



Pre-Feasibility Study (Interior Designing & Landscaping)



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Ministry of Industries & Production
Government of Pakistan**

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Note: All SMEDA Services / information related to PM's Youth Business Loan are Free of Cost

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1. DISCLAIMER

This information memorandum is to introduce the subject matter and provide a general idea and information on the subject. Although, the material included in this document is based on data / information gathered from various reliable sources; however, it is based upon certain assumptions which may differ from case to case. The information has been provided on 'as is where is' basis without any warranties or assertions as to the correctness or soundness thereof. Although, due care and diligence has been exercised to compile this document, the contained information may vary due to any change in any of the concerned factors, and the actual results may differ substantially from the presented information. SMEDA, its employees or agents do not assume any liability for any financial or other loss resulting from this memorandum in consequence of undertaking this activity. The contained information does not preclude any further professional advice. The prospective user of this memorandum is encouraged to carry out additional diligence and gather any information which is necessary for making an informed decision, including taking professional advice from a qualified consultant / technical expert before taking any decision to act upon the information.

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2. 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, production, marketing, finance and business management.

The purpose of this document is to facilitate potential investors in **Interior Designing & Landscaping Business** 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 the basis of investment decisions.

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, institutional collaboration and networking initiatives.

Preparation and dissemination of prefeasibility studies in key areas of investment has been a 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. INTRODUCTION TO SCHEME

“Prime Minister’s Youth Business Loan’ program, for young entrepreneurs, with an allocated budget of Rs. 5.0 Billion for the year 2013-14, is designed to provide subsidised financing at 8% mark-up per annum for one hundred thousand (100,000) beneficiaries, through designated financial institutions, initially through the National Bank of Pakistan (NBP) and the First Women Bank Ltd. (FWBL).

Loans from Rs.0.1 Million to Rs. 2.0 Million with tenure up to 8 years inclusive of 1 year grace period, and a debt : equity of 90 : 10 will be disbursed to SME beneficiaries across Pakistan, covering; Punjab, Sindh, Khyber Pakhtunkhwa, Balochistan, Gilgit Baltistan, Azad Jammu & Kashmir and Federally Administered Tribal Areas (FATA).

5. EXECUTIVE SUMMARY

Interior Designing and Landscaping ~~Business~~ is a service oriented business and carries huge a healthy potential for profit. ~~Change in fashion & living style are the few incentives for new entrants in this business.~~

Due to increase in population, continuous changes in fashion and lifestyle and development of formal construction sector, it is expected that demand for the services of interior designers and landscapers will further rise continue to grow.

The cost for setting up an interior designing and landscaping business is estimated at Rs. 1.78 million out of which Rs. 1.31 million is the capital cost and Rs. 0.47 million is for working capital. The project is proposed to be financed through 90% debt and 10% equity. The project IRR is projected around at 64% with a payback period of 2.35 years and net present value of Rs. 11.17 million. The project will provide employment opportunity to 08 individuals including the manager (owner).

The revenue potential of the project varies according to the type of service and market segmentation. The project is expected to achieve the revenues of Rs. 4.30 million in the first year.

This project can be started as a sole proprietorship, partnership or a limited company. However, proposed status for this venture is sole proprietorship.

6. BRIEF DESCRIPTION OF PROJECT & PRODUCT

This pre-feasibility report describes the investment opportunity for setting up a business of interior designing and landscaping services ~~to offer services to a~~ variety of clients ~~covering including, but not limited to~~ household and corporate customers, ~~including but not limited to homes,~~ farm houses, corporate offices etc.

The project is proposed to be established in a rented building having covered area of 1,200 sq. ft preferably in proximity of housing societies that are in the development phase. The business will have the capacity to handle 18 projects and will provide services to 12 clients in the first year.

7. CRITICAL FACTORS

Following critical factors are to be taken care of, for a successful interior designing and landscaping business.

