



MODEL PROJECT REPORT



PROJECT REPORT ON COMPUTER STATIONERY

SWAVALAMBI BHARAT ABHIYAN

PROJECT AT A GLANCE

- 1 Name of the Entrepreneur : xxxxxxxxx
- 2 Constitution (legal Status) : xxxxxxxxx
- 3 Father / Spouse Name : xxxxxxxxx
- 4 Unit Address : xxxxxxxxxxxxxxxxxxxxxxxxx
- District : xxxxxxxx
- Pin: xxxxxxxx State: xxxxxxxxx
- Mobile xxxxxxxx
- 5 Product and By Product : COMPUTER STATIONERY
- 6 Name of the project / business activity proposed : COMPUTER STATIONERY UNIT
- 7 Cost of Project : Rs.23.56 Lakhs
- 8 Means of Finance
 - Term Loan Rs.16.2 Lakhs
 - Own Capital Rs.2.24 Lakhs
 - Working Capital Rs.5 Lakhs
- 9 Debt Service Coverage Ratio : 2.25
- 10 Pay Back Period : 5 Years
- 11 Project Implementation Period : 5-6 Months
- 12 Break Even Point : 33%
- 13 Employment : 8 Persons
- 14 Power Requirement : 30.00 HP
- 15 Major Raw materials : Blank paper jumbo roll, Ink colour, Chemicals, Shrink Roll, Carton Boxes
- 16 Estimated Annual Sales Turnover (Max Capacity) : 109.88 Lakhs
- 17 Detailed Cost of Project & Means of Finance

COST OF PROJECT

(Rs. In Lakhs)	
Particulars	Amount
Land	Own/Rented
Plant & Machinery	16.00
Furniture & Fixtures	2.00
Working Capital	5.56
Total	23.56

MEANS OF FINANCE

Particulars	Amount
Own Contribution	2.24
Working Capital(Finance)	5.00
Term Loan	16.20
Total	23.44

COMPUTER STATIONERY

Introduction: Computer stationery is normally defined as the papers pre-printed or otherwise used to communicate data to computer or to user, such communication normally is being done continuously by computer and so requires stationery in huge amount. Computer stationery is paper which is designed for use with dot matrix and line printers with appropriate paper-feed mechanisms. Computer stationery many a times is known as continuous stationery. Computer stationery is normally divided into two groups:

- Single ply stationery: Single ply is used normally for simple tasks like preparing pay rolls or for training programming, where computer at one time perform one task.
- Multipart stationery: Multi part stationery is used in computers having more than one terminal when various jobs are handled by computer and job is very complex, multi-part stationery is used.



Uses & Market Potential: Companies and businesses use it to print out forms, contracts, and payment records. Paper features perforations between pages and holes at the side so a feed mechanism can pull the paper through

the printer. Continuous form paper is practical for creating high-volume documents with multiple page. The demand for computer stationery depends upon the expanding use of computer and its increase in population so there is wide scope for entrepreneurs to venture into this project.

Machinery Requirements: Basic machines & equipments are as follows:

S No.	Machine	Unit	Price
1.	4 Color Computer Stationery Web Offset Printing Machine	1	1000000
2.	Shrink Machine	1	350000
3.	Automatic paper cutting machine	1	250000
	Total Amount		1600000

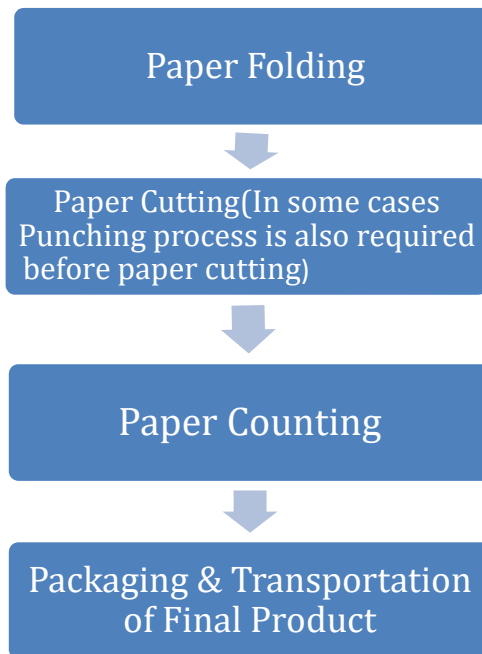
Raw Material: Following raw material is required as the major raw material for the Computer stationery manufacturing process:

S No.	Description	Amount
1.	Blank Paper Jumbo Roll(Per 1000 sheets)	Rs 240-250
2.	Ink colours	Rs 400-500 per Kg
3.	Different Kind of Chemicals	Rs 200-250 per Ltr.
4.	Shrink Roll	Rs 2000 per roll
5.	Carton Boxes	Rs 25-30 per pc.

