



Pre-feasibility Study

GENTS SALON

December 2022

“The figures and financial projections are approximate due to fluctuations in exchange rates, energy costs, and fuel prices etc. Users are advised to focus on understanding essential elements such as production processes and capacities, space, machinery, human resources, and raw material etc. requirements. Project investment, operating costs, and revenues can change daily. For accurate financial calculations, utilize financial calculators on SMEDA’s website and consult financial experts to stay current with market conditions.”

Small and Medium Enterprises Development Authority
Ministry of Industries and Production
Government of Pakistan

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1 DISCLAIMER

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For information	Shakoor@smeda.org.pk

2 EXECUTIVE SUMMARY

Gents Salon is proposed to be located at any metropolis area (Quetta, Karachi, Peshawar, Islamabad, Lahore, Hyderabad, Faisalabad, Rawalpindi etc.) where people prefer hygiene over low cost cutting. The gent's salon will provide services include hair cutting, beard trimming, facial service, hair color, hair straightening and manicure/pedicure services.

The capacity utilization during year one is worked out at 80% with 5% increase in subsequent years up to the maximum capacity utilization of 100%.

Total Cost Estimates is **Rs. 2,133,215** with fixed investment **Rs. 1,517,900** and working capital **Rs. 615,315**.

Given the cost assumptions **IRR** and **payback** are **61%** and **2.25 years** respectively.

The most critical considerations or factors for success of the project are: The location and size of salon, hiring of expert barbers, the ambiance of salon must be modern and attractive, service quality, Considering hygiene factor the priority, Quality of products being used, Customer satisfaction/ Customer Relation.

3 INTRODUCTION TO SMEDA

The Small and Medium Enterprises Development Authority (SMEDA) was established in October 1998 with an objective to provide fresh impetus to the economy through development of Small and Medium Enterprises (SMEs).

With a mission "to assist in employment generation and value addition to the national income, through development of the SME sector, by helping increase the number, scale and competitiveness of SMEs", SMEDA has carried out 'sectoral research' to identify policy, access to finance, business development services, strategic initiatives and institutional collaboration and networking initiatives.

Preparation and dissemination of prefeasibility studies in key areas of investment has been a successful hallmark of SME facilitation by SMEDA.

Concurrent to the prefeasibility studies, a broad spectrum of business development services is also offered to the SMEs by SMEDA. These services include identification of experts and consultants and delivery of need based capacity building programs of different types in addition to business guidance through help desk services.

4 PURPOSE OF THE DOCUMENT

The objective of the pre-feasibility study is primarily to facilitate potential entrepreneurs in project identification for investment. The project pre-feasibility may form the basis of an important investment decision and in order to serve this objective, the document/study covers various aspects of project concept development, start-up, and production, marketing, finance and business management.

The purpose of this document is to facilitate potential investors in **Gents Salon** by providing them with a general understanding of the business with the intention of supporting potential investors in crucial investment decisions.

The need to come up with pre-feasibility reports for undocumented or minimally documented sectors attains greater imminence as the research that precedes such reports reveal certain thumb rules; best practices developed by existing enterprises by trial and error, and certain industrial norms that become a guiding source regarding various aspects of business set-up and its successful management.

Apart from carefully studying the whole document one must consider critical aspects provided later on, which form basis of any Investment Decision.

5 BRIEF DESCRIPTION OF PROJECT & PRODUCT

Following are the key parameters of this pre-feasibility study:

- **Technology:** This proposed Gents salon will provide men grooming services to the customers aiming salon hygiene the priority. Appropriate sanitation, sterilization and disinfection are all keys to keeping the salon clean and hygienic.
- **Location:** The salon should be located at metropolis area in a big city like Quetta, Karachi, Hyderabad, Peshawar, Lahore, Islamabad etc.
- **Services:** The salon will provide hair cutting, beard trimming, facial service, hair colour, hair straightening and manicure/pedicure services.
- **Target Market:** The target market is those localities where people prefer hygiene over low cost cutting.
- **Employment Generation:** The proposed salon will provide employment to 7 people.

