SOFTWARE DEVELOPMENT

1. INTRODUCTION:

Computer has grown to become essential in the operations of business It has also demonstrated itself, especially in recent years, to be very powerful tool in design and manufacturing. Through Software Applications the work of the organizations would be converted to 'Smart work'. Software help an organization in each and every stage like staff management, salary management, clients management, ERP systems, Billing systems, E-mail and SMS campaigns and contact management and many more.

2. SERVICE & ITS APPLICATION:

Software development services are the basic requirement of organization and any industry. Number of software applied to different sectors like Manufacturing industry, Food Industry, Education campus and many more. Basic software like TELLY, ERP, BILLING, are applied to all the sectors. Software are playing major role in stock market for the brokers as well as buyers.

3. DESIRED QUALIFICATIONS FOR PROMOTER:

Promoter for this service may have higher studies in software development designing as well as backend coding in JAVA, dotNet or any other language plus background of sales and marketing can be an value added plus point so that it brings down the cost of building project and also make the implementation smoother and it will require less time to build with greater quality.

4. INDUSTRY LOOK OUT AND TRENDS

Gartner predicted early this year that the public cloud market would be worth $204 billion in 2016. The industry is expected to compare to 2015. Estimated global public cloud services would register a 22% compound yearly growth towards 2020.

The figures seem on track even as we wait for SaaS industry report 2016 numbers to come in early next year (the trends have been portrayed pretty accurate thus far, you can take a look at our if you like). At worst, both Gartner's and Forrester's figures won't be far off if we consider the positive trends in the industry that we've seen in the past twelve months. Growth isn't everything, though. Let's take a look at five major SaaS market trends that deserve your attention.

5. MARKET POTENTIAL AND MARKETING ISSUES:

Requirement for each industry is automation. We need different type of software for different type of applications to automate work in several organizations. Organization wants to work fast day by day using software, which can lead them to their goals and targets. Organizations can achieve several tasks easily with the use of compatible software. Job of a software developer is to make a task simpler and compatible for the person who is average educated and have less knowledge about technology. These end users should also able to operate software easily.

6. REQUIREMENTS – Material/Equipment and manpower

Resources
1. Computers with latest OS and Network Infrastructure
2. Advanced Software such as Visual Studio, Dreamweaver and more according to the requirement.

Manpower

1. Software developers: 2 or 3 minimum, who are skilled to write code in various languages according to requirement
2. Tech-Support: 1 who can manage server data and hosting
3. Sales and marketing: 1 or 2 who can work on official documentation and can represent project in front of client.

7. MANUFACTURING PROCESS:

- **Defining Software Goal:** This is probably the most important phase of any software development project as you define the goals, set up the overall structure, decide on content and assign roles and the different deliverables throughout the project.

- **Developing Software Structure:** The software structure forms the backbone of the website. It acts as a reference guide for the team during the entire duration of the project. Use flowcharts to show the flow of the structure.

- **Designing and Production:** In this phase, make sure the designer works together with the programmer to ensure the implementation of coherent design elements. After the client approves the design drafts, the designer and the graphic team work on the look and the feel of the website. Compression, transparency, efficient use of color and design combine to create effective web graphics. The production stage is a point where the actual website is created. After the design and layout of the site is completed, the site goes into the engineering part of the work. Here, you will take all of the individual graphic elements from the prototype and use them to create the actual, functional site.

Testing, collecting feedbacks and fixing bugs: Although testing is something that's done throughout the development process as well, there will always be bugs left. And we're not

only talking about software bugs. Even a design can be buggy. So after giving the final touch the site will be ready to go live!

