

Tara Boutiques & Tailors



Brief Bio Data of the Entrepreneur

• Name	:	Mst. Asmatara Begum Age: 34 years
• Address	:	Vill: Chitali Uttar Para, Upazila: Mithapukur, Dist: Rangpur
• Mother (Grameen Bank Borrower)	:	Mst. Hossainur Begum Loan No: 5074 Center : 57/Mo Branch Name: Mithapukur Member since: 28/01/2004 Existing loan-BDT 50,000, Outstanding balance-BDT 25,000.
• Educational Qualification	:	S.S.C pass
• Experience	:	Entrepreneur has 05 (five) years experience in boutiques and business. Business has started in 2009 with BDT 20,000.

BUSINESS BRIEFING

• Business Name	:	<i>Tara Boutiques & Tailors</i>
• Location	:	Gosher Hat Mohila Market, Upazila: Mithapukur, Dist: Rangpur.
• Total Investment	:	BDT 770,000/-
• Financing	:	<ul style="list-style-type: none">➤ Entrepreneur BDT- 470,000/-(Existing Business)➤ Investor BDT- 300,000/-(As Equity)
• Implementation	:	
<p>The business will scale up with different items such Saree & Shalwar Kameez (Stitched/Unstitched), block printed saree, three piece, fabric, tailor made embroidered dress with bright colors, kids dress, lungi, gents punjabi etc. It targets to break even point within first year and pay back period is estimated to be four years.</p>		

Objectives

- Enhancement of entrepreneurial skills
- Employment opportunities for others
- Improving livelihood of the entrepreneur
- Become a prominent Nobin Udyokta

Additional Information:

- **Salary will be used for her family expenses;**
- **Her husband also has a shop close by in the same market;**
- **GB loan taken for her business;**
- **She has to provide GB loan installment from her business;**
- **No credit sales;**
- **Maintains regular records of business transactions**
- **She has trade license & ownership in her own name.**

INVESTMENT BREAKDOWN

Particulars	Existing Business (BDT)	Proposed (BDT)	Total (BDT)
Investment in Clothing Products	400,000	280,000	680,000
Decoration	70,000	20,000	90,000
Total Capital	470,000	300,000	770,000

Means of finance

Particulars	Amount (BDT)	%
Entrepreneur's Contribution	470,000	61%
Investor's Investment	300,000	39%
Total	770,000	100%

Existing Business

Particulars	EB (BDT)		
	Daily	Monthly	Yearly
Estimated Sales of Product	4,700	122,200	1,466,400
Estimated Income from tailoring	300	7,800	93,600
Total Sales (A)	5,000	130,000	1,560,000
Less: Variable Cost:			
Est. Cost of Product	3,995	103,870	1,246,440
Estimated cost of tailoring	200	5,200	62,400
Total Variable Cost (B)	4,195	109,070	1,308,840
Contribution Margin (CM) [C=(A-B)]	805	20,930	251,160
Less: Fixed Cost:			
Shop Rent		100	1,200
Salary (Self)		10,000	120,000
Electricity bill		400	4,800
Entertainment Expenses		600	7,200
Ownership Transfer Fees		-	-
Depreciation Expenses		583	7,000
Transportation Cost		2,000	24,000
Night Gaurd bill		300	3,600
(D) Total Fixed Cost		13,983	167,800
(C-D) Net Profit:	267	6,947	83,360

Key Assumptions:

- Sales and Servicing revenue growth will be 40% in 1st year of injecting additional investment and 10% thereafter.
- Gross profit margin is calculated @ 16% on an average.
- Labor and material cost is charged @ 67% on tailored products .
- Depreciation is charged @ 10% on sewing machine and fixtures & fittings 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 of Product	6,580	171,080	2,052,960	7,238	188,188	2,258,256	7,962	207,007	2,484,082	8,758	227,707	2,732,490
Estimated Income from tailoring	420	10,920	131,040	462	12,012	144,144	508	13,213	158,558	559	14,535	174,414
Total Sales (A)	7,000	182,000	2,184,000	7,700	200,200	2,402,400	8,470	220,220	2,642,640	9,317	242,242	2,906,904
<u>Less: Variable Cost:</u>												
Est. Cost of Product	5,593	145,418	1,745,016	6,152	159,960	1,919,518	6,768	175,956	2,111,469	7,444	193,551	2,322,616
Estimated cost of tailoring	280	7,280	87,360	308	8,008	96,096	339	8,809	105,706	373	9,690	116,276
Total Variable Cost (B)	5,873	152,698	1,832,376	6,460	167,968	2,015,614	7,106	184,765	2,217,175	7,817	203,241	2,438,892
Contribution Margin (CM) [C=(A-B)]	1,127	29,302	351,624	1,240	32,232	386,786	1,364	35,455	425,465	1,500	39,001	468,012
<u>Less: Fixed Cost:</u>												
Shop Rent		100	1,200		100	1,200		100	1,200		100	1,200
Salary (Self)		10,000	120,000		10,500	126,000		11,500	138,000		12,500	150,000
Electricity bill		450	5,400		500	6,000		550	6,600		600	7,200
Entertainment Expenses		700	8,400		800	9,600		900	10,800		1,000	12,000
Ownership Transfer Fees		-	-		1,333	16,000		1,333	16,000		2,333	28,000
Depreciation Expenses		750	9,000		750	9,000		750	9,000		750	9,000
Transportation Cost		2,000	24,000		2,200	26,400		2,400	28,800		2,600	31,200
Night Guard bill		300	3,600		300	3,600		300	3,600		300	3,600
(D) Total Fixed Cost	-	14,300	171,600	-	16,483	197,800	-	17,833	214,000	-	20,183	242,200
(C-D)Net Profit:		15,002	180,024		15,749	188,986		17,622	211,465		18,818	225,812
Cumulative Net Profit:			180,024			369,010			580,475			806,287

Break even analysis

Particulars	Monthly	Yearly
Contribution Margin Ratio: (CM/Sales)	16%	16%
Break Even Point (BEP):	14,300	171,600
	16%	16%
Break Even Point (BDT)	88,820	1,065,839

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 Entrepreneur's	-	-	-	-	-
New Investment Infusion by Investor's	-	300,000	-	-	-
Net Profit (ownership transfer fee added back)	83,360	180,024	204,986	227,465	253,812
Depreciation Expenses	7,000	9,000	9,000	9,000	9,000
Opening Balance of Cash Surplus	-	90,360	279,384	397,370	537,835
Total Cash Inflow	90,360	579,384	493,370	633,835	800,647
Cash Outflow					
Payment for product purchase	-	280,000	-	-	-
Payment for Decoration	-	20,000	-	-	-
Investment Pay Back (including ownership transfer fee)	-	-	96,000	96,000	168,000
Total Cash Outflow	-	300,000	96,000	96,000	168,000
Total Cash Surplus	90,360	279,384	397,370	537,835	632,647

Outcomes

- The business will start with **BDT 770,000** and it is expected that by the end of four (04) years after payback of investor's money the entrepreneur's capital will be **BDT 1,276,000**.
- The business will serve the community by selling quality and in demand products and strive to improve every year.

Risk Factors

- Theft
- Local competition
- Fire
- Political unrest

Risk Management

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

Pictures





Thank You

