

Project Profile of Foldable Cots/ Beds

PRODUCT : Foldable Cots/ Beds

QUALITY/STANDARD : As Customer Specification

PRODUCTION CAPACITY (P.A) : For temporary Home
Hospital/Nursing home
Purpose Foldable Cots/Bed
750 Nos.

MONTH AND YEAR OF PREPARATION : June, 2020

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FOLDABLE COTS/ BEDS

PRODUCT & ITS USE

Folding Cot/ Bed are used for space-saving purposes and popular where floor space is limited, such as small houses, Nursing homes, temporary Test house, Tent for patient, apartments, hotels, mobile homes and college dormitories etc. In recent years, folding bed units have included options such as lighting, storage cabinets, and office components. They have seen resurgence in popularity in the early 2010s due to the weak economy, with children moving back in with their parents and families choosing to renovate homes rather than purchasing larger ones

MARKET DEMAND

The demands for Folding Cot/ Bed are increasing day by day due to the following reasons:

i)The Folding Cot/ Bed used for residential and commercial purposes. It is a suitable option for people living in smaller places or studio apartments. It is an effective alternative for traditional furniture. Additionally, the multi-functionality and space-saving features of folding furniture enhance the decor of the available space. Folding furniture is generally used in commercial spaces, such as offices, hospitals, and hotels.

ii) Rapid urbanization and growth in the real estate market influence the folding furniture industry. Millennial opting for rented apartment is a rising trend that has been observed. They are more interested in affordable, multi-functional, and smaller furniture that suit their urban and dynamic lifestyles.

BASIS & PROJECT SELECTION

- i). This project profile is based on 8 working hours a day and 25 days in a month.
- ii) The unit will use 70% of its installed capacity in the first year of commencement of commercial production and will attain its maximum capacity of 85% by the end of second year of commercial production.
- iii) The prices of raw materials as shown in this project profile are as per the prevailing market rate and may vary time to time.
- iv) The prices of machinery & equipment as shown in this project profile are as per the prevailing market rate and may vary time to time.
- v) The salary & wages shown in this project profile is as per the prevailing rate and conforms to the minimum wages act enacted by the state government.
- vi) Promoter's contribution for the project is taken @ 5% of the total cost of the project and will be financed under Financial Institutions.
- vii) The rate of interest for the loan is taken @ 12% per annum.
- viii) The pay back period of the loan is assumed to 7 years after the moratorium period.
- ix) The cost of land and building as shown in the project profile is approximate one and the same may vary from place to place
- x) The project will be implemented in Six months from the date of conception of the project idea.

ESTIMATED TIME

This period included making all arrangements, market surveys and tie-ups, financial arrangements, purchase of machines, arrangement of power, recruitment of staff, commissioning of plant and trial production etc. in order to implement the project efficiently and in the shortest period there is a need to initiate many activities simultaneously as far as possible. This will not only cut the slack period but also will give quick results and be cost effective.

Estimated Time

Sl. No.	Activity	Estimated period required In (Days)
1.	Market surveys and tie-ups	10-15
2.	Arrangement of premises	20-25
3.	Registration and Financing	30-40
4.	Obtaining power connection	15-20
5.	Procurement of Machine and Equipments	40-50
6.	Installation of Machinery	8-10
7.	Obtaining Quotations	15-20
8.	Procurement of raw materials, consumables, packing materials etc.	5-10
9.	Product Development	5-10
10.	Commercial production	5

PROCESS OF MANUFACTURING

The main process steps are-

- (a) Marking and Cutting of Steel Tube in size
- (b) Bending of steel tube
- (c) Marking and cutting of Plywood sheet
- (d) Cutting of strips

- (e) Grinding/finishing for welding
- (f) Drilling of pipe, strips for bolting
- (g) Welding the sized material as per design of product to be made.
- (h) Grinding edges and surfaces to smoothness.
- (i) Assembly of elevating mechanism
- (j) Painting

POLLUTION CONTROL

These types of industries are not producing any effluents or any other polluting materials. Therefore pollution control measures are not taken into account.

PRODUCTION CAPACITY

This unit is envisaged to produce 750 Nos. of Foldable Cots/ Beds per annum to the worth of Rs. 26.62 Lacks.

EMPLOYEMENT:

The Unit can provide employment to 6 persons directly.

Financial Aspects.

LAND & BUILDING

2000 sqft Built up shed rented @ Rs.5000/- per month.