1. Entrepreneur's knowledge and background in the fields of interior designing and land scrapping.
2. Location considerations; proximity of office to ~~the~~ developed and newly developing/being developed housing schemes.
3. Efficient utilization of resources to manage service delivery within specified financial resources and timeframe.
4. Linkage with suppliers especially those related to furniture & fixture, room decoration etc.
5. Reasonable marketing and awareness creation to showcase portfolio of services.
6. Quality of services and post transaction ancillary services

8. INSTALLED & OPERATIONAL CAPACITIES

The proposed business may be run by an 08 member team of professionals / support staff led by the owner / manager. The project is expected to handle 12 projects in the first year while the total handling capacity with the specified human resource is 18 projects.

9. POTENTIAL TARGET MARKETS / CITIES

Developed or being newly developed housing societies in urban centers would be an ideal choice for setting up an office due to greater demand of such service. Requisite materials, infrastructure facilities, etc. would also be easily available in such areas.

Households in higher income group and firms in the corporate sector are the major potential clients [for this business](#). Metropolitan cities and locations with large urban base would be more suitable for this type of business.

10. PROJECT COST SUMMARY

A detailed financial model has been developed to analyze the commercial viability of this project under the 'Prime Minister's Youth Business Loan' program. Various cost and revenue related assumptions along with results of the analysis are outlined in the following sections;

The projected Income Statement, Cash Flow Statement and Balance Sheet are attached as annexures.

10.1. Project Economics

All the figures in this financial model have been calculated for a target of 18 projects in a year, whereby, it is assumed that 12 projects will be serviced by the proposed set-up of interior designing and landscaping services during first year of operation.

The following table shows internal rates of return, payback period and net present value (NPV).

Table 1: Project Economics

Description	Details
Internal Rate of Return (IRR)	64%
Payback Period (Years)	2.35
NPV (Rs.)	11,170,642

Returns on the investment and sales revenues are based on the budget of the assignment, because, service fee is calculated as a %age of the total budget of the assignment. Hence, the profitability of project is highly dependent on [the efficient](#) procurement of materials i.e. paints, wall fixtures, curtains, furniture, flooring, grass and plantation etc.

Another crucial factor for the success of this project is quality of service provided to the customer and completion within the time frame to avoid price escalations. In this regard, efficient procurement planning and relationship building with the suppliers [will be an appropriate strategy would be required](#).

10.2. Project Financing

Following table provides details of the equity required and variables related to bank financing;

Table 2: Project Finance

Description	Details
Total Equity (10%)	Rs. 178,300
Bank Loan (90%)	Rs. 1,604,700
Markup to the Borrower (%age/annum)	8%
Tenure of the Loan (Years)	8
Grace Period (Year)	1

10.3. Project Cost

Following requirements have been identified for operations of the proposed business.

Table 3: Capital Investment for the Project

Capital Investment	Amount (Rs.)
Furniture & Fixtures	335,000
Office Equipment	168,000
Vehicle (Suzuki Pick-up)	675,000
Pre-operating Expenses	135,000
Total Capital Cost	1,313,000
Initial Working Capital	470,000
Total Project Cost	1,783,000

10.4. Space Requirement

The space requirement for the proposed interior designing and landscaping business mainly consists of management office and storage hall. For this purpose it is recommended that 1,200 sq. ft area ~~to be~~ acquired on rental basis in the vicinity of newly developing housing societies in ~~the~~ major cities.

The monthly rent of the building is estimated as Rs. 30,000 per month. The available space may be divided in ~~to~~ the following main areas:

- Room for Manager Operations
- Office Staff Space

- Meeting Room
- Store Room

10.5. Office Equipment and Machinery

Following table provides list of machinery and equipment required for the proposed service based venture of interior designing and landscaping.

Table 4: List of Office Equipment and Machinery

Sr. No	Description of Item	Req. Qty	Unit Cost (Rs.)	Total Cost (Rs.)
1	Computers	2	25,000	50,000
2	Laptop	1	60,000	60,000
3	Printer	1	12,000	12,000
4	Scanner	1	12,000	12,000
5	Digital Camera	1	15,000	15,000
6	UPS	1	17,000	17,000
7	Telephone Sets	2	1,000	2,000
	Total			168,000

10.6. Furniture and Fixtures

The details of furniture and fixture required for the proposed venture are provided in the following table.

