



**Welcome to the presentation of
SDRS Solar Project
30th Design Lab
17th September, 2014**

Grameen Telecom Trust

Building Social Business...



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About SDRS

- **Samaj Unnayon Palli Sangstha (SDRS) is a local non governmental, non political and voluntary organization that has been working with the disadvantaged, poor people in Gaibandha District since 2003.**
- **SDRS works with several partners like IDCOL, PKSF, UCEP and others to help the needy.**
- **The Social Business titled “SDRS Social Business Project” is the first social business fully owned by GTT and managed by SDRS.**

The First Social Business project:

Grameen Telecom Trust (GTT) launched their very first social business project in March 2013, based at Gaibandha district and implemented by SDRS, an NGO. The project titled 'SDRS Social Business Project' focuses on increasing income of rural households ensuring that rural women producers get the 'best price' from their produced items (Omanian Cap, Nakshi Kantha, Bed Sheet) either from establishing local market linkage or from exports.

Social Problem

In Gaibandha there is no business industry. Men and women with families move to Dhaka for low paid jobs. Establishment of factories in Gaibandha district will fulfill basic needs. Business enthusiasm would then be created among the people of Gaibandha. Hence, there is an utmost need for business industries in Gaibandha.

Project Focus

Assembling of Solar Related Instruments



Project Location:

**Gaibandha, Fulchori Upazila,
Union- Udakhali**

Business Summary:

To enable women from different rural areas assemble quality solar products such as: *Charge controller, Structure, LED Tube & LED Bulb which would be sold to SDRS*



Business Objective:

- **To provide high quality solar products and capture market.**
- **Generate income for ultra poor people and overcome poverty in rural villages in Gaibandha.**



Strength

- **Women of Udakhali Union can work in factory from their home.**
- **SDRS will purchase all the assembled solar products.**
- **Expansion scope in future as only 25 % of total requirement of SDRS will be fulfilled.**
- **The finished products will be sold to SDRS, nullifying the marketing & distribution and storage cost.**

Weakness & Threat

- **Target customer is only SDRS.**
- **Training needs to be provided to the unskilled workforce.**

Opportunities

- **Creation of new employment opportunities in rural areas.**
- **By working part-time a person can earn a minimum of BDT 3000-4000 monthly salary.**
- **Financial development opportunities for ultra poor people in the community.**



Financial Projection

Cost of the Project

Sl No.	Particulars	SDRS	GTT	Total (BDT)
1	Machinery & Equipment	-	845,000	845,000
2	Assets for Digital Social School	446,600	-	446,600
3	Working Capital	1,783,600	5,865,000	7,648,600
Total Cost of the Project		2,230,200	6,710,000	8,940,200

Means of Finance

Particulars	Amount	%
Entrepreneur's Contribution (SDRS)	2,230,200	25%
Investor's Investment (GTT)	6,710,000	75%
Total	8,940,200	100%

