

KVIC- PMEGP

PROJECT PROFILE ON HIGH DUTY IRON CASTINGS

Introduction :

High duty cast irons are inoculated with calcium silicide. It is essentially a gray iron containing free graphite which is graphitised in a controlled manner in the ladle. Also known as Mechanite iron castings for its properties like ductility, high resistance to shock, toughness is widely used in the manufacture of agricultural implements, machine tool beds etc.

1 Name of the Product : HIGH DUTY IRON CASTING

2 Project Cost :

a Capital Expenditure

Land	:		Rs.	Own
Work shed in sq.ft	RENTED	0	Rs.	-
Equipment	:		Rs.	933,000.00

Rotary Furnace of 1MT cap. With 5HP motor, Core sand mixer Cap.1000 kgs with 3HP. Motor, Muller machine 100 kg Cap, Moulding Machine with 3 HP Motor, Coal fired core baking furnace of 2mx2mx3.5m, 6"Lathes with 8HP motor, 1"Cap Drill machine with motor, 8"Cap Wheel double ended grinder with motor, Flexible shaft grinder with motor, Hardness Testing Machine, Weighing Balance, Thermocouple, Chemical Testing Equipment, Diesel Generating Set of 15 KVA, Electrification & Installation charges @ 10% cost of Plant & Machinery, Cost of Dies, Tool, Pattern and Fixtures etc, Cost of Moulding Boxes, ladle etc, Office equipment, furniture etc, Pe-operative Expenses etc.

Total Capital Expenditure	Rs.	933,000.00
b Working Capital	Rs.	1,200,000.00
TOTAL PROJECT COST :	Rs.	2,133,000.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	HIGH DUTY IRON CASTING	72.00		7192.62
TOTAL		72.00	0.00	7192.62

4	Raw Material	:	Rs.	4,440,000.00
5	Labels and Packing Material	:	Rs.	300,000.00
6	Wages (5-Skilled & 4- Unskilled)		Rs.	750,000.00
7	Salaries (1- Manager)		Rs.	120,000.00

PAGE (2)

8	Administrative Expenses	:	Rs.	300,000.00
9	Overheads	:	Rs.	720,000.00
10	Miscellaneous Expenses	:	Rs.	276,000.00
11	Depreciation	:	Rs.	93,300.00
12	Insurance	:	Rs.	9,330.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	121,290.00
	b. W.C.Loan	:	Rs.	156,000.00
	Total Interest		Rs.	277,290.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	826,620.00
	Variable Cost		Rs.	6,366,000.00
	Requirement of WC per Cycle		Rs.	1,198,770.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	826.62	495.97	578.63	661.30
2	Variable Cost	6366.00	3819.60	4456.20	5092.80
3	Cost of Production	7192.62	4315.57	5034.83	5117.50
4	Projected Sales	7920.00	4752.00	5544.00	6336.00
5	Gross Surplus	727.38	436.43	509.17	581.90
6	Expected Net Surplus	634.00	343.00	416.00	489.00

- Note :
- 1.All figures mentioned above are only indicative.
 - 2.This is model project profile for guidance
 - 3.Cost of Project, and its profitability will be changed depends on the area, availability of raw Material, man power, power requirement and various other factors etc..