

# Proposed NU Business Name : Rifat Store



# ***BRIEF BIO OF THE PROPOSED NOBIN UDYOKTA***

|  |   |   |
|--|---|---|
| Name and address   | : | Md. Ripon Mia<br>Vill: Chondipur, Post: Mirbag,<br>Upazila: Kawnia, District: Rangpur   |
| Age  | : | 19 Years  |
| Marital status   | : | unmarried   |
| Children   | : | N/A   |
| No. of siblings:   | : | 2 (two) brothers and 1 (one) sister   |
| Parent's and GB related Info<br>(i) Who is GB member<br>(ii) Mother's name<br>(iii) Father's name<br>(iv) GB member's info   | : | Mother <input checked="" type="checkbox"/> Father <input type="checkbox"/><br>Mst. Moyna Begum<br>Md. Zainul Abedin<br>Branch: Mirbag, Centre # 25/mo, Loan no.: 3608/1,<br>Member since: March 14, 2009, First loan: Tk. 5,000,<br>Existing loan: 10,000, Outstanding: 5,000 |
| Further Information:<br>(v) Who pays GB loan installment<br>(vi) Mobile lady<br>(vii) Grameen Education Loan<br>(viii) Any other loan like GCCN, GKF etc.<br>(ix) Others | : | Mother pays GB loan installment<br>No<br>Nil<br>Nil<br>Nil  |
| Education, till to date  | : | SSC   |

## ***BRIEF BIO OF THE PROPOSED NOBIN UDYOKTA (CONT...)***

|   |   |  |
|---|---|--|
| Present Occupation(Besides own business, i.e., persuading further studies, other business etc.)   | : | Nil  |
| Business Experiences and Training Info (years of experience, if s/he received any on- hand training, formal training, working experience as an apprentice etc.) | : | The entrepreneur is running the business from last 3 (three) years. His father started the business 5 (five) years back with BDT 15,000.<br>He has no training |
| Other Own/Family Sources of Income  | : | Father's income from stock business (paddy, rice, jute) and agriculture.   |
| Other Own/Family Sources of Liabilities   | : | Nil  |
| Contact number  | : | 01789299739  |
| National ID number  | : | 19968514240011082  |
| NU Project Source/Reference   | : | Grameen Telecom Trust  |

# ***BRIEF HISTORY OF GB LOAN UTILIZATION BY FAMILY***

- Entrepreneur's mother is a GB member since March 14, 2009. At first she took GB loan BDT 5,000 (Five thousand).
- Gradually she took GB loan several times and utilized it by assisting her husband in grocery & stock business.
- GB loan helped her to improve her economic condition and livelihood.

# ***PROPOSED NOBIN UDYOKTA BUSINESS INFO***

|  |   |  |
|--|---|--|
| Business Name  | : | <b><i>Rifat Store</i></b>  |
| Address/ Location  | : | Mirbag bazar, Kawnia, Rangpur  |
| Total Investment in BDT  | : | <b>BDT 450,000</b>   |
| Financing  | : | Self BDT <b>250,000</b> (from existing business)<br>Required Investment BDT <b>200,000</b> (as equity) |
| Present salary/drawings from business (estimates)  | : | BDT <b>12,000</b> (twelve thousand)  |
| Proposed Salary  | : | BDT <b>13,000</b> (thirteen thousand)  |
| Proposed Business Implementation Plan<br>(i) % of present gross profit margin<br>(ii) Estimated % of proposed gross profit margin<br>(iii) In future risk mgt. plan (from fire, disaster etc.) | : | (i) On average <b>10%</b><br><br>(ii) On average <b>10%</b>  |

