

SEED BANGLA

Investment Proposal ASA uPVC Roofing Sheet, WPC Door & Door Frame Manufacturing Plant



SEED BANGLA

House 14C, Road 95, Gulshan 2,
Dhaka- 1212, Bangladesh

Investment Proposal
for
Seed Bangla Agro Ltd.
(ASA uPVC Multi-layer Roofing Sheet,
WPC Door and Door Frame Manufacturing Plant)

1. Executive Summary

1.1 Basic Info

Name of the Project	Seed Bangla Agro Ltd		
Corporate Office	House 14C, Road 95, Gulshan 2, Dhaka 1212, Bangladesh.		
Proposed Factory	Shagordighi, Tangail, Bangladesh.		
Products	ASA- uPVC- UVuPVC Three Layer Roofing Sheet		Width: 1050 mm Length: ~ Thickness: 2~3 mm
	ASA- uPVC Roofing Sheet		Width: 1050 mm Length: ~ Thickness: 2~3 mm
	ASA- uPVC- UVuPVC Three Layer Roofing Tiles		Width: 1050 mm Length: ~ Thickness: 2~3 mm
		Main Ridge	
		Oblique Ridge Tile	
		Tail Tile	
		Tee	

	 	WPC Door and Door Frame
	<p>Optional Product</p>  	uPVC Single & Double Glazed Windows

Legal Status Private Limited Company

Company Status Local Company

Project Objective To produce high quality ASA uPVC Multi-Layer Roof Sheet, WPC Door & Door Frame for sales in local market.

Rated Production Capacity 17,200 sft (3 mm) / Day (*Roofing Sheet*)
350 units / Day (Door)
350 units / Day (Door Frame)
@ 100% rated capacity

Land Area 500 decimals

Annual Cycle 330 days production

Operation Period 16 hours /day

Operating Control System Semi-Automatic

No. of Production HR 2 shifts; Total: 82 persons

Total Project Cost BDT 404,391,128.65
(Including IDCP)

Working Capital BDT 75,240,297.86

Payback Period 4.68 years

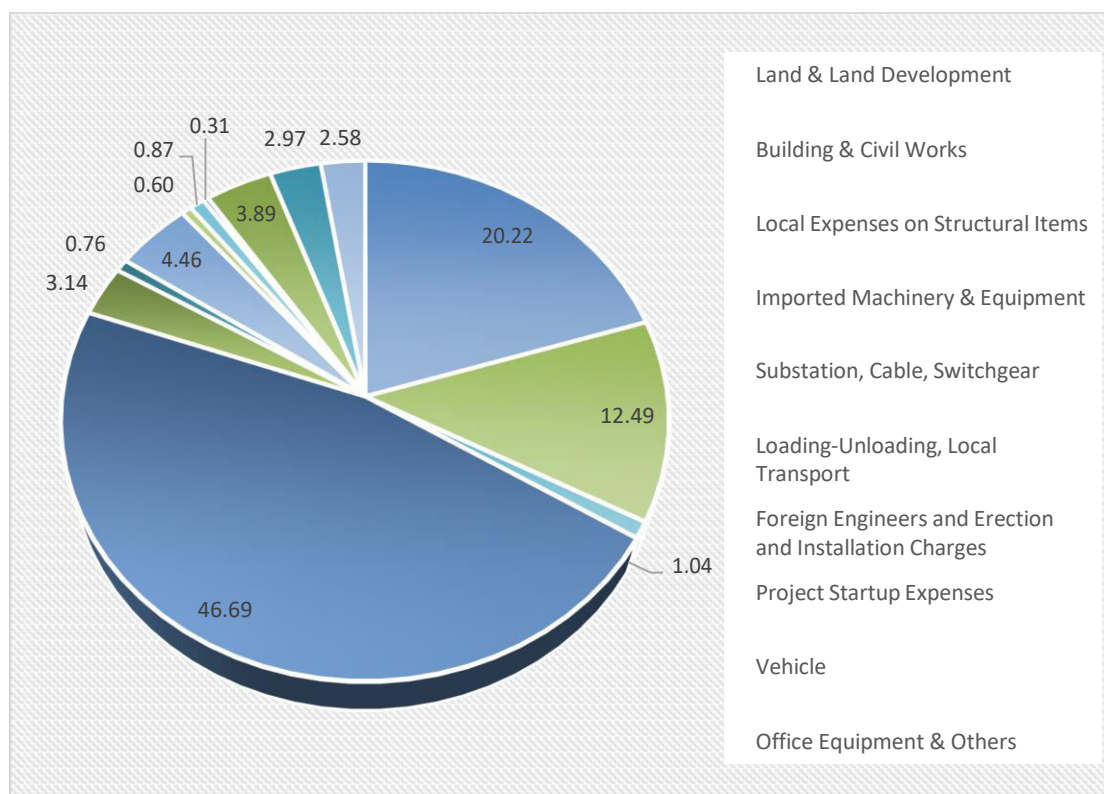
**Production schedule may be adjusted as per market demand and other circumstances.*

