



9. PROJECT PROFILE ON SPRAY PAINTING AND TINKERING

Category : Service

Total Cost of Project : Rs. 114,000/-

BEP : 43 %

I. INTRODUCTION OF BUSINESS IDEA :

Various government policies have helped the growth of industries resulting in increasing the purchasing power of people. To keep pace with such progress more people have to go longer distances for work. The easy availability of various vehicles under different financing schemes has motivated people to purchase vehicles that facilitate movement. There is very good scope for establishing such a unit at different places.

II. SERVICE AND ITS APPLICATIONS :

All vehicles need denting and painting few years after their purchase. The proposed unit can provide such a service to the vehicles in the region.

III. MARKET POTENTIAL :

There is a tremendous growth in the number of vehicles running on our roads. As more people go in for purchasing these vehicles there would be need for a denting and facility. With little investment and skill such a unit can be set up any where in cities, towns or large rural market centers. There will be growing demand for such facility, and customers are bound to come to a place where they get prompt and efficient service. There is good scope for such units.

IV. CAPACITY-REVENUE (1st year)

Sl. No.	Particulars	No.	Rate (Average)	Total Amount (Rs.)
01.	From Service charges for painting etc (vehicles)	400	1500	6,00,000
Total				6,00,000

V. SERVICE METHODOLOGY AND QUALITY :

The vehicle is cleaned first. If any tinkering or denting is required it is carried out first. The surface is scraped and putty/lump sum is applied and allowed to dry. The next day, as per the need the first coat of painting is done and allowed to dry. The following day, the second coat of painting is done. Polishing is done after the second coat of paint dry.



VI. COST OF PROJECT AND MEANS OF FINANCE, INCLUDING WORKING CAPITAL REQUIREMENTS :

A. Cost of Project :

Sl. No.	Particulars	Amount (Rs).
01.	Equipments	46,000
02.	Other fixed assets	10,000
03.	Preliminary and preoperative expenses	10,000
04.	Deposits	30,000
05.	Working Capital Requirements	18,000
	Total	1,14,000

B. Means of Finance:

Sl. No.	Particulars	Amount (Rs).
01.	Loan @ 75%	86,000
02.	Equity	28,000
	Total	1,14,000

C. Working Capital Requirement:

Sl. No.	Particulars	Basis	Period	Amount (Rs.)
1	Raw- materials	50,000/12	2 month	8,000
2	Working expenses	Lump sum	1 month	10,000
	Total			18,000

VII. MAIN INPUTS REQUIREMENT :

A. Equipments :

Sl. No.	Particulars	No.	Rate	Total Cost
01.	Gas welding set	1 set	15,000	15,000
02.	Air compressor (0.5 HP)	1	11,000	11,000
03.	Portable drilling machine	1	5,000	5,000
04.	Spray gun & hand tools	1	10,000	10,000
05.	Work bench	1	5,000	5,000
	Total			46,000



B. Raw-materials (consumable) : (Per Annum)

Sl. No.	Particulars	Qty	Rate per lit	Total Cost (Rs.)
1	Paints lacquers thinners	Borne by the vehicle owners	-	-
2	Putty emery cloth and others	Lump sum	50,000	50,000
Total				50,000

C. Utilities :

Sl. No.	Particulars	Monthly Requirement	Unit Cost	Total Annual Charges. (Rs.)
1	Electricity	250 units	4.00	12,000
2	water	Lump sum		12,000
Total				24,000

D. Man-power requirement :

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
01	Skill worker	1	10,000	1,20,000
02	Helper	1	6,000	60,000
Total				1,80,000

E. MAIN INFRASTRUCTURE REQUIREMENT :

Building	Built up space of 500 sq. ft. is required & open spaces.
Power	1 HP power connection is required.
Water	2 kl Water is required per day

VIII. PROFITABILITY PROJECTION (Annual) :

Particulars	Basis	Amount (Rs.)
Sales/ income (Projected)	Ref : IV	6,00,000
Raw Materials	Ref : VII B	50,000
Man power expenses	Ref : VII D	1,80,000
Utilities	Ref : VII C	24,000
Interest	@ 12%	10,000
Depreciation	20% SLM	9,000
Overheads	Rent, maintenance etc	1,30,000
Total Expenses		403,000
Profit		197,000



IX. FINANCIAL INDICATOR :

Break Even Point $\frac{FC}{SR-VC} \times 100$	$\frac{149,000}{346,000} \times 100$	43 %
Payback period COP $\frac{\text{Payback period}}{\text{Profit + Deprn.}}$	$\frac{114,000}{206,000}$	Less than 1 Year

X. ADDRESSES :

SUPPLIERS OF EQUIPMENTS :

Heylex Machine Tools
B-69, Angol Ind Area
Belgaum.

Suppliers of raw material

Indra Dhanush Enterprises,
2846, Khade Bazaar,
Belgaum.

Shanti Paints,
1063/1, NH - 4,
New Gandhi Nagar,
Belgaum.

XI. SPECIAL NOTE :

Skill training is required from ITI or vocational course at KHK Polytechnic, Dharwad.