,602,500
(A+B)					

Particulars	2013	2014	2015	2016	2017
Production capacity on Mound	100000	125000	125000	150000	150000
% on production	85%	85%	90%	90%	90%
Production in Mound	85000	106000	112000	135000	135000
	BDT: 250/=	BDT: 255/=	BDT: 260/=	BDT: 260/=	BDT: 265/=
Selling price per mound Tk. 250	21,250,000	27,030,000	29,120,000	35,100,000	35,775,000
	21,250,000	27,030,000	29,120,000	35,100,000	35,775,000
Raw materials					
Per unit cost	BDT: 120/=	BDT: 125/=	BDT: 130/=	BDT: 130/=	BDT: 135/=
Purchases of RM (maunds/crude salt)	12000000	15625000	16250000	19500000	20250000
EXPENDITURE:					
Salary & Allowances:	1,600,000	1,750,000	1,850,000	1,850,000	1,900,000
Festival Bonus	133,333	145,833	154,167	154,167	158,333
Training Expenses	50,000	60,000	60,000	75,000	70,000
Travelling Expenses	150,000	150,000	150,000	150,000	150,000
Land lease 200 acres	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Ware house making for salt	1,800,000	2,000,000	2,200,000	2,200,000	2,500,000
Land rent for 40 decimale for salt storage	120,000	130,000	140,000	140,000	150,000
Carriage cost	1,200,000	1,500,000	1,500,000	1,800,000	1,800,000
Administrative Expenses	150,000	250,000	325,000	450,000	500,000
	19,203,333	23,610,833	24,629,167	28,319,167	29,478,333
Net Income	2,046,667	3,419,167	4,490,833	6,780,833	6,296,667
Break even point			1st Year		
Pay back period				6.5 Years	