

PROJECT REPORT

Of

SANDWICH MAKER MACHINE

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding Sandwich Maker Machine Manufacturing 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.]



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PROJECT AT A GLANCE

- 1 Name of the Entrepreneur : xxxxxxxxxx
- 2 Constitution (legal Status) : xxxxxxxxxx
- 3 Father / Spouse Name : xxxxxxxxxxxxxx
- 4 Unit Address : xxxxxxxxxxxxxxxxxxxxxxxx
- District : xxxxxxxx
- Pin: xxxxxxxx State: xxxxx
- Mobile xxxxxxxx
- 5 Product and By Product : **SANDWICH MAKER MACHINE**
- 6 Name of the project / business activity proposed : **SANDWICH MAKER MACHINE MANUFACTURING UNIT**
- 7 Cost of Project : Rs.17.64 Lakhs
- 8 Means of Finance
- Term Loan Rs.11.21 Lakhs
- Own Capital Rs.1.76 Lakhs
- Working Capital Rs.4.67 Lakhs
- 9 Debt Service Coverage Ratio : 2.66
- 10 Pay Back Period : 5 Years
- 11 Project Implementation Period : 5-6 Months
- 12 Break Even Point : 33%
- 13 Employment : 10 Persons
- 14 Power Requirement : 15.00 KWH
- 15 Major Raw materials : Plastic Pellets,Heat Sensors,Mica Sheets ,Bakelite, Electroplating Charge,Heating Element Wire,Handle Lock,Power Cord, Electrical Components ,Packing Material
- 16 Estimated Annual Sales Turnover (Max Capacity) : 133.33 Lakhs
- 17 Detailed Cost of Project & Means of Finance

COST OF PROJECT

(Rs. In Lakhs)

Particulars	Amount
Land	Own/Rented
Plant & Machinery	11.45
Furniture & Fixtures	1.00
Working Capital	5.19
Total	17.64

MEANS OF FINANCE

Particulars	Amount
Own Contribution	1.76
Working Capital(Finance)	4.67
Term Loan	11.21
Total	17.64

SANDWICH MAKER MACHINE MANUFACTURING UNIT

Introduction:

Sandwich maker is used to prepare one of the world's most preferred fast food “Sandwich” A sandwich maker is a kitchen appliance, which makes the entire process of making a sandwich a lot easier and comes in a lot of functionalities, such as grilling and toasting with varying slice capacities and color combinations. It is healthy to use a sandwich maker as this appliance helps you get rid of excess oil making the food oil free and healthy, yet delicious. They are manufactured in such a way that too much oil is not required to make the sandwiches and whatever oil you pour into the gadget, the optimum amount is used.



Uses & Market Potential:

“India Sandwich Toaster Market Outlook, 2021”, the market volumes for sandwich toaster were growing with a CAGR of more than 5% over last five years. While traditionally toasters were made to simply brown a piece of bread nowadays people are looking for sandwich makers that can provide more than one single function. Today Indian market is replete with a range of toasters & sandwich maker that are designed to suit various requirements of consumers.

Product:

SANDWICH MAKER MACHINE

Raw Material:

1. Plastic Pellets
2. Heat Sensors
3. Mica Sheets
4. Bakelite
5. Electroplating Charge
6. Heating Element Wire
7. Handle Lock
8. Power Cord
9. Electrical Components (Screws, Nuts, Bolts, Lights, Grill Plates)
10. Packing Material.

Manufacturing Process:

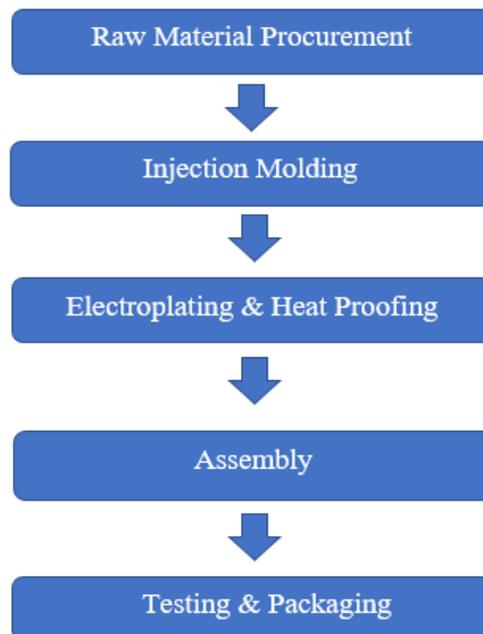


Fig. 1 – Process Flowchart

Area:

The land required for this manufacturing unit will be approx. around 1200 square feet.

