



Vigyan Ashram
Startup Saarthi

Business Plan
Motor Rewinding

Supported By



सत्यमेव जयते

विज्ञान एवं
प्रौद्योगिकी मंत्रालय
MINISTRY OF
**SCIENCE AND
TECHNOLOGY**



Industrial Overview

About Product/Service

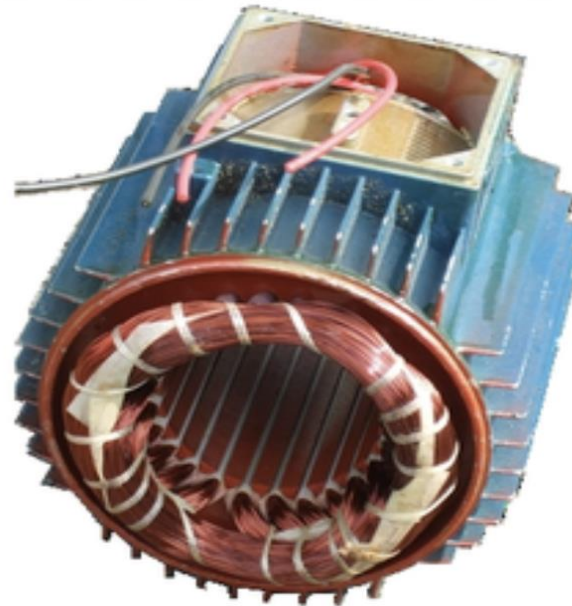


Motor rewinding involves the process of refurbishing or repairing electric motors, ensuring their optimal functionality without the need for complete replacement. In a rural setup where skilled labour is scarce, motor rewinding stands as a skill-intensive profession. This scarcity of expertise presents a unique opportunity to establish a sustainable business. In the heart of rural landscapes, a quiet yet significant transformation is underway—one that holds the promise of bolstering local economies and bridging the gap in skilled labour. The resurgence of motor rewinding services is poised to make a pronounced impact in these communities. Starting a motor rewinding business in rural India can be a lucrative opportunity, as there is a growing demand for the product/service in small towns and villages.

Competitors Analysis

There is no as such branded or major competitors in motor rewinding business in rural setup, despite some upcoming businesses related related to the product/service. Given the skilled manpower required for the job and in rural setup word of mouth plays a pivotal role in shaping the business in the future.

Hence a good service accompanied by a strategic pricing strategy will help in the sustainability of the business .



Future Potential



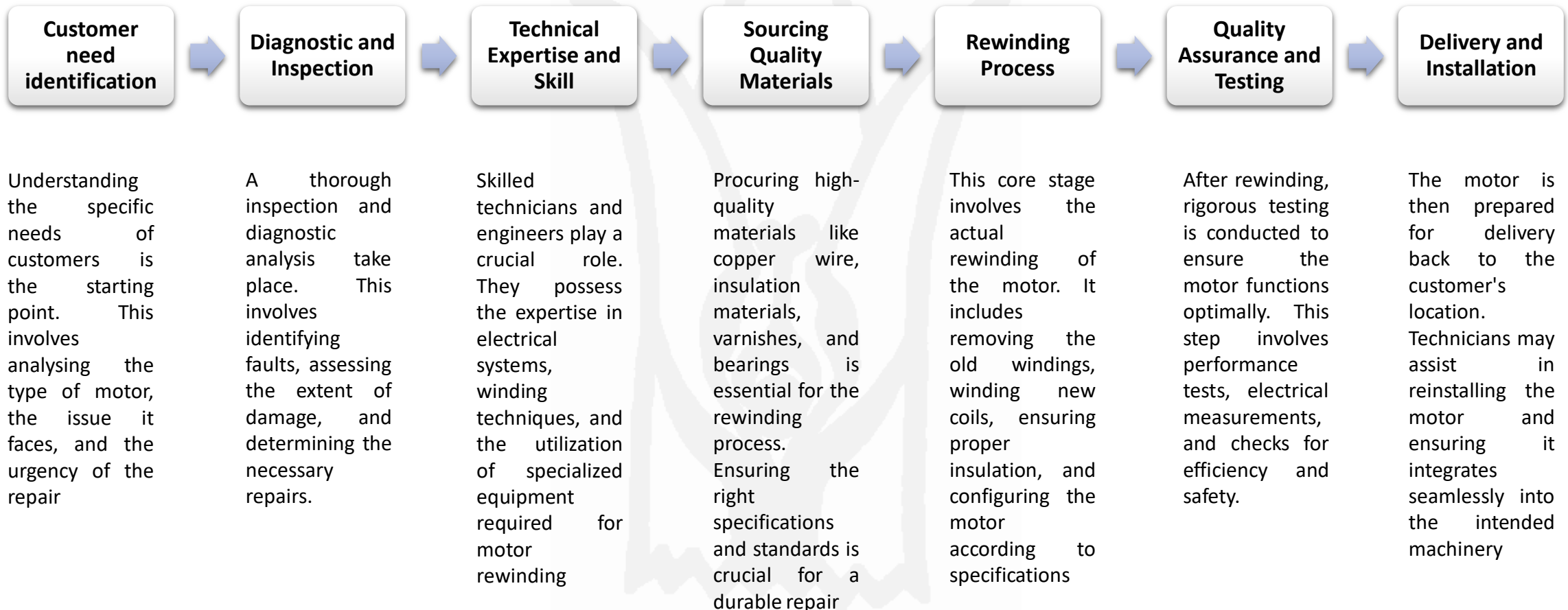
The future of the motor rewinding business in rural India looks promising. With the increase in agricultural set up and rising use of machinery in the rural house holds , there will be a growing demand for motor rewinding services. Various factors such as Rising population in rural India & growing disposable income will contribute towards business growth.

