PROJECT REPORT

Of

GP BUCKET

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **GP Bucket**.

The objective of the pre-feasibility report is primarily to facilitate potential entrepreneurs in project identification for investment and in order to serve his objective; the document covers various aspects of the project concept development, start-up, marketing, finance and management.

[We can modify the project capacity and project cost as per your requirement. We can also prepare project report on any subject as per your requirement.]

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PROJECT AT A GLANCE

1	Name of the Entreprenuer		xxxxxxxxxx	
2	Constitution (legal Status)		xxxxxxxxxx	
3	Father / Spouse Name		xxxxxxxxxxxx	
4	Unit Address	:	xxxxxxxxxxxxxxxxxxxxxxx	
			District : xxxxxxx	
			Pin: xxxxxxx	State: xxxxxxxxxx
			Mobile xxxxxxx	
5	Product and By Product	:	**GP BUCKET**	
6	Name of the project / business activity proposed :		**GP BUCKET UNIT**	
7	Cost of Project	:	Rs.12.84 Lakhs	
8	Means of Finance			
	Term Loan		Rs.8.56 Lakhs	
	Own Capital		Rs.1.28 Lakhs	
	Working Capital		Rs.3 Lakhs	
9	Debt Service Coverage Ratio	:	2.85	
10	Pay Back Period	:	5	Years
11	Project Implementation Period	:	5-6	Months
12	Break Even Point	:	28%	
13	Employment	:	9	Persons
14	Power Requirement	:	30.00	HP
15	Major Raw materials	:	GP Sheet, Rod 10mm, MS Wire, Rivets, Bucket ear, Wire, Label, White Paint, Packing material & consumable	
16	Estimated Annual Sales Turnover (Max Capacity)	:	112.64	Lakhs
17	Detailed Cost of Project & Means of Finance			

COST OF PROJECT

(Rs. In Lakhs)

Particulars	Amount
Land	Own/Rented
Building /Shed 1000 Sq ft	6.00
Plant & Machinery	2.01
Furniture & Fixtures	1.50
Working Capital	3.33
Total	**12.84**

MEANS OF FINANCE

Particulars	Amount
Own Contribution	1.28
Working Capital(Finance)	3.00
Term Loan	8.56
Total	**12.84**

G.P. BUCKET

Introduction: G.P. Sheet (Galvanised plain) bucket is one of the common utensils used in rural houses as well as commercial use in different industries. It is used for collection and storage of drinking water milk and other food items. It is used in dairy Industry also. General Purpose **Bucket**. Your **GP bucket** (sometimes known as a trenching **bucket**) will be used for all types of pipe and cable trenching, so it needs to be robust, strong and durable.

Uses & Market Potential: Bucket is a conventional utensils being used in rural house since long. G bucket is strong, rough & tough in use Bucket from other component the plastic bucket has threatened it to same extent but could not replace it due to multi uses of GP bucket and its durability. Even now these is wide scope of the bucket not only is rural area but also in urban houses and industries.

Product:

G.P. Bucket

Raw Material:

1. GP Sheets
2. Rod 10 mm
3. MS Wire
4. Rivets
5. Bucket ear
6. White Paint
7. Wire
8. Label
9. Packing material & other consumables

Raw Material Requirement:

S No.	Raw Material	Quantity	Rate	Value
1.	G.P Sheet	120 MT	53000	6360000
2.	Rod 10 mm	30 MT	35000	1050000
3.	MS Wire	72 MT	36000	2592000
4.	Rivets	1.2 MT	50000	60000
5.	Bucket ear	3.6 MT	50000	180000
6.	Wire	240 Kg	Ls	10000
7.	Label	27 Kg	Ls	8000
8.	White paint	48 containers	Ls	30000
9.	Packing material & other consumables			50000

Manufacturing process & Technical Aspects:

a) **PROCESS SCHEDULE** G.P Sheets are cut in different sizes as per template and the bended on bending M/c as per requirement, assembled with the help of fasteners (rivets) handles are prepared by bending suitable size of rods. Fixed it in the bucket and buckets are

made leak proof using special adhesives. Completed buckets are cleaned, and stored for marketing.

b) **QUALITY SPECIFICATIONS:** The Material specification of the bucket are of different sizes depending upon its use or demand of shops need to be used in the market. The quality of the product can be controlled at three stage:
   1. Selection of suitable material specification.
   2. Templates used should be of closed dimensional tolerance
   3. Proper finishing of product.

c) **ENERGY CONSERVATION:** It has become essential these days that the energy conservation efforts are needed to be strengthened substantially. The energy audit is an integral part of an energy conservation project and is the key to systematic approach for decision various factors which affect fuel economy in such industries.

