PROJECT PROFILE ON ELECTRONIC REMOTE CONTROLLED TOY

1. Product:-  Electronic Remote Controlled Toy

2. NIC Code (1998):-  -

3. Product Code (ASICC-2000):-  -

4. Production capacity:-  Qty. 2400 Nos
                                  (Value Rs 54,00,000)

5. Month & year of Preparation:-  2009 – 2010

6. Prepared by:-  MSME-Development Institute
                      Govt. of India, Ministry of MSME
                      Ayyanthole, Thrissur - 680 003
                      Phone No : 0487- 2360638, 2360536, 2360686
                      www.msmedithrissur.gov.in
                      E.mail: dcdi-thriissur@dcmsme.gov.in
## Project at a Glance

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of the Product</td>
<td>Electronic Remote Controlled Toy</td>
</tr>
<tr>
<td>Production Capacity</td>
<td>2400 nos:</td>
</tr>
<tr>
<td>Total Investment</td>
<td>Rs.15,46,100</td>
</tr>
<tr>
<td>Working Capital Required</td>
<td>Rs.10,38,600 (for 3 months)</td>
</tr>
<tr>
<td>Rate of Return on Investment</td>
<td>65.00%</td>
</tr>
<tr>
<td>Yearly Turnover</td>
<td>Rs.54,00,000</td>
</tr>
<tr>
<td>Break Even point</td>
<td>47.74%</td>
</tr>
<tr>
<td>Profit Ratio</td>
<td>18.61%</td>
</tr>
<tr>
<td>No: of Employees</td>
<td>13</td>
</tr>
</tbody>
</table>
1. **INTRODUCTION**

The very word toy makes you remind of your childhood. The toys are categorized into many in India and the plastic toys have a market share of nearly 80% of the total toy industry in the country. Other types of toys available in the market are fabric toys, paper toys, and wooden toys, metal toys and DIY toys (containing arts and craft toys) that are manufactured mostly by the cottage industry. However, out of these the metal toys are considered to be sharp toys which are harmful for children and a hindrance in their safety, that is why these toys are known to be slowly loosing it's popularity. Another popular category of toys seen today are educational toys and activity toys which help build the mind and body of the child, then there are soft toys, Electronic toys, battery operated toys and board games like chess and monopoly.

There are different types of Electronic toys available in the market. Electronic toys with or remote, walkie talkie sets for kids, toy radios, musical toys, hand-held video games, video games used with T.V, Arcade entertainment products, educational toys etc are popular among Indian children. This report is about a remote controlled car toy. There are a number of Remote controlled Toys in the market. These, include Cars, trucks, playing machines and other equipments. There are differences in the mechanical assembly of these types of toys but the basic Electronic principle is the same. These types of toys have four main units i.e., Transmitter, Receiver, Motor and Power Source. The transmitter sends radio wave which is received by the receiver which is fitted with an antenna. These signals are used to activate the motor. The power source is typically a rechargeable battery pack, but sometimes it's just normal batteries.
2. MARKET PERSPECTIVE

The Indian middle class is prospering and even the 20% of the Indian population which is considered as the middle class constitute a huge market for any product/service. India’s urban population is the second largest in the world, greater than the combined urban populations of all countries except China, the US and Russia. India has over 800 Indian toys and games manufacturers, exporters and suppliers. Most of the Toy manufacturers in India are from the unorganized sector. Mattel Toys, Funskool & Lego are a few International players in the Indian toy industry. The Indian toy industry, fueled by the vast domestic market, has now turned its attention to global markets and is fast gearing up to meet international demands. The strong points of Indian toy industry are skilled workforce, diverse range, focus on innovation and creativity, and emphasis on learning and education. Indian manufacturers are catering to both large and small volume requirements and are exporting to few of the most developed nations. Indian toy industry set to grow at 25% in the coming years. Worldwide, the market for toys is huge and offers immense potential for companies to pursue. But the interests of children, who are the primary consumers for toys, are changing faster than ever, toy manufacturers have to create innovative toys to capture their interests.