Overall, the motor rewinding business in rural India has a bright future, and there is a lot of potential for growth and profitability in this sector. However, it is important to keep up with changing consumer trends and preferences and to offer high-quality products at competitive prices.



Value Chain of Business

The motor rewinding process can vary depending on the type of products being processed/serviced. However, here is a general overview of the process involved in the motor rewinding process:





Target Consumer & Marketing Plan

Target Consumer/Market

- In rural India, the target audience for rural winding would be majorly from **Farmer & agriculture sector** then followed by **small scale industries & workshops** and then Household sector appliances.
- This market can be reached by opening shops near **agricultural facilities**, and **central location** easily accessible to the target market, ensuring convenience for customers seeking motor rewinding services.
- The businesses can initially approach customers by **conducting workshops** or informational sessions on motor maintenance, showcasing expertise and establishing trust. Then once customers find the service satisfying the business can expand by leveraging word of mouth.
- Forming alliances **with local businesses or agricultural cooperatives** to offer exclusive deals or services will help in expanding the customer reach

Marketing Plan

Product	Price	Place	Promotion
<ul style="list-style-type: none">• Service Offerings: Quality motor rewinding for various machinery types (water pumps, threshers, tractors, industrial motors) ensuring efficient repair and maintenance.• Additional Services: Consider offering on-site repairs, emergency services, and maintenance contracts to cater to diverse customer needs.	<ul style="list-style-type: none">• Transparent Pricing Structure: Clearly outline pricing for different motor types and services to build trust and transparency.• Value-Based Pricing: Emphasize the value of repair over replacement, offering competitive pricing that highlights cost savings in the long term.	<ul style="list-style-type: none">• Strategic Location: Establish the shop in close proximity to agricultural hubs or small-scale industrial areas for easy access by the target market.• Mobile Service Units: Consider mobile units to reach customers unable to transport machinery for repairs.	<ul style="list-style-type: none">• Community Engagement: Engage with local farmers through workshops, demonstrations, and educational sessions on the benefits of motor rewinding.• Online Presence: Utilize social media, local directories, and a website to showcase services, customer testimonials, and educational content.• Partnerships and Referral Programs: Collaborate with local businesses or agricultural cooperatives, and incentivize satisfied customers to refer others for discounts or bonuses.



Financial Calculations

Initial Investment Calculation

Initial Investment	Unit	Cost	Qty	Amount
Winding Machine	per unit	1	3000	3000
Bearing Extractor	per unit	1	1000	1000
Soft Hammer	per unit	1	150	150
Screwdriver Set	per unit	1	100	100
Plier	per unit	1	100	100
Wrench Set	per unit	1	500	500
Chisel	per unit	1	100	100
Scissors	per unit	1	100	100
wire brush	per unit	1	150	150
Shop Maintenance & renovation/purchase	lumpsum		100000	100000
Total				105200

Fixed Cost Calculation

Fix Cost	
Electricity	1000
Rent & Maintenance	4000
Transportation	1000
EMI	2513
Total	8513

Operational Cost Calculation

Operational Cost	Unit	Cost	Qty	Amount	Sale from 1 Job
Copper Wire	per kg	850	0.35	297.5	
Thinner	per litre	40	0.1	4	
Varnish	per litre	150	0.1	15	
Wrap wire	per kg	550	0.2	110	
Slot Paper	per kg	100	0.2	20	
Insulator Tape/s	per roll	50	0.5	25	
Grease/Vaseline	Per Unit	100	0.25	25	
Bearing	per No	50	2	100	
Nuts & Bolts	per kg	100	0.1	10	
Seal	Per no	20	3	60	
Total				666.5	1300

