

AL-AMIN SHOTORONJI



BRIEF BIO OF THE ENTREPRENEUR

- Name : Al Amin Hossain (Mukut)
- Address : Shotoronjipara, Nishbedganj , Kotoali, Rangpur
- Mother : Mst. Moyna Begum, Centre # 3/Mo, Rajendrapur, Rangpur
- **(Grameen Bank Borrower)** : Member since ...
Existing Loan - BDT 6000
- Educational Qualification : HSC Pass
- Experience : 5 (five) years of experience in this crafts business. Entrepreneur and his mother are both highly skilled and trained. He has attained certification from BISIC on the development of Shotoronji crafts. Entrepreneur started in his mother's business with BDT 6,000 (six thousand). Now it's value is BDT 140,000. (one lac).

BUSINESS BRIEFING

- ✘ Proposed Business : Al-Amin Shotoronji
- ✘ Business location: In his residence at Shotoronjipara (as marked by BISIC), Nishbedganj , Kotoali, Rangpur
- ✘ Total Investment BDT **440,000**
 - + Financing
 - Self BDT 140,000 (from existing business)
 - Required Investment BDT 300,000 (as equity)
- ✘ Implementation:

The business will start with different crafts items of attractive designs such as carpets, wall mat, table mat, purse, money bag and various other types of bags, soft toys and others. It targets to break even point within first year and pay back period is estimated to be three years.

OBJECTIVES

- ✘ Self employment for the entrepreneur;
- ✘ Create employment opportunities for others (especially for family members of Grameen Bank Borrowers);
- ✘ Provide quality crafts product throughout the region;
- ✘ Work in reviving the art of Shotoronji;
- ✘ Contribute in improving socio-economic condition.

INVESTMENT BREAKDOWN

Particulars	Amount (BDT)
Investment in new products	250,000
Existing Investment in Products	100,000
Required Fixtures and Fittings (Hand Loom Machine & Others)	50,000
Existing Fixtures & Fittings (tin shed room)	40,000
Total Investment	<u>440,000</u>

EXISTING BUSINESS

<i>Particulars</i>	<i>EB (BDT)</i>		
	<i>Daily</i>	<i>Monthly</i>	<i>Yearly</i>
<i>Revenues:</i>			
Income from Sales	1,083	32,500	390,000
Total		32,500	390,000
<i>Expenses</i>			
Variable cost	733	22,000	264,000
Electricity		300	3,600
Salary (self)		8,000	96,000
Depreciation			8,000
Total		22,000	363,600
<u>Net Profit</u>		<u>10,500</u>	<u>26,400</u>

FINANCIAL PROJECTION

Income Statement									
Particulars	Year 1 (BDT)			Year 2 (BDT)			Year 3 (BDT)		
	Daily	Monthly	Yearly	Daily	Monthly	Yearly	Daily	Monthly	Yearly
Revenues:									
Income from Sales	2,167	65,000	780,000	2,708	81,250	975,000	3,250	97,500	1,170,000
Total		65,000	780,000		81,250	975,000		97,500	1,170,000
Expenses									
Variable cost		44,000	528,000	1,833	55,000	660,000	2,200	66,000	792,000
Electricity		300	3,600		330	3,960		396	4,752
Salary (self)		10,000	120,000		12,000	144,000		14,000	168,000
Depreciation		1,500	18,000		1,500	18,000		1,500	18,000
Ownership Transfer fess		-	12,000			20,000			28,000
Total		-	681,600		53,500	845,960		64,500	1,010,752
Net Profit		65,000	98,400		27,750	129,040		33,000	159,248
Cumulative Profit			98,400			227,440			386,688

CASH FLOW (REC. & PAY.)

<i>Particulars</i>	<i>Year 1 (BDT)</i>	<i>Year 2 (BDT)</i>	<i>Year 3 (BDT)</i>
<u>Receipts</u>			
Opening Balance	-	56,400	103,440
Capital Infusion by Entrepreneur	-	-	-
Capital Infusion by Investor	300,000	-	-
Products Sales	780,000	975,000	1,170,000
<i>Total Receipts</i>	<u>1,080,000</u>	<u>1,031,400</u>	<u>1,273,440</u>
<u>Payments</u>			
For Variable cost of products	528,000	660,000	792,000
Investment in Production, fixtures & fittings	300,000		
Electricity	3,600	3,960	4,752
Salary (self)	120,000	144,000	168,000
Pay Back to Investor	72,000	120,000	168,000
<i>Total Payments</i>	<u>1,023,600</u>	<u>927,960</u>	<u>1,132,752</u>
<i>Closing Balance(Cash in Hand & at Bank)</i>	<i>56,400</i>	<i>103,440</i>	<i>140,688</i>
Total	<u>1,080,000</u>	<u>1,031,400</u>	<u>1,273,440</u>

OWNERS' EQUITY STATEMENT

Particulars	1st Year	2nd Year	3rd Year
	Amount in BDT	Amount in BDT	Amount in BDT
Entrepreneur's Share	140,000	238,400	367,440
Investor's Share	300,000	240,000	140,000
Total Investment	440,000	478,400	507,440
Add: Net Profit	98,400	129,040	159,248
Ending Owners' Equity before payback to Investor	538,400	607,440	666,688
Less: Payback to Investor	60,000	100,000	140,000
Ending Owners' Equity	<u>478,400</u>	<u>507,440</u>	<u>526,688</u>
Increase in Entrepreneur's Capital			<u>386,688</u>

OUTCOMES

- The business will start with BDT 440,000 and it is expected that by the end of three years after payback of investor's money the entrepreneur's capital will be BDT 526,688.
- The business will serve the community by selling quality and in demand crafts products and work in reviving a heritage.

RISK FACTORS

- Theft
- Local competition
- Political Unrest

RISK MANAGEMENT

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

THANK YOU

