

# New Ananya Jewellery Store



# Brief Bio Data of the Entrepreneur

• Name	:	Palash Sharma Age: 33 years
• Address	:	Vill: Nil Gong Shah Para, Birsresto Nur Mohammad Road, Upazila: Sadar, Dist: Jessore
• Mother ( <i>Grameen Bank Borrower</i> )	:	Rekha Rani Sharma Loan No: 1853, Fatehpur Branch. Member since: 15/07/2008 Existing Loan -220,000 Outstanding Balance -115,000
• Educational Qualification	:	Eight Pass
• Experience	:	Entrepreneur has 15 (Fifteen) years experience in jewellery business through association with his family business. Business started with BDT150,000 in 2006 .

# BUSINESS BRIEFING

• Proposed Business	:	<b><i>New Ananya Jewellery Store</i></b>
• Location	:	Motiar Supper MarkerPool, Chairastha, Kapuria Pati Road, Jessore.
• Total Investment	:	BDT 3,000,000/-
• Financing	:	<ul style="list-style-type: none"> <li>➤ Entrepreneur -2,000,000/-(EB)</li> <li>➤ Investor BDT- 1,000,000/-(As Equity)</li> </ul>
• <b>Implementation</b>	:	
<p>The business is running with different kinds of gold, city gold, silver and stone made ornaments such as ring, necklace, bracelet and anklet, sea golden pearls, etc, targeting break even within first year &amp; 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 Nobin Udyokta

# INVESTMENT BREAKDOWN

Particulars	Existing Business (BDT)	Proposed (BDT)	Total (BDT)
Gold Ornaments	265,000	300,000	565,000
City Gold Ornaments	70,000	25,000	95,000
Silver Ornaments	1,200,000	500,000	1,700,000
Pearl Ornaments	20,000	10,000	30,000
Stone Ornaments	100,000	30,000	130,000
Others (Box)	80,000	135,000	215,000
Advance Shop Rent	125,000	-	125,000
Decoration	130,000	-	130,000
Weight Machine	10,000	-	10,000
<b>Total Capital</b>	<b>2,000,000</b>	<b>1,000,000</b>	<b>3,000,000</b>

# Means of finance

Particulars	Amount (BDT)	%
Entrepreneur's Contribution	2,000,000	67%
Investor's Investment	1,000,000	33%
<b>Total</b>	<b>3,000,000</b>	<b>100%</b>

# Existing Business

Particulars	EB (BDT)		
	Daily	Monthly	Yearly
Estimated Sale of Product	20,000	520,000	6,240,000
<b>Total Sales (A)</b>	<b>20,000</b>	<b>520,000</b>	<b>6,240,000</b>
<b>Less: Variable Cost:</b>			
Est. Cost of Product	18,000	468,000	5,616,000
Carrying & Labor Cost	200	5,200	62,400
<b>Total Variable Cost (B)</b>	<b>18,200</b>	<b>473,200</b>	<b>5,678,400</b>
<b>Contribution Margin (CM) [C=(A-B)]</b>	<b>1,800</b>	<b>46,800</b>	<b>561,600</b>
<b>Less: Fixed Cost:</b>			
Shop Rent	104	2,700	32,400
Salary (Self)	577	15,000	180,000
Salary (Assistant)	-	-	-
Electricity bill	31	800	9,600
Entertainment Expenses	115	3,000	36,000
Ownership Transfer Fees	-	-	-
Depreciation Expenses	45	1,167	14,000
Night Guard Bill	12	310	3,720
Generator Bill	5	120	1,440
Owners Association	5	130	1,560
Conveyance Bill	23	600	7,200
Other Expenses	38	1,000	12,000
<b>(D) Total Fixed Cost</b>	<b>955</b>	<b>24,827</b>	<b>297,920</b>
<b>(C-D) Net Profit:</b>	<b>845</b>	<b>21,973</b>	<b>263,680</b>

# Key Assumptions:

- Sales growth will be 20% in 1<sup>st</sup> year of injecting additional investment and 10% thereafter.
- Gross profit margin is calculated on an average 9%.
- Carrying cost is charged @1% on gross sales.