5.1 Installed And Operational Capacities

The capacity utilization during year one is worked out at 80% with 5% increase in subsequent years up to the maximum capacity utilization of 100%.

6 CRITICAL FACTORS

- The location and size of salon
- Hiring of expert barbers
- The ambiance of salon must be modern and attractive
- Service quality
- Considering hygiene factor the priority
- Quality of products being used
- Customer satisfaction/ Customer Relation

7 POTENTIAL TARGET CUSTOMERS / MARKETS

The target market is those localities where people prefer hygiene over low cost cutting. The salon should be located at a metropolis area in a big city like Quetta, Karachi, Hyderabad, Peshawar, Lahore, Islamabad etc. because these areas have the ability to be the potential market place for this hair salon and grooming

services. In these areas, mix community of people living there and these areas have a high potential to attract customers.

8 PROJECT COST SUMMARY

A detailed financial model has been developed to analyze the commercial viability of this project. Various costs and revenue related assumptions along with results of the analysis are outlined in this section

8.1 Project Economics

All the figures in this financial model have been calculated for estimated sales of Rs. 6.1 million in the year one. The capacity utilization during year one is worked out at 80% with 5% increase in subsequent years up to the maximum capacity utilization of 100%.

The following table shows internal rate of return, payback period and net present value of the proposed venture.

Table 1: Project Economics

Description	Details
Internal Rate of Return (IRR)	61%
Payback Period (yrs.)	2.25
Net Present Value (Rs.)	4,355,217

8.2 Project Financing

Following table provides detail of the equity required;

Table 2: Project Financing

Description	Details
Total Equity (100%)	Rs. 2,133,215

8.3 Project Cost

Following fixed and working capital requirements have been identified for operations of the proposed business.

Table 3: Project Cost

Description	Amount Rs.
Capital Cost	
Tools and Machines	171,050
Furniture & Fixture	506,850
Shop Renovation	595,000
Pre-operating Cost	245,000
Total Capital Cost	1,517,900
Working Capital	
Raw Material Inventory	21,982
Up-front Building Rent	480,000
Cash	100,000
Equipment spare part inventory	13,333
Total Working Capital	615,315
Total Project Cost	2,133,215

8.4 Space Requirement

The space requirement for the proposed Gents Salon is estimated considering various facilities seats arrangement, washroom facility and private area for grooming;

Table 4: Space Requirement

Description	Estimated Area (Sqft)	Monthly Rent (Rs.)	Yearly Rent (Rs.)
Shop (15x20)	300	40,000	480,000
Total			480,000

8.5 Machines & Tools Requirement

Machines and equipment for the proposed salon are stated below.

Table 5: Machines & Tools Requirement

Description	Quantity	Unit Cost (Rs.)	Total Cost (Rs.)
Hair Dryer Machine	4,000	2	8,000
Hair Trimmer Machine	2,500	5	12,500
Zero Cutting Machine	1,200	3	3,600
Hair Straightener	2,500	1	2,500
Facial Steam Machine	15,000	1	15,000
Head Steam Machine	15,000	1	15,000
Wax Heater Machine	1,000	1	1,000
Nose Hair Trimmer Machine	1,200	2	2,400
Sterilizer Cabinet	12,000	1	12,000
LED TV (48")	75,000	1	75,000
Hair Pressing Iron and Curling tong	2,500	2	5,000
Scissors	500	12	6,000
Razors	150	12	1,800
Hair Comb Kit	1,000	2	2,000
Brushes	350	5	1,750
Manicure and Pedicure Tools	5,000	1	5,000
Cape	250	10	2,500
Total			171,050

8.6 Cosmetic Products Requirement

Cosmetic Products for the proposed salon are stated below.