8. MANPOWER REQUIREMENT:

Sr. No.	Designation of Employees	Number of Employees	Monthly Salary ₹	Total Amount
1	Software Development	3	15,000	45,000
2	Tech Support	1	8,000	8,000
3	Marketing Support	2	10,000	20,000
1	Quality testing person	1	15,000	15,000
2	Accounts/Stores Assistant	1	12,500	12,500
3	Office Boy	1	9,000	9,000
	Total			1,09,500

9. IMPLEMENTATION SCHEDULE:

The project can be implemented in 3 months' time as detailed below:

Sr. No.	Activity	Time Required (in months)
1	Acquisition of premises	1.00
2	Construction (if applicable)	1.00
3	Procurement & installation of Plant & Machinery	1.00
4	Arrangement of Finance	2.00
5	Recruitment of required manpower	1.00
	Total time required *(some activities shall run concurrently)*	3.00

10.   COST OF PROJECT:

The project shall cost ₹ 2.51 lakhs as detailed below:

Sr No	Description	Qtty	Amount (Rs)	Total (Rs)
1	Building Website for software service Centre	1	₹ 20,000.00	₹ 20,000.00
2	Computers - with all necessary hardware and installed Windows and MS Office	5	₹ 27,000.00	₹ 1,35,000.00
3	Purchas bulk hosting services	1	₹20,000.00	₹20,000.00
3	Software licensing	1	₹ 16,000.00	₹ 16,000.00
3	Network Installation	1	₹ 10,000.00	₹ 10,000.00
4	Office Furniture	1	₹ 50,000.00	₹ 50,000.00
A	**Total**			₹ **2,51,000.00**

11. MEANS OF FINANCE:

Bank term loans are assumed @ 75 % of fixed assets. The proposed funding pattern is as under:

Sr. No.	Particulars	₹ in Lacs
1	Promoter's contribution	1.17
2	Bank Finance	1.34
	Total	**2.51**

12. WORKING CAPITAL CALCULATION:

The project requires working capital of 1.69 lakhs as detailed below:

Sr. No.	Particulars	Gross Amt	Margin %	Margin Amt	Bank Finance
1	Inventories	0.00	0.25	0.00	0.00
2	Receivables	0.00	0.25	0.00	0.00
3	Overheads	1.69	100%	1.69	0.00
4	Creditors	-		0.00	0.00
	Total	1.69		1.69	0.00

Turnover

Sr. No	Description	Cost/Unit	Quantity /Month	Sales/ month	Revenue/year Rs. In Lakhs
1	Software web applications	₹30,000	8	240000.00	**28.80**
2	Software desktop applications	₹52,000	10	520000.00	**62.40**
Total					**91.20**

13.　　　LIST OF MACHINARY REQUIRD

Sr. No.	Description	Qtty	Amount	Total
1	Computers - with all necessary hardware and installed Windows and MS Office	2	₹ 27,000	₹ 54,000
2	Vehicle	4	₹ 40,000	₹ 1,60,000
3	Network Installation devices	1	₹ 5,000	₹ 5,000

All the Computers, its peripherals and other equipment are available from local manufacturers. The entrepreneur needs to ensure proper selection of product mix and proper type of equipments and accessories to have modern and flexible designs. Some of the suppliers of computers and accessories are as below:

1. Impressive Computers

    Hasan Ali House No. 4/41-A,

    Noor Baug, Umerkhadi,

    Mumbai - 400009,

    Maharashtra, India

2. Computer Planet

    Shop No. 1, Shaniwar Peth-53,

    Opposite AmruteshwarMandir,

    Amruteshwar Co Operative Housing Society,

    Near Shaniwar Wada,

    Pune – 411030,

    Maharashtra, India

3. Visicube Technologies Private limited
   Door No. 1-8-315,
   Begumpet, Opposite US Consulate,
   Hyderabad - 500016,
   Telangana, India

4. Micon Automation Systems Private Limited
   A-814, Siddhi Vinayak Towers,
   Behind DCP Office, Makarba,
   Ahmedabad - 380051,
   Gujarat, India

5. Adaptek Automation Technology
   No. 13, F- 3, 2nd Floor,
   Main Road, Adyar Nehru Nagar,
   Near H.D.F.C. Bank A.T.M.,
   Chennai - 600020,
   Tamil Nadu, India

