

Khadi and Village Industries Commission Mumbai

Project Profile on ALUMINIUM FABRICATION

Introduction :

Aluminium extruded sections are increasingly being used a window frames, door panels, staircases etc. Since the panels are available in multicolours, they are attractive, Aluminium Fabrication materials are of high demand in house and building construction due to its varied characterisations and low cost. Raw materials required for Aluminium Fabrication are Book type hand rail 4", square pipe, flats, sections, clip, class sheet etc.

Market Potential :

The development and construction activities being interlinked, there is a good scope for aluminium fabrication units for meeting the growing demand of new buildings for offices, business and shopping complexes, theatres etc. Aluminium fabricated and anodised items like doors, windows, railings, stair cases,shelves, ladders etc. are being increasingly used in the modern constructions on considerations of durability and appearance.

1 Name of the Product : ALUMINIUM FABRICATION

2 Project Cost :

a Capital Expenditure

Land	:		Rs.	Own
Workshed in sq.ft	:		Rs.	-
Equipment	:		Rs.	100,000.00

Bench drilling machine, Portable electric drill, Bench grinder, Workshop equipments.

Total Capital Expenditure		Rs.	100,000.00
b Working Capital		Rs.	165,000.00
TOTAL PROJECT COST :		Rs.	265,000.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	ALUMINIUM FABRICATION			997.00
	TOTAL	0.00	0.00	997.00

4 Raw Material : Rs. 576,000.00

5 Labels and Packing Material : Rs. 5,000.00

6 Wages (1-Skilled & 1-Unskilled) : Rs. 144,000.00

7 Salaries (MANAGER-1) : Rs. 120,000.00

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8	Administrative Expenses	:	Rs.	45,000.00
9	Overheads	:	Rs.	60,000.00
10	Miscellaneous Expenses	:	Rs.	12,000.00
11	Depreciation	:	Rs.	10,000.00
12	Insurance	:	Rs.	1,000.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	13,000.00
	b. W.C.Loan	:	Rs.	21,450.00
	Total Interest		Rs.	34,450.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	191,000.00
	Variable Cost		Rs.	806,450.00
	Requirement of WC per Cycle		Rs.	166,242.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	191.00	114.60	133.70	152.80
2	Variable Cost	806.00	483.60	564.20	644.80
3	Cost of Production	997.00	598.20	697.90	717.00
4	Projected Sales	1300.00	780.00	910.00	1040.00
5	Gross Surplus	303.00	181.80	212.10	242.40
6	Expected Net Surplus	293.00	172.00	202.00	232.00

- Note :
1. All figures mentioned above are only indicative.
 2. If the investment on Building is replaced by Rental then
 - a. Total Cost of Project will be reduced.
 - b. Profitability will be increased.
 - c. Interest on C.E.will be reduced.