

BOOK BINDING

I. INTRODUCTION:

Bookbinding is necessary for keeping the books and other old records in good condition. Besides making the books more attractive, binding saves the book from damage. Normally the libraries, schools and the college libraries, govt. departments, lawyers and book lovers generally maintain their books and records in good condition. So it would be better if the enterprise is established in urban areas. It is an employment oriented unit.

II. MARKET POTENTIAL

With the government now laying greater stress on adult education, there is an increase in educational institutions, libraries and other academic institutions. Due to this, exponential growth of the educational sector, the demand for bookbinding is likely to increase considerably in the years to come.

III. BASIS AND PRESUMPTIONS:

The unit will work for 300 working days of 12 hours per day and will do 100% utilisation of its capacity.

IV. IMPLEMENTATION SCHEDULE:

The unit can set up in one month

V. TECHNICAL ASPECTS:

1.Process of Manufacturing :

First all the papers are arranged in order. Required numbers of Pages are perforated as desired and stitched with cover Page and gummed. After cutting the Pages uniformly they are bound and packed. The project requires a cutting machine, wire stitching machine and a hand press.

2.Quality Specification

The bounded book must have the finish and look of a book with good pressing and secured stitching done.

3.Production Capacity per annum

Quantity: 5700 no. of various size of book binding

Value: Rs.111000

4.Motive Power

only for lighting

VI. TOTAL CAPITAL INVESTMENTS

S.No	Description	Value Rs.
1	Fixed Capital	29700
2	Working capital for 3months	22650
	Total cost	52350

VII. MEANS OF FINANCE

- 1.Promoter's Contribution (5% of total cost) 22745
- 2.PMRY subsidy (15% of total cost or Rs.7500,whichever is less) 7500
- 3.Bank loan[total cost-(Promoter's Contribution+ PMRY subsidy) 424650

VIII. FINANCIAL ASPECTS

1.FIXED CAPITAL

i)**Land & Buildings:** 100 sft covered premises for a rent of Rs.700 pm.

ii Machinery & Equipment

S.No	Description	Quantity	Value Rs.
1	Paper cutting	1	10000
2	Hand press	1	2000
3	Stitching machine	1	1500
4	Perforating machine	1	3000
5	Hand Tools		1500
6	Numbering Machine		1000
7	Gold Embossing machine		1200
8	Typed Letters		6000
9	Furniture		1500
10	Erection cost		1000
11	Pre-operative expenses		1000
	Total		29700

2. WORKING CAPITAL

i. Staff & Labour per month

S.No	Designation	No	@ Rs.	Value Rs.
1	Owner/Manager	1	1500	1500
2	Helper	1	1000	1000
	Total			2500

ii. Raw Material (p.m.)

S.No	Description	Quantity	Value Rs.
1	Paper		1800
2	Binding cloth		600
3	Card Board		600
4	Gum, stitching thread & others		600
	Total		3600

iii. Utilities per month

S.No.	Description	Value Rs.
1	Power	200
2	Water	50
	Total	250

iv. Other expenses per month

S.No	Description	Value Rs.
1	Conveyance, Misc. expenses	500
	Total	500

v.Total working capital per month

S.No	Description	Value Rs.,
1	Rent	700
2	Staff and labour	2500
3	Raw materials	3600
4	Utilities	250
5	Other expenses.	500
	Total	7550

IX. COST OF PRODUCTION PER ANNUM

S.No	Description	Value Rs.
1	Total working capital	90600
2	Depreciation	3910
3	Interest	7850
	Total	102360

X. TURNOVER PER YEAR

S.No	Item	Quantity	Rate Rs.	Value Rs.
1	Leather Binding	600 no.	60	36000
2	Full Rexene Binding	900 no.	30	27000
3	Ordinary Binding	1200 no.	15	18000
4	Thick Card Board	3000 no.	10	30000
	Total			111000

XI. FIXED COST PER YEAR

S.No	Description	Value Rs.
1	Depreciation	3910
2	Interest	7850
3	Rent	8400
4	40% of salaries & wages	12000
5	40% of other expenses (utilities + OE)	3600
	Total	35760

XII. PROFIT ANALYSIS

Net Profit : sale-total cost=111000-102360=Rs.8640

% of Profit on Sale: Profit / Sale x100=8640/111000]100=7.78%

% of Return on Investment: Profit / (Investment) x 100=8640/52350]100=16.50%

Break-Even Analysis : FC / (FC+Profit) x100=[35760/(35760+8640)]100=80%

XII. MACHINERY SUPPLIERS

- Avanti Business Machine Ltd.,Begumpet, Hyderabad

XIII. RAW MATERIAL SUPPLIERS

- Locally available