

Ma Telecom and Electronics



Brief Bio of the Entrepreneur

Name	:	Md. Liton Mia
Father's Name	:	
Age:	:	25 years
Marital status	:	Unmarried
Address	:	Vill: Imadpur, charpara Post: Adarhat, Union: 17 no. union, Upazila: Mithapukur, Dist: Rangpur.
Father Mother (Grameen Bank Borrower)	:	Mohammad Ali Mst. Duleha Begum Loan ID: 1023/1, Center : 1/mo, Branch Name: Imadpur, Mithapukur Member since: 02/03/2002 GB loan-BDT 67,000 (GB loan is used for his elder brother's education) Outstanding balance- 39,500 Others Loan -nil.
Utilization of salary	:	Salary, BDT. 4,500, will be used to meet his own & family expenses and part of GB loan.
Educational	:	Class Eight
Experience	:	Entrepreneur has 10 (ten) years experience in mobile servicing, parts and accessories business. Business started in 2005 with BDT 8,000 . Now its value is BDT 45,000 .
Source	:	Grameen Telecom Trust (GTT).

Existing Business

Particulars	EB (BDT)		
	Daily	Monthly	Yearly
Estimated Sales of Mobile Parts & Mobile Accessories	200	5,200	62,400
Mobile Servicing	300	7,800	93,600
Total Sales (A)	500	13,000	156,000
<u>Less: Variable Cost:</u>			
Est. Cost of Mobile Parts	150	3,900	46,800
Est. Cost of Mobile Servicing	60	1,560	18,720
Total Variable Cost (B)	210	5,460	65,520
Contribution Margin (CM) [C=(A-B)]	290	7,540	90,480
<u>Less: Fixed Cost:</u>			
Shop Rent		300	3,600
Salary (Self), including part of GB loan payback		4,500	54,000
Electricity bill		300	3,600
Night Guard bill		300	3,600
Ownership Transfer Fee		-	-
Depreciation Expenses		417	5,000
Other Expenses		200	2,400
(D) Total Fixed Cost		6,017	72,200
(C-D) Net Profit:		1,523	18,280

Proposed Business Briefing

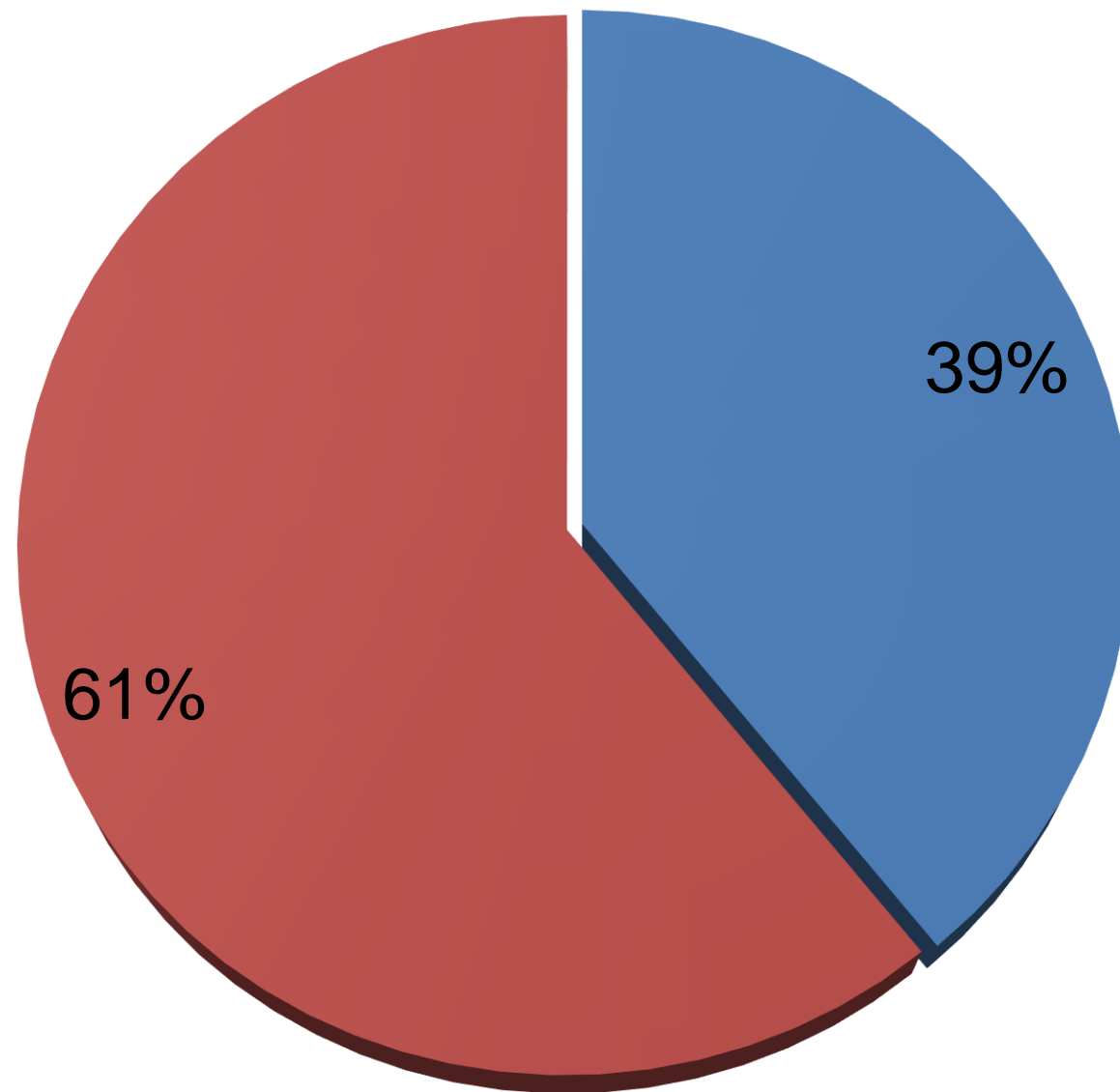
• Business Name	:	<i>Ma Telecom and Electronics</i>
• Location	:	Adarhat, Mithapukur, Rangpur.
• Total Investment	:	BDT 115,000/-
• Financing	:	<ul style="list-style-type: none">➤ Entrepreneur BDT- 45,000/-(EB)➤ Investor BDT- 70,000/-(As Equity)
• Implementation	:	
<p>The business will scale up with different types of mobile parts such as display, touch screen and mobile accessories. It targets to break even point within first year and pay back period is estimated to be three (03) years.</p>		

