



DESIGN DOTT

ENGINEERING CONSULTANTS

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DETAILED
PROJECT REPORT

FOR

EXPANSION / UPGRADATION OF EXISTING PMEGP UNIT

ON

MIXER SHUTTERING

AT

SAMBOORA PULWAMA

PROP/PROMOTER:

MOHD ISMAIL BHAT
S/O: AB REHMAN BHAT
R/O: SAMBOORA PULWAMA



DESIGN DOTT (ENGINEERING CONSULTANTS)



PROJECT REPORT Of

MIXER SHUTTERING

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **MIXER SHUTTERING**.

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.)

DESIGN DOTT
OPPOSITE NEW DISTRICT COURT COMPLEX
PULWAMA



PROJECT AT A GLANCE - TOP SHEET

DIC

- 1 Name of the Entrepreneur : **MOHD ISMAIL BHAT**
- 2 Constitution (legal Status) : **Individual**
- 3 Father's/Spouce's Name : **AB REHMAN BHAT**
- 4 Unit Address : **SAMBOORA PULWAMA**
- Taluk/Block: **0**
- District : **PULWAMA**
- Pin: **0** UT **J&K**
- E-Mail : **0**
- Mobile : **0**
- 5 Product and By Product
- 6 Cost of Project : **Rs. 20,00,000**
Name of the project / business activity proposed : **MIXER SHUTTERING**
- 7 **Means of Finance**
- Total Loan **Rs. 19,00,000.00**
- DIC Margin Money **Rs. 5,00,000.00**
- Own Capital **Rs. 100000.00**
- 8 Debt Service Coverage Ratio : **2.21**
- 9 Pay Back Period : **5** Years
- 10 Project Implementation Period : **12** Months
- 11 Break Even Point : **38.14%**
- 12 Employment : **20**
- 13 Power Requirement : **1 KW**
- 14 Major Raw materials : **Nails, Diesel & other Consumables,,**
- 15 Estimated Annual Sales Turnover : **Rs. 4400000.00**



DETAILED PROJECT REPORT

1 INTRODUCTION :

There has been tremendous increase in the construction industry. Shuttering items more popular in modern construction industry. Due to availability of non forest wood, the popularity of wood made items increased to a considerable limit for last one decade. Also the steel industry made items for shuttering are used. Safaida, bald, kekar and bran is abundant in Kashmir provides material for the shuttering.

2 ABOUT THE PROMOTER :

Promoter having sufficient experience in the related activity wants to create employment avenues for number of people besides employment avenues for himself. The promoter is cultured one and is bent upon to run the business honestly, definably and on quality basis which is the need of the hour. In nutshell the promoter has all the qualifying factors to become a good entrepreneur on modern lines and has an open mind to face challenges in maintaining the affairs of business. The promoter has enough confidence, creativity unwavering determination and sincere commitment. Depending upon the efficiency of the promoter and his marketing ability the unit will be able to operate at higher production level that has been envisaged in the report.

3 COST OF PROJECT

A. Fixed Capital Investment			
a. Land	:	RENTED	RENTED
b. Workshed		Area Sq.ft	Rate in Rs.
WORKSHED RENTED		0	0.00
0		0	0.00
0		0	0.00
0		0	0.00
0		0	0.00
0		0	0.00
0		0	0.00
0		0	0.00
Total			0.00

#REF!

C. Machinery	Qty.	Rate	Amount in Rs.
Concrete Batch mixer with Lift	1	300000.00	300000.00
Shuttering 12 mm ply in Sfts	15000	40.00	600000.00
Wooden Joints in Cfts	625	400.00	250000.00
Vibrator	2	20000.00	40000.00
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
Total			1190000.00



d. Preliminary & Pre-operative Cost :		Rs. 2000.00
e. Furniture & Fixtures :		Rs. 5000.00
f. Contingency/Others/Miscellaneous		Rs. 3000.00
Total Capital Expenditure :		Rs. 1200000.00
Working Capital :		Rs. 800000.00
Total Cost Project :		Rs. 2000000.00
3.1 Means of Financing :		
Own Contribution	5%	Rs. 100000.00
Bank Finance	95%	Rs. 1140000.00
Term Loan		Rs. 760000.00
Working Capital		
Total		Rs. 1900000.00
Margin Money (Govt. Subsidy) From DIC	25%	Rs. 500000.00

Margin Money Subsidy received From DIC will be kept in term deposit as per norms of PMEGP in the name of Beneficiary for three years in the financing branch.