1. Selection of suitable & energy efficient machines.
2. Efficient use of machines.
3. Good house keeping
4. Train employee for energy conservation.
5. Encourage them for implementing energy conservation tools & techniques.

Area:

The industrial setup requires space for Inventory, workshop or manufacturing area, space for power supply utilities and auxiliary like Generator setup. Also some of the area of building is required for office staff facilities, documentation, office furniture, etc. Thus, the approximate total area required for complete industrial setup is 1000 to 1200Sqft. Civil work will cost around Rs. 6 Lac(Approx.)

Machines: Basic machineries are as follows:

1. Stamping machine
2. Bucket body bending machine
3. Sheet Folding machine
4. Bar bending & folding machine
5. Bar Cutting machine
6. Circle Cutting machine
7. Bucket wiring machine
8. Treadle shearing machine
9. Weighing machine
10. Other machine & equipments

Cost of Machines:

S No.	Machine	Unit	Price
1.	Stamping machine	1	30000
2.	Bucket body bending machine	1	15000
3.	Sheet Folding machine	1	12000
4.	Bar bending & folding machine	1	7000
5.	Bar cutting machine	1	7500
6.	Circle cutting machine	1	3000
7.	Bucket wiring machine	1	24000
8.	Treadle shearing machine	1	35000
9.	Weighing machine	1	15000
10.	Other machine & equipments		22000
A	Total		170500
B	GST@18%		30690
C	Net Amount		201190
D	Net Amount(Round off)		201000

Power Requirement –The power consumption required to run all the machinery could be approximated as 30hp.

Manpower Requirement– There are requirement of skilled machine operators to run the machine set. Experience quality engineers are required for desired quality control. Some helpers are also required to transfer the material from one work station to other. Office staffs are required to maintain the documentation. The approximate manpower required is 9 including 1 Supervisor, 2 Plant operator, 1 Unskilled worker, security guard and helper each. 3 Skilled workers including each Accountant, Manager and sales person.

Bank Term Loan: Rate of Interest is assumed to be at 11%

Depreciation: Depreciation has been calculated as per the Provisions of Income Tax Act, 1961

Approvals & Registration Requirement:

Basic registration required in this project:

- GST Registration
- Udyog Aadhar Registration (Optional)
- Choice of a Brand Name of the product and secure the name with Trademark if require

Implementation Schedule:

S No.	Activity	Time required
1.	Acquisition of premises	1-2 Months
2.	Procurement & installation of Plant & Machinery	1-2 Months
3.	Arrangement of Finance	1.5-2 Months
4.	Requirement of required Manpower	1 Month
5.	Commercial Trial Runs	1 Month
	Total time Required (some activities shall run concurrently)	5-6 Months

FINANCIALS

PROJECTED CASH FLOW STATEMENT

PARTICULARS	I	II	III	IV	V
SOURCES OF FUND					
Own Contribution	1.28	-			
Reserve & Surplus	2.44	3.90	6.41	9.81	12.47
Depriciation & Exp. W/off	1.05	0.93	0.83	0.73	0.65
Increase In Cash Credit	3.00				
Increase In Term Loan	8.56	-	-	-	-
Increase in Creditors	1.09	0.18	0.13	0.13	0.13
TOTAL :	**17.42**	**5.01**	**7.36**	**10.66**	**13.24**
APPLICATION OF FUND					
Increase in Fixed Assets	9.51	-	-	-	-
Increase in Stock	1.69	0.29	0.26	0.26	0.27
Increase in Debtors	3.19	0.62	0.60	0.60	0.63
Repayment of Term Loan	0.95	1.90	1.90	1.90	1.90
Taxation	-	1.17	1.92	2.94	3.74
Drawings	0.50	0.80	2.00	3.00	4.00
TOTAL :	**15.84**	**4.79**	**6.69**	**8.70**	**10.54**
Opening Cash & Bank Balance	-	1.58	1.81	2.49	4.45
Add : Surplus	1.58	0.22	0.68	1.97	2.70
Closing Cash & Bank Balance	**1.58**	**1.81**	**2.49**	**4.45**	**7.15**

