PROJECT PROFILE ON MOSQUITO COIL STAND

Product Code:-
(NIC)-27209
(ASICC)-73408

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**

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

The overall time required to commission the project may be 4 to 5 months.
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 IS specification 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 & Driver 01 - 35,000 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
   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
### Raw material

#### (ii)

<table>
<thead>
<tr>
<th>Sl.No</th>
<th>Particulars</th>
<th>Rate (Rs)</th>
<th>Qty</th>
<th>Total (in Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tin plate</td>
<td>60,000/ton</td>
<td>04</td>
<td>2,40,000</td>
</tr>
<tr>
<td>2</td>
<td>Packing material</td>
<td>----</td>
<td>----</td>
<td>10,000</td>
</tr>
</tbody>
</table>

#### (iii) Utilities

<table>
<thead>
<tr>
<th></th>
<th>(Rs)</th>
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</thead>
<tbody>
<tr>
<td>Power</td>
<td>2500</td>
</tr>
<tr>
<td>Water</td>
<td>500</td>
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</tbody>
</table>

#### (iv) Other Contingent Expenses

<table>
<thead>
<tr>
<th></th>
<th>(Rs)</th>
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<tbody>
<tr>
<td>1. Rent</td>
<td>10,000</td>
</tr>
<tr>
<td>2. Postage &amp; Stationery</td>
<td>500</td>
</tr>
<tr>
<td>3. Repair &amp; maintenance</td>
<td>3,500</td>
</tr>
<tr>
<td>4. Transport &amp; conveyance</td>
<td>5,000</td>
</tr>
<tr>
<td>5. Telephone Charges</td>
<td>500</td>
</tr>
<tr>
<td>6. Insurance</td>
<td>1,500</td>
</tr>
<tr>
<td>7. Miscellaneous Expenses</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>22,000</td>
</tr>
</tbody>
</table>

#### (v) Total Recurring Expenses (pm)

<table>
<thead>
<tr>
<th></th>
<th>(Rs)</th>
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</thead>
<tbody>
<tr>
<td>1. Raw material</td>
<td>2,50,000</td>
</tr>
<tr>
<td>2. Personal</td>
<td>55,000</td>
</tr>
<tr>
<td>3. Utilities</td>
<td>3,000</td>
</tr>
<tr>
<td>4. Other contingent Expenses</td>
<td>22,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,30,000</td>
</tr>
</tbody>
</table>

### Total capital Investment

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<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Fixed Capital</td>
<td>2,70,000</td>
</tr>
<tr>
<td>(ii) working Capital</td>
<td>9,90,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>12,60,000</td>
</tr>
</tbody>
</table>

### 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{Net\ profit\ per\ year \times 100}{Turn\ over\ per\ year} = \frac{5,34,600 \times 100}{46,80,000} = 11.4\%

(5) Rate of Return = \frac{Net\ profit\ per\ year \times 100}{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 57,600
(Excluding rent)
40% of Utilities 14,400

Total--- 6,41,400

B.E.P. = \frac{Fixed\ Cost\ x\ 100}{Fixed\ Cost + \text{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
   Bangalore-10
2. Vijay Machine Tools
   Rajkot
3. M/s Madhu Engineer
   Nagadi Main Road
   Kadavri
   Bangalore-91