1.2 Investment and Means of Finance

Total investment cost has been calculated as BDT 419,497,249.23 while IDCP (included in the project cost) has been estimated at BDT 12,474,604.11 and Working Capital (Not included in the Project) Estimated to BDT 74,392,632.09

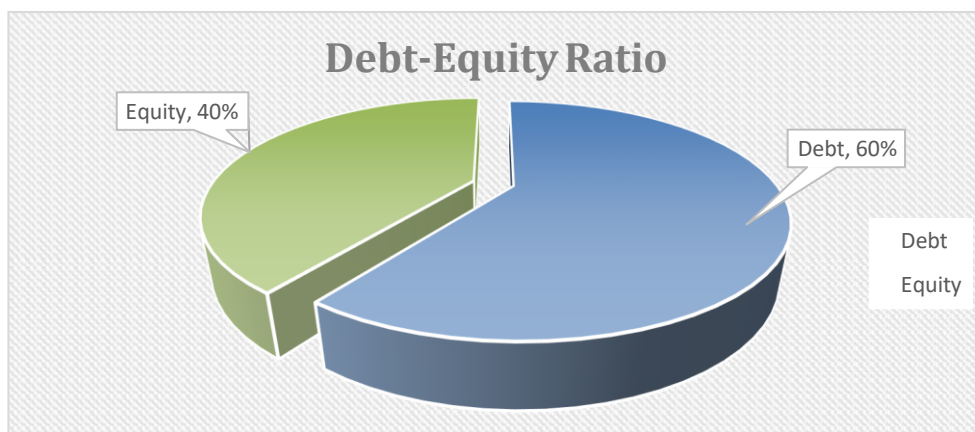
Total investment scenario is as follows:

Head	Amount	Status	%
Land and Land Development	81,750,000.00	Invested	19%
Importable Machines	173,949,600.00	To be Invested	45%
Local Machines	4,200,000.00	To be Invested	1%
Generators	7,920,000.00	To be Invested	2%
Civil Works	50,500,000.00	To be Invested	12%
Power and Others	12,700,000.00	To be Invested	3%
Duty-Tax-Handling, Installation	34,313,972.00	To be Invested	8%
Vehicles, Support Equipment	10,430,000.00	To be Invested	2%
Startup, Trial Run and Related Expenses	6,157,500.00	To be Invested	1%
Contingencies	10,439,542.88		3%
IDCP	12,030,513.77		3%
Total	404,391,128.65		100%



