

PROJECT REPORT

Of

SPEAKER COIL

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **Speaker Coil making Unit**.

The objective of the pre-feasibility report is primarily to facilitate potential entrepreneurs in project identification for investment and in order to serve his objective; the document covers various aspects of the project concept development, start-up, marketing, finance and management.

[We can modify the project capacity and project cost as per your requirement. We can also prepare project report on any subject as per your requirement.]



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ABOUT PRODUCT



Sound waves travel through air pressure changes, and the sounds you hear differ depending on how frequent and how big those waves are. Microphones turn sound waves into electric signals, which is how you can record sound onto CDs and other devices. When you play the recorded sound, it's turned back into an electrical current. Speakers work like reverse microphones. They turn the electrical currents into physical vibrations that make the sound waves for your ears to pick up. When everything is tuned properly, the speaker is able to reproduce the vibrations that the original microphone recorded and changed into electrical signals.

The voice coil component of a speaker is actually just an electromagnet. Electromagnets are coils of wire, and they're normally wrapped around some kind of magnetic metal, like iron. By running an electrical current through the wire, you produce a magnetic field surrounding the coil; this field magnetizes the metal in the middle creating north and south polar orientations. The difference between an electromagnet and a permanent magnet is that you can switch the polar orientations on an electromagnet by reversing the current's flow.

PROJECTED BALANCE SHEET STATEMENT

Particulars	YEAR1	YEAR2	YEAR3	YEAR4	YEAR5
<u>SOURCES OF FUND</u>					
Opening Capital	-	5.18	8.67	13.15	16.22
Addition in Capital	0.53	-	-	-	-
Add:- Profits	5.16	5.49	7.48	10.06	11.80
Less:- Drawings	0.50	2.00	3.00	7.00	8.00
Closing Capital	5.18	8.67	13.15	16.22	20.01
Subsidy Reserve	2.64	2.64	2.64	2.64	2.64
Term Loan From Bank	5.00	3.75	0.00	-	-
Working Capital Loan	5.00	5.00	5.00	5.00	5.00
Sundry Creditors	2.10	2.52	2.92	3.33	3.60
Other Current liabilities & Provisions	0.05	0.10	0.11	0.12	0.13
TOTAL :	19.97	22.68	23.82	27.31	31.39
<u>APPLICATION OF FUND</u>					
Fixed Assets					
Gross Block	4.36	4.36	4.36	4.36	4.36
Depreciation	0.32	0.93	1.44	1.87	2.24
Net Block	4.04	3.44	2.93	2.49	2.12
Fixed Deposit of Subsidy	2.64	2.64	-	-	-
Current Assets					
Sundry Debtors	3.88	3.17	3.70	4.26	4.66
Inventory	8.75	10.08	11.68	13.32	14.40
Cash and Bank	0.62	3.29	5.46	7.17	10.05
Other Current Assets	0.05	0.06	0.06	0.07	0.15
TOTAL :	19.97	22.68	23.82	27.30	31.39
	-	-	-	-	-

STATEMENT OF COST OF PRODUCTION AND PROFITABILITY

<i>Particulars</i>	<i>YEAR1</i>	<i>YEAR2</i>	<i>YEAR3</i>	<i>YEAR4</i>	<i>YEAR5</i>
Gross Sale (Speaker Voice Coils)	69.75	95.22	110.92	127.68	139.94
NET SALES	69.75	95.22	110.92	127.68	139.94
<u>COST OF PRODUCTION</u>					
Raw Material & Consumable	63.00	75.60	87.60	99.90	108.00
Power Expense	0.45	0.90	0.95	0.99	1.04
Repair & Maintenance	0.04	0.05	0.05	0.06	0.08
Wages & Salary	2.46	2.58	2.71	2.85	2.99
Factory Expenses	0.70	0.95	1.11	1.28	1.40
<u>COST OF PRODUCTION</u>	66.65	80.08	92.42	105.08	113.51
Add :Op. Fin. Goods	-	8.75	10.08	11.68	13.32
Less : Cl. Fin. Goods	8.75	10.08	11.68	13.32	14.40
TOTAL (B)	57.90	78.75	90.82	103.44	112.43
GROSS PROFIT (A-B)	11.85	16.47	20.10	24.24	27.51
G.P Ratio	16.99%	17.30%	18.12%	18.98%	19.66%
Salary to Staff	4.20	4.62	5.08	5.59	6.15
Selling & Administrative Expenses	1.40	4.76	5.55	6.38	7.00
Interest on Term Loan	0.28	0.50	0.36	-	-
Interest on Working Capital Loan	0.50	0.50	0.50	0.50	0.50
Depreciation	0.32	0.60	0.51	0.43	0.37
TOTAL (D)	6.69	10.98	12.00	12.91	14.02
NET PROFIT (C-D)	5.16	5.49	8.10	11.33	13.50
LESS : TAXES	-	-	0.62	1.27	1.70
PROFIT AFTER TAX	5.16	5.49	7.48	10.06	11.80
	7.39%	5.76%	6.74%	7.88%	8.43%
ADD : DEPRECIATION	0.32	0.60	0.51	0.43	0.37
CASH ACCRUALS	5.48	6.09	7.99	10.50	12.17

