

# Feasibility Report and **BUSINESS PLAN** OF JULFIKAR STEEL RE-ROLLING MILLS LIMITED

## PROJECT COST

**Total** : BDT 5,914.34 mln  
**Existing** : BDT 4,188.29 mln  
**Expansion** : BDT 1,726.05 mln  
 (Including Fixed and Variable Costs)



### INVESTMENT PROPOSAL

#### Total Loan

(Long-Term & Short-Term) : BDT 3,676.46 mln

Long-Term Loan : BDT 481.56 mln

Short-Term Loan : BDT 3,194.91 mln

For Existing Operations : BDT 2,361.38 mln

For Expansion Operations : BDT 833.53 mln

#### Debt-Equity Ratio (After Expansion)

Long-Term Loan : 39.00 : 61.00

Short-Term Loan : 80.00 : 20.00

Proposed Interest Rate : 8.00%

Loan Tenure : 7 years

Moratorium Period : 18 months

Equal Monthly Instalments (EMI) : BDT 18.61 mln

Existing : BDT 10.20 mln

Expansion : BDT 8.41 mln

### PROJECTED KEY FINANCIALS

#### (Five Years Average)

Yearly Turnover : BDT 30,247.01 mln  
 Net Profit : BDT 973.43 mln  
 Gross Profit (GP) : 7.83%  
 Operating Profit (OP) : 7.51%  
 Net Profit (NI) : 3.20%

#### Key Decision Points

IRR : 44.96%  
 ROI : 13.52%  
 ROE : 16.51%  
 Payback period : 2.73 years  
 Discounted Payback Period : 2.68 years  
 Debt Service Coverage Ratio : 1.98 Times  
 Break Even (BEP) : 48.32%  
 NPV : BDT 6,112.03 mln



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## Feasibility Report and Business Plan OF JULFIKAR STEEL RE-ROLLING MILLS LIMITED

If you have any query about this document, you may consult with Julfikar Steel Re-Rolling Mills Limited at +8801729251617, +8801619251617 or SouthAsia Research & Corporate Advisory Ltd at +8801711 051 276

Issue Date: August 02, 2023

Expiry Date: February 02, 2024

### DISCLAIMER

*This Feasibility Report & Business Plan ("together with all attachments") was compiled on the basis of information provided by **Julfikar Steel Re-Rolling Mills Limited ('JSRM')**. The purpose of this Feasibility Report & Business Plan is to acquaint lenders with **JSRM** and the Facility. No representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by **SouthAsia Research & Corporate Advisory Ltd ('SRCA')** as to the adequacy, accuracy, completeness or reasonableness of this Feasibility Report & Business Plan. The information contained in this Feasibility Report & Business Plan is assumed to be valid up to **February 02, 2024**.*

*This Feasibility Report & Business Plan is not intended to provide the basis for a decision to participate in the Facility, any credit or other evaluation. Any decision to participate in the Facility should not be considered as a recommendation. Each recipient of this Feasibility Report & Business Plan should make, and will be deemed to have made, its own determination of the relevance of the information contained herein and its own independent investigation and assessment of the company and the terms and conditions of the Facility. The Feasibility Report & Business Plan and the illustration of results and cash flows contained herein as well as any other estimates or projections should not be viewed as a substitute for independent evaluation and investigation by a prospective lender. Prospective lenders should be aware that to the extent any of the information contained herein or on which the financial model was based constitutes an assumption, forecast, projection or other data, which by its nature is uncertain, including but not limited to, revenue projections, future operating costs, future cost of capital including inflation and currency change risks and related economic and financial factors, there can be no assurance that future actual results and economic and financial conditions will not differ significantly from such assumptions, forecasts and projections.*

## **Feasibility Report and Business Plan** OF JULFIKAR STEEL RE-ROLLING MILLS LIMITED

“Investment in this project involves certain degree of risks. The investors are required to read the Feasibility Report and Business Plan and risk factors carefully, assess their own financial conditions and risk taking ability before making their investment decisions.”

This Feasibility Report and Business Plan has been prepared on the basis of several assumptions which has been shown in Page No. 57 Before reading this document, review the assumptions.

### **AVAILABILITY OF THE REPORT**

Julfikar Steel Re-Rolling Mills Limited &  
SouthAsia Research & Corporate Advisory Ltd

Corporate Directory	
Name of the Company	: <b>Julfikar Steel Re-Rolling Mills Limited</b>
Company Logo	:  <b>JSRM</b> constructive think for next generation
Name of the Project	: D-Form Bar/MS Steel Manufacturing Project
Type of Company	: Private Limited Company
Legal Status	: Julfikar Steel Re-Rolling Mills Limited (JSRM) was incorporated as a Private Limited Company on 27th July, 2016 bearing Incorporation No.: C-132079/2016.
Authorized Share Capital	: The Authorized Share Capital of the Company is BDT 50,000,000 (BDT Five Crore) divided into 500,000 (Five Lakhs) ordinary shares of BDT 100.00 (One Hundred) each.
<b>Management Information</b>	
Md. Mahabubur Rashid Jewel	: Chairman
Md. Masud Ahmed Ratan	: Managing Director
Md. Mahim Ahmed (Mahim)	: Director
Mrs. Laigu Begum	: Director
Corporate Address	: B-342, Enaetnagar, Godnail, Siddhirganj, Narayanganj-1432, Bangladesh
Project Location	: B-342, Enaetnagar, Godnail, Siddhirganj, Narayanganj-1432, Bangladesh
Contact No	: +8801729251617 +8801619251617
Email	: jewel.jrm@gmail.com info@jsrmbd.com
Website	: www.jsrmbd.com

**PROJECT SNAPSHOT**



**PROJECT INFORMATION**

Name of the Project	: Julfikar Steel Re-Rolling Mills Limited
Name of the Company	: Julfikar Steel Re-Rolling Mills Limited
Project Location	: B-342, Enaetnagar, Godnail, Siddhirganj, Narayanganj-1432, Bangladesh
Nature of the Project	: D-Form Bar/MS Steel Manufacturing Project
Corporate Address	: B-342, Enaetnagar, Godnail, Siddhirganj, Narayanganj-1432, Bangladesh
Key Contact Person	: <b>Md. Mahbubur Rashid Jewel</b> Chairman Julfikar Steel Re-Rolling Mills Limited
Contact No	: +8801729251617 +8801619251617
Email	: jewel.jrrm@gmail.com info@jsrmbd.com
Website	: www.jsrmbd.com

**BRIEF MANAGEMENT INFORMATION**

Md. Mahabubur Rashid Jewel	: Chairman
Md. Masud Ahmed Ratan	: Managing Director
Md. Mahim Ahmed (Mahim)	: Director
Mrs. Laigu Begum	: Director

**KEY FACTORS OF THE PROJECT**

<b>Attainable Production Capacity/Day</b>	
<b>From Existing Operation</b>	: <b>750.00 MT</b>
B 500 DWR	: 488.00 MT
B 420 DWR	: 262.00 MT
<b>From Expansion Operation</b>	: <b>250.00 MT</b>
B 500 DWR	: 163.00 MT
B 420 DWR	: 87.00 MT
<b>Total Project Cost for Expansion</b>	: <b>BDT 1,726.05 mln</b>
Fixed Costs	: BDT 684.14 mln
Variable Costs	: BDT 1,041.91 mln
<b>Total Loan Required</b>	: <b>BDT 3,676.46 mln</b>
Long-Term Loan	: BDT 481.56 mln
Short-Term Loan	: BDT 3,194.91 mln
<b>Debt-Equity Ratio (After Expansion)</b>	
Long-Term Loan	: 39.00 : 61.00
Short-Term Loan	: 80.00 : 20.00
<b>Key Financial Ratios (Five Years Average)</b>	
Yearly Turnover	: BDT 30,247.01 mln
Net Profit	: BDT 973.43 mln
Gross Profit (GP)	: 7.83%
Operating Profit (OP)	: 7.51%
Net Profit (NI)	: 3.20%
IRR	: 44.96%
ROI	: 13.52%
ROE	: 16.51%
Payback period	: 2.73 years
Discounted Payback Period	: 2.68 years
Debt Service Coverage Ratio	: 1.98 Times
Break Even (BEP)	: 48.32%
NPV	: BDT 6,112.03 mln

## Invitation for investment

JSRM is inviting financial institutions for investing this commercially viable project for this project with the below features:

**Total Investment Required : BDT 3,676.46 mln**

<b>A. For Long-Term Financing</b>	<b>: BDT 481.56 mln</b>
Plant Machinery and Equipment (Imported):	BDT 453.56 mln
Plant Machinery and Equipment (Local)	: BDT 28.00 mln
<b>B. For Short-Term Loan/Working Capital</b>	<b>: BDT 3,194.91 mln</b>
<b>For Existing Operations</b>	<b>: BDT 2,361.38 mln</b>
<b>Funded</b>	
CC Hypo/OD	: BDT 2,361.38 mln
<b>For Expansion Operations</b>	<b>: BDT 833.53 mln</b>
<b>Non-Funded</b>	
L/C Facilities	: BDT 500.00 mln
<b>Funded</b>	
CC Hypo/OD	: BDT 333.53 mln

The above finance will be for:

1.Tenure	: 7 years for long term loan
2.Short Term loan	: Revolving basis
3.Moratorium Period	: 18 months for long term loan
4.Proposed Rate of interest	: 8.00%
<b>5.Debt-Equity Ratio (After Expansion)</b>	
For Long Term	: 39.00 : 61.00
For short Term	: 80.00 : 20.00

Note that, at present, JSRM has got approval/sanction BDT 2,030.00 mln as working capital facilities in different heads from financial institutions. Out of the above sanctioned facilities, the current outstanding balance of JSRM is around BDT 1,416.03 mln. In addition, JSRM also has outstanding long-term loan amounted BDT 502.93 mln.

**In Phase-1**, JSRM is expecting additional working capital facilities amounted to **BDT 2,356.67** mln with the above sanctioned amount **BDT 2,030.00 mln** for its existing operations.

**In Phase-2**, JSRM will also request for investment facilities for expansion amounted to BDT 481.56 mln as long-term loan and BDT 832.97 mln as working capital facilities where L/C Facilities would be BDT 500.00 mln and CC Hypo/OD facilities would be BDT 332.97 mln.

## TABLE OF ABBREVIATIONS

BB L/C	: Back to Back L/C
CAGR	: Compound Annual Growth Rate
D & A	: Depreciation and Amortization
DCF	: Discounted Cash Flow
GDP	: Gross Domestic Product
GATT	: Generalized Agreement on Tariffs and Taxes
DOE	: Department of Environment
EU	: European Union
GDP	: Gross Domestic Product
GOB	: Government of Bangladesh
ILO	: International Labor Organization
ITC	: International Trade Center
LDC	: Least Developed Countries
MOC	: Ministry of Commerce
MOI	: Ministry of Industry
MSME	: Micro Small & Medium Enterprises
MCL	: Mane Clothing Ltd
NPAT	: Net Profit After Tax
PPP	: Public Private Partnership
QC	: Quality Control
R&D	: Research & Development
SME	: Small & Medium Enterprise
SOP	: Standard Operating Procedure
Sft	: Square feet
SWOT	: Strength Weakness Opportunity Threat
NPV	: Net Present Value
IRR	: Internal Rate of Return
PB	: Payback period
DPB	: Discounted Payback Period
ROI	: Return on Investment
ROE	: Return on Equity
IDCP	: Interest during Construction Period
BEP	: Break Even Point
UPAS L/C	: Usance Payable at Sight (UPAS) Letter of Credit (L/C)
WACC	: Weighted Average Cost of Capital
WC	: Working Capital
Y/y	: Year-to-year
YTD	: Year to Date
JSRM	: Julfikar Steel Re-Rolling Mills Limited

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# Feasibility Report and Business Plan

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## 1. Executive Summary



## 1.1 Review and Outlook of the Steel and Re-Rolling Industry

The steel industry is an established and growing industry in Bangladesh. Predominantly based in the port city of Chittagong, the industry has emerged as a major contributor to the national economy. According to research, the growth of steel industry in Bangladesh is mainly induced by the rapid expansion of the country's shipbuilding and real estate sector, as well as the major investments in various infrastructure projects throughout the country.

An important factor in determining a country's development is the growth of its steel production and consumption. Bangladesh's steel and re-rolling industry has played a vital role in developing the overall infrastructure of the country. In addition, for years the steel industry has been supporting other industries like transportation, energy, heavy engineering and construction by supplying necessary steel products such as rebar, angles and beams. In the last few years, the country's local steel market has grown by 15 to 20 percent, which has a current market size of BDT 45,000 crore. Besides, Bangladesh is currently producing semi-finished steel – 'billet', as a result, steel products are being exported abroad after meeting the local demand.

There are about 400 steel mills in the country with a total production capacity of about 9 million metric tons, of which the country consumes more than 7 million metric tons of steel.

In terms of market share, the top three steel producers – Abul Khair Steel, BSRM and KSRM – are meeting 50 per cent of the demands in the local market. At present around 1 million people are directly or indirectly employed in this sector. Based on shape, the steel industry can be divided into three categories: TMT bars, flat steel and stainless steel.

The growth in the production and use of steel is considered as a key indicator of development for any country. Especially consumption of steel directly indicates how fast the infrastructure is developing. Steel industry plays a fundamental role not only in driving economic development but also in other complementary industries like transport, energy, heavy engineering and construction. Over the years, the steel & re-rolling industry of Bangladesh has contributed immensely in the country's overall infrastructure development by providing long steel products such as rebar, angle, beam and channel. Moreover, self-sufficiency in billet production enabled the industry to go beyond the border and export finished goods.

Steel is now being produced on a large scale for use in almost all types of infrastructural development in the country. At present these steels are being exported abroad after meeting the demand of the country. From 2016-17 to 2020-21, Bangladesh's steel exports have increased at a rate of 22.73% per annum.

*Due to huge market potential and sizeable market, **Julfikar Steel Re-Rolling Mills Limited (JSRM)** has taken initiative to expand its existing D-Form Bar/MS Steel Manufacturing Project at B-342, Enaetnagar, Godnail, Siddhirganj, Narayanganj-1432, Bangladesh. Due to sizeable market in recent years, the project will be technically feasible, financially rewarding and economically & commercially viable.*

## 1.2 About Julfikar Steel Re-Rolling Mills Limited

**Julfikar Steel Re-Rolling Mills Limited (JSRM)** was incorporated as a Private Limited Company on 27<sup>th</sup> July, 2016 bearing Incorporation No.: C-132079/2016. The Authorized Share Capital of the Company is BDT 50,000,000 (BDT Five Crore) divided into 500,000 (Five Lakhs) ordinary shares of BDT 100.00 (One Hundred) each.

JSRM will have a strong management team as well as research and development unit in order to meet the exclusive requirements of the clients. They will always emphasize to serve the best as well as achieve excellence through international quality standards. They will also emphasize in creating greater value for the country and building confidence and credibility in the company. As they have specialization in the D-Form Bar/MS Steel industry, so their advancement and performance of work is well planned, therefore they always save a lot of time and resources. JSRM has accomplished this by utilizing technical skills with managerial knowledge, innovative skills as well as connecting men and materials to the best possible use.

### Legal Status of Julfikar Steel Re-Rolling Mills Limited

1. Incorporation Certificate: C-132079/2016
2. Trade License: 39947
3. TIN Certificate: 627216152124
4. BIN Certificate: 000360299-0305
5. Environmental Clearance Certificate: 22-82268
6. Factory License: 17349/Narayanganj
7. Fire License: AD/Dhaka/9098/05
8. BSTI: DHK-CM-0000000000081
9. TITAS Gas Sanction: 28.13.0000.206.99.002.22/1137
10. IRC: 260326120145720
11. Narayanganj Chamber of Commerce & Industry Membership Certificate: 0427G
12. BUET Rod Test 420 & 500 Report
13. Dhaka Power Distribution Company (DPDC) Sanction
14. Bangladesh Re-Rolling Mills Association Member

## 1.3 List of Directors & Shareholding Structure of JSRM

Name of Directors	Status	No of shares taken by each subscriber	% of Shares
Md. Mahabubur Rashid Jewel	Chairman	75,000	50.00%
Md. Masud Ahmed Ratan	Managing Director	24,990	16.66%
Md. Mahim Ahmed (Mahim)	Director	24,990	16.66%
Mrs. Laigu Begum	Director	25,020	16.68%
<b>Total</b>		<b>150,000</b>	<b>100.00%</b>

## 1.4 About the Project

### (i) Features of the Project and Its Objectives

Name of the Company	: Julfikar Steel Re-Rolling Mills Ltd.
Project Nature	(D-Form Bar/MS Steel Manufacturing Project)
Corporate Office	: B-342, Enaetnagar, Godnail, Siddhirganj, Narayanganj-1432, Bangladesh
Project Location	: B-342, Enaetnagar, Godnail, Siddhirganj, Narayanganj-1432, Bangladesh
Legal Formation of the Project	: Private Limited Company
Life of The Project	: 30 years
Product Mix	: B 500 DWR (8mm, 10mm, 12mm, 16mm, 20mm, 25mm and 32mm) and B 420 DWR (10mm, 12mm, 16mm, 20mm, 25mm and 32mm)
<b>Total Estimated Project Cost</b>	<b>: BDT 5,914.34 mln</b>
Fixed Costs/Long-Term Investment (Including IDCP)	: BDT 2,582.41 mln
Variable Costs/Working Capital	: BDT 3,331.93 mln
<b>Total Project Cost for Expansion</b>	<b>: BDT 1,726.05 mln</b>
Fixed Costs/Long-Term Investment (Including IDCP)	: BDT 684.14 mln
Variable Costs/Working Capital	: BDT 1,041.91 mln
<b>Total Loan Required</b>	<b>: BDT 3,676.46 mln</b>
Long-Term Loan	: BDT 481.56 mln
Short-Term Loan	: BDT 3,194.91 mln
<b>Debt-Equity Ratio</b>	
Long-Term Loan	: 76.88 : 23.12
Short-Term Loan	: 80.00 : 20.00
<b>Loan Repayment</b>	
<b>Equal Quarterly Instalment</b>	
Existing Loan	: BDT 30.76 mln
New Loan	: BDT 25.34 mln
<b>Attainable Production Capacity/Day</b>	
<b>From Existing Operation</b>	<b>: 750.00 MT</b>
B 500 DWR (8mm, 10mm, 12mm, 16mm, 20mm, 25mm and 32mm)	: 488.00 MT
B 420 DWR (10mm, 12mm, 16mm, 20mm, 25mm and 32mm)	: 262.00 MT
<b>From Expansion Operation</b>	<b>: 250.00 MT</b>
B 500 DWR (8mm, 10mm, 12mm, 16mm, 20mm, 25mm and 32mm)	: 163.00 MT
B 420 DWR (10mm, 12mm, 16mm, 20mm, 25mm and 32mm)	: 87.00 MT
<b>Average Sales Price/MT</b>	
<b>B 500 DWR</b>	
8 mm	: BDT 95,000.00
10 mm	: BDT 94,000.00
12 mm	: BDT 94,000.00
16 mm	: BDT 94,000.00
20 mm	: BDT 94,000.00
25 mm	: BDT 94,000.00
32 mm	: BDT 95,000.00

**B 420 DWR**

10 mm	: BDT 94,000.00
12 mm	: BDT 94,000.00
16 mm	: BDT 94,000.00
20 mm	: BDT 94,000.00
25 mm	: BDT 94,000.00
32 mm	: BDT 95,000.00
Wastage Sales	: BDT 50,000.00

**Raw Material Costs/MT**

MS Billets (100 mm*100 mm*10 feet)	: BDT 80,000.00
Average Sales Revenue (5 Years)	: BDT 30,247.01 mln
Average Net Profit (5 Years)	: BDT 973.43 mln

**Key Financial Ratios**

Gross Income	: 7.83%
Operating Income	: 7.51%
Net Income	: 3.20%
GDP Contribution	: BDT 623.26 mln
Objective of the project	: To produce world class D-Form Bar/MS Steel for its clients

SAMPLE RE

## (ii) Project Plan

Due to huge market potentials of D-Form Bar/MS Steel, **Julfikar Steel Re-Rolling Mills Limited (JSRM)** has planned to expand its D-Form Bar/MS Steel manufacturing project where B 500 DWR & B 420 DWR D-Form Bar/MS Steel of various sizes will be manufactured.

The daily attainable production capacity will be 750.00 MT from existing operations and 250.00 MT from expansion operations.

The detailed attainable production plan is illustrated as follows:

Types of Product	Size	Production Mix(%)	Production Capacity/Per day 20 hours			
			Unit	Daily	Monthly	Yearly
<b>From Existing Operation</b>						
B 500 DWR	8 mm	15.61%	MT	117	3,278	39,333
	10 mm	31.44%	MT	236	6,603	79,233
	12 mm	3.68%	MT	28	772	9,267
	16 mm	7.43%	MT	56	1,561	18,729
	20 mm	4.34%	MT	33	912	10,939
	25 mm	1.51%	MT	11	317	3,799
	32 mm	0.99%	MT	7	208	2,501
	<b>Sub Total</b>	<b>65.00%</b>		<b>488</b>	<b>13,650</b>	<b>163,801</b>
B 420 DWR	10 mm	10.31%	MT	77	2,166	25,993
	12 mm	9.19%	MT	69	1,930	23,155
	16 mm	10.33%	MT	77	2,170	26,038
	20 mm	2.64%	MT	20	555	6,664
	25 mm	1.47%	MT	11	309	3,706
	32 mm	1.05%	MT	8	220	2,642
	<b>Sub Total</b>	<b>35.00%</b>		<b>262</b>	<b>7,350</b>	<b>88,199</b>
<b>Total</b>		<b>100%</b>		<b>750</b>	<b>21,000</b>	<b>252,000</b>
<b>From Expansion Plan</b>						
B 500 DWR	8 mm	15.61%	MT	39	1,093	13,111
	10 mm	31.44%	MT	79	2,201	26,411
	12 mm	3.68%	MT	9	257	3,089
	16 mm	7.43%	MT	19	520	6,243
	20 mm	4.34%	MT	11	304	3,646
	25 mm	1.51%	MT	4	106	1,266
	32 mm	0.99%	MT	2	69	834
	<b>Sub Total</b>	<b>65.00%</b>		<b>163</b>	<b>4,550</b>	<b>54,600</b>
B 420 DWR	10 mm	10.31%	MT	26	722	8,664
	12 mm	9.19%	MT	23	643	7,718
	16 mm	10.33%	MT	26	723	8,679
	20 mm	2.64%	MT	7	185	2,221
	25 mm	1.47%	MT	4	103	1,235
	32 mm	1.05%	MT	3	73	881
	<b>Sub Total</b>	<b>35.00%</b>		<b>87</b>	<b>2,450</b>	<b>29,400</b>
<b>Total</b>		<b>100%</b>		<b>250</b>	<b>7,000</b>	<b>84,000</b>
<b>Grand Total</b>				<b>1,000</b>	<b>28,000</b>	<b>336,000</b>

The projected annual revenue will be BDT 31,643.30 mln, monthly will be BDT 2,636.94 mln and daily will be BDT 94.18 mln respectively.

The project is located at B-342, Enaetnagar, Godnail, Siddhirganj, Narayanganj-1432, Bangladesh. Total land size of the project is 372.50 decimals. Mentioned that this land is not the asset of the company but is owned by the directors of the company.

## 1.5 Capacity Utilization Plan of the Project

JSRM is planning to utilize the production capacity over the next ten (10) years as follows:

Year	% (Existing)	% (Expansion)
1st Year	100.00%	60.00%
2nd Year	100.00%	65.00%
3rd Year	100.00%	70.00%
4th Year	100.00%	75.00%
5th Year	100.00%	80.00%
6th Year	100.00%	80.00%
7th Year	100.00%	80.00%
8th Year	100.00%	80.00%
9th Year	100.00%	80.00%
10th Year	100.00%	80.00%

## 1.6 Project Implementation Schedule

Project implementation will take a period of 18 months. Break-up of the activities and relative time for each activity is shown below:

S.N.	Project Stage for Project Implementation	Time Period	Time Period/Months																	
			1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th	14th	15th	16th	17th	18th
1	Identification of the project	1 month	█																	
2	Engagement of Consultants for Project Preparation	1 month	█																	
3	Project Feasibility Study	2 month		█	█															
4	Details Project Preparation	2 month			█	█														
5	Sanction and Approval of Financial Support from Banks/Financial Institutions	3 month				█	█	█												
6	Land Selection, Contract Agreement, Land Development and Utility Connections	3 month						█	█	█										
7	Pre-Qualification of Contractors/Suppliers of machineries & equipment	2 month								█	█									
8	Civil Constructions	8 month									█	█	█	█	█	█	█	█	█	█
9	Installation of Machinery, Equipment and Power Connection	1 month																		█
10	Trial run and production	1 month																		█

## 1.7 Estimated Project Cost

For existing and expansion of this project, the total cost has been estimated BDT 5,914.34 million including long-term & short-term investment. The summary of the project cost has illustrated below:

<b>Julfikar Steel Re-Rolling Mills Ltd.</b> (D-Form Bar/MS Steel Manufacturing Project) <b>Estimated Cost</b>						
Fig In Tk. '000'						
SL #	Particulars	Existing Project Cost	Cost Involvement for Expansion Plan			Total Project Cost
			Imported	Local	Total	
01	Land and Land Development	-	-	-	-	-
02	Factory Buildings and Shed	530,428	-	-	-	530,428
03	Other Civils Cost( Boundary Wall, Internal Road, Drainage and sewerage, Security Room, Main Gate and others Civil works)	-	-	10,000	10,000	10,000
04	Plant Machinery and Equipment(Imported)	1,326,432	503,953	-	503,953	1,830,385
05	Plant Machinery and Equipment( Local)	-	-	40,000	40,000	40,000
06	Furniture-fixture & Equipment (Head office and Factory)	10,016	-	5,000	5,000	15,016
07	Sub Station, Electrical Equipments and Wiring (Factory)	-	-	5,000	5,000	5,000
08	Diesel Generator(Existing: 15 KVA and For Expansion: 500 KVA)	-	-	4,000	4,000	4,000
09	Vehicles( for Expansion: Two (02)- 4 MT Capacity Truck and Four(04)- 12 Wheel Trailers)	31,400	-	25,200	25,200	56,600
10	Fire Alarm, Fire Door, Fire Fighting and Security Device and Equipment	-	-	5,000	5,000	5,000
11	Machinery erection & installation	-	-	-	-	-
12	Preliminary expenses & Consultancy fees	-	-	-	-	-
13	Contingency for Machinery and Equipments- 5%	-	25,198	2,500	27,698	27,698
14	Contingency for Civils Construction -5%	-	-	500	500	500
15	<b>TOTAL FIXED COST (EXCEPT IDCP)</b>	<b>1,898,276</b>	<b>529,151</b>	<b>97,200</b>	<b>626,351</b>	<b>2,524,627</b>
16	Initial Working Capital	2,290,019	-	-	1,041,911	3,331,931
17	IDCP(18 month grace period with at 8.00% interest rate)	-	-	-	57,787	57,787
	<b>TOTAL PROJECT COST</b>	<b>4,188,295</b>			<b>1,726,049</b>	<b>5,914,344</b>

Means of Finance		Existing Position	Fund Requirement for Expansion		Grand Total	
	Sponsor's Equity	15,000		23.12%	144,793	159,793
	Long Term Loan	502,929		76.88%	<b>481,558</b>	<b>984,487</b>
	IDCP	-			57,787	57,787
	Retained Earnings	453,501				453,501
	Share Money Deposit/Vendor Agreement	1,355,079				1,355,079
	Tax Holiday Reserve	-				-
	Revaluation Reserve	445,755				445,755
	General Reserve	-				-
	Working Capital , Equity	-		20.00%	208,382	208,382
	Working Capital , Short Term Loan	1,416,031		80.00%	<b>833,529</b>	<b>2,249,560</b>
	<b>TOTAL</b>	<b>4,188,295</b>			<b>1,726,049</b>	<b>5,914,344</b>

For expansion of this project, total fixed investment has been estimated BDT 684.14 million including IDCP which would be considered as long-term investment and total variable investment have been estimated BDT 1,041.91 million which would be considered as short-term investment/working capital.

This working capital includes funded and non-funded facilities which is L/C Facilities and CC Hypo/Overdraft/Time Loan/Demand Loan.

The debt-equity ratio and fixed and variable costs of this project has been illustrated in the beside table.

**Total Project Cost** : BDT 1,726.05 mln  
(For Expansion)  
Fixed Cost : BDT 684.14 mln  
Variable Cost : BDT 1,041.91 mln

### Debt-Equity Ratio

For Long-Term Loan : 76.88 : 23.12  
For Short-Term Loan: 80.00 : 20.00

## 1.8 Long-Term Finance Requirement

**Julfikar Steel Re-Rolling Mills Ltd.**  
**(D-Form Bar/MS Steel Manufacturing Project)**  
Debt-Equity Ratio Analysis

Fig In Tk. '000'

Sl #	Particulars	Existing Project Cost	Cost Involvement for BMRE	Contribution for Expansion/BMRE		Debt			Equity			After Expansion Debt-Equity Ratio		
				Financial Institutions	Equity	Imported	Local	Total	Imported	Local	Total	Total Debt	Total Equity	
01	Land and Land Development	-	-	0%	100%	-	-	-	-	-	-	-	-	-
02	Factory Buildings and Shed	530,428	-	0%	100%	-	-	-	-	-	-	-	-	530,428
03	Other Civils Cost(Boundary Wall, Internal Road, Drainage and sewerage, Security Room, Main Gate and others Civil works)	-	10,000	0%	100%	-	-	-	10,000	-	-	10,000	-	10,000
04	Plant Machinery and Equipment(imported)	1,326,432	503,953	90%	10%	453,558	-	453,558	-	-	50,395	50,395	453,558	1,376,827
05	Plant Machinery and Equipment( Local)	-	40,000	70%	30%	28,000	-	28,000	12,000	-	12,000	-	28,000	12,000
06	Furniture-fixture & Equipment (Head office and Factory)	10,016	5,000	0%	100%	-	-	-	5,000	-	-	5,000	-	15,016
07	Electrical Equipments and Wiring (Factory)	-	5,000	0%	100%	-	-	-	5,000	-	-	5,000	-	5,000
08	Diesel Generator(Existing: 15 KVA and For Expansion: 500 KVA)	-	4,000	0%	100%	-	-	-	4,000	-	-	4,000	-	4,000
09	Vehicles( for Expansion: Two (02)- 4 MT Capacity Truck) and Four(04)- 12 Wheel Trailers)	31,400	25,200	0%	100%	-	-	-	25,200	-	-	25,200	-	56,600
10	Fire Alarm, Fire Door, Fire Fighting and Security Device and Equipment	-	5,000	0%	100%	-	-	-	5,000	-	-	5,000	-	5,000
11	Machinery erection & installation	-	-	0%	100%	-	-	-	-	-	-	-	-	-
12	Preliminary expenses & Consultancy fees	-	-	0%	100%	-	-	-	-	-	-	-	-	-
13	Contingency for Machinery and Equipments-5%	-	27,698	0%	100%	-	-	-	27,698	-	-	27,698	-	27,698
14	Contingency for Civils Construction -5%	-	500	0%	100%	-	-	-	500	-	-	500	-	500
15	<b>Less: Existing Long Term Loan</b>	-	-	-	-	-	-	-	-	-	-	-	502,929	-
	<b>Total</b>	<b>1,898,276</b>	<b>626,351</b>			<b>453,558</b>	<b>28,000</b>	<b>481,558</b>	<b>50,395</b>	<b>94,398</b>	<b>144,793</b>	<b>984,487</b>	<b>1,540,140</b>	<b>61.00%</b>
								<b>76.88%</b>			<b>23.12%</b>			<b>39.00%</b>

### Long-Term Finance

In this project, JSRM will finance BDT 144.79 (23.12% of Project Cost) million as capital investment which will be considered as sponsors equity & JSRM is expecting investment from financial institutions amounted to BDT 481.56 mln which is 76.88% as long-term finance which has been illustrated in above table.

### Short-Term Finance

For smooth operation of this project, total working capital requirement has been estimated BDT 6,534.91 million including funded and non-funded facilities for utilizing the production capacity 80% in the first year.

Out of total working capital requirement in first year, JSRM is expecting BDT 3,194.91 mln as funded and non-funded facilities. The details have been illustrated in the following pages.

## 1.9 Working Capital Requirement – Consolidated

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Assessment of Working Capital							
Fig. in Taka '000'							
Particulars	Tied up Period	0 Year	Year-1	Year-2	Year-3	Year-4	Year-5
Average Capacity Utilization			80%	83%	88%	93%	98%
<b>Current Operating Assets</b>							
Raw Materials	60 days on Raw Materials	2,049,211	4,536,000	4,599,000	4,662,000	4,725,000	4,788,000
Closing Stock/Inventory		-	-	-	-	-	-
Finished Goods	15 days	-	1,147,498	1,187,822	1,251,805	1,316,367	1,380,966
Work-in- Process(W.I.P)	7 days	-	529,200	536,550	565,950	595,350	624,750
Advance Salaries & Wages	90 days/ 3 Months Salary	-	23,642	24,954	27,535	30,303	33,273
Advance , Deposits and PrePayment		21,757	21,757	21,757	21,757	21,757	21,757
Trade Receivables	7 days on net sales	105,896	555,016	599,859	632,341	665,277	698,238
<b>Total Current Operating Assets</b>		<b>2,176,865</b>	<b>6,813,113</b>	<b>6,969,942</b>	<b>7,161,387</b>	<b>7,354,054</b>	<b>7,546,984</b>
<b>Current Operating Liabilities</b>							
Accounts Payable	3 days on Raw Materials	146,287	277,200	284,550	291,900	299,250	306,600
Accrued expenses		206,384	-	-	-	-	-
Liabilities for Income tax		-	1,000	1,050	1,103	1,158	1,216
<b>Total Current Operating Liabilities</b>		<b>352,671</b>	<b>278,200</b>	<b>285,600</b>	<b>293,003</b>	<b>300,408</b>	<b>307,816</b>
<b>Net Working Capital Requirement</b>		<b>1,824,193</b>	<b>6,534,913</b>	<b>6,684,342</b>	<b>6,868,385</b>	<b>7,053,647</b>	<b>7,239,168</b>

	Contribution	%	Year-1	Year-2	Year-3	Year-4	Year-5
Short Term Loan from Banks		80.00%	5,227,930	5,347,473	5,494,708	5,642,917	5,791,335
Equity Contribution		20.00%	1,306,983	1,336,868	1,373,677	1,410,729	1,447,834
<b>Total</b>		100.00%	<b>6,534,913</b>	<b>6,684,342</b>	<b>6,868,385</b>	<b>7,053,647</b>	<b>7,239,168</b>

For existing & expansion operations of this project, JSRM has assessed the consolidated working capital requirement amounted to BDT 6,534.91 mln as funded and non-funded facilities by utilizing 80% average capacity in the first year in which JSRM requires BDT 5,227.93 mln as funded and non-funded facilities from banks/financial institutions.