Toys these days are popular not only with kids but adults have also entered this field through the medium of sports and games. Today many sports and games are played by the adults at national and international levels representing their country. Parents, now-a days also prefer to play with their child in order to interact well with the child. So, they are seen to playing boards games and other toys with their children.
The Indian market is slightly different from that of overseas, where toys are bought as a child's development aid, i.e. they are considered to be equivalent to books. But in India the scene is slightly different. Unlike other developed economies amount of toys spent per child in India is very low. The metros and 'A' category town account for most of the branded purchase and sell even at higher price points. Largely the rest of the market is highly price sensitive and items above Rs.200 results in planned purchase and not in the impulse buying. In C and D category towns, unbranded and lower priced toys are sold at average price points below Rs.100. However, the scene in India is changing very fast and there is enough scope for more number of players in the field.

The Indian toy industry today faces stiff competition from toy manufacturers in China or Chinese toys. Manufactures of toys in India have repeatedly been raising this issue with the Indian Government since it has become increasingly difficult to compete with China toy manufacturers. Chinese toys are available at a lower cost compared to Indian toys.

3. BASIS AND PRESUMPTIONS:

(i) The maximum capacity utilization on single shift basis for 300 days a year. The Capacity Utilization of the unit is taken as 100% for financial analysis.

(ii) The salaries and wages, cost of raw materials, utilities, civil construction etc. are based on the prevailing rates in and around Kerala. These cost factors are likely to vary with time and location.
(iii) The cost of machinery and equipments refer to a particular make/model and prices are approximate.

(iv) The project preparation cost etc. whenever required could be considered under pre-operative expenses.

(v) The break even point percentage indicated is of full capacity utilization.

(vi) Interest on term and working capital loan must be preferably on current rate. In this project it is taken as 12%. Otherwise, the rate of interest on an average may be taken at 16%. The rate may vary depending upon the policy of the financial institutions/agencies from time to time.

(vii) The essential production machinery and test equipment required for the project have been indicated. The unit may also utilize common test facilities available at Electronics Test and Development Centers (ETDCs) and Electronic Regional Test Laboratories (ERTLs) set up by the State Governments and STQC Directorate of the Department of Information Technology, Ministry of Communication and Information Technology, to manufacture products conforming to Bureau of Indian Standards.

4. IMPLEMENTATION SCHEDULE

The major activities in the implementation of the project have been listed and the average time for implementation of the project is estimated at 12 months:

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Name of Activity</th>
<th>Period in Months (Estimated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Preparation of project report</td>
<td>1</td>
</tr>
<tr>
<td>2.</td>
<td>Registration and other formalities</td>
<td>1</td>
</tr>
<tr>
<td>3.</td>
<td>Sanction of loan by financial institutions</td>
<td>3</td>
</tr>
</tbody>
</table>
4. **Plant and Machinery:**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Placement of orders</td>
<td>1</td>
</tr>
<tr>
<td>(b)</td>
<td>Procurement</td>
<td>2</td>
</tr>
<tr>
<td>(c)</td>
<td>Power connection/ Electrification</td>
<td>2</td>
</tr>
<tr>
<td>(d)</td>
<td>Installation/Erection of machinery/Test Equipment</td>
<td>2</td>
</tr>
</tbody>
</table>

5. Procurement of raw materials | 2 |

6. Recruitment of Technical Personnel etc. | 2 |

7. Trial production | 11 |

8. Commercial production | 12 |

**Notes**

1. Many of the above activities shall be initiated concurrently.
2. Procurement of raw materials commences from the 8th month onwards.
3. When imported plant and machinery are required, the implementation period of project may vary from 12 months to 15 months.

---

4. **TECHNICAL ASPECTS**

   I. Manufacturing process

   The radio controlled toys have four main parts:

   **Transmitter** – The transmitter sends radio waves to the receiver.

   **Receiver** - An antenna and circuit board inside the toy receives signals from the transmitter and activates motors inside the toy as commanded by the transmitter.