PROJECTED FUND FLOW STATEMENT

<i>Particulars</i>	<i>YEAR1</i>	<i>YEAR2</i>	<i>YEAR3</i>	<i>YEAR4</i>	<i>YEAR5</i>
A. <u>SOURCES OF FUND</u>					
Capital	0.53	-	-	-	-
Term Loan from Bank	5.00	-	-	-	-
Working Capital Loan	5.00	-	-	-	-
Net Profit	5.16	5.49	8.10	11.33	13.50
Subsidy reserve	2.64	-	-	-	-
Depreciation & Exp. W/off	0.32	0.60	0.51	0.43	0.37
Increase in Sundry Creditors	2.10	0.42	0.40	0.41	0.27
Increase Other Current liabilities & Prov	0.05	0.05	0.01	0.01	0.01
TOTAL (A)	20.80	6.56	9.02	12.19	14.15
B. <u>APPLICATION OF FUND</u>					
Capital Expenditure	4.36	-	-	-	-
Repayment of Term Loan	-	1.25	3.75	-	-
Increase in FD	2.64	-	(2.64)	-	-
Tax Paid	-	-	0.62	1.27	1.70
Increase in Finished Goods	8.75	1.33	1.60	1.64	1.08
Increase in Sundry Debtors	3.88	(0.70)	0.52	0.56	0.41
Increase in Other Current Assets	0.05	0.01	0.01	0.01	0.08
Drawings	0.50	2.00	3.00	7.00	8.00
TOTAL (B)	20.18	3.88	6.86	10.47	11.27
Opening Balance	-	0.62	3.29	5.46	7.17
Add/Less Surplus	0.62	2.68	2.17	1.71	2.88
Closing Balance	0.62	3.29	5.46	7.17	10.05

SPEAKER VOICE COIL

COMPUTATION OF PRODUCTION (Speaker Voice Coil)

Production Per Day	1000 Coiles	<i>(8 Hours Single Shift)</i>
Production per Month	25000 Coiles	<i>(25 Working Days a month)</i>
No. of Working Month	12 Month	
Total Production	300000 per Year	

RAW MATERIAL COMPONENTS

OUTPUT

Material
Self Bonding Copper
CCAW Wire
Self Bonding till paper
Solder

3 INCH COIL

RAW MATERIAL CONSUMPTION

PARTICULARS	YEAR1	YEAR2	YEAR3	YEAR4	YEAR5
Capacity Utilisation	30%	35%	40%	45%	48%
Production of Coils Produced	90000	105000	120000	135000	144000
Average Raw Material Cost	70.00	72.00	73.00	74.00	75.00
Raw Material Cost	63.00	75.60	87.60	99.90	108.00

COMPUTATION OF SALE

PARTICULARS	YEAR1	YEAR2	YEAR3	YEAR4	YEAR5
Op Stock	-	12,500	14,000	16,000	18,000
Production	90,000	105,000	120,000	135,000	144,000
Less Closing Stock	90,000	117,500	134,000	151,000	162,000
	12,500	14,000	16,000	18,000	19,200
Net Sale	77,500	103,500	118,000	133,000	142,800
Sale Price (Average)	90.00	92.00	94.00	96.00	98.00
Sale (in Lacs)	69.75	95.22	110.92	127.68	139.94

VALUATION OF CLOSING STOCK

PARTICULARS	YEAR1	YEAR2	YEAR3	YEAR4	YEAR5
Finished Goods	8.75	10.08	11.68	13.32	14.40
TOTAL	8.75	10.08	11.68	13.32	14.40

COMPUTATION OF WORKING CAPITAL

(A) TRADITIONAL METHOD

S.No.	Particulars	Total Amount		Own Margin		Bank Finance
1	Stock	8.75				
	Less:- Creditors	2.10				
	Paid Stock	6.65	15%	1.00	85%	5.65
2	Sundry Debtors	3.88	15%	0.58	85%	3.29
		10.53		1.58		8.95
4	AVERAGE WORKING CAPITAL			5.00		