Table 6: Cosmetic Products Requirement

Description	Quantity/ Yearly	Unit Cost (Rs.)	Total Cost (Rs.) / Yearly
Facial Kit	12	15,000	180,000

Hair Color	1,320	450	594,000
Shaving Gel	60	200	12,000
Talcum Powder	24	300	7,200
Dettol Large (1liter)	12	1,700	20,400
Shaving Foam	24	350	8,400
Disposable Razor Blades (25/Packet)	168	750	126,000
Hair Straightener	12	1,500	18,000
Face Wash	24	300	7,200
Shampoo	12	430	5,160
Hair Wax	24	230	5,520
Hand Sanitizer	60	270	16,200
Masks	36	250	9,000
Waterproof Neck Paper	120	600	72,000
Whitening Kit	12	1,500	18,000
Hair Spray	12	700	8,400
Total			1,099,080

8.7 Furniture & Fixtures Requirement

Details of the furniture and fixture required for the project are given below;

Table 7: Furniture & Fixture

Description	Quantity	Unit Cost (Rs.)	Total Cost (Rs.)
Salon Chairs	30,000	5	150,000
Air Conditioner- 1.5 ton	65,000	1	65,000
Reception and Cash Counter	20,000	1	20,000
Salon Mirrors	10,000	5	50,000
Electric Wiring	25,000	1	25,000
False Ceiling Lights	220	30	6,600
UPS and Batteries	45,000	1	45,000

Waiting Area Sofa Set	5,000	4	20,000
False Ceiling Fans	5,500	5	27,500
Water Dispenser	15,000	1	15,000
Racks	5,000	2	10,000
Salon Trollies	9,500	2	19,000
Counter Chairs	3,500	2	7,000
Fancy Lights	2,500	5	12,500
Wallpaper Roll	3,500	4	14,000
Towel Hanger	2,500	2	5,000
Dustbins	650	5	3,250
Music System	12,000	1	12,000
Total			506,850

8.8 Human Resource Requirement

In order to run operations of Gents Salon smoothly, details of human resources required along with number of employees and monthly salary are recommended as under;

Table 6: Human Resource Requirement

Description	No. of Employees	Monthly Salary per person (Rs.)	Annual Salary
Owner	1	60,000	720,000
Professional Barber	4	40,000	1,920,000
Helper	1	25,000	300,000
Guard	1	25,000	300,000
Total	7		3,240,000

8.9 Utilities and other costs

An essential cost to be borne by the project is the Administrative cost and Rental Expense. The electricity expenses are estimated to be around Rs. 104,000 per annum, whereas, water expenses are estimated to be Rs. 24,000 / year. Furthermore, promotional expense being essential for marketing of Gents Salon is estimated as 1.5% of administrative / Cost of Sales expenses.

8.10 Revenue Generation

Based on the capacity utilization of 80%, sales revenue during the first year of operations is estimated as under;

Table 7: Revenue Generation – Year 1

Description	No. of Units / Month	No. of Units / Y1 (80% Utilization)	Service Charges / unit (Rs.)	Sales Revenue (Rs.)
Hair Cutting Adult	660	6,336	250	1,584,000
Hair Cutting Child	330	3,168	200	633,600
Beard Trimming	330	3,168	150	475,200
Facial Service	110	1,056	1,500	1,584,000
Hair Coloring	110	1,056	800	844,800
Hair Straightening	66	633.6	1,200	760,320
Manicure/Pedicure	5	48	1,200	57,600
Hair styling	10	96	100	9,600
Groom Package (Includes all Services)	5	48	4,000	192,000
Head Massage	5	48	500	24,000
Total				6,165,120

9 CONTACT DETAILS

In order to facilitate potential investors, contact details of private sector Service Providers relevant to the proposed project be given.

