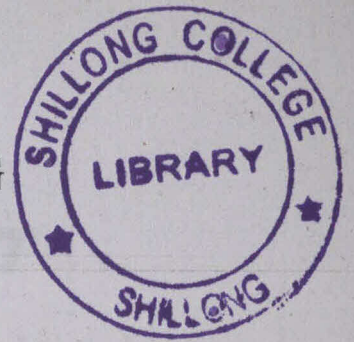


SHILLONG COLLEGE, SHILLONG

BOYCE ROAD, LAITUMKHAH – 793003



A PROPOSE PROJECT ON ARTIFICIAL CHARCOAL

THE LYNGIONG ARTIFICIAL CHARCOAL
PRIVATE LTD.

(Let Trees Live And The Green Environment)



A project submitted in partial fulfillment of the requirement for
the reward of the degree of BBA NEHU, Shillong, Meghalaya.

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Thanking You.

Your faithfully

shmt.Diangtilang Marbaniang

(IIIrd year BBA student).

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INTRODUCTION

Lyngiong Artificial Charcoal Firm is a firm which will manufacture an artificial charcoal using by an organic substance like grass or small bamboos, clays and water (to make the mixture become together as a solid substance).

It will be located on the East of Lyngiong which is 36Km from Shillong. Because in Meghalaya most of the poeple uses charcoal for cooking food, warming during cold season, etc. And some poeple also used charcoal for drying their wet clothes during raining season. Therefore this firm will help everyone who need the product for using for their necessities.

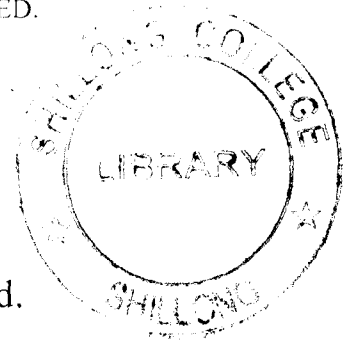
This idea has come up for this project is when the Government through the Forest Department was banned to cut trees in this State because now they feel the important of the trees, so they want to reserve them as long as their species are still on earth. And at the sametime with the shortage supply of electricity(loadshedding) in most of the areas in the state.

Therefore the Lyngiong Artificial Charcoal firm is good to be establish in Meghalaya.

Though we know that the charcoal and an artificial charcoal is black in colour, but the Lyngiong Artificial charcoal Private Ltd will try to be the clean one through 'dustless product(artificial charcoal)' and the employees who will be there for working will be the most expert and skilled person with the product category. The area which will make the

artificial charcoal will be save to the adult persons because the burning of the grass and the small bamboowill be done inside a burner and the mixing of the clays, grass or small bamboo charcoal along with the water to make them become together as a solid and a hard substant.

PROJECT SUMMARY



Name of the proprietor- Diangtilang Marbaniang.

Proposed project - Lyngjong Artificial Charcoal Private Ltd.

Area of location - Lyngjong area.

Reason of the location - Because there are many small bamboos and grasses, and they are growing very fast that in a year we can get grasses around three times.

Capital Cost:

Budget for the firm for starting - Rs. 18 Lakhs.

Self investment - Rs. 5 Lakhs.

Loans from Banks and other surces - Rs. 13 Lakhs.

ABOUT THE PRODUCT

Artificial Charcoal is a charcoal which will make by the organic substance. These raw materials are grass, clay and water and they are not creating much

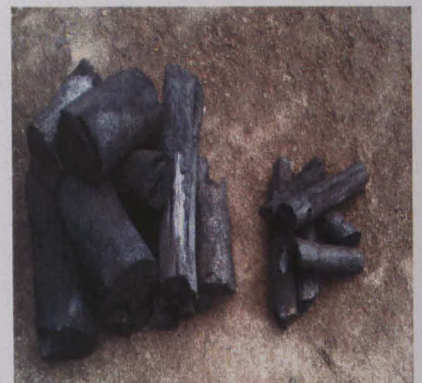


pollution to the environment. Because the water that will used is not to throw away but to use and make dry along with the product for making the good one, only smokes that will comes out from the burner during the burning of the grass or small bamboo. Though it will be make from these



raw materials but the colour of the product will be black and this colour and also a hard solid substance this will show that it is a good quality product

The ways for making are very similar to the local method and the only diferrent is that they done with hand made and the artificial charcoal will be done by machines with the help of the expert people(expert with machine). Its features will be the same figure like that of the wood charcoal. But this artificial charcoal will be at the same size because it will be produce from a pipe shape and there will be only two categories, i.e, Big size(2.5cm Radius) and Small size(1cm Radius). They will be in that sizes because it is according to the pipe size which the artificial charcoal will comes out.



