



BSAF Project 2nd Half-Semester Progress Report & Project Approval Statement

Supervisor – Student Meeting Record

S#	Date	Place of Meeting	Topic Discussed	Signature of Student
1	24-06-2019	Siris Lubical	Chapter : 03	Iqra Idris (Kamran)
2	25-06-2019	Lubical	Chapter : 04	Iqra Idris (Kamran)
3	26-06-2019	Lubical		Iqra Idris (Kamran)

APPROVAL FOR EXAMINATION

Candidate's Name: Iqra Idris Registration No.: 40873
 Candidate's Name Kusam Rakhija Registration No 40877
 Project Title: Identification of potential opportunities in SMEs
Pre-Study Feasibility

I hereby certify that the above candidate's thesis has been completed to my satisfaction and, to my belief, its standard is appropriate for submission for examination. I have also conducted plagiarism test of this thesis using HEC prescribed software and found similarity index at ___ that is within the permissible limit set by the HEC for the MBA thesis. I have also found the thesis in a format recognized by the Department of Management Sciences.

Supervisor's Signature: [Signature] Date: 8/7/2019

Supervisor's Name: Dr. Mubashir Ar Khan

HoD's Signature: [Signature] Date: 18/7/2019

Acknowledgement

By the grace of the Almighty, our hard work has finally paid off that we successfully completed the report. First of all, we thank the Almighty Allah without countless

blessings, we could not complete this report. On the other hand, our parents played a decisive role they provided with all the facilities and resources have enabled us to complete this report. Hard work shear our instructor, Dr. Mubashir Ali Khan can't be forgotten or ignored.

Abstract

SMESs contribute about 40% of GDP and over 90% of the economic institutions in Pakistan. Moreover, SMESs are divided by SBP in two categories differ, namely small business and medium business.

SMESDA is a government organization that helps provide SMES data, information and also helps SMESs to obtain international certifications for their products and processes. The Authority for the development of small and medium enterprises SMESDA is the only public sector SMES development organization in Pakistan. SMESDA needs to be strengthened to allow for meeting the increasing needs of SMESs, due to limited human and financial resources; he is forced to do so.

SMESDA facilitated the process and the process at the strategy is based primarily on the private sector as a strategy of the Working Group. The problem is that SMESs in developing countries are not their size but their isolation, which results in a lack of market access, finance, information and institutional support.

The highly skilled labour shortage is an obstacle, especially for the growth and development of SMESs, while their resources for development of human capital are limited. CPEC offers huge development opportunities for small and medium enterprises (SMESs). However, the SMES sector is facing serious problems such as the cost of economic activity has increased due taxes.

This particular pre-feasibility provides the basic details for the creation of a small-scale glacier and juice room that will provide good quality food. The target market for this project will be the middle class and upper middle class. Main range of the company's products include ice cream, juices, smoothies, soft drinks and coffee.

TABLE OF CONTENTS

CHAPTER 1	1
INTRODUCTION	1
1.1 DEFINITION	1
1.2 HISTORY.....	1
1.3 BACKGROUND.....	2
1.4 CHALLENGES FACING BY SMESs IN PAKISTAN	3
CHAPTER 2	4
SIGNIFICANCE OF THE STUDY.....	4
CHAPTER 3	6
SMES DEVELOPMENT FRAMEWORK.....	6
3.1. LEGISLATIVE ENVIRONMENT	6
3.2. INSTITUTIONAL FRAME.....	6
3.3. BUSINESS DEVELOPMENT APPROACH	7
3.4. ACCESS TO FINANCE	7
3.4.1. Credit Guarantee Program	7
3.4.2. Stock Participation Fund.....	8
3.5. SKILLS DEVELOPMENT AND TRAINING.....	8
CHAPTER 4	9
OPPORTUNITIES FOR SMES'S.....	9
4.1. UNDER CPEC	10
CHAPTER 5	11
PRE-FEASIBILITY STUDY	11
5.1. SMEDA.....	11
5.2. OBJECTIVES OF SMEDA	11
5.3. JUICE & ICE CREAM PARLOR.....	12
5.3.1. DESCRIPTION OF THE PROJECT.....	12
5.4. TARGET MARKET	12
5.4.1. OPERATIONAL CAPABILITY.....	13

CHAPTER 6	13
FINANCIAL PLAN & FORECASTING.....	13
6.1. PROJECT SUMMARY COST	13
6.2. INCOME STATEMENT	14
6.3. BALANCE SHEET.....	16
6.4. PROJECT FINANCE.....	18
6.5. PROJECT COST.....	18
6.6. SPACE REQUIREMENTS.....	20
6.7. MACHINERY AND EQUIPMENT	20
6.8. FURNITURE AND ACCESSORIES REQUIREMENT.....	21
6.9. MATERIALS REQUIRED	22
6.10. HUMAN RESOURCE NEEDS	22
6.11. UTILITIES AND OTHER COSTS.....	23
6.12. REVENUE GENERATION.....	23
6.13.1. OPERATING COST ASSUMPTION	24
6.13.2. PRODUCTION COST ASSUMPTION	24
6.13.3. FINANCIAL ASSUMPTIONS.....	24
6.13.4. REVENUE ASSUMPTIONS	25
CHAPTER 7	26
CONCLUSION.....	26
CHAPTER 8	28
RECOMMEDATION	28
REFERENCES	29
APPENDIX.....	30