9.1 Suppliers

Name of Supplier	Address	Phone	E-mail	Website
Parlour Store	Plot C5 P&T Society Gate No 4 Near tayyaba Masjid Korangi	0336-3985817	parlourstore.pk@gmail.com	https://www.parlourstore.pk/
Salon Designer	Street No 4, Main Siraj ud-Daulah Rd,	0309-8888167		https://www.salondzinners.com/

	near Sialkot Bakery, Bahadurabad BYJCHS, Karachi			
Arabian Salon Equipment	New Uzma Centre, Basement, P.E.C.H.S Block 2 Block 2 PECHS, Karachi	(021) 34547411		
		0313- 2125704		

10 USEFUL WEB LINKS

Small & Medium Enterprises Development Authority (SMEDA)	www.smeda.org.pk
Government of Pakistan	www.pakistan.gov.pk
Ministry of Industries & Production	www.moip.gov.pk
Ministry of Education, Training & Standards in Higher Education	http://moptt.gov.pk
Government of Punjab	www.punjab.gov.pk
Government of Sindh	www.sindh.gov.pk
Government of Khyber Pakhtunkhwa	www.khyberpakhtunkhwa.gov.pk
Government of Balochistan	www.balochistan.gov.pk
Government of Gilgit Baltistan	www.gilgitbaltistan.gov.pk
Government of Azad Jamu Kashmir	www.ajk.gov.pk
Trade Development Authority of Pakistan (TDAP)	www.tdap.gov.pk
Security Commission of Pakistan (SECP)	www.secp.gov.pk
Federation of Pakistan Chambers of Commerce and Industry (FPCCI)	www.fpcci.com.pk
State Bank of Pakistan (SBP)	www.sbp.org.pk
Punjab Small Industries Corporation	www.psic.gop.pk
Sindh Small Industries Corporation	www.ssic.gos.pk
Pakistan Horticulture Development and Export Company (PHDEC)	www.phdec.org.pk
Punjab Vocational Training Council (PVTC)	www.pvtc.gop.pk
Technical Education and Vocational Training Authority (TEVTA)	www.tevta.org
Pakistan Readymade Garment Technical Training Institute	www.prgmea.org/prgtti/
Livestock & Dairy Development Department, Government of Punjab.	www.livestockpunjab.gov.pk

Punjab Industrial Estates (PIE)	www.pie.com.pk
Faisalabad Industrial Estate Development and Management Company (FIEDMC)	www.fiedmc.com.pk