   **Motor(s)** - The transmitter sends a control signal to the receiver using radio waves, which then drives a motor, causing a specific action to occur. The motor in a car may cause the wheels to turn wheels, steer the vehicle, operate propellers etc

   Power source, the power source is typically a rechargeable battery pack, but sometimes it's just normal batteries. Manufacturing process involves the assembly of electronic circuits, electro mechanical hardware parts,
Mechanical assembly and other sub assembly parts as per the design. Subsequently, the electronics assembly—the ICs, transistor, diodes, resistors, capacitors, coils, electromagnetic relays, are assembled on PCBs as per design. The assembled PCBs are tested for the desired performance. The electronics assembly along with electromechanical assembly, hardware such as connectors/switches, mechanical assembly and light emitting diodes are assembled and housed in a fiber / plastic toy car case.

II. PRODUCTION ENVISAGED

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity /Annum</th>
<th>Value/ Annum (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remote Controlled Toy Car</td>
<td>2,400</td>
<td>54,00,000</td>
</tr>
</tbody>
</table>

III. POLLUTION CONTROL

The Govt. accords utmost importance to control environmental pollution. The small-scale entrepreneurs should have an environmental friendly attitude and adopt pollution control measures by process modification and technology substitution.

India having acceded to the Montreal Protocol in Sept. 1992, the production and use of Ozone Depleting Substances (ODS) like Chlorofluoro Carbon (CFC), Carbon Tetrachloride, Halons and Methyl Chloroform etc. need to be phased out immediately with alternative chemicals/solvents. A notification for detailed Rules to regulate ODS phase out under the Environment Protection Act, 1986 have been put in place with effect from 19th July 2000.

The following steps are suggested which may help to control pollution in electronics industry wherever applicable

In electronic industry fumes and gases are released during hand soldering / wave soldering/Dip soldering, which are harmful to people as
well as environment and the end products. Alternate technologies may be used to phase out the existing polluting technologies. Numerous new fluxes have been developed containing 2-10% solids as opposed to the traditional 15-35% solids.

Electronic industry uses CFC, Carbon Tetrachloride and Methyl Chloroform for cleaning of printed circuit boards after assembly to remove flux residues left after soldering, and various kinds of foams for packaging.

Many alternative solvents could replace CFC-113 and Methyl Chloroform in electronics cleaning. Other Chlorinated solvents such as Trichloroethylene, Perchloroethylene and Methylene Chloride have been used as effective cleaners in electronics industry for many years. Other organic solvents such as Ketones and Alcohols are effective in removing both solder fluxes and many polar contaminants.

**IV. ENERGY CONSERVATION**

With the growing energy needs and shortage coupled with rising energy cost, a greater thrust in energy efficiency in industrial sector has been given by the Govt. of India since 1980s. The Energy Conservation Act, 2001 has been enacted on 18th August 2001, which provides for efficient use of energy, its conservation and capacity building of Bureau of Energy Efficiency created under the Act.

The following steps may help for conservation of electrical energy:

i) Adoption of energy conserving technologies, production aids and testing facilities.

ii) Efficient management of process/manufacturing machineries and
systems, QC and testing equipments for yielding maximum Energy Conservation.

iii) Optimum use of electrical energy for heating during soldering process can be obtained by using efficient temperature controlled soldering and de-soldering stations.

iv) Periodical maintenance of motors, compressors etc.

v) Use of power factor correction capacitors. Proper selection and layout of lighting system; timely switching on-off of the lights; use of compact fluorescent lamps wherever possible etc.

