

# SHAIFUL STORE



# BRIEF BIO DATA OF THE ENTREPRENEUR

- Name : Md. Shaiful Islam
- Age : 28 years
- Address : Vill: Uttar Shathalia, Post: Munshir Hat, Thana: Saghata, Dist: Gaibandha.
- Mother : Mst. Shahida Begum,  
**(Grameen Bank Borrower)** : Loan No: 2124, Centre # 17/Mo, Group no: 05, Member since : 22<sup>th</sup> January, 2006  
Existing Loan–BDT 12,000 Outstanding- BDT 5715.
- Educational Qualification : S.S.C Pass
- Experience : 4 (four) years experience in general grocery store business. Entrepreneur started his business with BDT 10,000 (ten thousand) and now it's value is BDT 60,000 (sixty thousand).

# BUSINESS BRIEFING

- Proposed Business : **Shaiful Store**
- Shop location: **Munshir Hat Bazar**
- Total Investment: **BDT 260,000**
  - ❖ Financing
  - ❖ Self BDT 60,000 (from existing business)
  - ❖ Required Investment BDT 200,000 (as equity)
- **Implementation:**

The business will start with different items of grocery products, cosmetic items, food items (for children) etc targeting break even point within the first year & pay back period is estimated to be five years.

# OBJECTIVES

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- Self employment for the entrepreneur;
- Create employment opportunities for others (especially for family members of Grameen Bank Borrowers) ;
- Provide quality goods to meet demand in the community;
- Contribute in improving socio-economic condition.

# INVESTMENT BREAKDOWN

Particulars	Existing Business (BDT)	Proposed (BDT)	Total (BDT)
Investment in Products	20,000	160,000	180,000
Tin Shed Shop	20,000	20,000	40,000
Refregerator	20,000	-	20,000
Investment in Decoration	-	20,000	20,000
<b>Total Capital</b>	<b>60,000</b>	<b>200,000</b>	<b>260,000</b>



# MEANS OF FINANCE

<b>Particulars</b>	<b>Amount (Tk.)</b>	<b>%</b>
Entrepreneur's Contribution	60,000	23%
Investor's Investment	200,000	77%
<b>Total</b>	<b>260,000</b>	<b>100%</b>

# EXISTING BUSINESS

Particulars	EB (BDT)		
	Daily	Monthly	Yearly
Income from Product Sales	1,200	31,200	374,400
<b>Total Sales (A)</b>	<b><u>1,200</u></b>	<b><u>31,200</u></b>	<b><u>374,400</u></b>
<b>Calculation of Variable Cost:</b>			
<b><u>Less: Variable Cost:</u></b>			
Variable Cost on Product	1,020	26,520	318,240
<b>Total Variable Cost (B)</b>	<b><u>1,020</u></b>	<b><u>26,520</u></b>	<b><u>318,240</u></b>
<b>Contribution Margin (CM) [C=(A-B)]</b>	<b><u>180</u></b>	<b><u>4,680</u></b>	<b><u>56,160</u></b>
<b><u>Less: Fixed Cost:</u></b>			
Shop Rent		-	-
Electricity bill		100	1,200
Salary		4,000	48,000
Depreciation Expenses		333	4,000
Ownership Transfer Fees		-	-
<b>(D) Total Fixed Cost</b>	<b>-</b>	<b><u>4,433</u></b>	<b><u>53,200</u></b>
<b>(C-D)Net Profit:</b>	<b>-</b>	<b><u>247</u></b>	<b><u>2,960</u></b>

# KEY ASSUMPTIONS (I/S)

- Sales growth on product will be 175% in 1<sup>st</sup> year of injecting additional investment and 10% thereafter.
- Gross profit margin is calculated on an average 15% on product.
- Depreciation is charged @10% on fixed assets.
- Shop rent is not charged because this is his own shop.



