

PROJECT REPORT

Of

MOBILE PHONE STAND

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding Mobile Phone Stand Making unit.

The objective of the pre-feasibility report is primarily to facilitate potential entrepreneurs in project identification for investment and in order to serve his objective; the document covers various aspects of the project concept development, start-up, marketing, finance and management.

[We can modify the project capacity and project cost as per your requirement. We can also prepare project report on any subject as per your requirement.]



Lucknow Office: Sidhivinayak Building ,
27/1/B, Gokhley Marg, Lucknow-226001

Delhi Office : Multi Disciplinary Training
Centre, Gandhi Darshan Rajghat,
New Delhi 110002

Email : info@udyami.org.in
Contact : +91 7526000333, 444, 555

PROJECT AT A GLANCE

- 1 Name of the Entrepreneur : xxxxxxxxxxxx
- 2 Constitution (legal Status) : xxxxxxxxxxxx
- 3 Father / Spouse Name : xxxxxxxxxxxxxx
- 4 Unit Address : xxxxxxxxxxxxxxxxxxxxxxxxx
- District : xxxxxxxx
- Pin: xxxxxxxx State: xxxxx
- Mobile xxxxxxxx
- 5 Product and By Product : **MOBILE PHONE STAND**
- 6 Name of the project / business activity proposed : **MOBILE PHONE STAND MAKING UNIT**
- 7 Cost of Project : Rs.24.88 Lakhs
- 8 Means of Finance
- Term Loan Rs.15.98 Lakhs
- Own Capital Rs.2.49 Lakhs
- Working Capital Rs.6.41 Lakhs
- 9 Debt Service Coverage Ratio : 2.16
- 10 Pay Back Period : 5 Years
- 11 Project Implementation Period : 5-6 Months
- 12 Break Even Point : 42%
- 13 Employment : 12 Persons
- 14 Power Requirement : 34.00 HP
- 15 Major Raw materials : PP Resin, Other additives and packing material
- 16 Estimated Annual Sales Turnover (Max Capacity) : 131.83 Lakhs
- 17 Detailed Cost of Project & Means of Finance

COST OF PROJECT

(Rs. In Lakhs)

Particulars	Amount
Land	Own/Rented
Plant & Machinery	17.15
Furniture & Fixtures	0.60
Working Capital	7.13
Total	24.88

MEANS OF FINANCE

Particulars	Amount
Own Contribution	2.49
Working Capital(Finance)	6.41
Term Loan	15.98
Total	24.88

MOBILE PHONE STAND MAKING UNIT

Introduction:

Phone stands are small objects that are used to prop up your mobile device. They are designed to sit on a hard surface, like a table or desk, so you can watch funny videos, scroll through pics, and ultimately, keep your phone clean and safe. Phone stands come in many different colors and styles, from weird and quirky to sleek and practical. People are attached to their phones, which means a stand or holder can be used everywhere – in your car, your bedroom, at work, and even in line at the grocery store. A stand keeps you organized and gives your hands a break. It can do a lot for your phone's safety and cleanliness and even more for your comfort and productivity. It can be exhausting holding your phone up to watch a video. In fact, a smartphone can weigh up to 0.3 pounds! Your arms and neck will thank you if you keep your device on a stand.



Uses & Market Potential:

Phone stands are small objects that are used to prop up your mobile device. They are designed to sit on a hard surface, like a table or desk, so you can watch funny videos, scroll through pics, and ultimately, keep your phone clean and safe. India mobile phone accessories market is anticipated to flourish at a CAGR of 10.5% over the forecast period i.e. 2017-2024. Further, the market of mobile phone accessories was valued at USD 1.42 Billion in 2016 and is projected to garner USD 3.54 Billion by the end of 2024. Factor such as, rising young age population is anticipated to drive the growth of the India mobile phone accessories market over the forecast period. India is anticipated to account for a significant portion of market share in the overall market of mobile phone accessories during the forecast period. Factors such as, increasing penetration of smartphone among masses is anticipated to fuel the growth of the India mobile phone accessories market over the forecast period. In addition, Telecom Regulatory Authority of India stated that over one billion mobile phones were being used, which is poised to increase the use of mobile phone accessories across the region. This factor is anticipated to drive the growth of India mobile phone accessories market over the forecast period.

Product:

Plastic Mobile Phone Stand

Raw Material:

Basic raw material is Polypropylene (PP) resin, Other additives and Packing Material.

