

COMPUTER ASSEMBLING

Introduction; Information Technology is becoming pervasive in the country as more organization take to using computers. The Computer industry has shown quick response in bring new products to the market. The computer industry has started making serious globalization effects. It is building up a critical class of skills and knowledge which is expected to enable than to help achieve globalization.

The unit Suggested Capacity; The minimum economic capacity of a Computer Assembling Centre shall be to Product 108 nos. per annum based on one shift operation for 240 days working schedule in a year.

Computer Assembling Process:

1. Gather and Inspect Components and Tools.
2. Remove Cover From System Case.
3. Prepare System Case for Assembly.
4. Plan System Layout.
5. Install Floppy Disk Drive.
6. Configure Hard Disk Drive and CD-ROM Drive.
7. Install Hard Disk Drive.
8. Install CD-ROM Drive.
9. Configure Motherboard.
10. Install Processor.
11. Install Heat Sink (for processors without integrated cooling).
12. Install Cache Module (for systems using cache modules only).
13. Install Memory Modules.
14. Install Motherboard.
15. Install I/O Port Connectors (AT form factor only).
16. Install PS/2 Mouse Port Connector (optional, AT form factor only).
17. Connect Motherboard and Case.
18. Connect Floppy Disk Drive to Motherboard.
19. Connect Hard Disk Drive to Motherboard.
20. Connect CD-ROM Drive to Motherboard.
21. Install Video Card.
22. Perform Post-Assembly Inspection.
23. Connect External Peripherals.
24. Perform Initial Boot.
25. Perform Initial BIOS Setup.
26. Perform Initial System Tests.
27. Install Additional Peripherals.
28. Partition and Format Hard Disk.
29. Install CD-ROM Driver.
30. Install Windows 95 (or other operating system).
31. Complete Assembly.
32. Document System.

Raw Materials availability: Raw materials are to be sourced mainly from the open market. At present availability and supply of the raw materials is not problem e.g Mother Board, HDD, RAM, Cabinet, Monitor, KBD, Mouse, DVDR, etc to be sourced from open local markets.

Power: Consumption of power and fuel have been arrived at on the basis of consumption norms of the industry. The energy rate has been considered on the basis of existing power tariffs of the electricity department. The unit will require a total connected load of 180000Kwh and approximately it will be cost Rs.17,280/- per month.

Water: Requirement of water mainly for washing of film developing etc and drinking purpose. The unit shall avail of the PHE water supply already available at the site and it can also install its own tube well supply for the purpose.

Manpower: The unit will provide employment to 9 persons including staff and engineers for factory administration and sales, labour etc. and all man power to be arrange from local area.

Sl.No.	Category of Manpower	No. of Persons	Annual Cost
1.	Manager cum Chemist	1	60,000/-
2.	Administrative & Sales Staff	2	84,000/-
3.	Skilled Worker	3	1,62,000/-
4.	Unskilled Worker	3	90,000/-
	Total:	9	3,96,000/-

CAPITAL COST ESTIMATE:

Land & Building:

On Rent

Plant & Machinery :

Slno	Description	Qty	Rate	Amount
1.	Assembling Instruments,	2nos	Rs.25,000/-	50,000/-
2.	Testing Tools & Network	1 no	Rs.45,000/-	45,000/-
3.	1 KVA online UPS	1 no	Rs.65,000/-	65,000/-
4.	Laser Printer	1no	Rs.42,000/-	42,000/-
5.	Desktop Computer	3nos	Rs.35,000/-	1,05,000/-
6.	1.5Ton AC	1no	Rs.28,000/-	28,000/-
Total				Rs.3,35,000/-

3) **Miscellaneous Fixed Asset**

- a) Electrification Rs. 30,000/-
 - b) Furniture & Miscellaneous others Rs. 70,000/-
- Rs.1,00,000/-**
- 4. Provision for contingencies **Rs. 20,000/-**
 - 5. Preliminary & pre-operative expenses **Rs. 30,000/-**

Total Fixed Investment Rs. 4,85,000/-

Working Capital:

Raw Materials (For three month):

- a. Processor, M.B, HDD, RAM, Monitor, KBD, Mouse, Cabinet, Rs.3,62,500/-
- b) Power Rs. 4,320/-

