



MODEL PROJECT REPORT



PROJECT REPORT ON ANTISTATIC CONNING OIL

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ANTISTATIC CONNING OIL

Introduction

Antistatic Conning oil is also known as textile oil.

Coning Oil are specially formulated antistatic conning oils. These oils are non-staining, with excellent emulsion stability used in textile industry as finishing agent, Excel Coning Oils are used for all texturizing, crimping, twisting operations for synthetic yarns. Excel Coning Oils are high refined light coloured with low viscosity mineral based products containing suitable emulsifier, antistatic friction reducing and anti-splashing agents to minimise the oil dosage during coning & twisting operation.

These oils are also used for wetting & softening the yarns during rayon coning operations & woollen, rayon cording.

Properties of conning oil

A good Coning oil should be non-splashing. Splashing of oil during its application, especially on high speed machines, can be a safety hazard for the employees working in the plant due to slippery surface. It also results in wastage and increased cost. Coning oils should give uniform pick-up on the yarn (typically 2-5%), good filament cohesion and regular bobbin winding and unwinding tensions which are key for downstream processes. Coning oils should have good anti-static and washable, also called scouring, property. Scouring of Coning oil is done in warm to hot water having temperature between 30 deg. C to 90 deg. C with pH of between 8-9 preferably using a detergent. Good quality Coning oils should be resistant to oxidation when exposed to air, heat or UV and should have storage life of at least one year.

Criteria for selecting an appropriate conning oil

- Performance (regular oil pick-up for smooth and easy unwinding, good filament cohesion and lubrication to limit

breakages and easier weaving/knitting, no oil splashing nor misting to protect machines and operators)

- Compatibility (adapted chemistry to cover different raw materials, no damage caused to plastic parts and machine components, self-emulsify ability for easy removal using standard washing processes)
- Compliance (free from alkylphenol ethoxylates and other SVHC of REACH regulations, compliance with specific textile standards such as Oekotex standard 100 to protect people as well as the environment, ultimately biodegradable solutions for better sustainability).

Ingredients

Main ingredient of Textile oil is base oil.

Other essential ingredients includes Emulsifier, which is used to adjust the viscosity, a preservative and fragrances.

Description of Antistatic conning oil

Machinery for antistatic conning oil includes the following:

- Mixer tank
- Filler Machine

These Machines are used to produce Liquid Antistatic conning oil substance from the raw material. With the help of this machine the work of mixing, formulation & preparation completes in a very short span.

Textile oil Market Analysis

The market for anti-static oils is expected to grow at a CAGR of 5.45% during the forecast period of 2019 – 2024. The major factors driving the growth of the market studied are the expanding textile industry in Asia-Pacific countries and the growing adoption of bio-based and synthetic lubricants.

The global anti-static oil market is partially fragmented, with the top four players accounting for a consolidated share of approximately 40% of the market.

Antistatic conning oil Manufacturing Process

- Take raw material emulsifier and put it in the blender.
- Now raise the temperature of the blender by heating it up.
- Mix the DM water and base oil during heating.
- Leave it for 1 hour to stable the moisture at its best quality.
- Packaging of Goods

Machinery &Equipment's required:

Name	Cost
Mixer Tank	200000
Filler & packaging Machine	50000
Total	2,50,000

- ❖ Cost of the machine is exclusive of GST & value of the machine varies with the change in batch size.

Land &Building required:

Land required 600 Square Feet (approx.)

Approximate rent for the same is 12000.

Labour Requirement:

3-4 Manpower is required for the textile oil unit.

Includes:

1 skilled Labour

2-3 Unskilled Labour

Raw Material Requirement of textile oil

- ❖ Base Oil
- ❖ Emulsifier
- ❖ DM water

Average raw material cost per Litre: Rs. 85

Textile Oil Unit License & registration

For Proprietor:

- Obtain the GST registration.
- Fire/ Pollution Registration as required.
- Choice of a Brand Name of the product and secure the name with Trademark if required.