Cost of Machines:

S No.	Machine	Price (INR)
1.	Injection Molding Machine	5,50,000/-
2.	Shearing Machine	2,75,000/-
3.	Electroplating Machine	1,00,000/-
4.	Belt Conveyor	60,000/-
5.	Printing machines	1,00,000/-
6.	Testing Equipment's	40,000/-
7.	Tools	20,000/-
	Total	11,45,000/-

Power Requirement- The estimated Power requirement is taken at 15 KWH.

Manpower Requirement- Following manpower is required:

- Skilled/unskilled worker-6
- Helper- 2
- Sales Personal and Accountant- 2

FINANCIALS

<u>PROJECTED BALANCE SHEET</u>					
PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
<u>Capital Account</u>					
Opening Balance	-	1.97	3.30	5.33	7.57
Add: Additions	1.76	-	-	-	-
Add: Net Profit	2.40	4.13	5.93	7.24	9.17
Less: Drawings	2.20	2.80	3.90	5.00	6.70
Closing Balance	1.97	3.30	5.33	7.57	10.04
CC Limit	4.67	4.67	4.67	4.67	4.67
Term Loan	9.96	7.47	4.98	2.49	-
Sundry Creditors	1.68	1.93	2.18	2.45	2.73
TOTAL :	18.28	17.37	17.17	17.19	17.44
<u>APPLICATION OF FUND</u>					
Fixed Assets (Gross)	12.45	12.45	12.45	12.45	12.45
Gross Dep.	1.82	3.37	4.69	5.82	6.78
Net Fixed Assets	10.63	9.08	7.76	6.63	5.67
Current Assets					
Sundry Debtors	2.55	3.05	3.49	3.95	4.44
Stock in Hand	4.32	4.99	5.69	6.42	7.19
Cash and Bank	0.78	0.26	0.23	0.18	0.14
TOTAL :	18.28	17.37	17.17	17.19	17.44
	-	-	-	-	-

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	I	II	III	IV	V
<u>A) SALES</u>					
Gross Sale	76.56	91.43	104.68	118.64	133.33
Total (A)	76.56	91.43	104.68	118.64	133.33
<u>B) COST OF SALES</u>					
Raw Material Consumed	50.40	57.83	65.52	73.56	81.86
Electricity Expenses	1.34	1.51	1.68	1.85	2.01
Repair & Maintenance	2.30	2.74	3.14	3.56	4.00
Labour & Wages	9.32	11.00	13.20	15.58	17.92
Depreciation	1.82	1.55	1.32	1.13	0.96
Cost of Production	65.18	74.64	84.86	95.67	106.76
Add: Opening Stock /WIP	-	2.64	3.06	3.50	3.97
Less: Closing Stock /WIP	2.64	3.06	3.50	3.97	4.46
Cost of Sales (B)	62.54	74.22	84.42	95.20	106.27
C) GROSS PROFIT (A-B)	14.02	17.21	20.26	23.43	27.07
	18.31%	18.83%	19.35%	19.75%	20.30%
D) Bank Interest i) (Term Loan)	1.22	0.99	0.72	0.45	0.17
ii) Interest On Working Capital	0.51	0.51	0.51	0.51	0.51
E) Salary to Staff	5.29	6.09	6.82	7.36	7.95
F) Selling & Adm Expenses Exp.	4.59	5.49	6.28	7.12	8.00
G) TOTAL (D+E+F)	11.62	13.08	14.33	15.44	16.64
H) NET PROFIT	2.40	4.13	5.93	7.99	10.43
	3.1%	4.5%	5.7%	6.7%	7.8%
I) Taxation	-	-	-	0.75	1.26
J) PROFIT (After Tax)	2.40	4.13	5.93	7.24	9.17

<u>PROJECTED CASH FLOW STATEMENT</u>					
PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
Own Contribution	1.76	-			
Reserve & Surplus	2.40	4.13	5.93	7.99	10.43
Depreciation & Exp. W/off	1.82	1.55	1.32	1.13	0.96
Increase In Cash Credit	4.67				
Increase In Term Loan	11.21	-	-	-	-
Increase in Creditors	1.68	0.25	0.26	0.27	0.28
TOTAL :	23.54	5.93	7.51	9.39	11.67
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	12.45	-	-	-	-
Increase in Stock	4.32	0.67	0.70	0.73	0.77
Increase in Debtors	2.55	0.50	0.44	0.47	0.49
Repayment of Term Loan	1.25	2.49	2.49	2.49	2.49
Taxation	-	-	-	0.75	1.26
Drawings	2.20	2.80	3.90	5.00	6.70
TOTAL :	22.77	6.45	7.53	9.44	11.71
Opening Cash & Bank Balance	-	0.78	0.26	0.23	0.18
Add : Surplus	0.78	- 0.52	- 0.02	- 0.05	- 0.04
Closing Cash & Bank Balance	0.78	0.26	0.23	0.18	0.14