Mentioned that, JSRM is already enjoying funded & non-funded facilities amounted BDT 2,030.00 mln from banks/financial institutions.

For smooth operation of the project, JSRM is expecting additional BDT 3,194.91 mln as working capital in the form of L/C Facilities and CC Hypo/Overdraft/Time Loan/Demand Loan facilities.

The working capital matrix has been illustrated in the beside table.

### Working Capital Requirement

(Including Funded and Non-Funded)

**Grand Total : BDT 3,194.91 mln**

#### Existing Operations

##### Funded

CC Hypo/OD : BDT 2,361.38 mln

#### Expansion Operations

##### Non-Funded

L/C Facilities : BDT 500.00 mln

##### Funded

CC Hypo/OD : BDT 333.53 mln

### 1.9.1 Working Capital requirement from Existing Operations

<b>Julfikar Steel Re-Rolling Mills Ltd.</b> (D-Form Bar/MS Steel Manufacturing Project) Assessment of Working Capital For Existing Operation							
Fig. In Taka '000'							
Particulars	Tied up Period	0 Year	Year-1	Year-2	Year-3	Year-4	Year-5
Capacity Utilization			100%	100.00%	100.00%	100.00%	100.00%
<b>Current Operating Assets</b>							
Raw Materials	60 days on Raw Materials	2,049,211	3,780,000	3,780,000	3,780,000	3,780,000	3,780,000
Closing Stock/Inventory							
Finished Goods	15 days		956,623	977,150	1,024,996	1,073,530	1,122,095
Work-in- Process(W.I.P)	7 days		441,000	441,000	463,050	485,100	507,150
Advance Salaries & Wages	90 days/ 3 Months Salary		21,109	22,083	24,295	26,667	29,209
Advance , Deposits and PrePayment		21,757	21,757	21,757	21,757	21,757	21,757
Trade Receivables	7 days on net sales	105,896	462,513	493,591	517,549	542,232	566,951
<b>Total Current Operating Assets</b>		<b>2,176,865</b>	<b>5,683,002</b>	<b>5,735,581</b>	<b>5,831,648</b>	<b>5,929,286</b>	<b>6,027,163</b>
<b>Current Operating Liabilities</b>							
Accounts Payable	3 days on Raw Materials	146,287	189,000	189,000	189,000	189,000	189,000
Accrued expenses		206,384					
Liabilities for Income tax		-	1,000	1,050	1,103	1,158	1,216
<b>Total Current Operating Liabilities</b>		<b>352,671</b>	<b>190,000</b>	<b>190,050</b>	<b>190,103</b>	<b>190,158</b>	<b>190,216</b>
<b>Net Working Capital Requirement</b>		<b>1,824,193</b>	<b>5,493,002</b>	<b>5,545,531</b>	<b>5,641,546</b>	<b>5,739,128</b>	<b>5,836,947</b>
<b>Working Capital Requirement as per year wise</b>							
		<b>%</b>	<b>Year-1</b>	<b>Year-2</b>	<b>Year-3</b>	<b>Year-4</b>	<b>Year-5</b>
	Short Term Loan from Banks	<b>80.00%</b>	4,394,401	4,436,425	4,513,236	4,591,303	4,669,558
	Equity Contribution	<b>20.00%</b>	1,098,600	1,109,106	1,128,309	1,147,826	1,167,389
	<b>Total</b>	<b>100.00%</b>	<b>5,493,002</b>	<b>5,545,531</b>	<b>5,641,546</b>	<b>5,739,128</b>	<b>5,836,947</b>

For utilizing the production capacity 100% in the first year, JSRM has assessed the working capital requirement amounted to BDT 5,493.00 mln as funded and non-funded facilities for its existing operations.

Out of total working capital requirement, JSRM requires 80% which is BDT 4,394.40 mln as funded facilities from banks/financial institutions.

Mentioned that, JSRM is already enjoying funded & non-funded facilities amounted BDT 2,030.00 mln from banks/financial institutions.

For smooth operation of the project, JSRM is expecting additional BDT 2,361.38 mln as working capital in the form of CC Hypo/OD facilities.

#### Additional Working Capital Requirement (Including Funded and Non-Funded)

<b>Total</b>	<b>: BDT 2,361.38 mln</b>
<b>Funded</b>	<b>: BDT 2,361.38 mln</b>
<b>CC Hypo/OD</b>	<b>: BDT 2,361.38 mln</b>

## 1.9.2 Working Capital requirement from Expansion Operations

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Assessment of Working Capital For Expansion Operation							
Fig. in Taka '000'							
Particulars	Tied up Period	0 Year	Year-1	Year-2	Year-3	Year-4	Year-5
Capacity Utilization			60%	65%	70%	75%	80%
<b>Current Operating Assets</b>							
Raw Materials	60 days on Raw Materials		756,000	819,000	882,000	945,000	1,008,000
Closing Stock/Inventory							
Finished Goods	15 days		190,876	210,672	226,808	242,837	258,870
Work-in- Process(W.I.P)	7 days		88,200	95,550	102,900	110,250	117,600
Advance Salaries & Wages			2,533	2,871	3,239	3,636	4,064
Advance , Deposits and PrePayment	90 Days/ 3 Months Salary						
Trade Receivables	7 days on Net Sales		92,503	106,268	114,792	123,046	131,287
<b>Total Current Operating Assets</b>			<b>1,130,111</b>	<b>1,234,361</b>	<b>1,329,739</b>	<b>1,424,769</b>	<b>1,519,821</b>
<b>Current Operating Liabilities</b>							
Accounts Payable	3 days on Raw Materials		88,200	95,550	102,900	110,250	117,600
Accrued expenses							
Liabilities for Income tax							
<b>Total Current Operating Liabilities</b>			<b>88,200</b>	<b>95,550</b>	<b>102,900</b>	<b>110,250</b>	<b>117,600</b>
<b>Net Working Capital Requirement</b>			<b>1,041,911</b>	<b>1,138,811</b>	<b>1,226,839</b>	<b>1,314,519</b>	<b>1,402,221</b>
<b>Working Capital Requirement as per year wise</b>							
		%	Year-1	Year-2	Year-3	Year-4	Year-5
Short Term Loan from Banks		80.00%	833,529	911,048	981,471	1,051,615	1,121,777
Equity Contribution		20.00%	208,382	227,762	245,368	262,904	280,444
<b>Total</b>		<b>100.00%</b>	<b>1,041,911</b>	<b>1,138,811</b>	<b>1,226,839</b>	<b>1,314,519</b>	<b>1,402,221</b>

For expansion operations, JSRM has assessed the working capital requirement amounted to BDT 1,041.91 mln as funded and non-funded facilities by utilizing 60% capacity in the first year in which JSRM requires 833.53 mln as funded and non-funded facilities from banks/financial institutions.

The working capital facilities will include LC Facilities BDT 500.00 mln and CC Hypo/OD BDT 333.53 mln.

The working capital requirements for expansion plan has been illustrated in the beside table.

### Working Capital Requirement (Including Funded and Non-Funded)

<b>Total</b>	<b>: BDT 833.53 mln</b>
<b>Non-Funded L/C Facilities</b>	<b>: BDT 500.00 mln</b>
<b>Funded CC Hypo/OD</b>	<b>: BDT 333.53 mln</b>

## 1.10 Projected Financials

### (i) Projected Income Statement

After expansion of this project, the net profit over the next five years would be as follows:

<b>Julfikar Steel Re-Rolling Mills Ltd.</b>					
(D-Form Bar/MS Steel Manufacturing Project)					
Projected Income Statement					
Fig. In Taka '000'					
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
<b>Sales Revenue</b>	<b>26,640,763</b>	<b>28,793,225</b>	<b>30,352,366</b>	<b>31,933,304</b>	<b>33,515,412</b>
<b>Cost of Goods Sold</b>	<b>24,556,464</b>	<b>26,566,888</b>	<b>27,976,438</b>	<b>29,422,058</b>	<b>30,869,034</b>
<b>Gross Profit</b>	<b>2,084,299</b>	<b>2,226,337</b>	<b>2,375,927</b>	<b>2,511,246</b>	<b>2,646,378</b>
<b>Operating Expenses</b>					
Salary and Wages	41,368	44,630	49,597	54,933	60,665
Head Office Rent and others	13,320	14,397	15,176	15,967	16,758
Office Stationery	6,660	7,198	7,588	7,983	8,379
Fuel of Vehicles	3,996	4,319	4,553	4,790	5,027
Travelling and Conveyance	1,332	1,440	1,518	1,597	1,676
Mobile and Telephone	1,332	1,440	1,518	1,597	1,676
Entertainment Expenses	533	576	607	639	670
Foreign Tour	266	288	304	319	335
Miscellaneous Expenses	13,320	14,397	15,176	15,967	16,758
<b>Total Operating Expenses</b>	<b>82,128</b>	<b>88,683</b>	<b>96,036</b>	<b>103,791</b>	<b>111,944</b>
<b>Total Operating Income</b>	<b>2,002,171</b>	<b>2,137,653</b>	<b>2,279,891</b>	<b>2,407,455</b>	<b>2,534,434</b>
<b>Other Income / Expenses</b>					
Financial Interest	903,687	897,272	891,685	884,668	881,350
Other Expenses	-	-	-	-	-
Other Income	1,882	2,053	2,180	2,305	2,430
<b>Net Income Before Taxes</b>	<b>1,100,366</b>	<b>1,242,434</b>	<b>1,390,386</b>	<b>1,525,092</b>	<b>1,655,514</b>
Provision for Income Tax /VAT(27.5% on Net Profit)	302,601	372,730	417,116	457,528	496,654
Tax exemption	-	-	-	-	-
<b>Net Income after Tax</b>	<b>797,765</b>	<b>869,704</b>	<b>973,270</b>	<b>1,067,565</b>	<b>1,158,860</b>
<b>Appropriation</b>					
Retained Earnings at beginning of the period	-	558,436	1,167,229	1,848,518	2,595,813
Net Income During The Period	797,765	869,704	973,270	1,067,565	1,158,860
Transfer to General Reserve(10%)	79,777	86,970	97,327	106,756	115,886
Dividend Declaration(20%)	159,553	173,941	194,654	213,513	231,772
Retained Earnings at End of the period	558,436	1,167,229	1,848,518	2,595,813	3,407,014
<b>Ratios :</b>					
Gross Income to sales	7.82%	7.73%	7.83%	7.86%	7.90%
Operating Income to sales	7.52%	7.42%	7.51%	7.54%	7.56%
Net Income after Tax to sales	2.99%	3.02%	3.21%	3.34%	3.46%
Debt Service Coverage Ratio	1.86	1.91	1.99	2.06	2.11

In this project, gross profit and Net profit outcome show the satisfactory & acceptable trends over the next five (05) years. All the above financial parameters of the operation are completely satisfactory for taking investment decisions by any bank/financial institution.

## (ii) Projected Cash Flow Statement

<b>Julfikar Steel Re-Rolling Mills Ltd.</b> (D-Form Bar/MS Steel Manufacturing Project) Projected Cash Flow Statement						
Fig. in Taka '000'						
Particulars	0 Year	Year-1	Year-2	Year-3	Year-4	Year-5
<b>A. Cash Flows from Operating Activities</b>						
Net Income after Tax		797,765	869,704	973,270	1,067,565	1,158,860
Add : Non cash Expenses						
Depreciation & Amortization		245,535	245,535	245,535	245,535	245,535
Increase in Working Capital	(1,824,193)	(4,710,720)	(149,429)	(184,043)	(185,262)	(185,522)
<b>Net Cash Flows from operating Activities</b>	<b>(1,824,193)</b>	<b>(3,667,419)</b>	<b>965,811</b>	<b>1,034,762</b>	<b>1,127,838</b>	<b>1,218,873</b>
<b>B. Cash Flow from Investing Activities</b>						
Acquisition of Fixed assets	(2,582,414)	-	-	-	-	-
Investment in FDR	-	-	-	-	-	-
<b>Net Cash Flows from Investing Activities</b>	<b>(2,582,414)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C. Cash Flows From Financing Activities</b>						
Shareholders Equity	613,294	-	-	-	-	-
Dividend Paid	-	(159,553)	(173,941)	(194,654)	(213,513)	(231,772)
Tax Holiday Reserve	-	-	-	-	-	-
Share Money Deposit	1,355,079	-	-	-	-	-
General Reserve	-	-	-	-	-	-
Revaluation Reserve	445,755	-	-	-	-	-
Long Term Loan (Existing)	502,929	-	-	-	-	-
Long Term Loan received from Bank (Including IDCP)	539,345	-	-	-	-	-
Working Capital- Equity	-	1,306,983	29,886	36,809	37,052	37,104
Short Term Loan-New (Working Capital)	-	5,227,930	119,543	147,234	148,210	148,417
Short Term Loan-Existing(Working Capital)	1,416,031	-	-	-	-	-
Re-payment of Long Term Loan(Existing)	-	(85,313)	(92,345)	(99,957)	(108,197)	(117,116)
Re-payment of Long Term Loan(New)	-	-	(59,997)	(64,943)	(70,296)	(76,091)
<b>Net Cash Flows from Financing Activities</b>	<b>4,872,433</b>	<b>6,290,047</b>	<b>(176,855)</b>	<b>(175,511)</b>	<b>(206,744)</b>	<b>(239,457)</b>
Increase / Decrease of Cash & Cash Equivalent during the period	465,826	2,622,628	788,956	859,251	921,093	979,416
Cash & Cash Equivalent at the beginning of the period	-	465,826	3,088,454	3,877,410	4,736,661	5,657,754
Cash & Cash Equivalent at the End of the period	465,826	3,088,454	3,877,410	4,736,661	5,657,754	6,637,170

JSRM has found out that net cash position is showing positive shape over the next five years by considering all aspects of the project. The project will be able to build up an excellent cash reserve over the period.

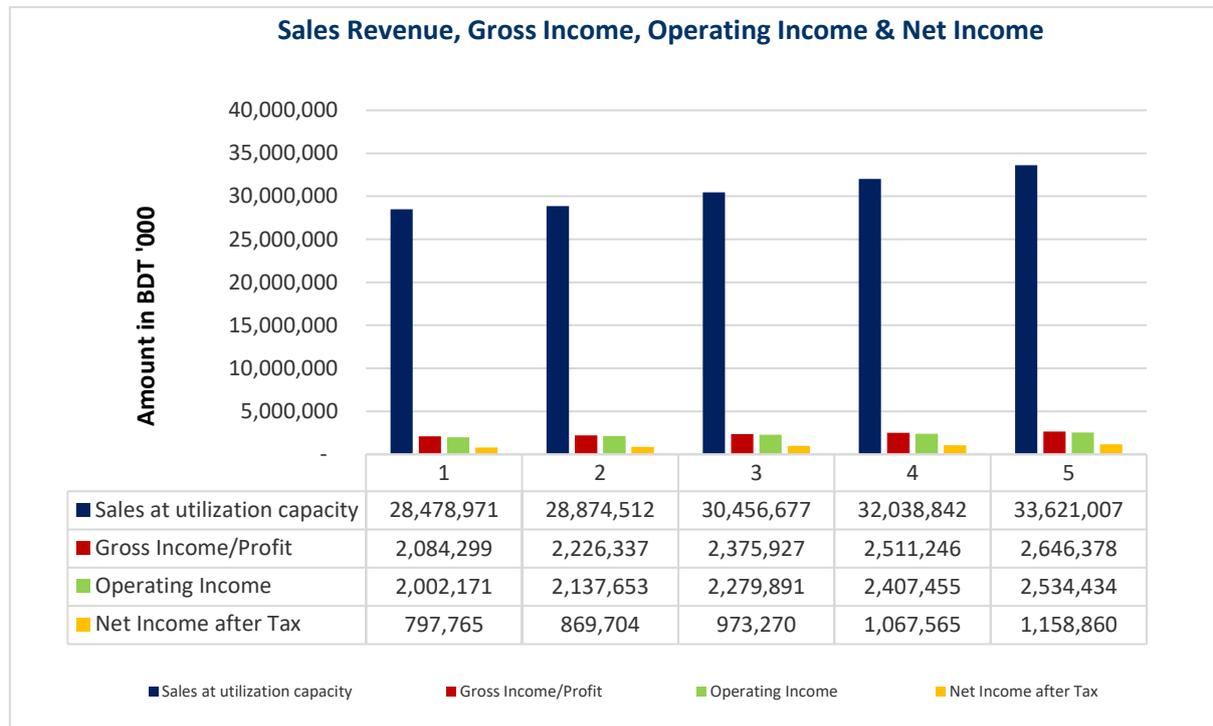
## (iii) Debt-Payment Obligation

The project will have sufficient liquidity to meet all its obligations from its operations. Monthly debt payment obligation can be easily met up after expansion of this project due to sufficient cash flow and sound net income position. The financial expenses and debt payment obligation has been illustrated below:

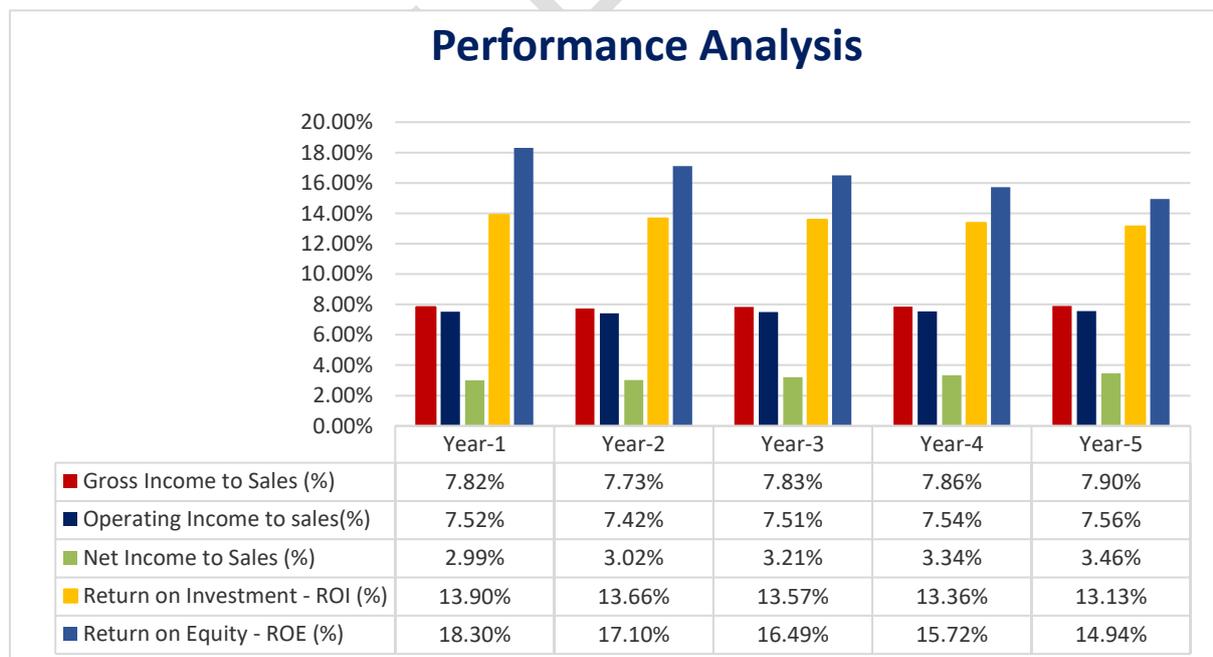
	Amount in BDT '000				
	Year-1	Year-2	Year-3	Year-4	Year-5
Yearly Financial Expenses	903,687	897,272	891,685	884,668	881,350
Monthly Financial Expenses	75,307	74,773	74,307	73,722	73,446
Debt Obligation(Interest plus Principals)	1,048,997	1,054,560	1,061,939	1,068,956	1,080,829
Monthly Debt Obligation(Interest plus Principals)	87,416	87,880	88,495	89,080	90,069

### 1.11 Projected Financial Performance of the Project

#### (i) Sales Revenue, Gross Income, Operating Income & Net Income



#### (ii) Performance Analysis



### (iii) Summary of Projected Financials

<b>Julfikar Steel Re-Rolling Mills Ltd.</b> (D-Form Bar/MS Steel Manufacturing Project) Projected Financial Information					
Fig. in Taka '000'					
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
Sales Revenue	26,640,763	28,793,225	30,352,366	31,933,304	33,515,412
Cost of Goods Sold	24,556,464	26,566,888	27,976,438	29,422,058	30,869,034
<b>Gross Income</b>	<b>2,084,299</b>	<b>2,226,337</b>	<b>2,375,927</b>	<b>2,511,246</b>	<b>2,646,378</b>
Operating Expenses	82,128	88,683	96,036	103,791	111,944
<b>Operating Income</b>	<b>2,002,171</b>	<b>2,137,653</b>	<b>2,279,891</b>	<b>2,407,455</b>	<b>2,534,434</b>
Net Income Before Tax	1,100,366	1,242,434	1,390,386	1,525,092	1,655,514
<b>Net Income After Tax</b>	<b>797,765</b>	<b>869,704</b>	<b>973,270</b>	<b>1,067,565</b>	<b>1,158,860</b>
Earnings Per Share (EPS)	<b>1,595.53</b>	<b>1,739.41</b>	<b>1,946.54</b>	<b>2,135.13</b>	<b>2,317.72</b>
<b>Earnings Per Share (EPS)</b>	<b>1,596</b>	<b>1,739</b>	<b>1,947</b>	<b>2,135</b>	<b>2,318</b>
Total Assets	12,238,446	12,938,695	13,743,856	14,612,082	15,538,892
Shareholders' Equity	1,306,983	1,336,868	1,373,677	1,410,729	1,447,834
No. of Ordinary Shares	500,000	500,000	500,000	500,000	500,000
Face Value of the Shares	100	100	100	100	100
<b>Net Asset Value (NAV)</b>	<b>2,614</b>	<b>2,674</b>	<b>2,747</b>	<b>2,821</b>	<b>2,896</b>

<b>Projected Key Financials</b>					
Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year
Gross Income To Sales (%)	7.82%	7.73%	7.83%	7.86%	7.90%
Operating Income To Sales (%)	7.52%	7.42%	7.51%	7.54%	7.56%
Net Income To Sales (%)	2.99%	3.02%	3.21%	3.34%	3.46%
Debt Service Coverage Ratio (Times)	1.86	1.91	1.99	2.06	2.11
Return on investment (ROI)	13.90%	13.66%	13.57%	13.36%	13.13%
Return on Equity (ROE)	18.30%	17.10%	16.49%	15.72%	14.94%
Break Even % on Utilization capacity	53.30%	50.42%	47.89%	45.84%	44.14%
Break Even % on Attainable capacity	42.64%	41.60%	41.91%	42.40%	43.04%
Payback Period	<b>2.73</b>				
Discounted Payback Period	<b>2.68</b>				
Internal Rate of Return (IRR)	<b>44.96%</b>				
Net Present Value (NPV) (Fig in BDT in mn)	<b>6112.03</b>				

**(iv) Projected Key Financials (Five Years Average)**

<b>Key Financials</b> (Five Years Average)	
<p><b>Yearly Turnover</b> BDT 30,247.01 mln</p> <p><b>Net Profit Target</b> BDT 973.43 mln</p>	<p>Gross Profit (GP) : 7.83%</p> <p>Operating Profit (OP) : 7.51%</p> <p>Net Profit (NI) : 3.20%</p> <p>IRR : 44.96%</p> <p>ROI : 13.52%</p> <p>ROE : 16.51%</p> <p>Payback period : 2.73 years</p> <p>Discounted Payback Period : 2.68 years</p> <p>Debt Service Coverage Ratio : 1.98 Times</p> <p>Break Even (BEP) : 48.32%</p> <p>NPV : BDT 6,112.03 mln</p>

**(v) Sensitivity Analysis (Five Years Average)**

Particulars	With Rate of Interest of 8% and other things remain constant	With Rate of Interest-8% and		
		If 5% decrease of sales price	If 5% increase of raw material cost	If 5% decrease of sales price and 5% increase of raw material cost
Gross Profit to Sales	7.83%	2.98%	3.37%	-1.72%
Operating Income to sales	7.51%	2.69%	3.05%	-2.05%
Net Income to Sales	3.20%	-0.31%	0.06%	-3.75%
Debt Service Coverage Ratio (Times)	1.98	0.99	1.09	0.06
Internal Rate of Return (IRR)	44.96%	-2.72%	4.10%	
Return on Investment (ROI)	13.52%	5.86%	6.64%	-1.30%
Return on Equity (ROE)	16.51%	-1.65%	0.19%	-18.62%
Break Even % on Utilized Capacity	48.32%	108.08%	97.03%	-81.87%
Break Even % on Attainable Capacity	42.32%	94.67%	84.88%	-58.24%
Payback Period (PB)(Yrs)	2.73	11.06	8.46	24.60
Discounted Payback Period (DPB)(Yrs)	2.68	16.66	12.03	33.24
Net Present Value (NPV)-BDT in mln	6,112.03	(1,241.28)	(490.45)	(8,142.35)

## 1.12 Investment Proposal for This Project to Banks/Financial Institutions

JSRM is inviting financial institutions for investing this commercially viable project for this project with the below features:

<b>Total Investment Required</b>	<b>: BDT 3,676.46 mln</b>
<b>A. For Long-Term Financing</b>	<b>: BDT 481.56 mln</b>
Plant Machinery and Equipment (Imported):	BDT 453.56 mln
Plant Machinery and Equipment (Local)	: BDT 28.00 mln
<b>B. For Short-Term Loan/Working Capital</b>	<b>: BDT 3,194.91 mln</b>
<b>For Existing Operations Funded</b>	<b>: BDT 2,361.38 mln</b>
CC Hypo/OD	: BDT 2,361.38 mln
<b>For Expansion Operations Non-Funded</b>	<b>: BDT 833.53 mln</b>
L/C Facilities	: BDT 500.00 mln
<b>Funded</b>	
CC Hypo/OD	: BDT 333.53 mln

The above finance will be for:

1.Tenure	: 7 years for long term loan
2.Short Term loan	: Revolving basis
3.Moratorium Period	: 18 months for long term loan
4.Proposed Rate of interest	: 8.00%
<b>5.Debt-Equity Ratio (After Expansion)</b>	
For Long Term	: 39.00 : 61.00
For short Term	: 80.00 : 20.00

*Note that, at present, JSRM has got approval/sanction BDT 2,030.00 mln as working capital facilities in different heads from financial institutions. Out of the above sanctioned facilities, the current outstanding balance of JSRM is around BDT 1,416.03 mln. In addition, JSRM also has outstanding long-term loan amounted BDT 502.93 mln.*

**In Phase-1**, JSRM is expecting additional working capital facilities amounted to **BDT 2,356.67** mln with the above sanctioned amount **BDT 2,030.00 mln** for its existing operations.

**In Phase-2**, JSRM will also request for investment facilities for expansion amounted to BDT 481.56 mln as long-term loan and BDT 832.97 mln as working capital facilities where L/C Facilities would be BDT 500.00 mln and CC Hypo/OD facilities would be BDT 332.97 mln.

### 1.13 Use of Fund

**Long-Term Financing:** Project Loan/Term Loan would be utilized for Imported & Local Machinery and Equipment purposes.

**Short-Term Financing:** Short-Term Loan/Working Capital would be utilized for Raw Materials, salaries and wages payments and other operational & production expenses.

### 1.14 Benefit of the Society, Government & Investors

This project will directly contribute to the GDP BDT 623.26 mln. In addition, 305 jobs will be created from this project. Three types of manpower are currently employed in JSRM which includes skilled labours, semi-skilled labours and casual workers. Investors including financial institution will be benefited due to huge potentials of this project. As this project is showing satisfactory & acceptable trends of Gross profit and Net profit over the next five (05) years, investors will get outstanding outcome from this project.

SAMPLE REPORT

## Conclusion

The Feasibility Report and Business Plan of the project has been examined and analyzed from the view point of marketing, technical, financial and management aspects and found to be worthwhile, promising and desirable for investment. As per market study and analysis, there is huge business potential in the D-Form Bar/MS Steel Industry which can easily consume the whole capacity of the project.

On the basis of financial analysis, it can be undoubtedly said that the project is financially viable, technically possible and demandable in present market scenario of the country as well as the world. The analyzed ratio shows satisfactory and acceptable results.

The project will have sufficient liquidity to meet all its obligations from its operations. The break-even analysis shows sound position. The IRR indicates comfortable rate of return. The payback period is 2.73 years, Discounted Payback period is 2.68 years and Internal Rate of Return is 44.96% which indicate a good financial performance in terms of early pay back and cost of borrowing perspective scenario. The project will contribute much to the national economy. After expansion of the project, it will generate employment of 305 people in different categories. All the above parameters of investment feasibility criteria indicate that it will be able to generate sufficient revenue from its operation to pay back its financial obligations and annual operational expenses.

The D-Form Bar/MS Steel Industry by nature is less prone to negative impacts of economic cycles. Due to huge potentials during the past few years, the sector will enjoy significant growth in the near term.

In the view of the above, it reveals that the project is technically feasible, financially rewarding and economically & commercially viable and may, therefore, be considered suitable for investment.

## 2. Declarations and Due Diligence Certificate

### **DECLARATION ABOUT THE RESPONSIBILITY OF THE DIRECTOR(S), INCLUDING THE MANAGING DIRECTOR OF THE COMPANY “JULFIKAR STEEL RE-ROLLING MILLS LIMITED” IN RESPECT OF THIS FEASIBILITY REPORT & BUSINESS PLAN.**

The feasibility report & business plan has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity and accuracy of the statements made, information given in the report, documents, projected financial statements, exhibits, annexes, papers submitted to your financial institution in support thereof, and this report has been met and that there are no other information or documents the omission or which make any information of statements therein misleading for which the respective financial institutions may take any civil, criminal or administrative action against any of all of us as it may deem fit.

We also confirm that full and fair disclosure has been made in this report to enable the investors or financial institution to make a well-informed decision for investment.

**Md. Mahbubur Rashid Jewel**  
Chairman  
**Julfikar Steel Re-Rolling Mills Limited**  
Mobile: +8801729251617  
+8801619251617  
Email: jewel.jrrm@gmail.com  
info@jsrmbd.com  
Website: www.@jsrmbd.com

### 3. The Sponsors, Management and Human Resource

#### 3.1 About Julfikar Steel Re-Rolling Mills Limited (JSRM)

**Julfikar Steel Re-Rolling Mills Limited (JSRM)** was incorporated as a Private Limited Company on 27<sup>th</sup> July, 2016 bearing Incorporation No.: C-132079/2016. The Authorized Share Capital of the Company is BDT 50,000,000 (BDT Five Crore) divided into 500,000 (Five Lakhs) ordinary shares of BDT 100.00 (One Hundred) each.

JSRM will have a strong management team as well as research and development unit in order to meet the exclusive requirements of the clients. They will always emphasize to serve the best as well as achieve excellence through international quality standards. They will also emphasize in creating greater value for the country and building confidence and credibility in the company. As they have specialization in the steel and re-rolling industry, so their advancement and performance of work is well planned, therefore they always save a lot of time and resources. JSRM has accomplished this by utilizing technical skills with managerial knowledge, innovative skills as well as connecting men and materials to the best possible use.

#### **Legal Status of Julfikar Steel Re-Rolling Mills Limited**

1. Incorporation Certificate: C-132079/2016
2. Trade License: 39947
3. TIN Certificate: 627216152124
4. BIN Certificate: 000360299-0305
5. Environmental Clearance Certificate: 22-82268
6. Factory License: 17349/Narayanganj
7. Fire License: AD/Dhaka/9098/05
8. BSTI: DHK-CM-0000000000081
9. TITAS Gas Sanction: 28.13.0000.206.99.002.22/1137
10. IRC: 260326120145720
11. Narayanganj Chamber of Commerce & Industry Membership Certificate: 0427G
12. BUET Rod Test 420 & 500 Report
13. Dhaka Power Distribution Company (DPDC) Sanction
14. Bangladesh Re-Rolling Mills Association Member

### 3.2 Sponsors, Promoters, Directors, Top Management and Their Background

**Md. Mahabubur Rashid Jewel**, is the Chairman of Julfikar Steel Re-Rolling Mills Limited. Mr. Rashid has an enriched academic as well as professional background. After completion of his education, he got involved in business together with a few like-minded friends.

With his diligence and exceptional entrepreneurial skills, he played important roles in establishing of the company and will keep significant contribution to the company in the future.

Besides being a chairman of Julfikar Steel Re-Rolling Mills Limited, he is also involved with the following business ventures:

- M/S. Julfikar Trading & Co. - Managing Partner
- J.F CNG Filling & Conversion Limited - Chairman
- M/S. S M Enterprise - Proprietor
- Bangladesh Re-Rolling Mills Association - General Secretary

<b>Md. Mahabubur Rashid Jewel</b>	
<b>Chairman, Julfikar Steel Re-Rolling Mills Limited</b>	
Father's Name	: Late Alhaz Md. Samsul Huq
Mother's Name	: Late Murgena Begum
Present Address	: Home-41, Block-A, Road-7 Ganguli Bari, West Dewvogh, Narayanganj Sadar, Narayanganj
Permanent Address	: Home-41, Block-A, Road-7 Ganguli Bari, West Dewvogh, Narayanganj Sadar, Narayanganj
Date of Birth	: 29 Aug 1970
Marital Status	: Married
Religion	: Islam
Phone	: +8801619251617
E-mail	: jewel.jrm@gmail.com
Nationality	: Bangladeshi
Educational Qualification	: H.S.C (Narayanganj College) , Dhaka Board 1988
Business Career	: Over 25 Years
Other Business Involvement	: 1. Managing Partner-M/S. Julfikar Trading & Co. 2. Chairman-J.F CNG Filling & Conversion Limited 3. Proprietor-M/S. S M Enterprise 4. General Secretary-Bangladesh Re-Rolling Mills Association

He has over twenty-five (25) years of experience in diversified sectors including the D-Form Bar & MS Steel sector. As a Chairman, he will participate in each and every business of the company.