6. FINANCIAL ASPECTS

(I) Land and Building

<table>
<thead>
<tr>
<th>Description</th>
<th>Built up area</th>
<th>Rent (per month)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office/ Stores</td>
<td>40 sq. mtr</td>
<td>10,000/-</td>
</tr>
<tr>
<td>Factory</td>
<td>160 sq. mtr</td>
<td></td>
</tr>
</tbody>
</table>

(II) Plant, Machinery and Equipments

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description</th>
<th>Ind./ Imp.</th>
<th>Qty.</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Digital Multimeter , 4½Digit</td>
<td>Ind</td>
<td>2</td>
<td>22000</td>
</tr>
<tr>
<td>2.</td>
<td>Temp Controlled Soldering Unit</td>
<td>Ind</td>
<td>4</td>
<td>20000</td>
</tr>
<tr>
<td>3.</td>
<td>LCR Meter</td>
<td>Ind</td>
<td>2</td>
<td>20000</td>
</tr>
<tr>
<td>4.</td>
<td>Drilling machine</td>
<td>Ind</td>
<td>1</td>
<td>6000</td>
</tr>
<tr>
<td>5.</td>
<td>Analog Multimeter</td>
<td>Ind</td>
<td>2</td>
<td>2000</td>
</tr>
<tr>
<td>6.</td>
<td>Tool Kit</td>
<td>Ind</td>
<td>4</td>
<td>20000</td>
</tr>
<tr>
<td>7.</td>
<td>Electronic screw driver &amp; screw feeder</td>
<td>Ind</td>
<td>5</td>
<td>30000</td>
</tr>
<tr>
<td>8.</td>
<td>Combined Soldering De soldering Station</td>
<td>Ind</td>
<td>2</td>
<td>35000</td>
</tr>
<tr>
<td>9.</td>
<td>High speed mini drill set</td>
<td>Ind</td>
<td>3</td>
<td>30000</td>
</tr>
</tbody>
</table>
10. Digital Storage Oscilloscope 60 MHz
   Ind 1 60000
11. Personal Computer with UPS and Printer
   Ind 2 80000
12. Electrification charges @ 10% of machinery and equipments
   32500
13. Office Furniture, Working tables and Equipments
   50000
14. Tools, Dies and Equipments
   50000
15. Pre operative expenses
   50000
   **Total fixed cost** 5,07,500

B. WORKING CAPITAL (PER MONTH)
   Recurring Expenditure per month
   (i) Staff & Labor

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Designation</th>
<th>No. of persons</th>
<th>Salary/Month (Rs.)</th>
<th>Total salary per month (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Accountant</td>
<td>1</td>
<td>6000</td>
<td>6000</td>
</tr>
<tr>
<td>2</td>
<td>Design Engineer</td>
<td>1</td>
<td>10000</td>
<td>10000</td>
</tr>
<tr>
<td>3</td>
<td>Production Manager</td>
<td>1</td>
<td>8000</td>
<td>8000</td>
</tr>
<tr>
<td>4</td>
<td>Sales/Service support Engineers</td>
<td>2</td>
<td>6000</td>
<td>12000</td>
</tr>
<tr>
<td>5</td>
<td>Skilled workers</td>
<td>3</td>
<td>5000</td>
<td>15000</td>
</tr>
<tr>
<td>6</td>
<td>Semi Skilled Workers</td>
<td>2</td>
<td>4000</td>
<td>8000</td>
</tr>
<tr>
<td>7</td>
<td>Un Skilled Workers</td>
<td>2</td>
<td>3000</td>
<td>6000</td>
</tr>
<tr>
<td>8</td>
<td>Peon/watch man</td>
<td>1</td>
<td>3000</td>
<td>3000</td>
</tr>
<tr>
<td></td>
<td>Perquisites @ 15%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>78,200</strong></td>
</tr>
</tbody>
</table>

   (ii) Raw Material

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description</th>
<th>Ind/Imp</th>
<th>Qty(nos)</th>
<th>Amount(Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Plastic /Fiber body chassis</td>
<td>Ind/Imp</td>
<td>200</td>
<td>16000</td>
</tr>
<tr>
<td>2</td>
<td>RC Toy car motor controller</td>
<td>Ind/Imp</td>
<td>200</td>
<td>52000</td>
</tr>
<tr>
<td>3</td>
<td>Front&amp; rear brushless motor</td>
<td></td>
<td>350</td>
<td>52500</td>
</tr>
</tbody>
</table>
(iii) Utilities per month