PROJECTED BALANCE SHEET					
PARTICULARS	**I**	**II**	**III**	**IV**	**V**
SOURCES OF FUND					
Capital Account					
Opening Balance	-	3.23	5.16	7.65	11.51
Add: Additions	1.28	-	-	-	-
Add: Net Profit	2.44	2.73	4.49	6.86	8.73
Less: Drawings	0.50	0.80	2.00	3.00	4.00
Closing Balance	3.23	5.16	7.65	11.51	16.24
CC Limit	3.00	3.00	3.00	3.00	3.00
Term Loan	7.61	5.71	3.80	1.90	- 0.00
Sundry Creditors	1.09	1.27	1.39	1.52	1.65
TOTAL :	**14.92**	**15.13**	**15.84**	**17.93**	**20.88**
APPLICATION OF FUND					
Fixed Assets (Gross)	9.51	9.51	9.51	9.51	9.51
Gross Dep.	1.05	1.98	2.81	3.54	4.19
Net Fixed Assets	8.46	7.53	6.70	5.97	5.32
Current Assets					
Sundry Debtors	3.19	3.81	4.41	5.00	5.63
Stock in Hand	1.69	1.99	2.25	2.51	2.77
Cash and Bank	1.58	1.81	2.49	4.45	7.15
TOTAL :	**14.92**	**15.13**	**15.84**	**17.93**	**20.88**

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PROJECTED PROFITABILITY STATEMENT					
PARTICULARS	I	II	III	IV	V
A) SALES					
Gross Sale	63.72	76.19	88.17	100.08	112.64
Total (A)	**63.72**	**76.19**	**88.17**	**100.08**	**112.64**
B) COST OF SALES					
Raw Material Consumed	46.53	54.29	59.71	65.14	70.57
Elecricity Expenses	2.05	2.28	2.51	2.74	2.97
Repair & Maintenance	0.96	2.29	4.41	5.00	6.20
Labour & Wages	5.67	6.01	6.49	7.08	7.78
Depreciation	1.05	0.93	0.83	0.73	0.65
Cost of Production	56.26	65.80	73.95	80.69	88.17
Add: Opening Stock /WIP	-	0.92	1.08	1.25	1.42
Less: Closing Stock /WIP	0.92	1.08	1.25	1.42	1.60
Cost of Sales (B)	55.34	65.63	73.78	80.52	87.99
C) GROSS PROFIT (A-B)	8.38	10.56	14.39	19.56	24.66
	13.14%	**13.86%**	**16.32%**	**19.54%**	**21.89%**
D) Bank Interest (Term Loan	0.93	0.76	0.55	0.34	0.13
ii) Interest On Working Capi	0.33	0.33	0.33	0.33	0.33
E) Salary to Staff	3.72	4.05	4.46	5.08	6.10
F) Selling & Adm Expenses I	0.96	1.52	2.65	4.00	5.63
TOTAL (D+E)	**5.93**	**6.66**	**7.98**	**9.75**	**12.19**
H) NET PROFIT	2.44	3.90	6.41	9.81	12.47
	3.8%	**5.1%**	**7.3%**	**9.8%**	**11.1%**
I) Taxation		1.17	1.92	2.94	3.74
J) PROFIT (After Tax)	2.44	2.73	4.49	6.86	8.73

Raw Material Consumed	Capacity Utilisation		Amount (Rs.)		
I	45%		46.53		
II	50%		54.29	5% Increase in Cost	
III	55%		59.71	5% Increase in Cost	
IV	60%		65.14	5% Increase in Cost	
V	65%		70.57	5% Increase in Cost	

COMPUTATION OF MAKING OF GP BUCKET			
Item to be Manufactured GP Bucket			
Manufacturing Capacity per day		240	Buckets
No. of Working Hour		8	
No of Working Days per month		25	
No. of Working Day per annum		300	
Total Production per Annum		72,000	Buckets
Total Production per Annum		72,000	Buckets
Year		Capacity Utilisation	GP BUCKET
I		45%	32,400.00
II		50%	36,000.00
III		55%	39,600.00
IV		60%	43,200.00
V		65%	46,800.00

