

KVIC- PMEGP

PROJECT PROFILE ON FORGING BLANKS FOR SPUR GEARS

Introduction

Forging blanks for spur gears are made of low carbon . Alloy steel . These blanks are used to make spur gears for engine or gearboxes . Sufficient machining tolerances are added in the dimensions of the forging blanks.

Name of the Product : **FORGING BLANKS FOR SPUR GEARS**

2 Project Cost :

a Capital Expenditure

Land

:

Own

Work she sq.mtrs

0

Rs.

Equipment

:

Rs.

1,327,900.00

(1)Pneumatic power Hammer (capacity 300kgs with 20HP motor (2)Trimming power press 40 to capa-3HP motor(3)Oil fired pre-heating furnace to be used for annealing. Normalizinnnnng etc with 5HP Motor (4)Shot blastig chambers-7.5HP motor(5)Power Hacksaw 1HP motor (6)Rockwell hardness tester(7)Double ended pedestal grinser 2HP motor (8)Platform type wighing m/c500KGS (9)Forgingdies, tools & Equipment(10)Instalation&Electrification @10% of above(11)Office equipment.

Total Capital Expenditure

Rs.

1,327,900.00

b Working Capital

Rs.

460,000.00

TOTAL PROJECT COST :

Rs.

1,787,900.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in NOS	Rate	Total Value
1	FORGING BLANKS FOR SPUR GEARS	15000.00	183.00	2748.91
TOTAL		15000.00	183.00	2748.91

4 Raw Material

:

Rs.

1,344,000.00

5 Labels and Packing Material

:

Rs.

25,000.00

6 Wages (6-Skilled & 6-Unskilled)

:

Rs.

864,000.00

7 Salaries -1 manager

Rs.

120,000.00

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8	Administrative Expenses	:	Rs.	85,000.00
9	Overheads	:	Rs.	40,000.00
10	Miscellaneous Expenses	:	Rs.	25,000.00
11	Depreciation	:	Rs.	132,790.00
12	Insurance	:	Rs.	13,279.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	172,627.00
	b. W.C.Loan	:	Rs.	59,800.00
	Total Interest		Rs.	232,427.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	415,906.00
	Variable Cost		Rs.	2,332,800.00
	Requirement of WC per Cycle		Rs.	458,118.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	415.91	249.54	291.13	332.72
2	Variable Cost	2333.00	1399.80	1633.10	1866.40
3	Cost of Production	2748.91	1649.34	1924.23	1965.82
4	Projected Sales	3100.00	1860.00	2170.00	2480.00
5	Gross Surplus	351.09	210.66	245.77	280.88
6	Expected Net Surplus	218.00	78.00	113.00	148.00

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..