Implementation Schedule

S.N.	Activity	Time Required (in Months)
1	Acquisition Of premises	1
2	Construction (if Applicable)	1- 2 Months
3	Procurement & installation of Plant & Machinery	1
4	Arrangement of Finance	1
5	Requirement of required Manpower	1
	Total time Required (some activities shall run concurrently)	2-3 Months

Conclusion:

After completion of manufacturing process, product is ready to sell in the market. This machine can be installed with low investment & one can earn a good Margin of profit by doing this business.

PROJECT AT A GLANCE

- 1** Name of the Entrepreneur **xx**
- 2** Constitution (legal Status) **xx**
- 3** Father's/Spouse's Name **Xx**
- 4** Unit Address :
- Taluk/Block: **xx**
- District : **xx**
- Pin:
- E-Mail : **xx**
- Mobile **xx**
- 5** Product and By Product textile oil
- 6** Name of the project / business activity proposed :
- 7** Cost of Project **Rs.** 3.20
- 8 Means of Finance**
- Term Loan **Rs.** 2.88 Lacs
- KVIC Margin Money **Rs.** 25% of 3.20 Lacs (0.80 Lacs)
- Own Capital **Rs.** 0.99 Lacs
- 9** Debt Service Coverage Ratio
- 10** Pay Back Period 4 years 10 month
- 11** Project Implementation Period 6 months
- 12** Employment
- 13** Power Requirement 3 KW connection
- 14** Major Raw materials Emulsifier, base oil
- 15** Estimated Annual Sales Turnover 86.24 Lacs (at 50% capacity)

- 16** Detailed Cost of Project & Means of Finance

COST OF PROJECT

(Rs. In Lacs)

Particulars	Amount
Land	
Building & Civil Work	-
Plant & Machinery	2.95
Furniture & Fixtures	0.25

MEANS OF FINANCE

Pre-operative Expenses	
Contingencies	
Working Capital Requirement	6.67
Total	9.87

Particulars	Amount
Own Contribution	0.99
Bank Finance	2.88
working capital from bank	6.00
Total	9.87
KVIC Margin Money	25% of 3.20 Lacs (0.80 Lacs)

FINANCIAL ASSISTANCE REQUIRED

Term Loan of Rs. 2.88 Lacs and Working Capital limit of Rs. 6.00 Lacs

COST OF PROJECT

PARTICULARS	AMOUNT	AMOUNT	AMOUNT
Building Civil Work		10.00%	90.00%
Plant & Machinery	2.95	0.30	2.66
Furniture & Fixtures and Other Assets	0.25	0.03	0.23
Working capital	6.67	0.67	6.00
Total	9.87	1.09	8.88

MEANS OF FINANCE

PARTICULARS	AMOUNT
Own Contribution	0.99
Bank Loan	2.88
Working capital Limit	6.00
Total	9.87

COMPUTATION OF PRODUCTION OF textile oil**Items to be Manufactured**

textile oil

machine capacity per hour	100 Liter
machine capacity per day	800 Liter
machine capacity per annum	192000 KG

Production of textile oil

Production	Capacity	textile oil
1st year	50%	96,000
2nd year	55%	105,600
3rd year	60%	115,200
4th year	65%	124,800
5th year	70%	134,400

Raw Material Cost

Year	Capacity Utilisation	KG	Amount (Rs. in lacs)
1st year	50%	85.00	81.60
2nd year	55%	85.50	90.29
3rd year	60%	86.00	99.07
4th year	65%	86.50	107.95
5th year	70%	87.00	116.93

<u>COMPUTATION OF SALE</u>					
Particulars	1st year	2nd year	3rd year	4th year	5th year
Op Stock	-	8,000	8,800	9,600	10,400
Production	96,000	105,600	115,200	124,800	134,400
Less : Closing Stock	8,000	8,800	9,600	10,400	11,200
Net Sale	88,000	104,800	114,400	124,000	133,600
sale price per KG/Liter	98.00	99.00	100.00	101.00	102.00
Sales (in Lacs)	86.24	103.75	114.40	125.24	136.27

<u>BREAK UP OF LABOUR CHARGES</u>			
Particulars	Wages	No of	Total
	Per Month	Employees	Salary
Skilled	15000	1	15000
Unskilled	12000	2	24000
Total Salary Per Month			39000
Total Annual Labour Charges	(in Lacs)		4.68

Utility Charges at 100% capacity (per month)		
Particulars	value	Description
Power connection required	3	KWH
consumption per day	24	units
Consumption per month	480	units
Rate per Unit	7	Rs.
power Bill per month	3360	Rs.