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Power</td>
<td>4500</td>
</tr>
<tr>
<td>2</td>
<td>Water</td>
<td>500</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>5000</td>
</tr>
</tbody>
</table>

(iv) Other Contingent Expenses (per month)

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rent</td>
<td>10000</td>
</tr>
<tr>
<td>2</td>
<td>Postage and stationery</td>
<td>2500</td>
</tr>
<tr>
<td>3</td>
<td>Telephone /Telex/Fax</td>
<td>3000</td>
</tr>
<tr>
<td>4</td>
<td>Repair &amp; maintenance</td>
<td>5000</td>
</tr>
<tr>
<td>5</td>
<td>Transport and Conveyance charges</td>
<td>10000</td>
</tr>
<tr>
<td>6</td>
<td>Advertisement and Publicity</td>
<td>10000</td>
</tr>
<tr>
<td>7</td>
<td>Insurance</td>
<td>1000</td>
</tr>
<tr>
<td>8</td>
<td>Miscellaneous expenditure</td>
<td>5000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>46,500</td>
</tr>
</tbody>
</table>

Total recurring expenditure per month Rs.3, 46,200

Working Capital (3 months) Rs. 10, 38,600

C. TOTAL CAPITAL INVESTMENT

(i) Fixed capital 5,07,500
(ii) Working capital for 3 months 10,38,600
10. **FINANCIAL ANALYSIS**

(I) **Cost of Production (per annum)**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description</th>
<th>(Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total recurring expenditure</td>
<td>41,54,400</td>
</tr>
<tr>
<td>2</td>
<td>Depreciation on m/c &amp; Equipments @ 10%</td>
<td>32,500</td>
</tr>
<tr>
<td>3</td>
<td>Depreciation on office furniture @ 20%</td>
<td>10,000</td>
</tr>
<tr>
<td>4</td>
<td>Depreciation on tools, jigs and fixture @ 25%</td>
<td>12,500</td>
</tr>
<tr>
<td>5</td>
<td>Interest on capital investment @ 12%</td>
<td>1,85,532</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>43,94,932</td>
</tr>
</tbody>
</table>

(II) **Turnover per annum**

<table>
<thead>
<tr>
<th>Item</th>
<th>Qty (Nos)</th>
<th>Rate/Unit (Rs.)</th>
<th>Total sales (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronic RC Toy car</td>
<td>2400</td>
<td>2250</td>
<td>5400000</td>
</tr>
</tbody>
</table>

(III) **Profit per annum (Before Taxes)**

Turn over per annum – Cost of production per annum = 5400000 – 4394932

= 10,05,068

Profit ratio = \( \frac{(profit/annum) \times 100}{(Sales/annum)} \)

= 1005068/5400000

= 18.61%

Rate of return = \( \frac{Profit/annum \times 100}{Total \ Capital \ investment} \)

= 1005068/1546100 x 100
= 65.00 %

D. Break-even Point

<table>
<thead>
<tr>
<th>Fixed Cost per annum</th>
<th>Rs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent</td>
<td>120000</td>
</tr>
<tr>
<td>Depreciation on m/c &amp; Equipments @ 10%</td>
<td>32500</td>
</tr>
<tr>
<td>Depreciation on office furniture @ 20%</td>
<td>10000</td>
</tr>
<tr>
<td>Depreciation on tools, jigs and fixture @ 25%</td>
<td>12500</td>
</tr>
<tr>
<td>Interest on capital investment @ 12%</td>
<td>185532</td>
</tr>
<tr>
<td>Insurance</td>
<td>12000</td>
</tr>
<tr>
<td>40% Salaries and wages</td>
<td>375360</td>
</tr>
<tr>
<td>40% other contingent expenses (excluding rent &amp; Insurance)</td>
<td>170400</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9,18,292</strong></td>
</tr>
</tbody>
</table>