Profit Calculation

No of job done in a month		20
Total Initial Investment		105200
Total Fixed Cost		8513
Total Operational Cost		13330
Total Sales		26000
Contribution Margin		12670
CM/Job		633.5

For Break-Even and further calculations refer to next page



Financial Calculations

Break-Even Calculation

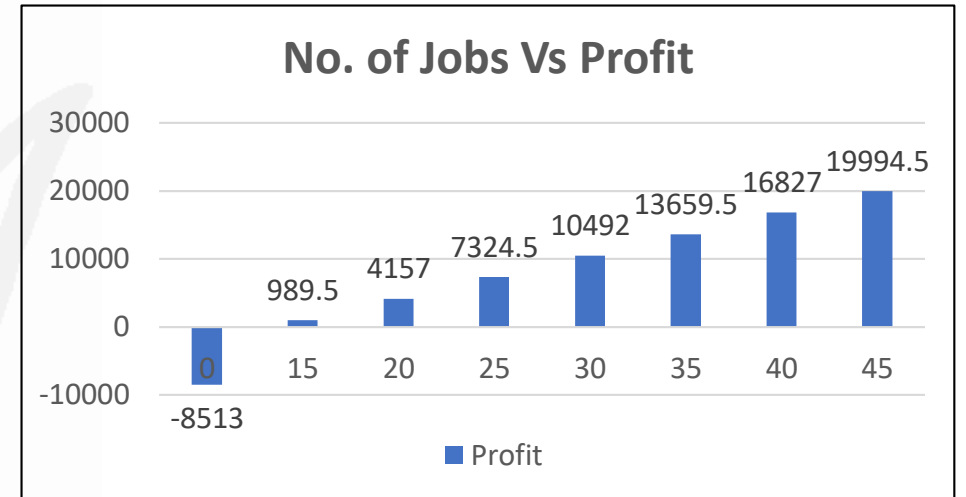
The business must do of ~13 jobs per month to remain at no profit no loss situation

Break Even Jobs		13
Break Even Days		20
Profit		4157

Payback period calculation

Payback Period		
Assuming Jobs per month		25
Profit per month		7324.5
Initial Investment		105200
Days required to cover initial Investment		430.8826541
Rol(%)		6.96

Chart Showing profits as output increases



Assumptions:

- There is regular demand of the service.
- Legal cost (licensing) is not considered.
- Enterprise may also need to consider rates of electricity (availability), labor for their local area.
- Enterprise should also enquire about the machinery in the market before initial investment..



Sources of Funding & Government Support Available

Legal requirements

- Initially Company registration is required along with Udyam Aadhaar number, FSSAI licensing & PAN card for business
- On later stage further licensing is required but at start no major licenses are required in Cottage scale bakery unit

Funding Sources

- Self-Financed
- Loan available from Family and Friends
- Loan from local banks
- Loan from NGOs (Like Rang De Foundation)

Government Support available (Major Schemes available)

• **Start-Up India**

The Startup India scheme offers a range of incentives and benefits to startups, including tax exemptions, funding opportunities, and a simplified regulatory framework. The scheme also provides mentoring, networking, and other support services to entrepreneurs.

For more information [Click here](#)

• **Stand-Up India Scheme**

The Stand-Up India scheme aims to provide loans to at least one woman and one person from SC/ST community per bank branch for setting up a greenfield enterprise. The scheme provides bank loans ranging from Rs. 10 lakh to Rs. 1 crore for setting up a new enterprise in manufacturing, trading or services sectors.

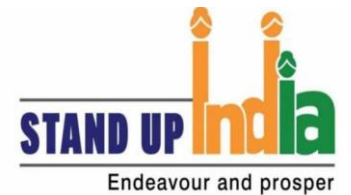
For more information [Click here](#)

• **Pradhan Mantri Mudra Yojana**

MUDRA stands for Micro Units Development and Refinance Agency. Under this scheme, small businesses and entrepreneurs can avail loans up to Rs. 10 lakh from banks, non-banking financial companies (NBFCs), and microfinance institutions. The scheme provides loans under three categories: Shishu (up to Rs. 50,000), Kishore (up to Rs. 5 lakh), and Tarun (up to Rs. 10 lakh).

For more information [Click here](#)

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How Vigyan Ashram will help you in taking your business to new heights...