Table 5: Furniture and Fixture

Sr. No	Description of Item	Req. Qty	Unit Cost (Rs.)	Total Cost (Rs.)
1	Work Stations	2	20,000	40,000
2	Table and Chairs for Other Staff	4	5,000	20,000
3	Visitors Chairs	4	2,000	8,000
4	Meeting Room and Reception Area	1	25,000	25,000
5	Paints and Fixtures	1	122,000	122,000
6	Air Conditioner	2	60,000	120,000
	Total			335,000

10.7. Raw Material Requirements

The raw material requirement would vary ~~as per the~~according to client requirements and preferences. Hence no specific raw material for delivery of services can be stipulated. However, as per market information, the cost of raw-materials is from 80% to 85% of the total assignment budget.

10.8. Human Resource Requirement

Table 6: Human Resource Requirement

Description	No. of Employees	Salary per employee per month (Rs.)
Interior Designer (Owner- Manager)	1	40,000
Computer Designer	1	25,000
Office Assistant	1	15,000
Electrician, Plumber, Carpenter	3	12,000
Security Guard	1	10,000
Gardener	1	10,000
Total	8	<u>112,000</u>

The table above provides details of human resource required for successful operation~~salization~~ of such projects. The Interior Designer (Owner/ Manager) shall formulate policies and take strategic-operational decisions of the business. ~~Above HR team shall be engaged in order to manage the operational affairs of this project under the supervision of Owner / Manager.~~ Appropriate experience along with high-level-of creativity and aesthetics will be key requirements for these professionalsthe team.

10.9. Revenue Generation

Following table provides details of first year revenue of the business from interior designing and landscaping services;

Table 7: Sales Revenue (1st Year)

Product Mix	No of Projects (1 st Year)	Estimated Budget (Rs.)	%age Margin for Services	1 st Year Sales Revenue (Rs.)
Interior Designing				
10 Marla House	2	500,000	10%	100,000
1 Kanal House	2	1,500,000	10%	300,000
2 Kanal House (Single Story)	2	2,000,000	12%	480,000
2 Kanal House Double Story)	2	3,000,000	12%	720,000
4 Kanal House	1	5,000,000	10%	500,000
8 Kanal Farm House	1	6,000,000	10%	600,000
Banks	1	4,000,000	15%	600,000
Corporate Offices	1	4,000,000	15%	600,000
Landscaping				
10 Marla House	2	25,000	10%	5,000
1 Kanal House	2	100,000	10%	20,000
2 Kanal House (Single Story)	2	200,000	12%	48,000
2 Kanal House Double Story)	2	200,000	12%	48,000
4 Kanal House	1	500,000	10%	50,000
8 Kanal Farm House	1	1,500,000	10%	150,000
Banks	1	250,000	15%	37,500
Corporate Offices	1	250,000	15%	37,500
Total				4,296,000

10.10. Other Costs

An essential cost to be borne by the [company-business](#) is the fuel cost incurred by staff visits to client locations. It is estimated that 5% of sales revenues will be incurred on account of travelling and conveyance expenses (i.e. Rs. 214,800 per annum). Similarly, electricity expenses are estimated to be around 16,000 per month with an annual increase of 10%. This service oriented project requires heavy marketing and promotional activities; for which approximately 10% of total revenues (i.e. Rs. 429,600) will be spent on marketing and promotion expenses annually.

11. CONTACT DETAILS OF EXPERTS & CONSULTANTS

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The logo for SMEDA (Small and Medium Enterprise Development Authority) is displayed in a stylized, blocky font. The letters 'S', 'M', 'E', 'D', and 'A' are arranged horizontally and are white, set against a dark blue rectangular background. A light blue curved line is visible above the logo.