PROJECTED PROFITABILITY STATEMENT					
	-	-	-		
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
Capacity Utilisation %	50%	55%	60%	65%	70%
<u>SALES</u>					
Gross Sale					
textile oil	86.24	103.75	114.40	125.24	136.27
Total	86.24	103.75	114.40	125.24	136.27
<u>COST OF SALES</u>					
Raw Mateiral Consumed	81.60	90.29	99.07	107.95	116.93
Elecricity Expenses	0.40	0.44	0.49	0.54	0.59
Depriiciation	0.47	0.40	0.34	0.29	0.25
Consumables	0.53	0.73	0.80	0.88	0.95
Repair & maintennace	0.49	0.73	0.80	0.88	0.95
other direct expenses	0.43	0.52	0.57	0.63	0.68
packaging charges	0.69	0.88	0.97	1.06	1.16
Labour	4.68	5.15	5.66	6.23	6.85
Cost of Production	89.30	99.13	108.71	118.45	128.37
Add: Opening Stock /WIP	-	7.44	8.26	9.06	9.87
Less: Closing Stock /WIP	7.44	8.26	9.06	9.87	10.70
Cost of Sales	81.86	98.31	107.91	117.64	127.54
GROSS PROFIT	4.38	5.44	6.49	7.60	8.73
Interest on Term Loan	0.28	0.27	0.21	0.16	0.02
Interest on working Capital	0.66	0.66	0.66	0.66	0.66
Rent	1.44	1.58	1.74	1.92	2.11
Selling & adm Exp	0.28	0.83	0.92	1.00	1.36

TOTAL	2.67	3.34	3.53	3.74	4.15
NET PROFIT	1.71	2.10	2.96	3.86	4.59
Taxation					
PROFIT (After Tax)	1.71	2.10	2.96	3.86	4.59

PROJECTED BALANCE SHEET					
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>Liabilities</u>					
Capital					
opening balance		2.40	4.00	5.46	6.82
Add:- Own Capital	0.99				
Add:- Retained Profit	1.71	2.10	2.96	3.86	4.59
Less:- Drawings	0.30	0.50	1.50	2.50	3.00
Closing Blance	2.40	4.00	5.46	6.82	8.41
Subsidy Reserve	0.80	0.80	0.80	-	-
Term Loan	2.64	2.16	1.68	0.40	-
Working Capital Limit	6.00	6.00	6.00	6.00	6.00
Sundry Creditors	3.40	3.76	4.13	6.75	6.82
Provisions & Other Liab	0.30	0.40	0.55	0.66	0.83
TOTAL :	15.54	17.12	18.62	20.63	22.05
<u>Assets</u>					
Fixed Assets (Gross)	3.20	3.20	3.20	3.20	3.20
Gross Dep.	0.47	0.87	1.21	1.50	1.74
Net Fixed Assets	2.73	2.33	1.99	1.70	1.46
FD of Subsidy	0.80	0.80	0.80		
Current Assets					
Sundry Debtors	1.80	3.46	4.29	5.84	6.81
Stock in Hand	8.46	9.35	10.30	11.18	12.11
Cash and Bank	1.75	1.18	1.24	1.90	1.67
TOTAL :	15.54	17.12	18.62	20.63	22.05