Average raw material cost per packet of 1000 sheets for Printed sheets is Rs.300.

Computer stationery is sold in the market in 1000 sheets packaging.

Manufacturing Process: Computer stationery manufacturing process



Area: The industrial setup requires space for Inventory, workshop or manufacturing area, space for power supply utilities and auxiliary like Generator setup. Also some of the area of building is required for office staff facilities, documentation, office furniture, etc. Thus, the approximate total area required for complete industrial setup is 1500 to 2000Sqft.

Power Requirement: The power consumption required to run all the machinery could be approximated as 30hp

Manpower Requirement: There are requirement of skilled machine operators to run the machine set. Experience quality engineers are required for desired quality control. Some helpers are also required to transfer the material from one work station to other. Office staffs are required to maintain the documentation. The approximate manpower required is 8 including 1 Supervisor, 1 Plant operator, 1 unskilled worker, 1 Helper and 1 Security guard. 3 Skilled worker including Accountant, Manager and Sales person.

Bank Term Loan: Rate of Interest is assumed to be at 11%

Depreciation: Depreciation has been calculated as per the Provisions of Income Tax Act, 1961

Approvals & Registration Requirement:

Basic registration required in this project:

- GST Registration
- Udyog Aadhar Registration (Optional)
- Choice of a Brand Name of the product and secure the name with Trademark if require.
- NOC from State Pollution Control Board

Implementation Schedule:

S No.	Activity	Time required
1.	Acquisition of premises	1-2 Months
2.	Procurement & installation of Plant & Machinery	1-2 Months
3.	Arrangement of Finance	1.5-2 Months
4.	Requirement of required Manpower	1 Month
5.	Commercial Trial Runs	1 Month
	Total time Required (some activities shall run concurrently)	5-6 Months

FINANCIALS

PROJECTED CASH FLOW STATEMENT					
PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
Own Contribution	2.24	-			
Reserve & Surplus	4.96	6.96	8.59	10.51	12.72
Depriciation & Exp. W/off	2.60	2.22	1.90	1.62	1.38
Increase In Cash Credit	5.00				
Increase In Term Loan	16.20	-	-	-	-
Increase in Creditors	2.48	0.27	0.28	0.29	0.29
TOTAL :	33.47	9.45	10.77	12.41	14.40
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	18.00	-	-	-	-
Increase in Stock	4.81	0.54	0.56	0.58	0.60
Increase in Debtors	3.53	0.60	0.44	0.46	0.47
Repayment of Term Loan	1.80	3.60	3.60	3.60	3.60
Taxation	-	1.04	2.58	3.15	3.82
Drawings	2.50	3.00	3.50	4.00	5.00
TOTAL :	30.63	8.78	10.68	11.79	13.48
Opening Cash & Bank Balance	-	2.84	3.51	3.59	4.22
Add : Surplus	2.84	0.67	0.08	0.63	0.91
Closing Cash & Bank Balance	2.84	3.51	3.59	4.22	5.13

PROJECTED BALANCE SHEET					
PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
<u>Capital Account</u>					
Opening Balance	-	4.70	7.62	10.13	13.49
Add: Additions	2.24	-	-	-	-
Add: Net Profit	4.96	5.92	6.01	7.36	8.90
Less: Drawings	2.50	3.00	3.50	4.00	5.00
Closing Balance	4.70	7.62	10.13	13.49	17.39
CC Limit	5.00	5.00	5.00	5.00	5.00
Term Loan	14.40	10.80	7.20	3.60	-
Sundry Creditors	2.48	2.75	3.02	3.31	3.60
TOTAL :	26.57	26.16	25.35	25.39	25.99
<u>APPLICATION OF FUND</u>					
Fixed Assets (Gross)	18.00	18.00	18.00	18.00	18.00
Gross Dep.	2.60	4.82	6.72	8.34	9.72
Net Fixed Assets	15.40	13.18	11.28	9.66	8.28
Current Assets					
Sundry Debtors	3.53	4.12	4.56	5.02	5.49
Stock in Hand	4.81	5.35	5.91	6.49	7.09
Cash and Bank	2.84	3.51	3.59	4.22	5.13
TOTAL :	26.57	26.16	25.35	25.39	25.99

