



3. PROJECT PROFILE COIR MAT FINISHING AND PROCESSING PROJECT

Category : Manufacturing

Total Cost of Project : Rs. 6,00,000/-

BEP : 22%

I. INTRODUCTION OF BUSINESS IDEA:

Coir products are mainly agrarian in character and its basic raw material is coconut fiber. Coir plays an important role of sustaining the livelihoods of a large number of people in southern. Coir fiber extraction, Spinning, and weaving and the processing of other coir products are source of employment for many people.

II. PRODUCT AND ITS APPLICATIONS:

Coir products are widely used in many applications. Coir products are one among them the coir mats are demand based products in urban area. There is simple scope for the coir mats and ropes in market.

III. MARKET POTENTIAL:

There is an abundant market potential for coir ropes and mats. Since the availability for coir locally available.

IV. CAPACITY / REVENUE & SALES (1ST YEAR):

Sl. No.	Product	Qty. in Quintals	Rate (Average)	Amount (Rs.)
1.	By sales realization of coir mats			22,95,000-00

V. MANUFACTURING METHODOLOGY AND QUALITY:

The raw coir fiber which is suitable for manufacturing of coir mats is procured and it is fed through mat making machine to manufacture the coir mats of different sizes.

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

A. Cost of Project:

Fixed capital	5,00,000
Other fixed assets	25,000
Preliminary and preoperative expenses	25,000
Deposits	25,000
Working Capital Requirements	25,000
Total	6,00,000



B. Means of Finance:

Sl. No.	Particulars	Amount
1	Loan (Bank Finance & Term loan ,excluding deposit) @ 75%	3,93,750
2	Equity (Promoters contribution)	1,31,250
	Total	5,25,000

C. Working Capital Requirement :

Sl. No.	Particulars	Basis	Period	Amount (Rs.)
1	Raw Material	-	-	13,80,000
2	Finished Goods	-	-	-
3	Bills Receivables	-	-	-
	Total			13,80,000

VII. MAIN INPUTS REQUIREMENT:

A. Machinery:

Sl. No.	Particulars	Nos.	Total Cost
1	7HP sharing machine		1,20,000
2	7HP compressor		75,000
3	Stenciling tables shooting guns and accessories		1,65,000
	Total		3,60,000

B. Raw-materials:

Sl. No.	Particulars	Qty.in Kg.	Rate	Annual (Rs.)
1	Purchase of coir fiber	-	-	13,80,000
	Total			13,80,000

C. Utilities:

Sl. No.	Particulars	Monthly Charges. (Rs.)	Annual (Rs.)
1	Rent	-	-
2	Electricity	-	30,000
3	water	-	10,000
	Total		40,000



D. Man-power requirement:

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Monthly Salary (Rs.)	Annual Salary (Rs.)
1	Skilled Labour	2	8000	16,000	1,92,000
2	Semi skilled	2	6000	12,000	1,44,000
3	Unskilled	2	5000	10,000	1,20,000
Total					4,56,000

E. MAIN INFRASTRUCTURE REQUIREMENT :

Building	Built up space of 1200 sq. ft. is required its own building
Power	Commercial power connection is required.
Water	Water is required
Maintenance	Rs. 1,000 per month

VIII. PROFITABILITY PROJECTION (Annual) :

Particulars	Basis	Amount
Sales Revenue (Projected)	Ref : IV	22,95,000-00
Raw Materials	Ref : VII B	13,80,000-00
Man power expenses	Ref : VII D	4,56,000-00
Utilities	Ref : VII C	40,000-00
Interest	@ 12%	47,250-00
Depreciation	10%	43,000-00
Overheads	Maintenance etc.	12,000-00
Total Expenses		19,78,250-00
Profit		3,16,750-00

IX. FINANCIAL INDICATOR:

Break Even Point $\frac{FC}{SR - VC} \times 100$	$\frac{90,250}{4,07,000} \times 100$	22 %
Payback period $\frac{COP}{\text{Profit} + \text{Deprn.}}$	$\frac{6,00,000}{3,16,750+43,000}$	1 Year 6 Month



X. ADDRESSES :

SUPPLIERS OF EQUIPMENTS :

M/s. Asok Steel Industries,
Mini Industrial Estate,
Kadakkarappally.P.O,
Cherthala - 688529. Kerala Ph.0478 2816740

M/s Accurate CNC Tool Room
Plot No.388, 10th Cross, 3 rd Main, 4th Phase,
Peenya Industrial Area, Bangalore-560 058
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SUPPLIERS OF RAW MATERIALS:

Karnataka Coir Corporation, Bengaluru