

NGF Social Business Project

Nowabenki Gonomukhi Foundation (NGF)

Location & Social Problem

- Nowabenki of Shyamnagar sub district in Satkhira district
- Increased salinity of water
 - Pond, river, underground water
- Health effects
 - Increased hypertension rates
 - Water-borne diseases
 - Pregnant women suffer from pre-eclampsia and eclampsia

Project Idea

- To setup a water treatment plant for purifying water and to serve the pure drinking water to the poor in the proposed area as a social business.

Focus

Primary focus

- Water desalination- To provide safe drinking water to poor people through revers osmosis process

Secondary Focuses

- Reduce health problems such as hypertension rate and water born diseases
- Employment generation

Water Plant

- Establishment of a water purifying plant using reverse osmosis process
- Testing by BUET and Certification from BSTI
- Plant to be set up by:
 - Osmonic Health Care
 - American Machinery imported from China
 - Five years of experience

Experience

- NGF has skilled people who have been monitoring marketing and maintaining this type of project and machines for about 4 years (Ziri drinking water) at Shyamnagar, Satkhira

Production, Costing, Pricing & Distribution

- Daily serve 800 jar(20 liters/jar)
- Cross subsidization
 - 400 jar to be sold at BDT 10 per jar to ID card holders (poor and ultra poor families)
 - 400 jar to be sold at BDT 20-25 taka per jar to the middle-high income households and in the local market
- Core production cost BDT 0.50 per liter

Financials

Total Investment (in BDT)

Building Construction	2,50,000
Tube well installation	50,000
Plant Installation	18,98,750
Generator Purchase	95,000
Laboratory set up	51,250
Packaging Set Up (Jars)	4,50,000
BSTI Charge	90,000
Water testing	25,000

TOTAL: 29,09,750

Required Financing - BDT 3,000,000.00

Project Income-Expenditure

Duration	Expenditure	Income	Net Surplus
1st year	1,786,627	1,900,800	114,173
2nd year	2,354,900	2,764,800	409,900
3rd year	2,640,620	3,450,600	809,980
4th year	2,719,270	3,225,600	506,330
5th year	2,885,895	4,147,200	1,261,305
Total	12,387,312	15,489,000	3,101,688

Break event point: 5 years

*All figures are BDT

Pay Back

- Commences from 2nd year of project and within five years.

2nd year: 750,000

3rd year: 750,000

4th year: 750,000

5th year: 750,000

TOTAL 3,000,000

*All figures are BDT

SWOT Analysis

Strengths: •NGF has a well-trained team for this project	Weaknesses •No one else can apart from can handle the technology in the area.
Opportunities: •The extent of water salinity provides scope for product •Affordable for all (Poor/Rich)	Threats: •Cyclone and tidal surge often hit this area so it is one of the big threats. •Source water quality changes over the year 3 times (approx.), it is a threat for the technology.

Third Party Benefits

- NGF doesn't need skilled people of it's own at the moment to install, service and maintain this machine
- 1 year warranty and 2 years free service, and after 2 years they will provide service with a basic charge
- Prompt after sales service
- Skilled team
- Provide training in future to NGF staff