**Break-even Point**

\[
\text{Break-even Point} = \frac{\text{Fixed cost} \times 100}{\text{Fixed cost} + \text{Profit}}
\]

\[
= \frac{918292 \times 100}{918292 + 1005068}
\]

\[
= 47\%
\]

11. **FINANCIAL PATTERN**

**Resources for finance**

1. Term loans from financial institutions (65% of fixed capital) @ 12.00% p.a rate of interest

\[
= 507500 \times 0.65
\]

\[
= 3, 29,875
\]
2. Bank Loans for 3 months (65% of working capital) @ 12.00% p.a rate of interest

\[ 1038600 \times 0.65 \]
= 6,75,090

3. Self raised capital from even funds & loans from close ones to meet the margin money needs at a rate of 12.00% p.a rate of interest =

\[ 1546100 – 675090 – 369875 \]
= 501135

**Instalment Payable in 5 years**

<table>
<thead>
<tr>
<th>Year</th>
<th>To financial Institutions (Rs. 329875) /5</th>
<th>To commercial banks (Rs.675090)/5</th>
<th>To others (Rs.501135)/5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>65975</td>
<td>135018</td>
<td>100227</td>
<td>301220</td>
</tr>
<tr>
<td>2</td>
<td>65975</td>
<td>135018</td>
<td>100227</td>
<td>301220</td>
</tr>
<tr>
<td>3</td>
<td>65975</td>
<td>135018</td>
<td>100227</td>
<td>301220</td>
</tr>
<tr>
<td>4</td>
<td>65975</td>
<td>135018</td>
<td>100227</td>
<td>301220</td>
</tr>
<tr>
<td>5</td>
<td>65975</td>
<td>135018</td>
<td>100227</td>
<td>301220</td>
</tr>
</tbody>
</table>

**Interest payable in 5 years**

<table>
<thead>
<tr>
<th>Year</th>
<th>On term loan (Rs. 329875) @ 12.00% p.a</th>
<th>On bank loan (Rs. 675090) @ 12.00% p.a</th>
<th>On Self loans (Rs. 501135) @ 12.00% p.a</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>39585</td>
<td>81011</td>
<td>60136</td>
<td>180732</td>
</tr>
<tr>
<td>2</td>
<td>34835</td>
<td>71290</td>
<td>52919</td>
<td>159044</td>
</tr>
<tr>
<td>3</td>
<td>30655</td>
<td>62735</td>
<td>46570</td>
<td>139960</td>
</tr>
<tr>
<td>4</td>
<td>26976</td>
<td>55207</td>
<td>40981</td>
<td>123164</td>
</tr>
<tr>
<td>5</td>
<td>23734</td>
<td>48582</td>
<td>36064</td>
<td>108380</td>
</tr>
</tbody>
</table>
### Total Repayment Schedule for 5 years

<table>
<thead>
<tr>
<th>Year</th>
<th>Interest</th>
<th>Installments</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>180732</td>
<td>65975</td>
<td>246707</td>
</tr>
<tr>
<td>2</td>
<td>159044</td>
<td>65975</td>
<td>225019</td>
</tr>
<tr>
<td>3</td>
<td>139960</td>
<td>65975</td>
<td>205935</td>
</tr>
<tr>
<td>4</td>
<td>123164</td>
<td>65975</td>
<td>189139</td>
</tr>
<tr>
<td>5</td>
<td>108380</td>
<td>65975</td>
<td>174355</td>
</tr>
</tbody>
</table>

### Depreciation chart for 5 years

<table>
<thead>
<tr>
<th>Year</th>
<th>Plant &amp; Machinery (Rs.357500) @ 25.00% p.a</th>
<th>Furniture &amp; Office Equipment (Rs.150000) @ 20% p.a</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>89375</td>
<td>30000</td>
<td>119375</td>
</tr>
<tr>
<td>2</td>
<td>67031</td>
<td>24000</td>
<td>91031</td>
</tr>
<tr>
<td>3</td>
<td>50273</td>
<td>19200</td>
<td>69473</td>
</tr>
<tr>
<td>4</td>
<td>37705</td>
<td>15360</td>
<td>53065</td>
</tr>
<tr>
<td>5</td>
<td>28279</td>
<td>12288</td>
<td>40567</td>
</tr>
</tbody>
</table>