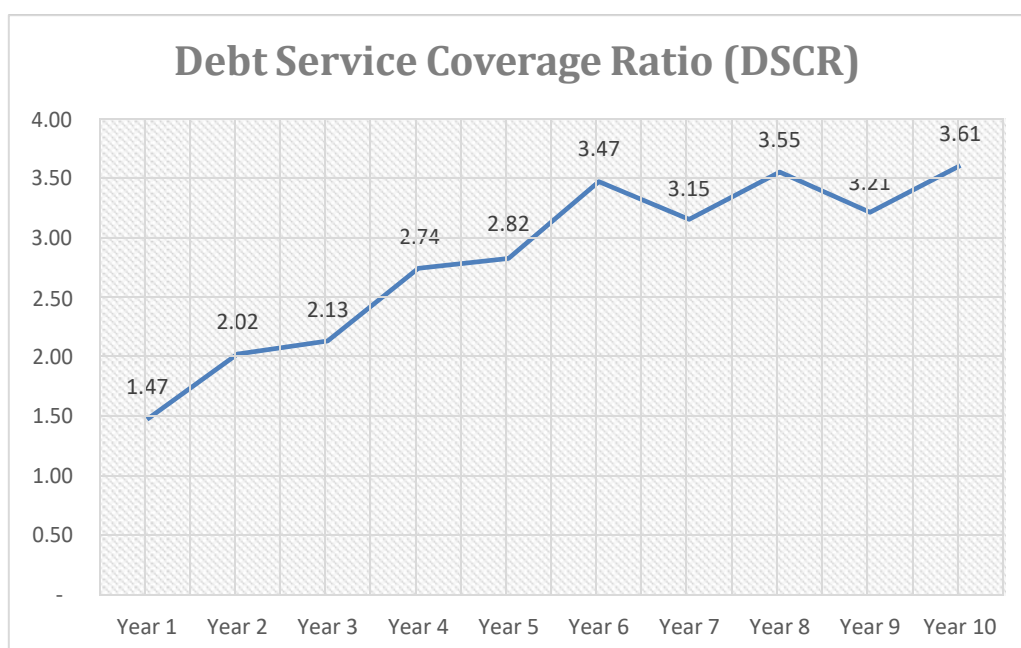
1.3 Project Debt -Equity Ratio

Item	Amount	Ratio
Debt	242,634,677.19	60.00%
Equity	161,756,451.46	40.00%
Total	404,391,128.65	100.00%



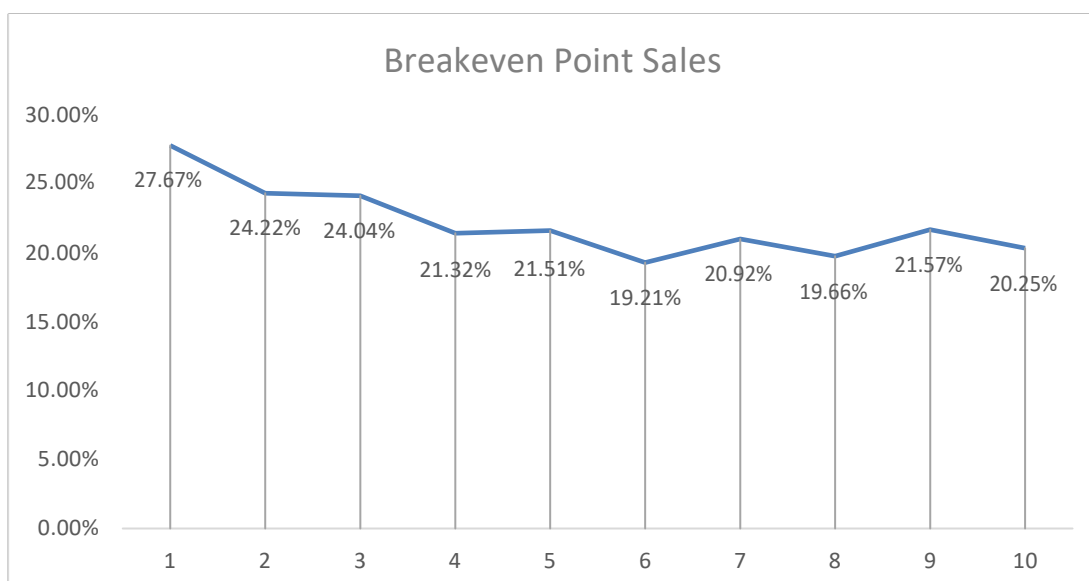
1.4 Financial Summary

Head	Year 1	Year 2	Year 3	Year 4	Year 5
Debt Service Coverage Ratio (DSCR)	1.47	2.02	2.13	2.74	2.82
Return on Investment (ROI)	11%	17%	18%	25%	26%
Return on Equity (ROE)	21%	25%	21%	23%	19%