# FINANCIAL PROJECTION

Particulars	Year 1 (BDT)			Year 2 (BDT)			Year 3 (BDT)			Year 4 (BDT)			Year 5 (BDT)		
	Daily	Monthly	Yearly	Daily	Monthly	Yearly	Daily	Monthly	Yearly	Daily	Monthly	Yearly	Daily	Monthly	Yearly
Income from Product Sales	2,400	62,400	748,800	2,640	68,640	823,680	2,904	75,504	906,048	3,194	83,054	996,653	3,514	91,360	1,096,318
<b>Total Sales (A)</b>	<b>2,400</b>	<b>62,400</b>	<b>748,800</b>	<b>2,640</b>	<b>68,640</b>	<b>823,680</b>	<b>2,904</b>	<b>75,504</b>	<b>906,048</b>	<b>3,194</b>	<b>83,054</b>	<b>996,653</b>	<b>3,514</b>	<b>91,360</b>	<b>1,096,318</b>
<b>Calculation of Variable Cost:</b>															
<b>Less: Variable Cost:</b>															
Variable Cost on Product	2,040	53,040	636,480	2,244	58,344	700,128	2,468	64,178	770,141	2,715	70,596	847,155	2,987	77,656	931,870
<b>Total Variable Cost (B)</b>	<b>2,040</b>	<b>53,040</b>	<b>636,480</b>	<b>2,244</b>	<b>58,344</b>	<b>700,128</b>	<b>2,468</b>	<b>64,178</b>	<b>770,141</b>	<b>2,715</b>	<b>70,596</b>	<b>847,155</b>	<b>2,987</b>	<b>77,656</b>	<b>931,870</b>
<b>Contribution Margin (CM) [C=(A-B)]</b>	<b>360</b>	<b>9,360</b>	<b>112,320</b>	<b>396</b>	<b>10,296</b>	<b>123,552</b>	<b>436</b>	<b>11,326</b>	<b>135,907</b>	<b>479</b>	<b>12,458</b>	<b>149,498</b>	<b>527</b>	<b>13,704</b>	<b>164,448</b>
<b>Less: Fixed Cost:</b>															
Shop Rent			-			-			-			-			-
Electricity bill		200	2,400		300	3,600		300	3,600		300	3,600		300	3,600
Salary		5,000	60,000		5,000	60,000		5,000	60,000		5,000	60,000		5,000	60,000
Depreciation Expenses		667	8,000		667	8,000		667	8,000		667	8,000		667	8,000
Ownership Transfer Fees			-		667	8,000		833	10,000		833	10,000		1,000	12,000
<b>(D) Total Fixed Cost</b>	<b>-</b>	<b>5,867</b>	<b>70,400</b>	<b>-</b>	<b>6,633</b>	<b>79,600</b>	<b>-</b>	<b>6,800</b>	<b>81,600</b>	<b>-</b>	<b>6,800</b>	<b>81,600</b>	<b>-</b>	<b>6,967</b>	<b>83,600</b>
<b>(C-D) Net Profit:</b>	<b>-</b>	<b>3,493</b>	<b>41,920</b>	<b>-</b>	<b>3,663</b>	<b>43,952</b>	<b>-</b>	<b>4,526</b>	<b>54,307</b>	<b>-</b>	<b>5,658</b>	<b>67,898</b>	<b>-</b>	<b>6,737</b>	<b>80,848</b>
<b>Cumulative Net Profit:</b>		<b>41,920</b>			<b>85,872</b>			<b>140,179</b>			<b>208,077</b>			<b>288,925</b>	

# BREAK EVEN POINT ANALYSIS

Particulars	Monthly	Yearly
<b>Contribution Margin Ratio: (CM/Seles)</b>	15%	15%
<b>Break Even Point (BEP): (Fixed Cost / CM Ratio)=</b>	5,867	70,400
	15%	15%
<b>Break Even Point (in Tk.)</b>	<b>39,111</b>	<b>469,333</b>

# 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>	<i>Year 5 (BDT)</i>
<b>Cash Inflow</b>						
New Investment Inflation by Investor's	-	200,000	-	-	-	-
Net Profit	2,960	41,920	51,952	64,307	77,898	92,848
Depreciation	4,000	8,000	8,000	8,000	8,000	8,000
Opening Balance of Cash Surplus	-	6,960	76,880	96,832	119,139	155,037
<b>Total Cash Inflow</b>	<b>6,960</b>	<b>256,880</b>	<b>136,832</b>	<b>169,139</b>	<b>205,037</b>	<b>255,885</b>
<b>Cash Outflow</b>						
Purchase of Grocery Product	-	160,000	-	-	-	-
Decoration (Fixtures and Fittings)	-	20,000	-	-	-	-
Investment Pay Back	-	-	40,000	50,000	50,000	60,000
<b>Total Cash Outflow</b>	<b>-</b>	<b>180,000</b>	<b>40,000</b>	<b>50,000</b>	<b>50,000</b>	<b>60,000</b>
<b>Total Cash Surplus</b>	<b>6,960</b>	<b>76,880</b>	<b>96,832</b>	<b>119,139</b>	<b>155,037</b>	<b>195,885</b>

# OUTCOMES

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- The business will start with BDT 260,000 and it is expected that by the end of five years after payback of investor's money the entrepreneur's capital will be BDT 355,591.
- The business will serve the community by selling quality and in demand products and strive to improve every year.

# RISK FACTORS

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- Theft
- Local competition
- Political Unrest

# RISK MANAGEMENT

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



**PHOTO  
EXHIBITION**









# THANK YOU

