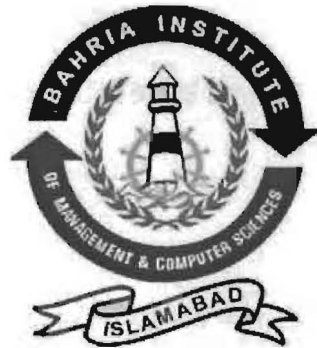


Low Leverage Availability for System Integrators



Fahad Khan

01-120042-011

Farwa Munawar

01-120042-013

Samim-ul-Hassan

01-120042-051

A project submitted in partial fulfillment of the requirements for the degree of Masters in Business Administration (Finance)

ABSTRACT

Our research project is based on the solution regarding to have the stability of cash flow of the firm which has been in the business of system of integration.

AVEROX is providing Network Engineering and Network Services to telecom carriers. The problem with AVEROX is lack of availability of funds because firm has to spend its major capital investment for giving engineering services as they have to import equipment from principle through L.C agreement.

In other words, AVEROX has to import equipment on cash out of its capital investment which leads to disturbance in cash flow and AVEROX cannot spend enough money on network Services business which is the core profitability area of business.

Banks are not willing finance in anyway due to the uncertainty of the industry and other systematic risks.

The objective of our research project is to give best alternatives to raise funds. We recommend equity financing for the company after analysis of so many consequent advantages.

TABLE OF CONTENTS

Abstract	(i)
Acknowledgment	(ii)
Dedication	(iii)
Chapter # 1:	
Introduction	02
• Broad Problem Area	02
• Problem Statement	04
• Objectives of Study	04
Chapter # 2:	
Industrial Analysis	06
• Growth Areas and Trends	07
• Government Policies and Regulation towards Industry	09
Chapter # 3:	
Organizational Overview	11
• Background of the Company	12
• Corporate Philosophy	13
• Company Overview	13
• Information Technology	16
• Engineering	16
• Consulting	17
• Solutions	18
• Services	19
Chapter # 4:	

Identification of Issues	20
• External Forces	21
• Associated Risks for Shareholders	21
• Associated risk with Network Services Business	21
• Associated risk with Network Engineering Business	22
• Network Services Business and Network Engineering Business	23
• Internal Risk in Core Business Domain	24
• International Associated Risk	25
Chapter # 5:	
Possible Options	27
• Bank Involvement regarding Leverage	28
• Private Placement Offerings	30
• Assets Based Financing	33
• Quasi Equity	34
Chapter # 6:	
Best Option and Recommendation	36
• Get your Stake from Open Market	37
• Equity Finance	38
Chapter # 7:	
Action Plan	42
• Prepare the Floatation	43
• The Floatation Process	44
• Listing Requirement and Procedure	45
Glossary	47
Bibliography	48