BREAK UP OF SALARY (ADMINISTRATIVE STAFF)

Particulars	Salary Per Month	No of Employees	Total Salary
Accounts & Clerical Staff	15,000.00	1	15,000.00
Marketing Staff	10,000.00	2	20,000.00
Total Salary Per Month			35,000.00
			35,000.00
Annual Salary (Rs in Lacs)			4.20
Y1			4.20
Y2			4.62
Y3			5.08
Y4			5.59
Y5			6.15

BREAK UP OF LABOUR & WAGES (WORKERS)

Particulars	Wages Per Month	No of Labours	Total Salary
			-
Skilled Worker	10,000.00	1	10,000.00
Unskilled Worker	8,000.00	1	8,000.00
Casual Labour	5,000.00	1	2,500.00
Total Wages Per Month			20,500.00
Annual Salary (Rs in Lacs)			2.46
Y1			2.46
Y2			2.58
Y3			2.71
Y4			2.85
Y5			2.99

SCHEDULE OF DEPRECIATION

Particulars	Land Building	Building 10%	Plant 15.00%	Furniture 10.00%	Total
Addition	Owned/ Leased	-	4.08	0.10	4.18
Intt. Capitalised	-	-	0.18	0.00	0.18
Less : Depreciation	-	-	0.32	0.01	0.32
WDV at end of Year	-	-	3.94	0.10	4.04
Additions During The Year	-	-	-	-	-
Less : Depreciation	-	-	0.59	0.01	0.60
WDV at end of Year	-	-	3.35	0.09	3.44
Additions During The Year	-	-	-	-	-
Less : Depreciation	-	-	0.50	0.01	0.51
WDV at end of Year	-	-	2.85	0.08	2.93
Additions During The Year	-	-	-	-	-
Less : Depreciation	-	-	2.85	0.08	2.85
WDV at end of Year	-	-	0.43	0.01	0.43
Additions During The Year	-	-	-	-	-
Less : Depreciation	-	-	2.42	0.07	2.49
WDV at end of Year	-	-	2.42	0.07	2.42
Additions During The Year	-	-	-	-	-
Less : Depreciation	-	-	0.36	0.01	0.37
WDV at end of Year	-	-	2.06	0.07	2.12

REPAYMENT SCHEDULE OF TERM LOAN

Intt. Rate 11.00%

Year	Particulars	Amount	Addition	Total	Interest	Repayment	CI Balance
YEAR1	Opening Balance						
	Ist Quarter	5.00	-	5.00	0.05		5.00
	IInd Quarter	5.00	-	5.00	0.14	-	5.00
	IIIrd Quarter	5.00	-	5.00	0.14	-	5.00
	Ivth Quarter	5.00	-	5.00	0.14	-	5.00
					0.46	-	
YEAR2	Opening Balance						
	Ist Quarter	5.00	-	5.00	0.14	0.31	4.69
	IInd Quarter	4.69	-	4.69	0.13	0.31	4.38
	IIIrd Quarter	4.38	-	4.38	0.12	0.31	4.06
	Ivth Quarter	4.06		4.06	0.11	0.31	3.75
					0.50	1.25	
YEAR3	Opening Balance						
	Ist Quarter	3.75	-	3.75	0.10	0.31	3.44
	IInd Quarter	3.44	-	3.44	0.09	0.31	3.13
	IIIrd Quarter	3.13	-	3.13	0.09	0.31	2.81
	Ivth Quarter (Subsidy Adjusted)	2.81		2.81	0.08	2.81	0.00
					0.36	3.75	

Subsidy Will be Adjusted After Three Years
Deducted From Principle Rs. 2.64 Lacs

Door To Door Tenure 60 Months
Construction cum Moratorium Period 12 Months
Repayment Period 48 Months

CALCLUATION OF D.S.C.R.

Particulars	YEAR2	YEAR3	
CASH ACCRUALS	6.09	7.99	
ADD : INTEREST ON TERM LOAN	0.50	0.36	
Total	-	6.59	8.35
LESS : REPAYMENT			
INTEREST ON TERM LOAN	0.50	0.36	-
INSTALMENT OF TERM LOAN	1.25	3.75	-
	-	1.75	4.11
D.S.C.R.	3.77	2.03	
AVERAGE D.S.C.R.		2.55	

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