# **INFO ON EXISTING BUSINESS OPERATIONS**

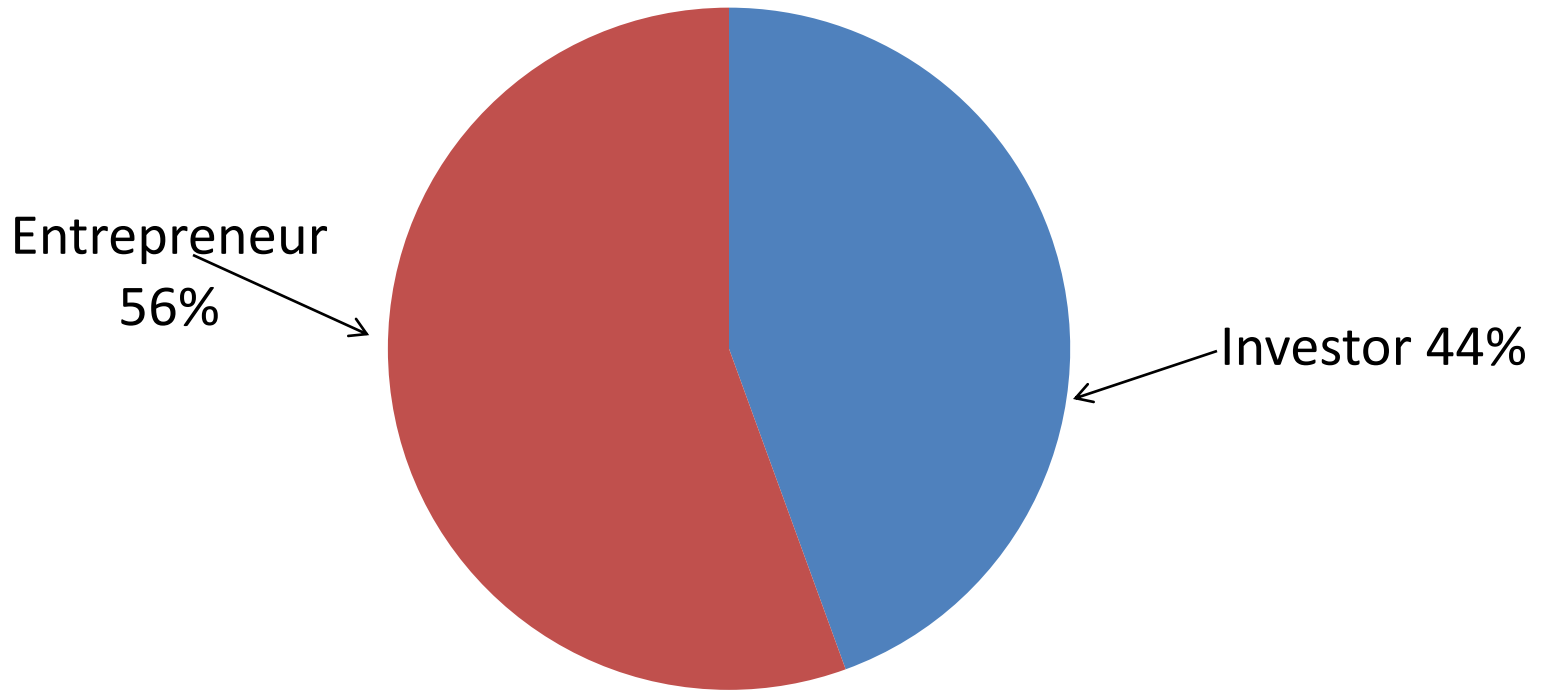
| Particulars                        | Existing Business (BDT) |               |                |
|------------------------------------|-------------------------|---------------|----------------|
|                                    | Daily                   | Monthly       | Yearly         |
| Sales (A)                          | 8,000                   | 208,000       | 2,496,000      |
| <b>Less: Cost of sales (B):</b>    | 7,200                   | 187,200       | 2,246,400      |
| <b>Gross profit (GP) [C=(A-B)]</b> | <b>800</b>              | <b>20,800</b> | <b>249,600</b> |
| <b>Less: Operating Costs:</b>      |                         |               |                |
| Electricity bill                   |                         | 850           | 10,200         |
| Generator bill                     |                         | 900           | 10,800         |
| Shop Rent (own)                    |                         | -             | -              |
| Night guard bill                   |                         | 200           | 2,400          |
| Transportation                     |                         | 900           | 10,800         |
| Entertainment                      |                         | 800           | 9,600          |
| Mobile bill                        |                         | 400           | 4,800          |
| Present salary                     |                         | 12,000        | 144,000        |
| Other Expenses                     |                         | 200           | 2,400          |
| <b>Non Cash Item:</b>              |                         |               |                |
| Depreciation Expenses              |                         | 250           | 3,000          |
| <b>Total Operating Cost (D)</b>    |                         | <b>16,500</b> | <b>198,000</b> |
| <b>(C-D)Net Profit:</b>            |                         | <b>4,300</b>  | <b>51,600</b>  |