This product will serve nearly the same as the charcoal(wood charcoal) making to this State. Hence this new product is very important product, it will help in cooking food especially for the one who always used charcoal as the source(chulhas) for cooking and used for warming during cold season.



BUDGET FOR THE FIRM

Every firms or organization need capital. Without capital every thing will not be possible to do because they need to invest some capital for creating the firm to start running and functioning from the commence of the firm. The following capital budget of this firm:

Electricity (per annum) Rs. 1,20,000.00

Machines Rs. 80,000.00

Water connection (pipes & water reserviors) Rs. 1,00,000.00

Lands (50 acres @ Rs. 400 per sq. feet) Rs. 10,00,000.00

Buildings(constuction of the building) Rs.500,000.00

Total cost will be Rs. 18 Lakhs.

Investment by the enterprenuer will be Rs. 5 Lakhs

Loan from banks and from other sources such as from friends or relatives

- Rs. 13 Lakhs.



MISSION, VISION, OBJECTIVES

Objective:

The main aim is to serve the people for their necessities and to create Customer Satisfaction.

It also aim to reserve for more trees and to make customer aware for 'The Green Environment'.

It aims to engage and establish a skilled, competence and knowledgeable workforce.

Vision:

"The Lyngiong Artificial Charcoal will serve YOU the BEST soon with great facilities like getting charcoal at low rate of price lower than the charcoal(wood charcoal)".

We know that the Forest Department has banned to cut trees and therefore the charcoal (wood) has reduce the amount of supply every day since less and less trees they can cut from the forest to make chacoal in this state. This will let the Artificial charcoal to grow in this state and one day it will be the top most to supply charcoal not only in this state but also to outside Meghalaya.

Mission:

The main thing from the firm is to reserve the trees which are growing with many years whereas grass is growing faster than trees and atleast two times a year.

Another is to manufacture a product which will not harm the environment by producing less smokes and make long lasting in using at chulhas.

SEGMENT, TARGET AND POSITION

Segment:

The Lyngiong Artificial Charcoal segments on the families' Lifestyle and the secondary cultural. This is because in this areas most of the villages are using charcoal or fire wood for cooking food. Now adays they used charcoal rather than fire wood since fire wood produce too much smokes and make the utensils to become black from the outer part of the utensil. The range of using charcoal are shown in the table below

Not use	Use only sometimes	Use for warming	Use for cooking	Use both for cooking and warming
1	2	3	4	5

In urban areas- Range 4.

In semi-urban areas- Range 2 & 5.

In rural areas- Range 5.



Target:

The Lyngiong Artificial Charcoal firm aims to target the local market areas with home delivery. It will target to the families who are in the category of lower and the middle class income. This company tagets these groups because every one has to cook the main food to eat like Rice and vegetables(potatoes) or meats and also to warm our body during cold seasons, and usually these groups especially the lower income class does not have the big purchasing power. But this Lyngiong Artificial Charcoal Private Ltd will be there for them with the artificial charcoal in good quality charcoal.

Position:

It will position as the less smokes producers with long lasting to use than any other charcoal. Less smoke produce product is consider as the very good product for today because of the clean evironment concept.

POLITICAL, ECONOMICAL, SOCIO-CULTURAL AND TECHNOLOGICAL ENVIRONMENT ANALYSIS

Political Environment

1. Government subsidy like KVIC scheme self employment scheme
2. It must have it own right trade mark .
3. The land will have to register to village Durbar then to the Durbar of Hima Lyngiong through the Lyngdoh of Hima Lyngiong. After the meeting of the Hima Lyngiong, the Lyngdoh will carry the Land agreement to the KHADC (khasi Hill Autonomous District Council), and the KHADC will give the NOC (No Objection Certificate).

Economical Environment

1. Consumer buying power: Lower & Middle class Income.
2. Spending pattern: Rising in the Income will make people to buy more in quantity.
3. With the establish of new firm in the economy it will create employment oppurtunites.
4. It will also effect on the Net Gross Profit of the country.

Socio-cultural Environment

1. The people are very busy just because we want to save our times and we also try to avoid our utensil getting black sticky by not cooking anymore with fire wood. And the Lyngiong Artificial Charcoal will help these people by producing less smoke artificial charcoal.
2. The societies in Meghalaya used charcoal for cooking food in chulhas and some other activities, but the Government of Meghalaya through the Forest Department was banned to cut trees and for making charcoal. With the era of e-heaters, most of the middle class income used by electricity in almost every activities but with the shortage of the electricity they faced problems. And with this new firm it will change to the artificial charcoal for their necessities.

Technology Environment

In this modern world, the customers will expect and accept new ideas that will come up at every moment of life. These new things will make old products, skills, knowledge obsolete necessitating continuous change.