With his direct guidance, Julfikar Steel Re-Rolling Mills Limited has reached its goal in a very short span of time. He is a people-oriented leader with experience, skills and calmness to get the best out of people for the overall improvement of the company, as well as for the people of the organization.

**Md. Masud Ahmed Ratan**, is the Managing Director of Julfikar Steel Re-Rolling Mills Limited. After completion of his education, he got involved in business. Later, he started business and gathered vast experience in different sectors. He has over twenty-five (25) years of experience in diversified sectors including the D-Form Bar/MS Steel Manufacturing Sector.

Besides being a Managing Director of JSRM, he is also involved with the following business ventures:

- M/S. Julfikar Trading & Co. - Partner
- J.F CNG Filling & Conversion Limited - Managing Director

<b>Md. Masud Ahmed Ratan</b>	
<b>Managing Director, Julfikar Steel Re-Rolling Mills Limited</b>	
Father's Name	: Late Alhaz Md. Samsul Huq
Mother's Name	: Late Murgena Begum
Present Address	: Home-41, Block-A, Road-7 Ganguli Bari, West Dewvogh, Narayanganj Sadar, Narayanganj
Permanent Address	: Home-41, Block-A, Road-7 Ganguli Bari, West Dewvogh, Narayanganj Sadar, Narayanganj
Date of Birth	: 02 Feb 1969
Marital Status	: Married
Religion	: Islam
Phone	: +8801715957968
E-mail	: jsrm2021@gmail.com
Nationality	: Bangladeshi
Educational Qualification	: HSC
Business Career	: Over 25 Years
Other Business Involvement	: 1. Partner-M/S. Julfikar Trading & Co. 2. Managing Director-J.F CNG Filling & Conversion Limited

His far-reaching commitments, spontaneous decision-making capabilities and business acumen will enable this company to extend its operations to new horizons. Dynamism, leadership, commitment, sincerity, vision and farsightedness of Mr. Ratan will place the company in an ideal position in this country.

**Md. Mahim Ahmed (Mahim)** is the Director of Julfikar Steel Re-Rolling Mills Limited. He has a commendable academic as well as business record. After completion of his education, he got involved in business and gathered vast experience in different sectors. He has over twenty-five (25) years of business experience in many sectors which also includes the D-Form Bar/MS Steel Manufacturing Sector.

Besides being a Director of JSRM, he is also involved with the following business ventures:

- M/S. Julfikar Trading & Co. - Partner
- J.F CNG Filling & Conversion Limited - Director

<b>Md. Mahim Ahmed (Mahim)</b>	
<b>Director, Julfikar Steel Re-Rolling Mills Limited</b>	
Father's Name	: Late Alhaz Md. Samsul Huq
Mother's Name	: Late Murgena Begum
Present Address	: Home-41, Block-A, Road-7 Ganguli Bari, West Dewvogh, Narayanganj Sadar, Narayanganj
Permanent Address	: Home-41, Block-A, Road-7 Ganguli Bari, West Dewvogh, Narayanganj Sadar, Narayanganj
Date of Birth	: 07 Feb 1972
Marital Status	: Married
Religion	: Islam
Email	: jsrm2021@gmail.com
Phone	: +8801911446199
Nationality	: Bangladeshi
Educational Qualification	: HSC
Business Career	: Over 25 Years
Other Business Involvement	: 1. Partner-M/S. Julfikar Trading & Co. 2. Director-J.F CNG Filling & Conversion Limited

His personnel management system and efficient coordination policy will help the company grow smoothly. He is a people-oriented leader with experience, skills and calmness to get the best out of people for the overall improvement of the company, as well as for the people of the organization.

Mrs. Laigu Begum is the Director of Julfikar Steel Re-Rolling Mills Limited. She achieved her Degree from a reputed institution.

She has a long experience in various sectors. She has over twenty-five (25) years of business experience in many sectors which also includes the D-Form Bar/MS Steel Manufacturing Sector.

By virtue of her own merit and dynamic decision-making capacity, she has been able to materialize a number of successful ventures.

Besides being a Director of JSRM, she is also involved with the following business ventures:

- M/S. Julfikar Trading & Co. - Partner
- J.F CNG Filling & Conversion Limited - Director

She has a keen interest in latest developments in the D-Form Bar/MS Steel Manufacturing Sector and gathered advanced knowledge in management, marketing and technical knowhow.

She will be entrusted with the major responsibilities of the company who is assisted by other directors, professional managers, local and foreign specialists and technologists in the respective functional areas of the company.

<b>Mrs. Laigu Begum</b>	
<b>Director, Julfikar Steel Re-Rolling Mills Limited</b>	
Father's Name	: Mir Matiur Rahman
Mother's Name	: Wahida Begum
Present Address	: Home-41, Block-A, Road-7 Ganguli Bari, West Dewvogh, Narayanganj Sadar, Narayanganj
Permanent Address	: Home-41, Block-A, Road-7 Ganguli Bari, West Dewvogh, Narayanganj Sadar, Narayanganj
Date of Birth	: 06 Aug 1968
Marital Status	: Married
Religion	: Islam
E-mail	: jsrm2021@gmail.com
Nationality	: Bangladeshi
Educational Qualification	: Degree
Business Career	: Over 25 Years
Other Business Involvement	: 1. Partner-M/S. Julfikar Trading & Co. 2. Director-J.F CNG Filling & Conversion Limited

### 3.4 Company Structure

The Company is a private limited company within the meaning of section 2(1) clause of the Companies Act, 1994. The Authorized Share Capital of the Company is BDT 50,000,000 (BDT Five Crore) divided into 500,000 (Five lac) ordinary shares of BDT 100.00 (One Hundred) each. The Company shall have power to increase or reduce the capital and to divide the shares into different classes to attach thereto any special rights or privileges or conditions, or to consolidate or sub-divide shares. The following are the shares taken by each subscriber of the directors:

#### Shareholding Structure:

Name of Directors	Status	No of shares taken by each subscriber	% of Shares
Md. Mahabubur Rashid Jewel	Chairman	75,000	50.00%
Md. Masud Ahmed Ratan	Managing Director	24,990	16.66%
Md. Mahim Ahmed (Mahim)	Director	24,990	16.66%
Mrs. Laigu Begum	Director	25,020	16.68%
<b>Total</b>		<b>150,000</b>	<b>100.00%</b>

SAMPLE REPORT

## 4. About The Project



### 4.1 Brief Description of Project & Product

Due to huge market potentials of D-Form Bar/MS Steel, **Julfikar Steel Re-Rolling Mills Limited (JSRM)** has planned to expand its D-Form Bar/MS Steel manufacturing project where B 500 DWR & B 420 DWR D-Form Bar/MS Steel of various sizes will be manufactured.

The daily attainable production capacity will be 750.00 MT from existing operations and 250.00 MT from expansion operations.

SAMPLE REPORT

The detailed attainable production plan is illustrated as follows:

Types of Product	Size	Production Mix(%)	Production Capacity/Per day 20 hours			
			Unit	Daily	Monthly	Yearly
<b>From Existing Operation</b>						
B 500 DWR	8 mm	15.61%	MT	117	3,278	39,333
	10 mm	31.44%	MT	236	6,603	79,233
	12 mm	3.68%	MT	28	772	9,267
	16 mm	7.43%	MT	56	1,561	18,729
	20 mm	4.34%	MT	33	912	10,939
	25 mm	1.51%	MT	11	317	3,799
	32 mm	0.99%	MT	7	208	2,501
	<b>Sub Total</b>	<b>65.00%</b>		<b>488</b>	<b>13,650</b>	<b>163,801</b>
B 420 DWR	10 mm	10.31%	MT	77	2,166	25,993
	12 mm	9.19%	MT	69	1,930	23,155
	16 mm	10.33%	MT	77	2,170	26,038
	20 mm	2.64%	MT	20	555	6,664
	25 mm	1.47%	MT	11	309	3,706
	32 mm	1.05%	MT	8	220	2,642
	<b>Sub Total</b>	<b>35.00%</b>		<b>262</b>	<b>7,350</b>	<b>88,199</b>
<b>Total</b>		<b>100%</b>		<b>750</b>	<b>21,000</b>	<b>252,000</b>
<b>From Expansion Plan</b>						
B 500 DWR	8 mm	15.61%	MT	39	1,093	13,111
	10 mm	31.44%	MT	79	2,201	26,411
	12 mm	3.68%	MT	9	257	3,089
	16 mm	7.43%	MT	19	520	6,243
	20 mm	4.34%	MT	11	304	3,646
	25 mm	1.51%	MT	4	106	1,266
	32 mm	0.99%	MT	2	69	834
	<b>Sub Total</b>	<b>65.00%</b>		<b>163</b>	<b>4,550</b>	<b>54,600</b>
B 420 DWR	10 mm	10.31%	MT	26	722	8,664
	12 mm	9.19%	MT	23	643	7,718
	16 mm	10.33%	MT	26	723	8,679
	20 mm	2.64%	MT	7	185	2,221
	25 mm	1.47%	MT	4	103	1,235
	32 mm	1.05%	MT	3	73	881
	<b>Sub Total</b>	<b>35.00%</b>		<b>87</b>	<b>2,450</b>	<b>29,400</b>
<b>Total</b>		<b>100%</b>		<b>250</b>	<b>7,000</b>	<b>84,000</b>
<b>Grand Total</b>				<b>1,000</b>	<b>28,000</b>	<b>336,000</b>

The projected annual revenue will be BDT 31,643.30 mln, monthly will be BDT 2,636.94 mln and daily will be BDT 94.18 mln respectively.

The project is located at B-342, Enaetnagar, Godnail, Siddhirganj, Narayanganj-1432, Bangladesh. Total land size of the project is 372.50 decimals. Mentioned that this land is not the asset of the company but is owned by the directors of the company.

## 4.2 Installed and Operational Capacity of the Project

In this project, B 500 DWR (8mm, 10mm, 12mm, 16mm, 20mm, 25mm and 32mm) and B 420 DWR (10mm, 12mm, 16mm, 20mm, 25mm and 32mm) will be manufactured. The daily attainable production capacity will be 750.00 MT from existing operations and 250.00 MT from expansion operations.

JSRM is planning to utilize the production capacity over the next ten (10) years as follows:

Year	% (Existing)	% (Expansion)
1st Year	100.00%	60.00%
2nd Year	100.00%	65.00%
3rd Year	100.00%	70.00%
4th Year	100.00%	75.00%
5th Year	100.00%	80.00%
6th Year	100.00%	80.00%
7th Year	100.00%	80.00%
8th Year	100.00%	80.00%
9th Year	100.00%	80.00%
10th Year	100.00%	80.00%

## 4.3 Finished Products of the Project

The finished products of Julfikar Steel Re-Rolling Mills Limited will be as follows:

- B 500 DWR (8mm, 10mm, 12mm, 16mm, 20mm, 25mm and 32mm)
- B 420 DWR (10mm, 12mm, 16mm, 20mm, 25mm and 32mm)

#### 4.4 Market Potentials of the Project

i) Demand for long steel has increased sharply in recent years – currently 7.5 million MT which was merely 2.5 million MT in a decade ago.

ii) The market size of steel is around BDT 450 billion. The local steel market grew at a rate of 15%-20% in last two years from 8-10% per year previously.

iii) Per capita consumption of steel stands at 45kg which was only 25kg in 2012. Lower per capita consumption compared to global standard indicates huge industry prospect. However, the per capita consumption is expected to be 73kg by 2022.

#### 4.5 Major Competitors

The major competitors of the MS steel industry in Bangladesh are as follows:

- Bangladesh Steels Re-Rolling Mills Ltd (BSRM)
- Abul Khair Steel (AKS)
- Kabir Steel Re-Rolling Mills Ltd. (KSRM)
- GPH Ispat Ltd.
- Rahim Steel Mills Co. (Pvt) Ltd. (RSM)
- Anwar Ispat Ltd.
- PHP Steels Ltd.
- Shahriar Steel Mills Ltd. (SSRM)
- Salam Steel Concast Re-Rolling Mills Ltd (SCRM)
- Ratanpur Steel Re-Rolling Mills Ltd (RSRM)

#### 4.6 Location and Addresses

##### 4.6.1 Project Location

The project is located at B-342, Enaetnagar, Godnail, Siddhirganj, Narayanganj-1432, Bangladesh.

##### 4.6.2 Corporate Address

**Name of the Company** : Julfikar Steel Re-Rolling Mills Limited  
**Corporate Address** : B-342, Enaetnagar, Godnail, Siddhirganj  
Narayanganj-1432, Bangladesh  
**Contact Person** : Md. Mahbubur Rashid Jewel, Chairman  
**Contact No** : +8801729251617, +8801619251617  
**Email** : jewel.jrrm@gmail.com, info@jsrmbd.com  
**Website** : www.jsrmbd.com

## 5. Land, Factory Buildings & Shed, Machinery, Power & Utilities

### 5.1 Land

Total land size of the project is 372.50 decimals. Mentioned that this land is not the asset of the company but is owned by the directors of the company.

### 5.2 Factory Buildings & Shed

In this project, Existing Factory Buildings and Shed cost has been estimated BDT 530.43 mln.

### 5.3 Machinery & Equipment

In this project, the cost of imported machineries and equipment has been estimated BDT 1,326.43 mln for existing and BDT 503.95 mln for expansion and Local Machineries & equipment cost has been estimated BDT 40.00 mln for expansion. The machinery details are illustrated as follows:

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Imported and Local Machinery For Existing				
SI. No	Asset Name	Country of origin	Quantity	Total Cost(BDT)
<b>Imported Machinery</b>				
1	DC & AC Drive Panel with PLC Automation System (Control Desk &	India	1 Set	52,645,273
2	A. C & D. C Electric Motors	India	1 Lot	54,452,408
3	QD 10 Ton Overhead Crane System	China	2 Set	25,103,410
4	QD 7.5 Ton Overhead Crane System	China	2 Set	13,744,554
5	Rectangular Magnet	China	1 Set	8,149,395
6	Rail and Accessories For overhead Crane system	China	630M	2,796,700
7	Freight Expenses	China	-	3,489,988
8	QD 10 Ton Overhead Crane System with Accessories	China	1 No.	24,330,528
9	Special Purpose CNC Rib (Notch) cutting & name marking machine	India	1 Lot	7,394,412
10	Materials for Natural Gas Fired Pusher Type Billet Pre-heating furnace for TMT Mill with Discharge capacity of 35TPH	India	1 Lot	51,563,590
11	Capital Machinery for Re-rolling Mills	India	2 Set	475,959,988
12	Computerized servo Hidraulic Universal Testing Machine	China	2 Set	4,443,140
13	Steel Bar Bending & Rebending Testing Machine	China	140 PC	5,783,030
14	Rolls	China	1 Set	66,106,251
15	Spectrometer	Germany	1 Set	15,753,511
16	CNC turning Lathe Machine	India		26,351,410
17	Spare Parts	China		57,376,647
<b>Subtotal</b>				<b>895,444,236</b>
<b>Local Machinery</b>				
1	Lathe-12' -3 nos.		3 Set	1,109,918
2	Lathe-12' -2 nos.		2 Set	924,932
3	Shaper 42"		1 Set	1,202,411
4	Shaper 24"		1 Set	832,438
5	Redial Drilling -1.5"		1 Set	739,945
6	Welding Set		5 Set	92,493
7	Grinding Machine		4 Set	18,499
8	Hand Grinder		12 Set	4,625
9	Vice		1 Set	92,493
10	Sprayers parts		1 Set	18,498,630
11	Gas connection Pipe outlatr & inlate		1 Set	18,498,630
12	Machanical accessories		1 Set	11,099,178
13	Electrical accessories		1 Set	7,399,452
14	Copper Coil		1 Set	1,849,863
15	Air Compressor 2 Set		1 Set	2,312,329
16	LED Light for Mill		1 Set	462,466
17	Lubricant		1 Set	1,849,863
18	Lab PC 5 Set		1 Set	462,466
19	Softener Plant 1 Set		1 Set	924,932
20	Tructor Pay Loader		1 Set	4,809,644
21	Forklift		1 Set	2,386,323
22	Others		1 Set	184,986
<b>Subtotal</b>				<b>75,756,515</b>

# Feasibility Report and Business Plan OF JULFIKAR STEEL RE-ROLLING MILLS LIMITED



Electrical Equipment For Rolling Mill:				
1	5000 KVA (Y+D) Transformer with Sub Station		1 Set	41,771,781
2	3150 KVA Transformer with sub station		1 Set	30,929,279
3	VCB		1 Set	7,264,658
Electrical Equipment For steel Mill				
1	Others Electrical Tools			6,232,712
2	<b>Rolling Mills Motors</b>			
3	Rolling Mill Auxiliary		1 Set	
4	Pusher motor (45kw)		1 Set	
5	Pusher roller Table		1 Set	
6	Eject Motors (30kw)		1 Set	
7	Blower Motor (75kw)		1 Set	
8	Tapper Table Motor		1 Set	
9	Dropwall Roller Table		1 Set	86,215,068
10	Y- Table Motor (18.5kw)		1 Set	
11	Front Shear & Back		1 Set	
12	Pinch Roller Motor		1 Set	
13	Cooling Bed Roller Table		1 Set	
14	Cold Bar Shear Motor		1 Set	
15	Fan Motor (7.5kw)		1 Set	
16	Electric Cables		1 Set	112,946,200
17	Bearings		1 Set	31,058,542
18	Weigh Bridge (50 Ton)		1 Set	13,495,890
	<b>Setup Cost</b>			
1	Rolling mills setup		1 Set	16,857,602
2	Melting shop setup		1 Set	8,459,310
	<b>Subtotal</b>			<b>355,231,043</b>
	<b>Total Machinery (Local+ Imported)</b>			<b>1,326,431,794</b>

SAMPLE P

# Feasibility Report and Business Plan OF JULFIKAR STEEL RE-ROLLING MILLS LIMITED



**Julfikar Steel Re-Rolling Mills Ltd.**  
(D-Form Bar/MS Steel Manufacturing Project)  
For Expansion Plan  
**Imported Machineries and Equipment**

SN.	Particulars	Purposes	Unit	Quantity/Set	Unit Price	Total Estimated Price(USD)	Dollar Conversion	Total Estimated Price(BDT)	Origin
<b>For Re-Rolling Unit</b>									
<b>1</b>	<b>1 No. 510 MM Pre-Stressed Roller Bearing Typeroughing Mill Complex</b>								
1.1	Fabricated Motor Plate		PCS	1	\$ 1,875	\$ 1,875	110.00	206,250	
1.2	High speed steel casting fly complete with base plate, bearing plumber block		PCS	1	\$ 24,750	\$ 24,750	110.00	2,722,500	
1.3	Fabricated base plate for reduction gear box		PCS	1	\$ 8,250	\$ 8,250	110.00	907,500	
1.4	Gear Coupling No -110 (Fenner) from motor to flywheel		PCS	1	\$ 2,250	\$ 2,250	110.00	247,500	
1.5	Gear Coupling No -110 (Fenner) from flywheel to reduction gear box		PCS	1	\$ 2,250	\$ 2,250	110.00	247,500	
1.6	Gear Coupling No -110 (Fenner) from reduction gear box to pinion		PCS	1	\$ 9,750	\$ 9,750	110.00	1,072,500	
1.7	CI base plate for pinion stand and mill stand		PCS	4	\$ 12,390	\$ 49,560	110.00	5,451,600	
1.8	Steel casting pre-stresses roller bearing		PCS	1	\$ 87,975	\$ 87,975	110.00	9,677,250	
1.9	Cordon shaft assembly		PCS	3	\$ 11,475	\$ 34,425	110.00	3,786,750	
1.10	Cordon shaft head for roll slide		PCS	3	\$ 2,325	\$ 6,975	110.00	767,250	
1.11	Cordon shaft head pinion end		PCS	3	\$ 2,325	\$ 6,975	110.00	767,250	
<b>2</b>	<b>2 Nos 460 MM roller bearing type Intermediate mill complex-I</b>								
2.1	Fabricated motor base plate		PCS	2	\$ 3,975	\$ 7,950	110.00	874,500	
2.2	Gear Coupling No-109		PCS	2	\$ 1,770	\$ 3,540	110.00	389,400	
2.3	Base plate for reduction cum pinion stand		PCS	2	\$ 4,170	\$ 8,340	110.00	917,400	
2.4	CI base plate for mill stand		PCS	4	\$ 2,625	\$ 10,500	110.00	1,155,000	
2.5	Steel casting roller bearing mill stand 460mm 2HI complete with chocks, restbar, T bolts		PCS	2	\$ 50,250	\$ 100,500	110.00	11,055,000	
2.6	Cordon shaft assembly		PCS	4	\$ 6,750	\$ 27,000	110.00	2,970,000	
2.7	Cordon shaft head roll end		PCS	4	\$ 1,575	\$ 6,300	110.00	693,000	
2.8	Cordon shaft head pinion end		PCS	4	\$ 1,575	\$ 6,300	110.00	693,000	
<b>3</b>	<b>4 Nos 360 mm roller bearing type Intermediate mill complex-II</b>								
3.1	Fabricated Motor Base Plate		PCS	4	\$ 2,475	\$ 9,900	110.00	1,089,000	
3.2	Gear Coupling No-108		PCS	4	\$ 825	\$ 3,300	110.00	363,000	
3.3	Base plate for reduction cum pinion stand		PCS	4	\$ 3,375	\$ 13,500	110.00	1,485,000	
3.4	CI base for mill stand (combined type)		PCS	4	\$ 3,750	\$ 15,000	110.00	1,650,000	
3.5	Steel casting roller bearing stand 360mm 2HI complete with chocks, rest bar, T bolts		PCS	4	\$ 26,250	\$ 105,000	110.00	11,550,000	
3.6	Cordon shaft assembly		PCS	8	\$ 2,475	\$ 19,800	110.00	2,178,000	
3.7	Cordon shaft head roll end		PCS	8	\$ 975	\$ 7,800	110.00	858,000	
3.8	Cordon shaft head pinion end		PCS	8	\$ 975	\$ 7,800	110.00	858,000	
<b>4</b>	<b>4 Nos 310 MM roller bearing type pre-finishing mill complex</b>								
4.1	Fabricated motor base plate		PCS	4	\$ 2,475	\$ 9,900	110.00	1,089,000	
4.2	Gear Coupling No. 108		PCS	4	\$ 975	\$ 3,900	110.00	429,000	
4.3	Base plate for reduction cum pinion stand		PCS	4	\$ 1,875	\$ 7,500	110.00	825,000	
4.4	CI base plate for mill stand (combined plate)		PCS	4	\$ 2,040	\$ 8,160	110.00	897,600	
4.5	Steel casting roller bearing mill stand 310mm 2HI complete with chocks, rest bar, T bolts		PCS	4	\$ 15,750	\$ 63,000	110.00	6,930,000	
4.6	Cordon shaft assembly		PCS	8	\$ 1,875	\$ 15,000	110.00	1,650,000	
4.7	Cordon shaft head roll end		PCS	8	\$ 525	\$ 4,200	110.00	462,000	
4.8	Cordon shaft head pinion end		PCS	8	\$ 525	\$ 4,200	110.00	462,000	
<b>5</b>	<b>6 Nos bearing type 280 MM HI fining mill complex</b>								
5.1	Fabricated motor base plate		PCS	6	\$ 2,475	\$ 14,850	110.00	1,633,500	
5.2	Gear Coupling No-108		PCS	6	\$ 825	\$ 4,950	110.00	544,500	
5.3	Base plate for reduction cum pinion stand		PCS	6	\$ 1,575	\$ 9,450	110.00	1,039,500	
5.4	Cordon shaft head pinion side		PCS	12	\$ 488	\$ 5,850	110.00	643,500	
5.5	Cordon shaft head roll end		PCS	12	\$ 488	\$ 5,850	110.00	643,500	
5.6	CI base plate for mill stand		PCS	6	\$ 1,575	\$ 9,450	110.00	1,039,500	
5.7	Cordon shaft assembly		PCS	12	\$ 938	\$ 11,250	110.00	1,237,500	
5.8	Spherical multi row bearing type horizontal stand		PCS	6	\$ 12,975	\$ 77,850	110.00	8,563,500	
<b>6</b>	<b>Reduction gear box, pinion stand, reduction cum pinion for CI to C16 (Hardened &amp; Ground 18 CrNiMo8/7)</b>								
6.1	Roughing, Motor Power - 1125 KW, 740 RPM, SF-3		PCS	1					
6.2	3 HI pinion, pinion stand OD 510 mm, motor power-1120, 740 RPM, SF-3		PCS	1					
6.3	2 stage reduction gearbox cum pinion, pinion stand CCD 460mm, Motor Power-400, 500-1250 RPM, SF-2.5		PCS	2					
6.4	2 stage reduction gearbox cum pinion, pinion stand CCD 360mm, Motor Power-300, 750-1800 RPM, SF-2.5		PCS	4	\$ 937,500	\$ 937,500	110.00	103,125,000	
6.5	Single stage reduction gearbox cum pinion, pinion stand CCD 310mm, Motor Power-300, 750-1800 RPM, SF-2.5		PCS	4					
6.6	Single stage reduction gearbox cum pinion, pinion stand CCD 280mm, Motor Power-300, 1000-2000 RPM, SF-2.5		PCS	6					
<b>7</b>	<b>Rolls</b>								
7.1	Roughing mill BD 580mm x 1400mm		PCS	3	\$ 10,500	\$ 31,500	110.00	3,465,000	
7.2	Intermediate mill CI & C2 BD 490mm x 700mm		PCS	4	\$ 4,725	\$ 18,900	110.00	2,079,000	
7.3	Intermediate mill C3 & C6 BD 390mm x 600mm		PCS	8	\$ 3,375	\$ 27,000	110.00	2,970,000	
7.4	Pre-finishing C7 to C10		PCS	8	\$ 1,575	\$ 12,600	110.00	1,386,000	
7.5	Finishing Mill C11 to C16		PCS	12	\$ 1,875	\$ 22,500	110.00	2,475,000	
<b>8</b>	<b>Roll Bearing (SKF/FAG)</b>								
8.1	Roughing Mill 20"		PCS	6	\$ 3,128	\$ 18,765	110.00	2,064,150	
8.2	Intermediate Mill 460mm C1 & C2		PCS	8	\$ 1,725	\$ 13,800	110.00	1,518,000	
8.3	Intermediate Mill 360mm C3 & C6		PCS	16	\$ 1,148	\$ 18,360	110.00	2,019,600	
8.4	Intermediate Mill 310mm C7 & C10		PCS	16	\$ 728	\$ 11,640	110.00	1,280,400	
8.5	Finishing Mill 280mm C11 C16		SET	24	\$ 2,475	\$ 59,400	110.00	6,534,000	
<b>9</b>	<b>Cropping System</b>								
9.1	Crop & cobble-1 shear 650mm center		PCS	1	\$ 26,250	\$ 26,250	110.00	2,887,500	
9.2	Crop & cobble-2 shear 500mm center		PCS	1	\$ 1,920	\$ 1,920	110.00	211,200	
9.3	Vertical looper		PCS	2	\$ 4,425	\$ 8,850	110.00	973,500	

# Feasibility Report and Business Plan OF JULFIKAR STEEL RE-ROLLING MILLS LIMITED



<b>10</b>	<b>TMT System</b>							
10.1	Water quenching box	PCS	1	\$ 59,250	\$ 59,250	110.00	6,517,500	
10.2	Waith nozzels, connected pipe fitments and by pass lines							
10.3	Instrumentation such as thermo sinners, hot metal deductor motor controlled valves, Pr gauges necessary measuring items and control panel							
10.4	Pinch roll centi-lever type without 60 KW DC drive before TMT entry & before flying shear	PCS	3	\$ 12,750	\$ 38,250	110.00	4,207,500	
10.5	Parking pinch roll with 30 KW DC motor	PCS	1	\$ 14,250	\$ 14,250	110.00	1,567,500	
10.6	Start/Stop bar dividing flying shear	PCS	1	\$ 36,750	\$ 36,750	110.00	4,042,500	
10.7	Continuous shear 450 CRS suitable to cut 8mm to 12mm at a maximum speed of 25mtrs/sec	PCS	1	\$ 28,125	\$ 28,125	110.00	3,093,750	
10.8	Tail breaker cantilever type double speed between cooling bed	PCS	2	\$ 12,750	\$ 25,500	110.00	2,805,000	
<b>11</b>	<b>Automatic Rack Type cooling bed 66 mtrs long &amp; barfinishing area</b>							
11.1	Single shaft hydraulic type twin channel	PCS	1	\$ 93,750	\$ 93,750	110.00	10,312,500	
11.2	Automatic rack type cooling bed	PCS	1	\$ 495,000	\$ 495,000	110.00	54,450,000	
11.3	Cold bar shear	PCS	1	\$ 38,535	\$ 38,535	110.00	4,238,850	
11.4	Automatic blending machine	PCS	2	\$ 21,750	\$ 43,500	110.00	4,785,000	
11.5	Pneumatic Kick Off Mechanism 12 meter	PCS	1	\$ 8,250	\$ 8,250	110.00	907,500	
11.6	Pneumatic Kick Off Mechanism 6 meter	PCS	1	\$ 6,750	\$ 6,750	110.00	742,500	
<b>12</b>	<b>Hydraulic Type liftingtable with hydraulic cylinder &amp; power rack</b>	PCS	1	\$ 46,875	\$ 46,875	110.00	5,156,250	
<b>13</b>	<b>Chain transfer 2 stage 10500 mm width x 15000 mm length</b>	SET	1	\$ 51,750	\$ 51,750	110.00	5,692,500	
<b>14</b>	<b>Lubrication System</b>							
14.1	Lubrication System Cap-400 LPM	PCS	1	\$ 12,975	\$ 12,975	110.00	1,427,250	
14.2	Lubrication System Cap-300 LPM	PCS	4	\$ 11,325	\$ 45,300	110.00	4,983,000	
<b>15</b>	<b>Mill water &amp; TMT pumps &amp; Cooling Tower</b>							
15.1	High pressure pump 150KW	PCS	3	\$ 19,200	\$ 57,600	110.00	6,336,000	
15.2	TMT hot water pump 30 kw	PCS	3	\$ 6,750	\$ 20,250	110.00	2,227,500	
15.3	Roll Cooling Pump 22 KW	PCS	3	\$ 5,250	\$ 15,750	110.00	1,732,500	
15.4	Heat Exchanger Pump	PCS	2	\$ 5,250	\$ 10,500	110.00	1,155,000	
15.5	Cooling Tower 400m3/hour	PCS	1	\$ 27,750	\$ 27,750	110.00	3,052,500	
15.6	Cooling Tower 250m3/hour	PCS	1	\$ 14,250	\$ 14,250	110.00	1,567,500	
<b>16</b>	<b>Quality Control Lab</b>	PCS	1	\$ 52,500	\$ 52,500	110.00	5,775,000	
<b>17</b>	<b>Mill Guides</b>							
17.1	Roller Guides 860	PCS	2					
17.2	Roller Guides 845	PCS	2					
17.3	Roller Guides 830	PCS	4					
17.4	Roller Guides 820	PCS	4					
17.5	Twister pipe T60	PCS	2	\$ 52,500	\$ 35,000	110.00	3,850,000	
17.6	Twister pipe T45	PCS	2					
17.7	Twister pipe T30	PCS	4					
17.8	Twister pipe T20	PCS	4					
<b>18</b>	<b>Electricals</b>							
<b>18.1</b>	<b>Motors make "Kirloskar"</b>							
18.1	Roughing Mill	PCS	1	\$ 57,000	\$ 57,000	110.00	6,270,000	
18.1	C1-C2	PCS	2	\$ 55,200	\$ 110,400	110.00	12,144,000	
18.1	C3-C6	PCS	4	\$ 45,750	\$ 183,000	110.00	20,130,000	
18.1	C7-C10	PCS	4	\$ 38,535	\$ 154,140	110.00	16,955,400	
18.1	C11-C16	PCS	6	\$ 32,250	\$ 193,500	110.00	21,285,000	
18.1	CCS-1	PCS	1	\$ 28,125	\$ 28,125	110.00	3,093,750	
18.1	CCS-2	PCS	1	\$ 17,700	\$ 17,700	110.00	1,947,000	
18.1	Pinch Roll, tail breaker	PCS	4	\$ 9,090	\$ 36,360	110.00	3,999,600	
18.1	Flying Shear	PCS	1	\$ 27,188	\$ 27,188	110.00	2,990,625	
18.1	Chontinuous Shear	PCS	1	\$ 11,475	\$ 11,475	110.00	1,262,250	
18.1	Cooling Bed	PCS	1	\$ 12,188	\$ 12,188	110.00	1,340,625	
18.1	DC Drive Panel	SET	1	\$ 420,000	\$ 420,000	110.00	46,200,000	
	<b>Total Estimated Cost</b>				<b>\$ 4,581,395</b>		<b>503,953,450</b>	

**Julfikar Steel Re-Rolling Mills Ltd.**  
(D-Form Bar/MS Steel Manufacturing Project)  
For Expansion Plan  
**Local Machinerles and Equipment**

SN	Name of Machine	Unit	Qty	Unit Price (BDT)	Total Price (BDT)	Remarks
1	Steel Unit Auxiliary Items	Set	1	20,000,000	20,000,000	
2	Rolling Unit Auxiliary Items	Set	1	20,000,000	20,000,000	
	<b>Total Estimated Cost</b>				<b>40,000,000</b>	

## 5.4 Power & Utilities Required

<b>Julfikar Steel Re-Rolling Mills Ltd.</b>			
(D-Form Bar/MS Steel Manufacturing Project)			
Requirement of Electricity, Fuel, Lubricant and Others Utilities Cost			
<b>Electricity Cost</b>			
Maximum Load(KVA)	:	4,900	KVA
Maximum Load(kw)	:	3,920	kW
Daily consumption hours	:	10	hours
Yearly Working Days	:	300	Days
Monthly Working Days	:	25	Days
Power Rate(KW-H) in BDT	:	10.75	
Daily Electricity Consumption	:	39,200	kW
Monthly Electricity Consumption	:	980,000	kW
Annual Electricity Consumption	:	11,760,000	kW
Daily Electricity Cost(BDT)	:	421,498	
Monthly Electricity Cost(BDT)	:	10,537,450	
Annual Electricity Cost(BDT)	:	<b>126,449,400</b>	
<b>Diesel Generator Cost</b>			
Maximum Load	:	80	KVA
Load Factor used (Max)-80%	:	64	Kw
Hours Used/day	:	4	hours
Yearly Working Days	:	300	Days
Monthly Working Days	:	25	Days
Per hour fuel consumption	:	99.93	Ltr
Fuel cost/Ltr	:	114	BDT
Daily fuel Consumption	:	400	Ltr
Monthly fuel Consumption	:	9,993	Ltr
Annual fuel Consumption	:	119,922	Ltr
Daily fuel Cost (BDT)	:	45,570	
Monthly fuel Cost(BDT)	:	1,184,827	
Annual fuel Cost(BDT)	:	<b>14,217,927</b>	
<b>GAS Generator Cost</b>			
Gas Generator Capacity	:	18,000	kWh
Per Hour Gas Used	:	2,250	M3/h
Per Hour Gas Used	:	79,459	Cubic feet/h
Maximum Load	:	2,250	M3/H
Load Factor used (Max)-90%	:	2,025	M3/H
Hours Used	:	24	hours
Monthly Working Days	:	25	Days
Yearly Working Days	:	300	days
Per hour gas consumption	:	2,025	M3/H
GAS Cost	:	12.31	BDT/M3
Daily Gas Consumption	:	48,600	M3
Monthly Gas Consumption	:	1,215,000	M3
Annual Gas Consumption	:	14,580,000	M3
<b>Daily Gas Cost(BDT)</b>		<b>598,023</b>	
<b>Monthly Gas Cost(BDT)</b>		<b>14,950,575</b>	
<b>Yearly Gas Cost(BDT)</b>		<b>179,406,900</b>	
<b>Vehicle Diesel Cost for 10 Truck</b>			
No. of Diesel Vehicles	:	10	
Daily Diesel Requirement/each	:	30	Ltr
Daily Total Diesel Requirement	:	300	Ltr
Monthly Total Diesel Requirement	:	7,500	Ltr
Yearly Total Diesel Requirement	:	2,250,000	
Per Litre diesel cost	:	114	
Daily Total Diesel Cost	:	34,200	
Monthly Total Diesel Cost	:	855,000	
Yearly Total Diesel Cost	:	10,260,000	
<b>Others Utilities Lumsump Cost</b>			
Lubricant(Mobil,Grease and Break Oil)	1,000	29,000	348,000
Treated Water	-	-	-
Waste Water Treatment	-	-	-
	<b>1,000</b>	<b>29,000</b>	<b>348,000</b>
<b>Total Utility Cost</b>		<b>Amount in BDT</b>	
Daily Utility Cost		<b>11,216,243</b>	
Monthly Utility Cost		<b>27,556,852</b>	
Yearly Utility Cost		<b>320,422,227</b>	

## 5.5 Miscellaneous

### 5.5.1 Furniture-fixture & Office Equipment

In this project, the Furniture-fixture & Office Equipment cost for head office & factory has been estimated BDT 5.00 mln.

