

Shefali Tailors



BRIEF BIO DATA OF THE ENTREPRENEUR

- Name : MD. Khairuzzaman Sheikh
- Date of Birth- 20th May, 1988 (26 years)
- Address : Hashil Kandi, Shaghata, Gaibandha,
- Mother : Mrs. Khodaza Begum, Centre # 8/Mo, Haishal Kandi Vha/Mo, Shaghata, Gaibandha.
- **(Grameen Bank Borrower)** : Member since January 23, 2008
Existing loan - BDT 12,000 Outstanding- BDT 11,208 (Business Liability)
- Educational Qualification : Class Eight Pass
- Experience : 7 (Seven) years of experience in running and working in own Clothing & Tailor shop. Entrepreneur started his business with BDT 30,000 (Thirty thousand). Now it's value is BDT 50,000 (fifty thousand)

BUSINESS BRIEFING

- Proposed Business : ***Shefali Tailors***
- Shop location: Old post office road, Shaghata, Gaibandha
- Total Investment: BDT **300,000**
 - ❖ Financing
 - ❖ Self BDT **50,000** (from existing business)
 - ❖ Required Investment BDT **250,000** (as equity)
- Implementation:

The clothing & tailoring shop will start with different items of cloth & tailored products and services targeting break even within first year & pay back period is estimated to be five years.

OBJECTIVES

- Self employment for the entrepreneur;
- Create employment opportunities for others (especially for family members of Grameen Bank Borrowers) ;
- Cater to demand for clothing products and tailoring services in the community;
- Selling quality clothing products to community;
- Contribute in improving socio-economic condition.

INVESTMENT BREAKDOWN

Particulars	Existing (BDT)	Proposed (BDT)	Total
Cloth Products	10,000	200,000	210,000
Advanced Investment	30,000	-	30,000
Sewing Machine	10,000	-	10,000
Fixtures and Fittings (Decoration)	-	50,000	50,000
Total Capital	50,000	250,000	300,000

MEANS OF FINANCE

Particulars	Amount (Tk.)	%
Entrepreneur's Contribution	50,000	17%
Investor's Investment	250,000	83%
Total	300,000	100%

EXISTING BUSINESS

Particulars	Existing Business (BDT)		
	Daily	Monthly	Yearly
Estimated Income from Tailoring	800	20,800	249,600
Estimated Income from Product Sales	300	7,800	93,600
Total	1,100	28,600	343,200
Less: Variable Cost:			
Labor Charges	560	14,560	174,720
Estimated Variable Cost of Product	264	6,864	82,368
Total	824	21,424	257,088
Contribution Margin (CM)	276	7,176	86,112
Calculation of Fixed Cost:			
Shop Rent		700	8,400
Electricity		300	3,600
Salary (Self)		6,000	72,000
Ownership Transfer Fees		-	-
Depreciation Expenses		-	-
Total Fixed Cost		7,000	84,000
Net Profit		176	2,112

KEY ASSUMPTIONS (I/S)

- Sales growth on cloth items and tailoring service will be 400% and 175% in 1st year of injecting additional investment respectively, and 10% thereafter.
- Contribution Margin (CM) on product is 22% on average.

FINANCIAL PROJECTION

Particulars	Year 1 (BDT)			Year 2 (BDT)			Year 3 (BDT)			Year 4 (BDT)			Year 5 (BDT)		
	Daily	Monthly	Yearly	Daily	Monthly	Yearly	Daily	Monthly	Yearly	Daily	Monthly	Yearly	Daily	Monthly	Yearly
Income from Tailoring	1,400	36,400	436,800	1,540	40,040	480,480	1,694	44,044	528,528	1,863	48,448	581,381	2,050	53,293	639,519
Income from Product Sales	1,200	31,200	374,400	1,320	34,320	411,840	1,452	37,752	453,024	1,597	41,527	498,326	1,757	45,680	548,159
Total	2,600	67,600	811,200	2,860	74,360	892,320	3,146	81,796	981,552	3,461	89,976	1,079,707	3,807	98,973	1,187,678
Less: Variable Cost															
Labor Charges	980	25,480	305,760	1078	28,028	336,336	1,186	30,831	369,970	1,304	33,914	406,967	1,435	37,305	447,663
Variable Cost of Product	1056	27,456	329,472	1161.6	30,202	362,419	1,278	33,222	398,661	1,406	36,544	438,527	1,546	40,198	482,380
Total	2036	52,936	635,232	2239.6	58,230	698,755	2,464	64,053	768,631	2,710	70,458	845,494	2,981	77,504	930,043
Contribution Margin (CM)	564	14,664	175,968	620	16,130	193,565	682	17,743	212,921	751	19,518	234,213	826	21,470	257,635
Calculation of Fixed Cost:															
Shop Rent		700	8,400		700	8,400		800	8,400		900	8,400		1,000	8,400
Electricity		400	4,800		500	6,000		600	7,200		700	8,400		800	9,600
Salary (Self)		7,000	84,000		7,500	90,000		8,000	96,000		8,500	102,000		9,000	108,000
Ownership Transfer Fees		-	-		-	8,000		-	12,000		-	15,000		-	15,000
Depreciation Expenses		1,900	22,800		1,900	22,800		1,900	22,800		1,900	22,800		1,900	22,800
Total Fixed Cost		10,000	120,000		10,600	135,200		11,300	146,400		12,000	156,600		12,700	163,800
Net Profit		4,664	55,968		5,530	58,365		6,443	66,521		7,518	77,613		8,770	93,835
Cumulative Net Profit:			55,968			114,333			180,854			258,467			352,302

BREAK EVEN ANALYSIS

Particulars	Monthly	Yearly
Contribution Margin Ratio: (CM/Rev)	22%	22%
Break Even Point (BEP):	$\frac{14,664}{22\%}$	$\frac{175,968}{22\%}$
Break Even Point Sales (BDT)	32,270	387,234

CASH FLOW (REC. & PAY.)

<i>Particulars</i>	<i>Existing Year (BDT)</i>	<i>Year 1 (BDT)</i>	<i>Year 2 (BDT)</i>	<i>Year 3 (BDT)</i>	<i>Year 4 (BDT)</i>	<i>Year 5 (BDT)</i>
Cash Inflow						
New Investment	-	250,000	-	-	-	-
Net Profit	2,112	55,968	66,365	78,521	92,613	108,835
Depreciation	-	15,000	15,000	15,000	15,000	15,000
Opening Balance of Cash Surplus	-	2,112	73,080	106,445	127,966	145,579
Total Cash Inflow	2,112	323,080	154,445	199,966	235,579	269,414
Cash Outflow						
Cloth Purchases	-	200,000	-	-	-	-
Proposed Fixtures and Fittings (Decoration)	-	50,000	-	-	-	-
Investment Pay Back	-	-	48,000	72,000	90,000	90,000
Total Cash Outflow	-	250,000	48,000	72,000	90,000	90,000
Total Cash Surplus	2,112	73,080	106,445	127,966	145,579	179,414

OUTCOMES

- ***Shefali Tailors*** business will start with BDT **300,000** and it is expected that by the end of five years after payment of Investor's money the entrepreneur's capital will be BDT **352,302.**
- Sales of in demand and quality clothing products for the community will be increased gradually.

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

**PHOTO
EXHIBITION**

















Thank You

