

Link Computer



Brief Bio Data of the Entrepreneur

• Name	:	Md. Ibrahim Hossen Age: 28 years
• Address	:	Vill: Taposhi Danga, Post: Chanchra, Sadar Upazila, Dist: Jessore
• Mother (Grameen Bank Borrower)	:	Mst. Fazila Begum Loan No: 5981/1 Center : 2/Mo Member since: 12/04/2010 Existing Loan -nil, Outstanding Balance -nil
• Educational Qualification	:	H.S.C Pass
• Experience	:	Entrepreneur has 10 (Ten) years experience in computer trading business. Business has started three month ago with BDT 500,000 .

BUSINESS BRIEFING

• Proposed Business	:	<i>Link Computer</i>
• Location	:	6 th floor, Jess Tower, M K Road, Jessore computer city, Sadar Upazila, Jessore.
• Total Investment	:	BDT 1,150,000/-
• Financing	:	➤ Entrepreneur -650,000/-(EB) ➤ Investor BDT- 500,000/-(As Equity)
• Implementation	:	
<p>The business is running with different items of monitor, keyboard & mouse, RAM, processor, mother board, hard disk etc. targeting break even within first year & pay back period is estimated to be four (04) years.</p>		

Objectives

- Enhancement of entrepreneurial skills
- Employment opportunities for others
- Improving livelihood of the entrepreneur
- Become a prominent Nabin Udyokta

INVESTMENT BREAKDOWN

Particulars	QTY.	Existing Business (BDT)	Proposed (BDT)	Total (BDT)
Advanced Money		50,000	-	50,000
Decoration		200,000	-	200,000
Office Equipment	1 (AC)	-	80,000	80,000
Processor	10	80,000	-	80,000
Mother Board	10	50,000	-	50,000
RAM	20	30,000	-	30,000
Hard Disk	10	40,000	-	40,000
Monitor	10	70,000	-	70,000
Key Board, Mouse	150	30,000	-	30,000
Other	500	100,000	-	100,000
Laptop & Accessories	Hp, Dell, Asus, Lenovo, Samsung	-	420,000	420,000
Total Capital		650,000	500,000	1,150,000

Means of finance

Particulars	Amount (BDT)	%
Entrepreneur's Contribution	650,000	57%
Investor's Investment	500,000	43%
Total	1,150,000	100%

Existing Business

Particulars	EB (BDT)		
	Daily	Monthly	Yearly
Estimated Sales of Product	25,000	650,000	7,800,000
Estimated Income from Servicing	308	8,000	96,000
Total Sales (A)	25,308	658,000	7,896,000
Less: Variable Cost:			
Est. Cost of Product	23,125	601,250	7,215,000
Est. Cost of Servicing	123	3,200	38,400
Total Variable Cost (B)	23,248	604,450	7,253,400
Contribution Margin (CM) [C=(A-B)]	2,060	53,550	642,600
Less: Fixed Cost:			
Shop Rent	115	3,000	36,000
Salary (Self)	308	8,000	96,000
Salary (Assistant)	269	7,000	84,000
Electricity bill	77	2,000	24,000
Entertainment Expenses	115	3,000	36,000
Ownership Transfer Fees	-	-	-
Depreciation Expenses	64	1,667	20,000
Conveyance Bill	96	2,500	30,000
Other Expenses	38	1,000	12,000
(D) Total Fixed Cost	1,083	28,167	338,000
(C-D) Net Profit:	976	25,383	304,600

Key Assumptions:

- Sales and Servicing revenue growth will be 20% in 1st year of injecting additional investment and 10% thereafter.
- Gross profit margin is calculated @ 8% on an average.