12. ANNEXURE

12.1. Income Statement (10 Years Projections)

Income Statement										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue	4,296,000	4,725,600	6,740,910	7,627,961	8,390,757	9,229,833	10,152,816	11,168,098	12,284,907	13,513,398
<i>Cost of sales</i>										
Salaries	1,512,000	1,663,200	1,829,520	2,012,472	2,213,719	2,435,091	2,678,600	2,946,460	3,241,106	3,565,217
Electricity Expense	192,000	211,200	232,320	255,552	281,107	309,218	340,140	374,154	411,569	452,726
Total cost of sales	1,704,000	1,874,400	2,061,840	2,268,024	2,494,826	2,744,309	3,018,740	3,320,614	3,652,675	4,017,943
Gross Profit	2,592,000	2,851,200	4,679,070	5,359,937	5,895,931	6,485,524	7,134,076	7,847,484	8,632,232	9,495,455
<i>General administration & selling expenses</i>										
Administration expense	120,000	132,000	145,200	159,720	175,692	193,261	212,587	233,846	257,231	282,954
Administration benefits expense	163,200	179,520	197,472	217,219	238,941	262,835	289,119	318,031	349,834	384,817
Rent expense	360,000	396,000	435,600	479,160	527,076	579,784	637,762	701,538	771,692	848,861
Training & Development	100,000	110,000	121,000	133,100	146,410	161,051	177,156	194,872	214,359	235,795
Office Vehicle Running Expenses	202,500	222,750	245,025	269,528	296,480	326,128	358,741	394,615	434,077	477,484
Travelling expense	214,800	236,280	259,908	285,899	314,489	345,938	380,531	418,584	460,443	506,487
Communications expense (phone, mail, etc.)	42,960	47,256	67,409	76,280	83,908	92,298	101,528	111,681	122,849	135,134
Printing & Stationary	60,000	66,000	72,600	79,860	87,846	96,631	106,294	116,923	128,615	141,477
Entertainment	60,000	66,000	72,600	79,860	87,846	96,631	106,294	116,923	128,615	141,477
Promotional expense (News Papers, Periodicals, etc.)	429,600	472,560	674,091	762,796	839,076	922,983	1,015,282	1,116,810	1,228,491	1,351,340
Depreciation expense	202,100	202,100	202,100	202,100	202,100	336,557	336,557	336,557	336,557	336,557
Amortization of pre-operating costs	27,000	27,000	27,000	27,000	27,000	-	-	-	-	-
Janitorial Expenses	60,000	66,000	72,600	79,860	87,846	96,631	106,294	116,923	128,615	141,477
Miscellaneous expense	85,920	94,512	134,818	152,559	167,815	184,597	203,056	223,362	245,698	270,268
Subtotal	2,128,080	2,317,978	2,727,423	3,004,940	3,282,524	3,695,324	4,031,201	4,400,665	4,807,076	5,254,128
Operating Income	463,920	533,222	1,951,647	2,354,997	2,613,406	2,790,199	3,102,875	3,446,818	3,825,156	4,241,327
Gain / (loss) on sale of office vehicles	-	-	-	-	270,000	-	-	-	-	-
Earnings Before Interest & Taxes	463,920	533,222	1,951,647	2,354,997	2,883,406	2,790,199	3,102,875	3,446,818	3,825,156	4,241,327
Interest expense on long term debt (Project Loan)	133,189	121,936	107,146	91,128	73,780	54,993	34,646	12,611	-	-
Subtotal	133,189	121,936	107,146	91,128	73,780	54,993	34,646	12,611	-	-
Earnings Before Tax	330,731	411,286	1,844,501	2,263,869	2,809,626	2,735,206	3,068,229	3,434,207	3,825,156	4,241,327
Tax	-	1,129	216,400	300,274	424,906	406,301	489,557	581,052	678,789	794,898
NET PROFIT/(LOSS) AFTER TAX	330,731	410,157	1,628,101	1,963,595	2,384,720	2,328,905	2,578,672	2,853,156	3,146,367	3,446,429

