

**Introduction :**

Computer are now common. They require an efficient maintenance and servicing support. However the availability of computer hardware clinics are not in proportion to the demand even in large cities. The computer hardware servicing units will therefore have definite prospects. Besides the centre can obtain annual contracts from banks, railways, airlines etc. for servicing and maintenance. Raw Materials : Add on cards, electronic components, and miscellaneous items.

**Market potential :-** The use of computer is very common everywhere. Computer helps to administer date and its process, so it is considered as a very powerful tool of this century. It is very popular among working group and in the urban population of the state, they are trying to keep their own personal computer at residences. This has got several intricate parts, which need regular service and repair. So the need for computer hardware service, centre is tremendous especially in urban areas.

**1 Name of the Product :****2 Project Cost :****a Capital Expenditure**

Land	:		Rs.	Own
Workshed in sq.ft	Rented		Rs.	-
Equipment	:		Rs.	100,000.00

Cathode ray oscilloscope, Digital multimeter, Mother board, Software packages, Other hand tools. .

Total Capital Expenditure	Rs.	100,000.00
b Working Capital	Rs.	100,000.00
<b>TOTAL PROJECT COST :</b>	<b>Rs.</b>	<b>200,000.00</b>

**3 Estimated Annual Production Capacity:**

(Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	Computer Hardware Service			652.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>	<b>652.00</b>

4	Raw Material	:	Rs.	240,000.00
5	Packing Material	:	Rs.	1,000.00
6	Wages (1-Skilled & 1-Unskilled)		Rs.	144,000.00
7	Salaries 1- Manager		Rs.	120,000.00

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<b>8</b>	<b>Administrative Expenses</b>	<b>:</b>	<b>Rs.</b>	<b>45,000.00</b>
<b>9</b>	<b>Overheads</b>	<b>:</b>	<b>Rs.</b>	<b>60,000.00</b>
<b>10</b>	<b>Miscellaneous Expenses</b>	<b>:</b>	<b>Rs.</b>	<b>15,000.00</b>
<b>11</b>	<b>Depreciation</b>	<b>:</b>	<b>Rs.</b>	<b>10,000.00</b>
<b>12</b>	<b>Insurance</b>	<b>:</b>	<b>Rs.</b>	<b>1,000.00</b>
<b>13</b>	<b>Interest (As per the PLR)</b>			
	<b>a. C.E.Loan</b>	<b>:</b>	<b>Rs.</b>	<b>13,000.00</b>
	<b>b. W.C.Loan</b>	<b>:</b>	<b>Rs.</b>	<b>13,000.00</b>
	<b>Total Interest</b>		<b>Rs.</b>	<b>26,000.00</b>
<b>14</b>	<b>Working Capital Requirement</b>	<b>:</b>		
	<b>Fixed Cost</b>		<b>Rs.</b>	<b>194,000.00</b>
	<b>Variable Cost</b>		<b>Rs.</b>	<b>458,000.00</b>
	<b>Requirement of WC per Cycle</b>		<b>Rs.</b>	<b>108,667.00</b>

**15 Cost Analysis**

<b>Sr.No.</b>	<b>Particulars</b>	<b>Capacity Utilization(Rs in '000)</b>			
		<b>100%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>
<b>1</b>	<b>Fixed Cost</b>	194.00	116.40	135.80	155.20
<b>2</b>	<b>Variable Cost</b>	458.00	274.80	320.60	366.40
<b>3</b>	<b>Cost of Production</b>	652.00	391.20	456.40	475.80
<b>4</b>	<b>Projected Sales</b>	850.00	510.00	595.00	680.00
<b>5</b>	<b>Gross Surplus</b>	198.00	118.80	138.60	158.40
<b>6</b>	<b>Expected Net Surplus</b>	188.00	109.00	129.00	148.00

- Note :
1. All figures mentioned above are only indicative.
  2. If the investment on Building is replaced by Rental then
    - a. Total Cost of Project will be reduced.
    - b. Profitability will be increased.
    - c. Interest on C.E.will be reduced.