

BASHORI TAILORS

ব্যাশরী টেইলার্স

না মার্কেট, মিঠাপুকুর, বংপুর। মোবাইল

BRIEF BIO DATA OF THE ENTREPRENEUR

Name	:	Mst. Setara Begum
Age	:	35 years
Address	:	Vill: Chitali Dokkhin para, Post: Mithapukur, Upazila: Mithapukur, District: Rangpur
Mother <i>(Grameen Bank Borrower)</i>	:	Owarasa Begum Centre name: Mithapukur, Rangpur, Centre # 08/Mo, Loan no.: 5892 Member since 1984 Existing Loan – BDT 35,000 Outstanding- 4,420
Education	:	SSC
Experience	:	5 (five) years experience in clothing and tailoring business. Entrepreneur started her business with BDT 10,000 (ten thousand) and now it's value is BDT 46,000 (forty six thousand) .

BUSINESS BRIEFING

- Business Name: *Bashori Tailors*
- Shop location: Mohila Market, Mithapukur, Rangpur
- Total Investment: **BDT 196,000**
 - ❖ Financing
 - ❖ Self BDT **46,000** (from existing business)
 - ❖ Required Investment BDT **150,000** (as equity)
- **Implementation:**

The business is running with different items of clothing products and tailoring services targeting break even point within the **first year** & pay back period is estimated to be **four years**.

OBJECTIVES

- Become a Prominent Nobin Udyokta;
- Self employment for the entrepreneur;
- Create employment opportunities especially for family members of Grameen Bank Borrowers ;
- Provide quality goods to meet demand in the community;
- Contribute in improving socio-economic condition.

ADDITIONAL INFORMATION

- Salary will be used to meet her own & family expenses;
- Has no loans in her business;
- Credit sales are limited and they are realized in a timely manner;
- Maintains regular records of business transactions;
- She has trade license & ownership in her own name;
- She employs two people

INVESTMENT BREAKDOWN

Particulars	Existing Business (BDT)	Proposed (BDT)	Total (BDT)
Investment in Cloths	15,000	107,000	122,000
Furniture, Fixtures & Decoration	25,000	35,000	60,000
Sewing Machine	6,000	8,000	14,000
Total Capital	46,000	150,000	196,000

MEANS OF FINANCE

Particulars	Amount (BDT)	%
Entrepreneur's Contribution	46,000	23%
Investor's Investment	150,000	77%
Total	196,000	100%

EXISTING BUSINESS

Particulars	Existing Business (BDT)		
	Daily	Monthly	Yearly
Estimated sales revenue-Cloth	1,800	50,400	604,800
Estimated sales revenue-Tailoring	600	16,800	201,600
Total Sales (A)	2,400	67,200	806,400
Calculation of Variable Cost:			
Less: Variable Cost:			
Estimated Cost of cloth	1,620	45,360	544,320
Labour cost	240	6,720	80,640
Total Variable Cost (B)	1,860	52,080	624,960
Contribution Margin (CM) [C=(A-B)]	540	15,120	181,440
Less: Fixed Cost:			
Shop Rent		100	1,200
Electricity bill		500	6,000
Generator bill		150	1,800
Salary		8,000	96,000
Night guard		50	600
Entertainment		200	2,400
Depreciation Expenses		308	3,700
Others expenses		200	2,400
(D) Total Fixed Cost		9,508	114,100
(C-D)Net Profit:		5,612	67,340
Cumulative Net Profit:			67,340

KEY ASSUMPTIONS (I/S)

- Sales growth will be 40% in the 1st year of capital injection and 10% in every year thereafter.
- Gross Profit on products on an average is 10%.
- Salary of entrepreneur will be increased every year in the range of 10% to 15%.
- Depreciation has been charged on furniture and sewing machine at the rate of 10% and 20% respectively.

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-Cloth	2,520	70,560	846,720	2,772	77,616	931,392	3,049	85,378	1,024,531	3,354	93,915	1,126,984
Estimated sales revenue-Tailoring	780	21,840	262,080	858	24,024	288,288	944	26,426	317,117	1,038	29,069	348,828
Total Sales (A)	3,300	92,400	1,108,800	3,630	101,640	1,219,680	3,993	111,804	1,341,648	4,392	122,984	1,475,813
Calculation of Variable Cost:												
<i>Less: Variable Cost:</i>												
Estimated Cost of cloth	2,268	63,504	762,048	2,495	69,854	838,253	2,744	76,840	922,078	3,019	84,524	1,014,286
Labour cost	312	8,736	104,832	343	9,610	115,315	378	10,571	126,847	415	11,628	139,531
Total Variable Cost (B)	2,580	72,240	866,880	2,838	79,464	953,568	3,122	87,410	1,048,925	3,434	96,151	1,153,817
Contribution Margin (CM) [C=(A-B)]	720	20,160	241,920	792	22,176	266,112	871	24,394	292,723	958	26,833	321,996
<i>Less: Fixed Cost:</i>												
Shop Rent		100	1,200		100	1,200		100	1,200		100	1,200
Electricity bill		500	6,000		550	6,600		650	7,800		700	8,400
Generator bill		150	1,800		200	2,400		200	2,400		250	3,000
Salary		8,500	102,000		9,000	108,000		9,500	114,000		10,000	120,000
Night guard		50	600		70	840		100	1,200		100	1,200
Entertainment		200	2,400		250	3,000		250	3,000		300	3,600
Depreciation Expenses		733	8,800		733	8,800		733	8,800		733	8,800
Others expenses		200	2,400		250	3,000		250	3,000		300	3,600
Ownership Transfer Fees		-	-		556	6,667		972	11,667		972	11,667
(D) Total Fixed Cost		10,433	125,200		11,709	140,507		12,756	153,067		13,456	161,467
(C-D)Net Profit:		9,727	116,720		10,467	125,605		11,638	139,657		13,377	160,529
Cumulative Net Profit:			116,720			242,325			381,982			542,511

BREAK EVEN POINT ANALYSIS

Particulars	Monthly	Yearly
Contribution Margin Ratio: (CM/Sales)	22%	22%
	Break Even Point (BEP):	125,200
	22%	22%
Break Even Point (in BDT)	47,819	573,833

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 Infusion by Investor's	-	150,000	-	-	-
Net Profit (Ownership transfer fee added back)	67,340	116,720	132,272	151,323	172,196
Depreciation	3,700	8,800	8,800	8,800	8,800
Opening Balance of Cash Surplus	-	71,040	196,560	297,632	387,755
Total Cash Inflow	71,040	346,560	337,632	457,755	568,751
Cash Outflow					
Purchase of Product	-	107,000	-	-	-
Sewing machine		8,000			
Decoration (Fixtures and Fittings)	-	35,000	-	-	-
Investment Pay Back (ownership transfer fee included)	-	-	40,000	70,000	70,000
Total Cash Outflow	-	150,000	40,000	70,000	70,000
Total Cash Surplus	71,040	196,560	297,632	387,755	498,751

OUTCOMES

- The business will start with BDT **196,000** and it is expected that by the end of four years after payback of investor's money the entrepreneur's capital will be BDT **588,511**
- 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

- Night guard deployment
- Keeping adequate sand and ensure source of water
- Close market watch to compete





Thank You