11 ANNEXURES

11.1 Income Statement

Statement Summaries										SMEDA
Income Statement										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Rs. in actuals Year 10
Revenue	6,165,120	7,205,484	8,392,270	9,744,357	11,282,940	12,411,234	13,652,358	15,017,593	16,519,353	18,171,288
Cost of goods sold	3,675,264	4,040,754	4,438,926	4,872,833	5,345,823	5,782,497	6,259,196	6,779,746	7,348,345	7,969,594
Gross Profit	2,489,856	3,164,730	3,953,344	4,871,525	5,937,117	6,628,738	7,393,162	8,237,847	9,171,008	10,201,694
<i>General administration & selling expenses</i>										
Administration expense	660,000	724,259	794,773	872,154	957,068	1,050,249	1,152,503	1,264,712	1,387,846	1,522,969
Rental expense	480,000	528,000	580,800	638,880	702,768	773,045	850,349	935,384	1,028,923	1,131,815
Utilities expense	-	-	-	-	-	-	-	-	-	-
Travelling & Comm. expense (phone, fax, etc.)	24,000	26,337	28,901	31,715	34,802	38,191	41,909	45,990	50,467	55,381
Office vehicles running expense	-	-	-	-	-	-	-	-	-	-
Office expenses (stationary, etc.)	42,000	46,089	50,576	55,501	60,904	66,834	73,341	80,482	88,318	96,916
Promotional expense	92,477	108,082	125,884	146,165	169,244	186,169	204,785	225,264	247,790	272,569
Insurance expense	-	-	-	-	-	-	-	-	-	-
Professional fees (legal, audit, etc.)	30,826	36,027	41,961	48,722	56,415	62,056	68,262	75,088	82,597	90,856
Depreciation expense	97,540	97,540	97,540	97,540	97,540	97,540	97,540	97,540	97,540	97,540
Amortization expense	49,000	49,000	49,000	49,000	49,000	-	-	-	-	-
Property tax expense	-	-	-	-	-	-	-	-	-	-
Miscellaneous expense	123,302	144,110	167,845	194,887	225,659	248,225	273,047	300,352	330,387	363,426
Subtotal	1,599,145	1,759,444	1,937,281	2,134,563	2,353,400	2,522,308	2,761,737	3,024,811	3,313,868	3,631,472
Operating Income	890,711	1,405,287	2,016,062	2,736,961	3,583,717	4,106,429	4,631,425	5,213,036	5,857,140	6,570,222
Other income	76,874	121,932	168,233	219,090	275,951	330,165	376,623	421,261	466,656	524,894
Gain / (loss) on sale of assets	-	-	-	-	-	-	-	-	-	-
Earnings Before Interest & Taxes	967,585	1,527,218	2,184,295	2,956,052	3,859,668	4,436,594	5,008,047	5,634,297	6,323,797	7,095,115
Interest expense	-	-	-	-	-	-	-	-	-	-
Earnings Before Tax	967,585	1,527,218	2,184,295	2,956,052	3,859,668	4,436,594	5,008,047	5,634,297	6,323,797	7,095,115
Tax	396,710	626,159	895,561	1,211,981	1,582,464	1,819,004	2,053,299	2,310,062	2,592,757	2,908,997
NET PROFIT/(LOSS) AFTER TAX	570,875	901,059	1,288,734	1,744,071	2,277,204	2,617,591	2,954,748	3,324,235	3,731,040	4,186,118
Balance brought forward		285,438	593,248	940,991	1,342,531	1,809,868	2,213,729	2,584,239	2,954,237	3,342,638
Total profit available for appropriation	570,875	1,186,496	1,881,982	2,685,062	3,619,735	4,427,458	5,168,477	5,908,474	6,685,277	7,528,757
Dividend	285,438	593,248	940,991	1,342,531	1,809,868	2,213,729	2,584,239	2,954,237	3,342,638	3,764,378
Balance carried forward	285,438	593,248	940,991	1,342,531	1,809,868	2,213,729	2,584,239	2,954,237	3,342,638	3,764,378

