**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% |  |