

PROJECT PROFILE ON BINDI MANUFACTURING UNIT

1. INTRODUCTION

Bindi is a small piece of velvet cloth with suitable adhesive. It is available in different colours, size and pictures. These are used by an Hindu women on daily basis. Some times they require 2-3 such bindis in a day.

2. MARKET DEMAND

Bindi is a consumable product and require both rural and urban women, therefore the demand of product exist and grow with the increase of female population. As per estimates each district require about 500- 700 million bindi packet (10 each) every year.

PRODUCTION TARGETS

Basis of estimation: 300 Working Days in a Year
Single Shift basis
8 hours per shift

	Bindi Packets (10*12)
Quantity (Nos)	100000
Value (Rs)	1700000

3. MANUFACTURING PROCESS

Bindis are manufactured by first gumming and pasting on the back of cloth followed by cutting with the help of dies and cut pieces are pasted over separate paper sheet. These sheets are either packed in a box or wall hanger as per the requirement of the customer.

4. QUALITY CONTROL STANDARDS

Quality of the product must be as per customers demand and it contain only skin friendly chemicals.

5. LAND & BUILDING

1.	Covered area	Sq. Ft.	500
2.	Uncovered area	Sq. Ft.	1500
3.	Total area	Sq. Ft.	2000
4.	Whether constructed or Rented		Rented
5.	If constructed, constructed value	Rs	N.A.
6.	If Rented, Rental value (per month)	Rs	2000

6. MACHINERY AND EQUIPMENT

S.N	Description	Qty.	Value (Rs.)
1.	Bindi Cutting machine	2	250000
2.	Dies	15 sets	
3.	Electric Motors	2	
4.	Hand Tools	1	
5.	Sales Tax, Freight & Insurance etc.		25000
	Total		275000

7. RAW MATERIAL (PER MONTH)

S.N	Particulars	Quantity (Meter)	Value (Rs)
1.	Velvet Cloth	3000	60000
	Adhesive & Other Consumables	L.S.	5000
2.	Packaging Material		2000
		Total	67000

8. STAFF & LABOUR (PER MONTH)

S.N	Particulars	Qty	Rate	Value (Rs)
A	Administrative and Supervisory			
(i)	Manager	1	3000	3000
(ii)	Peon/ Chowkidar	1	2000	2000
B	Technical (Skilled-Unskilled)			
(i)	Skilled Worker	1	3000	3000
(ii)	Unskilled Worker	8	2000	16000
	Sub-Total			24000
	Plus perquisites @ 30% of salaries			7200
	TOTAL			31200

9. OTHER EXPENSES (PER MONTH)

1.	Rent of Land & Building	2000
2.	Electricity Charges	1500
3.	Fuel Exp.	0
4.	Advertisement & Travelling	2000
5.	Transport	2000
6.	Consumable & stores etc.	1000
7.	Potage expenses/ telephones	1000
8.	Stationery	500
9.	Repairs & Maintenance's	1000
	Total	11000

10. WORKING CAPITAL (FOR ONE MONTH)

SL.NO.	DESCRIPTION	AMOUNT(RS)
1	Raw material	67000
2	Salaries & Wages	31200
3	Other Expenses	11000
	Total	109200

11. TOTAL CAPITAL INVESTMENT

Building & Other Civil Works	-
Machinery & Equipment	275000
Working capital for one month	109200
Total	384200

12. COST OF PRODUCTION (PER ANNUM)

Total recurring cost per year	1310400
Depreciation on machinery & equipment	27500
Interest on total investment @ 10%	40000
Total	1377900

13. SALES PROCEEDS (PER ANNUM)

S.N.	Item	Qty (Nos)	Value (Rs.)
1.	Bindi Packets of different Size and shape	100000	1700000
	Total		1700000

14. PROFITABILITY (BEFORE INCOME TAX)

1.	Annual Gross Profit	322100
2.	% of Profit on Sales	18.95%
3.	Break Even Analysis	
3.1	Annual Fixed Cost	506400
3.2	Annual Sales	1700000
3.3	Annual Variable Cost	804000
3.4	Break Even Point	56.52%

Break-Even Analysis

(% of Total Production envisaged)

$$\frac{\text{Annual fixed cost} \times 100}{\text{Annual sales} - \text{Annual variable costs}} = \%$$

15. Manufactures/ Suppliers of Machinery

1	Gujrat Engineering Enterprises 31/1, Paigah Estate, Near SBI, Jehangirabad, Bhopal Ph. 576240
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2.	Jitendra Agencies 5, Shivsadan, Sardar Patel Marg, Indore.
3.	Indore Machinery Stores 40, Siyaganj, Main Road, Indore 452 007 Ph. 534339
4.	Huma Traders Infront of Shajanabad Thana, Shajanabad, Bhopal(M.P.)

16. Suppliers of Raw Materials

From Local mandi of the area.

17. IMPLEMENTATION PERIOD

Proposed Project can commence production with in 6-8 weeks after sanction and first disbursement of term loan.

18. ASSUMPTION FOR GENERATING PROJECT PROFITABILITY

1	Number of Working Days in a year	300 Days
2	Number of Shifts in a day	1 One
3	Hours in a Shift	8 hours
4	Plant Capacity	Consider on Average production capacities of plant.
5	Raw material Estimates	Based upon product Mix
6	Raw Material Availability	All districts of MP
7	Depreciation	Straight Line Method
8	Manpower	According to project Requirement
9	Rent estimate	On the basis of current market prize of the area.
10	Potential Area of Marketing the products	Households of the area.

11	If project is funded, term loan would be	60-80% of Total investment
12	Moratorium Period	6- 12 months
13	Repayment Period	5-7 years
14	Project may be established under	PMEGP (GOI) / Tribal Self Employment Scheme (NSTFDC) or Rani Durgawati Scheme of MP