11.2 Balance Sheet

Statement Summaries											SMEDA
Balance Sheet											
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Rs. in actuals Year 10
Assets											
<i>Current assets</i>											
Cash & Bank	540,000	997,480	1,441,151	1,923,514	2,458,293	3,060,725	3,542,576	3,989,875	4,435,347	4,897,781	5,600,093
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-
Finished goods inventory	-	-	-	-	-	-	-	-	-	-	-
Equipment spare part inventory	13,333	15,619	18,233	21,218	24,624	27,148	29,931	32,999	36,381	40,110	-
Raw material inventory	21,982	25,259	28,924	33,020	37,590	40,654	43,967	47,550	51,426	55,617	-
Pre-paid annual land lease	-	-	-	-	-	-	-	-	-	-	-
Pre-paid building rent	40,000	44,000	48,400	53,240	58,564	64,420	70,862	77,949	85,744	94,318	-
Pre-paid lease interest	-	-	-	-	-	-	-	-	-	-	-
Pre-paid insurance	-	-	-	-	-	-	-	-	-	-	-
Total Current Assets	615,315	1,082,358	1,536,708	2,030,991	2,579,071	3,192,948	3,687,336	4,148,373	4,608,898	5,087,826	5,600,093
<i>Fixed assets</i>											
Land	-	-	-	-	-	-	-	-	-	-	-
Building/Infrastructure	595,000	565,250	535,500	505,750	476,000	446,250	416,500	386,750	357,000	327,250	297,500
Machinery & equipment	171,050	153,945	136,840	119,735	102,630	85,525	68,420	51,315	34,210	17,105	-
Furniture & fixtures	506,850	456,165	405,480	354,795	304,110	253,425	202,740	152,055	101,370	50,685	-
Office vehicles	-	-	-	-	-	-	-	-	-	-	-
Office equipment	-	-	-	-	-	-	-	-	-	-	-
Total Fixed Assets	1,272,900	1,175,360	1,077,820	980,280	882,740	785,200	687,660	590,120	492,580	395,040	297,500
<i>Intangible assets</i>											
Pre-operation costs	245,000	196,000	147,000	98,000	49,000	-	-	-	-	-	-
Legal, licensing, & training costs	-	-	-	-	-	-	-	-	-	-	-
Total Intangible Assets	245,000	196,000	147,000	98,000	49,000	-	-	-	-	-	-
TOTAL ASSETS	2,133,215	2,453,718	2,761,528	3,109,271	3,510,811	3,978,148	4,374,996	4,738,493	5,101,478	5,482,866	5,897,593
Liabilities & Shareholders' Equity											
<i>Current liabilities</i>											
Accounts payable	-	-	-	-	-	-	-	-	-	-	-
Export re-finance facility	-	-	-	-	-	-	-	-	-	-	-
Short term debt	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	-										
<i>Other liabilities</i>											
Lease payable	-	-	-	-	-	-	-	-	-	-	-
Deferred tax	-	35,065	35,065	35,065	35,065	35,065	28,052	21,039	14,026	7,013	0
Long term debt	-	-	-	-	-	-	-	-	-	-	-
Total Long Term Liabilities	-	35,065	35,065	35,065	35,065	35,065	28,052	21,039	14,026	7,013	0
<i>Shareholders' equity</i>											
Paid-up capital	2,133,215	2,133,215	2,133,215	2,133,215	2,133,215	2,133,215	2,133,215	2,133,215	2,133,215	2,133,215	2,133,215
Retained earnings	-	285,438	593,248	940,991	1,342,531	1,809,868	2,213,729	2,584,239	2,954,237	3,342,638	3,764,378
Total Equity	2,133,215	2,418,653	2,726,463	3,074,206	3,475,746	3,943,082	4,346,944	4,717,454	5,087,452	5,475,853	5,897,593
TOTAL CAPITAL AND LIABILITY	2,133,215	2,453,718	2,761,528	3,109,271	3,510,811	3,978,148	4,374,996	4,738,493	5,101,478	5,482,866	5,897,593

Note: Total assets value will differ from project cost due to first installment of leases paid at the start of year 0