<u>PROJECTED CASH FLOW STATEMENT</u>					
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>SOURCES OF FUND</u>					
Own Margin	0.99				
Net Profit	1.71	2.10	2.96	3.86	4.59
Depreciation & Exp. W/off	0.47	0.40	0.34	0.29	0.25
Increase in Cash Credit	6.00	-	-	-	-
Increase In Term Loan	2.88	-	-	-	-
Increase in Creditors	3.40	0.36	0.37	2.62	0.07
Increase in Provisions & Oth lib	0.30	0.10	0.15	0.11	0.17
increase in subsidy	0.80				
TOTAL :	16.55	2.96	3.81	6.88	5.07
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	3.20				
Increase in Stock	8.46	0.89	0.95	0.88	0.93
Increase in Debtors	1.80	1.66	0.83	1.55	0.97
Repayment of Term Loan	0.24	0.48	0.48	1.28	0.40
Increase in FD	0.80	-	-		
Drawings	0.30	0.50	1.50	2.50	3.00
Taxation	-	-	-	-	-
TOTAL :	14.80	3.53	3.76	6.21	5.30
Opening Cash & Bank Balance	-	1.75	1.18	1.24	1.90
Add : Surplus	1.75 -	0.57	0.06	0.67 -	0.23
Closing Cash & Bank Balance	1.75	1.18	1.24	1.90	1.67

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL

PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>Finished Goods</u>					
	7.44	8.26	9.06	9.87	10.70
<u>Raw Material</u>					
	1.02	1.09	1.24	1.30	1.41
Closing Stock	8.46	9.35	10.30	11.18	12.11

COMPUTATION OF WORKING CAPITAL REQUIREMENT

TRADITIONAL METHOD					
Particulars	Amount	Own Margin		Bank Finance	
Finished Goods & Raw Material	8.46				
Less : Creditors	3.40				
Paid stock	5.06	10%	0.51	90%	4.56
Sundry Debtors	1.80	10%	0.18	90%	1.62
	6.86		0.69		6.17
WORKING CAPITAL LIMIT DEMAND (from Bank)				6.00	

2nd Method		
PARTICULARS	1st year	2nd year
Total Current Assets	12.01	13.99
Other Current Liabilities	3.70	4.16
Working Capital Gap	8.31	9.83
Min Working Capital		
25% of WCG	2.08	2.46
Actual NWC	2.31	3.83
item III - IV	6.23	7.37
item III - V	6.00	6.00
MPBF (Lower of VI & VII)	6.00	6.00

3rd Method		
PARTICULARS	1st year	2nd year
Total Current Assets	12.01	13.99
Other Current Liabilities	3.70	4.16
Working Capital Gap	8.31	9.83
Min Working Capital		
25% of Current Assets	3.00	3.50
Actual NWC	2.31	3.83
item III - IV	5.31	6.33
item III - V	6.00	6.00
MPBF (Lower of VI & VII)	6.00	6.00

COMPUTATION OF DEPRECIATION

Description	Plant & Machinery	Furniture	TOTAL
Rate of Depreciation	15.00%	10.00%	
Opening Balance	-	-	-
Addition	2.95	0.25	3.20
Total	2.95	0.25	3.20
Less : Depreciation	0.44	0.03	0.47
WDV at end of Year	2.51	0.23	2.73
Additions During The Year	-	-	-
Total	2.51	0.23	2.73
Less : Depreciation	0.38	0.02	0.40
WDV at end of Year	2.13	0.20	2.33
Additions During The Year	-	-	-
Total	2.13	0.20	2.33
Less : Depreciation	0.32	0.02	0.34
WDV at end of Year	1.81	0.18	1.99
Additions During The Year	-	-	-
Total	1.81	0.18	1.99
Less : Depreciation	0.27	0.02	0.29
WDV at end of Year	1.54	0.16	1.70
Additions During The Year	-	-	-
Total	1.54	0.16	1.70
Less : Depreciation	0.23	0.02	0.25
WDV at end of Year	1.31	0.15	1.46
s	-	-	-
Total	1.31	0.15	1.46

Less : Depreciation	0.20	0.01	0.21
WDV at end of Year	1.11	0.13	1.25
Less : Depreciation	0.17	0.01	0.18
WDV at end of Year	0.95	0.12	1.07
Less : Depreciation	0.14	0.01	0.15
WDV at end of Year	0.80	0.11	0.91

