PROJECT PROFILE
ON
PRESSED COMPONENTS
(Stainless Steel Plate, Glass and Spoons)

NAME OF THE PRODUCT	**PRESSED COMPONENTS (Stainless Steel Plate, Glass and Spoons)**
PRODUCTION CAPACITY	**The production capacity of the unit at 75% capacity utilisation.**
MONTH & YEAR OF PREPARATION	**JUNE, 2020**
PREPARED BY	**MSME - Development Institute, Ministry of Micro, Small & Medium Enterprises, Government of India Narasapur X Roads,Balanagar, Hyderabad-500037. Tele. 040-23078131/132/133 email: dcdi-hyd@dcmsme.gov.in Website: msmehyd.ap.nic.in**

PROJECT PROFILE ON PRESSED COMPONENTS

(Stainless Steel Plate, Glass and Spoon Items)

A. Introduction

Stainless steel offers industry-leading durability — simply put, the material is strong and holds its shape. It is highly resistant to impact and structural damage, and the rigidity of the steel is preserved with a broad temperature range (up to roughly 1400 degree Fahrenheit, at the top end).If you purchase stainless steel, you can count on it to last for a very long time. Replacements are generally not necessary (assuming adequate maintenance), except where the business requires new equipment for additional functionality.Stainless steel is resistant to corrosion, whether rust-based or otherwise. As such, stainless steel is perfectly suitable for a wide range of environments — it's worth noting, however, that despite being corrosion-resistant, there are still certain chemical environments that may pose a problem for stainless steel equipment. Speak with the vendor for more details about the limitations, and how you can avoid exposing your new stainless steel equipment to those corrosion risks.

Unlike other popular materials, such as wood, grooved plastic, and various metal alloys (like aluminum), stainless steel retains a smooth and even surface quite easily. So long as you properly maintain the steel, there will be very few dips, crevices, and grooves that form in the steel. This makes it much easier to keep the steel clean, as there is less opportunity for dirt, oil, and dust capture — further, bacteria will not have an opportunity to grow and thrive in these hidden areas.Because stainless steel equipment is so durable, and can be maintained in tip-top condition for a long time, it tends to hold substantial resale value. This makes it a fairly safe and reasonable investment, even if you're not sure whether you'll have to replace the equipment with new equipment at a later date.For example, suppose that you are just getting started with your pizzeria, and aren't ready to purchase a brick oven setup yet. Instead, you'd like to purchase a stainless steel convection oven as a stop-gap measure. The price of the "stainless steel" oven is rather high, however, so you're worried about whether the investment is sensible given that you're likely to replace it at a later date. Fortunately, because stainless steel equipment holds its resale value fairly well, you can simply sell the convection oven later, defraying your costs significantly.

B. Market Potential

Stainless-Steel Cooking Utensils. Stainless-steel cooking utensils are designed with a blend of strength and beauty. The durable metal holds up to heat, cold and multiple uses, yet it has a shine that continues to glow impressively even over time.Stainless steel equipment is fairly commonplace, so you're most likely not going to run into issues with finding vendors with the requisite stainless steel equipment on sale. If you can't think of any reasons to go for an alternative material, it may be worth purchasing stainless steel equipment as the "default" choice, assuming that you have sufficient capital.Industry Insights. India is the 2 nd largest steel producer in the world and also approaching towards a full quality regime.The global stainless steel market size was valued at USD 93.69 billion in 2018 and is expected to witness a CAGR of 5.2% from 2019 to 2025. Rising demand from end-use industries such as automotive, oil and gas, and construction is anticipated to propel the growth.

C. BASIS & PRESUMPTIONS:

The unit is expected to work 8 hours a day and for 300 days in a year and the details are worked out accordingly.