11.3 Cash Flow Statement

Statement Summaries											SMEDA
Cash Flow Statement											
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	Rs. in actuals										
<i>Operating activities</i>											
Net profit	-	570,875	901,059	1,288,734	1,744,071	2,277,204	2,617,591	2,954,748	3,324,235	3,731,040	4,186,118
Add: depreciation expense	-	97,540	97,540	97,540	97,540	97,540	97,540	97,540	97,540	97,540	97,540
amortization expense	-	49,000	49,000	49,000	49,000	49,000	-	-	-	-	-
Deferred income tax	-	35,065	-	-	-	-	(7,013)	(7,013)	(7,013)	(7,013)	(7,013)
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-
Finished good inventory	-	-	-	-	-	-	-	-	-	-	-
Equipment inventory	(13,333)	(2,285)	(2,614)	(2,986)	(3,406)	(2,524)	(2,783)	(3,068)	(3,382)	(3,729)	40,110
Raw material inventory	(21,982)	(3,277)	(3,666)	(4,095)	(4,571)	(3,064)	(3,313)	(3,583)	(3,875)	(4,191)	55,617
Pre-paid building rent	(40,000)	(4,000)	(4,400)	(4,840)	(5,324)	(5,856)	(6,442)	(7,086)	(7,795)	(8,574)	94,318
Pre-paid lease interest	-	-	-	-	-	-	-	-	-	-	-
Advance insurance premium	-	-	-	-	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-	-
Cash provided by operations	(75,315)	742,918	1,036,919	1,423,353	1,877,310	2,412,300	2,695,580	3,031,537	3,399,709	3,805,072	4,466,690
<i>Financing activities</i>											
Change in long term debt	-	-	-	-	-	-	-	-	-	-	-
Change in short term debt	-	-	-	-	-	-	-	-	-	-	-
Change in export re-finance facility	-	-	-	-	-	-	-	-	-	-	-
Add: land lease expense	-	-	-	-	-	-	-	-	-	-	-
Land lease payment	-	-	-	-	-	-	-	-	-	-	-
Change in lease financing	-	-	-	-	-	-	-	-	-	-	-
Issuance of shares	2,133,215	-	-	-	-	-	-	-	-	-	-
Purchase of (treasury) shares	-	-	-	-	-	-	-	-	-	-	-
Cash provided by / (used for) financ	2,133,215	-	-	-	-	-	-	-	-	-	-
<i>Investing activities</i>											
Capital expenditure	(1,517,900)	-	-	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-	-	-	-
Cash (used for) / provided by invest	(1,517,900)	-	-	-	-	-	-	-	-	-	-
NET CASH	540,000	742,918	1,036,919	1,423,353	1,877,310	2,412,300	2,695,580	3,031,537	3,399,709	3,805,072	4,466,690
Cash balance brought forward		540,000	997,480	1,441,151	1,923,514	2,458,293	3,060,725	3,542,576	3,989,875	4,435,347	4,897,781
Cash available for appropriation	540,000	1,282,918	2,034,400	2,864,505	3,800,823	4,870,593	5,756,305	6,574,113	7,389,584	8,240,420	9,364,471
Dividend	-	285,438	593,248	940,991	1,342,531	1,809,868	2,213,729	2,584,239	2,954,237	3,342,638	3,764,378
Cash carried forward	540,000	997,480	1,441,151	1,923,514	2,458,293	3,060,725	3,542,576	3,989,875	4,435,347	4,897,781	5,600,093

12 KEY ASSUMPTIONS

12.1 Operating Cost Assumptions

Description	Details
Operational Days/ year	330

12.2 Production/Service Cost Assumptions

Description	Details
Initial Capital utilization	80%
Annual Capital Utilization Growth	5%
Maximum Capital Utilization	100%

12.3 Revenue Assumptions

Description	Details
Revenue	6,165,120
Cost of Goods Sold	3,675,264

12.4 Financial Assumptions

Description	Details
Debt	0%
Equity	100%

Small and Medium Enterprises Development Authority

HEAD OFFICE

4th Floor, Building No. 3, Aiwan-e-Iqbal Complex, Egerton Road, Lahore
Tel: (92 42) 111 111 456, Fax: (92 42) 36304926-7

www.smeda.org.pk, helpdesk@smeda.org.pk

REGIONAL OFFICE PUNJAB	REGIONAL OFFICE SINDH	REGIONAL OFFICE KPK	REGIONAL OFFICE BALOCHISTAN
3 rd Floor, Building No. 3, Aiwan-e-Iqbal Complex, Egerton Road Lahore, Tel: (042) 111-111-456 Fax: (042) 36304926-7 helpdesk.punjab@smeda.org.pk	5 TH Floor, Bahria Complex II, M.T. Khan Road, Karachi. Tel: (021) 111-111-456 Fax: (021) 5610572 helpdesk-khi@smeda.org.pk	Ground Floor State Life Building The Mall, Peshawar. Tel: (091) 9213046-47 Fax: (091) 286908 helpdesk-pew@smeda.org.pk	Bungalow No. 15-A Chaman Housing Scheme Airport Road, Quetta. Tel: (081) 831623, 831702 Fax: (081) 831922 helpdesk-qta@smeda.org.pk