### 5.5.2 Diesel Generator

In this project, there will be Diesel Generator (Existing: 15 KVA and for Expansion: 500 KVA) for uninterrupted power supply. The cost has been estimated BDT 4.00 mln for expansion.

### 5.5.3 Sub Station, Electrical Equipment and Wiring (Factory)

In this project, there will be Sub Station, Electrical Equipment and Wiring for Factory and the cost has been estimated BDT 5.00 mln.

### 5.5.4 Vehicles

In this project, there will be Vehicles (for Expansion: Two (02)- 4 MT Capacity Truck) and Four (04)- 12 Wheel Trailers) and the cost has been estimated BDT 31.40 mln for existing and BDT 25.20 for expansion.

### 5.5.5 Fire Alarm, Fire Door, Fire Fighting and Security Device and Equipment

In this project, there will be Fire Alarm, Fire Door, Fire Fighting and Security Device and Equipment and the cost has been estimated BDT 5.00 mln.

### 5.5.6 Contingency for Civil Works and Machinery

In this project, 5.00% Contingency for Civil Constructions & Machinery has been considered.

### 5.5.7 Stores and Spares

As this project will be highly sophisticated, spares and accessories will be required. In this project feasibility report, repairs and maintenance has been considered only 1.00% in first year, 1.50% in second year and 2.00% in third year of machinery cost.

## 6. Risk Factors and Management's Perceptions about the Risks

There are risks associated with all investment decision. The investors (Banks/ Financial Institutions/ Private Equity) should be aware of those risks. These risks could result in loss of income or capital investment. Before making any investment decision the investors should carefully consider the following risks in addition to the information contained in the feasibility report for evaluating the said offer and whether to invest in the project or not.

**Credit Risk:** This is the risk of default on a debt that may arise because of default by the borrower to pay the loan. In operating any business there is always credit risk lies in the business. As there is always lending and borrowing between parties in the form of money and goods.

**Management Perception:** Credit Risk mainly lies with banks and Financial Institutions. Since Julfikar Steel Re-Rolling Mills Limited has good management team who are professional sound to handle this risk efficiently. However, a certain degree of credit risk lies because of this obligation. The management will be well aware of this and management tries to manage it efficiently through continuous supervision.

**Liquidity Risk:** The risk that a company may be unable to meet short term financial demands. This usually occurs due to the inability to convert its current assets to cash without a loss of capital or income. Liquidity is a common phenomenon of the business.

**Management Perception:** Julfikar Steel Re-Rolling Mills Limited will deal with its working capital in efficient way to maintain liquidity risk. Management will develop comprehensive marketing team who will work target wise for JSRMing the apartments quickly.

**Interest rate risk:** Interest rate risk is associated with the fluctuations in market interest rates which cause a company's cost of debt to increase. A company having significant borrowed fund faces interest rate risks when the rate of interest fluctuates unfavorably due to volatility in money market. Changes in the Government's monetary policy also tend to increase the interest rates. High rate of interest may adversely affect the operating results and financial performance of companies having borrowed fund of significant volume. Increase in the interest rate burdens the company with additional financial charges and squeezes the profit of the company.

**Management perception:** The management of Julfikar Steel Re-Rolling Mills Limited will be aware of the volatility of the money market in Bangladesh. The Management of the Company believes that rising interest rates will not substantially affect the Company. The management of the company will emphasize on equity-based financing to reduce the dependency on borrowings. The management will strongly believe that fluctuation of interest rate would have a little impact upon the performance of Julfikar Steel Re-Rolling Mills Limited.

**Industry Risks:** Industry risk could have an adverse impact on the business, financial condition and results of operation.

**Risk of volatility of raw materials costs:** The cost of raw materials is volatile. Sometimes price hikes due to scarcity of or artificial demand creation.

**Management Perception:** The management of JSRM Ltd is aware of the continuing market situation of its raw materials cost. They believe that long term planning for raw materials management will reduce the above risk and the management will also develop truthful relations with the suppliers which will mitigate the risk of rising of raw materials cost.

## 7. Market Study and Demand Projection

### 7.1 Overview of the Steel Industry in Bangladesh

The growth in the production and use of steel is considered as a key indicator of development for any country. Especially consumption of steel directly indicates how fast the infrastructure is developing. Steel industry plays a fundamental role not only in driving economic development but also in other complementary industries like transport, energy, heavy engineering and construction. Over the years, the steel & re-rolling industry of Bangladesh has contributed immensely in the country's overall infrastructure development by providing long steel products such as rebar, angel, beam and channel. Moreover, self-sufficiency in billet production enabled the industry to go beyond the border and export finished goods.

The steel industry is an established and growing industry in Bangladesh. Predominantly based in the port city of Chittagong, the industry has emerged as a major contributor to the national economy. According to research, the growth of steel industry in Bangladesh is mainly induced by the rapid expansion of the country's shipbuilding and real estate sector, as well as the major investments in various infrastructure projects throughout the country. An important factor in determining a country's development is the growth of its steel production and consumption. Bangladesh's steel and re-rolling industry has played a vital role in developing the overall infrastructure of the country. In addition, for years the steel industry has been supporting other industries like transportation, energy, heavy engineering and construction by supplying necessary steel products such as rebar, angles and beams. In the last few years, the

country's local steel market has grown by 15 to 20 percent, which has a current market size of BDT 45,000 crore. Besides, Bangladesh is currently producing semi-finished steel – 'billet', as a result, steel products are being exported abroad after meeting the local demand. There are about 400 steel mills in the country with a total production capacity of about 9 million metric tons, of which the country consumes more than 7 million metric tons of steel.

The key points of the steel industry are as follows:

- i) Demand for long steel has increased sharply in recent years – currently 7.5 million
- ii) MT which was merely 2.5 million MT in a decade ago.
- iii) The market size of steel is around BDT 450 billion. The local steel market grew at a rate of 15%-20% in last two years from 8-10% per year previously.
- iv) Per capita consumption of steel stands at 45kg which was only 25kg in 2012. Lower per capita consumption compared to global standard indicates huge industry prospect. However, the per capita consumption is expected to be 73kg by 2022.

#### KEY INFO

- Demand for long steel has increased sharply in recent years from **2.5 million** MT in a decade ago to **7.5 million** MT in recent years.
- The country's combined present installed capacity is **9 million** MT.
- Government consumes **40%-60%** of the total steel productions.
- GPH Ispat has already exported **25,000** MTonnes of MS billet to China.
- Sales of this sector have dropped by **60%** during lockdown.
- Rapid urbanization, real estate development, implementation of government mega infrastructure projects are ensuring this sectors potential overall growth.

- v) The industry employs nearly 1.00 million people directly or indirectly throughout the country.
- vi) Among 400 steel and re-rolling mill of the country only 45 steel mills are the members of Bangladesh Steel Manufacturers Association (BSMA) who manufacture over 80% of the steel products in the country.
- vii) The country's combined present installed capacity is 9 million MT.
- viii) Industry capacity is higher than the domestic demand. On an average 70-75% capacity utilization is termed as optimal by the industry players.

## 7.2 History of Steel Industry in Bangladesh

The first ever steel mill was established in 1952 by the H Akberali Group of Industries as the "Bangladesh Steel Re-rolling Mills (BSRM)". Located at Nasirabad, Chittagong, the plant formed re-enforcing bars and structural sections. The mill gradually prolonged, adopting new technological know-how by setting up a cross-nation European mill in 1987 which incorporated a wire-rod mill. The BSRM group added a captive billet manufacturing plants in 1996 so as to make sure a stable distribution of billets of its plants. In 2006, the company installed pilot cold rolling mill to make ribbed high strength wires.

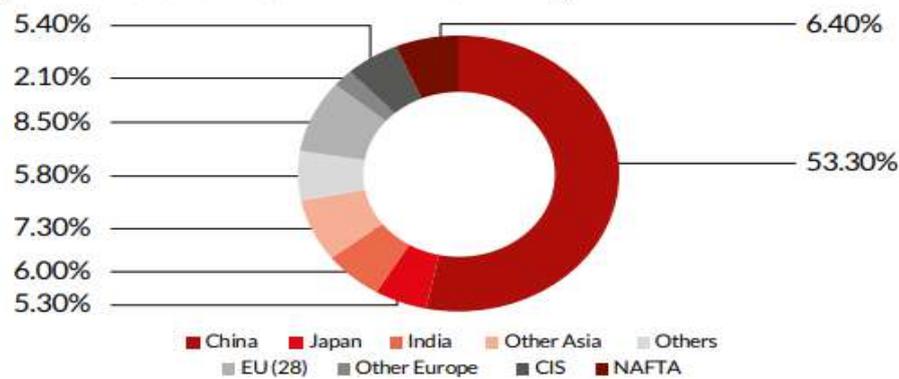
Bangladesh Steel industry is emerging as one of the major industrial sectors of the country. It consists of small up to the largest scale of steel melting and re-rolling factories across the country that mostly produce deformed bar rod of different grade (40, 60, 500), angel, channel and coil for the construction industry. Though the history of Steel Industry is not older one but it can make a glorious future. Before 1971 Bangladesh did not have any steel mill and even after the liberation there were only a few steel factories in the country. In 1990s the actual development began in this sector through a revolution. During that period the building constructing agencies or developer companies came forward to build modern infrastructure. Then with the increasing demand, new investors started investing in steel or rod production. In 2012 we have almost 400 mills across the country including Dhaka, Chittagong. Although most of them are manual steel plants, 30 mills among them are automated.

Many steel producing companies have gained reputation as a brand. Among them Metrocem Ispat, Baizid Steel, GPH Ispat, BSRM, S.S. STEEL LIMITED, RSRM, KSRM, RRML, Anwar Steel, HKG Steel, AK Steel, Rahim Steel, Abul Khair Group are worth mentioning. Today the highest steel producing company is BSRM. They are doing business for 60 years. Their production is almost six and half lakh ton per year which meets 26% demand of the local market. Now grade 60 rods are being slowly replaced by g500 rods which a number of rolling mills in our country are now manufacturing. With g500, the real estate builders and developers can also save minimum 15% further quantity of steel than g60.

### 7.3 The Emerging Global Market

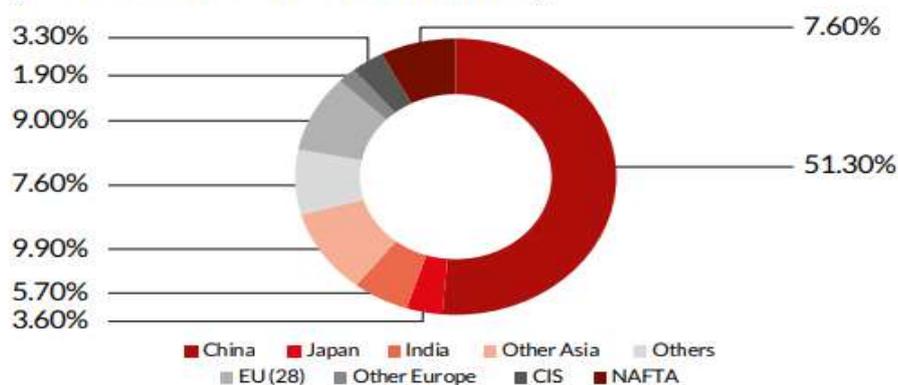
World crude steel production for the 64 countries reporting to the World Steel Association was 156.4 million tonnes (Mt) in September 2020, a 2.9% increase compared to September 2019. World crude steel production was 1,347.4 Mt in the first nine months of 2020, down by 3.2% compared to the same period in 2019. The downward growth in the first nine month caused due to pandemic since some major steel producing countries were under lockdown. However, China has been the largest producer and user of steels for past several years. China produced 92.6 Mt of crude steel in September 2020, an increase of 10.9% compared to September 2019. On the other hand, India produced 8.5 Mt of crude steel in September 2020, a decrease of 2.9% on September 2019.

**Crude Steel Production in 2019**  
(World total: 1 869 million tonnes)



Source: World steel association.

**Use of Finished Steel Products in 2019**  
(World total: 1 767 million tonnes)



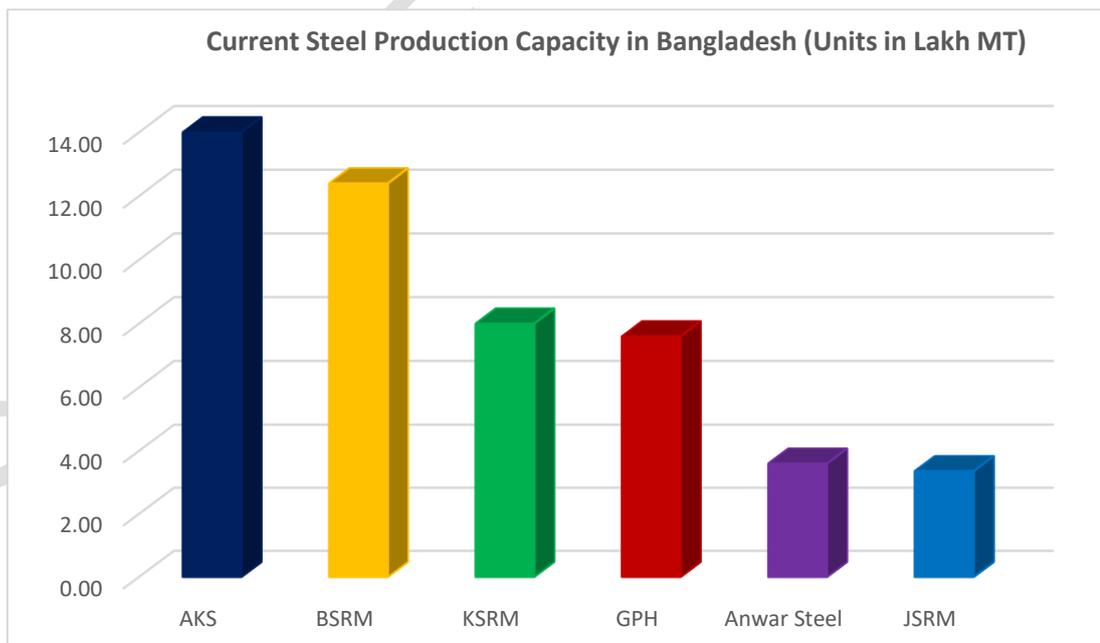
#### 7.4 Top 5 Steel Producing Countries

Rank	Country	Tonnage (in million Tonnes)
1	China	996.3
2	India	111.2
3	Japan	99.3
4	United States	87.8
5	Russia	71.9

#### 7.5 Top 5 Steel Exporting Countries

Rank	Country	2019	2020
1	China	8.50	8.00
2	India	6.10	-20.20
3	United States	-2.10	-15.80
4	Japan	-3.40	-19.60
5	South Korea	-0.90	-8.20

#### 7.6 Production of Steel Industry in Bangladesh



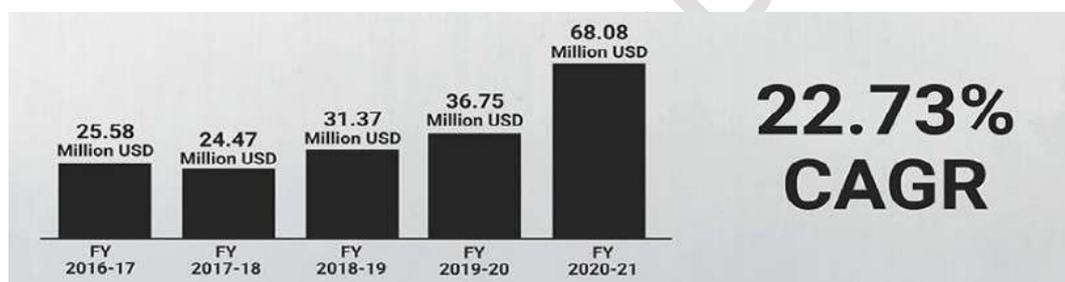
Of the total steel produced, 60% is used in the public sector, 25% is used for households, and 15% is used for commercial construction.

## 7.7 Current Trends of Steel Industry in Bangladesh

**Branding:** At present almost all the steel manufacturing companies are emphasizing and focusing on their branding and promotion. However, even a decade ago TVC or print promotion of any of these companies were rarely seen. It was BSRM, one of the leading companies in the steel industry, who was the first to run their promotional camps in various electronic and print media. Later on, other companies gradually started bringing forth their promotions.

**Consumer Awareness:** At present while purchasing steel products customers are more aware than ever before. Earlier, consumers used to buy any rod or steel available in the market for their needs. However, now consumers are more concerned about the type of steel and the grade of rod in such product purchases. As a result, consumers are buying the right grade of products needed to build any type of infrastructure.

**Export of Steel Product:** Steel is now being produced on a large scale for use in almost all types of infrastructural development in the country. At present these steels are being exported abroad after meeting the demand of the country. From 2016-17 to 2020-21, Bangladesh’s steel exports have increased at a rate of 22.73% per annum.



## 7.8 Key players in the country

Bangladesh’s steel industry is growing at a rapid pace on the back of increasing steel demand for the mega infrastructure projects lined up in the country in this decade. In terms of production capacity for both finished and semi-finished (billet) steels Bangladesh is now self-sufficient. However, the country’s steel industry is turning into a perfectly competitive market from an oligopolistic one. Three big steelmakers BSRM, Abul Khair Steel (AKS) and KSRM had long been continuing their dominance in steel market and controlling more than 50% of the market. However, in last few years’ small players are also growing aggressively to cater the growth in demand.

Major Players in Steel Market	Present Capacity (Value in thousand MT)
Abul Khair Steel	1400.00
BSRM Group	1240.00
Kabir Steel Rolling Mills Ltd (KSRM)	800.00
GPH Ispat Limited (GPH)	760.00
Mohsteel Limited	500.00
Julfikar Steel Re-Rolling Mills Limited (JSRM)	336.00

Major Players in Flat Steel Market	Capacity in million MT
Abul Khair Steel	760,000
PHP Steels	250,000
KDS Group	120,000 (CR Coil), 50,000 (GS Coil), 25,000 (CR Closed Annealed), 60,000 (NOF-GS)
Appollo Ispat	120,000 (CRM), Galvanizing Line 200,000 MT
S. Alam Group	120,000 (CR Coil), 72,000 (NOF)
Karnafully Steel (T.K. Group)	80,000 (CR Coil)

In terms of both revenue as well as capacity Abul Khair group is the largest steel producer in the country. The company's capacity utilization is ratio is roughly 80%. BSRM Group is the pioneer in the steel industry of Bangladesh and currently the second largest in the market. BSRM Steel has decided to set up a BDT 7000 million plant to raise annual MS rod production capacity by another 0.5 million tonnes to meet its growing market demand. To cater to the growing demand in coming days, KSRM has also increased its capacity from 0.45 million MT to 0.8 million MT recently. Another industry player, GPH Ispat has just increased its production capacity by more than 6 times. Moreover, very recently GPH has already exported 25,000 MT of MS billet to China.

*Julfikar Steel Re-Rolling Mills Limited (JSRM) is also one of the major market players in Bangladesh with an annual production capacity of 336.00 MT. JSRM aims to be the top brands within the next few years.*

## 7.9 Growth Factors of the Steel Industry in Bangladesh

**Integration with Megaprojects:** With the passing of the bill of Padma Bridge by 'ECNEC' in 2007, the implementation of mega projects in the country began in 2014. The present government has undertaken hundreds of projects to transform Bangladesh into a developing country by 2041 and to implement the Delta Plan of 2100. In addition, with a total of 100 economic zones across the country, the country's infrastructure development has created huge demand for steel in ongoing mega projects in several sectors including communications, energy, trade and housing. According to the Secretary General of Bangladesh Steel Manufacturers' Association, demand for steel in mega projects like Padma Bridge and Rooppur Nuclear Power Plant is being met entirely from locally produced steel, and steel is being exported at the same time. Besides, the sector is being further expanded only to meet the domestic demand. According to Manwar Hossain, MD of Anwar Group of Industries, the growth of steel industry in Bangladesh will continue for the next 20 to 25 years.

**Increase in Purchasing Power:** Along with the growing GDP of Bangladesh, the purchasing power of the common citizens are increasing. As a result, people are building more housing than ever before, with plenty of steel and rods being used. According to tbs news, the per capita steel-rod consumption in 2012 was 25 kg, which increased to 45 kg in January 2020, and is expected to reach 75 kg by 2022. Steel rolling mills have also expanded their business to meet this rising demand.

## 7.10 Opportunities of the Steel Industry in Bangladesh

**Discovery of Iron Ore Reserve in Dinajpur:** As there is no source of iron ore in Bangladesh, almost all the scrap steel required for steel production has to be imported. However, the search for a new iron ore source in Dinajpur is opening up new possibilities that could supply iron ore for the next 30 years. This will save a huge cost of scrap steel import in Bangladesh and will also allow steel mills to grow more.

**The Upcoming Development of Port Facilities:** Due to inadequate port facilities in Bangladesh, large scrap ships are unable to enter Chittagong and Mongla ports. However, the Bangladesh government has confirmed that they will build new ports such as 'Mirsarai Ocean-Front Economic Zone' and 'Payra Sea Port', as well as renovate existing ports. Once these proposed ports are complete, steel manufacturers will be able to import scrap more easily. Which will speed up their production.

### 7.11 Export Statistics of the Steel Industry in Bangladesh

Bangladesh's steel export, mainly semi-finished casting products, leaped 82.91 per cent year-on-year during the July-January period of the ongoing fiscal, interestingly coinciding with the ongoing pandemic-induced economic slowdown.

Bangladesh's steel mills primarily import scrap metal to produce the intermediate casting products which need further processing to be turned into finished goods.

The industry deals with ferrous waste and scrap, re-melted ingots and products made from such metal of all shapes and sizes such as angles, rods, plates and pipes. The export destinations are mainly the United Arab Emirates, India, Malaysia, Japan, Thailand, Pakistan and Myanmar.

The export increased due to a leading steel maker exporting around 45,000 tonnes of billet during the pandemic which showed a big jump in steel export.

### 7.12 Challenges of steel business

**Availability of raw-materials:** Billet is considered as the prime raw-materials for producing steel products among the crude steel products. Due to large investment by major steel manufacturing groups, the billet industry has itself become big along with the finished steel industry. Thus, import of billet has declined sharply in recent years. However, as billet millers in Bangladesh mostly serve as the backward linkage for their own re-rolling mills, some steel makers still import billet. Most importantly, to produce billet, steel companies need to import 90% raw materials (metal scrap) from US, Canada, Italy, the UK and Australia which have gone into partial or full lockdown since the beginning of March due to pandemic. In addition, majority of the chemicals used in the production also need to be imported.

Thus, the insufficiency of raw materials in our country and the volatility of raw material prices in the international market greatly affect the industry. Especially during the lockdown, the industry had to suffer as there was a major halt in import and export worldwide. On the other hand, only 74 ships were imported in the first six months of this year, a record low in the last six years, while shipbreaking yards at Sitakundo upazila in Chittagong cut away more than 200 ships on an average per year. As per Bangladesh Steel Mills Owners Association, over the last six months, the sector's losses have amounted to around BDT 6,000 crore.

**Availability of power and gas:** Uninterrupted power supply and large volumes of gas are mandatory for steel production. Thus, any adverse changes to electricity regulations, shortage of gas supply or high pricing of energy have direct impact on the operation. To solve the problem, the big producers have built their own power plant.

**Project inefficiency:** As government consumes 40%-60% of the total steel productions, steel makers are expanding their businesses in anticipation of a high demand from the government sector. Thus, smooth and rapid progress of the mega projects is a very important growth stimulator for the industry. It ensures fair working capital projection and consumption. However, if the project does not run well according to their time proposal, delay of a project may affect the company's financial health.

**Changes in regulations and rates:** Lack of business-friendly policies such as customs laws, income tax, value added tax etc. may adversely affect the business of steel companies. A huge amount of working capital that was paid as refundable advance tax (AT) on imports is still being held back by the government. The total amount owed to the steel sector could be over BDT 800 crore which includes the AT and advance income tax (AIT) paid by producers for the last four or five years. This is unnecessarily slowing the industry's momentum since manufacturers could use this money for their economic activities and boost growth.

**Price Competition:** As large companies are capable of price cutting to capture the market sometimes it becomes hard for the relatively small companies to sustain in such highly competitive price war.

### 7.13 Pandemic Impact on Steel Pricing:

The pandemic of COVID-19 has taken a toll on this industry, like all other businesses. The decline in steel demand in the first half of 2020 is predictable but perhaps more painful as the expected growth is much lower after lockdown ends. Pricing structure of steel product amid the lower market demand are depicted here to understand the scenario.

#### **Raw Materials:**

**Scrap Price:** In the local market steel scrap price is around BDT 30,000/- to BDT 34,000/- per MT now. However, in international market price is below USD 300 per MT. Though Bangladeshi steel makers ordered 27,000 MT of HMS 1&2 (80:20) deep sea bulk cargo from an Australian exporter at USD 313.5 per MT in October 16, 2020, Steel scrap future price (Month 1) in London Metal Exchange is hovering around USD 286 per MT. To maintain the profit margin on the sales of a steel in current context, Bangladeshi steel makers need to purchase the scrap within USD 300 per MT.

**Billet Price:** Currently, local ispat mills produce around 6 million tonnes of billet annually, enough to manufacture 5.5m lakh tons of high-quality rods. Around 35 mills make billet by importing scrap. Though steel mills are producing billet for their own consumption, limited amounts are also traded in the market on need basis. Recently, GPH Ispat exported 25000 MT of billet to China on USD 407 per MT price. In local market Billet price is around BDT 41,000/- to BDT 42,000/-.

**Finished Goods:** From the market survey it is assumed that breakeven price for the quality steel millers is almost BDT 48,000/- to BDT 48,500/- per MT now (it may vary depending on the financing cost and operating efficiency). However, market shows a downward price pressure after lockdown.

## 8. Technical Aspects and Engineering

### 8.1 Manufacturing Process of Steel Bars

#### 1. Scrap Processing Flowchart

##### Item wise Scrap receiving

- Scrap unloading done by cranes from vehicles arrived from the port
- Scrap are being kept item wise in different heaps.



##### Manual Segregation

- An expert labour forces working 24 hours to sort and separate harmful items
- Sorted scraps are being pileup and sold to interested parties



##### Scrap Processing in Shear Machine

- Vezzanni make shear/machine
- Scrap shearing, non-magnetic sorting, de-dusting, non-metallics sorting.



##### Scrap Processing in Shear Machine

- Vezzanni make shear/machine
- Scrap shearing, non-magnetic sorting, de-dusting, non-metallics sorting.



##### Scrap Sending in the Production Floor

- Using company own dump truck
- Fulfilling demand of scrap recipe



SAMPLE PREVIEW

## 2. Scrap Charging and Scrap Preheating Flowchart

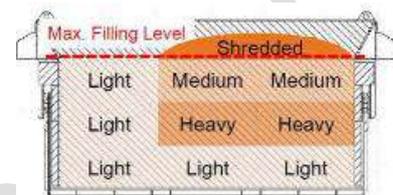
### Item Wise Scrap Storage in Pit

- Total 5 nos of pit in the production floor to receive item wise scrap
- According to scrap charge receipt they are being charged using EOT cranes



### Making Sandwich

- Scrap sandwich being developed using light, medium and heavy scrap while shredded charged at the top of the sandwich
- According to scrap charge receipt they are being charged using EOT cranes



### Scrap Pre-Heating

- There is water cooled fingers in the shaft of the furnace which hold the scrap over the furnace to get pre-heated
- Temperature rises up to 600 deg C here which removes moisture and volatiles and makes energy efficient.

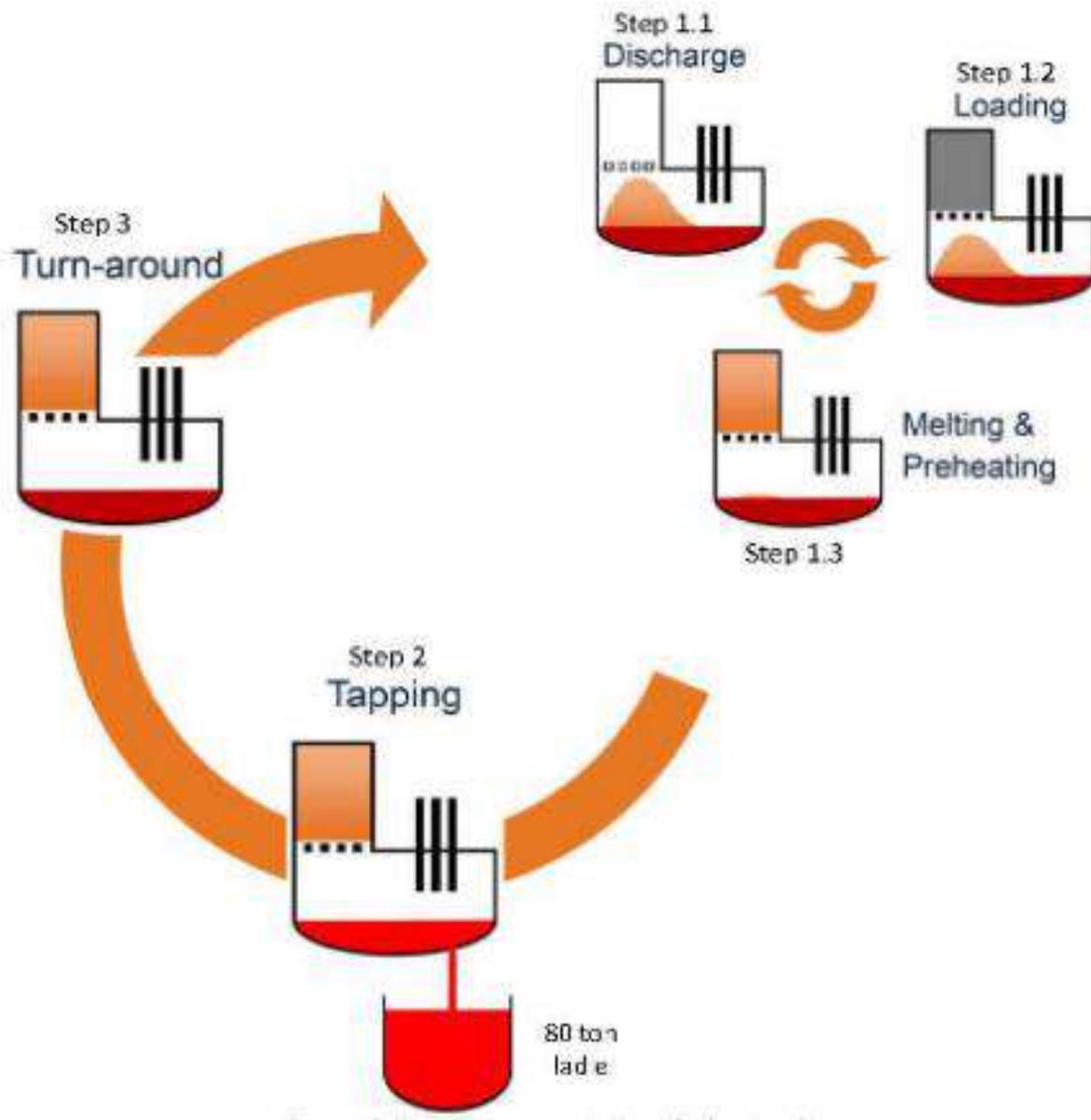


### Scrap Charging in the Furnace

- Preheated scrap released in the furnace. As the scrap are pre-heated less than 300 KWH/T electricity used.
- Charging in closed condition enables less carbon and Sulphur emission (<10 ppm) and protects the environment.