D. IMPLEMENTATION SCHEDULE:

The following steps involves in the implementation of the project:-

I. Preparation of Project Report-

a) Inviting quotation :	2 Weeks
b) Project Report Preparation :	1 Weeks
c) Financial arrangement :	4 Weeks
d) Purchase and Procurement of machinery :	2 Weeks
e) Installation, Electrification of machine :	2 Weeks
f) Production Trials :	1Weeks
Total Implementation period :	3 months

E. TECHNICAL ASPECTS:

1. Process of Manufacture:

The process of manufacture comprises of the following operations –

- Sheets of finally required gauge are obtained from cold rolling mills or from the traders.
- These sheets are cut into the shapes of square blank of circles.
- These circles blank sheets are annealed before sending them for further processing.
- Feeding circles to press / spinning.
- Pressing different items.
- Spinning operation for different items.
- Surface finishing.
- Storing and dispatch.

2. Quality Control & Specification

Stainless flatware that is 18/10 means that 18 percent is chromium and 10 percent is nickel. The higher the nickel content, the more protection the flatware has from corrosion. The prices of stainless steel flatware vary considerably depending on these specs and quality. It should

be noted that even the best stainless steel flatware is subject to occasional pitting and corrosion that can sometimes cause blemishes. These can often be removed with a stainless steel cleaner, but pitting, chipping, or rusting sometimes cannot be removed.

Indian Stainless Steel Development Association (ISSDA), an apex body representing the stainless steel industry has said the recent government decision to introduce a Stainless Steel Quality Control Order (QCO), 2016 is mandatory for the stainless steel manufacturer --be it a domestic or foreign producer --rather than the end user."Manufacturers would henceforth have to go in for BIS marking on the relevant grades. This provision will be applicable to all stainless steel products falling under the above mentioned standards, whether it is manufactured in India or is being imported into India. Although the QCO refers to the HS Codes, these are only indicative in nature.

3. Production capacity (per annum)

This project proposes to manufacture Stain less utensils in a single factory and envisages an annual production of 30 MT of domestic SS utensils. The promoter can choose the profile according to their needs and capacity.

4. Total Power requirement - 2 KW

5. Pollution Control
NOC from PCB should be obtained.

6. Energy Conservation
Suitable efficient electrical motors should be used in machines with suitable shunt capacitors.LED lighting, Solar/wind energy may be adopted .

F. FINANCIAL ASPECTS

i) Fixed Capital

Land : Rented Building Shed 1500 Sq.ft Rs. 15,000

ii) Machinery & Equipment

Sl. No.	Description	Qty.	Amount (Rs.)
1.	Hand operated sheering Machine 900 mm	1	25,000
2.	Spinning Lathe Centre height 350 mm	1	50,000
3.	Electronic weighing Machine up to 1000 kg capacity	1	25,000
4.	Hand fly press No. 4 for light punching	1	1,15,000

5.Double action deep drawing power press 100 MT		
with 15 HP motor, starter etc.	1	2,50,000
6.Circular cutting,	1	35,000
7.Annealing plant	1	50,000
8.Centre Lathe 2.5 M bed	1	60,000
9.Piller drilling machine 25 mm capacity	1	15,000
10.Arc Welding Transformer 300 Amps	1	25,000
11.Bench Grinder 200 X 25 mm wheel size	1	7,500
12.Installation & Electrification		50,000
13.Pre-operative expenses		25,000
Total		7,32,500

Tools & Dies

Deep drawing dies	50,000
Spinning dies	20,000
Acid Tank	10,000
Spinning tools	15,000
Measuring & Testing equipments	15,000
Total	1,10,000

Furniture:

1. Working Tables	15,000
2. Office Furniture	25,000
Total	40,000

iii. WORKING CAPITAL (per month):

(a) Personnel:

Designation	No.	Salary	Total (Rs.)
Engineer	1	15000	15,000

Supervisor	1	10000	6,000
Skilled worker	2	7000	14,000
Semi-skilled Worker	2	6000	12,000
Peon	1	4500	3,500
Watchman	1	4500	3,500
Total:			53,000

(b)Raw material including packaging materials (per month):

Prices for Stainless Steel Cold Rolled Sheets – 1.0mm to 3.0mm – is approx. Rs. 285/kg.
2500kgs x 285= 7,12,500/-