Five Years Projected Income Statement

Particulars	1st year		2nd year		3rd year		4th year		5th year	
	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly	Monthly	Yearly
Sales (Note-7)	2,973,390	35,680,680	3,419,399	41,032,782	3,932,308	47,187,699	4,522,155	54,265,854	5,200,478	62,405,732
Output VAT @ 15% (Note-B)	446,009	5,352,102	512,910	6,154,917	589,846	7,078,155	678,323	8,139,878	780,072	9,360,860
Net Sales	2,527,382	30,328,578	2,906,489	34,877,865	3,342,462	40,109,544	3,843,831	46,125,976	4,420,406	53,044,872
Less: Variable Cost:										
Production Cost (Note-8)	2,195,040	26,340,480	2,195,040	26,340,480	2,414,544	28,974,528	2,655,998	31,871,981	2,921,598	35,059,179
Total Variable Cost	2,195,040	26,340,480	2,195,040	26,340,480	2,414,544	28,974,528	2,655,998	31,871,981	2,921,598	35,059,179
Contribution Margin (CM)	332,342	3,988,098	711,449	8,537,385	927,918	11,135,016	1,187,833	14,253,995	1,498,808	17,985,694
Fixed Cost:										
Salary & remuneration (Note-3)	204,000	2,652,000	224,400	2,917,200	246,840	3,208,920	271,524	3,529,812	298,676	3,882,793
Rent	5,000	60,000	5,500	60,000	6,050	60,000	6,655	60,000	7,321	60,000
Electric	5,000	60,000	5,500	60,000	6,050	60,000	6,655	60,000	7,321	60,000
Printing & Stationery	5,000	60,000	5,500	60,000	6,050	60,000	6,655	60,000	7,321	60,000
Packaging cost	55,000	660,000	60,500	726,000	66,550	798,600	73,205	878,460	80,526	966,306
Conveyance	10,000	120,000	11,000	132,000	12,100	145,200	13,310	159,720	14,641	175,692
Depreciation (Note-9)	13,545	162,540	14,270	171,240	14,270	171,240	14,270	171,240	14,270	171,240
Amortization of Training Cost (Note-9)	2,667	32,000	2,875	34,500	2,875	34,500	2,875	34,500	2,875	34,500
Subsidy for school	10,000	120,000	10,000	120,000	10,000	120,000	10,000	120,000	10,000	120,000
Others	1,000	12,000	1,100	13,200	1,210	14,520	1,331	15,972	1,464	17,569
Total Fixed Cost (FC):	311,212	3,938,540	340,645	4,294,140	371,995	4,672,980	406,480	5,089,704	444,414	5,548,100
Net Profit	21,130	49,558	370,804	4,449,645	555,923	6,671,076	781,353	9,376,235	1,054,394	12,652,732
Cumulative Net Profit:	49,558		4,499,203		11,170,279		20,546,514		33,199,246	

Pay Back Period Analysis:

	Year 1	Year 2	Year 3	Year 4	Year 5
Pay Back Period	-	2,002,340	3,669,092	3,268,768	
Cash in Hand	49,558	2,447,305	3,001,984	6,107,467	12,652,732

Break Even Point Analysis:

Particulars	Monthly	Yearly
Contribution Margin Ratio: (CM/Rev)	11%	11%
Break Even Point-Sales : (FC/CM)	2,784,346	35,237,295

Statement of Cash Flow

<i>Particulars</i>	<i>Year-0</i>	<i>Year-1</i>	<i>Year-2</i>	<i>Year-3</i>	<i>Year-4</i>	<i>Year-5</i>
Cash Inflow						
Entrepreneur's Contribution	2,230,200	-	-	-	-	-
Investor's Investment	6,710,000	-	-	-	-	-
Non Cash item: Depreciation	-	162,540	162,540	171,240	171,240	171,240
Net Profit	-	49,558	4,449,645	6,671,076	9,376,235	12,652,732
Cash Inflow Each Year	8,940,200	212,098	4,612,185	6,842,316	9,547,475	12,823,972
Opening Balance of Cash Surplus	-	-	212,098	2,821,943	5,995,167	12,273,874
Total Cash Inflow	8,940,200	212,098	4,824,283	9,664,259	15,542,642	25,097,846
Cash Outflow						
Machineries, Equipment & Matarials	6,710,000	-	-	-	-	-
Assets & Working Capital	2,230,200					
Investment Pay Back	-	-	2,002,340	3,669,092	3,268,768	
Total Cash Outflow	8,940,200	-	2,002,340	3,669,092	3,268,768	-
Total Cash Surplus		212,098	2,821,943	5,995,167	12,273,874	25,097,846

Pay Back Period of the Project

Year of Return	Amount	Cumilative Amount
First Year	212,098	212,098
Second Year	4,612,185	4,824,283
Third Year	6,842,316	11,666,599
Total	11,666,599	

Pay Back Period of the Project	3 Years
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Investors Plan to return back the Investment:

Particulars	Period
Entrepreneur (SDRS)	4 Years
Investor (GTT)	4 Years

A woman wearing a colorful saree with orange, purple, and pink patterns is focused on working on a wall-mounted electrical panel. She is using a red-handled screwdriver to adjust a component within the panel. The panel is mounted on a wooden wall and contains several white and red wires. The background is slightly blurred, showing a window with a metal frame.

Thank You