MODEL PROJECT REPORT

PROJECT REPORT
ON
AUDIO VIDEO AND
MAGNETIC DVD

SWAVALAMBI BHARAT ABHIYAN

Website : www.mysba.co.in Contact : 8003198250 Email : info@mysba.co.in

PROJECT AT GLANCE

1 **Name of Proprietor/Director**	XXXXXXXX	
2 **Firm Name**	XXXXXXXX	
3 **Registered Address**	XXXXXXXX	
4 **Nature of Activity**	XXXXXXXX	
5 **Category of Applicant**	XXXXXXXX	
6 **Location of Unit**	XXXXXXXX	
7 **Cost of Project**	19.72	Rs. In Lakhs
8 **Means of Finance**		
i) **Own Contribution**	1.97	Rs. In Lakhs
ii) **Term Loan**	15.75	Rs. In Lakhs
iii) **Working Capital**	2.00	Rs. In Lakhs
9 **Debt Service Coverage Ratio**	2.23	
10 **Break Even Point**	0.58	
11 **Power Requiremnet**	15	KW
12 **Employment**	9	Persons
13 **Major Raw Materials**	Aluminium metal, Polycarbonate and Glass	

14 **Details of Cost of Project & Means of Finance**

Cost of Project

Particulars	Amount in Lacs
Land	Owned/Leased
Building & Civil Work	Owned/Leased
Plant & Machinery	16.50
Other Misc Assets	1.00
Working Capital Requiremen	2.22
Total	**19.72**

Means of Finance

Particulars	Amount in Lacs
Own Contribution	1.97
Term Loan	15.75
Working capital Loan	2.00
Total	**19.72**

1. INTRODUCTION


Digital versatile disc (commonly abbreviated as DVD) is a digital format for delivering high-fidelity content on a DVD. DVD uses most of the storage on the disc for high-quality data. The first discs entered the marketplace in 2000. DVD was in a format war with CD, and along with consumers' tastes tending towards downloadable music, these factors meant that neither high-quality disc achieved considerable market penetration. DVD has been described as "extinct". Magnetic tape is a medium for magnetic recording made of a thin magnetizable coating on a long, narrow strip of plastic film. It was developed in Germany, based on magnetic wire recording. Devices that record and play back audio and video using magnetic tape are tape recorders and video tape recorders. A device that stores computer data on magnetic tape is a tape drive (tape unit, streamer). Magnetic tape revolutionized broadcast and recording. When all radio was live, it allowed programming to be recorded. At a time when gramophone records were recorded in one take, it allowed recordings to be made in multiple parts, which were then mixed and edited with tolerable loss in quality. It is a key technology in early computer development, allowing unparalleled amounts of data to be mechanically created, stored for long periods, and to be rapidly accessed.

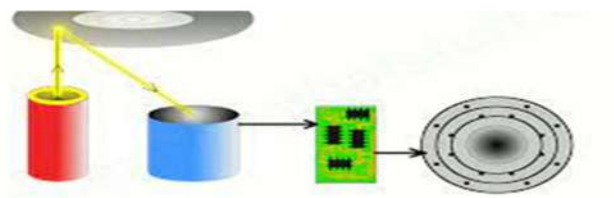
2. PRODUCT DESCRIPTION

2.1 PRODUCT USES

DVD uses most of the storage on the disc for high-quality data.

2.2 PRODUCT RAW MATERIAL

- **Aluminum metal is** used for the housing as well as a hard plastic. The base material of the disks is plastic. They are additionally coated with a silver-colored layer and a thin gold layer. The surface of the disk is further coated with a hard layer of lacquer to protect it.
- **Polycarbonate:** DVD actually made of three layers. Most of a DVD is made from a **tough, brittle plastic called polycarbonate**. Sandwiched in the middle there is a thin layer of aluminum. Finally, on top of the aluminum, is a protective layer of plastic and lacquer.



- **Glass:** Glass is used as a substrate to hold the DVD master image while it is created and processed; hence the name. Glass substrates, noticeably larger than a DVD, are **round plates of glass** approximately 240 mm in diameter and 6 mm thick.

2.3 MANUFACTURING PROCESS

This process can be broken down into the following steps-

- **Raw material procurement**
- **Production Process**

✓ **Raw Material Procurement**

The raw materials are checked strictly as per established quality standards and requirements. Individual supplier assessment and supplier rating are done depending upon the rejection levels at the incoming quality control stage. Sorting of raw material will be done as per material type or specifications. The material will be stored in; dust-free, neat, and clean environment.