12.2. Balance Sheet

Balance Sheet											
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Assets											
<i>Current assets</i>											
Cash & Bank	350,000	544,735	976,068	2,741,684	4,890,399	7,617,400	10,358,866	13,404,492	16,784,694	20,833,064	25,597,520
Accounts receivable		353,096	370,751	471,226	590,502	658,303	724,134	796,547	876,202	963,822	1,060,204
Pre-paid building rent	120,000	132,000	145,200	159,720	175,692	193,261	212,587	233,846	257,231	282,954	-
Total Current Assets	470,000	1,029,831	1,492,018	3,372,631	5,656,593	8,468,965	11,295,587	14,434,885	17,918,127	22,079,840	26,657,725
<i>Fixed assets</i>											
Furniture & fixtures	335,000	301,500	268,000	234,500	201,000	595,054	518,799	442,543	366,288	290,033	213,777
Office vehicles	675,000	540,000	405,000	270,000	135,000	1,087,094	869,675	652,257	434,838	217,419	-
Cafe equipment	168,000	134,400	100,800	67,200	33,600	214,415	171,532	128,649	85,766	42,883	-
Total Fixed Assets	1,178,000	975,900	773,800	571,700	369,600	1,896,564	1,560,007	1,223,449	886,892	550,335	213,777
<i>Intangible assets</i>											
Pre-operation costs	135,000	108,000	81,000	54,000	27,000	-	-	-	-	-	-
Total Intangible Assets	135,000	108,000	81,000	54,000	27,000	-	-	-	-	-	-
TOTAL ASSETS	1,783,000	2,113,731	2,346,818	3,998,331	6,053,193	10,365,528	12,855,594	15,658,334	18,805,018	22,630,174	26,871,502
Liabilities & Shareholders' Equity											
<i>Current liabilities</i>											
Total Current Liabilities	-	-	-	-	-	-	-	-	-	-	-
<i>Other liabilities</i>											
Deferred tax		-	1,129	217,529	517,802	942,708	1,349,010	1,838,567	2,419,618	3,098,407	3,893,305
Long term debt (Project Loan)	1,604,700	1,604,700	1,426,502	1,233,513	1,024,507	798,152	553,011	287,523	-	-	-
Total Long Term Liabilities	1,604,700	1,604,700	1,427,630	1,451,042	1,542,309	1,740,861	1,902,021	2,126,090	2,419,618	3,098,407	3,893,305
<i>Shareholders' equity</i>											
Paid-up capital	178,300	178,300	178,300	178,300	178,300	1,907,364	1,907,364	1,907,364	1,907,364	1,907,364	1,907,364
Retained earnings		330,731	740,888	2,368,989	4,332,584	6,717,304	9,046,209	11,624,881	14,478,036	17,624,404	21,070,833
Total Equity	178,300	509,031	919,188	2,547,289	4,510,884	8,624,668	10,953,573	13,532,245	16,385,400	19,531,768	22,978,197
TOTAL CAPITAL AND LIABILITIES	1,783,000	2,113,731	2,346,818	3,998,331	6,053,193	10,365,528	12,855,594	15,658,334	18,805,018	22,630,174	26,871,502

