

KVIC- PMEGP

PROJECT PROFILE ON PHOSPHOR BRONZE BUSHES

Introduction

An alloy of copper with other elements like Tin & Phosphorus is called phosphor bronzes generally phosphor bronze contains Tin up to 10-12% and Phosphorus up to 0.3% apart from copper & other elements. Addition of Phosphorus improves foundry properties raises hardness, strength elastic properties & specially corrosion resistance and anti friction properties which makes it suitable & making bushes where antifriction properties alongwith strength are required. Phosphor Bronze Bushes have wide applications in engineering marine & automobile industries.

Name of the Product : **PHOSPHOR BRONZE BUSHES**

2 Project Cost :

a Capital Expenditure

Land

:

Own

Work shed sq.mtrs

0

Rs.

Equipment

:

Rs.

292,000.00

(1)Oil fired tilting furnace with graphite crucible ,100 kg capacity with 2 HP motor blower & Burner (2)F/c oil tank with pipe line connection and immersion heater. (3)Precision lathe m/c 4ft. (4)Bench Grubber 1P Motor (5)Weighing machine 100kg capacity (6)Misc Tools & Accessories (9)Office equipment (10)Installation & Electrification charges @10% of above.

Total Capital Expenditure

Rs.

292,000.00

b Working Capital

Rs.

1,275,000.00

TOTAL PROJECT COST :

Rs.

1,567,000.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in tons	Rate	Total Value
1	PHOSPHOR BRONZE BUSHES	25.00	295235.00	7605.88
TOTAL		25.00	295235.00	7605.88

4 Raw Material

:

Rs.

6,552,000.00

5 Labels and Packing Material

:

Rs.

35,000.00

6 Wages (3-Skilled & 3-Unskilled)

:

Rs.

432,000.00

7 Salaries -1 manager

Rs.

120,000.00

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8	Administrative Expenses	:	Rs.	100,000.00
9	Overheads	:	Rs.	95,000.00
10	Miscellaneous Expenses	:	Rs.	65,000.00
11	Depreciation	:	Rs.	29,200.00
12	Insurance	:	Rs.	2,920.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	37,960.00
	b. W.C.Loan	:	Rs.	165,750.00
	Total Interest		Rs.	203,710.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	325,880.00
	Variable Cost		Rs.	7,279,750.00
	Requirement of WC per Cycle		Rs.	1,267,605.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	325.88	195.53	228.12	260.70
2	Variable Cost	7280.00	4368.00	5096.00	5824.00
3	Cost of Production	7605.88	4563.53	5324.12	5356.70
4	Projected Sales	8370.00	5022.00	5859.00	6696.00
5	Gross Surplus	764.12	458.47	534.88	611.30
6	Expected Net Surplus	735.00	429.00	506.00	582.00

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..