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<u>PROJECTED PROFITABILITY STATEMENT</u>					
PARTICULARS	I	II	III	IV	V
<u>A) SALES</u>					
Gross Sale	70.54	82.46	91.30	100.44	109.88
Total (A)	70.54	82.46	91.30	100.44	109.88
<u>B) COST OF SALES</u>					
Raw Material Consumed	49.50	54.90	60.45	66.15	72.00
Electricity Expenses	2.51	2.74	2.97	3.20	3.42
Repair & Maintenance	1.41	1.65	1.83	2.01	2.20
Labour & Wages	5.92	6.81	7.63	8.70	9.56
Depreciation	2.60	2.22	1.90	1.62	1.38
Cost of Production	61.94	68.32	74.77	81.67	88.57
Add: Opening Stock /WIP	-	3.16	3.52	3.90	4.28
Less: Closing Stock /WIP	3.16	3.52	3.90	4.28	4.69
Cost of Sales (B)	58.79	67.96	74.39	81.28	88.17
C) GROSS PROFIT (A-B)	11.75	14.50	16.91	19.16	21.71
	16.66%	17.58%	18.52%	19.07%	19.76%
D) Bank Interest (Term Loan)	1.76	1.44	1.04	0.64	0.25
ii) Interest On Working Capital	0.55	0.55	0.55	0.55	0.55
E) Salary to Staff	3.78	4.73	5.81	6.45	7.10
F) Selling & Adm Expenses Exp.	0.71	0.82	0.91	1.00	1.10
TOTAL (D+E)	6.79	7.54	8.31	8.65	8.99
H) NET PROFIT	4.96	6.96	8.59	10.51	12.72
	7.0%	8.4%	9.4%	10.5%	11.6%
I) Taxation	-	1.04	2.58	3.15	3.82
J) PROFIT (After Tax)	4.96	5.92	6.01	7.36	8.90

COMPUTATION OF MAKING OF COMPUTER STATIONERY			
Item to be Manufactured Computer Stationery			
Printed sheet production capacity per day		100000	Sheets
No. of Working Hour		8	
No of Working Days per month		25	
No. of Working Day per annum		300	
Total Production per Annum		3,00,00,000	Sheets
Total Production per Annum		30,000	Packets(Each Packet 1000 Sheets)
Year		Capacity	COMPUTER STATIONERY
		Utilisation	
I		55%	16,500.00
II		60%	18,000.00
III		65%	19,500.00
IV		70%	21,000.00
V		75%	22,500.00

Raw Material Consumed	Capacity	Rate per Packets	Amount (Rs.)
	Utilisation		
I	55%	300.00	49.50
II	60%	305.00	54.90
III	65%	310.00	60.45
IV	70%	315.00	66.15
V	75%	320.00	72.00

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL					
PARTICULARS	I	II	III	IV	V
<u>Finished Goods</u>					
(15 Days requirement)	3.16	3.52	3.90	4.28	4.69
<u>Raw Material</u>					
(10 Days requirement)	1.65	1.83	2.02	2.21	2.40
Closing Stock	4.81	5.35	5.91	6.49	7.09

COMPUTATION OF WORKING CAPITAL REQUIREMENT			
Particulars	Amount	Margin(10%)	Net
			Amount
Stock in Hand	4.81		
Less:			
Sundry Creditors	2.48		
Paid Stock	2.33	0.23	2.10
Sundry Debtors	3.53	0.35	3.17
Working Capital Requirement			5.27
Margin			0.59
MPBF			5.27
Working Capital Demand			5.00

<u>COMPUTATION OF SALE</u>					
Particulars	I	II	III	IV	V
Op Stock	-	825.00	900.00	975.00	1,050.00
Production	16,500.00	18,000.00	19,500.00	21,000.00	22,500.00
	16,500.00	18,825.00	20,400.00	21,975.00	23,550.00
Less : Closing Stock(15 Days)	825.00	900.00	975.00	1,050.00	1,125.00
Net Sale	15,675.00	17,925.00	19,425.00	20,925.00	22,425.00
Sale Price per Packet	450.00	460.00	470.00	480.00	490.00
Sale (in Lacs)	70.54	82.46	91.30	100.44	109.88

<u>BREAK UP OF LABOUR</u>				
Particulars		Wages	No of	Total
		Per Month	Employees	Salary
Supervisor		15,000.00	1	15,000.00
Plant Operator		10,000.00	1	10,000.00
Unskilled Worker		8,000.00	1	8,000.00
Helper		8,000.00	1	8,000.00
Security Guard		6,000.00	1	6,000.00
				47,000.00
Add: 5% Fringe Benefit				2,350.00
Total Labour Cost Per Month				49,350.00
Total Labour Cost for the year (In Rs. Lakhs)			5	5.92

<u>BREAK UP OF SALARY</u>				
Particulars		Salary	No of	Total
		Per Month	Employees	Salary
Manager		12,000.00	1	12,000.00
Accountant cum store keeper		10,000.00	1	10,000.00
Sales		8,000.00	1	8,000.00
Total Salary Per Month				30,000.00
Add: 5% Fringe Benefit				1,500.00
Total Salary for the month				31,500.00
Total Salary for the year (In Rs. Lakhs)			3	3.78