With the machine work will be more faster than made by hands, therefore the Lyngiong Artificial Charcoal productions will produce more quantities of products with the help of the machines work and good in quality.

STRENGTHS, WEAKNESSES, OPPURTUNITIES AND THREATS ANALYSIS

Strengths:

The Strengths of the firm are the advantages from the internal of the firm itself.

Following points are the strengths of the Lyngiong Artificial Charcoal Firm-

1. Location in the main road: It will be located in the main road of Balat to Shillong and other roads like from Shillong to Mawkyrwat. These areas were villages and they used charcoal for their necessities. The climate from Mawkyrwat areas till Mawngap areas it is very chilly cold especially in winter. To prevent this coldness the people uses chulhas with the help of the charcoal.

2.Raw materials: The raw materials like Grass, Clay and water are rich in this areas so it will be easy to get these.

3.Methods to use:The process of making this Artificial Charcoal is very well known and used to practice by some people who have time and interest to do. Most of the people used to make with a Laddoo Charcoal(round in shape like a ball). The diferrence is that they were make by hands and Lyngiong Artificial charcoal will be done with the help of some machine and the one done by hands is round in shape whereas by the firm the shape will be a stick shape and very similar to that of the wood charcoal.

Weaknesses:

1. **Machine with the people:** The local people have not experience to work with the machine so it will have t bring with the expert people from outside and cost will effect there.

Oppurtunity:

1. Employment oppurtunities to the people
2. Supply oppurtunities to the Torsteel manufacturing companies
3. Supply oppurtunities to the Hospitals, army camps, and offices: Because in these types of places they used to stocks in case of shortage of electricity(loadshedding).

Threats

Electricity Heaters are the most threats at this time becuae it make the people to feel easy in using for cooking but these e-heaters are very dangerous to the humans especially the chidren. And when this artificial charcoal will reach to the market the people will hard to trust this firm becuae the people had been cheated by some other cmpanies. To overcome this problem the firm will have to conducting some Awareness programs at different places, advertise about the product in the local newspapers and radios.

MARKETING MIX

Product

The product is the artificial charcoal which will be the good one for the world with green environment. This product will be great to the economy by providing with good service through the product. From the firm view producing with the good artificial charcoal will achieve the great happiness that our product will serve the economy with pride. Therefore the product plays the important role in this firm.

Price

This firm will put the price of the artificial charcoal in Rs.10 per Kg. At this price it is very cheap that everyone can get and buy. Though it is very cheap but the products is good. My firm aims to sell artificial charcoal to the customers with the good value of the product at an affordable price.

Place

1. Availability of raw materials like grass or small bamboo, clay and water.
- 2 Water resource: There are many small streams and rivers in Meghalaya.
3. Transportation:For transporting of any material source trucks are been used in Meghalaya. And they were available fr transporting my firm's material sources.
4. A laddoo charcoal was not make for sales since it consume too much time and the artificial charcoal of the firm is focus for selling to the people.

5. The market place will be located one in Lyngiong, another will be at Mawkyrwat areas and Nongstoin, and one will be at shillong. It is also better to be on the road side. Locating on the road side will make the customers easy to get the product and it will be easy to carry because vehicle can go easily for loading the products and from the main road people use to travelling every time.



Promotion

The product development strategies try to achieve growth through artificial charcoal. The new design product in existing market. The new product Lyngiong Artificial Charcoal are to substitutes by artificial charcoal for wood charcoal that will serve for the same needs and capture the same market as at present. It will be more better and saver than the other charcoal. It will be a direct selling to the customers, i.e, home delivery. And selling through channel distribution(place delivery), where the retailer will sell to the customer at a very low quantity at the rate of Rs. 10 per Kg.

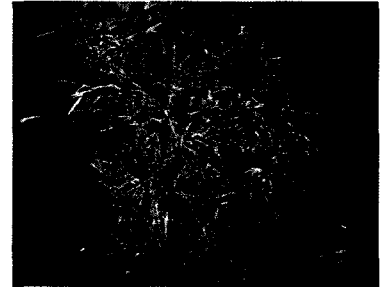


Process

Stages of plantation for making the Artificial Charcoal

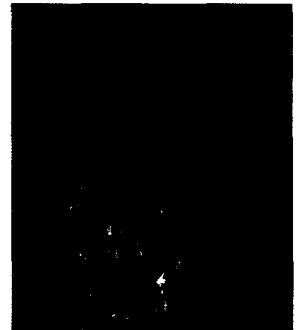
1. Collection of Grass or small Bamboo and clays:

First, there will be the collection of raw materials. The way the local people is collecting the grass is by cutting with sickle and it will be the same way by the Lyngiong Artificial Charcoal firm.



