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ACKNOWLEDGEMENT

First of all we are very thankful my ALLAH who has given us power and strength for doing this project. Then we are very thankful our respectful teacher SIR SUMAIR QAZI for his valuable suggestion, guidance and support through the period of preparing this project.

This project cannot be completed individually. We take lots of people and their consistent support to make this project successful. Lot of people contribute directly and indirectly to complete the project. We express our guider to all of those who have helped us to successful completed the project.

At first we would like to convey my gratitude toward my grandfather Mr.RAMZAN MUGHAL who is a proprietor of GOLD STAR FURNITURE. Without his help we would be impossible to have this project done.

Words run short to express my gratitude which we sincerely owe to Mr. Usman Mughal for his advice, co-operation and guidance on collection of data.

INTRODUCTION

This report is prepared under the guidance or under the direction of senior professor SIR SUMAIR QAZI, who asked it prepare on 22th Jan 2015. And it is being submitted on 22th April 2015.

ABC furniture & co. start a new furniture business located at main Nursery furniture market in Karachi. ABC furniture & co. target the interest of upper class and middle class customer by our ability to provide high volume and flexibility in style while maintaining a quality product backed by excellent service. Our plan is to build strong market positioning in our target market.

In this business we buy the plot of xxx yards at main nursery, and divide in to two sub plot. Then we buy part of land for office. This office attached the plot.

After the completion of office, we start purchase the construction material and all stuff that are required to construct the workshop.

It is estimated that construction of workshop would be completed within four month, this information given by construction engineer.

Method

This report has been compiled from research in the following steps:

- 1) Personal meeting with owner of gold star
- 2) Personal meeting with marketing manager

Finding

From this meeting we find and decide the following.

The company

A & U interior and decorator is incorporated in the state of Karachi. It is equally owned and managed by its two partners.

All two have invested in the business equally & will be sharing profit accordingly.

The company intends to hire highly skilled staff and laborers in order to run its operation smoothly.

Mission statement

We provide home and office equipment that helps you to increase productivity

Competitive edge

Our competitive edge is our ability to provide high volumes and flexibility in style, while maintaining a quality product backed by excellent service.

Target market

A & U interior and decorator offer furniture at a competitive price to meet the demand of upper and middle income local market area and residence

SWOT ANALYSIS

Strengths:

- The company has a good commercial location.
- Best price promise.
- Fast delivery and excellent customer services.
- Support independent design.

Weaknesses:

- New in this business or no experience.
- Lack of branding

Opportunities:

- Re-design the furniture.
- Growing market segments.
- Increase sales made online.

Threads:

- First time in the ground of this business.
- Competition in market.
- Increasing price of wood by the side of government.
- Addition taxes by impose of government.

PREFERENCE

The project or feasibility report is detail statement of information about the project and its various aspects. The purpose of report is to find out, as the very outset, whether the project is sound from the economic, technical and financial point of views.

The report consists mainly of three sections.

Economic feasibility:

It will cover estimate of present and future demand, present capacity of production, competition etc.

Technical feasibility:

It covers technical aspect of project such as the manufacturing process, availability of machinery and equipment, and availability of raw material etc.

Financial feasibility:

This deals with estimation of cost of machinery and equipment, cost of land and building, and cost of production etc.

ECONOMIC VIABILTY

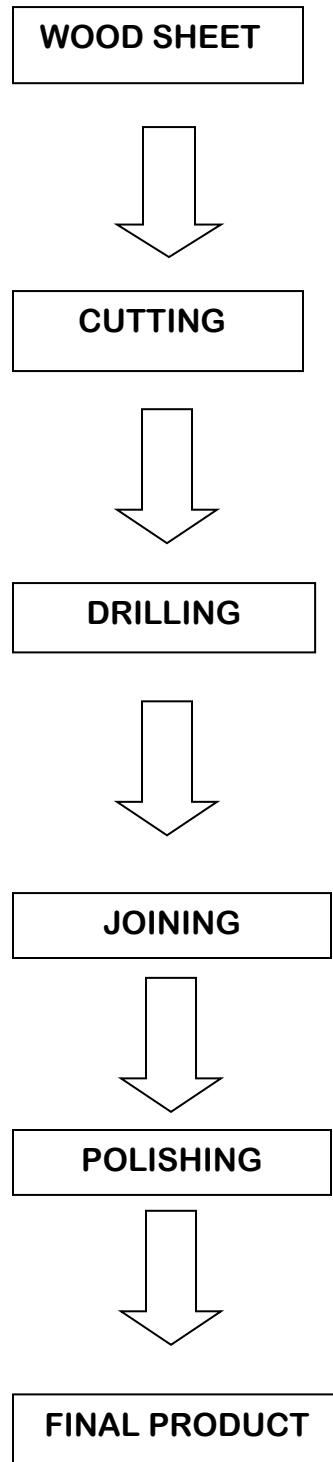
The rapidly development of furniture capacity is indeed a logical of any program of industrialization for developed a country. The demand of wooden furniture is increasing in domestic market as well as in the international market due to its traditional appeal and durability the introduction of new material in furniture manufacturing.

