PROJECT PROFILE COIR GEO-TEXTILES UNIT(ANUGRAHALOOM)

PRODUCT	**:**	**COIR GEO-TEXTILES**
PRODUCTION CAPACITY (P.A)		
(100% CAPACITY)	**:**	**216000 SQ.METER**
VALUE	**:**	**RS. 120.96 LAKHS**
MONTH & YEAR OF PREPARATION	**:**	**JUNE 2018**
PREPARED BY	**:**	**COIR BOARD, MINISTRY OF MSME, GOVT OF INDIA**

INTRODUCTION

Coir geo textiles are permeable fabric capable to control soil erosion. It protects the earth and promotes vegetation retaining precious topsoil. Coir geo textiles are made from coir fibre/yarn extracted from coconut husk either by natural retting or by mechanical process. It is a woven fabric of two treadle in construction with a width 1-2meter and 50-meter length and made from 2-ply coir yarn in which the warp and weft strands are positioned at a distance to get a mesh (net) effect of ¼", ½" and 1". The netting (mesh) gives the grass plenty of room to grow, at the same time it provides large number of "Check Dams" per square meter of soil surface.

The coir geo textiles initially holds the ground for seeds and seedling and provides a mechanical support against water erosion helps the germination of seeds for better and growth of the plants conserving moisture and adds organic matter to the soil after degradation.

- ## PROCESS OF MANUFACTURE

The metallic handloom named **"ANUGRAHA"** can weave all varieties of coir geo textiles.As there is no power required to operate Anugraha loom, it can be installed in the remote village where women can easily operate it as it has a simple pedal for treadling. The treadling and beating is very easy in Anugraha loom. The treadling is operated by a 3 mm wire rope (motor cycle cable) and beating simplified providing a bush bearing. Anugraha is light weight, easy to shift from one place to another as it needs no foundation. It needs less maintenance and occupies less space. The metallic Anugraha handloom could save trees, which are very essential for maintenance of ecology.

- **BASIS AND PRESUMTIONS**

  - The Project Profile is based on 8 working hours for2 shifts in a day and 25 days in a month and the Break Even efficiency has been calculated on 70%, 80%, 90%, 90% and 100% capacity utilization.
  - The rate of interest both for fixed asset and working capital have been taken as 12.5% p.a.

- **TECHNICAL ASPECTS**

Installed Production capacity per loom/shift	:	0.042 per shift
Number of Loom	:	12
Number of Shift per day	:	1
Working days p.a	:	300 days
Yield wastage	:	5%
Capacity Utilization		
-First year	:	70%
-Second year	:	80%
-Third year	:	90%
-Fourth year	:	90%
-Fifth year	:	100%
Rate of Average Sales Realization	:	Rs.56000/- per1000Sq.m
Rate of Average cost of raw material	:	Rs.46000/- per1000Sq.m.
Interest on term Loan	:	12.50%
Interest on working capital	:	12.50%
Manpower requirement		
Supervisor	:	1
Skilled worker	:	20

- **FINANCIAL ASPECTS**

i) Cost of Project

		Amount
• Land	:	Lease/owned
• Building	:	Rs. 470000/-
• Machinery &Equipments	:	Rs.1420000/-
• Working Capital		Rs. 610000/-
Total	**:**	**Rs. 2500000/-**

ii) Means of Finance

• Promoters Capital	5%	:	Rs. 125000/-
• Bank Term loan	95%	:	Rs.1795000/-
• WC Loan from Bank	95%	:	Rs. 580000/-
• **Total**		**:**	**Rs.2500000/-**

Sl. No	Description of Machines &equipments	Qty	Amount (Rs)
1	Anugraha Loom	12	1000000.00
2	Wrapping Device, Spooling Device and Quilling equipments etc.		420000.00
Total			1420000.00

- **DETAILS OF THE PROFITABILITY OF THE PROJECT**

Rs.in Lakhs

Years		**1**	**2**	**3**	**4**	**5**
Installed Production capacity/loom/shift	Sq.meter	60	60	60	60	60
Number of machines		12	12	12	12	12
Number of shift/day		1	1	1	1	1
Working days per annum		300	300	300	300	300
Installed production capacity per annum	Sq.meter	216000	216000	216000	216000	216000
Capacity utilization		70%	80%	90%	90%	100%
Annual production quantity		151200	172800	194400	194400	216000
Annual Sales Realization	Rs. 56000 Sq.meter	**84.67**	**96.77**	**108.86**	**108.86**	**120.96**
Cost of Production						
Raw material requirement	Tons	111.13	127.01	142.88	142.88	158.76
Cost of raw material	Rs. 46000	51.68	59.06	66.44	66.44	73.82
Spares, Repairs & maintenance	1%	0.14	0.16	0.17	0.19	0.21
Wages & salary		21.17	24.19	27.22	27.22	30.24
Cost of Production		**72.99**	**83.41**	**93.83**	**93.85**	**104.27**
Gross Profit		**11.68**	**13.36**	**15.03**	**15.01**	**16.69**
Administrative & selling expenses	0.5%	0.42	0.48	0.54	0.54	0.60
Interest on Term Loan		1.85	2.00	1.68	0.57	0.24
Interest on Working capital		0.72	0.72	0.72	0.72	0.72
Depreciation of machinery		1.42	1.42	1.42	1.42	1.42
Depreciation of building		0.24	0.24	0.24	0.24	0.24
Total		**4.65**	**4.86**	**4.6**	**3.49**	**3.22**
Net Profit		**7.03**	**8.5**	**10.43**	**11.52**	**13.47**

- **ESTIMATION OF BREAK EVEN POINT**

Rs in Lakhs

Particulars	**1**	**2**	**3**	**4**	**5**
Capacity utilization	70%	80%	90%	90%	100%
Break-even point	36%	33%	27%	19%	16%
Break even Production	38	40	37	26	24

- **DEBT SERVICE COVERAGE RATIO**

Rs in Lakhs

Particulars	**1**	**2**	**3**	**4**	**5**
Capacity utilization	70%	80%	90%	90%	100%
DSCR	3.27	2.59	3.16	4.26	5.32
Average DSCR	3.72				
DSCR weighted average	3.57				

- **WORKING CAPITAL REQUIREMENTS**

Rs in Lakhs

Particulars	**1**	**2**	**3**	**4**	**5**
Capacity utilization	70%	80%	90%	90%	100%
Variable Cost	72.99	83.41	93.83	93.85	104.27
Fixed Cost	4.65	4.86	4.6	3.49	3.22
Working capital Gap	6.10	6.98	7.86	7.90	8.79