2. Burn the grasses or small bamboos:

After collected the raw materials, grass or small bamboo will be burn in the burner till it become charcoal. This burner is the special one because it has to be covering almost all parts except at the top most there will be a small chimney so that some smokes can comes out. This method is very similar to the local system. The air should not enter into the burner so that the burned grasses will not convert into ash since it has to become a charcoal.



3. Mixture:

From the burner the grass or bamboo charcoal will transfer the Mixture area where it will be mix with clay and water.

4. Makes the mixture to produce the product:

After the mixing is complete, then make the mixture to come out from the connected pipe below mixture container.

5. Drying the output:

Place the output on the flat surface to let them to dry and to become a hard substance.

6. Store the product:

When it had become dry and hard, it will be stocked in a stock room and then SUPPLY IT.

People

To become a real project my firm shall have to focus all energies on the customer and must have an appropriate technology, that allows to link with customers, suppliers, business partners and employees for taking the opportunities in the environment quickly. The employees or the workers play a very important role in my company because they make the artificial charcoal by a good one and also they will be working harder in this firm.



Physical evidence

Dustless: The product will be a dustless product and even the manufacturing place will also be a dustless. The product will be dustless because the artificial charcoal will be mixing with water and it will be dry and hard.

PORTER'S MODEL ANALYSIS

Threat of entry:

To make the people to buy this product is by the conducting of an awareness programs at different places and an advertisement in different local newspapers and radios since the people do not know about the condition of this product. So they will be aware to buy this artificial charcoal from the first time the product will reach in the market. But after they know about this product they will buy higher and higher in quantity than the other substitute products of the other companies.

Bargaining power of suppliers

There are many suppliers to supply the raw materials like grass and small bamboos to my firm and the rice of the raw materials can bargain to reduce the price.

Bargaining power of buyers

The other companies charged their product at higher price but my product will be charge at lower price. This will make the customers to buy my product and also my product is a smokeless artificial charcoal.

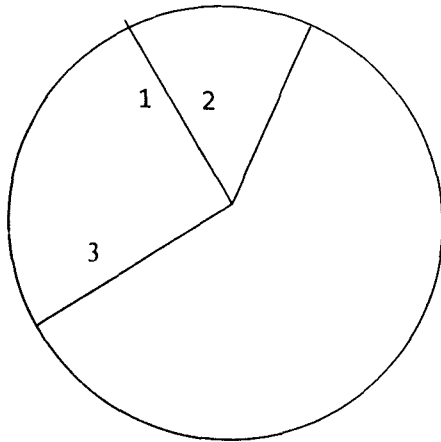
Substitute product:

In the globalization market competition between the firms is very high whether small or big companies that let many product to be in the market with similar to each other. It will be the same to my product also, there will be many substitute product directly or indirectly, such as wood charcoal, gas cylinder, stoves, electric heaters, etc.

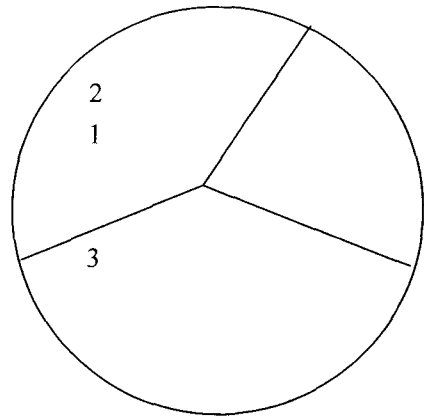
Existing competitors:

The existing companies usually want to rule the market by not giving any shares to the new firms like my firm. And these existing one will make its product to attract the customers by the product promotion and create a brand loyal to the customers so that they will not want to switch over or testing the artificial charcoal. But through the awareness programs and advertisement in the local newspaper and radio the people will know and buy the artificial charcoal for their necessities.

A PIE CHART OF THE ARTIFICIAL CHARCOAL CHARCOAL



TODAY



TOMORROW

- 1- Charcoal.
- 2- Artificial Charcoal.
- 3- Others.

CONCLUSION

Meghalaya is an amazingly beautiful state which cover an area of 22429 sq. km. This known as the 'Home of Clouds'. It is inhabited by the Khasi, Jantia and Garo peples.

The states surrounded by many tourist spot and known for its education center for the North East India and also for its business transaction activities. It has by nature attracted and a handful customers from outside as well.

The modernization also increase the populatio in the state especially at Shillong. It has a great oppurtunities to grow in this state because now the consumers has aware for the 'Green Environment'.

By producing the artificial charcoal will not affect the environment because the product is smokeless and the raw materials which will use to make this product is by grass and small bamboos. These plants are growing by themselves and grow faster than the other plants and we can collect them atleast thrice a year. Therefore, the colour of the environment will not change. There will no deforestation.