**3. Induction Furnace and primary refining**



**Step 1.1. Scrap Discharge:** Preheated scrap discharged into the the furnace shell having capacity of 150 Ton

**Step 1.2. Scrap Loading:** New scrap loaded in the shaft of the furnace supported by water cooled finger. These newly charged scrap in the scrap will now get enough time to get pre-heated.

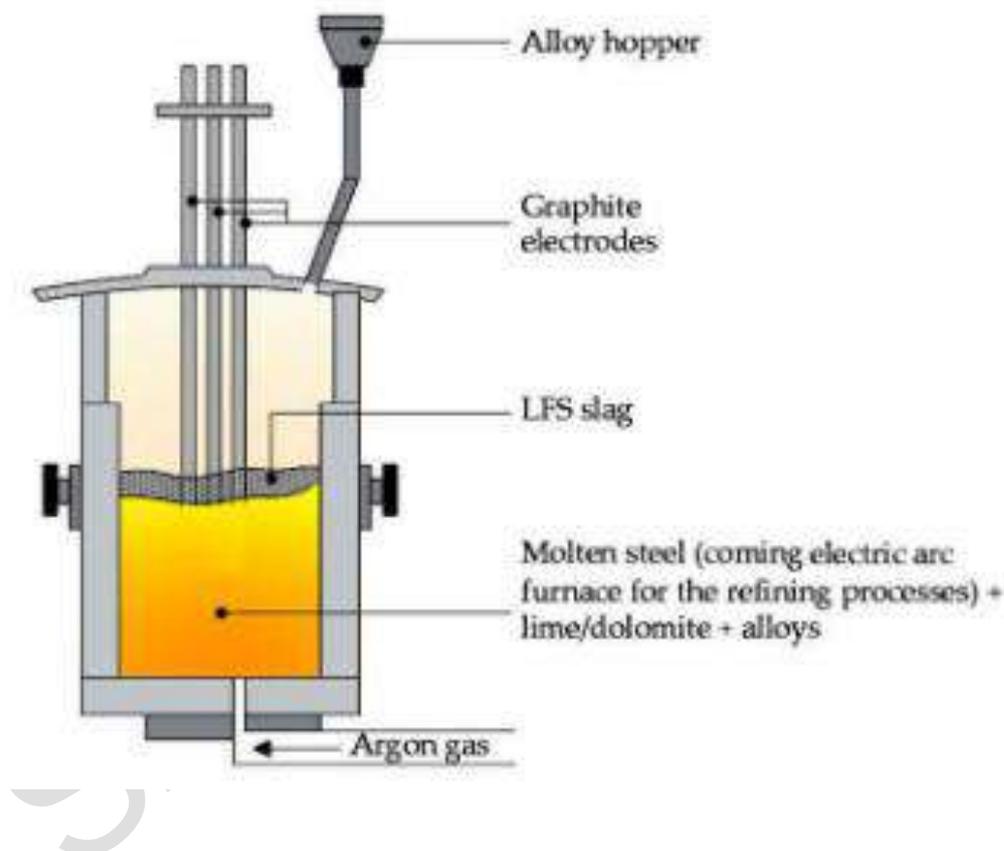
*Note that, in Bangladesh, only Abul Khair Steel (AKS) is using Electric Earth Furnace (EAF). All other companies are using Induction Furnace Melting.*

**Step 1.3. Melting and preheating:** With 40MW electric arcing, the scrap readily got melted. Burnt lime and burnt dolomite added in to the melt to create slag. Carbon is injected to make the slag foamy. Oxygen lancing performed to refine the steel. With oxygen, the harmful phosphorus, and other tramp elements, oxides got oxidized and comes in the slag. The heat generated in this melting operation pre-heated the scrap at the shaft of the furnace. Then that pre-heated scrap discharged in the furnace. This cycle of step 1.1 to 1.3 continues for 4 times for a heat and the furnace reaches a liquid melt of 150 ton. There is a slag door beside the furnace which enables drainage of slag.

**Step 2, Tapping:** 80 ton liquid steel tapped in a magnesia refractory line preheated ladle. Rest 70 ton liquid steel left in the furnace shell as hot hill. During tapping, lime and synthetic slag added as slag constituents, aluminium shots and calcium carbide are added as de-oxidizer and FeMn and SiMn added for steel chemistry adjustment.

**Step 3, Turned Around:** Heat tapping done at 4 degree tilting. After tapping, the furnace returned to its home position and gets ready to give birth to the next heat. Then the Step 1 to be followed again.

#### 4. Secondary refining at LRF



Ladle refining furnace (LRF) is dedicated for secondary refining of steel. Special attributes of LRF consists of:

1. **Homogenization:** Temperature and chemical compositions are equalized by stirring through argon gas purging & electric arc heating.
2. **De-oxidization and desulphurization:** De-oxidization is accomplished by using aluminum cubes, calcium carbide and ferro silicon. Sulphur is one of the most critical elements in steel. Sulphur is completely soluble in liquid steel. During cooling, sulphur is precipitated as FeS and together with Fe and FeO forming a low melting eutectic. This eutectic is responsible for the hot brittleness of steel. The reduction of Sulphur in steel can be realized with elements of higher affinity to Sulphur like Ce, Ca, Mg, Na and Mn compared to Fe, or by the slag.

#### 5. Continuous Casting at CCM

##### Ladle at the turret

- Two arms of ladle turret dedicated for ladle receiving. One to feed con casting and another waiting
- This enables uninterrupted casting by receiving the ladle full of liquid steel in advance before the running ladle got emptied.



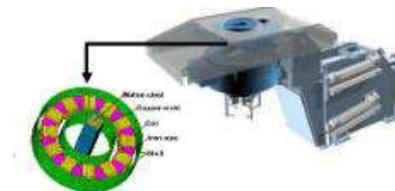
##### Closed casting tundish

- spray mass tundish practice
- 3 nos SEN ensures closed casting
- Tundish covering compound also spread also spread over tundish to protect steel for oxidization
- Tundish slide gates controls the liquid steel flow



##### Mould and Oscillator

- Thanks to the dynaflex oscillator for smooth oscillation
- Can cast billet up to 7meter/min speed
- Billet size up to 160mm
- M-EMS installed which enhance the internal quality of biller



##### Winlink FLEX

- High speed billet caster is directly linked to rolling mill as a result casting and rolling become continuously linked
- Efficient energy consumption and low environmental impact
- Liquid steel is balanced among rolled products and saleable billets .



## 6. Hot Charging through IH

### Induction heater

- Billets coming from CCM are hot charged in rolling mill by means of the induction heater
- Billet temperature is gradually raised through induction heating in 3 consecutive zones from approx. 850 degrees C at CCM exit to maximum of 1150 Degrees C within 10 minutes for direct rolling.



## 7. Hot Rolling

### Use of stands

- Metal forming is done using maximum 20 stands
- Stands organized in horizontal-vertical-horizontal manner up to Stand 14
- Stand 15-20 are horizontal

### Roughing Mill

- Stand 1-6
- Billet cross section is reduced by 84%
- Shear C-6 chops off head and tail end of billets to avoid associated abnormalities in finished product.



### Intermediate Mill

- Stand 7-12
- Stock is further reduced by 68-82%
- Shear C-12 chops off head and tail end of billets to avoid associated abnormalities in finished product.

#### Finishing Mill

- Stand 13-20
- Stock reduced to nominal cross section (for <32mm rebar rolling).
- Use of loopers between every two stands after stand 14 to control tension
- Finishing stand imprints transverse ribs, frogmark & logo on finished product



#### Quenching Section

- Pomini Quenching System (PQS) to create a peripheral martensitic layer to achieve desired mechanical properties
- Coolers are used to concentrate water flow and pressure in controlled manner

#### Finished Product & Discharging

- Two discharge lines: Fast Twin Channel for 8-12mm facilitating high speed rolling (up to 27m/s by design) and Aprons for 16mm and higher diameter
- Flying shears along both lines: C-41 (Aprons) & C-45 (Fast Twin Channel) to ensure proper discharge length.
- Cooling bed length: 78m



#### Cold Shear

- Used to achieve desired product length for delivery (12m by default)
- 6-12m product length can be achieved as per customer requirement.

## 8. Tying & Bundling

### Bar counting & collecting station

- Conveyor roller table for bar movement from cold shear
- Automated bar counting with laser sensors
- Collection of bars after counting up to required quantities for subsequent tying & bundling



### Tying & Bundling Station

- KNCA wire tying machine for binding within 5 to 16.5 seconds
- Tracking system for counting and detecting bundles for transfer forward
- Weighing station for bundle weighing and subsequent two-line station for tagging and unloading of the bundles for storage



## 9. Bundle Storage

- Collection of bundles from unloading station and stacking in cross piling by means of overhead cranes
- Bundles are stored within plant shed as well as different warehouses.



SAMPLE

10. Delivery

- Upon receiving delivery order, the rebars bundles are delivered after weighing
- Calibrated weighing scales for product weighing after trailer loading
- Each trailer is accompanied with Manufacturer's Test Certificate (MTC) for the loaded products ensuring of the product quality



SAMPLE RE

REPORT

**PROJECTED  
FINANCIAL ANALYSIS**

## 9. Financial Analysis of the Project

### 9.1 Key Assumptions

Project Information	
Name of the Project	: <b>Julfikar Steel Re-Rolling Mills Ltd.</b>
Type of Project	: <b>(D-Form Bar/MS Steel Manufacturing Project)</b>
Nature of the Project	: Julfikar Steel Re-Rolling Mills Limited (hereafter refer as 'JSRM') is currently manufacturing different size D-form bar/MS Rod with its existing 2 (Two) production lines. JSRM is manufacturing over 7 (Diameter types) Like 08mm, 10mm, 12mm, 16mm, 20mm, 25mm and 32mm.
Location of The Project	: B-342, Enaetnagar, Godnail, Siddhirganj, Narayanganj-1432, Bangladesh
Corporate Head Office	: B-342, Enaetnagar, Godnail, Siddhirganj, Narayanganj-1432, Bangladesh
Legal Formation of the Project	: Private Limited Company
Contact Person	: Mr. Md. Mahbubur Rashid Jewel, Chairman   +8801729251617, +8801619251617   Jewel.jrrm@gmail.com, jsrm2021@gmail.com : Mr. Dhali Mohammad Shakib Osman, Director   +8801676034258   shakilbosman99@gmail.com, jsrm2021@gmail.com
Life of The Project	: 30 years
Project Land	: Total 377 decimals
Product Mix	: At present, two (02) category MS rod is manufacturing such as B420 DWR and B500 DWR with seven (07) different size.
Market of the products	: 100% local market
Sources of Raw Materials	: Bangladesh, India and China
Sources of Energy	: REB and Diesel Generator
Total Working Days	: 336
Production Assumptions	
<b>Year wise Capacity Utilization</b>	
<i>Existng Project</i>	: 100% over the next five (05) years
<i>Expansion Plan</i>	: 60% in 1st Year, 65% in 2nd Year, 70% in 3rd Year, 75% in 4th Year and 80% in 5th Year
<b>Attainable Production Capacity/Day</b>	
<b>From Existing Operation</b>	: <b>750.00 MT</b>
B 500 DWR (8mm, 10mm, 12mm, 16mm, 20mm, 25mm and 32mm)	: 488.00 MT
B 420 DWR (10mm, 12mm, 16mm, 20mm, 25mm and 32mm)	: 262.00 MT
<b>From Expansion Operation</b>	: <b>250.00 MT</b>
B 500 DWR (8mm, 10mm, 12mm, 16mm, 20mm, 25mm and 32mm)	: 163.00 MT
B 420 DWR (10mm, 12mm, 16mm, 20mm, 25mm and 32mm)	: 87.00 MT
Financial Assumptions	
<b>Debt-Equity Ratios</b>	
For Long Term/ Project Loan	: 76.88 : 23.12
For Short Term/ Working Capital Loan	: 80.00 : 20.00
Interest rate on long-term debt	: 8.00%
Debt tenure (Years)-Long Term Loan	: 7
Moratorium Period (months)	: 18
Loan Repayment Mode	: Equal Quarterly Instalment Basis (EQI)
Discount rate (weighted Avg. cost of capital)	: 8.00%
Interest Income for Fixed Deposit	: 7.50%
Income Tax /VAT Rate	: 27.50%
Revenue assumptions	
<b>Average Sales Price/MT</b>	
<b>B 500 DWR</b>	
8 mm	: BDT 95,000.00
10 mm	: BDT 94,000.00
12 mm	: BDT 94,000.00
16 mm	: BDT 94,000.00
20 mm	: BDT 94,000.00
25 mm	: BDT 94,000.00
32 mm	: BDT 95,000.00

# Feasibility Report and Business Plan OF JULFIKAR STEEL RE-ROLLING MILLS LIMITED



<b>B 420 DWR</b>	
10 mm	: BDT 94,000.00
12 mm	: BDT 94,000.00
16 mm	: BDT 94,000.00
20 mm	: BDT 94,000.00
25 mm	: BDT 94,000.00
32 mm	: BDT 95,000.00
Wastage Sales	: BDT 50,000.00
Average Sales Revenue (5 Years)	: BDT 30,247.01 mln
Average Net Profit (5 Years)	: BDT 973.43 mln
Expense Assumptions	
Production Related Cost	
Basic Raw Materials Cost/MT	
MS Billets (100 mm*100 mm*10 feet)	: BDT 80,000.00
Repair, Maintenance & Stores	: 1.00% in first year, 1.50% in second year and 2.00% in third year of machinery cost
Other Factory Overhead	: 0.50% of sales Revenue
Raw material price growth rate	: 5.00%
Salary Increment	: 5.00% per year
Finished Goods Stock	: 15 days
W.I.P Stock	: 7 days
Administrative, Selling and Marketing Expenses (% of sales)	
Salary and Wages	: 0.19%
Head Office Rent and others	: 0.05%
Sales and Promotional Expenses	: 0.10%
Office Stationery	: 0.03%
Fuel of Vehicles	: 0.02%
Travelling and Conveyance	: 0.01%
Mobile and Telephone	: 0.01%
Entertainment Expenses	: 0.00%
Foreign Tour	: 0.00%
Miscellaneous Expenses	: 0.05%
Depreciation and Amotization charges	
Factory Buildings and Shed	: 5.00%
Other Civils Cost( Boundary Wall, Internal Road, Drainage and sewerage, Security Room, Main Gate and others Civil works)	: 5.00%
Plant Machinery and Equipment(Imported)	: 10.00%
Plant Machinery and Equipment( Local)	: 10.00%
Furniture-fixture & Equipment (Head office and Factory)	: 20.00%
Electrical Equipments and Wiring (Factory)	: 20.00%
Diesel Generator(Existing: 15 KVA and For Expansion: 500 KVA)	: 20.00%
Vehicles( for Expansion: Two (02)- 4 MT Capacity Truck) and Four(04)- 12 Wheel Trailers)	: 20.00%
Fire Alarm, Fire Door, Fire Fighting and Security Device and Equipment	: 20.00%
Machinery erection & installation	: 10.00%
Other Assumptions	
Contingency for Machinery and Equipment	: 5.00%
Contingency for Civils Construction	: 5.00%
Dollar Conversion	: BDT 110.00

## 9.2 Synopsis of Julfikar Steel Re-Rolling Mills Limited

Name of The Project:	: Julfikar Steel Re-Rolling Mills Ltd.
Project Nature	: (D-Form Bar/MS Steel Manufacturing Project)
Corporate Office	: Mr. Md. Mahbubur Rashid Jewel, Chairman   +8801729251617, +8801619251617   Jewel.jrrm@gmail.com, jsrm2021@gmail.com
	: Mr. Dhali Mohammad Shakib Osman, Director   +8801676034258   shakilbosman99@gmail.com, jsrm2021@gmail.com
Location of The Project	: Private Limited Company
Legal Status of The Project:	: Private Limited Company
Total Project Cost (For Expansion)	: 1,726,049 Thousand Taka
No. of working days in a year	: 300 days
Employment Generation	: 305 person
Sources of Utilities	: PDB/REB/GENERATORS

Key Financial Summary		Fig in Tk. '000'				
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5	
Sales at attainable capacity	31,643,301	31,643,301	31,643,301	31,643,301	31,643,301	
Average Capacity Utilization	80%	83%	88%	93%	98%	
Sales at utilization capacity	28,478,971	28,874,512	30,456,677	32,038,842	33,621,007	
Gross Income/Profit	2,084,299	2,226,337	2,375,927	2,511,246	2,646,378	
Operating Income	2,002,171	2,137,653	2,279,891	2,407,455	2,534,434	
Net Income after Tax	797,765	869,704	973,270	1,067,565	1,158,860	
Gross Income to Sales (%)	7.82%	7.73%	7.83%	7.86%	7.90%	
Operating Income to sales(%)	7.52%	7.42%	7.51%	7.54%	7.56%	
Net Income to Sales (%)	2.99%	3.02%	3.21%	3.34%	3.46%	
Return on Investment - ROI (%)	13.90%	13.66%	13.57%	13.36%	13.13%	
Return on Equity - ROE (%)	18.30%	17.10%	16.49%	15.72%	14.94%	
BEP on utilization capacity (%)	53.30%	50.42%	47.89%	45.84%	44.14%	
BEP on attainable capacity (%)	42.64%	41.60%	41.91%	42.40%	43.04%	
Break Even Sales (Tk.)	14,198,642	14,518,800	14,536,761	14,639,092	14,794,016	
Pay Back Period (Years)	2.73					
Discounted Pay Back Period (Years)	2.68					
Debt Equity Ratio	76.88%		23.12%			
Project Loan Period	7 Years including 18 months moratorium period					
Interest Rate of Project Loan	8.00% for Project loan and Short-Term Loan					
Mode of Loan Re-payment	Equal Quarterly Instalment (EQI)					
Internal Rate of return (IRR) - %	44.96%					
Debt Service Coverage Ratio (Times)	1.86	1.91	1.99	2.06	2.11	
GDP Contribution based on 3rd year	623,259					

### 9.3 Estimated Project Cost

<b>Julfikar Steel Re-Rolling Mills Ltd.</b> (D-Form Bar/MS Steel Manufacturing Project) <b>Estimated Cost</b>						
Fig in Tk. '000'						
SL #	Particulars	Existing Project Cost	Cost Involvement for Expansion Plan			Total Project Cost
			Imported	Local	Total	
01	Land and Land Development	-	-	-	-	-
02	Factory Buildings and Shed	530,428	-	-	-	530,428
03	Other Civils Cost( Boundary Wall, Internal Road, Drainage and sewerage, Security Room, Main Gate and others Civil works)	-	-	10,000	10,000	10,000
04	Plant Machinery and Equipment(Imported)	1,326,432	503,953	-	503,953	1,830,385
05	Plant Machinery and Equipment( Local)	-	-	40,000	40,000	40,000
06	Furniture-fixture & Equipment (Head office and Factory)	10,016	-	5,000	5,000	15,016
07	Sub Station, Electrical Equipments and Wiring (Factory)	-	-	5,000	5,000	5,000
08	Diesel Generator(Existing: 15 KVA and For Expansion: 500 KVA)	-	-	4,000	4,000	4,000
09	Vehicles( for Expansion: Two (02)- 4 MT Capacity Truck and Four(04)- 12 Wheel Trailers)	31,400	-	25,200	25,200	56,600
10	Fire Alarm, Fire Door, Fire Fighting and Security Device and Equipment	-	-	5,000	5,000	5,000
11	Machinery erection & installation	-	-	-	-	-
12	Preliminary expenses & Consultancy fees	-	-	-	-	-
13	Contingency for Machinery and Equipments- 5%	-	25,198	2,500	27,698	27,698
14	Contingency for Civils Construction -5%	-	-	500	500	500
15	<b>TOTAL FIXED COST (EXCEPT IDCP)</b>	<b>1,898,276</b>	<b>529,151</b>	<b>97,200</b>	<b>626,351</b>	<b>2,524,627</b>
16	Initial Working Capital	2,290,019	-	-	1,041,911	3,331,931
17	IDCP(18 month grace period with at 8.00% interest rate)	-	-	-	57,787	57,787
	<b>TOTAL PROJECT COST</b>	<b>4,188,295</b>			<b>1,726,049</b>	<b>5,914,344</b>

<b>Means of Finance</b>		Existing Position	Fund Requirement for Expansion		Grand Total
	Sponsor's Equity	15,000	23.12%	144,793	159,793
	Long Term Loan	502,929	76.88%	<b>481,558</b>	<b>984,487</b>
	IDCP	-	-	57,787	57,787
	Retained Earnings	453,501	-	-	453,501
	Share Money Deposit/Vendor Agreement	1,355,079	-	-	1,355,079
	Tax Holiday Reserve	-	-	-	-
	Revaluation Reserve	445,755	-	-	445,755
	General Reserve	-	-	-	-
	Working Capital , Equity	-	20.00%	208,382	208,382
	Working Capital , Short Term Loan	1,416,031	80.00%	<b>833,529</b>	<b>2,249,560</b>
	<b>TOTAL</b>	<b>4,188,295</b>		<b>1,726,049</b>	<b>5,914,344</b>

### 9.4 Debt-Equity Ratio Analysis- Long Term Finance

**Julfikar Steel Re-Rolling Mills Ltd.**  
**(D-Form Bar/MS Steel Manufacturing Project)**  
**Debt-Equity Ratio Analysis**

Fig in Tk. '000'

Sl #	Particulars	Existing Project Cost	Cost Involvement for BMRE	Contribution for Expansion/BMRE		Debt			Equity			After Expansion Debt-Equity Ratio		
				Financial Institutions	Equity	Imported	Local	Total	Imported	Local	Total	Total Debt	Total Equity	
01	Land and Land Development	-	-	0%	100%	-	-	-	-	-	-	-	-	530,428
02	Factory Buildings and Shed	530,428	-	0%	100%	-	-	-	-	-	-	-	-	-
03	Other Civils Cost( Boundary Wall, Internal Road, Drainage and sewerage, Security Room, Main Gate and others Civil works)	-	10,000	0%	100%	-	-	-	-	-	-	-	-	10,000
04	Plant Machinery and Equipment(Imported)	1,326,432	503,953	90%	10%	453,558	-	453,558	-	50,395	-	50,395	453,558	1,376,827
05	Plant Machinery and Equipment( Local)	-	40,000	70%	30%	28,000	28,000	-	12,000	-	12,000	-	28,000	12,000
06	Furniture-fixture & Equipment (Head office and Factory)	10,016	5,000	0%	100%	-	-	-	5,000	-	5,000	-	-	15,016
07	Electrical Equipments and Wiring (Factory)	-	5,000	0%	100%	-	-	-	5,000	-	5,000	-	-	5,000
08	Diesel Generator(Existing: 15 KVA and For Expansion: 500 KVA)	-	4,000	0%	100%	-	-	-	4,000	-	4,000	-	-	4,000
09	Vehicles( for Expansion: Two (02)- 4 MT Capacity Truck) and Four(04)- 12 Wheel Trailers)	31,400	25,200	0%	100%	-	-	-	25,200	-	25,200	-	-	56,600
10	Fire Alarm, Fire Door, Fire Fighting and Security Device and Equipment	-	5,000	0%	100%	-	-	-	5,000	-	5,000	-	-	5,000
11	Machinery erection & installation	-	-	0%	100%	-	-	-	-	-	-	-	-	-
12	Preliminary expenses & Consultancy fees	-	-	0%	100%	-	-	-	-	-	-	-	-	-
13	Contingency for Machinery and Equipments- 5%	-	27,698	0%	100%	-	-	-	27,698	-	27,698	-	-	27,698
14	Contingency for Civils Construction -5%	-	500	0%	100%	-	-	-	500	-	500	-	-	500
15	Less: Existing Long Term Loan	-	-	-	-	-	-	-	-	-	-	-	502,929	-
	<b>Total</b>	<b>1,898,276</b>	<b>626,351</b>			<b>453,558</b>	<b>28,000</b>	<b>481,558</b>	<b>50,395</b>	<b>94,398</b>	<b>144,793</b>	<b>984,487</b>	<b>1,540,140</b>	<b>61.00%</b>
								<b>76.88%</b>			<b>23.12%</b>		<b>61.00%</b>	

## 9.5 Projected Balance Sheet

<b>Julfikar Steel Re-Rolling Mills Ltd.</b>						
<b>(D-Form Bar/MS Steel Manufacturing Project)</b>						
<b>Projected Balance Sheet</b>						
<b>Fig. in Taka '000'</b>						
<b>Particulars</b>	<b>0 Year</b>	<b>Year-1</b>	<b>Year-2</b>	<b>Year-3</b>	<b>Year-4</b>	<b>Year-5</b>
<b>Fixed Assets</b>						
Fixed Assets (Net)	2,524,627	2,290,649	2,056,671	1,822,693	1,588,715	1,354,737
Preliminary & Pre-Operating Expenses	-	-	-	-	-	-
Interest During Construction Period (IDCP)	57,787	46,230	34,672	23,115	11,557	-
Revaluation Reserve/Surplus	-	-	-	-	-	-
Investment	-	-	-	-	-	-
<b>Sub Total</b>	<b>2,582,414</b>	<b>2,336,878</b>	<b>2,091,343</b>	<b>1,845,808</b>	<b>1,600,273</b>	<b>1,354,737</b>
<b>Current Assets</b>						
Cash & Bank Balance	465,826	3,088,454	3,877,410	4,736,661	5,657,754	6,637,170
Closing Stock/Inventory						
Raw Materials	2,049,211	4,536,000	4,599,000	4,662,000	4,725,000	4,788,000
Finished Goods	-	1,147,498	1,187,822	1,251,805	1,316,367	1,380,966
Work-in- Process(W.I.P)	-	529,200	536,550	565,950	595,350	624,750
Advance Salaries & Wages	-	23,642	24,954	27,535	30,303	33,273
Advance , Deposits and PrePayment	21,757	21,757	21,757	21,757	21,757	21,757
Trade Receivables	105,896	555,016	599,859	632,341	665,277	698,238
<b>Total Current Assets</b>	<b>2,642,691</b>	<b>9,901,567</b>	<b>10,847,352</b>	<b>11,898,048</b>	<b>13,011,809</b>	<b>14,184,154</b>
<b>Total Assets</b>	<b>5,225,104</b>	<b>12,238,446</b>	<b>12,938,695</b>	<b>13,743,856</b>	<b>14,612,082</b>	<b>15,538,892</b>
<b>Liability &amp; Owner's Equity</b>						
<b>Current Liabilities</b>						
Short Term Loan-New( As Working Capital)	-	5,227,930	5,347,473	5,494,708	5,642,917	5,791,335
Short Term Loan-Existing( As Working Capital)	1,416,031	1,416,031	1,416,031	1,416,031	1,416,031	1,416,031
Accounts Payable	146,287	277,200	284,550	291,900	299,250	306,600
Accrued expenses	206,384	-	-	-	-	-
Liabilities for Income tax	-	1,000	1,050	1,103	1,158	1,216
<b>Total Current Liabilities</b>	<b>1,768,702</b>	<b>6,922,161</b>	<b>7,049,104</b>	<b>7,203,741</b>	<b>7,359,356</b>	<b>7,515,181</b>
<b>Long Term Liabilities</b>						
Long Term Loan (Existing)	502,929	417,616	325,271	225,313	117,116	-
Long Term Loan (Including IDCP)	539,345	539,345	479,348	414,405	344,109	268,018
<b>Total Liabilities</b>	<b>2,810,976</b>	<b>7,879,122</b>	<b>7,853,723</b>	<b>7,843,459</b>	<b>7,820,581</b>	<b>7,783,199</b>
<b>Owners Equity</b>						
Sponsor's Equity	159,793	159,793	159,793	159,793	159,793	159,793
Share Capital-Working Capital	-	1,306,983	1,336,868	1,373,677	1,410,729	1,447,834
Retained Earning	453,501	1,011,937	1,620,730	2,302,019	3,049,314	3,860,516
Share Money Deposit	1,355,079	1,355,079	1,355,079	1,355,079	1,355,079	1,355,079
Revaluation Reserve	445,755	445,755	445,755	445,755	445,755	445,755
General Reserve	-	79,777	166,747	264,074	370,830	486,716
Tax-Holiday Reserve	-	-	-	-	-	-
<b>Total Owner's Equity</b>	<b>2,414,128</b>	<b>4,359,323</b>	<b>5,084,972</b>	<b>5,900,397</b>	<b>6,791,501</b>	<b>7,755,693</b>
<b>Total Liability &amp; Owner's Equity</b>	<b>5,225,104</b>	<b>12,238,446</b>	<b>12,938,695</b>	<b>13,743,856</b>	<b>14,612,082</b>	<b>15,538,892</b>

SAMPLE

## 9.6 Projected Income Statement

<b>Julfikar Steel Re-Rolling Mills Ltd.</b>					
(D-Form Bar/MS Steel Manufacturing Project)					
<b>Projected Income Statement</b>					
Fig. In Taka '000'					
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
<b>Sales Revenue</b>	<b>26,640,763</b>	<b>28,793,225</b>	<b>30,352,366</b>	<b>31,933,304</b>	<b>33,515,412</b>
<b>Cost of Goods Sold</b>	24,556,464	26,566,888	27,976,438	29,422,058	30,869,034
<b>Gross Profit</b>	<b>2,084,299</b>	<b>2,226,337</b>	<b>2,375,927</b>	<b>2,511,246</b>	<b>2,646,378</b>
<b>Operating Expenses</b>					
Salary and Wages	41,368	44,630	49,597	54,933	60,665
Head Office Rent and others	13,320	14,397	15,176	15,967	16,758
Office Stationery	6,660	7,198	7,588	7,983	8,379
Fuel of Vehicles	3,996	4,319	4,553	4,790	5,027
Travelling and Conveyance	1,332	1,440	1,518	1,597	1,676
Mobile and Telephone	1,332	1,440	1,518	1,597	1,676
Entertainment Expenses	533	576	607	639	670
Foreign Tour	266	288	304	319	335
Miscellaneous Expenses	13,320	14,397	15,176	15,967	16,758
<b>Total Operating Expenses</b>	<b>82,128</b>	<b>88,683</b>	<b>96,036</b>	<b>103,791</b>	<b>111,944</b>
<b>Total Operating Income</b>	<b>2,002,171</b>	<b>2,137,653</b>	<b>2,279,891</b>	<b>2,407,455</b>	<b>2,534,434</b>
<b>Other Income / Expenses</b>					
Financial Interest	903,687	897,272	891,685	884,668	881,350
Other Expenses	-	-	-	-	-
Other Income	1,882	2,053	2,180	2,305	2,430
<b>Net Income Before Taxes</b>	<b>1,100,366</b>	<b>1,242,434</b>	<b>1,390,386</b>	<b>1,525,092</b>	<b>1,655,514</b>
Provision for Income Tax /VAT(27.5% on Net Profit)	302,601	372,730	417,116	457,528	496,654
Tax exemption	-	-	-	-	-
<b>Net Income after Tax</b>	<b>797,765</b>	<b>869,704</b>	<b>973,270</b>	<b>1,067,565</b>	<b>1,158,860</b>
<b>Appropriation</b>					
Retained Earnings at beginning of the period	-	558,436	1,167,229	1,848,518	2,595,813
Net Income During The Period	797,765	869,704	973,270	1,067,565	1,158,860
Transfer to General Reserve(10%)	79,777	86,970	97,327	106,756	115,886
Dividend Declaration(20%)	159,553	173,941	194,654	213,513	231,772
Retained Earnings at End of the period	558,436	1,167,229	1,848,518	2,595,813	3,407,014
<b>Ratios :</b>					
Gross Income to sales	7.82%	7.73%	7.83%	7.86%	7.90%
Operating Income to sales	7.52%	7.42%	7.51%	7.54%	7.56%
Net Income after Tax to sales	2.99%	3.02%	3.21%	3.34%	3.46%
Debt Service Coverage Ratio	1.86	1.91	1.99	2.06	2.11

9.6 (a) Projected Income Statement

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Projected Income Statement Sensitivity Analysis based on 5% decrease of sales price					
Fig. in Taka '000'					
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
<b>Sales Revenue</b>	<b>25,308,725</b>	<b>27,353,564</b>	<b>28,834,747</b>	<b>30,336,639</b>	<b>31,839,641</b>
<b>Cost of Goods Sold</b>	24,556,464	26,566,888	27,976,438	29,422,058	30,869,034
<b>Gross Profit</b>	<b>752,261</b>	<b>786,675</b>	<b>858,309</b>	<b>914,581</b>	<b>970,607</b>
<b>Operating Expenses</b>					
Salary and Wages	41,368	44,630	49,597	54,933	60,665
Head Office Rent and others	13,320	14,397	15,176	15,967	16,758
Office Stationery	6,660	7,198	7,588	7,983	8,379
Fuel of Vehicles	3,996	4,319	4,553	4,790	5,027
Travelling and Conveyance	1,332	1,440	1,518	1,597	1,676
Mobile and Telephone	1,332	1,440	1,518	1,597	1,676
Entertainment Expenses	533	576	607	639	670
Foreign Tour	266	288	304	319	335
Miscellaneous Expenses	266	288	304	319	335
<b>Total Operating Expenses</b>	<b>69,074</b>	<b>74,575</b>	<b>81,163</b>	<b>88,144</b>	<b>95,522</b>
<b>Total Operating Income</b>	<b>683,186</b>	<b>712,101</b>	<b>777,146</b>	<b>826,437</b>	<b>875,086</b>
<b>Other Income / Expenses</b>					
Financial Interest	903,687	897,272	891,685	884,668	881,350
Other Expenses	-	-	-	-	-
Other Income	1,882	2,053	2,180	2,305	2,430
<b>Net Income Before Taxes</b>	<b>(218,618)</b>	<b>(183,118)</b>	<b>(112,360)</b>	<b>(55,926)</b>	<b>(3,834)</b>
Provision for Income Tax /VAT(27.5% on Net Profit)	(60,120)	(50,358)	(30,899)	(15,380)	(1,054)
Tax exemption	-	-	-	-	-
<b>Net Income after Tax</b>	<b>(158,498)</b>	<b>(132,761)</b>	<b>(81,461)</b>	<b>(40,546)</b>	<b>(2,780)</b>
<b>Appropriation</b>					
Retained Earnings at beginning of the period	-	(110,949)	(203,881)	(260,904)	(289,286)
Net Income During The Period	(158,498)	(132,761)	(81,461)	(40,546)	(2,780)
Transfer to General Reserve(10%)	(15,850)	(13,276)	(8,146)	(4,055)	(278)
Dividend Declaration(20%)	(31,700)	(26,552)	(16,292)	(8,109)	(556)
Retained Earnings at End of the period	(110,949)	(203,881)	(260,904)	(289,286)	(291,232)
<b>Ratios :</b>					
Gross Income to sales	2.97%	2.88%	2.98%	3.01%	3.05%
Operating Income to sales	2.70%	2.60%	2.70%	2.72%	2.75%
Net Income after Tax to sales	-0.63%	-0.49%	-0.28%	-0.13%	-0.01%
Debt Service Coverage Ratio	0.94	0.96	0.99	1.02	1.04