# Financial Projection

Particulars	Year 1 (BDT)			Year 2 (BDT)			Year 3 (BDT)			Year 4 (BDT)		
	Daily	Monthly	Yearly									
Estimated Sale of Product	24,000	624,000	7,488,000	26,400	686,400	8,236,800	29,040	755,040	9,060,480	31,944	830,544	9,966,528
<b>Total Sales (A)</b>	<b>24,000</b>	<b>624,000</b>	<b>7,488,000</b>	<b>26,400</b>	<b>686,400</b>	<b>8,236,800</b>	<b>29,040</b>	<b>755,040</b>	<b>9,060,480</b>	<b>31,944</b>	<b>830,544</b>	<b>9,966,528</b>
<b>Less: Variable Cost:</b>												
Est. Cost of Product	21,600	561,600	6,739,200	23,760	617,760	7,413,120	26,136	679,536	8,154,432	28,750	747,490	8,969,875
Carrying & Labor Cost	240	6,240	74,880	264	6,864	82,368	290	7,550	90,605	319	8,305	99,665
<b>Total Variable Cost (B)</b>	<b>21,840</b>	<b>567,840</b>	<b>6,814,080</b>	<b>24,024</b>	<b>624,624</b>	<b>7,495,488</b>	<b>26,426</b>	<b>687,086</b>	<b>8,245,037</b>	<b>29,069</b>	<b>755,795</b>	<b>9,069,540</b>
<b>Contribution Margin (CM) [C=(A-B)]</b>	<b>2,160</b>	<b>56,160</b>	<b>673,920</b>	<b>2,376</b>	<b>61,776</b>	<b>741,312</b>	<b>2,614</b>	<b>67,954</b>	<b>815,443</b>	<b>2,875</b>	<b>74,749</b>	<b>896,988</b>
<b>Less: Fixed Cost:</b>												
Shop Rent	104	2,700	32,400	104	2,700	32,400	104	2,700	32,400	104	2,700	32,400
Salary (Self)	577	15,000	180,000	577	15,000	180,000	577	15,000	180,000	577	15,000	180,000
Salary (Assistant)	154	4,000	48,000	154	4,000	48,000	154	4,000	48,000	154	4,000	48,000
Electricity bill	38	1,000	12,000	38	1,000	12,000	38	1,000	12,000	38	1,000	12,000
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	-	-	-	128	3,333	40,000	256	6,667	80,000	256	6,667	80,000
Depreciation Expenses	45	1,167	14,000	45	1,167	14,000	45	1,167	14,000	45	1,167	14,000
Night Guard Bill	13	330	3,960	13	330	3,960	13	330	3,960	13	330	3,960
Generator Bill	5	140	1,680	5	140	1,680	5	140	1,680	5	140	1,680
Owners Association	6	150	1,800	6	150	1,800	6	150	1,800	6	150	1,800
Conveyance Bill	23	600	7,200	23	600	7,200	23	600	7,200	23	600	7,200
Other Expenses	46	1,200	14,400	46	1,200	14,400	46	1,200	14,400	46	1,200	14,400
<b>(D) Total Fixed Cost</b>	<b>1,126</b>	<b>29,287</b>	<b>351,440</b>	<b>1,255</b>	<b>32,620</b>	<b>391,440</b>	<b>1,383</b>	<b>35,953</b>	<b>431,440</b>	<b>1,383</b>	<b>35,953</b>	<b>431,440</b>
<b>(C-D)Net Profit:</b>	<b>1,034</b>	<b>26,873</b>	<b>322,480</b>	<b>1,121</b>	<b>29,156</b>	<b>349,872</b>	<b>1,231</b>	<b>32,000</b>	<b>384,003</b>	<b>1,492</b>	<b>38,796</b>	<b>465,548</b>
<b>Cumulative Net Profit:</b>			<b>322,480</b>			<b>672,352</b>			<b>1,056,355</b>			<b>1,521,903</b>

# Break even analysis

Particulars	Monthly	Yearly
<b>Contribution Margin Ratio: (CM/Seles)</b>	9%	9%
<b>Break Even Point (BEP):</b>	29,287	351,440
	9%	9%
<b>Break Even Point (BDT)</b>	<b>325,407</b>	<b>3,904,889</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>
<b>Cash Inflow</b>					
New Investment Infusion by Investor's	-	1,000,000	-	-	-
Net Profit (share transfer fee added back)	263,680	322,480	389,872	464,003	545,548
Depreciation Expenses	14,000	14,000	14,000	14,000	14,000
Opening Balance of Cash Surplus	-	277,680	614,160	778,032	776,035
<b>Total Cash Inflow</b>	<b>277,680</b>	<b>1,614,160</b>	<b>1,018,032</b>	<b>1,256,035</b>	<b>1,335,583</b>
<b>Cash Outflow</b>					
Gold Ornaments	-	300,000	-	-	-
City Gold Ornaments	-	25,000	-	-	-
Silver Ornaments		500,000			
Pearl Ornaments		10,000			
Stone Ornaments		30,000			
Others (Box)		135,000			
Investment Pay Back (including share transfer fee)	-	-	240,000	480,000	480,000
<b>Total Cash Outflow</b>	<b>-</b>	<b>1,000,000</b>	<b>240,000</b>	<b>480,000</b>	<b>480,000</b>
<b>Total Cash Surplus</b>	<b>277,680</b>	<b>614,160</b>	<b>778,032</b>	<b>776,035</b>	<b>855,583</b>

# Outcomes

- The business will start with **BDT 3,000,000** and it is expected that by the end of four years after payback of investor's money the entrepreneur's capital will be **BDT 3522,000**.
- The business will serve the community by selling quality and in demand products and strive to improve every year.

# Risk Factors

- Security risks of carrying gold and other ornaments
- Theft & Fire
- Local competition

# Risk Management

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



*Pictures*



# *Thank You*

