

"KVIC- REGP-(Gramodyog Rojgar Yojana)"

Project Profile on R.C.C. Spun Pipe

Introduction

Reinforced cement concrete spun pipes upto 1000 mm dia are exclusively reserved for manufacture in the SSI sector. These pipes are widely used for water drainage,sewerage, culverts and irrigation. RCC pipes are classified as pressure and non pressure pipes viz. NP1, NP2, NP3, P1, P2, P3 for use in specific conditions. These pipes are made from cement, coarse and fine aggregate, sand, mild steel and HT rods and bars.

Process of Manufacture:The reinforced cage is first prepared on the cage-winding machine by hand process. The cage is then placed inside the pipe mould which is then hoisted up and mounted horizontally on the turn unions. It is rotated by driving shaft withvariable speed arrangement, the rotation is kept slow in the beginning and then the speed is increased. The concrete mixture for the RCC spun pipe is prepared in porportion of 1:2:5:2:5 of cement stone, metal and sand respectively. The cement concrete is fed into the moulds during rotation which spreads inside evenly. The time required for completion of this operation depends upon the diameter and class of the pipe. The pipes are kept in the mould for 24 hours.

1	Name of the Product :	R.C.C. Spun Pipe	
2	Project Cost :		
	a Capital Expenditure		Own
	Land	:	
	Workshed in sq.Mts 205	240	Rs. 48,000.00
	Equipment	:	Rs. 1,211,000.00
	Pipe moulding machine-1, Gauge winding machine-2,Concrete mixer-1, Collar winding drum with stand-2, Gantry with pull-push trolley-1, Testing equipments-LS, Collar moulds complete with end rings-40, Pipe moulds 100 mm to 600 mm-40		
	Total Capital Expenditure	Rs.	1,259,000.00
	b Working Capital	Rs.	550,000.00
	TOTAL PROJECT COST :	Rs.	1,809,000.00

3 Estimated Annual Production Capacity: (Rs. in 000)

Sr.No.	Particulars	Capacity in Running mts.	Rate	Total Value
1	R.C.C. Spun Pipe	200000.00		3459.26
TOTAL		200000.00	0.00	3459.26

4	Raw Material	:	Rs.	2,064,000.00
5	Labels and Packing Material	:	Rs.	200,500.00
6	Wages (3-Skilled & 4-Unskilled)	:	Rs.	567,000.00
7	Salaries Manager 1		Rs.	120,000.00

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8	Administrative Expenses	:	Rs.	144,000.00
9	Overheads	:	Rs.	80,000.00
10	Miscellaneous Expenses	:	Rs.	36,000.00
11	Depreciation	:	Rs.	123,500.00
12	Insurance	:	Rs.	12,590.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	163,670.00
	b. W.C.Loan	:	Rs.	71,500.00
	Total Interest		Rs.	235,170.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	476,260.00
	Variable Cost		Rs.	2,983,000.00
	Requirement of WC per Cycle		Rs.	576,543.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	476.26	285.76	333.38	381.01
2	Variable Cost	2983.00	1789.80	2088.10	2386.40
3	Cost of Production	3459.26	2075.56	2421.48	2469.11
4	Projected Sales	4240.00	2544.00	2968.00	3392.00
5	Gross Surplus	780.74	468.44	546.52	624.59
6	Expected Net Surplus	657.00	345.00	423.00	501.00

- 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.