REPAYMENT SCHEDULE OF TERM LOAN							
						Interest	11.00%
Year	Particulars	Amount	Addition	Total	Interest	Repayment	Closing Balance
1st	Opening Balance						
	1st month	-	2.88	2.88	-	-	2.88
	2nd month	2.88	-	2.88	0.03	-	2.88
	3rd month	2.88	-	2.88	0.03	-	2.88
	4th month	2.88	-	2.88	0.03		2.88
	5th month	2.88	-	2.88	0.03		2.88
	6th month	2.88	-	2.88	0.03		2.88
	7th month	2.88	-	2.88	0.03	0.040	2.84
	8th month	2.84	-	2.84	0.03	0.040	2.80
	9th month	2.80	-	2.80	0.03	0.040	2.76
	10th month	2.76	-	2.76	0.03	0.040	2.72
	11th month	2.72	-	2.72	0.02	0.040	2.68
	12th month	2.68	-	2.68	0.02	0.040	2.64
					0.28	0.240	
2nd	Opening Balance						
	1st month	2.64	-	2.64	0.02	0.040	2.60
	2nd month	2.60	-	2.60	0.02	0.040	2.56
	3rd month	2.56	-	2.56	0.02	0.040	2.52
	4th month	2.52	-	2.52	0.02	0.040	2.48
	5th month	2.48	-	2.48	0.02	0.040	2.44
	6th month	2.44	-	2.44	0.02	0.040	2.40
	7th month	2.40	-	2.40	0.02	0.040	2.36
	8th month	2.36	-	2.36	0.02	0.040	2.32
	9th month	2.32	-	2.32	0.02	0.040	2.28
	10th month	2.28	-	2.28	0.02	0.040	2.24
	11th month	2.24	-	2.24	0.02	0.040	2.20
	12th month	2.20	-	2.20	0.02	0.040	2.16

				0.27	0.480	
3rd	Opening Balance					
	1st month	2.16	-	2.16	0.02	0.040 2.12
	2nd month	2.12	-	2.12	0.02	0.040 2.08
	3rd month	2.08	-	2.08	0.02	0.040 2.04
	4th month	2.04	-	2.04	0.02	0.040 2.00
	5th month	2.00	-	2.00	0.02	0.040 1.96
	6th month	1.96	-	1.96	0.02	0.040 1.92
	7th month	1.92	-	1.92	0.02	0.040 1.88
	8th month	1.88	-	1.88	0.02	0.040 1.84
	9th month	1.84	-	1.84	0.02	0.040 1.80
	10th month	1.80	-	1.80	0.02	0.040 1.76
	11th month	1.76	-	1.76	0.02	0.040 1.72
	12th month	1.72	-	1.72	0.02	0.040 1.68
				0.21	0.480	
4th	Opening Balance					
	1st month	1.68	-	1.68	0.02	0.040 1.64
	2nd month	1.64	-	1.64	0.02	0.040 1.60
	3rd month	1.60	-	1.60	0.01	0.040 1.56
	4th month	1.56	-	1.56	0.01	0.040 1.52
	5th month	1.52	-	1.52	0.01	0.040 1.48
	6th month	1.48	-	1.48	0.01	0.040 1.44
	7th month	1.44	-	1.44	0.01	0.040 1.40
	8th month	1.40	-	1.40	0.01	0.040 1.36
	9th month	1.36	-	1.36	0.01	0.040 1.32
	10th month	1.32	-	1.32	0.01	0.040 1.28
	11th month	1.28	-	1.28	0.01	0.040 1.24
	12th month(Subsidy adjusted)	1.24	-	1.24	0.01	0.840 0.40
				0.16	1.280	
5th	Opening Balance					
	1st month	0.40	-	0.40	0.00	0.040 0.36

2nd month	0.36	-	0.36	0.00	0.040	0.32
3rd month	0.32	-	0.32	0.00	0.040	0.28
4th month	0.28	-	0.28	0.00	0.040	0.24
5th month	0.24	-	0.24	0.00	0.040	0.20
6th month	0.20	-	0.20	0.00	0.040	0.16
7th month	0.16	-	0.16	0.00	0.040	0.12
8th month	0.12	-	0.12	0.00	0.040	0.08
9th month	0.08	-	0.08	0.00	0.040	0.04
10th month	0.04	-	0.04	0.00	0.040	-
					0.02	0.40
DOOR TO DOOR	58	MONTHS				
MORATORIUM PERIOD	6	MONTHS				
REPAYMENT PERIOD	52	MONTHS				