# ***PRESENT & PROPOSED INVESTMENT BREAKDOWN***

| <b>Particulars</b>   | <b>Existing Business (BDT) (1)</b> | <b>Proposed (BDT) (2)</b> | <b>Total (BDT) (1+2)</b> |
|--|------------------------------------|---------------------------|--------------------------|
| <b>Investments in different categories:</b>  |                                    |                           |                          |
| Grocery items (Rice, Flour, Puffed rice, Oil, Sugar, Tea, Vermicelli, Pulse, Salt, Spices, Packet milk, Soap, Body lotion, Toothbrush, Toothpaste, Soft drinks, Biscuit, Cheeps, Torch light, Stationary, Firebox, Rope, Coil, Bag etc.) | 220,000                            | 200,000                   | 420,000                  |
| Furniture and decoration   | 30,000                             | -                         | 30,000                   |
| <b>Total Capital</b>   | <b>250,000</b>                     | <b>200,000</b>            | <b>450,000</b>           |

# *SOURCE OF FINANCE*

- Investor's Investment BDT 200,000
- Entrepreneur's Contribution BDT 250,000
- Total Capital BDT 450,000





# FINANCIAL PROJECTION OF NU BUSINESS PLAN

| Particulars                             | Year 1 (BDT) |               |                | Year 2 (BDT) |               |                | Year 3 (BDT) |               |                |
|---|--------------|---------------|----------------|--------------|---------------|----------------|--------------|---------------|----------------|
|   | Daily        | Monthly       | Yearly         | Daily        | Monthly       | Yearly         | Daily        | Monthly       | Yearly         |
| Estimated Sales (A)                     | 13,600       | 353,600       | 4,243,200      | 14,552       | 378,352       | 4,540,224      | 15,280       | 397,270       | 4,767,235      |
| <b>Less: Cost of sales (B):</b>         | 12,240       | 318,240       | 3,818,880      | 13,097       | 340,517       | 4,086,202      | 13,752       | 357,543       | 4,290,512      |
| <b>Gross profit (GP) [C=(A-B)]</b>      | <b>1,360</b> | <b>35,360</b> | <b>424,320</b> | <b>1,455</b> | <b>37,835</b> | <b>454,022</b> | <b>1,528</b> | <b>39,727</b> | <b>476,724</b> |
| <b>Less: Operating Costs:</b>           |              |               |                |              |               |                |              |               |                |
| Electricity bill                        |              | 950           | 11,400         |              | 1,000         | 12,000         |              | 1,050         | 12,600         |
| Generator bill                          |              | 900           | 10,800         |              | 920           | 11,040         |              | 940           | 11,280         |
| Shop Rent (own)                         |              | -             | -              |              | -             | -              |              | -             | -              |
| Night guard bill                        |              | 220           | 2,640          |              | 240           | 2,880          |              | 260           | 3,120          |
| Transportation                          |              | 1,500         | 18,000         |              | 1,550         | 18,600         |              | 1,600         | 19,200         |
| Entertainment                           |              | 800           | 9,600          |              | 820           | 9,840          |              | 840           | 10,080         |
| Mobile bill (SMS & Reporting inclusive) |              | 600           | 7,200          |              | 620           | 7,440          |              | 640           | 7,680          |
| Ownership Transfer Fee                  |              | 667           | 8,000          |              | 1,333         | 16,000         |              | 1,333         | 16,000         |
| Proposed salary-self                    |              | 13,000        | 156,000        |              | 14,000        | 168,000        |              | 15,000        | 180,000        |
| Proposed salary-staff (1)               |              | 6,000         | 72,000         |              | 6,500         | 78,000         |              | 6,500         | 78,000         |
| Other Expenses                          |              | 200           | 2,400          |              | 250           | 3,000          |              | 270           | 3,240          |
| <b>Non Cash Item:</b>                   |              |               |                |              |               |                |              |               |                |
| Depreciation Expenses                   |              | 250           | 3,000          |              | 250           | 3,000          |              | 250           | 3,000          |
| <b>Total Operating Cost (D)</b>         |              | <b>25,087</b> | <b>301,040</b> |              | <b>27,483</b> | <b>329,800</b> |              | <b>28,683</b> | <b>344,200</b> |
| <b>(C-D)Net Profit:</b>                 |              | <b>10,273</b> | <b>123,280</b> |              | <b>10,352</b> | <b>124,222</b> |              | <b>11,044</b> | <b>132,524</b> |
| <b>Retained Income:</b>                 |              |               | <b>123,280</b> |              |               | <b>247,502</b> |              |               | <b>380,026</b> |

