

**Govt. of India**  
**Ministry of MSME**  
**MSME-Development Institute Gangtok**

**NAME OF THE PRODUCT : Cotton Mask**

<b>Product:</b>	<b>Cotton Mask</b>
<b>Product Code:</b>	
<b>Quality Standard:</b>	<b>As per customer specifications</b>

<b>PREPARED BY:</b>	<b>MSME- DEVELOPMNT INSTITUTE GOVT. OF INDIA, MINISTRY OF MSME, Tadong Bazar, Gangtok</b>
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### **1. INTRODUCTION**

Cotton cloths are being used by most of the people of 21st century, due to its high rate of sweat/moisture absorbency and good air permeability. In present pandemic COVID 19 situation, multiple layer of Cotton Cloth could be used as protective items/items to prevent many virus & Bacteria Infection.

### **2. MARKET & SCOPE**

In present pandemic COVID 19 situations, Ministry of Home Affair (MHA), Govt. of India has already given guidelines to use MASK when go outside of Home. As a result there will be huge demand of quality Mask to combat the Post COVID 19 situation. In the present scenario, we must make a habit of using mask as a protective items like others items for combating with Virus & Bacteria.

### **3. Specifications of Product**

There are many specifications for Mask viz. surgical, normal etc. However in the present project report, Multilayer Cotton Musk will be used by common people. This type of mask can be reused by washing with soap followed by drying and pressing.

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**4. BASIS AND PRESUMPTION:**

1. The Project Profile has been prepared on the basis of single shift of 8hours each day, 25 days in a month and at 75% efficiency.
2. It is presumed that in the 1st year, the capacity utilization will be 60% followed by 75% in the next year and 80% in the subsequent years.
3. The rates quoted in respect of salaries and wages for skilled workers and others are the minimum rates in the State/neighboring States.
4. Interest rate for fixed and working capital has been taken @ 12% of an average, whether financed by the Banks or by Financial Corporations.
5. Margin money required is minimum 30% of the Projected invested.
6. Pay Back Period of the Project: After the initial gestation period of one and a half year, it will require 3 years to pay back the loans.
7. The rental value of the work shed of Area 100 Sq meter and other built up/covered area has been taken at the rate of Rs. 70/- per square meter.
8. The rates quoted in respect of machines, equipments and raw materials are those prevailing at the time of preparation of this Project

Profile and are likely to vary from supplier to supplier and place to place. When a tailor-made Project Profile is prepared, necessary changes are to be made

**5. IMPLEMENTATION SCHEDULE:**

Preparation of The project implementation will take about nine months. The break-up of activities with relative time for each

Sl. No	Activity	Estimated time periods (Months)
1	Preparation of Project Report	
	a) Calling quotations	1 week
	b) Preparation	1 week
2	Financial arrangements	1 month
3	Procurement of machineries	2 week
4	Installation of machines & electrification	1 week
5	Recruitment of Staff and labour	3 days

**7. TECHNICAL ASPECTS:**

**PROCESS OF MANUFACTURE:**

**A. Procurement of Cotton cloth (Weave & Knitted):**

The raw material cotton cloths & are easily available in local market and need to be procured from there. The cloth which is procured from local market must be free from all types of fabric defects viz thick thin place, stitch, short pick, tightness, broken Needle, thick /thin yarn, holes, oil stains etc.

**B. Cutting & Stitching:**

After inspection the fabric is placed on the cutting table in the form of layer and marked by marker as per different sizes required for manufacturing Musk. Cutting of layer have been carried out by electric straight knife cutting machine. Then stitch the piece and make the Musk as per specification by the help of sewing machine.

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**C. Checking , Pressing and Packing:**

The stitched vests are checked to remove defects and after removing defects send to packing division for final packing as per customer requirements. After packing the finish products send to market for sale.

**D. Production Capacity**

Sl. No	Name of Product	Price/pcs	Production per year	Total values
1	02 layer mask (Cotton)	20	200000	4000000
2	03 layer mask (Cotton)	24	400000	9600000
3	03 layer mask (Knitted)	18	300000	5400000
4	02 layer mask(knitted small size)	12	200000	2400000
<b>Total value of the product</b>				<b>21400000</b>

**E. Motor power requirements: 06HP**

**F. Pollution Control needs**

There is no pollution control measures required, as this industry does not involve any pollution.

**G. Energy Conservation**

As the power requirement is very small, this can be conserved by proper housekeeping.

**8. FINANCIAL ASPECTS:**

**i. Land and Buildings**

100 sq.mts The building is considered rental with monthly rent of Rs.7,000/-p.m. @ Rs.70/- per sq. meter.