COMPUTATION OF RAW MATERIAL					
Item Name		Quantity of Raw Material	Unit	Unit Rate of	Total CostPer Annum (100%)
G.P Sheet		120.00	MT	53,000.00	63,60,000.00
Rod 10 mm		30.00	MT	35,000.00	10,50,000.00
MS Wire		72.00	MT	36,000.00	25,92,000.00
Rivets		1.20	MT	50,000.00	60,000.00
Bucket ear		3.60	MT	50,000.00	1,80,000.00
Wire		240.00	Kg	Ls	10,000.00
Label		27.00	Kg	Ls	8,000.00
White paint		48.00	Containers	Ls	30,000.00
Packing material & other consumables					50,000.00
Total					**1,03,40,000.00**
Total Raw material in Rs lacs					103.40

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL					
PARTICULARS	**I**	**II**	**III**	**IV**	**V**
Finished Goods					
(5 Days requirement)	0.92	1.08	1.25	1.42	1.60
Raw Material					
(5 Days requirement)	0.78	0.90	1.00	1.09	1.18
Closing Stock	**1.69**	**1.99**	**2.25**	**2.51**	**2.77**

COMPUTATION OF WORKING CAPITAL REQUIREMENT			
Particulars	**Amount**	**Margin(10%)**	**Net Amount**
Stock in Hand	1.69		
Less:			
Sundry Creditors	1.09		
Paid Stock	**0.61**	**0.06**	**0.55**
Sundry Debtors	3.19	0.32	2.87
Working Capital Requirement			**3.41**
Margin			0.38
MPBF			**3.41**
Working Capital Demand			**3.00**

COMPUTATION OF SALE					
Particulars	**I**	**II**	**III**	**IV**	**V**
Op Stock	-	540.00	600.00	660.00	720.00
Production	32,400.00	36,000.00	39,600.00	43,200.00	46,800.00
	32,400.00	36,540.00	40,200.00	43,860.00	47,520.00
Less : Closing Stock(5 Days)	540.00	600.00	660.00	720.00	780.00
Net Sale	31,860.00	35,940.00	39,540.00	43,140.00	46,740.00
Sale Price per bucket	200.00	212.00	223.00	232.00	241.00
Sale (in Lacs)	**63.72**	**76.19**	**88.17**	**100.08**	**112.64**

BREAK UP OF LABOUR			
Particulars	Wages Per Month	No of Employees	Total Salary
Supervisor	12,000.00	1	12,000.00
Plant Operator	10,000.00	2	20,000.00
Unskilled Worker	5,000.00	1	5,000.00
Helper	2,000.00	1	2,000.00
Security Guard	6,000.00	1	6,000.00
			45,000.00
Add: 5% Fringe Benefit			2,250.00
Total Labour Cost Per Month			47,250.00
Total Labour Cost for the year (In Rs. Lakhs)		6	5.67

BREAK UP OF SALARY			
Particulars	Salary Per Month	No of Employees	Total Salary
Manager	12,000.00	1	12,000.00
Accountant cum store keeper	10,000.00	1	10,000.00
Sales	7,500.00	1	7,500.00
Total Salary Per Month			29,500.00
Add: 5% Fringe Benefit			1,475.00
Total Salary for the month			30,975.00
Total Salary for the year (In Rs. Lakhs)		3	3.72

COMPUTATION OF DEPRECIATION					
Description	Land	Building/shed	Plant & Machinery	Furniture	**TOTAL**
Rate of Depreciation		**10.00%**	**15.00%**	**10.00%**	
Opening Balance	Leased		-	-	-
Addition	-	6.00	2.01	1.50	9.51
	-	6.00	2.01	1.50	9.51
		-	-	-	
TOTAL		6.00	2.01	1.50	9.51
Less : Depreciation	-	0.60	0.30	0.15	1.05
WDV at end of Ist year	-	5.40	1.71	1.35	8.46
Additions During The Year	-	-	-	-	-
	-	5.40	1.71	1.35	8.46
Less : Depreciation	-	0.54	0.26	0.14	0.93
WDV at end of IInd Year	-	4.86	1.45	1.22	7.53
Additions During The Year	-	-	-	-	-
	-	4.86	1.45	1.22	7.53
Less : Depreciation	-	0.49	0.22	0.12	0.83
WDV at end of IIIrd year	-	4.37	1.23	1.09	6.70
Additions During The Year	-	-	-	-	-
	-	4.37	1.23	1.09	6.70
Less : Depreciation	-	0.44	0.19	0.11	0.73
WDV at end of IV year	-	3.94	1.05	0.98	5.97
Additions During The Year	-	-	-	-	-
	-	3.94	1.05	0.98	5.97
Less : Depreciation	-	0.39	0.16	0.10	0.65
WDV at end of Vth year	-	3.54	0.89	0.89	5.32

