PROJECT PROFILE ON OFFSET PRINTING UNIT

1. INTRODUCTION

Offset Printing is the latest method of printing system in any language. The method of printing in earlier days was by rotary or tradle printing press in which the matter to be printed was to be first composed manually.

In Offset printing, the matter, which is to be printed, is fed into the computer and after that with the help of the camera, it is exposed and film is prepared through developer/chemicals and put into Offset printing Machine to take out the print. Offset printing method is the latest one where the quality of printing is very fine in comparison to the previous method.

2. MARKET DEMAND

Today is the age of technology. Offset Printing Press is the example of new technology. The required material may be printed in minimum time with good accuracy and better quality. Now a days, the number of schools, colleges, offices and other business activities is increasing day by day. They require stationery, books and other printed materials. Therefore, Offset Printing Press has very good scope, particularly in Urban and semi–Urban areas.

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3. PRODUCTION TARGETS

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

	Prints
Quantity (Thousand Numbers)	10000
Value (Rs)	1200000

4. MANUFACTURING/ PRINTING PROCESS

Composing of matter, which is to be printed, is done on computer with the help of special Softwares such as Corel Draw, Photoshop, MS Office, Page Maker, etc., Thereafter a film is produced with the help of a camera. This film is called negative. The matter, which is to be printed is taken on this film/negative.

The negative and an aluminum plate are put into the printing down frame/ exposer. Before starting the exposer, the presetting of timer is done in the timer/ watch. Generally it takes approx. 200 seconds for making positive. The time exposer is switched off automatically as soon as positive has been built up. The image of negative is printed on the aluminum plate, which is called positive. After that, the developer is spread on the plate followed by washing with the fresh water. During this process, the matter is printed on the plate automatically. Thereafter, the aluminum plate is fitted in the offset printing press. This plate is called P.S. Plate, when it is used for first time and thereafter it is called Y-pon Plate. The papers are cut on Paper Cutting Machine. Then the papers are fed one by one or through roll into Offset Printing Press.

5. QUALITY CONTROL STANDARDS

Quality of the product must be as per customers demand.

6. LAND & BUILDING

1.	Covered area	Sq. Ft.	1000
2.	Uncovered area	Sq. Ft.	1000
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	5000

7. MACHINERY AND EQUIPMENT

S.N.	Description	Qty.	Value (Rs.)
1.	Off-Set Printing Machine Size 18 x 25", Single Colour with 5 H.P.	1	500000
2.	Computer with Printer and soft wares	1	
3.	Paper Cutting Machine, Size 23 x 36", 2 H.P.	1	
4.	Paper Creasing M/c.	1	
5.	Paper Stapler M/c	1	
6.	Binding and measuring equipment.	L.S.	
7.	Sales Tax, Freight & Insurance etc.		50000
	Total		550000

8. RAW MATERIAL (PER MONTH)

S.N.	Particulars	Quantity (Kg)	Value (Rs)
1.	Paper – Supplied by customer or charge seprately		
2.	Colour Ink & Other Consumables	L.S.	30000
3.	Paper for draft printing etc.	L.S.	10000
		Total	40000

9. 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	2	2000	4000
	Sub-Total			12000
	Plus perquisites @ 30% of salaries			3600
	TOTAL			15600

9. OTHER EXPENSES (PER MONTH)

1.	Rent of Land & Building	5000
2.	Electricity Charges	2500
3.	Fuel Exp.	0
4.	Advertisement & Travelling	2000
5.	Transport	2000
6.	Consumable & stores etc.	1000
7.	Potage expenses/ telephones	1000
8.	Stationery	1000
9.	Repairs & Maintenance’s	1000
	Total	15500

10. WORKING CAPITAL (FOR ONE MONTH)

SL.NO.	DESCRIPTION	AMOUNT(RS)
1	Raw material	40000
2	Salaries & Wages	15600
3	Other Expenses	15500
	Total	71100

11. TOTAL CAPITAL INVESTMENT

Building & Other Civil Works	-
Machinery & Equipment	550000
Working capital for one month	71100
Total	621100

12. COST OF PRODUCTION (PER ANNUM)

Total recurring cost per year	853200
Depreciation on machinery & equipment	50000
Interest on total investment @ 10%	62000
Total	965200

13. SALES PROCEEDS (PER ANNUM)

S.N.	Item	Qty (Thousand Numbers)	Value (Rs.)
1.	Prints	10000	1200000
	Total		1200000

14. PROFITABILITY (BEFORE INCOME TAX)

1.	Annual Gross Profit	234800
2.	% of Profit on Sales	19.57%
3.	Break Even Analysis	
3.1	Annual Fixed Cost	373200
3.2	Annual Sales	1200000
3.3	Annual Variable Cost	480000
3.4	Break Even Point	51.83%

Break-Even Analysis

(% of Total Production envisaged)

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

15. Manufactures/ Suppliers of Machinery

1	M/s. Speedographics India Ltd. Industrial Area, Rajaji Nagar, Bangalore.
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, Satna(m.p.)
5.	M/s. J. Mahaveer and Co. Ltd. 3620-21, Netaji Subhash Marg, Daryaganj, New Delhi - 110 002.

6.	M/s. Sharpline Engineering Co. B-9/181-182, Ist Floor, Sector–5, Rohini, New Delhi - 110 085

16. Suppliers of Raw Materials

From Local paper and colour ink market 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	Enterprises demand 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