✓ **Production Process**

- **Pre-Mastering:** It involves creation of **a glass master that is placed onto a stamper which is then injected into a mould** (shape of a disc) made from polycarbonate substrates. Data is then permanently stamped or "pressed" onto the CD or DVD and the end result is a fully manufactured disc that is playable across multiple platforms.
- **Glass Mastering**: laminate is slit to the desired size it is ready for printing. Artworks provided by customers are processed using sophisticated technology to enable accuracy with the printing of colors and other details on the laminate. Can use the laminate printing machine, Flexi, and Letter Press technology for printing. When the printing process is completed, different colors are merged to give the desired design.
- **Replicating:** Replicating is the process of creating a glass master from your audio and then manufacturing or molding each disc. This is the process used when you purchase a commercially released DVD. Compact disc manufacturing is the process by which commercial DVD are replicated in mass quantities using a master version created from a source **recording**.
- **UV Lacquering:** Ultraviolet cured lacquering can be applied over ink printed on paper and dried by exposure to UV radiation.
- **UV Curing:** UV-cured coatings provide a number of benefits to plastic part manufacturers, including improved performance, enhanced appearance and various process advantages. Atmospheric plasma provides an especially effective means of enhancing the adhesion of UV cure coatings to a broad range of plastic materials

3. PROJECT COMPONENTS

3.1 Land & Building

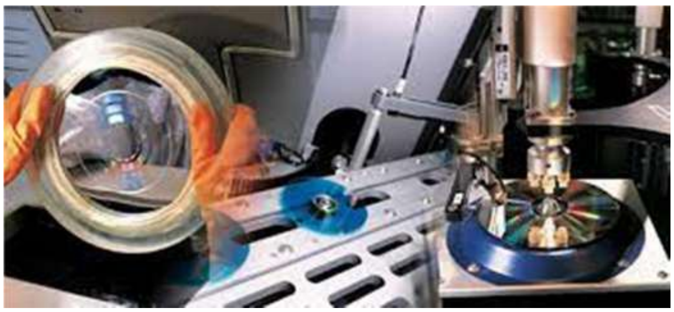
The land required for this manufacturing unit will be approx. around 2000 to 2500 square feet. Land Purchase and Building Civil Work Cost have not been considered as part of the cost of project. It is expected that the premises will be on rental and approximate rentals assumed of the same will be Rs.15,000 to Rs.20,000 per month.

3.2 Plant & Machinery

Machines-

- **DVD Pressing Machine:**

Laminate printing machines are used for customized printing on tubes. These machines are capable of offering exciting effects that cannot be possible with other printing methods.



- **DVD metallization processing:**

To form caps for tubes, a hydraulic-horizontal injection molding machine is used. These are being made from plastic granules. Firstly, granules are fed via a hopper into a heated barrel. Where the plastic will be melted at the set temperature. The melted plastic is then injected through a nozzle into a mold cavity where it cools and hardens to the configuration of the cavity and the formed plastic parts will be ejected out. A vertical injection molding machine can be used for shoulder fixing.

- **U V Lacquering Machine:**

This machine is used for the capping process. Caps will be automatically fixed with the tube.

- **DVD Printing Machine**

This machine is used for tube sealing with an aluminium foil seal.

4 LICENSE & APPROVALS

Basic registration required in this project:

- Company registration
- GST registration
- Trade license
- Factory license.
- MSME Udyam registration
- BIS certification
- NOC from the Pollution Department

PROJECTED BALANCE SHEET					(in Lacs)
PARTICULARS	**1st year**	**2nd year**	**3rd year**	**4th year**	**5th year**
Liabilities					
Capital					
Opening balance		2.34	3.97	5.99	8.58
Add:- Own Capital	1.97				
Add:- Retained Profit	2.36	4.13	6.02	8.09	10.56
Less:- Drawings	2.00	2.50	4.00	5.50	7.00
Closing Balance	**2.34**	**3.97**	**5.99**	**8.58**	**12.14**
Term Loan	14.00	10.50	7.00	3.50	-
Working Capital Limit	2.00	2.00	2.00	2.00	2.00
Sundry Creditors	0.44	0.50	0.57	0.64	0.72
Provisions & Other Liability	1.00	1.20	1.44	0.80	0.96
TOTAL :	**19.78**	**18.17**	**17.00**	**15.52**	**15.82**
Assets					
Fixed Assets (Gross)	17.50	17.50	17.50	17.50	17.50
Gross Dep.	2.63	4.86	6.75	8.36	9.74
Net Fixed Assets	**14.88**	**12.64**	**10.75**	**9.14**	**7.76**
Current Assets					
Sundry Debtors	1.44	1.66	1.87	2.09	2.32
Stock in Hand	1.40	1.58	1.76	1.96	2.18
Cash and Bank	1.07	1.79	1.12	0.58	1.56
Loans & Advances /Other Current Assets	1.00	0.50	1.50	1.75	2.00
TOTAL :	**19.78**	**18.17**	**17.00**	**15.52**	**15.82**

