

# ***Mojahid Store***

تاریخچه و اهداف

# ***BRIEF BIO OF THE ENTREPRENEUR***

Name	:	Md. Aminul Islam
Age	:	32 years
Address	:	Boro Mirzapur, Post: Shoti Bari, Upazila: Mithapukur, District: Rangpur
Father <i>(Grameen Bank Borrower)</i>	:	Shaheb Ali Boro Mirzapur, Centre # 63, Loan no.: 3221, Member since 1984 Existing Loan – BDT 100,000, Outstanding-36,000
Education	:	SSC
Experience	:	14 (Fourteen) years experience in general retail business. Entrepreneur started his business with BDT 6,000 and now it's value is about BDT 27,00,000.

# BUSINESS Briefing

- Proposed Business : Mojahid Store
- Shop location: Shoti Bari Bazaar, Mithapukur, Rongpur
- Total Investment: **BDT 34,00,000**

## Financing:

- ❖ Self BDT 27,00,000 (from existing business)
- ❖ Required Investment BDT 700,000 (as equity)

## ➤ **Implementation:**

The business is running with different items of grocery products through wholesale and retail, targeting break even point within the **first year** & pay back period is estimated to be within **four year**.

# Objectives

- Become a Prominent Nobin Udyokta;
- Self employment for the entrepreneur;
- Create employment opportunities for 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*

<b>Particulars</b>	<b>Existing Business (BDT)</b>	<b>Proposed (BDT)</b>	<b>Total (BDT)</b>
Investment in Grocery Products	2,650,000	700,000	3,350,000
Furniture, Fixtures & Decoration	50,000	-	50,000
<b>Total Capital</b>	<b>2,700,000</b>	<b>700,000</b>	<b>3,400,000</b>

# Means of Finance

Particulars	Amount (Tk.)	%
Entrepreneur's Contribution	2,700,000	79%
Investor's Investment	700,000	21%
<b>Total</b>	<b>3,400,000</b>	<b>100%</b>

# Existing Business

Particulars	Existing Business (BDT)		
	Daily	Monthly	Yearly
Estimated sales revenue	25,000	650,000	7,800,000
<b>Total Sales (A)</b>	<b>25,000</b>	<b>650,000</b>	<b>7,800,000</b>
<b>Calculation of Variable Cost:</b>			
<b>Less: Variable Cost:</b>			
Estimated cost of sale	22,750	591,500	7,098,000
<b>Total Variable Cost (B)</b>	<b>22,750</b>	<b>591,500</b>	<b>7,098,000</b>
<b>Contribution Margin (CM) [C=(A-B)]</b>	<b>2,250</b>	<b>58,500</b>	<b>702,000</b>
<b>Less: Fixed Cost:</b>			
Godown Rent		4,400	52,800
Electricity bill		1,000	12,000
Generator bill		400	4,800
Salary- own		12,000	144,000
Salary- employee (2)		8,000	96,000
Labour		3,000	36,000
Entertainment		600	7,200
Others		1,000	12,000
Depreciation Expenses		833	10,000
Ownership Transfer Fees		-	-
<b>(D) Total Fixed Cost</b>	<b>1,041</b>	<b>31,233</b>	<b>374,800</b>
<b>(C-D)Net Profit:</b>		<b>27,267</b>	<b>327,200</b>

# Key assumptions for forecasting

- Sales growth will be 20% in 1st year and 10% in every year after introducing additional investment.
- Gross Profit on products is estimated to be 9% on an average.
- Salary of entrepreneur will be increased every year within the range of 10% to 15%.
- Depreciation has been charged on fixed assets at the rate of 20%.