COMPUTATION OF DEPRECIATION				
Description	Land	Plant & Machinery	Furniture	TOTAL
Rate of Depreciation		15.00%	10.00%	
Opening Balance	Leased	-	-	-
Addition	-	16.00	2.00	18.00
	-	16.00	2.00	18.00
		-	-	
TOTAL		16.00	2.00	18.00
Less : Depreciation	-	2.40	0.20	2.60
WDV at end of Ist year	-	13.60	1.80	15.40
Additions During The Year	-	-	-	-
	-	13.60	1.80	15.40
Less : Depreciation	-	2.04	0.18	2.22
WDV at end of IInd Year	-	11.56	1.62	13.18
Additions During The Year	-	-	-	-
	-	11.56	1.62	13.18
Less : Depreciation	-	1.73	0.16	1.90
WDV at end of IIIrd year	-	9.83	1.46	11.28
Additions During The Year	-	-	-	-
	-	9.83	1.46	11.28
Less : Depreciation	-	1.47	0.15	1.62
WDV at end of IV year	-	8.35	1.31	9.66
Additions During The Year	-	-	-	-
	-	8.35	1.31	9.66
Less : Depreciation	-	1.25	0.13	1.38
WDV at end of Vth year	-	7.10	1.18	8.28

REPAYMENT SCHEDULE OF TERM LOAN						11.0%	
Year	Particulars	Amount	Addition	Total	Interest	Repayment	CI Balance
I	Opening Balance						
	Ist Quarter		16.20	16.20	0.45	-	16.20
	IInd Quarter	16.20	-	16.20	0.45	-	16.20
	IIIRD Quarter	16.20	-	16.20	0.45	0.90	15.30
	Ivth Quarter	15.30	-	15.30	0.42	0.90	14.40
					1.76	1.80	
II	Opening Balance						
	Ist Quarter	14.40	-	14.40	0.40	0.90	13.50
	IInd Quarter	13.50	-	13.50	0.37	0.90	12.60
	IIIRD Quarter	12.60	-	12.60	0.35	0.90	11.70
	Ivth Quarter	11.70		11.70	0.32	0.90	10.80
					1.44	3.60	
III	Opening Balance						
	Ist Quarter	10.80	-	10.80	0.30	0.90	9.90
	IInd Quarter	9.90	-	9.90	0.27	0.90	9.00
	IIIRD Quarter	9.00	-	9.00	0.25	0.90	8.10
	Ivth Quarter	8.10		8.10	0.22	0.90	7.20
					1.04	3.60	
IV	Opening Balance						
	Ist Quarter	7.20	-	7.20	0.20	0.90	6.30
	IInd Quarter	6.30	-	6.30	0.17	0.90	5.40
	IIIRD Quarter	5.40	-	5.40	0.15	0.90	4.50
	Ivth Quarter	4.50		4.50	0.12	0.90	3.60
					0.64	3.60	
V	Opening Balance						
	Ist Quarter	3.60	-	3.60	0.10	0.90	2.70
	IInd Quarter	2.70	-	2.70	0.07	0.90	1.80
	IIIRD Quarter	1.80	-	1.80	0.05	0.90	0.90
	Ivth Quarter	0.90		0.90	0.02	0.90	- 0.00
					0.25	3.60	

Door to Door Period 60 Months
Moratorium Period 6 Months
Repayment Period 54 Months

<u>CALCULATION OF D.S.C.R</u>					
PARTICULARS	I	II	III	IV	V
<u>CASH ACCRUALS</u>	7.56	8.14	7.91	8.98	10.29
Interest on Term Loan	1.76	1.44	1.04	0.64	0.25
Total	9.31	9.57	8.95	9.62	10.54
<u>REPAYMENT</u>					
Repayment of Term Loan	1.80	3.60	3.60	3.60	3.60
Interest on Term Loan	1.76	1.44	1.04	0.64	0.25
Total	3.56	5.04	4.64	4.24	3.85
DEBT SERVICE COVERAGE RATIO	2.62	1.90	1.93	2.27	2.74
AVERAGE D.S.C.R.			2.25		

<u>COMPUTATION OF ELECTRICITY</u>				
<u>(A) POWER CONNECTION</u>				
Total Working Hour per day		Hours	8	
Electric Load Required		HP	30	
Load Factor			0.7460	
Electricity Charges		per unit	7.50	
Total Working Days			300	
Electricity Charges				4,02,840.00
Add : Minimim Charges (@ 10%)				
<u>(B) DG set</u>				
No. of Working Days			300	days
No of Working Hours			0.3	Hour per day
Total no of Hour			90	
Diesel Consumption per Hour			8	
Total Consumption of Diesel			720	
Cost of Diesel			65.00	Rs. /Ltr
Total cost of Diesel			0.47	
Add : Lube Cost @15%			0.07	
Total			0.54	
Total cost of Power & Fuel at 100%				4.57
Year		Capacity		Amount
				(in Lacs)
I		55%		2.51
II		60%		2.74
III		65%		2.97
IV		70%		3.20
V		75%		3.42