3.2 STATEMENT SHOWING THE REPAYMENT OF TERM LOAN & WORKING CAPITAL :
TERM LOAN

Year	Opening Balance	Installment	Closing Balance	Interest @ 11.00%
1st	1140000	228000	912000	125400
2nd	912000	228000	684000	100320
3rd	684000	228000	456000	75240
4th	456000	228000	228000	50160
5th	228000	228000	0	25080
6th	0	0	0	0
7th	0	0	0	0
8th	0	0	0	0

WORKING CAPITAL

Year	Opening Balance	Installment	Closing Balance	Interest @ 11.00%
1st	760000		760000	83600
2nd	760000		760000	83600
3rd	760000		760000	83600
4th	760000		760000	83600
5th	760000		760000	83600
6th				
7th				
8th				



3.3

STATEMENT SHOWING THE DEPRECIATION ON FIXED ASSETS:

WORKSHED					@	6.50%
Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year	
Opening Balance	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0
Closing Balance	0	0	0	0	0	0
MACHINERY					@	10.00%
Opening Balance	1190000	1071000	963900	867510	780759	
Depreciation	119000	107100	96390	86751	78076	
Closing Balance	1071000	963900	867510	780759	702683	
TOTAL DEPRECIATION						
Workshed	0	0	0	0	0	0
Machinery	119000	107100	96390	86751	78076	
Total	119000	107100	96390	86751	78076	

4 Schedule of Sales Realization :**4.1 Details of Sales**

Particulars of Product	Rate	No. of	Amount in Rs.
	Pair/Unit	Pair/Unit	
0			
Income by Shuttering	40.00	110000	4400000.00
0	0.00	0	0.00
0	0.00	0	0.00
0	0.00	0	0.00
0	0.00	0	0.00
0	0.00	0	0.00
0	0.00	0	0.00
Total			4400000.00

4.2 Capacity Utilization of Sales

Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year
Capacity Utilization	70%	80%	90%	100%	100%
Sales / Receipts	3080000	3520000	3960000	4400000	4400000

5 Rawmaterials :

Particulars	Unit	Rate/unit	Reqd. Unit	Amount in Rs.
Nails, Diesel & other Consumables	0	1.00	300000	300000.00
0	0	0.00	0	0.00
0	0	0.00	0	0.00
0	0	0.00	0	0.00
0	0	0.00	0	0.00
0	0	0.00	0	0.00
0	0	0.00	0	0.00
0	0	0.00	0	0.00
0	0	0.00	0	0.00
Total				300000.00

5.1 Wages :

Particulars	No. of	Wages	Amount in Rs.
	Worker	Per Month	(Per Annum)
Machine Operator	2	14000.00	336000.00
Skilled Worker	3	12000.00	432000.00
Helper	14	8000.00	1344000.00
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
Total			2112000.00

5.2 Repairs and Maintenance :

Rs. 4400.00



5.3 Power and Fuel : Rs. 4400.00

5.4 Other Overhead Expenses : Rs. 4400.00

6 Administrative Expenses :

6.1 Salary			
Manager (Self)	1	15850.00	190200.00
0	0	0.00	0.00
0	0	0.00	0.00
	0	0.00	0.00
	0	0.00	0.00
Total	1		190200.00

6.2 Telephone Expenses 4400.00

6.4 Stationery & Postage 4400.00

6.5 Advertisement & Publicity 4400.00

6.6 Workshed Rent 0.00

6.7 Other Miscellaneous Expenses 8800.00

Total 212200.00

7 Capacity Utilization of Manufacturing & Administrative Expenses :

Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year
Capacity Utilization	70%	80%	90%	100%	100%
Manufacturing Expenses					
Rawmaterials	210000	240000	270000	300000	300000
Wages	1478400	1689600	1900800	2112000	2112000
Repairs & Maintenance	3080	3520	3960	4400	4400
Power & Fuel	3080	3520	3960	4400	4400
Other Overhead Expenses	3080	3520	3960	4400	4400
Administrative Expenses					
Salary	190200	190200	190200	190200	190200
Postage Telephone Expenses	3080	3520	3960	4400	4400
Stationery & Postage	3080	3520	3960	4400	4400
Advertisement & Publicity	3080	3520	3960	4400	4400
Workshed Rent	0	0	0	0	0
Other Miscellaneous Expenses	6180	7040	7920	8800	8800
Total:	1903240	2147960	2392680	2637400	2637400

B Assessment of Working Capital :

Particulars	Amount in Rs.
Sale	4400000.00
Manufacturing Expenses	
Raw Material	300000.00
Wages	2112000.00
Repair & Maintenance	4400.00
Power & Fuel	4400.00
Other Overhead Expenses	4400.00
Production Cost	2425200.00
Administrative Cost	212200.00
Manufacturing Cost	2637400.00



Working Capital Estimate :

Element of Working Capital	No of Days	Basis	Amount in Rs.
Raw Material	30	Material Cost	30000.00
Stock in process	30	Production Cost	242520.00
Finished goods	30	Manufacturing Cost	263740.00
Receivable by	30	Manufacturing Cost	263740.00
Total Working Capital Requirement		Per Cycle	800000.00