Financial Projection

Particulars	Year 1 (BDT)			Year 2 (BDT)			Year 3 (BDT)			Year 4 (BDT)		
	Daily	Monthly	Yearly	Daily	Monthly	Yearly	Daily	Monthly	Yearly	Daily	Monthly	Yearly
Estimated Sales of Product	30,000	780,000	9,360,000	36,000	936,000	11,232,000	39,600	1,029,600	12,355,200	43,560	1,132,560	13,590,720
Estimated Income from Servicing	369	9,600	115,200	443	11,520	138,240	487	12,672	152,064	536	13,939	167,270
Total Sales (A)	30,369	789,600	9,475,200	36,000	936,000	11,232,000	39,600	1,029,600	12,355,200	43,560	1,132,560	13,590,720
Less: Variable Cost:												
Est. Cost of Product	27,750	721,500	8,658,000	33,300	865,800	10,389,600	36,630	952,380	11,428,560	40,293	1,047,618	12,571,416
Est. Cost of Servicing	148	3,840	46,080	177	4,608	55,296	195	5,069	60,826	214	5,576	66,908
Total Variable Cost (B)	27,898	725,340	8,704,080	33,477	870,408	10,444,896	36,825	957,449	11,489,386	40,507	1,053,194	12,638,324
Contribution Margin (CM) [C=(A-B)]	2,472	64,260	771,120	2,523	65,592	787,104	2,775	72,151	865,814	3,053	79,366	952,396
Less: Fixed Cost:												
Shop Rent	115	3,000	36,000	115	3,000	36,000	115	3,000	36,000	115	3,000	36,000
Salary (Self)	308	8,000	96,000	327	8,500	102,000	404	10,500	126,000	442	11,500	138,000
Salary (Assistant)	269	7,000	84,000	269	7,000	84,000	346	9,000	108,000	385	10,000	120,000
Electricity bill	154	4,000	48,000	162	4,200	50,400	169	4,400	52,800	177	4,600	55,200
Entertainment Expenses	115	3,000	36,000	115	3,000	36,000	115	3,000	36,000	115	3,000	36,000
Ownership Transfer Fees	-	-	-	64	1,667	20,000	64	1,667	20,000	192	5,000	60,000
Depreciation Expenses	115	3,000	36,000	115	3,000	36,000	115	3,000	36,000	115	3,000	36,000
Conveyance Bill	96	2,500	30,000	96	2,500	30,000	115	3,000	36,000	115	3,000	36,000
Other Expenses	38	1,000	12,000	38	1,000	12,000	46	1,200	14,400	46	1,200	14,400
(D) Total Fixed Cost	1,212	31,500	378,000	1,303	33,867	406,400	1,491	38,767	465,200	1,704	44,300	531,600
(C-D) Net Profit:	1,260	32,760	393,120	1,220	31,725	380,704	1,284	33,385	400,614	1,349	35,066	420,796
Cumulative Net Profit:			393,120			773,824			1,174,438			1,595,234

Break even analysis

Particulars	Monthly	Yearly
Contribution Margin Ratio: (CM/Sales)	8%	8%
Break Even Point (BEP):	31,500	378,000
	8%	8%
Break Even Point (BDT)	387,059	4,644,706

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>
Cash Inflow					
New Investment Inflation by Investor's	-	500,000	-	-	-
Net Profit (share transfer fee added back)	304,600	393,120	400,704	420,614	480,796
Depreciation Expenses	20,000	36,000	36,000	36,000	36,000
Opening Balance of Cash Surplus	-	324,600	753,720	1,070,424	1,407,038
Total Cash Inflow	324,600	1,253,720	1,190,424	1,527,038	1,923,834
Cash Outflow					
Laptop & Accessories	-	420,000	-	-	-
Office Equipment (AC Machine)	-	80,000	-	-	-
Investment Pay Back (including share transfer fee)	-	-	120,000	120,000	360,000
Total Cash Outflow	-	500,000	120,000	120,000	360,000
Total Cash Surplus	324,600	753,720	1,070,424	1,407,038	1,563,834

Outcomes

- The business will start with **BDT 1,150,000** and it is expected that by the end of four (04) years after payback of investor's money the entrepreneur's capital will be **BDT 2,245,000**.
- The business will serve the community by selling quality and in demand products and strive to improve every year.

Risk Factors

- Fire & natural disaster
- Theft
- Local competition

Risk Management

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



Pictures

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Computer Sales & Service
Computer

Jessore Computer City, Jess Tower, Jessore. Cell : 01911048909, 01756450200



Thank You