INVESTMENT BREAKDOWN

Particulars	Existing Business (BDT)	Proposed (BDT)	Total (BDT)
Battery and charger	10,000	8,000	18,000
Head phone, display, ribbon, touch screen and other mobile accessories	6,500	20,000	26,500
Investment in Nokia device, china device & Samsung device	-	22,000	22,000
Advance Shop Rent	10,000	-	10,000
Mobile Servicing Equipment (Hot gan, Power supply, Quick charger, metre etc)	1,500	-	1,500
Computer	15,000	-	15,000
Decoration	2,000	20,000	22,000
Total Capital	45,000	70,000	115,000

Source of Finance

■ Entrepreneur's Contribution BDT 45,000 ■ Investor's Investment BDT 70,000



Key Assumptions:

- Sales growth will be 70% of mobile parts and 30% of servicing in 1st year of injecting additional investment and 10% thereafter.
- Gross profit margin is calculated @ 54% on an average.
- Depreciation has been charged @10% on decoration, @ 20% on mobile servicing equipment and @30% on laptop.

Financial Projection

Particulars	Year 1 (BDT)			Year 2 (BDT)			Year 3 (BDT)		
	Daily	Monthly	Yearly	Daily	Monthly	Yearly	Daily	Monthly	Yearly
Estimated Sales of Mobile Parts & Mobile Accessories	340	8,840	106,080	374	9,724	116,688	411	10,696	128,357
Mobile Servicing	390	10,140	121,680	429	11,154	133,848	472	12,269	147,233
Total Sales (A)	730	18,980	227,760	803	20,878	250,536	883	22,966	275,590
Less: Variable Cost:									
Est. Cost of Mobile Parts	255	6,630	79,560	281	7,293	87,516	309	8,022	96,268
Est. Cost of Mobile Servicing	78	2,028	24,336	86	2,231	26,770	94	2,454	29,447
Total Variable Cost (B)	333	8,658	103,896	366	9,524	114,286	403	10,476	125,714
Contribution Margin (CM) [C=(A-B)]	397	10,322	123,864	437	11,354	136,250	480	12,490	149,875
Less: Fixed Cost:									
Shop Rent		400	4,800		400	4,800		500	6,000
Salary (Self), including part of GB loan payback		4,500	54,000		5,000	60,000		5,500	66,000
Electricity bill		400	4,800		500	6,000		800	9,600
Night Guard bill		300	3,600		300	3,600		300	3,600
Ownership Transfer Fee		-	-		333	4,000		833	10,000
Depreciation Expenses		584	7,000		584	7,000		584	7,000
Other Expenses		300	3,600		400	4,800		500	6,000
(D) Total Fixed Cost	-	6,484	77,800	-	7,517	90,200	-	9,017	108,200
(C-D)Net Profit:	-	3,838	46,064	-	3,837	46,050	-	3,472	41,675
Cumulative Net Profit:			46,064			92,114			133,790

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 Entrepreneur	-	-	-
Investment Infusion by Investor	70,000	-	-
Net Profit (ownership transfer fee added back 2nd & 3rd year)	46,064	50,050	51,675
Depreciation Expenses	7,000	7,000	7,000
Opening Balance of Cash Surplus	-	53,064	86,114
Total Cash Inflow	123,064	110,114	144,790
Cash Outflow			
Payment for battery and charger	8,000	-	-
Head phone, display, ribbon, touch screen and other mobile accessories	20,000		
Investment in Nokia device, china device & samsung device	22,000		
Payment for Decoration	20,000		
Payback to Grameen Bank Outstanding Loan	-	-	-
Investment Pay Back including ownership transfer fee	-	24,000	60,000
Total Cash Outflow	70,000	24,000	60,000
Total Cash Surplus	53,064	86,114	84,790

Break even analysis

Particulars	Monthly	Yearly	
Contribution Margin Ratio: (CM/Sales)	54%	54%	
	Break Even Point (BEP):	6,484	77,800
	54%	54%	
Break Even Point (BDT)	11,923	143,058	

SWOT Analysis

Strength:

1. Employment: self-1, family-0, others-0
2. Provide quality services
3. Skill and Experience
4. Trade license & ownership in own name.

Weakness:

1. Credit sales

Opportunity:

1. Demand of products
2. Regular customer
3. Capital of entrepreneur will be Tk. 178,800 after 3 years

Threat:

1. Local competitors
2. Obsolete of products
3. Fire

Pictures









Thank You