14. PROFITABILITY CALCULATIONS:

Sr. No.	Particulars	UOM	Year-1	Year-2	Year-3	Year-4	Year-5
1	Capacity Utilization	%	60%	70%	80%	90%	100%
2	Sales	₹. In Lacs	54.72	63.84	72.96	82.08	91.20
3	Raw Materials & Other direct inputs	₹. In Lacs	6.25	7.29	8.33	9.37	10.41
4	Gross Margin	₹. In Lacs	48.47	56.55	64.63	72.71	80.79
5	Overheads except interest	₹. In Lacs	4.26	4.52	5.05	5.21	5.32
6	Interest	₹. In Lacs	0.35	0.35	0.23	0.18	0.14
7	Depreciation	₹. In Lacs	4.34	3.10	2.17	1.55	1.40
8	**Net Profit before tax**	₹. In Lacs	**39.53**	**48.58**	**57.17**	**65.77**	**73.93**

The basis of profitability calculation:

The growth of selling capacity will be increased 10% per year. (This is assumed by various analysis and study; it can be increased according to the selling strategy.)

Energy Costs are considered at Rs 7 per Kwh and fuel cost is considered at Rs. 65 per litre. The depreciation of plant is taken at 10-12 % and Interest costs are taken at 14 -15 % depending on type of industry.

15. BREAKEVEN ANALYSIS:

Sr. No.	Particulars	UOM	Value
1	Sales at full capacity	₹. In Lacs	91.20
2	Variable costs	₹. In Lacs	10.41
3	Fixed costs incl. interest	₹. In Lacs	5.46
4	BEP = FC/(SR-VC) x 100	% of capacity	6.76%

16. STATUTORY / GOVERNMENT APPROVALS

Bureau of Indian Standards (BIS) is operating Compulsory Registration Scheme (CRS) for Electronics & IT Goods as per the provision of Chapter IVA of THE BUREAU OF INDIAN STANDARDS RULES, 1987 for the product categories notified by Meaty.Visit official government website (Bureau of Indian Standards) for notice about products on: http://crsbis.in/BIS/

Entrepreneur may contact State Pollution Control Board where ever it is applicable.

17. BACKWARD AND FORWARD INTEGRATIONS

It is assumed that the unit will be viable at 75% efficiency on single shift basis considering 5 working days or as per demand of area per week.

The rate of interest in the scheme is taken at 11.5 % for both fixed and working capital. Due to liberalization and competition among banks, lower rate of interest is possible in future.

The prices of machinery and equipment are approximate which are ruling locally at the time of preparation of the project. When a tailor-cut project is prepared the necessary changes are to be made at the local level.

The cost of staff and labour is approximate which is ruling locally at the time of preparation of the profile. When a tailor-cut project is prepared the necessary changes are to be made.

18. TRAINING CENTERS AND COURSES

There is no specific course in repairing and assembling services, but the most authorized center is government authorized "ITI" available in all the cities across the country.
India Training institute of computer technology conducts various technical courses in different cities to enable students to make a bright career. Most of our vocational programs are job-oriented with which students can start earning the day they finish their training or can learn them as a hobby. Students can join for any of these in vacations as all these are short-term certificate courses.

Udyamimitra portal (link : www.udyamimitra.in) can also be accessed for hand-holding services viz. application filling / project report preparation, EDP, financial Training, Skill Development, mentoring etc.

Entrepreneurship program helps to run business successfully is also available from Institutes like Entrepreneurship Development Institute of India (EDII) and its affiliates all over India.

Disclaimer:

Only few machine manufacturers are mentioned in the profile, although many machine manufacturers are available in the market. The addresses given for machinery manufacturers have been taken from reliable sources, to the best of knowledge and contacts. However, no responsibility is admitted, in case any inadvertent error or incorrectness is noticed therein. Further the same have been given by way of information only and do not carry any recommendation.