**ii. Machinery and Equipments**

SL. No	Description	Indian/Imported	Quantity	Rate (Rs.)	Value (Rs.)
1	High speed Flat lock Stitch machine	Imported	4	90000	360000
2	High Speed Single Needle Lock Stitch	Imported	4	45000	180000
3	Vertical fabric cutter	Imported	2	25000	50000
4	Steam Press with table	Imported	1	60000	60000
5	Rib cutting machines	Imported	1	20000	20000
6	Laboratory equipment such as weighing balance magnifying glass, micros scope and other testing equipment and chemicals.	Imported	Lumpsum		30000
				Total	700000

**iii. Other fixed expenses**

Wooden/ Table for Cloth Cutting ,	60000
Stools & Tables / Almirah	20000
Other pre –operative expenses	20000
<b>Total</b>	<b>100000</b>

**iv. Total fixed Capital (Excluding building Rent)**

Machinery & Equipment charges	700000
Other fixed expenses	100000
<b>Total</b>	<b>800000</b>

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**9. Working Capital**

**i. Staff and Labour charges per month**

SL. No	Designation	No.	Salary	Total
1	Marketing Manager	1	25000	25000
2	Supervisor (Technical)	1	15000	15000
3	Cutting master	1	12000	12000
4	Accountant (part time)	1	10000	10000
5	Skilled worker	8	11000	88000
6	Semi-skilled worker	1	10000	10000
7	Watchman/peon	1	9000	9000
8	Helper	3	6000	18000
<b>Total</b>				<b>187000</b>

**ii. Raw Material including packing per month**

SL. No	Description	Cloth quantity in meter	Rate per meter Rs.	Value in Rs.
1	02 layer mask (Cotton)	6000	50	300000
2	03 layer mask (Cotton)	15000	50	750000
3	03 layer mask (Knitted)	3000	80	240000
4	02 layer mask(knitted small size)	3000	80	240000
5	Sewing threads, stickers, labels, polythene bags etc.	L.S	10000	10000
<b>Total</b>				<b>1540000</b>

**iii. Utilities per month**

Electricity and water requirement Rs. **5000**

**iv. Other contingent expenses per Month**

a	Rent	7000
b	Postage and stationery	1500
c	Consumable stores	5000
d	Repair and Maintenance	15000
e	Washing	5000
f	Insurance	2000
g	Misc. Expenses	5500
<b>Total</b>		<b>41000</b>

**v. Total Recurring expenditure per month**

a	Staff and Labour	187000
b	Raw material	1540000
c	Utilities	5000
d	Other contingent expenses	41000
<b>Total</b>		<b>1773000</b>

**vi. Total working capital on three month basis**

**5319000**

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**10. Total capital investment**

Fixed capital	800000
Working capital	5319000
<b>Total</b>	<b>6119000</b>

**11. Machinery Utilisation**

75% of the machinery utilisation is considered for achieving the projected target

**12. Financial Analysis**

**i. Cost of production per year**

1	Total recurring expenditure per year	21276000
2	Depriciation on machinery and equipment @10% per year	70000
3	Depriciation on office furniture @20% p.a.	20000
4	Interest on total investment @ 12% p.a.	734280
	<b>Total Rs.</b>	<b>22100280</b>

**ii. Turnover (per year)**

SL No.	Name of Product	Price/Pcs	Production per year	Total values
1	02 layer mask (Cotton)	20	264000	5280000
2	03 layer mask (Cotton)	24	480000	11520000
3	03 layer mask (Knitted)	18	300000	5400000
4	02 layer mask(knitted small size)	12	264000	3168000
			<b>Total Rs.</b>	<b>25368000</b>

**iii. Net Profit ( Per Year)**

**3267720**

**iv. Net Profit Ratio**

(Net Profit/Turnover per annum)\* 100

**12.88126774 %**

**v. Net Rate of Return**

(Net Profit/Total Investment)\* 100

**53.4028436 %**

**vi. Break Even Point**

**I. Fixed Cost**

a. Depreciation on machinery and equipment	70000
b. Depreciation on furniture	20000
c. Rent	84000
d. Interest on total investment	734280
e. 40% of salary and wages	897600
f. 40% of other expenses except rent	163200
<b>g. Insurance</b>	<b>24000</b>
<b>Total</b>	<b>1993080</b>

**II.**

**Profit**

**3267720**

<b>BEP:</b>	<b>(Fixed cost / (Fixed Cost + Profit))*100</b>
	<b>37.8854927 %</b>

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**Name and Addresses of Suppliers:**

1. M/s Juki India Pvt Ltd  
Address: Ab 1, Prafulla Kanan, Kolkata -1
2. M/s Hari Chand Anand & Co.  
Address: P360 Keyatala Road, Kolkata-700029
3. M/s Khanna Sewing Machine  
Address: 187 Rabindra Sarani, Burrabazar, Kolkata-7
4. M/s Usha World  
Address: 15/6 Jawaharlal Nehru Road, Kolkata 13

**Address of Raw Material (Knitted) Suppliers:**

1. M/s Subhas Hosiery Factory  
Address: 28 B T Road, 1st Floor Kolkata 700002
2. M/s Kothari Knit Industries  
Address: 7 Biplabi Rash behari Road, Kolkata-700001
3. Woven cloths are readily available in local market.

**Reference:** Website of MSME-DI Kolkata