

DESKTOP PUBLISHING

Introduction: Desktop Top publishing systems have radically changed the way publishing has always been done but in the process, the world of DTP has got divided into two distinct groups. One swears by the PageMaker Software on the Apple Macintosh and the other, by the Ventura which runs on the IBM PCS. DTP in India is fast finding application for news letters, journals, brochures and advertisement s, technical documents and manuals.

Suggested Capacity: The minimum economic capacity of a DTP centre shall be to process out 27000 paginations per annum based on two shift operation for 300 days working schedule in a year.

Manufacturing Process: The Project plans to have an integrated facility of DTP, photo typesetting and offset printing. It is proposed to obtain the microprocessor, PageMaker and Ventura software's and laser printer and a DTP package from abroad. The single colour offset printing machine will also be included in the imported package. As far as the process of page making in the micro processor is concerned, it differs widely from software to software and entrepreneurs can refer to the concerned manual to have a clear understanding of the pacemakers process.

A. Page Definition : The basic ingredients of all desk top publishing programmes is that enable you to define the layout of the text on the page. First the size and shape of the page itself is defined using guides available on the programme-usually in the form of pull down menu.

B. Place the Text:The next stage of the process is to put the next in place. The text matter is usually transferred from separate files generated on one of the popular word processing packages. Such as Microsoft word.

C. Page presentation :One of the most important aspects of the DTP software is how the finished document, integrated from the various graphics and text files, is to be presented on the screen.

D. Implementing DTP: The individual or the small company has no problems when it comes to implementing a DTP system. It is simply a matter of choosing the most appropriate and flexible system, connecting it up, plugging it in and getting down to serious business.

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 ink, perforated paper, Ribbon, cartridge, CD, Polyester film, Bromide paper, Floppy, Ivory paper etc to be sourced from open markets. Annual Requirement Rs.14,50,000/-

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 for factory supervision, administration and sales, labour, watch & ward 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.	Desktop Computer	2nos	Rs.25,000/-	50,000/-
2.	1KVA on line UPS	1 no	Rs.40,000/-	45,000/-
3.	Scanner	1 no	Rs.15,000/-	15,000/-
4.	Multifunction Laser Printer	1no	Rs.42,000/-	42,000/-
5.	Offset Printing Machine	1no	Rs.1,58,000/-	1,58,000/-
6.	1.5Ton AC	1no	Rs.25,000/-	25,000/-
			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):

Perforated paper, Ribbon, Ink, Tonner, Printing Materials, Printing Ink, A4 size paper, various types of Ivoiry paper, CD / Floppy etc

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