9 Financial Analysis**9.1 Projected Profit & Loss Account :**

Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year
Sales / Receipts	3080000	3520000	3960000	4400000	4400000
	3080000	3520000	3960000	4400000	4400000
Manufacturing Expenses					
Rawmaterials	210000	240000	270000	300000	300000
Sales / Receipts	1478400	1689600	1900800	2112000	2112000
Repairs & Maintenance	3080	3520	3960	4400	4400
Power & Fuel	3080	3520	3960	4400	4400
Other Overhead Expenses	3080	3520	3960	4400	4400
Depreciation	119000	107100	96390	86751	78076
Production Cost	1816640	2047260	2279070	2511951	2503276
Administrative Expenses					
Salary	190200	199710	209696	220181	231190
Postage Telephone Expenses	3080	3520	3960	4400	4400
Stationery & Postage	3080	3520	3960	4400	4400
Advertisement & Publicity	3080	3520	3960	4400	4400
Workshed Rent	0	0	0	0	0
Other Miscellaneous Expenses	6180	7040	7920	8800	8800
Administrative Cost	205600	217310	229496	242181	253190
Interest on Bank credit @ 11%					
Term Loan	125400	100320	75240	50160	25080
Working Capital Loan	83600	83600	83600	83600	83600
Cost of Sale	2231240	2448490	2667406	2887892	2865146
Net Profit Before Tax	848760	1071510	1292594	1512108	1534854
Less Tax	0.00	0.00	0.00	0.00	0.00
Net Profit	848760	1071510	1292594	1512108	1534854

9.2 CALCULATION OF DEBT SERVICE CREDIT RATIO (D.S.C.R) :

Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year
Net Profit	848760	1071510	1292594	1512108	1534854
Add :					
Depreciation	119000	107100	96390	86751	78076
TOTAL - A	967760	1178610	1388984	1598859	1612930
Payments :					
On Term Loan :					
Interest	125400	100320	75240	50160	25080
Installment	228000	228000	228000	228000	228000
On Working Capital					
Interest	83600	83600	83600	83600	83600
TOTAL - B	437000	411920	386840	361760	336680
D.S.C.R = A/B					
Average D.S.C.R	2.21	2.86	3.59	4.42	4.79



9.3 PROJECTED BALANCE SHEET :

Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year
LIABILITIES :					
Promoters Capital	100000	100000	100000	100000	100000
Profit	848780	1071510	1292594	1512108	1534854
Term Loan	1140000	912000	684000	456000	228000
Working Capital Loan	760000	760000	760000	760000	760000
Current Liabilities	0	0	0	0	0
Sundry Creditors	0	0	0	0	0
	2848760	2843510	2836594	2828108	2622854
ASSETS :					
Gross Fixed Assets :	1195000	1076000	968900	872510	785759
Less : Depreciation	119000	107100	96390	86751	78076
Net Fixed Assets	1076000	968900	872510	785759	707683
Current Assets	760000	760000	760000	760000	760000
Cash in Bank/Hand	1012760	1114610	1204084	1282349	1155171
Total	2848760	2843510	2836594	2828108	2622854

9.4 CASH FLOW STATEMENT :

Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year
Net Profit	848780	1071510	1292594	1512108	1534854
Add : Depreciation	119000	107100	96390	86751	78076
Term Loan	1140000	912000	684000	456000	228000
Working Capital Loan	760000	760000	760000	760000	760000
Promoters Capital	100000	0	0	0	0
Total	2967760	2850610	2832984	2814859	2600930
Total Fixed Capital Invested	1200000				
Repayment of Term Loan	228000	228000	228000	228000	228000
Repayment of WC Loan	0	0	0	0	0
Current Assets	760000	760000	760000	760000	760000
Total	988000	988000	988000	988000	988000
Opening Balance	0	1979760	3842370	5687354	7514213
Surplus	1979760	1862610	1844984	1826859	1612930
Closing Balance	1979760	3842370	5687354	7514213	9127143

9.5 BREAK EVEN POINT AND RATIO ANALYSIS :

Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year
Fixed Cost	450000	424730	401126	379092	356346
Variable Cost	1900240	2130860	2362670	2595551	2586876
Total Cost	2350240	2555590	2763796	2974643	2943222
Sales	3080000	3520000	3960000	4400000	4400000
Contribution (Sales-VC)	1179760	1389140	1597330	1804449	1813124
B.E.P in %	38.14%	30.58%	25.11%	21.01%	19.65%
Break Even Sales in Rs.	1174815	1076241	994446	924385	864763
Break Even Units	29370	26906	24861	23110	8
Current Ratio	1.74	1.85	1.96	2.10	0.77
Net Profit Ratio	27.56%	30.44%	32.64%	34.37%	34.88%

