**METAL BASED INDUSTRIES**

**AGRICULTURAL IMPLEMENTS, CUTLERIES & HAND**

**TOOLS**

**Introduction :**

Metal based industries have greater development in every field such as industries,agricultural implements, building materials etc. Large number of agricultural implements, cutlries, hand tools etc have good demand and scope.

**Raw Materials :**

High carbon steel, MS items, Welding rod, handles, other items and consumables are locally available.

**Manufacturing process :**

The process includes cutting, bending, drilling, welding etc by using machinaries and assembled together necessary handles are attached and kept for marketing.

**Marketing:**

Agricultural implements and hand tools will have good demand and scope. The products can be marketed trhough out the state and neighbouring states.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Installed Capacity ( in Nos) |  |  |
| 1. | Agricultrual Implements - | 20,000 |
| 2. | Cuttleries | - | 40,000 |
| 3. | Hand Tools | - | 20,000 |
|  | Fixed Assets |  |  |
|  | 1. | Land & Building | : | Rented |

* Machinary & Equipments

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Items | Rate | Quantity | Value |
|  |  |  |  |  |
|  | Welding Set |  | 01 |  |
|  |  |  |  |  |
|  | Buffing Motor |  | 01 |  |
|  |  |  |  |  |
|  | Drilling Machine |  | 01 |  |
|  |  |  |  |  |
|  | 1 Hp Motor |  | 01 |  |
|  |  |  |  |  |
|  | Bench Grinder |  | 01 |  |
|  |  |  |  |  |
|  | Hand Drilling |  | 01 |  |
|  | Machine |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Hand Grinder |  |  |  |  |  |  | 01 |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | Bench vise |  |  |  |  |  |  | 01 |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | Pannel Board & |  |  |  |  | Total Sl No.1 | 1,50,000 |  |  |
|  |  |  | Electrification |  |  |  | + 9 |  |  |  |  |
|  |  |  |  |  |  |  |  |  | Sub-Total |  |  |  |
|  |  |  | Miscelleneous |  |  |  |  |  |  |  | 25,000 |  |  |
|  |  |  | Assets(3) |  |  |  |  |  |  |  |  |  |  |
|  |  |  | Preliminary & |  |  |  |  |  |  |  | 5,000 |  |  |
|  |  |  | Pre - Operative |  |  |  |  |  |  |  |  |  |  |
|  |  |  | Expenses(4) |  |  |  |  |  |  |  |  |  |  |
|  |  |  | Total Fixed |  |  |  |  |  |  |  | 1,80,000 |  |  |
|  |  |  | Capital |  |  |  |  |  |  |  |  |  |  |
|  |  | (2+3+4) |  |  |  |  |  |  |  |  |  |  |  |
| Working Capital |  |  |  |  |  |  |  |  |  |
| Recurring Expenses /Month |  |  |  |  |  |  |  |  |  |
|  1. Requirement for Raw Materials at 50% of capacity utilization – 60,000/- |  |  |  |
|  |  |  |  |  |  |  |
|  | 2. Wages –  |  |  |  |  | 16,000/- |  |  |  |  |
| 3. | Utilities & Other Expenses – |  |  |  | 14,000/- |  |  |  |  |
|  |  |  | Total |  |  |  |  | 90,000/- |  |  |  |  |
|  | 4. Working Capital requirement – 1,50,000/- |  |  |  |  |
|  | (Two months raw Material cost and one month work expenses are estimated as |  |
|  |  |  | Working Capital) |  |  |  |  |  |  |  |  |  |
|  | 5. Total Cost of Project |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Sl.No |  | Items |  |  | Amount |  |  |  |  |  |
| 1 |  | Land & |  |  | Rented |  |  |  |  |  |
|  |  |  | Building |  |  |  |  |  |  |  |  |  |
| 2 |  | Machinary |  | 1,80,000 |  |  |  |  |  |
|  |  |  | & |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | Equipments |  |  |  |  |  |  |  |  |  |
| 3 |  | Working | 1,50,000 |  |  |  |  |  |  |
|  |  |  | Capital |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | Total |  | 3,30,000 |  |  |  |  |  |
|  | 6. Means of Finance |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  | Sl.no |  | Items |  |  | Amount |  |  |  |  |  |
| 1 |  | Own fund |  |  |  | 1,14,000 |  |  |  |  |  |  |
| 2 |  | Term |  |  |  | 1,26,000 |  |  |  |  |  |  |
|  |  |  | Loan |  |  |  |  |  |  |  |  |  |  |
| 3 |  | Working |  |  |  | 90,000 |  |  |  |  |  |  |
|  |  |  | Capital |  |  |  |  |  |  |  |  |  |  |
|  |  |  | Total |  |  |  | 3,30,000 |  |  |  |  |  |  |

7.Monthly Profitability Statement

|  |  |
| --- | --- |
| A. Sales | 1,10,000 |
|  |  |

B. Cost of Production

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Sl.No. |  |  | Particulars | Amount |
| 1. |  | Raw Materials |  | 60,000 |
| 2. |  | Wages |  | 16,000 |
| 3. |  | Utilities & other expenses | 14,000 |
| 4. |  | Repairs 2% on Machinary | 250 |
| 5. |  | Depreciation 10% of Fixed Assets | 1,458 |
| 6. |  | Insurance |  | 125 |
|  |  | Total |  | 91,833 |
| C. Gross Profit (A-B) | 18,167 |  |
| D. Financial Expenses |  |  |
| Interest on Loan 13% | 2,340 |  |
| E. Administrative Expenses |  |  |
| 1% on sales |  | 1,100 |  |
| F. Selling Expenses 3% sales | 3,300 |  |
| G. Total of(D+ E+F) | 6,740 |  |
| H. Net Profit before tax (C-G) | 11,427 |  |
| I . Annual Profit | 1,37,124 |  |
| J. Return on Investment | 41.55% |  |