- c) Salary & Wages Rs. 99,000/-
d) Miscellaneous expenses Rs. 14,180/-

Total: Rs. 4,80,000/-

Total Project Cost: Rs. 9,65,000/-

Means of Finance

	<u>Urban</u>	<u>Rural</u>
a. Composite loan under PMEGP	Rs. 6,76,000/-	Rs. 5,79,000/-
b. Subsidy	Rs. 2,41,000/-	Rs. 3,37,750/-
c. Promoters contribution	Rs. 48,000/-	Rs. 48,000/-
d. Debt Equity Ratio	2.33:1	1.50:1

Profitability:

(Rs. in Thousands)

Sl. No.	Description	1 st Year	2 nd Year	3 rd year	4 th Year	5 th Year
1.	Capacity utilized	60%	70%	80%	80%	80%
2.	Annual Sales Realization	1,800	2,100	2,400	2,400	2,400
3.	Annual Costs in Rs.					
(a)	Raw Materials	870	1,015	1,160	1,160	1,160
(b)	Power	10	12	14	14	14
(c)	Wages & Salaries	360	377	393	403	413
(d)	Repair & Maintenance	19	19	19	19	19
(e)	Administrative overheads	75	79	83	87	91
(f)	Selling expenses	270	315	360	360	360
(g)	Depreciation	45	45	45	45	45
(h)	Interest	76	64	47	28	9
	Total:	1,727	1,926	2,121	2,116	2,111
	Total Variable Cost	1,150	1,342	1,534	1,534	1,534
4.	Annual profit	73	174	279	284	289
5.	Return on investment	7.56%	18.03%	28.91%	29.43%	29.95%
6.	Return on sales	4.06%	8.29%	11.63%	11.83%	12.04%
7.	Annual Contribution	650	-	-	-	-
8.	Break Even Point as percent of capacity	53.26%	-	-	-	-
9.	Cash accrual	118	219	324	329	334
10.	Debt servicing capacity	196	283	371	357	343
11.	Repayment of Composite Loan	101	125	150	150	150
12.	Debt serviced	179	189	197	178	159
13.	Pay Back Period	3 years 14 days				
14.	Debt Service Coverage Ratio (DSCR)	1.72:1				

Cash Flow Statement:

(Rs. in Thousands)

Sl. No.	Description	Pre-operative Period	Operating Years				
			First	Second	Third	Fourth	Fifth
1.	Increase in Promoter's capital	48	-	-	-	-	-
2.	Increase in subsidy	241	-	-	-	-	-
3.	Increase in loan	676	-	-	-	-	-
4.	Depreciation	-	45	45	45	45	45
5.	Profit before interests	-	151	238	326	312	298
A.	TOTAL SOURCES	965	196	283	371	357	343
6.	Increase in capital investment	485	-	-	-	-	-
7.	Increase in Current Assets	480	-	-	-	-	-
8.	Interests	-	78	64	47	28	9
9.	Repayment of loan	-	101	125	150	150	150
B.	TOTAL DISPOSALS	965	179	189	197	178	159
C.	OPENING BALANCE	-	-	17	111	285	464
D.	NET SURPLUS	-	17	94	174	179	184
E.	CLOSING BALANCE	-	17	111	285	464	648

Projected Balance sheet:

Sl. No.	Description	Amount in Rs Thousand as at the end of the				
		1 st Yr.	2 nd Yr.	3 rd Yr.	4 th Yr.	5 th Yr.
1.	Capital Account of the Promoter	48	121	295	574	858
2.	Surplus from operations	73	174	279	284	289
	NET WORTH:	121	295	574	858	1,147
3.	Subsidy	241	241	241	241	241
4.	Loan Account	575	450	300	150	-
A.	TOTAL LIABILITIES	937	986	1,115	1,249	1,388
1.	Gross Fixed Assets	485	485	485	485	485
	Less Depreciation	45	90	135	180	225
	NET BLOCK	440	395	350	305	260
2.	Closing stocks	480	480	480	480	480
3.	Cash & Bank Balance	17	111	285	464	648
B.	TOTAL ASSETS	937	986	1,115	1,249	1,388