9.6 (b) Projected Income Statement

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Projected Income Statement Sensitivity Analysis based on 5% increase of raw material cost.					
Fig. in Taka '000'					
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
<b>Sales Revenue</b>	<b>26,640,763</b>	<b>28,793,225</b>	<b>30,352,366</b>	<b>31,933,304</b>	<b>33,515,412</b>
<b>Cost of Goods Sold</b>	<b>25,744,566</b>	<b>27,852,288</b>	<b>29,330,148</b>	<b>30,846,278</b>	<b>32,363,814</b>
<b>Gross Profit</b>	<b>896,198</b>	<b>940,936</b>	<b>1,022,218</b>	<b>1,087,026</b>	<b>1,151,598</b>
<b>Operating Expenses</b>					
Salary and Wages	41,368	44,630	49,597	54,933	60,665
Head Office Rent and others	13,320	14,397	15,176	15,967	16,758
Office Stationery	6,660	7,198	7,588	7,983	8,379
Fuel of Vehicles	3,996	4,319	4,553	4,790	5,027
Travelling and Conveyance	1,332	1,440	1,518	1,597	1,676
Mobile and Telephone	1,332	1,440	1,518	1,597	1,676
Entertainment Expenses	533	576	607	639	670
Foreign Tour	266	288	304	319	335
Miscellaneous Expenses	13,320	14,397	15,176	15,967	16,758
<b>Total Operating Expenses</b>	<b>82,128</b>	<b>88,683</b>	<b>96,036</b>	<b>103,791</b>	<b>111,944</b>
<b>Total Operating Income</b>	<b>814,069</b>	<b>852,253</b>	<b>926,182</b>	<b>983,235</b>	<b>1,039,654</b>
<b>Other Income / Expenses</b>					
Financial Interest	903,687	897,272	891,685	884,668	881,350
Other Expenses					
Other Income	1,882	2,053	2,180	2,305	2,430
<b>Net Income Before Taxes</b>	<b>(87,735)</b>	<b>(42,966)</b>	<b>36,676</b>	<b>100,872</b>	<b>160,734</b>
Provision for Income Tax /VAT(27.5% on Net Profit)	(24,127)	(11,816)	10,086	27,740	44,202
Tax exemption	-	-	-	-	-
<b>Net Income after Tax</b>	<b>(63,608)</b>	<b>(31,150)</b>	<b>26,590</b>	<b>73,132</b>	<b>116,532</b>
<b>Appropriation</b>					
Retained Earnings at beginning of the period	-	(44,526)	(66,331)	(47,718)	3,475
Net Income During The Period	(63,608)	(31,150)	26,590	73,132	116,532
Transfer to General Reserve(10%)	(6,361)	(3,115)	2,659	7,313	11,653
Dividend Declaration(20%)	(12,722)	(6,230)	5,318	14,626	23,306
Retained Earnings at End of the period	(44,526)	(66,331)	(47,718)	3,475	85,048
<b>Ratios :</b>					
Gross Income to sales	3.36%	3.27%	3.37%	3.40%	3.44%
Operating Income to sales	3.06%	2.96%	3.05%	3.08%	3.10%
Net Income after Tax to sales	-0.24%	-0.11%	0.09%	0.23%	0.35%
Debt Service Coverage Ratio	1.03	1.05	1.10	1.13	1.15

9.6 (c) Projected Income Statement

<b>Julfikar Steel Re-Rolling Mills Ltd.</b>					
<b>(D-Form Bar/MS Steel Manufacturing Project)</b>					
Projected Income Statement					
(Sensitivity Analysis based on 5% decrease of sales price and 5% increase of raw material cost)					
Fig. in Taka '000'					
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
<b>Sales Revenue</b>	<b>25,308,725</b>	<b>27,353,564</b>	<b>28,834,747</b>	<b>30,336,639</b>	<b>31,839,641</b>
<b>Cost of Goods Sold</b>	<b>25,744,566</b>	<b>27,852,288</b>	<b>29,330,148</b>	<b>30,846,278</b>	<b>32,363,814</b>
<b>Gross Profit</b>	<b>(435,841)</b>	<b>(498,725)</b>	<b>(495,400)</b>	<b>(509,639)</b>	<b>(524,173)</b>
<b>Operating Expenses</b>					
Salary and Wages	41,368	44,630	49,597	54,933	60,665
Head Office Rent and others	13,320	14,397	15,176	15,967	16,758
Office Stationery	6,660	7,198	7,588	7,983	8,379
Fuel of Vehicles	3,996	4,319	4,553	4,790	5,027
Travelling and Conveyance	1,332	1,440	1,518	1,597	1,676
Mobile and Telephone	1,332	1,440	1,518	1,597	1,676
Entertainment Expenses	533	576	607	639	670
Foreign Tour	266	288	304	319	335
Miscellaneous Expenses	13,320	14,397	15,176	15,967	16,758
<b>Total Operating Expenses</b>	<b>82,128</b>	<b>88,683</b>	<b>96,036</b>	<b>103,791</b>	<b>111,944</b>
<b>Total Operating Income</b>	<b>(517,969)</b>	<b>(587,408)</b>	<b>(591,436)</b>	<b>(613,430)</b>	<b>(636,117)</b>
<b>Other Income / Expenses</b>					
Financial Interest	903,687	897,272	891,685	884,668	881,350
Other Expenses					
Other Income	1,882	2,053	2,180	2,305	2,430
<b>Net Income Before Taxes</b>	<b>(1,419,774)</b>	<b>(1,482,627)</b>	<b>(1,480,942)</b>	<b>(1,495,793)</b>	<b>(1,515,037)</b>
Provision for Income Tax /VAT(27.5% on Net Profit)	(390,438)	(407,722)	(407,259)	(411,343)	(416,635)
Tax exemption	-	-	-	-	-
<b>Net Income after Tax</b>	<b>(1,029,336)</b>	<b>(1,074,905)</b>	<b>(1,073,683)</b>	<b>(1,084,450)</b>	<b>(1,098,402)</b>
<b>Appropriation</b>					
Retained Earnings at beginning of the period	-	(720,535)	(1,472,968)	(2,224,546)	(2,983,661)
Net Income During The Period	(1,029,336)	(1,074,905)	(1,073,683)	(1,084,450)	(1,098,402)
Transfer to General Reserve(10%)	(102,934)	(107,490)	(107,368)	(108,445)	(109,840)
Dividend Declaration(20%)	(205,867)	(214,981)	(214,737)	(216,890)	(219,680)
Retained Earnings at End of the period	(720,535)	(1,472,968)	(2,224,546)	(2,983,661)	(3,752,542)
<b>Ratios :</b>					
Gross Income to sales	-1.72%	-1.82%	-1.72%	-1.68%	-1.65%
Operating Income to sales	-2.05%	-2.15%	-2.05%	-2.02%	-2.00%
Net Income after Tax to sales	-4.07%	-3.93%	-3.72%	-3.57%	-3.45%
Debt Service Coverage Ratio	0.11	0.06	0.06	0.04	0.03

9.6 (d) Sensitivity Analysis

Particulars	With Rate of Interest of 8% and other things remain constant	With Rate of Interest-8% and		
		If 5% decrease of sales price	If 5% increase of raw material cost	If 5% decrease of sales price and 5% increase of raw material cost
Gross Profit to Sales	7.83%	2.98%	3.37%	-1.72%
Operating Income to sales	7.51%	2.69%	3.05%	-2.05%
Net Income to Sales	3.20%	-0.31%	0.06%	-3.75%
Debt Service Coverage Ratio (Times)	1.98	0.99	1.09	0.06
Internal Rate of Return (IRR)	44.96%	-2.72%	4.10%	
Return on Investment (ROI)	13.52%	5.86%	6.64%	-1.30%
Return on Equity (ROE)	16.51%	-1.65%	0.19%	-18.62%
Break Even % on Utilized Capacity	48.32%	108.08%	97.03%	-81.87%
Break Even % on Attainable Capacity	42.32%	94.67%	84.88%	-58.24%
Payback Period (PB)(Yrs)	2.73	11.06	8.46	24.60
Discounted Payback Period (DPB)(Yrs)	2.68	16.66	12.03	33.24
Net Present Value (NPV)-BDT in mln	6,112.03	(1,241.28)	(490.45)	(8,142.35)

SAMPLE RE

## 9.7 Projected Cost of Goods Sold-Consolidated

<b>Julfikar Steel Re-Rolling Mills Ltd.</b>					
(D-Form Bar/MS Steel Manufacturing Project)					
<b>Projected Cost of Goods Sold</b>					
(Consolidated)					
Fig. In Taka '000'					
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
<b>Average Capacity Utilization</b>	<b>80%</b>	<b>83%</b>	<b>88%</b>	<b>93%</b>	<b>98%</b>
Raw Materials Cost	25,401,600	25,754,400	27,165,600	28,576,800	29,988,000
Wastage Raw Materials Cost	-	-	-	-	-
Factory Salary and Wages	94,567	99,815	110,139	121,213	133,093
Factory Land Lease Rent	39,359	39,359	39,359	39,359	39,359
Electricity, Fuel and Other cost	299,061	301,731	317,752	333,773	349,794
Repair & Maintenance Expenses	19,837	29,755	39,674	39,674	39,674
Others Factory Overhead	133,204	143,966	151,762	159,667	167,577
Depreciation and Amortization Exps	245,535	245,535	245,535	245,535	245,535
<b>Total Production Cost</b>	<b>26,233,163</b>	<b>26,614,562</b>	<b>28,069,821</b>	<b>29,516,021</b>	<b>30,963,033</b>
Add: Opening Stock of W.I.P (For 7 days)	-	529,200	536,550	565,950	595,350
<b>Total Manufacturing Cost</b>	<b>26,233,163</b>	<b>27,143,762</b>	<b>28,606,371</b>	<b>30,081,971</b>	<b>31,558,383</b>
Less: Closing Stock of W.I.P(For 7 days)	529,200	536,550	565,950	595,350	624,750
<b>Total Cost of Goods Manufactured</b>	<b>25,703,963</b>	<b>26,607,212</b>	<b>28,040,421</b>	<b>29,486,621</b>	<b>30,933,633</b>
Add: Opening Stock of Finished Goods (For 15 days)	-	1,147,498	1,187,822	1,251,805	1,316,367
<b>Total Goods Available for sales</b>	<b>25,703,963</b>	<b>27,754,710</b>	<b>29,228,243</b>	<b>30,738,425</b>	<b>32,250,000</b>
Less: Closing Stock of Finished Goods (For 15 days)	1,147,498	1,187,822	1,251,805	1,316,367	1,380,966
<b>Total Cost of Goods Sold</b>	<b>24,556,464</b>	<b>26,566,888</b>	<b>27,976,438</b>	<b>29,422,058</b>	<b>30,869,034</b>

SAMPLE REPORT

9.7 (a) Projected Cost of Goods Sold-Existing

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Projected Cost of Goods Sold ( For Existing)						
Fig. In Taka '000'						
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5	
<b>Capacity Utilization</b>	<b>100%</b>	<b>100%</b>	<b>105%</b>	<b>110%</b>	<b>115%</b>	
Raw Materials Cost	21,168,000	21,168,000	22,226,400	23,284,800	24,343,200	
Wastage Raw Materials Cost	-	-	-	-	-	
Factory Salary and Wages	84,435	88,332	97,181	106,667	116,838	
Factory Land Lease Rent	39,359	39,359	39,359	39,359	39,359	
Electricity, Fuel and Other cost	267,019	267,019	280,369	293,720	307,071	
Repair & Maintenance Expenses	14,915	22,373	29,831	29,831	29,831	
Others Factory Overhead	111,003	118,462	124,212	130,136	136,068	
Depreciation and Amortization Exps	184,619	184,619	184,619	184,619	184,619	
<b>Total Production Cost</b>	<b>21,869,350</b>	<b>21,888,163</b>	<b>22,981,971</b>	<b>24,069,132</b>	<b>25,156,986</b>	
Add: Opening Stock of W.I.P (For 7 days)	-	441,000	441,000	463,050	485,100	
<b>Total Manufacturing Cost</b>	<b>21,869,350</b>	<b>22,329,163</b>	<b>23,422,971</b>	<b>24,532,182</b>	<b>25,642,086</b>	
Less: Closing Stock of W.I.P(For 7 days)	441,000	441,000	463,050	485,100	507,150	
<b>Total Cost of Goods Manufactured</b>	<b>21,428,350</b>	<b>21,888,163</b>	<b>22,959,921</b>	<b>24,047,082</b>	<b>25,134,936</b>	
Add: Opening Stock of Finished Goods (For 15 days)	-	956,623	977,150	1,024,996	1,073,530	
<b>Total Goods Available for sales</b>	<b>21,428,350</b>	<b>22,844,786</b>	<b>23,937,071</b>	<b>25,072,078</b>	<b>26,208,466</b>	
Less: Closing Stock of Finished Goods (For 15 days)	956,623	977,150	1,024,996	1,073,530	1,122,095	
<b>Total Cost of Goods Sold</b>	<b>20,471,727</b>	<b>21,867,636</b>	<b>22,912,075</b>	<b>23,998,548</b>	<b>25,086,371</b>	

SAMPLE RE

### 9.7 (b) Projected Cost of Goods Sold-Expansion

<b>Julfikar Steel Re-Rolling Mills Ltd.</b>						
(D-Form Bar/MS Steel Manufacturing Project)						
Projected Cost of Goods Sold						
(For Expansion)						
Fig. in Taka '000'						
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5	
<b>Capacity Utilization</b>	<b>60%</b>	<b>65%</b>	<b>70%</b>	<b>75%</b>	<b>80%</b>	
Raw Materials Cost	4,233,600	4,586,400	4,939,200	5,292,000	5,644,800	
Wastage Raw Materials Cost	-	-	-	-	-	
Factory Salary and Wages	10,132	11,483	12,958	14,546	16,256	
Factory Land Lease Rent	-	-	-	-	-	
Electricity, Fuel and Other cost	32,042	34,712	37,383	40,053	42,723	
Repair & Maintenance Expenses	4,921	7,382	9,843	9,843	9,843	
Others Factory Overhead	22,201	25,504	27,550	29,531	31,509	
Depreciation and Amortization Exps	60,916	60,916	60,916	60,916	60,916	
<b>Total Production Cost</b>	<b>4,363,813</b>	<b>4,726,399</b>	<b>5,087,850</b>	<b>5,446,889</b>	<b>5,806,047</b>	
Add: Opening Stock of W.I.P (For 7 days)	-	88,200	95,550	102,900	110,250	
<b>Total Manufacturing Cost</b>	<b>4,363,813</b>	<b>4,814,599</b>	<b>5,183,400</b>	<b>5,549,789</b>	<b>5,916,297</b>	
Less: Closing Stock of W.I.P(For 7 days)	88,200	95,550	102,900	110,250	117,600	
<b>Total Cost of Goods Manufactured</b>	<b>4,275,613</b>	<b>4,719,049</b>	<b>5,080,500</b>	<b>5,439,539</b>	<b>5,798,697</b>	
Add: Opening Stock of Finished Goods (For 15 days)	-	190,876	210,672	226,808	242,837	
<b>Total Goods Available for sales</b>	<b>4,275,613</b>	<b>4,909,924</b>	<b>5,291,171</b>	<b>5,666,347</b>	<b>6,041,533</b>	
Less: Closing Stock of Finished Goods (For 15 days)	190,876	210,672	226,808	242,837	258,870	
<b>Total Cost of Goods Sold</b>	<b>4,084,737</b>	<b>4,699,252</b>	<b>5,064,363</b>	<b>5,423,510</b>	<b>5,782,663</b>	

SAMPLE REPORT

## 9.8 Projected Cash Flow Statement

<b>Julfikar Steel Re-Rolling Mills Ltd.</b> (D-Form Bar/MS Steel Manufacturing Project) Projected Cash Flow Statement						
Fig. in Taka '000'						
Particulars	0 Year	Year-1	Year-2	Year-3	Year-4	Year-5
<b>A. Cash Flows from Operating Activities</b>						
Net Income after Tax		797,765	869,704	973,270	1,067,565	1,158,860
Add : Non cash Expenses						
Depreciation & Amortization		245,535	245,535	245,535	245,535	245,535
Increase in Working Capital	(1,824,193)	(4,710,720)	(149,429)	(184,043)	(185,262)	(185,522)
<b>Net Cash Flows from operating Activities</b>	<b>(1,824,193)</b>	<b>(3,667,419)</b>	<b>965,811</b>	<b>1,034,762</b>	<b>1,127,838</b>	<b>1,218,873</b>
<b>B. Cash Flow from Investing Activities</b>						
Acquisition of Fixed assets	(2,582,414)	-	-	-	-	-
Investment in FDR	-	-	-	-	-	-
<b>Net Cash Flows from Investing Activities</b>	<b>(2,582,414)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C. Cash Flows From Financing Activities</b>						
Shareholders Equity	613,294	-	-	-	-	-
Dividend Paid	-	(159,553)	(173,941)	(194,654)	(213,513)	(231,772)
Tax Holiday Reserve	-	-	-	-	-	-
Share Money Deposit	1,355,079	-	-	-	-	-
General Reserve	-	-	-	-	-	-
Revaluation Reserve	445,755	-	-	-	-	-
Long Term Loan (Existing)	502,929	-	-	-	-	-
Long Term Loan received from Bank (Including IDCP)	539,345	-	-	-	-	-
Working Capital- Equity	-	1,306,983	29,886	36,809	37,052	37,104
Short Term Loan-New (Working Capital)	-	5,227,930	119,543	147,234	148,210	148,417
Short Term Loan-Exisitng(Working Capital)	1,416,031	-	-	-	-	-
Re-payment of Long Term Loan(Existing)	-	(85,313)	(92,345)	(99,957)	(108,197)	(117,116)
Re-payment of Long Term Loan(New)	-	-	(59,997)	(64,943)	(70,296)	(76,091)
<b>Net Cash Flows from Financing Activities</b>	<b>4,872,433</b>	<b>6,290,047</b>	<b>(176,855)</b>	<b>(175,511)</b>	<b>(206,744)</b>	<b>(239,457)</b>
Increase / Decrease of Cash & Cash Equivalent during the period	465,826	2,622,628	788,956	859,251	921,093	979,416
Cash & Cash Equivalent at the beginning of the period	-	465,826	3,088,454	3,877,410	4,736,661	5,657,754
Cash & Cash Equivalent at the End of the period	465,826	3,088,454	3,877,410	4,736,661	5,657,754	6,637,170

SAMPLE

## 9.9 Assessment of Working Capital-Consolidated

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Assessment of Working Capital								
Fig. In Taka '000'								
Particulars	Tied up Period	0 Year	Year-1	Year-2	Year-3	Year-4	Year-5	
Average Capacity Utilization			80%	83%	88%	93%	98%	
<b>Current Operating Assets</b>								
Raw Materials	60 days on Raw Materials	2,049,211	4,536,000	4,599,000	4,662,000	4,725,000	4,788,000	
Closing Stock/Inventory		-	-	-	-	-	-	
Finished Goods	15 days	-	1,147,498	1,187,822	1,251,805	1,316,367	1,380,966	
Work-in- Process(W.I.P)	7 days	-	529,200	536,550	565,950	595,350	624,750	
Advance Salaries & Wages	90 days/ 3 Months Salary	-	23,642	24,954	27,535	30,303	33,273	
Advance , Deposits and PrePayment		21,757	21,757	21,757	21,757	21,757	21,757	
Trade Receivables	7 days on net sales	105,896	555,016	599,859	632,341	665,277	698,238	
<b>Total Current Operating Assets</b>		<b>2,176,865</b>	<b>6,813,113</b>	<b>6,969,942</b>	<b>7,161,387</b>	<b>7,354,054</b>	<b>7,546,984</b>	
<b>Current Operating Liabilities</b>								
Accounts Payable	3 days on Raw Materials	146,287	277,200	284,550	291,900	299,250	306,600	
Accrued expenses		206,384	-	-	-	-	-	
Liabilities for Income tax		-	1,000	1,050	1,103	1,158	1,216	
<b>Total Current Operating Liabilities</b>		<b>352,671</b>	<b>278,200</b>	<b>285,600</b>	<b>293,003</b>	<b>300,408</b>	<b>307,816</b>	
<b>Net Working Capital Requirement</b>		<b>1,824,193</b>	<b>6,534,913</b>	<b>6,684,342</b>	<b>6,868,385</b>	<b>7,053,647</b>	<b>7,239,168</b>	
		<b>Contribution</b>	<b>%</b>	<b>Year-1</b>	<b>Year-2</b>	<b>Year-3</b>	<b>Year-4</b>	<b>Year-5</b>
		Short Term Loan from Banks	80.00%	5,227,930	5,347,473	5,494,708	5,642,917	5,791,335
		Equity Contribution	20.00%	1,306,983	1,336,868	1,373,677	1,410,729	1,447,834
		<b>Total</b>	<b>100.00%</b>	<b>6,534,913</b>	<b>6,684,342</b>	<b>6,868,385</b>	<b>7,053,647</b>	<b>7,239,168</b>

For existing & expansion operations of this project, JSRM has assessed the consolidated working capital requirement amounted to BDT 6,534.91 mln as funded and non-funded facilities by utilizing 80% average capacity in the first year in which JSRM requires BDT 5,227.93 mln as funded and non-funded facilities from banks/financial institutions.

Mentioned that, JSRM is already enjoying funded & non-funded facilities amounted BDT 2,030.00 mln from banks/financial institutions.

For smooth operation of the project, JSRM is expecting additional BDT 3,194.91 mln as working capital in the form of L/C Facilities and CC Hypo/Overdraft/Time Loan/Demand Loan facilities.

The working capital matrix has been illustrated in the beside table.

### Working Capital Requirement (Including Funded and Non-Funded)

**Grand Total : BDT 3,194.91 mln**

#### Existing Operations Funded

CC Hypo/OD : BDT 2,361.38 mln

#### Expansion Operations Non-Funded

L/C Facilities : BDT 500.00 mln

#### Funded

CC Hypo/OD : BDT 333.53 mln

### 9.9.1 Working Capital requirement from Existing Operations

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Assessment of Working Capital For Existing Operation							
Fig. in Taka '000'							
Particulars	Tied up Period	0 Year	Year-1	Year-2	Year-3	Year-4	Year-5
Capacity Utilization			100%	100.00%	100.00%	100.00%	100.00%
<b>Current Operating Assets</b>							
Raw Materials	60 days on Raw Materials	2,049,211	3,780,000	3,780,000	3,780,000	3,780,000	3,780,000
Closing Stock/Inventory							
Finished Goods	15 days		956,623	977,150	1,024,996	1,073,530	1,122,095
Work-in- Process(W.I.P)	7 days		441,000	441,000	463,050	485,100	507,150
Advance Salaries & Wages	90 days/ 3 Months Salary		21,109	22,083	24,295	26,667	29,209
Advance , Deposits and PrePayment		21,757	21,757	21,757	21,757	21,757	21,757
Trade Receivables	7 days on net sales	105,896	462,513	493,591	517,549	542,232	566,951
<b>Total Current Operating Assets</b>		<b>2,176,865</b>	<b>5,683,002</b>	<b>5,735,581</b>	<b>5,831,648</b>	<b>5,929,286</b>	<b>6,027,163</b>
<b>Current Operating Liabilities</b>							
Accounts Payable	3 days on Raw Materials	146,287	189,000	189,000	189,000	189,000	189,000
Accrued expenses		206,384					
Liabilities for Income tax		-	1,000	1,050	1,103	1,158	1,216
<b>Total Current Operating Liabilities</b>		<b>352,671</b>	<b>190,000</b>	<b>190,050</b>	<b>190,103</b>	<b>190,158</b>	<b>190,216</b>
<b>Net Working Capital Requirement</b>		<b>1,824,193</b>	<b>5,493,002</b>	<b>5,545,531</b>	<b>5,641,546</b>	<b>5,739,128</b>	<b>5,836,947</b>
<b>Working Capital Requirement as per year wise</b>		<b>%</b>	<b>Year-1</b>	<b>Year-2</b>	<b>Year-3</b>	<b>Year-4</b>	<b>Year-5</b>
Short Term Loan from Banks		80.00%	4,394,401	4,436,425	4,513,236	4,591,303	4,669,558
Equity Contribution		20.00%	1,098,600	1,109,106	1,128,309	1,147,826	1,167,389
<b>Total</b>		<b>100.00%</b>	<b>5,493,002</b>	<b>5,545,531</b>	<b>5,641,546</b>	<b>5,739,128</b>	<b>5,836,947</b>

For utilizing the production capacity 100% in the first year, JSRM has assessed the working capital requirement amounted to BDT 5,493.00 mln as funded and non-funded facilities for its existing operations.

Out of total working capital requirement, JSRM requires 80% which is BDT 4,394.40 mln as funded facilities from banks/financial institutions.

Mentioned that, JSRM is already enjoying funded & non-funded facilities amounted BDT 2,030.00 mln from banks/financial institutions.

For smooth operation of the project, JSRM is expecting additional BDT 2,361.38 mln as working capital in the form of CC Hypo/OD facilities.

#### Additional Working Capital Requirement (Including Funded and Non-Funded)

<b>Total</b>	<b>: BDT 2,361.38 mln</b>
<b>Funded</b>	<b>: BDT 2,361.38 mln</b>
CC Hypo/OD	<b>: BDT 2,361.38 mln</b>

## 9.9.2 Working Capital requirement from Expansion Operations

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Assessment of Working Capital For Expansion Operation							
Fig. in Taka '000'							
Particulars	Tied up Period	0 Year	Year-1	Year-2	Year-3	Year-4	Year-5
Capacity Utilization			60%	65%	70%	75%	80%
<b>Current Operating Assets</b>							
Raw Materials	60 days on Raw Materials		756,000	819,000	882,000	945,000	1,008,000
Closing Stock/Inventory							
Finished Goods	15 days		190,876	210,672	226,808	242,837	258,870
Work-in- Process(W.I.P)	7 days		88,200	95,550	102,900	110,250	117,600
Advance Salaries & Wages			2,533	2,871	3,239	3,636	4,064
Advance , Deposits and PrePayment	90 Days/ 3 Months Salary						
Trade Receivables	7 days on Net Sales		92,503	106,268	114,792	123,046	131,287
<b>Total Current Operating Assets</b>			<b>1,130,111</b>	<b>1,234,361</b>	<b>1,329,739</b>	<b>1,424,769</b>	<b>1,519,821</b>
<b>Current Operating Liabilities</b>							
Accounts Payable	3 days on Raw Materials		88,200	95,550	102,900	110,250	117,600
Accrued expenses							
Liabilities for Income tax							
<b>Total Current Operating Liabilities</b>			<b>88,200</b>	<b>95,550</b>	<b>102,900</b>	<b>110,250</b>	<b>117,600</b>
<b>Net Working Capital Requirement</b>			<b>1,041,911</b>	<b>1,138,811</b>	<b>1,226,839</b>	<b>1,314,519</b>	<b>1,402,221</b>
<b>Working Capital Requirement as per year wise</b>							
		%	Year-1	Year-2	Year-3	Year-4	Year-5
Short Term Loan from Banks		80.00%	833,529	911,048	981,471	1,051,615	1,121,777
Equity Contribution		20.00%	208,382	227,762	245,368	262,904	280,444
<b>Total</b>		<b>100.00%</b>	<b>1,041,911</b>	<b>1,138,811</b>	<b>1,226,839</b>	<b>1,314,519</b>	<b>1,402,221</b>

For expansion operations, JSRM has assessed the working capital requirement amounted to BDT 1,138.81 mln as funded and non-funded facilities by utilizing 60% capacity in the first year in which JSRM requires 833.53 mln as funded and non-funded facilities from banks/financial institutions.

The working capital facilities will include LC Facilities BDT 500.00 mln and CC Hypo/OD BDT 333.53 mln.

The working capital requirements for expansion plan has been illustrated in the beside table.