**Note: 1. Agreed Grace period: Six months.**

**2. Investment Payback schedule:** Monthly installment including ownership transfer fee from the date of cheque is deposited in NU's business account.

# **CASH FLOW PROJECTION ON BUSINESS PLAN**

## **(REC. & PAY.)**

| Sl # | Particulars  | Year 1<br>(BDT) | Year 2<br>(BDT) | Year 3<br>(BDT) |
|------|--|-----------------|-----------------|-----------------|
| 1.0  | <b>Cash Inflow:</b>                                  |                 |                 |                 |
| 1.1  | Investment Infusion by Investor                      | 200,000         | -               | -               |
| 1.2  | Net Profit   | 123,280         | 140,222         | 148,524         |
| 1.3  | Depreciation Expenses (Non Cash Item)                | 3,000           | 3,000           | 3,000           |
| 1.4  | Opening Balance of Cash Surplus                      | -               | 78,280          | 125,502         |
|      | <b>Total Cash Inflow</b>                             | <b>326,280</b>  | <b>221,502</b>  | <b>277,026</b>  |
| 2.0  | <b>Cash Outflow:</b>                                 |                 |                 |                 |
| 2.1  | Purchase of products                                 | <b>200,000</b>  | -               | -               |
| 2.2  | Investment Pay Back including ownership transfer fee | 48,000          | 96,000          | 96,000          |
|      | <b>Total Cash Outflow</b>                            | <b>248,000</b>  | <b>96,000</b>   | <b>96,000</b>   |
| 3.0  | <b>Net Cash Surplus</b>                              | <b>78,280</b>   | <b>125,502</b>  | <b>181,026</b>  |

# SWOT ANALYSIS

## **S**TRENGTH

- Present employment:  
Self: 1    Family: 1 (father)  
Others (beyond family): 0  
Future employment: 1
- Skill and experience;
- Good Reputation;
- Ownership shop & trade license in his own name;
- Maintains books of record.

## **W**EAKNESS

- Can not supply products as per demand.

## **O**PPORTUNITIES

- Location of shop;
- Fixed customer (retail & wholesale);
- Capital of the entrepreneur will be BDT 630,026 after 3 years excluding payback of investor's money.

## **T**HREATS

- Local competitor

Presented at 37<sup>th</sup> SB Design Lab (open session) on  
15 November, 2014  
at Grameen Bank Auditorium

Thank you

Pictures





**Thank You**