Furniture which is given a dowry, form the major portion of sale of wooden furniture in Pakistan. As a result, the demand for household furniture increasing substantially in winter and spring season due to wedding.

With the rapid increase in the development of new housing schemes, the increased demand of wooden furniture is also anticipated.

Technical visibility

The manufacturing of wooden furniture is involves mainly cutting on sheet , tubes ,flats to desired size and style and doing folding, bending ,drilling ,punching and assembling as per as drawing. Finally the items are to be spray and final polished on furniture



Financial feasibility

1. Fixed capital

Land and building

S.NO.	PERTICULAR	AMOUNT(RS)
1	Land	
2	Boundaries wall and other expense	
3	Office	
4	Showroom	
5	Registration fees	
	Total	

Office and showroom furniture

S.NO	PERTICULAR	AMOUNT (RS)
1	Office furniture	
2	Showroom furniture	
	Total	

Plant and machinery

Total fixed capital		
Land and building	=	
Office and showroom furniture	=	
Plant and machinery	=	
Total		

2. Working capital.

RAW MATERIAL REQUIREMENT (YEARLY)

S.NO	PERTICULAR	UNIT COST	QUANTITY REQUIRED	TOTAL COST

STAFF AND LABOR SALARY (YEARLY)

S.NO	CATEGORY	NOs.	SALARY/WAGES	TOTAL AMOUNT
1	Manager	2		
2	Sales executive	2		
3	Worker	8		
5	Accountant	1		
6	Peon/chowkidar	3		
	Total			

UTILITY EXPENSE

S.NO	PERTICULAR	AMOUNT
1	Power electricity	
2	Stationary and telephone	
3	Repairing	
4	Travelling expense	
5	Carriage (inward/outward)	
6	Advertisement and publicity	
7	Office expense/contingency	
8	Miscellaneous expense	
	Total	

Total working capital required		
Raw material		=
Staff and labor salaries		=
Utility expense		=
Total		

3. TOTAL CAPITAL INVESTMENT

S.NO	NAME OF INVESTER	AMOUNT
1	Uroosa yahya	
2	Asim saeed	
	Total	

4. COST OF PRODUCTION

S.NO	PERTICULAR	AMOUNT
1	Total working capital	
2	Depreciation Building (cost*5%) Machinery (cost* 10%) Office and showroom furniture (cost*10%)	
	Total	

5. SALES TURNOVER

S.NO	PERTICULAR	QUANTITY	RATE(RS)	AMOUNT
1	Office tables and chairs			
2	Bedroom and sofa set			
	total			

6. PROFITABILITY

S.NO	PERTICULAR	AMOUNT
1	Sales revenue	
2	Less: cost of production	
	Total	

RATIO ANALYSIS

Percentage return on sale $= \text{profit} / \text{sale} * 100$

LIABILITIES

There are no any liabilities in this business because the owner did not give loan from banks and other financial institution. Both are personally invest without take loan from any financial institution.

A & U INTERIOR AND DECORATOR

INCOME STATEMENT

FOR THE MONTH ENDED APRIL 31ST 2015

[illegible]

A & U INTERIOR AND DECORATOR

BALANCE SHEET

AS ON 31TH DECEMBER 2015

ASSETS	AMOUNT	LIABILITES + OWNER'S EQUITY	AMOUNT
<u>CURRENT ASSETS</u>		<u>LIABILITIES</u>	NIL
<u>FIXED ASSETS</u>		<u>OWNERS EQUITY</u>	
TOTAL		TOTAL	

Further consideration

On the other hand if we deposit 50000000 in commercial bank for one year with the interest rate of xxx, then after one year we get the amount of xxx in the form of profit. This amount is calculated with the help of following formula.

Present value (p.v) = 50000000

Interest rate (r) =

Time period (t) =

Future value (f.v) =

$F.V = P.V(1 + R)^t$

F.V=

F.V = xxxxxxxxxxx

CONCLUSION

That our Sir SUMAIR QAZI gives us project to open a new business having researched the middle class, upper class and lower class people recommend the stylish and standard quality furniture which we are constructing.

The conclusion of this report was reached by the information provided by the owner of GOLD STAR FURNITURE .We feel that the owner of the GOLD STAR FURNITURE is the best specialist will know the people demand and need that they want they are sure they like furniture design.

Furthermore we can mention this report that we gain the profit of xxxx million to our owner equity and now we have xxxx million and we reinvest again same business xxx million to expand our business in further country and also in cities .

Again we purchase a plot in main nursery and again we opened a furniture business and them sell and expand our business in all over the world.

BIBLOGRAPHY

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