12.3. Cash Flow Statement

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
<i>Operating activities</i>											
Net profit		330,731	410,157	1,628,101	1,963,595	2,384,720	2,328,905	2,578,672	2,853,156	3,146,367	3,446,429
Add: depreciation expense		202,100	202,100	202,100	202,100	202,100	336,557	336,557	336,557	336,557	336,557
amortization of pre-operating costs		27,000	27,000	27,000	27,000	27,000	-	-	-	-	-
Deferred income tax		-	1,129	216,400	300,274	424,906	406,301	489,557	581,052	678,789	794,898
Accounts receivable		(353,096)	(17,655)	(100,476)	(119,275)	(67,802)	(65,830)	(72,413)	(79,655)	(87,620)	(96,382)
Pre-paid building rent	(120,000)	(12,000)	(13,200)	(14,520)	(15,972)	(17,569)	(19,326)	(21,259)	(23,385)	(25,723)	282,954
Cash provided by operations	(120,000)	194,735	609,531	1,958,605	2,357,722	2,953,355	2,986,607	3,311,114	3,667,725	4,048,370	4,764,456
<i>Financing activities</i>											
Project Loan - principal repayment		-	(178,198)	(192,989)	(209,007)	(226,354)	(245,141)	(265,488)	(287,523)	-	-
Additions to Project Loan	1,604,700	-	-	-	-	-	-	-	-	-	-
Additions to Working Capital Loan	-	-	-	-	-	-	-	-	-	-	-
Issuance of shares	178,300	-	-	-	-	1,729,064	-	-	-	-	-
Purchase of (treasury) shares											
Cash provided by / (used for) financing activities	1,783,000	-	(178,198)	(192,989)	(209,007)	1,502,710	(245,141)	(265,488)	(287,523)	-	-
<i>Investing activities</i>											
Capital expenditure	(1,313,000)	-	-	-	-	(1,729,064)	-	-	-	-	-
Acquisitions											
Cash (used for) / provided by investing activities	(1,313,000)	-	-	-	-	(1,729,064)	-	-	-	-	-
NET CASH	350,000	194,735	431,333	1,765,617	2,148,715	2,727,001	2,741,466	3,045,626	3,380,202	4,048,370	4,764,456

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12.4. Useful Project Management Tips

- **Required Materials for Interior Designing:** Suppliers credit agreements and availability of required materials i.e. paints, wall fixtures, curtains, furniture, flooring, grass and plantation etc. as per project schedules be ensured before project execution. Efficient procurement planning and relationship building with the suppliers will be an appropriate strategy for this venture.
- **Quality Assurance and Service Standards:** The quality of services provided to the customer should be of the highest standards and assignments must be completed ~~completion~~ within the estimated time frame.
- **Project Planning & Execution:** Efficient utilization of resources to manage service delivery within specified financial resources and timeframe.

Marketing

- **Advertisement and s & Point of Sales Promotion:** Business promotion and dissemination through banners and launch events is highly recommended. Product brochures from good quality service providers should be developed. Primary business development strategy involves direct sales to newly constructed buildings and through real estate agents.
- ~~**Sales & Distribution Network:** Expert's advise and distribution agreements are required.~~
- **Price - Bulk Discounts, Cost plus Introductory Discounts:** Price should never be allowed to compromise quality. Price during introductory phase may be kept lower and used as a promotional tool. ~~Product e~~Cost estimates for services should be carefully documented before price setting.

Human Resources

- **Adequacy & Competencies:** Skilled and experienced staff should be ~~considered an investment even to the extent of offering share in business profit.~~ hired.
- **Training & Skill Development:** Encouraging training and skill development of self & employees through experts and exposure of latest trends and techniques of interior designing and landscaping services.

12.5. Useful Links

- Prime Minister's Office, www.pmo.gov.pk
- Small and Medium Enterprises Development Authority, www.smeda.org.pk
- National Bank of Pakistan (NBP), www.nbp.com.pk
- First Women Bank Limited (FWBL), www.fwbl.com.pk
- Government of Pakistan, www.pakistan.gov.pk
- Ministry of Industries & Production, www.moip.gov.pk
- Ministry of Education, Training & Standards in Higher Education, www.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
- Securities & Exchange 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
- The Pakistan Council of Architects and Town Planners, www.pcatp.org.pk
- Pakistan Institute of Interior Designers (PIID), www.piid.com.pk
- Pakistan Institute of Fashion Design (PIFD), www.pifd.edu.pk

13. KEY ASSUMPTION

Capacity Utilization Assumptions	
No. of Projects in a year	18
Starting Capacity Utilization	50%
Annual Growth Rate in Capacity Utilization	10%
Maximum Capacity Utilization for the Project	80%
Product Mix	
10 Marla House	15%
1 Kanal House	20%
2 Kanal House (Single Story)	15%
2 Kanal House (Double Story)	15%
4 Kanal House	5%
8 Kanal Farm House	5%
Banks and Offices	25%
Operating Assumptions	
Days Operational/Year	300
Days Operational/Month	25
Cash Flow Related Assumptions	
Accounts Receivables (days)	30 day
Cash on Hand	Rs. 350,000

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