PROJECTED PROFITABILITY STATEMENT					(in Lacs)
PARTICULARS	**1st year**	**2nd year**	**3rd year**	**4th year**	**5th year**
Capacity Utilisation %	**70%**	**75%**	**80%**	**85%**	**90%**
SALES					
Gross Sale					
AUDIO VIDEO AND MAGNETIC DVD	43.07	49.87	56.08	62.64	69.57
Total	**43.07**	**49.87**	**56.08**	**62.64**	**69.57**
COST OF SALES					
Raw Material Consumed	18.90	21.60	24.48	27.54	30.78
Electricity Expenses	2.02	2.59	2.76	2.94	3.11
Depreciation	2.63	2.23	1.90	1.61	1.37
Wages & labour	7.20	7.92	8.71	9.58	10.54
Repair & maintenance	0.86	1.00	1.12	1.25	1.39
Packaging	1.29	1.50	1.68	1.88	2.09
Cost of Production	32.89	36.84	40.66	44.81	49.28
Add: Opening Stock	-	0.77	0.86	0.95	1.05
Less: Closing Stock	0.77	0.86	0.95	1.05	1.15
Cost of Sales	32.13	36.74	40.57	44.71	49.18
GROSS PROFIT	**10.94**	**13.13**	**15.51**	**17.94**	**20.39**
	25.41%	**26.32%**	**27.66%**	**28.63%**	**29.31%**
Salary to Staff	3.12	3.28	3.44	3.61	3.79
Interest on Term Loan	1.55	1.36	0.98	0.59	0.21
Interest on working Capital	0.22	0.22	0.22	0.22	0.22
Rent	2.40	2.64	2.90	3.19	3.51
Selling & Administrative Exp.	1.29	1.50	1.68	1.25	1.39
TOTAL	**8.58**	**9.00**	**9.22**	**8.87**	**9.13**
NET PROFIT	2.36	4.13	6.29	9.06	11.27
Taxation	-	-	0.27	0.97	0.71
PROFIT (After Tax)	2.36	4.13	6.02	8.09	10.56
	5.49%	**8.28%**	**10.73%**	**12.92%**	**15.18%**

PROJECTED CASH FLOW STATEMENT					(in Lacs)
PARTICULARS	**1st year**	**2nd year**	**3rd year**	**4th year**	**5th year**
SOURCES OF FUND					
Own Margin	1.97				
Net Profit	2.36	4.13	6.29	9.06	11.27
Depreciation & Exp. W/off	2.63	2.23	1.90	1.61	1.37
Increase in Cash Credit	2.00	-	-	-	-
Increase In Term Loan	15.75	-	-	-	-
Increase in Creditors	0.44	0.06	0.07	0.07	0.08
Increase in Provisions & Oth labilities	1.00	0.20	0.24	- 0.64	0.16
	-				
TOTAL :	**26.15**	**6.63**	**8.49**	**10.11**	**12.87**
APPLICATION OF FUND					
Increase in Fixed Assets	17.50				
Increase in Stock	1.40	0.18	0.19	0.20	0.21
Increase in Debtors	1.44	0.23	0.21	0.22	0.23
Repayment of Term Loan	1.75	3.50	3.50	3.50	3.50
Loans & Advances /Other Current Assets	1.00	- 0.50	1.00	0.25	0.25
Drawings	2.00	2.50	4.00	5.50	7.00
Taxation	-	-	0.27	0.97	0.71
TOTAL :	**25.08**	**5.91**	**9.16**	**10.64**	**11.90**
Opening Cash & Bank Balance	-	1.07	1.79	1.12	0.58
Add : Surplus	1.07	0.72	-0.67	-0.53	0.97
Closing Cash & Bank Balance	**1.07**	**1.79**	**1.12**	**0.58**	**1.56**

CALCULATION OF D.S.C.R

PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
CASH ACCRUALS	4.99	6.36	7.91	9.70	11.93
Interest on Term Loan	1.55	1.36	0.98	0.59	0.21
Total	6.54	7.73	8.89	10.30	12.14
REPAYMENT					
Instalment of Term Loan	1.75	3.50	3.50	3.50	3.50
Interest on Term Loan	1.55	1.36	0.98	0.59	0.21
Total	3.30	4.86	4.48	4.09	3.71
DEBT SERVICE COVERAGE RATIO	**1.98**	**1.59**	**1.99**	**2.52**	**3.27**
AVERAGE D.S.C.R.					**2.23**