REPAYMENT SCHEDULE OF TERM LOAN						11.0%	
Year	**Particulars**	**Amount**	**Addition**	**Total**	**Interest**	**Repayment**	**Cl Balance**
I	Opening Balance						
	Ist Quarter	8.56	-	8.56	0.24	-	8.56
	Iind Quarter	8.56	-	8.56	0.24	-	8.56
	IIIrd Quarter	8.56	-	8.56	0.24	0.48	8.08
	Ivth Quarter	8.08	-	8.08	0.22	0.48	7.61
					0.93	0.95	
II	Opening Balance						
	Ist Quarter	7.61	-	7.61	0.21	0.48	7.13
	Iind Quarter	7.13	-	7.13	0.20	0.48	6.66
	IIIrd Quarter	6.66	-	6.66	0.18	0.48	6.18
	Ivth Quarter	6.18		6.18	0.17	0.48	5.71
					0.76	1.90	
III	Opening Balance						
	Ist Quarter	5.71	-	5.71	0.16	0.48	5.23
	Iind Quarter	5.23	-	5.23	0.14	0.48	4.76
	IIIrd Quarter	4.76	-	4.76	0.13	0.48	4.28
	Ivth Quarter	4.28		4.28	0.12	0.48	3.80
					0.55	1.90	
IV	Opening Balance						
	Ist Quarter	3.80	-	3.80	0.10	0.48	3.33
	Iind Quarter	3.33	-	3.33	0.09	0.48	2.85
	IIIrd Quarter	2.85	-	2.85	0.08	0.48	2.38
	Ivth Quarter	2.38		2.38	0.07	0.48	1.90
					0.34	1.90	
V	Opening Balance						
	Ist Quarter	1.90	-	1.90	0.05	0.48	1.43
	Iind Quarter	1.43	-	1.43	0.04	0.48	0.95
	IIIrd Quarter	0.95	-	0.95	0.03	0.48	0.48
	Ivth Quarter	0.48		0.48	0.01	0.48	0.00
					0.13	1.90	

Door to Door Period	60	Months
Moratorium Period	6	Months
Repayment Period	54	Months

CALCULATION OF D.S.C.R					
PARTICULARS	**I**	**II**	**III**	**IV**	**V**
CASH ACCRUALS	3.50	3.66	5.31	7.60	9.38
Interest on Term Loan	0.93	0.76	0.55	0.34	0.13
Total	4.42	4.42	5.86	7.94	9.51
REPAYMENT					
Repayment of Term Loan	0.95	1.90	1.90	1.90	1.90
Interest on Term Loan	0.93	0.76	0.55	0.34	0.13
Total	1.88	2.66	2.45	2.24	2.03
DEBT SERVICE COVERAGE RA	**2.35**	**1.66**	**2.39**	**3.54**	**4.68**
AVERAGE D.S.C.R.			**2.85**		

COMPUTATION OF ELECTRICITY				
(A) POWER CONNECTION				
Total Working Hour per day		Hours	8	
Electric Load Required		HP	30	
Load Factor			0.7460	
Electricity Charges		per unit	7.50	
Total Working Days			300	
Electricity Charges				4,02,840.00
Add : Minimim Charges (@ 10%)				
(B) DG set				
No. of Working Days			300	days
No of Working Hours			0.3	Hour per day
Total no of Hour			90	
Diesel Consumption per Hour			8	
Total Consumption of Diesel			720	
Cost of Diesel			65.00	Rs. /Ltr
Total cost of Diesel			0.47	
Add : Lube Cost @15%			0.07	
Total			**0.54**	
Total cost of Power & Fuel at 100%				4.57
Year		**Capacity**		**Amount**
				(in Lacs)
I		45%		2.05
II		50%		2.28
III		55%		2.51
IV		60%		2.74
V		65%		2.97

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