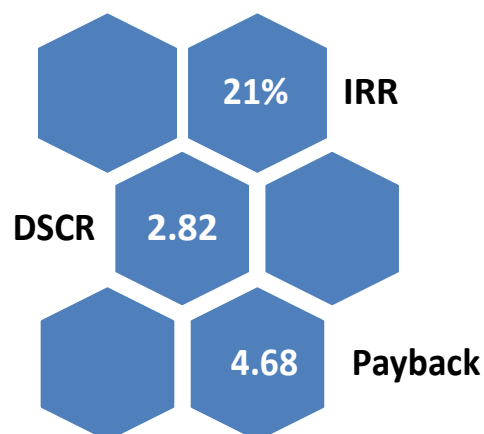
1.5 Breakeven Point

Breakeven Point 'in sft' of Multi-Layer ASA-uPVC Roof Sheet as per contribution margin	1,032,208.12	1,024,882.91	1,032,004.85	1,031,814.78	1,039,088.85
Breakeven Point 'in unit' of WPC Door & Door Frame as per contribution margin	15,093.61	13,815.08	15,870.66	14,462.38	16,742.55
Breakeven Point 'sales' of Multi-Layer ASA-uPVC Roof Sheet as per contribution margin	101,156,395.96	105,562,940.05	106,296,499.92	111,435,996.23	112,221,596.14
Breakeven Point 'sales' of WPC Door & Door Frame as per contribution margin	105,655,241.26	101,540,865.41	116,649,386.65	111,620,615.81	129,218,990.26
Breakeven Point Sales in Total	206,811,637.22	207,103,805.46	222,945,886.57	223,056,612.04	241,440,586.40
% of Total Sales / Revenue	27.67%	24.22%	24.04%	21.32%	21.51%



1.6 Average Financial Indicators

IRR	21%
NPV	292,072,470.00
Average ROI	26%
Average ROE	18%
Average DSCR	2.82
Minimum DSCR	1.47
Payback Period	4.68

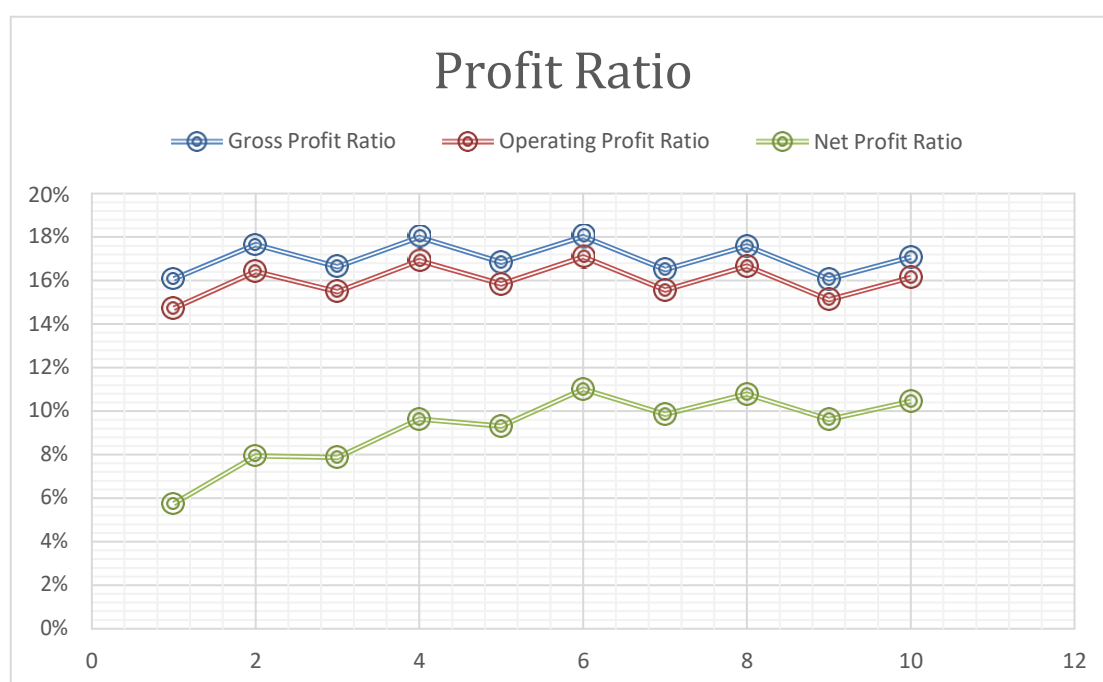


1.7 Capacity Utilization

Head	Year 1	Year 2	Year 3	Year 4	Year 5
Target Production Capacity	55%	60%	65%	70%	75%

1.8 Profit to Sales Ratio

Head	Year 1	Year 2	Year 3	Year 4	Year 5
Gross Profit Ratio	16%	18%	17%	18%	17%
Operating Profit Ratio	15%	16%	15%	17%	16%
Net Profit Ratio	6%	8%	8%	10%	9%



2. Recommendations

The indicators of the feasibility report indicate that the project is technically feasible, financially and economically viable and may, therefore, be considered suitable for Bank/Leasing Company's financing.