### Profit analysis for 5 years

<table>
<thead>
<tr>
<th>Year</th>
<th>Cap. Utilization (%)</th>
<th>Sales</th>
<th>Manufacturing Expenses</th>
<th>Gross Profit</th>
<th>Depreciation</th>
<th>Interest before tax</th>
<th>Net profit before tax</th>
<th>Net profit after tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>70</td>
<td>3780000</td>
<td>2908080</td>
<td>871920</td>
<td>119375</td>
<td>180732</td>
<td>571813</td>
<td>371675</td>
</tr>
<tr>
<td>2</td>
<td>80</td>
<td>4320000</td>
<td>3323520</td>
<td>996480</td>
<td>91031</td>
<td>159044</td>
<td>746405</td>
<td>485163</td>
</tr>
<tr>
<td>3</td>
<td>80</td>
<td>4320000</td>
<td>3323520</td>
<td>996480</td>
<td>69473</td>
<td>139960</td>
<td>787047</td>
<td>511581</td>
</tr>
<tr>
<td>4</td>
<td>90</td>
<td>4860000</td>
<td>3738960</td>
<td>1121040</td>
<td>53065</td>
<td>123164</td>
<td>944811</td>
<td>614128</td>
</tr>
<tr>
<td>5</td>
<td>100</td>
<td>5400000</td>
<td>4154400</td>
<td>1245600</td>
<td>40567</td>
<td>108380</td>
<td>109665</td>
<td>712825</td>
</tr>
</tbody>
</table>

### Cash Flow Statement for 5 years

<table>
<thead>
<tr>
<th>Year</th>
<th>Cap. Utilization (%)</th>
<th>Net profit after tax</th>
<th>Depreciation</th>
<th>Cash in hand</th>
<th>Repayment of Installment</th>
<th>Net Surplus</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>70</td>
<td>371675</td>
<td>119375</td>
<td>491050</td>
<td>200993</td>
<td>290057</td>
</tr>
<tr>
<td>2</td>
<td>80</td>
<td>485163</td>
<td>91031</td>
<td>576194</td>
<td>200993</td>
<td>375201</td>
</tr>
<tr>
<td>3</td>
<td>80</td>
<td>511581</td>
<td>69473</td>
<td>581054</td>
<td>200993</td>
<td>380061</td>
</tr>
</tbody>
</table>
### Projected Balance Sheet for 5 years

<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cap. Utilization (%)</td>
<td>70</td>
<td>80</td>
<td>80</td>
<td>90</td>
<td>100</td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promoter’s Capital</td>
<td>501135</td>
<td>501135</td>
<td>791192</td>
<td>1166393</td>
<td>1546454</td>
</tr>
<tr>
<td>Net Surplus</td>
<td>0</td>
<td>290057</td>
<td>375201</td>
<td>380061</td>
<td>466200</td>
</tr>
<tr>
<td>Term Loans</td>
<td>329875</td>
<td>263900</td>
<td>197925</td>
<td>131950</td>
<td>65975</td>
</tr>
<tr>
<td>Working Capital loans</td>
<td>675090</td>
<td>540072</td>
<td>405054</td>
<td>270036</td>
<td>135018</td>
</tr>
<tr>
<td>Total</td>
<td>1506100</td>
<td>1595164</td>
<td>1769312</td>
<td>1948440</td>
<td>2213647</td>
</tr>
<tr>
<td>Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WDV of fixed asset</td>
<td>507500</td>
<td>388125</td>
<td>297094</td>
<td>227621</td>
<td>174556</td>
</tr>
<tr>
<td>Working Capital in stock</td>
<td>0</td>
<td>495832</td>
<td>597001</td>
<td>680012</td>
<td>776243</td>
</tr>
<tr>
<td>Surplus funds</td>
<td>998600</td>
<td>711207</td>
<td>875217</td>
<td>1040807</td>
<td>1262848</td>
</tr>
<tr>
<td>Totals</td>
<td>1506100</td>
<td>1595164</td>
<td>1769312</td>
<td>1948440</td>
<td>2213647</td>
</tr>
</tbody>
</table>
12. ADDITIONAL INFORMATION

(a) The Project Profile may be modified/tailored to suit the individual entrepreneurship qualities/capacity, production programme and also to suit the location characteristics, wherever applicable.