MACHINERY AND EQUIPMENT

Sl. No.	Item	Qty.	Amount (Rs.)
1.	Gas cutting set with torch, regulator etc.	01 Nos.	6000/-
2	Pipe bending machine hand operated	02 Nos.	26000/-
3	Cut off Machine	02 No.	16000/-
4	Hand Drill machine	01 No.	6000/-
5	Bosch Wood cutter machine	02 No.	8000/-
6	Bosch Grinding Machine	02 No.	8000/-
7	Bench Grinding Machine	01 No.	6000/-
8	Welding Set	01 No.	8000/-
9	Hand Press Machine	01 No.	8000/-
10	Hand operated Riveting Machine	01 No.	5,000/-
11	Compressor with spray gun for painting	01 No.	15000/-
12	Hand Tools (Ring and spanner Set, Screwdriver Set, etc.)	02 Set	6000/-
TOTAL			1,18,000/-

MAN POWER REQUIREMENT

Sl. No	Designation	No.	Monthly Salary	Amount (Rs.)
1	Skilled worker	2	8000.00	16000/-
2	Semi Skilled worker	2	6000.00	12000/-
3	Un Skilled worker	1	5000.00	5000/-
4	Peon/ Chowkidar	1	4000.00	4000/-
TOTAL				37,000/-

REQUIREMENTS OF RAW MATERIALS (Per Month)

Sl.No	Items	Qty	Unit	Rate(In Rs.)	Amount(Rs.)
2	Steel Tube (Round)	500	kg	52	26,000/-
3	Metal Sheet	52	kg	50	2,600/-
4	Metallic Strip	255	kg	50	12,750/-
5	Plywood Sheet (5 x 7 Feet)	63	Nos.	1200	75,600/-
6	Nuts, Bolts, Cutter, Screw, Washers, Flats, Rubber items, Paints, etc.	---	---	---	10,050/-
TOTAL					1,27,000/-

MISCELLANEOUS EXPENSES (Per Month)

Sl. No.	Item	Amount (Rs.)
1	Rent	5000.00
2	Transportation charge	3000.00
3	Office expenditure, Communication, Stationery	2000.00
4	Advertising & publicity	1000.00
5	Sales Expenditure	4000.00
6	Other Misc Expenditure (including electricity)	5000.00
TOTAL		20,000/-

WORKING CAPITAL (P.M)

Sl. No.	Component	Amount (Rs.)
1	Salary of Staff & Worker	37000.00
2	Raw Material	127000.00
3	Miscellaneous Expenditure	20000.00
Total		1,84,000/-

TOTAL CAPITAL INVESTMENT

Sl. No.	Type of Capital	Amount (Rs.)
1.	<u>Fixed Capital</u> Machinery & Equipment	118000.00
2.	Working capital for 03 Months	552000.00
Total		6,70,000/-

FINANCING

Sl. No.	Means of Financing	Amount (Rs.)
1.	Promoter's Contribution (5%)	33500.00
2.	Bank Loan	636500.00
Total		6,70,000/-

COST OF PRODUCTION (Per Annum)

Sl. No.	Items of Cost	Amount (Rs.)
1.	Total Recurring Capital	2208000.00
2.	Depreciation on Fixed assets @ 20%	23,600.00
3.	Interest on Bank Loan @ 12%	76380.00
Total		2307980/-

TOTAL PRODUCTION (Per Annum)

Sl. No.	Item	Rate/Pcs. (In Rs.)	Quantity	Amount (Rs.)
1	Folding Cot/Bed	3549.00	750	2661750
Total				2661750/-

PROFIT (Per Annum)

$$\begin{aligned}\text{Profit} &= \text{Total Sale} - \text{Cost of Production} \\ &= 2661750 - 2307980 \\ &= \text{Rs. } 3,53,770/-\end{aligned}$$

PERCENTAGE OF PROFIT ON SALE

$$\begin{aligned}\text{Profit Rate on Sale} &= \frac{\text{Profit} \times 100}{\text{Total Sale}} \\ &= \frac{3,53,770 \times 100}{26,61,750} \\ &= \text{Rs. } 13.29 \%\end{aligned}$$

PERCENTAGE OF RETURN OVER INVESTMENT

$$\begin{aligned}\text{Return over Investment} &= \frac{\text{Profit} \times 100}{\text{Total Capital Investment}} \\ &= \frac{3,53,770 \times 100}{6,70,000} \\ &= \text{Rs. } 52.80\%\end{aligned}$$

BREAK EVEN ANALYSIS

$$\text{Break even Point} = \frac{\text{Annual Fixed cost} \times 100}{\text{Annual Fixed cost} + \text{Profit}}$$

Annual Fixed Cost

Sl. No.	Items	Amount (Rs.)
1.	Depreciation	23600.00
2.	Interest on Bank Loan	76380.00
3.	40% of Salary Staff & Worker	177600.00
4.	40% of Misc. Expenses	96000.00
TOTAL		3,73,580/-

$$\text{Break even Point} = \frac{373580 \times 100}{373580 + 353770}$$

$$= \frac{3,73,580 \times 100}{7,27,350}$$

$$= 51.36 \%$$

ADDRESSES OF TOOLS & MACHINERY SUPPLIERS

1. M/S Industrial Machinery Stores
6,T.N.Tower, Assam Trunk Rd, Guwahati, Assam 781001
2. Moglix.com for online shopping
3. Technochem Industries
Address : Gate No. 90, Jyotiba Nagar, Near Jyotiba Chowk,
Talawade, Pune - 411062 , Maharashtra, India.

THANK YOU