REPAYMENT SCHEDULE OF TERM LOAN							
					Interest		11.00%
Year	**Particulars**	**Amount**	**Addition**	**Total**	**Interest**	**Repayment**	**Closing Balance**
1st	Opening Balance						
	1st month	-	15.75	15.75	-	-	15.75
	2nd month	15.75	-	15.75	0.14	-	15.75
	3rd month	15.75	-	15.75	0.14	-	15.75
	4th month	15.75	-	15.75	0.14		15.75
	5th month	15.75	-	15.75	0.14		15.75
	6th month	15.75	-	15.75	0.14		15.75
	7th month	15.75	-	15.75	0.14	0.29	15.46
	8th month	15.46	-	15.46	0.14	0.29	15.17
	9th month	15.17	-	15.17	0.14	0.29	14.88
	10th month	14.88	-	14.88	0.14	0.29	14.58
	11th month	14.58	-	14.58	0.13	0.29	14.29
	12th month	14.29	-	14.29	0.13	0.29	14.00
					1.55	**1.75**	
2nd	Opening Balance						
	1st month	14.00	-	14.00	0.13	0.29	13.71
	2nd month	13.71	-	13.71	0.13	0.29	13.42
	3rd month	13.42	-	13.42	0.12	0.29	13.13
	4th month	13.13	-	13.13	0.12	0.29	12.83
	5th month	12.83	-	12.83	0.12	0.29	12.54
	6th month	12.54	-	12.54	0.11	0.29	12.25
	7th month	12.25	-	12.25	0.11	0.29	11.96
	8th month	11.96	-	11.96	0.11	0.29	11.67
	9th month	11.67	-	11.67	0.11	0.29	11.38
	10th month	11.38	-	11.38	0.10	0.29	11.08
	11th month	11.08	-	11.08	0.10	0.29	10.79
	12th month	10.79	-	10.79	0.10	0.29	10.50
					1.36	**3.50**	
3rd	Opening Balance						
	1st month	10.50	-	10.50	0.10	0.29	10.21
	2nd month	10.21	-	10.21	0.09	0.29	9.92
	3rd month	9.92	-	9.92	0.09	0.29	9.63
	4th month	9.63	-	9.63	0.09	0.29	9.33
	5th month	9.33	-	9.33	0.09	0.29	9.04
	6th month	9.04	-	9.04	0.08	0.29	8.75
	7th month	8.75	-	8.75	0.08	0.29	8.46
	8th month	8.46	-	8.46	0.08	0.29	8.17
	9th month	8.17	-	8.17	0.07	0.29	7.88
	10th month	7.88	-	7.88	0.07	0.29	7.58
	11th month	7.58	-	7.58	0.07	0.29	7.29
	12th month	7.29	-	7.29	0.07	0.29	7.00
					0.98	**3.50**	

4th	Opening Balance						
	1st month	7.00	-	7.00	0.06	0.29	6.71
	2nd month	6.71	-	6.71	0.06	0.29	6.42
	3rd month	6.42	-	6.42	0.06	0.29	6.13
	4th month	6.13	-	6.13	0.06	0.29	5.83
	5th month	5.83	-	5.83	0.05	0.29	5.54
	6th month	5.54	-	5.54	0.05	0.29	5.25
	7th month	5.25	-	5.25	0.05	0.29	4.96
	8th month	4.96	-	4.96	0.05	0.29	4.67
	9th month	4.67	-	4.67	0.04	0.29	4.38
	10th month	4.38	-	4.38	0.04	0.29	4.08
	11th month	4.08	-	4.08	0.04	0.29	3.79
	12th month	3.79	-	3.79	0.03	0.29	3.50
					0.59	**3.50**	
5th	Opening Balance						
	1st month	3.50	-	3.50	0.03	0.29	3.21
	2nd month	3.21	-	3.21	0.03	0.29	2.92
	3rd month	2.92	-	2.92	0.03	0.29	2.63
	4th month	2.63	-	2.63	0.02	0.29	2.33
	5th month	2.33	-	2.33	0.02	0.29	2.04
	6th month	2.04	-	2.04	0.02	0.29	1.75
	7th month	1.75	-	1.75	0.02	0.29	1.46
	8th month	1.46	-	1.46	0.01	0.29	1.17
	9th month	1.17	-	1.17	0.01	0.29	0.88
	10th month	0.88	-	0.88	0.01	0.29	0.58
	11th month	0.58	-	0.58	0.01	0.29	0.29
	12th month	0.29	-	0.29	0.00	0.29	-
					0.21	**3.50**	

DOOR TO DOOR	60	MONTHS
MORATORIUM PERIOD	6	MONTHS
REPAYMENT PERIOD	54	MONTHS