Background

To ensure that good businesses do not shut down or face extreme difficulties due to challenges caused or worsened by the Covid-19 pandemic, the Loden Foundation invites proposals from existing Loden entrepreneurs who may be facing difficulties. Applicants can avail support of additional interest free and collateral free loan up to Nu.600,000 from the Loden Foundation. The loan will have to be repaid over a period of 3 years.

The Loden Emergency Fund is a joint initiative that was set up with contributions from Bhutanese entrepreneurs, Loden Foundation and Karuna-Shechen.

Eligibility

This special funding window will be open only for existing Loden entrepreneurs. Even if entrepreneurs have not completed their loan repayment, they can apply for the fund. The applications will be put through a rigorous selection process and they will be evaluated swiftly. However, support cannot be guaranteed for all applicants even if they meet the eligibility criteria as available funding is limited.

Who is eligible to apply?

* This funding scheme isonly for existing Loden entrepreneurs
* Entrepreneurs who have been in default for a period of 6 months or more before 1st of March 2020 for Loden Loan and other lender’s loans are not eligible
* Entrepreneurs who have court cases in progress or who have judgments issued against them are not eligible
* Entrepreneurs whose businesses are active and considered sustainable
* Entrepreneurs who exhibit a genuine prospect that the loan will be reimbursed over the next 3 years and also that existing loans can be repaid

When considering if additional support can be provided, Loden will give preference to businesses that:

* + Maintain or create jobs, or address new issues using innovation and technology
  + Focus on import substitution or export promotion

Funding amount: Up to Nu. 600,000 maximum per application

Selection Process:

The selection process will be as follows:

* + Open for applications 11December 2020
  + Applications close by 30 December 2020 (subject to change)
  + Preliminary screening of proposals based on CIB report and loan repayment history with Loden Foundation
  + Review of proposals by a panel of judges
  + Shortlisted applicants’ businesses will likely be visited by Loden management prior to the interview
  + Online or physical interview depending on convenience for shortlisted applicants
  + Agreement signing and fund disbursement

Documents required:

* A business plan. Please note you are not required to submit a full business plan – you should use the business proposal form HERE
* Updated Curriculum Vitae (CV) to highlight any new training, education or achievements
* Latest CIB report of the applicant and spouse (if married), from the Credit Information Bureau of Bhutan
* Business accounts for past the two years
* Latest tax clearance and supporting documents
* Valid business license

APPLICATION PROCEDURE:

All documents must be submitted via email in soft copies at application@loden.org. Interviews will be held online or in person depending on the situation. For inquiries, write to application@loden.org or call Tshering Edey (Finance Manager) or Tshering Wangmo (Assistant Programme Officer) at 77198181 during office hours.

THE LODEN FOUNDATION FOLLOWS ALL HEALTH AND HYGIENE MEASURES AS REQUIRED BY THE ROYAL GOVERNMENT OF BHUTAN TO PREVENT THE SPREAD OF COVID-19.

Business Proposal Form

A: Personal Details

|  |  |
| --- | --- |
| Name of business |  |
| Name of the applicant |  |
| Location of the Business  (Dzongkhag, Gewog and Area) |  |
| Year of establishment |  |
| Business sector |  |
| Business type | Sole Proprietorship [ ] Partnership [ ] Community [ ] *Please Tick* |
| Full Contact Details:  (Email, Mobile Phone no,  WeChat ID) |  |

B. Executive Summary of the Business Needs

|  |  |
| --- | --- |
| 1 | Business Description:  In less than 300 words, tell us about your business. Explain how your business has been affected by the economic situation created by Covid-19. |
|  |
| 2 | Business Needs:  Explain why you need this emergency fund and how you will address the challenges and problems of your business caused or worsened by Covid-19. Explain how your business can save or create jobs and/or substitute imports and/or promote exports. Mention competition and your market analysis. |
|  |
| 3 | Budget:  Provide details of how and over what period of time you will use the additional money you are seeking. |
|  |

D. Work Plan

Provide major activities and mark months and quarters in which you plan to carry them out. Add new row if you need more.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| PLANNED ACTIVITY | Month 1 | Month 2 | Month 3 | Quarter 2 | Quarter 3 | Quarter 4 | Quarter 5 | Quarter 6 |
| 1. |  |  |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |  |  |
| 3. |  |  |  |  |  |  |  |  |
| 4 |  |  |  |  |  |  |  |  |
| 5. |  |  |  |  |  |  |  |  |
| 6. |  |  |  |  |  |  |  |  |

E. Budget and Expenses

Provide cost for each item and amount in detail. You may breakdown under different subheadings such as equipment, salaries, raw materials, utilities, etc. Add new row if you need more.

|  |  |  |
| --- | --- | --- |
| No | Items | Amount in Nu. |
| 1 |  |  |
| 2 |  |  |
| 3 |  |  |
| 4 |  |  |
| 5 |  |  |
| 6 |  |  |
| 7 |  |  |

F. Financial Projection

Give a projection of the quantity of products and services [in blue cells] and their monetary value [in white cell] under the timeline.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Results | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Quarter 5 | Quarter 6 | Quarter 7 |
| 1. |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| 2. |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| 3. |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| 4. |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| 5. |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |

H. Human Resources

Provide how many people are currently working in your business and how many people you want to employ in future, with their responsibilities and proposed time of recruitment.

|  |  |  |  |
| --- | --- | --- | --- |
| Sl No | Person | Position/Role | Remarks |
| 1 |  |  |  |
| 2 |  |  |  |
| 3 |  |  |  |
| 4 |  |  |  |
| 1 |  |  |  |
| 2 |  |  |  |
| 3 |  |  |  |