(c) Utilities (per month): 1. Electricity Charges Rs.20,000/-

iv. Other contingent expenses (per month):

1 Rent	15,000/-
2 Repair & Maintenance	10,000/-
3 Consumables	10,000/-
4 Transportation & conveyance	10,000/-
5 Advertisement	2,000/-
6 Postage & Stationery	2,000/-
7 Misc. expenses	2,000/-
Total:	51,000/-

<u>v. Total recurring expenditure (per month)</u>

1. Personnel	53,000/-
2. Raw Materials	7,12,500/-
3. Utilities	20,000/-
4. Other Contingent Expenses	51,000/-
Total:	8,37,000.

<u>vi. TOTAL CAPITAL INVESTMENT</u>

I. Fixed Capital	8,82,500/-
II. Working Capital	8,37,000/-
Total:	17,19,500/-

G. FINANCIAL ANALYSIS:

1. Cost of production (per annum)

Total Recurring expenditure	1,00,44,000/-
Depreciation on machinery and equipment @ 10%	73,250/-
Depreciation on office furniture & fixture @ 20%	30,000/-
Interest on capital investment @ 11%	1,89,145/-
Total :	1,03,36,395/-

2. Turnover (per annum):

Item	Qty.	Rate (Rs.)	Value (Rs.)
Finished Utensils	30 MT	385/kg	1,15,50,000/-

3. NET PROFIT: (p.a.)

Turn Over (-) Cost of Production = net profit

1,15,50,000 - 1,03,36,395= 12,13,605

4. Net Profit ratio:

Profit/annum X 100

Turnover/Annum

12,13,605 x 100/1,15,50,000 =10.50

5. Rate of Return:

Net Profit/annum X 100 /Total Capital Investment

12,13,605 x 100/17,19,500 =70.5%

6. Break even Analysis:

i. Fixed cost

1. Rent	Rs. 15,000/-
2. Total depreciation	Rs. 1,03,250/-
3. Interest on total capital investment @ 11%	Rs. 1,89,145/-
4. 40% of Salary & Wages	Rs.21,200/-
5. 40% of other contingent expenses (excluding rent)	Rs. 14,400/-
Total=	Rs.3,27,995/-

ii. Break even point

Fixed Cost X 100 / Fixed Cost + Profit

3,27,995x100/3,27,995+ 12,13,605 = 21.27

ADDRESSES OF MACHINERY & EQUIPMENT SUPPLIERS:

- M/s Shubh Machinery Corporation Pvt. Ltd.,
  15, Bank Street, Fort, Mumbai-1.
- M/s G.D. Iron & Metal Works, P.B. No. 6, D.B. Nanak Road, Batala. -do
- M/s Henco Corporation, 308, Bazar Gate Street, Mumbai-1. -do
- M/s Quality Machine Tools, 25, Hampur Street, Fort, Mumbai-1. -do
- M/s Deep Industrial Corporation, 510, Deep Road, Industrial Area, B, Ludhiana-3. -do
- M/s R. K. Machine Tools (P) Ltd., Industrial Area-A, Ludhiana-3. -do
- M/s Batliboi Co., (P) Ltd., 26/59, Birhana Road, Kanpur. For Furnace, Oven Pyrometer etc.
- M/s M umbai Furnace (P) Ltd., Meera , Thana, Maharashtra. -do
- M/s New Standard Engg. Co. Ltd., N.E.S. Estate, Goregaon, Mumbai-43. -do
- M/s Wesman Engg. Co. (P) Ltd., Peddar Road, Mumbai-20. -do

Raw Material Suppliers

1. Jindal Centre
12, Bhikaiji Cama Place,
New Delhi - 110 066, INDIA.

2. Salem Steel Plant
Salem 636013
Tamilnadu

3. Navpad Steel Cetre
Shop No. 1A, Lehri Mansion, 236/240,
S.V.P. Road, Mumbai-400004,

4. Anita steel and Metals
97, Khetwadi Main Road, Nanu Bhai Desai
Road, Shop No. 2, Hira Building,
Mumbai-400 004, Maharashtra, India.

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