Manufacturing Process:

This process can be broken down in following steps-

- Raw material procurement
- Mixing process
- Injection moulding- Plastic moulding
- Packaging

Area:

The industrial setup requires space for Inventory, workshop or manufacturing area, space for power supply utilities and polishing area. Also, some of the area of building is required for office staff facilities, office furniture, etc. Thus, the approximate total area required for complete industrial setup is 1200-1800Sqft.

Cost of Machines:

Machine	Quantity	Price
Injection Molding Machine	1	12,00,000
Tumbler Mixture	1	1,00,000
Cooling Tower	1	50,000
Scrap Grinder	1	1,50,000
Air Compressor	1	2,15,000
TOTAL		17,15,000

Power Requirement- The estimated Power requirement is taken at 34 HP.

Manpower Requirement– Following manpower is required:

- Machine operator-2
- Skilled/unskilled worker-3
- Helper-4
- Manager cum Accountant-1
- Sales Personnel-2

FINANCIALS

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	I	II	III	IV	V
<u>A) SALES</u>					
Gross Sale	79.80	94.28	105.40	118.30	131.83
Total (A)	79.80	94.28	105.40	118.30	131.83
<u>B) COST OF SALES</u>					
Raw Material Consumed	47.25	53.01	58.99	65.19	71.62
Electricity Expenses	3.80	4.19	4.57	4.95	5.33
Repair & Maintenance	2.00	2.36	2.63	2.96	3.30
Labour & Wages	12.35	14.57	16.76	19.77	22.74
Depreciation	2.63	2.24	1.91	1.62	1.38
Cost of Production	68.03	76.37	84.86	94.49	104.36
Add: Opening Stock /WIP	-	3.40	3.82	4.24	4.72
Less: Closing Stock /WIP	3.40	3.82	4.24	4.72	5.22
Cost of Sales (B)	64.63	75.95	84.43	94.01	103.87
C) GROSS PROFIT (A-B)	15.17	18.33	20.97	24.29	27.96
	19.01%	19.44%	19.89%	20.53%	21.21%
D) Bank Interest i) (Term Loan)	1.73	1.42	1.03	0.63	0.24
ii) Interest On Working Capital	0.71	0.71	0.71	0.71	0.71
E) Salary to Staff	7.06	8.33	9.57	10.92	12.23
F) Selling & Adm Expenses Exp.	1.60	2.64	3.37	4.14	5.27
G) TOTAL (D+E+F)	11.09	13.09	14.68	16.40	18.45
H) NET PROFIT	4.08	5.24	6.29	7.89	9.51
	5.1%	5.6%	6.0%	6.7%	7.2%
I) Taxation	-	0.18	0.40	0.73	1.07
J) PROFIT (After Tax)	4.08	5.06	5.89	7.16	8.44

PROJECTED CASH FLOW STATEMENT

PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
Own Contribution	2.49	-	-	-	-
Reserve & Surplus	4.08	5.24	6.29	7.89	9.51
Depreciation & Exp. W/off	2.63	2.24	1.91	1.62	1.38
Increase In Cash Credit	6.41	-	-	-	-
Increase In Term Loan	15.98	-	-	-	-
Increase in Creditors	2.36	0.29	0.30	0.31	0.32
TOTAL :	33.95	7.77	8.49	9.83	11.22
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	17.75	-	-	-	-
Increase in Stock	5.76	0.71	0.72	0.79	0.81
Increase in Debtors	3.72	0.68	0.52	0.60	0.63
Repayment of Term Loan	1.78	3.55	3.55	3.55	3.55
Taxation	-	0.18	0.40	0.73	1.07
Drawings	3.20	3.50	3.90	4.20	5.00
TOTAL :	32.21	8.61	9.09	9.88	11.06
Opening Cash & Bank Balance	-	1.74	0.90	0.30	0.25
Add : Surplus	1.74	- 0.84	- 0.60	- 0.05	0.15
Closing Cash & Bank Balance	1.74	0.90	0.30	0.25	0.40

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL

PARTICULARS	I	II	III	IV	V
<u>Finished Goods</u>					
(15 Days requirement)	3.40	3.82	4.24	4.72	5.22
<u>Raw Material</u>					
(15 Days requirement)	2.36	2.65	2.95	3.26	3.58
Closing Stock	5.76	6.47	7.19	7.98	8.80