(b) The Electronics Technology is undergoing rapid strides of change and there is need for regular monitoring of the national and international technology scenario. The unit may, therefore, keep abreast with the new technologies in order to keep them in pace with the developments for global competition.

(c) Quality today is not only confined to the product or service alone. It also extends to the process and environment in which they are generated. The ISO 9000 defines standards for Quality Management Systems and ISO 14001 defines standards for Environmental Management System for acceptability at international level. The unit may therefore adopt these standards for global competition.

(d) The margin money recommended is 25% of the working capital requirement at an average. However, the percentage of margin money may vary as per bank's discretion.
## 13. ADDRESSES OF RAW MATERIAL SUPPLIERS

<table>
<thead>
<tr>
<th>Sl.No</th>
<th>Addresses</th>
</tr>
</thead>
</table>
| 1.    | M/s. Applied Electronics Ltd.  
       | A-5, Wagle Industrial Estate,  
       | Thane-4, (Mumbai) |
| 2.    | M/s. Bakumbhai Ambalal  
       | Electronics Dept.  
       | Kaiser-T-Hind Building,  
       | Ballard Estate, Mumbai-38. |
| 3.    | M/s. Electronics Trade and  
       | Technology Dev.  
       | 15/48, Malcha Marg,  
       | New Delhi-21 |
| 4.    | M/s. OEN Connectors Ltd.  
       | Vyattila, PB No.2, Cochin-19 |
| 5.    | M/s. DC Plastics  
       | 27, D. L. F. Industrial Area,  
       | Opposite Moti Nagar, Delhi –110015  
       | Phone: +(91)-(11)-25118936/9810239067  
       | Mobile / Cell Phone: +(91)-9810239067 |
| 6.    | M/s. Sun International,  
       | A-290, Weavers Colony Ashok Vihar,  
       | Phase-iv, New Delhi110 052, India  
       | Phone: +(91)-(11)-27442262  
       | Fax: +(91)-(11)-25461559  
       | Mobile / Cell Phone: +(91)-**9810266345** |
# 14. ADDRESSES OF TEST EQUIPMENTS SUPPLIERS

<table>
<thead>
<tr>
<th>Sl.No</th>
<th>addresses</th>
</tr>
</thead>
</table>
| 7.    | M/s Kamal Electronics  
        14, Lakshmi Building,  
        J.C Road,  
        Bangalore 560002 |
| 8.    | Aplab Limited  
        XL 1/583,II Floor  
        Krishna Nivas  
        Adv.Eashwara Iyer Road,  
        Kochi 682 035  
        Phone 0484 2361623  
        Email aplabkochi@vsnl.net |
| 9.    | M/s Guru Agencies,  
        M.G Road,  
        Ernakulam,  
        Kerala. |
| 10.   | M/s. Meco Instruments Private Limited  
        P.O. Box 6388,  
        301, Bharat Industrial Estate  
        T.J. Road  
        Sewree(W)  
        Mumbai-400015  
        Tel.022-24137253/24137423  
        Email sales@mecoinst.comweb.  
        www.mecoinst.com |
| 11.   | M/s. Laxmi Electrotek  
        Manappat Centre  
        HMT Junction  
        Kaloamassery P.O  
        Ernakulam District  
        Kerala  683 104  
        Phone 0484-2551288, 2540321 |
|   | NI Systems (India) Private Limited  
|   | Bangalore : 91 8041190000  
|   | Delhi : 91 1142658282  
|   | E mail  ni.india@ni.com  |