



PROJECT PROFILE FOR MANUFACTURING REXIN SEAT COVER

Category : Manufacturing

Total Cost of Project : Rs. 2,48,000/-

BEP : 35 %

I. INTRODUCTION OF BUSINESS IDEA :

Seat covers are required for automobiles. For the new vehicles the cover is required to make it last long and for the old ones the replacement is required. Seat covers thus increase the life of seat. In addition, the seat covers are also required for sofa sets.

II. PRODUCT AND ITS APPLICATIONS :

Seat covers are used in all automobiles in varying sizes. Covers protect the seat and increase the life of the seats. In case of sofa and other furniture, the seat cover is to protect the cushion.

III. MARKET POTENTIAL :

There is a tremendous growth in the number of vehicles running on our roads. The need for seat covers is also increasing in proportion to the increase in no. of vehicles. Usually seat covers are tailor made as per the design and colour liked by the customers. Seat covers are also required for sofa etc, which are replaced every year. These are preferred to get it made locally. As such, there is good demand for the seat covers.

IV. CAPACITY-REVENUE (1ST YEAR)

Sl. No.	Particulars	No.	Rate (Average)	Total Amount (Rs.)
01.	Seat covers	4,000	200	8,00,000
02.	Sofa covers	500	400	2,00,000
03.	Repair works			60,000
	Total			10,60,000

V. SERVICE METHODOLOGY AND QUALITY :

The PVC sheet and (cloth if required) is cut to the required size. The foam is also cut to different sizes and the same is placed below the sheet with glue. It is kept pressed for sometime and then wherever elastic is required, the same is placed and the stitching is carried out. The product is then given a finishing touch.



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

A. COST OF PROJECT :

Sl. No	Particulars	Amount (Rs).
1	Equipments	76,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Deposits	50,000
5	Working Capital Requirements	1,02,000
	Total	2,48,000

B. MEANS OF FINANCE:

Sl. No	Particulars	Amount (Rs).
1	Loan @ 75%	1,86,000
2	Equity	62,000
	Total	2,48,000

C. WORKING CAPITAL REQUIREMENT:

Sl. No.	Particulars	Basis	Period	Amount (Rs.)
1	Raw- materials	5,80,000/12 x 1	1 month	48,000
2	Bills receivables	1,06,000/12 x ½	½ m	44,000
3	Working expenses			10,000
	Total			1,02,000

VII. MAIN INPUTS REQUIREMENT :

A. EQUIPMENTS :

Sl. No.	Particulars	No.	Rate	Total Cost
01.	Commercial sewing machine with motor	1	11,000	11,000
02.	PVC Vulcanizing machine	1	55,000	55,000
03.	Handtools, screw pins, hammer, hand drills etc			10,000
	Total			76,000

B. RAW-MATERIALS (CONSUMABLE) : (PER ANNUM)

Sl. No.	Particulars	Qty	Rate	Total Cost (Rs.)
1	Rexin (different colours)	4,000 m	70	2,80,000
2	Foam			2,10,000
3	Spring			60000
4	Glue			30000
	Total			580000



C. UTILITIES :

Sl. No.	Particulars	Monthly Requirement	Unit Cost	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	7,000	84,000
02	Helper	2	4,000	96,000
Total				1,80,000

E. MAIN INFRASTRUCTURE REQUIREMENT :

Building	Built up space of 400 sq. ft. is required
Power	1 HP power connection is required.
Water	Water is required for general purposes

VIII. PROFITABILITY PROJECTION (ANNUAL) :

Particulars	Basis	Amount (Rs.)
Sales / income (Projected)	Ref : IV	10,60,000
Raw Materials	Ref : VII B	5,80,000
Man power expenses	Ref : VII D	1,80,000
Utilities	Ref : VII C	24,000
Interest	@ 12%	22,000
Depreciation	20% SLM	15,000
Overheads	Rent, maintenance	60,000
Total Expenses		8,81,000
Profit		1,79,000

IX. FINANCIAL INDICATOR :

Break Even Point FC ----- x 100 SR-VC	97,000 ----- x 100 2,76,000	35 %
Payback period COP ----- Profit + Deprn.	2,48,000 ----- 1,94,000	1 Year 4 Months



X. ADDRESSES :

SUPPLIERS OF EQUIPMENTS :

Industrial Sewing Systems
19/19, Dr Rajkumar road,
IV N Block,
Rajajinagar, Bangalore 10
Ph 080-23133630

SUPPLIERS OF RAW MATERIAL

Mittal Plasto Products
2/1, 1st floor, SP Road Cross,
Benki Nawab Street
Bangalore-2
Ph 080-22242283