PROJECT PROFILE ON MOSQUITO COIL STAND

Production Capacity:- Qty-90,00000 Nos
Value-Rs 46,80,000

Month & year of preparation:-March-2011

Prepared by:- Mechanical Division MSME-DI,GUWAHATI

Introduction:-Live and let live. Thus Co-existence is the Strategy for survival. But, Mosquitoes never follow the theories to let live. so reversibility is true to drive away the creatures by burning goodnight coil. But, the coil requires to be burnt on a stand. Thus, goodnight stand to let the coil burn at full length to drive away the mosquitoes.

Market Potential:- The market demand for coil stand is increasing day by day & directly proportional to the Mosquito coils in the market. There is ever increasing demand for the Coil to prevent mosquito spread Diseases. Thus, Stand demand proportionately increase apart from availability with the coil. Apart from mosquito coil manufacturers, it has a good market for supply to meet original demand and in the replacement market.

Basic &presumptions:-

1. The Unit assumed to work 8 hours per day on single shift basis for 300 working days in a year.
2. It is Expected to achieve 75% efficiency if full Capacity.
3. Wages for Workers have been taken as those prevailing at the time of preparation of project profile.
4. Interest rate for the fixed and working capital of the project has been taken at an average rate of 12.5% Per annum.
5. The Unit can work in rented promises.
6. The cost machinery of equipment has been taken as per prices prevailing in the local market.

Implementation Schedule

Sl/No	Activity	Period in weeks
1.	Preparation of project report	2
2.	Selection of Site	2
3.	Provisional registration as small scale unit	1
4.	Availability of loan finance	4
5.	Procurement of machinery and Equipment	4
6.	Erection of Machinery and Equipment	1
7	Recruitment of staff & labor	2
8.	Procurement of raw material	2
9.	Trial production	2

The overall time required to commission the project may be 4 to 5 months.

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Technical Aspects

Process of manufacture

The raw material required for this project is available indigenously. This plates are purchased from renowned suppliers & processed on shearing m/c to cut in size and then processed on the power press.

Quality Control & Standards:-There is no ISspecification for this product .However, the product is made in the range of 78mm(L)x 45mm (Width).

Motive power:-

Pollution control-The process of manufacture is non pollutant and hence no pollution control measures are necessary.

Energy Conservation:- The power Consumption in this Unit is not of higher order. Thus special Conservation is not necessary. But it is advisable for judicious use of energy and proper maintenance of machines.

Financial Aspects:-

A. Fixed capital — Per month(Rs)

(i)Land & building

Rented:-250 sq m area

(workshop, office & store) — 10,000 PM

(ii)Machines and Equipments

Sl.No.	Description	Qty No	Value(Rs)
1.	Shearing m/c	01	74,000
2.	Power press 20 Tons	01	1,10,000
3.	Die with Auto feeder	01	35,000
	& Driver	-	2,500
4.	Measuring instruments	-	10,000
5.	Office furniture Equipment		
	Electrification and installation		
	@10 of total cost of machinery		18,400
		Total-	2,49,900
		Say-	2,50,000

(iii)Pre operative Cost -- 20,000

Total fixed capital (ii) + (iii) ----- 2,70,000

B. Working Capital(per month)

Personal

Sl.No	Description	No	Salary	Total
1	Manager /Engineer	1	12000	12000
2.	Skilled Worker	2	6000	12000
3.	Semi Skilled Worker	2	5000	10000
4.	Peon Cum Watchman	1	5000	5000
5.	Sweeper (part time)	1	2000	2000
6.	Helper	1	4500	4500
		--- Total	---	45500

*Perquisites@ 20% ---- 9100

Total--	54,600
Say ----	55,000

Raw material

(ii)

Sl.No	Particulars	Rate(Rs)	Qty	Total(in Rs)
1	Tin plate	60000/ton	04 tons	2,40,000
2.	Packing material	----	----	10,000

(iii)Utilities

		(Rs)
Power	-----	2500
Water	-----	500

(iv) Other Contingent Expenses

	(Rs)
1. Rent	10,000
2. Postage & Stationery	500
3. Repair & maintenance	3,500
4. Transport & conveyance	5,000
5. Telephone Charges	500
6. Insurance	1,500
7. Miscellaneus Expenses	1,000
Total ----	22,000

(v) Total Recurring Expenses(pm)

	(Rs)
1. Raw material	2,50,000
2. Personal	55,000
3. Utilities	3,000
4. Other contingent Expenses	22,000
Total -----	3,30,000

Total capital Investment

(i) Fixed Capital	---	2,70,000
(ii) working Capital(for 3 months)	---	9,90,000
	Total	12,60,000

Machinery Utilization

All the machinery will be fully utilized. These won't be any idle capacity.

Financial Analysis

(1) Cost of production (per year) in(Rs)

a) Total recurring cost 39,60,000
b) Depreciation on Tools and

office Equipment@ 20%		9,500
c) Depreciation on machinery@10%		18,400
d) Interest on total investment@12.5%		1,57,500
	Total----	41,45,400

Turnover

(2) Total Sales (per annum)
By sale of 90,00000@0.52 each = 46,80,000

(3) Profit (per year)

Profit =(Total sale)-(Cost of production)
=Rs.46,80,000-Rs.41,45,400
=Rs.5,34,600

(4)Net profit ratio = $\frac{\text{Net profit per year x100}}{\text{Turn over per year}}$

$= \frac{5,34,600 \times 100}{46,80,000} = 11.4\%$

(5)Rate of Return = $\frac{\text{Net profit per year x100}}{\text{Total investment}}$

$= \frac{5,34,600 \times 100}{12,60,000} = 42.4\%$

Break even point

Fixed Cost	(in Rs.)
Rent	1, 20,000
Depreciation on Machinery@10%	18,400
Depreciation on Tools & office Equipment@20%	9,500
Interest on Loan	1,57, 500
40% of Salary & Wages	2, 64,000
40% of other Contingent Expenses (Excluding rent)	57,600
40% of Utilities	14,400
Total---	6,41,400

B.E.P. = $\frac{\text{Fixed Cost x 100}}{\text{Fixed Cost + profit}}$

$= \frac{6,41,400 \times 100}{11,76,000}$

= 54.5%

Address of Machinery Suppliers:-

1.Vikas M/s Tools
Rajkamal Road
Rajaji Nagar
Bangolore-10
2.Vijay Machine Tools
Rajkot
3.M/s Madhu Engineer
Nagadi Main Road
Kadavri
Bangolore-91