<b>Working Capital Requirement</b> (Including Funded and Non-Funded)	
<b>Total</b>	<b>: BDT 833.53 mln</b>
<b>Non-Funded L/C Facilities</b>	<b>: BDT 500.00 mln</b>
<b>Funded CC Hypo/OD</b>	<b>: BDT 333.53 mln</b>

### 9.9.3 Breakdown of Working Capital

Working Capital Facilities	Year-1	Year-2	Year-3	Year-4	Year-5
<b>Existing Facilities</b>					
<b>Non Funded Facilities</b>					
L/C Facilities	290,000	290,000	290,000	290,000	290,000
L/C Facilities-Additional	-	-	-	-	-
Bank Gaurantee	3,026	3,026	3,026	3,026	3,026
ABP	-	-	-	-	-
<b>Total Non Funded Facilities</b>	<b>293,026</b>	<b>293,026</b>	<b>293,026</b>	<b>293,026</b>	<b>293,026</b>
<b>Funded Facilities</b>					
IDBL/LDBP/Bills Discounting	-	-	-	-	-
PC limit	-	-	-	-	-
LATR Facilities	1,160,000	1,160,000	1,160,000	1,160,000	1,160,000
Time Loan-1(Duty/Vat-inner limit of LATR)	-	-	-	-	-
Time Loan-2(Local Procurement)/BALM	580,000	580,000	580,000	580,000	580,000
C Hypo/Overdraft/Demand Loan	2,361,376	2,403,399	2,480,211	2,558,277	2,636,532
<b>Total Funded Facilities</b>	<b>4,101,376</b>	<b>4,143,399</b>	<b>4,220,211</b>	<b>4,298,277</b>	<b>4,376,532</b>
<b>Total Facilities</b>	<b>4,394,401</b>	<b>4,436,425</b>	<b>4,513,236</b>	<b>4,591,303</b>	<b>4,669,558</b>
<b>New Short Term Loan Facilities</b>					
<b>Non Funded Facilities</b>					
L/C Facilities	500,000	550,000	605,000	665,500	665,500
Bank Gaurantee	-	-	-	-	-
ABP	-	-	-	-	-
<b>Total Non Funded Facilities</b>	<b>500,000</b>	<b>550,000</b>	<b>605,000</b>	<b>665,500</b>	<b>665,500</b>
<b>Funded Facilities</b>					
CC Hypo/Overdraft/Demand Loan	333,529	361,048	376,471	386,115	456,277
<b>Total Funded Facilities</b>	<b>333,529</b>	<b>361,048</b>	<b>376,471</b>	<b>386,115</b>	<b>456,277</b>
<b>Total Facilities</b>	<b>833,529</b>	<b>911,048</b>	<b>981,471</b>	<b>1,051,615</b>	<b>1,121,777</b>
<b>After BMRE/Expansion</b>					
<b>Total Working Capital Facilities Would be</b>					
<b>Non Funded Facilities</b>	<b>Year-1</b>	<b>Year-2</b>	<b>Year-3</b>	<b>Year-4</b>	<b>Year-5</b>
L/C Facilities	790,000	840,000	895,000	955,500	955,500
Bank Gaurantee	3,026	3,026	3,026	3,026	3,026
ABP	-	-	-	-	-
<b>Total Non Funded Facilities</b>	<b>793,026</b>	<b>843,026</b>	<b>898,026</b>	<b>958,526</b>	<b>958,526</b>
<b>Funded Facilities</b>					
IDBL/LDBP/Bills Discounting	-	-	-	-	-
PC limit	-	-	-	-	-
LATR Facilities	1,160,000	1,160,000	1,160,000	1,160,000	1,160,000
Time Loan-1(Duty/Vat-inner limit of LATR)	-	-	-	-	-
Time Loan-2(Local Procurement)/BALM	580,000	580,000	580,000	580,000	580,000
CC Hypo/Overdraft/Demand Loan	2,694,905	2,764,448	2,856,682	2,944,392	3,092,809
<b>Total Funded Facilities</b>	<b>4,434,905</b>	<b>4,504,448</b>	<b>4,596,682</b>	<b>4,684,392</b>	<b>4,832,809</b>
<b>Total Facilities</b>	<b>5,227,930</b>	<b>5,347,473</b>	<b>5,494,708</b>	<b>5,642,917</b>	<b>5,791,335</b>

### 9.9.4 Financial Expenses for Working Capital

Financial Expenses	Year-1	Year-2	Year-3	Year-4	Year-5
<b>For Long Term Loan</b>					
Existing	37,717	30,685	23,072	14,833	5,914
New	41,377	36,432	31,078	25,284	19,011
<b>For Short Term Loan</b>					
Existing	797,910	801,272	807,417	813,662	819,923
New	26,682	28,884	30,118	30,889	36,502
<b>Yearly Financial Expenses</b>	<b>903,687</b>	<b>897,272</b>	<b>891,685</b>	<b>884,668</b>	<b>881,350</b>
<b>Monthly Financial Expenses</b>	<b>75,307</b>	<b>74,773</b>	<b>74,307</b>	<b>73,722</b>	<b>73,446</b>

## 9.10 Human Resources, Administrative, Selling and Marketing Expenses

### 9.10.1 Manpower Requirement and their Base Salary

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Manpower Requirement And Base Salary								
SL. #	Designation	Salary/month	Salary/Yearly	No. of Employees		Total Salary/Yearly		Total Salary/Yearly(Existing and Expansion)
				Existing	Expansion	Existing	Expansion	
<b>A Production</b>								
01	General Manager-Factory Incharge	200,000	2,400,000	1	-	2,400,000	-	2,400,000
02	Production Dept.	45,000	540,000	92	35	49,680,000	18,900,000	68,580,000
03	Mechanical Engineers	30,000	360,000	2	1	720,000	360,000	1,080,000
04	Foreman	50,000	600,000	10	2	6,000,000	1,200,000	7,200,000
05	Executive-Quality Control	25,000	300,000	4	1	1,200,000	300,000	1,500,000
06	Mechanical Engineers	25,000	300,000	4	1	1,200,000	300,000	1,500,000
07	Assistant Engineers-Mechanicals	14,500	174,000	4	1	696,000	174,000	870,000
08	Finishing Manager	11,000	132,000	1	-	132,000	-	132,000
09	Finishing Supervisor	20,000	240,000	1	-	240,000	-	240,000
10	PLC (Electric)	15,000	180,000	1	-	180,000	-	180,000
11	IT Incharge	10,000	120,000	2	-	240,000	-	240,000
12	Time Recorder	20,000	240,000	4	-	960,000	-	960,000
13	Security Incharge	12,000	144,000	1	-	144,000	-	144,000
14	Security Guard	8,000	96,000	10	2	960,000	192,000	1,152,000
15	Driver	20,000	240,000	10	-	2,400,000	-	2,400,000
16	Peon	10,000	120,000	2	1	240,000	120,000	360,000
17	Cleaner	7,500	90,000	4	1	360,000	90,000	450,000
	<b>Total</b>			<b>153</b>	<b>45</b>	<b>67,752,000</b>	<b>21,636,000</b>	<b>89,388,000</b>
<b>B Electrical &amp; Utility :</b>								
01	Maintenance Incharge	30,000	360,000	1	0	360,000	-	360,000
02	Electrician	15,000	180,000	2	1	360,000	180,000	540,000
03	Generator Operator	15,000	180,000	3	1	540,000	180,000	720,000
	<b>Sub-Total</b>			<b>6</b>	<b>2</b>	<b>1,260,000</b>	<b>360,000</b>	<b>1,620,000</b>
<b>C Stores :</b>								
01	Manager	30,000	360,000	1	0	360,000	-	360,000
02	Store Assistant	15,000	180,000	1	1	180,000	180,000	360,000
03	Labour	10,000	120,000	10	5	1,200,000	600,000	1,800,000
	<b>Sub-Total</b>			<b>12</b>	<b>6</b>	<b>1,740,000</b>	<b>780,000</b>	<b>2,520,000</b>
<b>D Head office: Accounts, Commercial &amp; Marketing</b>								
01	Director Remuneration (MD+Chairman+Dir)	310,000	3,720,000	4	0	14,880,000	-	14,880,000
02	Executive Director	122,857	1,474,286	7	0	10,320,000	-	10,320,000
03	VAT Manager	52,000	624,000	1	0	624,000	-	624,000
04	Civil Eng.	19,000	228,000	1	0	228,000	-	228,000
05	Delivery Section	23,000	276,000	10	5	2,760,000	1,380,000	4,140,000
06	Executive -Accounts	29,400	352,800	5	2	1,764,000	705,600	2,469,600
07	Chief Marketing Officer(CMO)	200,000	2,400,000	1	0	2,400,000	-	2,400,000
08	Sales and Marketing	34,278	411,333	18	5	7,404,000	2,056,667	9,460,667
09	Security Guard	12,500	150,000	9	2	1,350,000	300,000	1,650,000
10	Driver	19,750	237,000	4	0	948,000	-	948,000
11	Peon	11,000	132,000	2	0	264,000	-	264,000
12	Cleaner	5,800	69,600	5	0	348,000	-	348,000
	<b>Sub-Total</b>		<b>10,075,019</b>	<b>67</b>	<b>14</b>	<b>43,290,000</b>	<b>4,442,267</b>	<b>47,732,267</b>
<b>Total Manpower :</b>				<b>Existing</b>	<b>Expansion</b>	<b>Amount in BDT</b>	<b>Amount in BDT</b>	<b>Amount in BDT</b>
Production				171	53	70,752,000	22,776,000	93,528,000
Head Office, Admin, Sales & Marketing				67	14	43,290,000	4,442,267	47,732,267
<b>Grand Total</b>				<b>238</b>	<b>67</b>	<b>114,042,000</b>	<b>27,218,267</b>	<b>141,260,267</b>
<b>Average Monthly Salary</b>						<b>9,503,500</b>	<b>2,268,189</b>	<b>11,771,689</b>
<b>Average Monthly Salary/Person</b>						141,843	33,857	38,596

9.10.1 (a) Salary and Wages (**Existing & Expansion**)

<b>Julfikar Steel Re-Rolling Mills Ltd.</b>					
<b>(D-Form Bar/MS Steel Manufacturing Project)</b>					
Salary and Wages-Existing					
Fig. in BDT '000					
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
<b>Salary and Wages</b>					
Factory Salary	70,752	70,752	74,290	77,827	81,542
Head office: Accounts, Sales & Marketing	43,290	43,290	45,455	47,619	49,892
<b>Salary Increment(5% each year)</b>					
Factory Salary		3,538	3,538	3,714	3,891
Head office: Accounts, Sales & Marketing		2,165	2,165	2,273	2,381
<b>Bonus per year</b>					
Factory Salary	5,896	5,896	6,191	6,486	6,795
Head office: Accounts, Sales & Marketing	3,608	3,608	3,788	3,968	4,158
<b>Total Salary and wages</b>					
Factory Salary	<b>76,648</b>	<b>80,186</b>	<b>84,018</b>	<b>88,027</b>	<b>92,228</b>
Head office: Accounts, Sales & Marketing	<b>46,898</b>	<b>49,062</b>	<b>51,407</b>	<b>53,860</b>	<b>56,430</b>
<b>Total Salary and Wages</b>	<b>123,546</b>	<b>129,248</b>	<b>135,425</b>	<b>141,887</b>	<b>148,658</b>
<b>Total Monthly Salary and wages</b>					
Factory Salary	<b>6,387</b>	<b>6,682</b>	<b>7,002</b>	<b>7,336</b>	<b>7,686</b>
Head office: Accounts, Sales & Marketing	<b>3,908</b>	<b>4,089</b>	<b>4,284</b>	<b>4,488</b>	<b>4,703</b>
<b>Total Total Salary and Wages</b>	<b>10,295</b>	<b>10,771</b>	<b>11,285</b>	<b>11,824</b>	<b>12,388</b>

<b>Julfikar Steel Re-Rolling Mills Ltd.</b>					
<b>(D-Form Bar/MS Steel Manufacturing Project)</b>					
Salary and Wages-Expansion					
Fig. in BDT '000					
Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year
<b>Salary and Wages</b>					
Factory Salary	22,776	22,776	23,915	25,054	26,249
Head office: Accounts, Sales & Marketing	4,442	4,442	4,664	4,886	5,120
<b>Salary Increment(5% each year)</b>					
Factory Salary		1,139	1,139	1,196	1,253
Head office: Accounts, Sales & Marketing		222	222	233	244
<b>Bonus per year</b>					
Factory Salary	1,898	1,898	1,993	2,088	2,187
Head office: Accounts, Sales & Marketing	370	370	389	407	427
<b>Total Salary and wages</b>					
Factory Salary	<b>24,674</b>	<b>25,813</b>	<b>27,047</b>	<b>28,337</b>	<b>29,689</b>
Head office: Accounts, Sales & Marketing	<b>4,812</b>	<b>5,035</b>	<b>5,275</b>	<b>5,527</b>	<b>5,791</b>
<b>Total Salary and Wages</b>	<b>29,486</b>	<b>30,847</b>	<b>32,322</b>	<b>33,864</b>	<b>35,480</b>
<b>Total Monthly Salary and wages</b>					
Factory Salary	<b>2,056</b>	<b>2,151</b>	<b>2,254</b>	<b>2,361</b>	<b>2,474</b>
Head office: Accounts, Sales & Marketing	<b>401</b>	<b>420</b>	<b>440</b>	<b>461</b>	<b>483</b>
<b>Total Total Salary and Wages</b>	<b>2,457</b>	<b>2,571</b>	<b>2,693</b>	<b>2,822</b>	<b>2,957</b>

### 9.10.2 Administrative, Selling and Marketing Expenses

<b>Julfikar Steel Re-Rolling Mills Ltd.</b> <b>(D-Form Bar/MS Steel Manufacturing Project)</b> Administration, Selling and Marketing Expenses							
S.N	Head of Accounts	% on Sales Revenue	Year-1	Year-2	Year-3	Year-4	Year-5
1	Salary and Wages	0.19%	41,368	44,630	49,597	54,933	60,665
2	Head Office Rent and others	0.05%	13,320	14,396.61	15,176.18	15,966.65	16,757.71
3	Sales and Promotional Expenses	0.10%	26,641	28,793.22	30,352.37	31,933.30	33,515.41
4	Office Stationery	0.03%	6,660	7,198.31	7,588.09	7,983.33	8,378.85
5	Fuel of Vehicles	0.02%	3,996	4,318.98	4,552.85	4,790.00	5,027.31
6	Travelling and Conveyance	0.01%	1,332	1,439.66	1,517.62	1,596.67	1,675.77
7	Mobile and Telephone	0.01%	1,332	1,439.66	1,517.62	1,596.67	1,675.77
8	Entertainment Expenses	0.00%	533	575.86	607.05	638.67	670.31
9	Foreign Tour	0.00%	266	287.93	303.52	319.33	335.15
10	Miscellaneous Expenses	0.05%	13,320	14,396.61	15,176.18	15,966.65	16,757.71
Average Yearly Expenses			<b>108,769</b>	<b>117,477</b>	<b>126,388</b>	<b>135,724</b>	<b>145,459</b>
Expenses (%) of Sales Revenue			<b>0.41%</b>	<b>0.41%</b>	<b>0.42%</b>	<b>0.43%</b>	<b>0.43%</b>
Average Monthly Expenses			<b>9,064</b>	<b>9,790</b>	<b>10,532</b>	<b>11,310</b>	<b>12,122</b>

SAMPLE REPORT

### 9.11 Annual Production and Sales Calculation at attainable Capacity

Julkikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Annual Production and Sales Calculation at attainable Capacity											
Types of Product	Size	Production Mix(%)	Production Capacity/Per day 20 hours				Average Sales Price		Total Sales In Taka '000(Yearly)		
			Unit	Daily	Monthly	Yearly	Unit	BDT	Daily	Monthly	Yearly
<b>From Existing Operation</b>											
B 500 DWR	8 mm	15.61%	MT	117	3,278	39,333	MT	95,000	11,121	311,383	3,736,593
	10 mm	31.44%	MT	236	6,603	79,233	MT	94,000	22,166	620,657	7,447,881
	12 mm	3.68%	MT	28	772	9,267	MT	94,000	2,593	72,594	871,131
	16 mm	7.43%	MT	56	1,561	18,729	MT	94,000	5,240	146,713	1,760,552
	20 mm	4.34%	MT	33	912	10,939	MT	94,000	3,060	85,692	1,028,303
	25 mm	1.51%	MT	11	317	3,799	MT	94,000	1,063	29,758	357,091
	32 mm	0.99%	MT	7	208	2,501	MT	95,000	707	19,800	237,596
	<b>Sub Total</b>	<b>65.00%</b>		<b>488</b>	<b>13,650</b>	<b>163,801</b>			<b>45,950</b>	<b>1,286,596</b>	<b>15,439,148</b>
B 420 DWR	10 mm	10.31%	MT	77	2,166	25,993	MT	94,000	7,272	203,615	2,443,386
	12 mm	9.19%	MT	69	1,930	23,155	MT	94,000	6,478	181,377	2,176,529
	16 mm	10.33%	MT	77	2,170	26,038	MT	94,000	7,284	203,966	2,447,590
	20 mm	2.64%	MT	20	555	6,664	MT	94,000	1,864	52,204	626,442
	25 mm	1.47%	MT	11	309	3,706	MT	94,000	1,037	29,032	348,389
	32 mm	1.05%	MT	8	220	2,642	MT	95,000	747	20,916	250,991
		<b>Sub Total</b>	<b>35.00%</b>		<b>262</b>	<b>7,350</b>	<b>88,199</b>			<b>24,683</b>	<b>691,111</b>
<b>Total</b>		<b>100%</b>		<b>750</b>	<b>21,000</b>	<b>252,000</b>			<b>70,632</b>	<b>1,977,706</b>	<b>23,732,476</b>
<b>From Expansion Plan</b>											
B 500 DWR	8 mm	15.61%	MT	39	1,093	13,111	MT	95,000	3,707	103,794	1,245,531
	10 mm	31.44%	MT	79	2,201	26,411	MT	94,000	7,389	206,886	2,482,627
	12 mm	3.68%	MT	9	257	3,089	MT	94,000	864	24,198	290,377
	16 mm	7.43%	MT	19	520	6,243	MT	94,000	1,747	48,904	586,851
	20 mm	4.34%	MT	11	304	3,646	MT	94,000	1,020	28,564	342,768
	25 mm	1.51%	MT	4	106	1,266	MT	94,000	354	9,919	119,030
	32 mm	0.99%	MT	2	69	834	MT	95,000	236	6,600	79,199
	<b>Sub Total</b>	<b>65.00%</b>		<b>163</b>	<b>4,550</b>	<b>54,600</b>			<b>15,317</b>	<b>428,865</b>	<b>5,146,383</b>
B 420 DWR	10 mm	10.31%	MT	26	722	8,664	MT	94,000	2,424	67,872	814,462
	12 mm	9.19%	MT	23	643	7,718	MT	94,000	2,159	60,459	725,510
	16 mm	10.33%	MT	26	723	8,679	MT	94,000	2,428	67,989	815,863
	20 mm	2.64%	MT	7	185	2,221	MT	94,000	621	17,401	208,814
	25 mm	1.47%	MT	4	103	1,235	MT	94,000	346	9,677	116,130
	32 mm	1.05%	MT	3	73	881	MT	95,000	249	6,972	83,664
		<b>Sub Total</b>	<b>35.00%</b>		<b>87</b>	<b>2,450</b>	<b>29,400</b>			<b>8,228</b>	<b>230,370</b>
<b>Total</b>		<b>100%</b>		<b>250</b>	<b>7,000</b>	<b>84,000</b>			<b>23,544</b>	<b>659,235</b>	<b>7,910,825</b>
<b>Grand Total</b>				<b>1,000</b>	<b>28,000</b>	<b>336,000</b>			<b>94,176</b>	<b>2,636,942</b>	<b>31,643,301</b>
									Projected Sales Revenue as per attainable capacity		
									<b>94,176</b>	<b>2,636,942</b>	<b>31,643,301</b>

# Feasibility Report and Business Plan OF JULFIKAR STEEL RE-ROLLING MILLS LIMITED



## Assumptions:

Nature of the Project	:	
Total Working Days	:	336
Monthly Working Days	:	28
Daily Working Hours	:	20

## Attainable Production Capacity/day

<b>Existing Capacity</b>	:	<b>750 MT</b>
500 DWR	:	65.00% of total production
420 DWR	:	35.00% of total production
<b>Expansion Plan</b>	:	<b>250 MT</b>
500 DWR	:	65.00% of total production
420 DWR	:	35.00% of total production

## Average Sales Price

<b>B 500 DWR</b>		
8 mm	:	BDT 95,000.00
10 mm	:	BDT 94,000.00
12 mm	:	BDT 94,000.00
16 mm	:	BDT 94,000.00
20 mm	:	BDT 94,000.00
25 mm	:	BDT 94,000.00
32 mm	:	BDT 95,000.00
<b>B 420 DWR</b>		
10 mm	:	BDT 94,000.00
12 mm	:	BDT 94,000.00
16 mm	:	BDT 94,000.00
20 mm	:	BDT 94,000.00
25 mm	:	BDT 94,000.00
32 mm	:	BDT 95,000.00
Wastage Sales	:	BDT 50,000.00

SAMPLE REPORT

### 9.11 (a) Projected Wastage Sales Revenue Calculation

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Projected Wastage Sales Revenue Calculation					
Fig. in Taka '000'					
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
Wastage Recovery (MT)	50	50	50	50	50
Wastage Sales/MT	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
Wastage Sales at attainable Capacity	2,500	2,500	2,500	2,500	2,500
Capacity Utilization	<b>80.00%</b>	<b>82.50%</b>	<b>87.50%</b>	<b>92.50%</b>	<b>97.50%</b>
Wastage Sales at Capacity Utilization	2,000	2,063	2,188	2,313	2,438
Add: Opening Stock of W.I.P (7 days)		30	31	33	35
<b>Total</b>	<b>2,000</b>	<b>2,092</b>	<b>2,219</b>	<b>2,346</b>	<b>2,472</b>
Less: Closing Stock of W.I.P (for 7 days)	30	31	33	35	37
<b>Total</b>	<b>1,970</b>	<b>2,061</b>	<b>2,186</b>	<b>2,311</b>	<b>2,436</b>
Add: Opening Stock of Finished Goods (15 days)		88	96	102	108
<b>Available for sale</b>	<b>1,970</b>	<b>2,149</b>	<b>2,282</b>	<b>2,412</b>	<b>2,543</b>
Less: Closing Stock of Finished Goods (15 days)	88	96	102	108	114
<b>Net Wastage Sale</b>	<b>1,882</b>	<b>2,053</b>	<b>2,180</b>	<b>2,305</b>	<b>2,430</b>

### 9.11 (b) Other Income

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Projected Other Income					
Fig. in Taka '000'					
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
Interest Income(Fixed Deposit)	-	-	-	-	-
Wastage Sales	1,882	2,053	2,180	2,305	2,430
Other Income	-	-	-	-	-
<b>Total Other Income</b>	<b>1,882</b>	<b>2,053</b>	<b>2,180</b>	<b>2,305</b>	<b>2,430</b>

## 9.12 Projected Raw Materials Consumption and Costing at Attainable Capacity

### Julfikar Steel Re-Rolling Mills Ltd.

#### (D-Form Bar/MS Steel Manufacturing Project)

Projected Raw Materials, Chemicals and others Consumption and Costing at Attainable Capacity

Raw Material Name	Billets Size and Length	MS Rod Production Capacity/Per day	Raw Materials and others requirement			Average Raw Materials and others Cost			Raw Materials and others Cost in Taka '000(Yearly)		
			Unit	Daily	Monthly	Yearly	Unit	BDT PRICE	Daily	Monthly	Yearly
<b>Existing Plan</b>											
MS Billets	100 mm*100mm*10 feet	750	MT	788	22,050	264,600	MT	80,000	63,000	1,764,000	21,168,000
<b>Total</b>				<b>788</b>	<b>22,050</b>	<b>264,600</b>		<b>80,000</b>	<b>63,000</b>	<b>1,764,000</b>	<b>21,168,000</b>
<b>Expansion Plan</b>											
MS Billets	100 mm*100mm*10 feet	250	MT	263	7,350	88,200	MT	80,000	21,000	588,000	7,056,000
<b>Sub Total</b>				<b>263</b>	<b>7,350</b>	<b>88,200</b>			<b>21,000</b>	<b>588,000</b>	<b>7,056,000</b>
<b>Grand Total</b>				<b>1,050</b>	<b>29,400</b>	<b>352,800</b>			<b>84,000</b>	<b>2,352,000</b>	<b>28,224,000</b>
						<b>Projected Average Raw Materials, Chemical and others Cost as per attainable capacity</b>			<b>84,000</b>	<b>2,352,000</b>	<b>28,224,000</b>

#### Assumptions:

Nature of the Project	:	(D-Form Bar/MS Steel Manufacturing Project)
Total Working Days	:	326
Monthly Working Days	:	28
Daily Working Hours	:	20
Wastage	:	5.0%
Basic Raw Materials		MS Billets
<b>Attainable Production Capacity/day</b>		
Existing Capacity	:	750.00 MT
Raw Materials required as per attainable P	:	787.50 MT
Wastage	:	37.50 MT
Expansion Capacity	:	250.00 MT
Raw Materials required as per attainable P	:	262.50 MT
Wastage	:	12.50 MT
<b>Average Raw Materials and others Cost</b>	:	<b>80,000.00 MT</b>

### 9.13 Projected Sales Revenue Calculation (Consolidated)

<b>Julfikar Steel Re-Rolling Mills Ltd.</b> (D-Form Bar/MS Steel Manufacturing Project) Projected Sales Calculation Consolidated					
Fig. in Taka '000'					
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
<b>From Existing</b>					
Sales at attainable Capacity	23,732,476	23,732,476	23,732,476	23,732,476	23,732,476
Capacity Utilization	100.00%	100.00%	105.00%	110.00%	115.00%
<b>Sales at Capacity Utilization</b>	23,732,476	23,732,476	24,919,099	26,105,723	27,292,347
<b>From Expansion/BMRE Plan</b>					
Sales at attainable Capacity	7,910,825	7,910,825	7,910,825	7,910,825	7,910,825
Capacity Utilization	60.00%	65.00%	70.00%	75.00%	80.00%
<b>Sales at Capacity Utilization</b>	4,746,495	5,142,036	5,537,578	5,933,119	6,328,660
<b>Total Sales at Capacity Utilization</b>	<b>28,478,971</b>	<b>28,874,512</b>	<b>30,456,677</b>	<b>32,038,842</b>	<b>33,621,007</b>
Add: Opening Stock of W.I.P (7 days)		593,312	613,913	647,304	680,961
<b>Total</b>	28,478,971	29,467,824	31,070,590	32,686,146	34,301,968
Less: Closing Stock of W.I.P (for 7 days)	593,312	613,913	647,304	680,961	714,624
<b>Total</b>	27,885,659	28,853,911	30,423,286	32,005,185	33,587,344
Add: Opening Stock of Finished Goods (15 days)		1,244,895	1,305,582	1,376,502	1,448,383
<b>Available for sale</b>	27,885,659	30,098,806	31,728,868	33,381,687	35,035,727
Less: Closing Stock of Finished Goods (15 days)	1,244,895	1,305,582	1,376,502	1,448,383	1,520,315
<b>Net Sales</b>	<b>26,640,763</b>	<b>28,793,225</b>	<b>30,352,366</b>	<b>31,933,304</b>	<b>33,515,412</b>

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### 9.13.1 Projected Sales Revenue Calculation (From Existing and Expansion)

**Julfikar Steel Re-Rolling Mills Ltd.**  
(D-Form Bar/MS Steel Manufacturing Project)  
Projected Sales Calculation  
**From Existing Operation**

Fig. in Taka '000'

Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
Sales at attainable Capacity	23,732,476	23,732,476	23,732,476	23,732,476	23,732,476
Capacity Utilization	<b>100.00%</b>	<b>100.00%</b>	<b>105.00%</b>	<b>110.00%</b>	<b>115.00%</b>
<b>Sales at Capacity Utilization</b>	23,732,476	23,732,476	24,919,099	26,105,723	27,292,347
Add: Opening Stock of W.I.P (7 days)		494,427	504,727	529,663	554,904
<b>Total</b>	<b>23,732,476</b>	<b>24,226,902</b>	<b>25,423,826</b>	<b>26,635,386</b>	<b>27,847,251</b>
Less: Closing Stock of W.I.P (for 7 days)	494,427	504,727	529,663	554,904	580,151
<b>Total</b>	23,238,049	23,722,175	24,894,163	26,080,482	27,267,100
Add: Opening Stock of Finished Goods (15 days)		1,037,413	1,067,224	1,119,025	1,172,393
<b>Available for sale</b>	23,238,049	24,759,588	25,961,387	27,199,508	28,439,492
Less: Closing Stock of Finished Goods (15 days)	1,037,413	1,067,224	1,119,025	1,172,393	1,225,840
<b>Net Sales</b>	<b>22,200,636</b>	<b>23,692,364</b>	<b>24,842,362</b>	<b>26,027,115</b>	<b>27,213,652</b>

**Julfikar Steel Re-Rolling Mills Ltd.**  
(D-Form Bar/MS Steel Manufacturing Project)  
Projected Sales Calculation  
**From Expansion Operation**

Fig. in Taka '000'

Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
<b>From Expansion Plan</b>					
Sales at attainable Capacity	7,910,825	7,910,825	7,910,825	7,910,825	7,910,825
Capacity Utilization	<b>60.00%</b>	<b>65.00%</b>	<b>70.00%</b>	<b>75.00%</b>	<b>80.00%</b>
<b>Sales at Capacity Utilization</b>	4,746,495	5,142,036	5,537,578	5,933,119	6,328,660
Add: Opening Stock of W.I.P (7 days)		98,885	109,186	117,641	126,057
<b>Total</b>	<b>4,746,495</b>	<b>5,240,922</b>	<b>5,646,764</b>	<b>6,050,760</b>	<b>6,454,718</b>
Less: Closing Stock of W.I.P (for 7 days)	98,885	109,186	117,641	126,057	134,473
<b>Total</b>	4,647,610	5,131,736	5,529,123	5,924,702	6,320,244
Add: Opening Stock of Finished Goods (15 days)		207,483	238,358	257,477	275,990
<b>Available for sale</b>	4,647,610	5,339,218	5,767,481	6,182,179	6,596,235
Less: Closing Stock of Finished Goods (15 days)	207,483	238,358	257,477	275,990	294,475
<b>Net Sales</b>	<b>4,440,127</b>	<b>5,100,860</b>	<b>5,510,004</b>	<b>5,906,189</b>	<b>6,301,760</b>

## 9.14 Fixed Asset and Depreciation Schedule

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Fixed Asset and Depreciation Schedule				
Fig. in Taka '000'				

SL	Particulars	Value	Rate of depreciation p.a	Depreciation Amount Taka
01	Land and Land Development	-	0.00%	-
02	Factory Buildings and Shed	530,428	5.00%	26,521
03	Other Civils Cost( Boundary Wall, Internal Road, Drainage and sewerage, Security Room, Main Gate and others Civil works)	10,000	5.00%	500
04	Plant Machinery and Equipment(Imported)	1,830,385	10.00%	183,039
05	Plant Machinery and Equipment( Local)	40,000	10.00%	4,000
06	Furniture-fixture & Equipment (Head office and Factory)	15,016	20.00%	3,003
07	Electrical Equipments and Wiring (Factory)	5,000	20.00%	1,000
08	Diesel Generator(Existing: 15 KVA and For Expansion: 500 KVA)	4,000	20.00%	800
09	Vehicles( for Expansion: Two (02)- 4 MT Capacity Truck) and Four(04)- 12 W	56,600	20.00%	11,320
10	Fire Alarm, Fire Door, Fire Fighting and Security Device and Equipment	5,000	20.00%	1,000
11	Machinery erection & installation	-	10.00%	-
12	Contingency for Machinery and Equipments- 5%	27,698	10.00%	2,770
13	Contingency for Civils Construction- 5%	500	5.00%	25
	<b>Sub Total</b>	<b>2,524,627</b>		<b>233,978</b>
14	Preliminary expenses & Consultancy fees	-	20%	-
15	IDCP	57,787	20%	11,557
	<b>Sub Total</b>	<b>57,787</b>		<b>11,557</b>
	<b>Grand Total</b>	<b>2,582,414</b>		<b>245,535</b>

	Depreciation	Residual Value
Year - 1	245,535	2,336,878
Year - 2	245,535	2,091,343
Year - 3	245,535	1,845,808
Year - 4	245,535	1,600,273
Year - 5	245,535	1,354,737
Year - 6	216,855	1,137,883
Year - 7	216,855	921,028
Year - 8	216,855	704,173
Year - 9	216,855	487,319
Year - 10	216,855	270,464

## 9.15 Break Even Calculation

<b>Julfikar Steel Re-Rolling Mills Ltd.</b>					
<b>(D-Form Bar/MS Steel Manufacturing Project)</b>					
Break - Even Calculation					
Fig. In Taka '000'					
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
<b>Average Capacity Utilization</b>	<b>80%</b>	<b>83%</b>	<b>88%</b>	<b>93%</b>	<b>98%</b>
<b>Sales</b>	<b>26,640,763</b>	<b>28,793,225</b>	<b>30,352,366</b>	<b>31,933,304</b>	<b>33,515,412</b>
<b>Variable Cost</b>					
<b>Factory Expenses</b>					
Raw Materials Consumption	25,401,600	25,754,400	27,165,600	28,576,800	29,988,000
Wastage Raw Materials Cost	-	-	-	-	-
Electricity and water	299,061	301,731	317,752	333,773	349,794
Repair & Maintenance Expenses	19,837	29,755	39,674	39,674	39,674
Factory Overhead	133,204	143,966	151,762	159,667	167,577
<b>Admin, Selling and Marketing Expenses</b>					
Office Stationery	6,660	7,198	7,588	7,983	8,379
Fuel of Vehicles	3,996	4,319	4,553	4,790	5,027
Travelling and Conveyance	1,332	1,440	1,518	1,597	1,676
Mobile and Telephone	1,332	1,440	1,518	1,597	1,676
Entertainment Expenses	533	576	607	639	670
Foreign Tour	266	288	304	319	335
Miscellaneous Expenses	13,320	14,397	15,176	15,967	16,758
<b>Total Variable Cost</b>	<b>25,881,142</b>	<b>26,259,510</b>	<b>27,706,051</b>	<b>29,142,805</b>	<b>30,579,566</b>
W.I.P Adjustment	(529,200)	(7,350)	(29,400)	(29,400)	(29,400)
Finished Goods Adjustment	(1,147,498)	(40,324)	(63,983)	(64,562)	(64,599)
<b>Net Variable Cost</b>	<b>24,204,443</b>	<b>26,211,836</b>	<b>27,612,668</b>	<b>29,048,842</b>	<b>30,485,567</b>
<b>Fixed Cost</b>					
Financial/Interest Expenses	903,687	897,272	891,685	884,668	881,350
Depreciation & Amortization	245,535	245,535	245,535	245,535	245,535
Factory Salary and Wages	94,567	99,815	110,139	121,213	133,093
Salary and Wages-Head Office	41,368	44,630	49,597	54,933	60,665
Head Office Rent and others	13,320	14,397	15,176	15,967	16,758
<b>Total Fixed Cost</b>	<b>1,298,478</b>	<b>1,301,649</b>	<b>1,312,132</b>	<b>1,322,315</b>	<b>1,337,402</b>
<b>Total Cost</b>	<b>25,502,921</b>	<b>27,513,485</b>	<b>28,924,801</b>	<b>30,371,158</b>	<b>31,822,969</b>
<b>Contribution Margin</b>	<b>2,436,320</b>	<b>2,581,389</b>	<b>2,739,697</b>	<b>2,884,462</b>	<b>3,029,844</b>
Break-Even % (on utilization Capacity)	53.30%	50.42%	47.89%	45.84%	44.14%
Break-Even % (on Attainable Capacity)	42.64%	41.60%	41.91%	42.40%	43.04%
Yearly Break Even Sales in Taka '000'	14,198,642	14,518,800	14,536,761	14,639,092	14,794,016
Monthly Break Even Sales in Taka '000'	1,183,220	1,209,900	1,211,397	1,219,924	1,232,835
Break Even Sales in Taka '000'	47,329	48,396	48,456	48,797	49,313

## 9.16 Key Ratios Analysis

<b>Julfikar Steel Re-Rolling Mills Ltd.</b>					
<b>(D-Form Bar/MS Steel Manufacturing Project)</b>					
<b>Key Ratios Analysis</b>					
<b>Fig. in Taka '000'</b>					
	<b>1st Year</b>	<b>2nd Year</b>	<b>3rd Year</b>	<b>4th Year</b>	<b>5th Year</b>
<b>Balance Sheet</b>					
Cash	3,088,454	3,877,410	4,736,661	5,657,754	6,637,170
Bills receivable	555,016	599,859	632,341	665,277	698,238
Total current assets	9,901,567	10,847,352	11,898,048	13,011,809	14,184,154
Total long-term assets	2,336,878	2,091,343	1,845,808	1,600,273	1,354,737
Total current liabilities	6,922,161	7,049,104	7,203,741	7,359,356	7,515,181
Total long-term liabilities	7,879,122	7,853,723	7,843,459	7,820,581	7,783,199
Total shareholders' equity	4,359,323	5,084,972	5,900,397	6,791,501	7,755,693
<b>Income Statement</b>					
Total sales	26,640,763	28,793,225	30,352,366	31,933,304	33,515,412
Gross profit	2,084,299	2,226,337	2,375,927	2,511,246	2,646,378
Total operating expenses	82,128	88,683	96,036	103,791	111,944
Income (loss) before taxes	1,100,366	1,242,434	1,390,386	1,525,092	1,655,514
Net income (loss)	797,765	869,704	973,270	1,067,565	1,158,860
<b>KEY RATIOS</b>					
<b>Profitability Ratios</b>					
Gross profit margin	7.82%	7.73%	7.83%	7.86%	7.90%
Operating Profit	7.52%	7.42%	7.51%	7.54%	7.56%
Net Income	2.99%	3.02%	3.21%	3.34%	3.46%
Return on Investment	13.90%	13.66%	13.57%	13.36%	13.13%
Return on Equity	18.30%	17.10%	16.49%	15.72%	14.94%
Return on Assets	13.90%	13.66%	13.57%	13.36%	13.13%
Asset turnover ratio	217.68%	222.54%	220.84%	218.54%	215.69%
Debt Service Coverage Ratio	1.86	1.91	1.99	2.06	2.11
<b>Leverage and Liquidity Ratios</b>					
Current ratio	1.43	1.54	1.65	1.77	1.89
Quick or acid test ratio	0.53	0.64	0.75	0.86	0.98
Leverage ratio	2.81	2.54	2.33	2.15	2.00
Long-term debt ratio	0.64	0.61	0.57	0.54	0.50
Debt to equity ratio	3.40	2.93	2.55	2.24	1.97

### 9.17 Return on Investment (ROI) & Return on Equity (ROE) Calculation

Julfikar Steel Re-Rolling Mills Ltd. (D-Form Bar/MS Steel Manufacturing Project) Return on Investment (ROI) & Return on Equity (ROE) Calculation Fig. in Taka '000'					
Particulars	Year-1	Year-2	Year-3	Year-4	Year-5
Net Income after Tax	797,765	869,704	973,270	1,067,565	1,158,860
Add: Financial Expenses	903,687	897,272	891,685	884,668	881,350
<b>Total Income for ROI</b>	<b>1,701,452</b>	<b>1,766,976</b>	<b>1,864,955</b>	<b>1,952,232</b>	<b>2,040,209</b>
Total Investment	12,238,446	12,938,695	13,743,856	14,612,082	15,538,892
Total Equity	4,359,323	5,084,972	5,900,397	6,791,501	7,755,693
<b>Return on Investment (ROI)</b>	<b>13.90%</b>	<b>13.66%</b>	<b>13.57%</b>	<b>13.36%</b>	<b>13.13%</b>
<b>Return on Equity (ROE)</b>	<b>18.30%</b>	<b>17.10%</b>	<b>16.49%</b>	<b>15.72%</b>	<b>14.94%</b>

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## 9.18 PB, IRR and NPV Calculation

<b>Julfikar Steel Re-Rolling Mills Ltd.</b>					
<b>(D-Form Bar/MS Steel Manufacturing Project)</b>					
Payback Period(PB), Internal Rate of Return(IRR) and Net Present Value(NPV) Calculation					
Fig. in Taka '000'					
Year	Cash Flows	Recovery of Initial outlay		Payback Year	Remarks
		Needed	Balance		
0	(2,582,414)				
1	1,043,301	2,582,414	1,539,113	1.00	
2	1,115,239	1,539,113	423,874	1.38	
3	1,218,805	423,874	(794,931)	0.35	
4	1,313,100	(794,931)			
5	1,404,395	-			
6	1,402,249	-			
7	1,403,986	-			
8	1,400,373	-			
9	1,392,853	-			
10	1,570,759	-			With Salvage Value
<b>Total Payback Period(PB)</b>				<b>2.73</b>	

This expansion project promises to return back its total initial investment within very short time, the detailed calculations of which is as follows. The project payback period is 2.73 years.