# 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 revenue	30,000	780,000	9,360,000	33,000	858,000	10,296,000	36,300	943,800	11,325,600	39,930	1,038,180	12,458,160
<b>Total Sales (A)</b>	<b>30,000</b>	<b>780,000</b>	<b>9,360,000</b>	<b>33,000</b>	<b>858,000</b>	<b>10,296,000</b>	<b>36,300</b>	<b>943,800</b>	<b>11,325,600</b>	<b>39,930</b>	<b>1,038,180</b>	<b>12,458,160</b>
<b>Calculation of Variable Cost:</b>												
<b>Less: Variable Cost:</b>												
Estimated cost of sale	27,300	709,800	8,517,600	30,030	780,780	9,369,360	33,033	858,858	10,306,296	36,336	944,744	11,336,926
<b>Total Variable Cost (B)</b>	<b>27,300</b>	<b>709,800</b>	<b>8,517,600</b>	<b>30,030</b>	<b>780,780</b>	<b>9,369,360</b>	<b>33,033</b>	<b>858,858</b>	<b>10,306,296</b>	<b>36,336</b>	<b>944,744</b>	<b>11,336,926</b>
<b>Contribution Margin (CM) [C={A-B}]</b>	<b>2,700</b>	<b>70,200</b>	<b>842,400</b>	<b>2,970</b>	<b>77,220</b>	<b>926,640</b>	<b>3,267</b>	<b>84,942</b>	<b>1,019,304</b>	<b>3,594</b>	<b>93,436</b>	<b>1,121,234</b>
<b>Less: Fixed Cost:</b>												
Godown Rent		4,400	52,800		4,500	54,000		4,600	55,200		4,700	56,400
Electricity bill		1,000	12,000		1,200	14,400		1,400	16,800		1,600	19,200
Generator bill		400	4,800		500	6,000		600	7,200		700	8,400
Salary- own		12,000	144,000		13,000	156,000		14,000	168,000		15,000	180,000
Salary- employee (2 ps)		8,000	96,000		8,000	96,000		8,000	96,000		8,000	96,000
Labour		3,000	36,000		3,000	36,000		3,000	36,000		3,000	36,000
Entertainment		600	7,200		650	7,800		700	8,400		750	9,000
Others		1,000	12,000		1,000	12,000		1,000	12,000		1,000	12,000
Depreciation Expenses		833	10,000		833	10,000		833	10,000		833	10,000
Ownership Transfer Fees		-	-		2,500	30,000		4,167	50,000		5,000	60,000
<b>(D) Total Fixed Cost</b>		<b>31,233</b>	<b>374,800</b>		<b>35,183</b>	<b>422,200</b>		<b>38,300</b>	<b>459,600</b>		<b>40,583</b>	<b>487,000</b>
<b>(C-D)Net Profit:</b>		<b>38,967</b>	<b>467,600</b>		<b>42,037</b>	<b>504,440</b>		<b>46,642</b>	<b>559,704</b>		<b>52,853</b>	<b>634,234</b>
<b>Cumulative Net Profit:</b>			<b>467,600</b>			<b>972,040</b>			<b>1,531,744</b>			<b>2,165,978</b>

# Break Even Point analysis

<b>Particulars</b>	<b>Monthly</b>	<b>Yearly</b>
Contribution Margin Ratio: (CM/Sales)	9%	9%
Break Even Point (BEP):	31,233	374,800
	9%	9%
<b>Break Even Point (in Tk.)</b>	<b>347,037</b>	<b>4,164,444</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		700,000			
Net Profit (share transfer fee added back)	327,200	467,600	534,440	609,704	694,234
Depreciation	10,000	10,000	10,000	10,000	10,000
Opening Balance of Cash Surplus		337,200	814,800	1,179,240	1,498,944
<b>Total Cash Inflow</b>	<b>337,200</b>	<b>1,514,800</b>	<b>1,359,240</b>	<b>1,798,944</b>	<b>2,203,178</b>
<b>Cash Outflow</b>					
Purchase of Product		700,000			
Investment Pay Back (including share transfer fee)			180,000	300,000	360,000
<b>Total Cash Outflow</b>		<b>700,000</b>	<b>180,000</b>	<b>300,000</b>	<b>360,000</b>
<b>Total Cash Surplus</b>	<b>337,200</b>	<b>814,800</b>	<b>1,179,240</b>	<b>1,498,944</b>	<b>1,843,178</b>

# Outcomes

- The business will start with BDT **34,00,000** and it is expected that by the end of four years after payback of investor's money the entrepreneur's capital will be BDT **48,66,000**.
- The business will serve the community by selling quality and in demand products and strive to improve every year.

# Risk Factors

- Theft
- Local competition
- Political Unrest
- Fire

# Risk Management

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

Pictures







**Thank You**