COMPUTATION OF WORKING CAPITAL REQUIREMENT

Particulars	Amount	Margin(10%)	Net Amount
Stock in Hand	5.76		
Less:			
Sundry Creditors	2.36		
Paid Stock	3.40	0.34	3.06
Sundry Debtors	3.72	0.37	3.35
Working Capital Requirement			6.41
Margin			0.71
MPBF			6.41
Working Capital Demand			6.41

REPAYMENT SCHEDULE OF TERM LOAN

11.0%

Year	Particulars	Amount	Addition	Total	Interest	Repayment	CI Balance
I	Opening Balance						
	Ist Quarter	-	15.98	15.98	0.44	-	15.98
	Iind Quarter	15.98	-	15.98	0.44	-	15.98
	IIIrd Quarter	15.98	-	15.98	0.44	0.89	15.09
	Ivth Quarter	15.09	-	15.09	0.41	0.89	14.20
					1.73	1.78	
II	Opening Balance						
	Ist Quarter	14.20	-	14.20	0.39	0.89	13.31
	Iind Quarter	13.31	-	13.31	0.37	0.89	12.43
	IIIrd Quarter	12.43	-	12.43	0.34	0.89	11.54
	Ivth Quarter	11.54		11.54	0.32	0.89	10.65
					1.42	3.55	
III	Opening Balance						
	Ist Quarter	10.65	-	10.65	0.29	0.89	9.76
	Iind Quarter	9.76	-	9.76	0.27	0.89	8.88
	IIIrd Quarter	8.88	-	8.88	0.24	0.89	7.99
	Ivth Quarter	7.99		7.99	0.22	0.89	7.10
					1.03	3.55	
IV	Opening Balance						
	Ist Quarter	7.10	-	7.10	0.20	0.89	6.21
	Iind Quarter	6.21	-	6.21	0.17	0.89	5.33
	IIIrd Quarter	5.33	-	5.33	0.15	0.89	4.44
	Ivth Quarter	4.44		4.44	0.12	0.89	3.55
					0.63	3.55	
V	Opening Balance						
	Ist Quarter	3.55	-	3.55	0.10	0.89	2.66
	Iind Quarter	2.66	-	2.66	0.07	0.89	1.78
	IIIrd Quarter	1.78	-	1.78	0.05	0.89	0.89
	Ivth Quarter	0.89		0.89	0.02	0.89	0.00
					0.24	3.55	

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

CALCULATION OF D.S.C.R

PARTICULARS	I	II	III	IV	V
<u>CASH ACCRUALS</u>	6.71	7.30	7.80	8.78	9.83
Interest on Term Loan	1.73	1.42	1.03	0.63	0.24
Total	8.45	8.72	8.82	9.42	10.07
<u>REPAYMENT</u>					
Repayment of Term Loan	1.78	3.55	3.55	3.55	3.55
Interest on Term Loan	1.73	1.42	1.03	0.63	0.24
Total	3.51	4.97	4.58	4.18	3.79
DEBT SERVICE COVERAGE RATIO	2.41	1.76	1.93	2.25	2.65
AVERAGE D.S.C.R.			2.16		

Assumptions:

1. Production Capacity of Mobile Phone Stand Making unit is taken at 700 units per day. First year, Capacity has been taken @ 50%.
2. Working shift of 10 hours per day has been considered.
3. Raw Material stock and Finished goods closing stock has been taken for 15 days.
4. Credit period to Sundry Debtors has been given for 14 days.
5. Credit period by the Sundry Creditors has been provided for 15 days.
6. Depreciation and Income tax has been taken as per the Income tax Act,1961.
7. Interest on working Capital Loan and Term loan has been taken at 11%.
8. Salary and wages rates are taken as per the Current Market Scenario.
9. Power Consumption has been taken at 34 HP.
10. Selling Prices & Raw material costing has been increased by 3% & 2% respectively in the subsequent years.

DISCLAIMER

The views expressed in this Project Report are advisory in nature. SAMADHAN assume no financial liability to anyone using the content for any purpose. All the materials and content contained in Project report is for educational purpose and reflect the views of the industry which are drawn from various research material sources from internet, experts, suppliers and various other sources. The actual cost of the project or industry will have to be taken on case to case basis considering specific requirement of the project, capacity and type of plant and other specific factors/cost directly related to the implementation of project. It is intended for general guidance only and must not be considered a substitute for a competent legal advice provided by a licensed industry professional. SAMADHAN hereby disclaims any and all liability to any party for any direct, indirect, implied, punitive, special, incidental or other consequential damages arising directly or indirectly from any use of the Project Report Content, which is provided as is, and without warranties.