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL

PARTICULARS	I	II	III	IV	V
<u>Finished Goods</u>					
(10 Days requirement)	2.64	3.06	3.50	3.97	4.46
<u>Raw Material</u>					
(10 Days requirement)	1.68	1.93	2.18	2.45	2.73
Closing Stock	4.32	4.99	5.69	6.42	7.19

COMPUTATION OF WORKING CAPITAL REQUIREMENT

Particulars	Amount	Margin(10%)	Net Amount
Stock in Hand	4.32		
Less:			
Sundry Creditors	1.68		
Paid Stock	2.64	0.26	2.38
Sundry Debtors	2.55	0.26	2.30
Working Capital Requirement			4.67
Margin			0.52
MPBF			4.67
Working Capital Demand			4.67

REPAYMENT SCHEDULE OF TERM LOAN					11.0%		
Year	Particulars	Amount	Addition	Total	Interest	Repayment	CI Balance
I	Opening Balance						
	Ist Quarter	-	11.21	11.21	0.31	-	11.21
	Iind Quarter	11.21	-	11.21	0.31	-	11.21
	IIIrd Quarter	11.21	-	11.21	0.31	0.62	10.58
	Ivth Quarter	10.58	-	10.58	0.29	0.62	9.96
						1.22	1.25
II	Opening Balance						
	Ist Quarter	9.96	-	9.96	0.27	0.62	9.34
	Iind Quarter	9.34	-	9.34	0.26	0.62	8.72
	IIIrd Quarter	8.72	-	8.72	0.24	0.62	8.09
	Ivth Quarter	8.09		8.09	0.22	0.62	7.47
						0.99	2.49
III	Opening Balance						
	Ist Quarter	7.47	-	7.47	0.21	0.62	6.85
	Iind Quarter	6.85	-	6.85	0.19	0.62	6.23
	IIIrd Quarter	6.23	-	6.23	0.17	0.62	5.60
	Ivth Quarter	5.60		5.60	0.15	0.62	4.98
						0.72	2.49
IV	Opening Balance						
	Ist Quarter	4.98	-	4.98	0.14	0.62	4.36
	Iind Quarter	4.36	-	4.36	0.12	0.62	3.73
	IIIrd Quarter	3.73	-	3.73	0.10	0.62	3.11
	Ivth Quarter	3.11		3.11	0.09	0.62	2.49
						0.45	2.49
V	Opening Balance						
	Ist Quarter	2.49	-	2.49	0.07	0.62	1.87
	Iind Quarter	1.87	-	1.87	0.05	0.62	1.24
	IIIrd Quarter	1.24	-	1.24	0.03	0.62	0.62
	Ivth Quarter	0.62		0.62	0.02	0.62	- 0.00
						0.17	2.49
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>	4.22	5.68	7.25	8.37	10.13
Interest on Term Loan	1.22	0.99	0.72	0.45	0.17
Total	5.44	6.68	7.97	8.81	10.30
<u>REPAYMENT</u>					
Repayment of Term Loan	1.25	2.49	2.49	2.49	2.49
Interest on Term Loan	1.22	0.99	0.72	0.45	0.17
Total	2.46	3.48	3.21	2.94	2.66
DEBT SERVICE COVERAGE RATIO	2.21	1.92	2.48	3.00	3.87
AVERAGE D.S.C.R.			2.66		

Assumptions:

- 1.** Production Capacity of Sandwich Maker Machine is 60 Units per day. First year, Capacity has been taken @ 40%.
- 2.** Working shift of 10 hours per day has been considered.
- 3.** Raw Material stock and Finished goods closing stock has been taken for 10 days.
- 4.** Credit period to Sundry Debtors has been given for 10 days.
- 5.** Credit period by the Sundry Creditors has been provided for 10 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 15 KWH.
- 10.** Selling Prices & Raw material costing has been increased by 3% & 2% respectively in the subsequent years

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