



26. PROJECT PROFILE ON REPAIRING / SERVICING OF HOME APPLIANCES

Category : Service

Total Cost of Project : Rs. 1,63,000/-

BEP : 33 %

I. INTRODUCTION OF BUSINESS IDEA :

Nowadays, Home Appliances like Mixer, Grinder, Iron-Box, Fan, Electric Stove, Water- Coolers, Geyser etc, have become a necessity of every household. Even in rural areas, modern user-friendly Home Appliances are occupying in the places of traditional appliances. Hence, there is huge demand for Repairing & Servicing workmanship in both urban and rural areas.

II. SERVICE AND ITS APPLICATIONS :

Due to wear and tear, voltage fluctuations & wrong handling of Electrical Appliances, it has become necessary to Repair or Service the equipments frequently. This activity comprises Repairing, Winding, Replacement of worn out spares/cables, Servicing (Cleaning, Oiling / Greasing, etc.) of appliances.

III. MARKET POTENTIAL :

Every home appliance needs regular maintenance. Besides, frequent repair work is also required due to frequent wear and tear in the appliances and fluctuation in voltages. Therefore, if a servicing and repair unit is set up, there are good possibilities of its success.

IV. CAPACITY-REVENUE AND SALES:

The proposed capacity per year is 4500 appliances per annum of 300 days.

Sl. No.	Particulars	No. of Appliances	Rate	Total Amount Rs.
01	Repairing/ Replacement of worn out spares/cables	2,000	200/-	4,00,000
02	Winding & Repairing	1,000	500/-	5,00,000
03	Normal servicing	1,500	100/-	1,50,000
Total				10,50,000

V. SERVICE METHODOLOGY AND QUALITY :

In case of repairs, the fault is identified and the rectification as required either through correction or replacement of part/cable & winding is carried out. For regular servicing cleaning, oiling/greasing & testing are to be carried out.



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

A. COST OF PROJECT :

Sl. No.	Particulars	Amount (Rs).
1	Equipments	47,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Deposits	50,000
5	Working Capital Requirements	46,000
	Total	1,63,000

B. MEANS OF FINANCE:

Sl. No.	Particulars	Amount (Rs).
1	Loan @ 75%	1,23,000
2	Equity	40,000
	Total	1,63,000

C. WORKING CAPITAL REQUIREMENT :

S. No.	Particulars	Basis	Period	Amount
1	Materials	4,80,000/12 x 1	1m	40,000
2	Bills receivables	-	-	-
3	Working expenses			6,000
	Total			46,000

VII. MAIN INPUTS REQUIREMENT :

A. MACHINERY :

Sl. No.	Particulars	Total Cost (Rs.)
1	Automatic winding Machine	20,000
2	Drilling machine	3,000
3	Table Grinder	2,000
4	Glower & Soldering Gun	2,000
5	Working Table with holders	10,000
6	Spanner set, multimeter, Cutting pliers set, Hammers, Screw driver set, Wire cutter and other tools.	10,000
	Total	47,000



B. RAW-MATERIALS (P.A.):

Sl. No.	Particulars	Qty.	Total Cost (Rs.)
1	Armatures, Field coil, Outer bodies, Jars, Sockets, Bearings, Bushings, Blades, Shafts, Couplers, Switches, Carbon brush, Chord wires, Coils, Thermostats, fan blades, Capacitors, Regulators etc.	Lump sum	4,80,000
	Total		4,80,000

C. UTILITIES :

Sl. No.	Particulars	Monthly Charges. (Rs.)	Annual Charges. (Rs.)
1	Water & Electricity	2,000	24,000
2	Kerosene , Lubricating oil & Sand Paper	500	6,000
	Total		30,000

D. MAN-POWER REQUIREMENT :

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
01	Skilled Workers	1	8,000	96,000
03	Assistant /Helper	2	5,000	1,20,000
	Total			2,16,000

E. MAIN INFRASTRUCTURE REQUIREMENT :

Building	Built up space of 500 sft required
Power	Commercial power connection is required.
Water	Water is required for general purposes.

VIII. PROFITABILITY PROJECTION (ANNUAL) :

Particulars	Basis	Amount (Rs.)
Sales Revenue (Projected)	Ref : IV	10,50,000
Raw Materials	Ref : VII B	4,80,000
Man power expenses	Ref : VII D	2,16,000
Utilities	Ref : VII C	18,000
Interest	@ 12%	15,000
Depreciation	10% SLM	5,000
Overheads	Rent, Maintenance etc.	1,00,000
Total Expenses		8,34,000
Profit		2,16,000



IX. FINANCIAL INDICATOR :

Break Even Point $\frac{FC}{SR-VC} \times 100$	$\frac{1,20,000}{3,66,000} \times 100$	33 %
Payback period $\frac{COP}{\text{Profit} + \text{Deprn.}}$	$\frac{1,63,000}{2,21,000}$	Less than 1 year

X. ADDRESSES :

SUPPLIERS OF EQUIPMENTS :

Ashok Enterprises
HDUDA Industrial Estate,
Opp. Akshaya park,
Hubli.

SUPPLIERS OF RAW MATERIAL

Copper Metal Corporation
6, MSR pvt Ind. Estate
Bangalore-54
Pg-080-23603639

XI. SPECIAL NOTE :

Promoters should be trained in repair and service of home appliances at RUDSET/ ITI / Polytechnics.