### DISCOUNTED PAYBACK PERIOD (DPB), INTERNAL RATE OF RETURN (IRR) & NET PRESENT VALUE (NPV)

Year	Cash Flows	PV of Tk 1.00 @ 8%	PV of Cash Flows	Cumulative PV of Cash Flow	Discounted Payback Period
0	(2,582,414)	1.0000	(2,582,414)	(2,582,414)	
1	1,043,301	0.9259	966,019	(1,616,395)	1.00
2	1,115,239	0.8573	956,138	(660,257)	1.00
3	1,218,805	0.7938	967,527	307,270	0.68
4	1,313,100	0.7350	965,168		
5	1,404,395	0.6806	955,808		
6	1,402,249	0.6302	883,655		
7	1,403,986	0.5835	819,212		
8	1,400,373	0.5403	756,578		
9	1,392,853	0.5002	696,773		
10	1,570,759	0.4632	727,565		
<b>Net Present Value</b>			<b>6,112,030</b>		
<b>Internal Rate of Return ( IRR )</b>			<b>44.96%</b>		<b>2.68</b>

Discounted Payback period is 2.68 years

#### Net Present Value(NPV)

The future cash inflow and outflow of the project has been considered with the time value of money. The project will have a positive attractive net present value of BDT 6,112.03 million.

#### Internal Rate of Return (IRR)

The internal rate of return has been computed following the discounted cash flow method. The project promises an Internal Rate of Return (IRR) of 44.96%.

## 9.19 Schedule of Loan-Repayment

### 9.19.1 Equal Quarterly Instalment Basis (For New Loan)

<b>Julfikar Steel Re-Rolling Mills Ltd.</b> <b>(D-Form Bar/MS Steel Manufacturing Project)</b> Schedule of Quaterly Loan-Repayment (New Long Term Loan)					
Fig. in Taka '000'					
Loan Amount - Original		481,558			
IDCP		57,787			
<b>Total Loan Including IDCP</b>		<b>539,345</b>			
<b>Term (Including 18 months Moratorium Period)</b>			7	Years	
<b>Mode of Repayment :</b>			Equal Quarterly Installments (EQI)		
<b>Period :</b>			28	Quarters	
<b>Rate of Interest :</b>			8.00%	p.a.	
<b>EQI :</b>			25,344		
Year	Amount	Interest	EQI	Balance	
	1	539,345	10,787	25,344	524,788
	2	524,788	10,496	25,344	509,940
Year - 1	3	509,940	10,199	25,344	494,796
41,377	4	494,796	9,896	25,344	479,348
	5	479,348	9,587	25,344	463,591
	6	463,591	9,272	25,344	447,519
Year - 2	7	447,519	8,950	25,344	431,126
36,432	8	431,126	8,623	25,344	414,405
	9	414,405	8,288	25,344	397,349
	10	397,349	7,947	25,344	379,953
Year - 3	11	379,953	7,599	25,344	362,208
31,078	12	362,208	7,244	25,344	344,109
	13	344,109	6,882	25,344	325,647
	14	325,647	6,513	25,344	306,817
Year - 4	15	306,817	6,136	25,344	287,609
25,284	16	287,609	5,752	25,344	268,018
	17	268,018	5,360	25,344	248,034
	18	248,034	4,961	25,344	227,651
Year - 5	19	227,651	4,553	25,344	206,861
19,011	20	206,861	4,137	25,344	185,654
	21	185,654	3,713	25,344	164,024
	22	164,024	3,280	25,344	141,961
Year - 6	23	141,961	2,839	25,344	119,456
12,222	24	119,456	2,389	25,344	96,502
	25	96,502	1,930	25,344	73,088
	26	73,088	1,462	25,344	49,206
Year - 7	27	49,206	984	25,344	24,847
4,873	28	24,847	497	25,344	0
<b>170,277</b>			<b>170,277</b>	<b>709,622</b>	

9.19.2 Equal Quarterly Instalment Basis (For Existing Loan)

<b>Julfikar Steel Re-Rolling Mills Ltd.</b> <b>(D-Form Bar/MS Steel Manufacturing Project)</b> Schedule of Loan-repayment (Existing Long Term Loan)					
Fig. in Taka '000'					
Loan Amount - Original		502,929			
IDCP		-			
Total Loan Including IDCP		502,929			
Maturity Period		5 Years			
Mode of Repayment :		Equal Quarterly Installments (EQI)			
Period :		20 Quarters			
Rate of Interest :		8.00% p.a.			
EQI :		30,757			
Flat Rate		4.46%			
Year	Amount	Interest	EQI	Balance	
	1	502,929	10,059	30,757	482,230
	2	482,230	9,645	30,757	461,117
Year - 1	3	461,117	9,222	30,757	439,582
37,717	4	439,582	8,792	30,757	417,616
	5	417,616	8,352	30,757	395,211
	6	395,211	7,904	30,757	372,358
Year - 2	7	372,358	7,447	30,757	349,047
30,685	8	349,047	6,981	30,757	325,271
	9	325,271	6,505	30,757	301,019
	10	301,019	6,020	30,757	276,282
Year - 3	11	276,282	5,526	30,757	251,050
23,072	12	251,050	5,021	30,757	225,313
	13	225,313	4,506	30,757	199,062
	14	199,062	3,981	30,757	172,286
Year - 4	15	172,286	3,446	30,757	144,974
14,833	16	144,974	2,899	30,757	117,116
	17	117,116	2,342	30,757	88,701
	18	88,701	1,774	30,757	59,717
Year - 5	19	59,717	1,194	30,757	30,154
5,914	20	30,154	603	30,757	0
<b>112,221</b>			<b>112,221</b>	<b>615,149</b>	

### 9.19.3 Equal Monthly Instalment Basis (For New Loan)

Fig. in Taka '000'

**Julfikar Steel Re-Rolling Mills Ltd.**  
**(D-Form Bar/MS Steel Manufacturing Project)**

Schedule of Monthly Loan Repayment-New  
(New Long Term Loan)

Loan Particulars	
Long Term Loan Amount	539,345
Loan Amount	481,558
IDCP	57,787
Moratorium Period(Months)	18
Annual Interest Rate	8.00%
Loan Period in Years	7
Number of Payments Per Year	12
Start Date of Loan	09/01/23
Optional Extra Payments	-

Loan Summary	
Scheduled Payment	<b>8,406</b>
Scheduled Number of Payments	84
Actual Number of Payments	84
Total Early Payments	-
Total Interest	<b>166,788</b>
Total Payment	<b>706,133</b>

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	10/1/2023	539,345	8,406	-	8,406	4,811	3,596	534,534	3,596
2	11/1/2023	534,534	8,406	-	8,406	4,843	3,564	529,692	7,159
3	12/1/2023	529,692	8,406	-	8,406	4,875	3,531	524,817	10,690
4	1/1/2024	524,817	8,406	-	8,406	4,908	3,499	519,909	14,189
5	2/1/2024	519,909	8,406	-	8,406	4,940	3,466	514,969	17,655
6	3/1/2024	514,969	8,406	-	8,406	4,973	3,433	509,995	21,088
7	4/1/2024	509,995	8,406	-	8,406	5,006	3,400	504,989	24,488
8	5/1/2024	504,989	8,406	-	8,406	5,040	3,367	499,949	27,855
9	6/1/2024	499,949	8,406	-	8,406	5,073	3,333	494,876	31,188
10	7/1/2024	494,876	8,406	-	8,406	5,107	3,299	489,769	34,487
11	8/1/2024	489,769	8,406	-	8,406	5,141	3,265	484,628	37,752
12	9/1/2024	484,628	8,406	-	8,406	5,175	3,231	479,452	40,983
13	10/1/2024	479,452	8,406	-	8,406	5,210	3,196	474,242	44,179
14	11/1/2024	474,242	8,406	-	8,406	5,245	3,162	468,997	47,341
15	12/1/2024	468,997	8,406	-	8,406	5,280	3,127	463,718	50,468
16	1/1/2025	463,718	8,406	-	8,406	5,315	3,091	458,403	53,559
17	2/1/2025	458,403	8,406	-	8,406	5,350	3,056	453,052	56,615
18	3/1/2025	453,052	8,406	-	8,406	5,386	3,020	447,666	59,636
19	4/1/2025	447,666	8,406	-	8,406	5,422	2,984	442,244	62,620
20	5/1/2025	442,244	8,406	-	8,406	5,458	2,948	436,786	65,568
21	6/1/2025	436,786	8,406	-	8,406	5,494	2,912	431,292	68,480
22	7/1/2025	431,292	8,406	-	8,406	5,531	2,875	425,761	71,355
23	8/1/2025	425,761	8,406	-	8,406	5,568	2,838	420,193	74,194
24	9/1/2025	420,193	8,406	-	8,406	5,605	2,801	414,588	76,995
25	10/1/2025	414,588	8,406	-	8,406	5,642	2,764	408,945	79,759
26	11/1/2025	408,945	8,406	-	8,406	5,680	2,726	403,265	82,485
27	12/1/2025	403,265	8,406	-	8,406	5,718	2,688	397,548	85,174
28	1/1/2026	397,548	8,406	-	8,406	5,756	2,650	391,791	87,824
29	2/1/2026	391,791	8,406	-	8,406	5,794	2,612	385,997	90,436
30	3/1/2026	385,997	8,406	-	8,406	5,833	2,573	380,164	93,009
31	4/1/2026	380,164	8,406	-	8,406	5,872	2,534	374,292	95,544
32	5/1/2026	374,292	8,406	-	8,406	5,911	2,495	368,381	98,039
33	6/1/2026	368,381	8,406	-	8,406	5,950	2,456	362,431	100,495
34	7/1/2026	362,431	8,406	-	8,406	5,990	2,416	356,440	102,911
35	8/1/2026	356,440	8,406	-	8,406	6,030	2,376	350,410	105,287
36	9/1/2026	350,410	8,406	-	8,406	6,070	2,336	344,340	107,624
37	10/1/2026	344,340	8,406	-	8,406	6,111	2,296	338,229	109,919
38	11/1/2026	338,229	8,406	-	8,406	6,151	2,255	332,078	112,174
39	12/1/2026	332,078	8,406	-	8,406	6,192	2,214	325,885	114,388
40	1/1/2027	325,885	8,406	-	8,406	6,234	2,173	319,652	116,560
41	2/1/2027	319,652	8,406	-	8,406	6,275	2,131	313,376	118,691
42	3/1/2027	313,376	8,406	-	8,406	6,317	2,089	307,059	120,781
43	4/1/2027	307,059	8,406	-	8,406	6,359	2,047	300,700	122,828
44	5/1/2027	300,700	8,406	-	8,406	6,402	2,005	294,298	124,832
45	6/1/2027	294,298	8,406	-	8,406	6,444	1,962	287,854	126,794

# Feasibility Report and Business Plan OF JULFIKAR STEEL RE-ROLLING MILLS LIMITED



46	7/1/2027	287,854	8,406	-	8,406	6,487	1,919	281,366	128,713
47	8/1/2027	281,366	8,406	-	8,406	6,531	1,876	274,836	130,589
48	9/1/2027	274,836	8,406	-	8,406	6,574	1,832	268,262	132,421
49	10/1/2027	268,262	8,406	-	8,406	6,618	1,788	261,644	134,210
50	11/1/2027	261,644	8,406	-	8,406	6,662	1,744	254,982	135,954
51	12/1/2027	254,982	8,406	-	8,406	6,706	1,700	248,275	137,654
52	1/1/2028	248,275	8,406	-	8,406	6,751	1,655	241,524	139,309
53	2/1/2028	241,524	8,406	-	8,406	6,796	1,610	234,728	140,919
54	3/1/2028	234,728	8,406	-	8,406	6,841	1,565	227,886	142,484
55	4/1/2028	227,886	8,406	-	8,406	6,887	1,519	220,999	144,003
56	5/1/2028	220,999	8,406	-	8,406	6,933	1,473	214,066	145,477
57	6/1/2028	214,066	8,406	-	8,406	6,979	1,427	207,087	146,904
58	7/1/2028	207,087	8,406	-	8,406	7,026	1,381	200,061	148,284
59	8/1/2028	200,061	8,406	-	8,406	7,073	1,334	192,989	149,618
60	9/1/2028	192,989	8,406	-	8,406	7,120	1,287	185,869	150,905
61	10/1/2028	185,869	8,406	-	8,406	7,167	1,239	178,702	152,144
62	11/1/2028	178,702	8,406	-	8,406	7,215	1,191	171,487	153,335
63	12/1/2028	171,487	8,406	-	8,406	7,263	1,143	164,224	154,478
64	1/1/2029	164,224	8,406	-	8,406	7,312	1,095	156,912	155,573
65	2/1/2029	156,912	8,406	-	8,406	7,360	1,046	149,552	156,619
66	3/1/2029	149,552	8,406	-	8,406	7,409	997	142,142	157,616
67	4/1/2029	142,142	8,406	-	8,406	7,459	948	134,684	158,564
68	5/1/2029	134,684	8,406	-	8,406	7,508	898	127,175	159,462
69	6/1/2029	127,175	8,406	-	8,406	7,559	848	119,617	160,310
70	7/1/2029	119,617	8,406	-	8,406	7,609	797	112,008	161,107
71	8/1/2029	112,008	8,406	-	8,406	7,660	747	104,348	161,854
72	9/1/2029	104,348	8,406	-	8,406	7,711	696	96,638	162,550
73	10/1/2029	96,638	8,406	-	8,406	7,762	644	88,875	163,194
74	11/1/2029	88,875	8,406	-	8,406	7,814	593	81,062	163,786
75	12/1/2029	81,062	8,406	-	8,406	7,866	540	73,196	164,327
76	1/1/2030	73,196	8,406	-	8,406	7,918	488	65,277	164,815
77	2/1/2030	65,277	8,406	-	8,406	7,971	435	57,306	165,250
78	3/1/2030	57,306	8,406	-	8,406	8,024	382	49,282	165,632
79	4/1/2030	49,282	8,406	-	8,406	8,078	329	41,204	165,960
80	5/1/2030	41,204	8,406	-	8,406	8,132	275	33,072	166,235
81	6/1/2030	33,072	8,406	-	8,406	8,186	220	24,886	166,456
82	7/1/2030	24,886	8,406	-	8,406	8,240	166	16,646	166,622
83	8/1/2030	16,646	8,406	-	8,406	8,295	111	8,351	166,732
84	9/1/2030	8,351	8,406	-	8,351	8,295	56	-	166,788

SAMPLE

**9.19.4 Equal Monthly Instalment Basis (For Existing Loan)**

Fig. in Taka '000'

**Julfikar Steel Re-Rolling Mills Ltd.**  
**(D-Form Bar/MS Steel Manufacturing Project)**  
Schedule of Monthly Loan Repayment-Existing

Loan Particulars	
Long Term Loan Amount	502,929
Loan Amount	502,929
IDCP	-
Moratorium Period(Months)	-
Annual Interest Rate	8.00%
Loan Period in Years	5
Number of Payments Per Year	12
Start Date of Loan	08/01/23
Optional Extra Payments	-

Loan Summary	
Scheduled Payment	<b>10,198</b>
Scheduled Number of Payments	60
Actual Number of Payments	60
Total Early Payments	-
Total Interest	<b>108,926</b>
Total Payment	<b>611,855</b>

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	9/1/2023	502,929	10,198	-	10,198	6,845	3,353	496,084	3,353
2	10/1/2023	496,084	10,198	-	10,198	6,890	3,307	489,194	6,660
3	11/1/2023	489,194	10,198	-	10,198	6,936	3,261	482,257	9,921
4	12/1/2023	482,257	10,198	-	10,198	6,983	3,215	475,275	13,136
5	1/1/2024	475,275	10,198	-	10,198	7,029	3,168	468,246	16,305
6	2/1/2024	468,246	10,198	-	10,198	7,076	3,122	461,170	19,427
7	3/1/2024	461,170	10,198	-	10,198	7,123	3,074	454,047	22,501
8	4/1/2024	454,047	10,198	-	10,198	7,171	3,027	446,876	25,528
9	5/1/2024	446,876	10,198	-	10,198	7,218	2,979	439,658	28,507
10	6/1/2024	439,658	10,198	-	10,198	7,267	2,931	432,391	31,438
11	7/1/2024	432,391	10,198	-	10,198	7,315	2,883	425,076	34,321
12	8/1/2024	425,076	10,198	-	10,198	7,364	2,834	417,712	37,155
13	9/1/2024	417,712	10,198	-	10,198	7,413	2,785	410,300	39,939
14	10/1/2024	410,300	10,198	-	10,198	7,462	2,735	402,837	42,675
15	11/1/2024	402,837	10,198	-	10,198	7,512	2,686	395,325	45,360
16	12/1/2024	395,325	10,198	-	10,198	7,562	2,636	387,763	47,996
17	1/1/2025	387,763	10,198	-	10,198	7,612	2,585	380,151	50,581
18	2/1/2025	380,151	10,198	-	10,198	7,663	2,534	372,488	53,115
19	3/1/2025	372,488	10,198	-	10,198	7,714	2,483	364,773	55,599
20	4/1/2025	364,773	10,198	-	10,198	7,766	2,432	357,007	58,030
21	5/1/2025	357,007	10,198	-	10,198	7,818	2,380	349,190	60,410
22	6/1/2025	349,190	10,198	-	10,198	7,870	2,328	341,320	62,738
23	7/1/2025	341,320	10,198	-	10,198	7,922	2,275	333,398	65,014
24	8/1/2025	333,398	10,198	-	10,198	7,975	2,223	325,423	67,236
25	9/1/2025	325,423	10,198	-	10,198	8,028	2,169	317,395	69,406
26	10/1/2025	317,395	10,198	-	10,198	8,082	2,116	309,313	71,522
27	11/1/2025	309,313	10,198	-	10,198	8,135	2,062	301,178	73,584
28	12/1/2025	301,178	10,198	-	10,198	8,190	2,008	292,988	75,592
29	1/1/2026	292,988	10,198	-	10,198	8,244	1,953	284,744	77,545
30	2/1/2026	284,744	10,198	-	10,198	8,299	1,898	276,445	79,443
31	3/1/2026	276,445	10,198	-	10,198	8,355	1,843	268,090	81,286
32	4/1/2026	268,090	10,198	-	10,198	8,410	1,787	259,680	83,074
33	5/1/2026	259,680	10,198	-	10,198	8,466	1,731	251,213	84,805
34	6/1/2026	251,213	10,198	-	10,198	8,523	1,675	242,691	86,480
35	7/1/2026	242,691	10,198	-	10,198	8,580	1,618	234,111	88,098
36	8/1/2026	234,111	10,198	-	10,198	8,637	1,561	225,474	89,658
37	9/1/2026	225,474	10,198	-	10,198	8,694	1,503	216,780	91,161
38	10/1/2026	216,780	10,198	-	10,198	8,752	1,445	208,027	92,607
39	11/1/2026	208,027	10,198	-	10,198	8,811	1,387	199,217	93,993
40	12/1/2026	199,217	10,198	-	10,198	8,869	1,328	190,347	95,322
41	1/1/2027	190,347	10,198	-	10,198	8,929	1,269	181,418	96,591
42	2/1/2027	181,418	10,198	-	10,198	8,988	1,209	172,430	97,800
43	3/1/2027	172,430	10,198	-	10,198	9,048	1,150	163,382	98,950
44	4/1/2027	163,382	10,198	-	10,198	9,108	1,089	154,274	100,039
45	5/1/2027	154,274	10,198	-	10,198	9,169	1,028	145,105	101,067
46	6/1/2027	145,105	10,198	-	10,198	9,230	967	135,875	102,035
47	7/1/2027	135,875	10,198	-	10,198	9,292	906	126,583	102,940
48	8/1/2027	126,583	10,198	-	10,198	9,354	844	117,229	103,784
49	9/1/2027	117,229	10,198	-	10,198	9,416	782	107,813	104,566
50	10/1/2027	107,813	10,198	-	10,198	9,479	719	98,334	105,285
51	11/1/2027	98,334	10,198	-	10,198	9,542	656	88,792	105,940
52	12/1/2027	88,792	10,198	-	10,198	9,606	592	79,187	106,532
53	1/1/2028	79,187	10,198	-	10,198	9,670	528	69,517	107,060
54	2/1/2028	69,517	10,198	-	10,198	9,734	463	59,783	107,523
55	3/1/2028	59,783	10,198	-	10,198	9,799	399	49,984	107,922
56	4/1/2028	49,984	10,198	-	10,198	9,864	333	40,119	108,255
57	5/1/2028	40,119	10,198	-	10,198	9,930	267	30,189	108,523
58	6/1/2028	30,189	10,198	-	10,198	9,996	201	20,193	108,724
59	7/1/2028	20,193	10,198	-	10,198	10,063	135	10,130	108,859
60	8/1/2028	10,130	10,198	-	10,130	10,063	68	-	108,926

## 10. Economic Aspect

### 10.1. Employment Opportunity:

The project will require a total number of 305 persons of various categories. Cost per employment to be generated works out to BDT 38,596.00 per month.

### 10.2. Contribution to GDP

<b>Julfikar Steel Re-Rolling Mills Ltd.</b>	
<b>(D-Form Bar/MS Steel Manufacturing Project)</b>	
Contribution To GDP	
Amount in '000	
On Completion, the project will add value to the Gross Domestic Product (GDP) of the country per annum as detailed below :-	<b>623,259</b>
<b>A. Revenue Receipts (3rd Year)</b>	<b>30,352,366</b>
<b>B. Less: Consumption by Economy</b>	
<b>Factory Expenses</b>	
Raw Materials Consumption	27,165,600
Wastage Raw Materials Cost	-
Electricity and water	317,752
Repair & Maintenance Expenses	39,674
Factory Overhead	151,762
Financial/Interest Expenses	891,685
Factory Salary and Wages	110,139
Salary and Wages-Head Office	49,597
Head Office Rent and others	15,176
<b>Admin, Selling and General Expenses</b>	
Salary and Wages	49,597
Head Office Rent and others	15,176
Office Stationery	7,588
Fuel of Vehicles	4,553
Travelling and Conveyance	1,518
Mobile and Telephone	1,518
Entertainment Expenses	607
Foreign Tour	304
Miscellaneous Expenses	15,176
Financial Interest	891,685
<b>TOTAL</b>	<b>29,729,106</b>
<b>Contribution To GDP</b>	<b>623,259</b>

**11. Annexures**  
**11.1. Incorporation Certificate**

Issue No. 24955 Date:27/07/2016



**Certificate of Incorporation**  
**(under Act XVIII of 1994)**

**No. C-132079/2016**

*I hereby certify that **JULFIKAR STEEL RE-ROLLING MILLS LIMITED** is this day incorporated under the Companies Act (Act XVIII) of 1994 and that the Company is Limited.*

*Given under my hand at Dhaka this **Twenty-Seventh** day of **July** two thousand and sixteen.*

*By order of*  
*Registrar*

*Assistant Registrar*  
*Registrar of Joint Stock Companies & Firms*  
*Bangladesh*



N.B. This certificate is digitally signed. Please find the soft copy to verify the signature.



### 11.3. TIN Certificate



**Government of the People's Republic of Bangladesh**  
**National Board of Revenue**  
Taxpayer's Identification Number (TIN) Certificate  
**TIN : 627216152124**

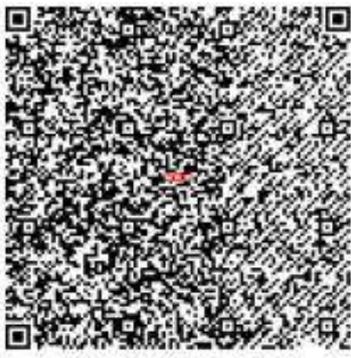
This is to Certify that **JULFIKAR STEEL RE-ROLLING MILLS LIMITED** is a Registered Taxpayer of National Board of Revenue under the jurisdiction of **Taxes Circle-007 (Company)** , Taxes Zone **Narayanganj**.

**Taxpayer's Particulars :**

- 1) Name : **JULFIKAR STEEL RE-ROLLING MILLS LIMITED**
- 2) Registered Address/Permanent Address : **B-342, Enaetnagar, Godnail, Siddhirgonj, Narayanganj, PO : 1432**
- 3) Current Address : **B-342, Enaetnagar, Godnail, Siddhirgonj, Narayanganj, PO : 1432**
- 4) Previous TIN : **Not Applicable**
- 5) Status : **Company**

Date : August 23, 2016

**Please Note:**  
1. A Taxpayer is liable to file the Return of Income under section 75 of the Income Tax Ordinance, 1984.  
2. Failure to file Return of Income under section 75 is liable to-  
(a) Penalty under section 124, and  
(b) Prosecution under section 164 of the Income Tax Ordinance, 1984.



Deputy Commissioner of Taxes  
Taxes Circle-007 (Company)  
Taxes Zone Narayanganj  
Address : H R Complex (5th Floor), East Isapur, Fatulla,  
Narayanganj Phone :

Last Update : April 28, 2016 01:11:16 PM

N. B. This is a system generated certificate and requires no manual signature.

#### 11.4. BIN Certificate



**Government of the People's Republic of Bangladesh**  
**National Board of Revenue**

Mushak-2.3

Customs, Excise and VAT Commissionerate, Dhaka (East)  
Sidhirgonj Division

**Value Added Tax Registration Certificate**

This is to certify that the person whose details are given below is registered under  
Value Added Tax and Supplementary Duty Act, 2012 (Act No. 47 of 2012)

**BIN : 000360299-0305**

Name of the Entity	: JULFIKAR STEEL RE-ROLLING MILLS LIMITED
Trading Brand Name	: M.S Product/Sheet
Old BIN	: 21121000035
e-TIN	: 627216152124
Address	: B-342, Enaetnagar, Godnail, Chowdhuri Bari, Siddhirganj, Narayanganj.; Siddhirganj PS; Narayanganj-1430; Bangladesh
Issue Date	: 02/11/2019
Effective Date	: 01/07/1991
Type of Ownership	: Private Limited
Major Area of Economic Activity	: Manufacturing, Imports



*This is a system generated certificate and doesn't require any signature*

### 11.5. Environmental Clearance Certificate



গণপ্রজাতন্ত্রী বাংলাদেশ সরকার  
পরিবেশ অধিদপ্তর  
নারায়ণগঞ্জ জেলা কার্যালয়  
মা আমেনা স্বপ্ন টাওয়ার (চতুর্থ তলা)  
পূর্ব লামাপাড়া, ফতুল্লা, নারায়ণগঞ্জ  
[www.doe.gov.bd](http://www.doe.gov.bd)

পরিবেশগত ছাড়পত্র নবায়ন  
ছাড়পত্র নং: ২২-৮২২৬৮

পরিবেশগত ব্যবস্থাপনা নিশ্চিতকরণ সাপেক্ষে সংযুক্ত শর্তে নিম্নবর্ণিত প্রতিষ্ঠান/প্রকল্পের অনুকূলে পরিবেশগত ছাড়পত্র নবায়ন প্রদান করা হলো :

প্রতিষ্ঠান/প্রকল্পের নাম	: জুলফিকার স্টীল রি রোলিং মিলস লিঃ
উদ্যোক্তার নাম	: মোঃ মাহবুবুর রশিদ জুয়েল
সনাক্তকরণ নং	: ৬০৩৬২
প্রতিষ্ঠান/প্রকল্পের কার্যক্রম	: এম এস রড উৎপাদন
প্রতিষ্ঠান/প্রকল্পের শ্রেণী	: Orange-B
প্রতিষ্ঠান/প্রকল্পের ঠিকানা	: বি-৩৪২, এনায়েতনগর, গোদনাইল, সিদ্ধিরগঞ্জ, নারায়ণগঞ্জ
প্রদানের তারিখ	: ১৭ আগস্ট ২০২২ খ্রিঃ
মেয়াদ উত্তীর্ণের তারিখ	: ০৩ আগস্ট ২০২৩ খ্রিঃ



এ ছাড়পত্র সনদের সাথে পৃথকভাবে সংযুক্ত প্রদত্ত শর্তাবলী মধ্যস্থতভাবে প্রতিপালন করতে হবে, অন্যথায় ছাড়পত্র বাতিল/ক্ষতিপূরণ আদায়সহ যে কোন আইনানুগ ব্যবস্থা গ্রহণ করা হবে।

বিঃদ্রঃ এটি একটি সিস্টেম জেনারেটেড ছাড়পত্র এবং এতে কোনোরূপ স্বাক্ষরের প্রয়োজন নেই।

## 11.6. Factory License

**কারখানা লাইসেন্স** শিল্পায়ন নিষিদ্ধ

ফরম-৭৮  
[ধারা ৩২৬ এবং বিধি ৩৫৫(১) দ্রষ্টব্য]

লাইসেন্স নং ১৭৩৪৯/নাঃগঞ্জ রেজিঃ নং ১৭৩৪৯/নাঃগঞ্জ তারিখ ০৩/১২/২০১৪ইং

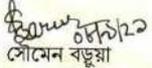
শ্রেণী "ডি" শিল্পের ধরন রি-রোলিং মিলস লাইসেন্স ফি (টাকা) ২,৫০০/- (দুই হাজার পাঁচশত মাত্র) বাংলাদেশ

শ্রম আইন, ২০০৬ এর বিধান সাপেক্ষে এতদ্বারা "কারখানা লাইসেন্স" মঞ্জুর করা হইল। উহা কেবল জুলফিকার স্টীল রি-রোলিং মিলস লিঃ

নামে পরিচিত হইবে ও বি/৩৪২, এনায়েতনগর, গোদনাইল, চৌধুরীবাড়ী, সিদ্ধিরগঞ্জ, নারায়ণগঞ্জ।

স্থানে অবস্থিত "কারখানা" এবং জনাব মোঃ মাহবুবুর রশিদ জুয়েল গং মালিক/ব্যবস্থাপনা পরিচালকের জন্য প্রযোজ্য।

এই লাইসেন্স ২০২২ইং সনের ৩০ জুন পর্যন্ত বলবৎ থাকিবে।

  
সৌমেন বড়ুয়া  
উপমহাপরিদর্শক  
কলকারখানা ও প্রতিষ্ঠান পরিদর্শন অধিদপ্তর  
নারায়ণগঞ্জ।

11.7. Fire License

ক্রমিক নং

অনিবেশ ০০৩  
প্রথম সংস্করণ ২০১২

**ফায়ার লাইসেন্স**

লাইসেন্স নম্বর এ ডি/ তা কা/ ৯ ০ ৯ ৮ / ০ ৫

এতদ্বারা অগ্নি প্রতিরোধ ও নির্বাপন আইন ২০০৩ এর ৪ ধারা অনুযায়ী এবং উল্লেখিত শর্তাবলী সাপেক্ষে ফায়ার লাইসেন্স ইস্যু করা হইল।

১। মালিক/কারখানার মালিক/ব্যবহারকারী/কর্তৃপক্ষের নাম, পদবী ও ঠিকানা :

প্রতিষ্ঠানের নাম : জুলফিকার স্টিল রি-রোলিং মিলস লিঃ

মালিকের নাম : মোঃ মাহবুবুর রশিদ জুয়েল

ফোন : ফ্যাক্স : ই-মেইল :

২। মালিক/কারখানার অবস্থান : (ক) প্লট নং/হোল্ডিং নং বি-৩৪২, এনায়েতনগর, গোদনাইল, চৌধুরী বাড়ী, সিদ্ধিরগঞ্জ, নারায়ণগঞ্জ।

(খ) দাগ নং (গ) খতিয়ান নং (ঘ) জে এল নং

(ঙ) মৌজা (চ) রোড নং (ছ) ডাকঘর

(জ) থানা সিদ্ধিরগঞ্জ (ঝ) উপজেলা (ঞ) জেলা নারায়ণগঞ্জ

৩। ভবনের ব্যবহার শ্রেণী : এফ-৫

৪। ভবনের নির্মাণ শ্রেণী ও পরিমাপ : কাঁচা ঘর।

শ্রেণী-১	শ্রেণী-২	শ্রেণী-৩	দৈর্ঘ্য	প্রস্থ	উচ্চতা	মোট মেবোর ক্ষেত্রফল (বর্গ মিটার)
		√				৩০০০ বর্গফুট

## 12. Project Image Gallery





SAMPLE













SAMPLE



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# Feasibility Report and **BUSINESS PLAN** OF JULFIKAR STEEL RE-ROLLING MILLS LIMITED



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