



1. PROJECT PROFILE ON ALUMINUM FURNITURE

Category : Manufacturing

Total Cost of Project : Rs. 5,50,000/-

BEP : 60 %

I. INTRODUCTION OF BUSINESS IDEA :

Aluminum furniture is becoming very popular due to the expansion of civilization & modern out look of living. The reasons for increasing popularity are because of its attractive finish, design, light weight, compactness & resistance to weather and also cost factor in comparison to conventional furniture.

II. PRODUCT AND ITS APPLICATIONS :

Chairs and cots are proposed to be manufactured which are useful for domestic as well as office purposes.

III. MARKET POTENTIAL :

The coastal belt market potential for Aluminum furniture is increasing day-by-day. Various design & types of Aluminum furniture being manufactured are needed by everybody. Apart from the house-hold use, Aluminum furniture is being used in Railway, Defense & other offices etc. Further there is ever increasing demand due to expansion of housing scheme etc.

IV. CAPACITY / REVENUE :(1ST YEAR)

It is proposed to manufacture 300 chairs approximately (1.5 Kg each) and 100 cots approximately (4.5 Kg each) out of one metric tone of extrusions per month on single shift basis.

Sl. No.	Product	Nos	Rate Per unit	Sales Amount
01	Chairs	3,500	400	14,00,000
02	Cot	1,000	2,000	20,00,000
	Total			34,00,000

V. MANUFACTURING PROCESS & QUALITY :

Aluminum tubes & sections are cut to the required sizes required shape is done on the tube bending machine & holes are drilled. Thereafter, they are joined by rivets & bolts or self threaded screws. Material used for making seat & back of chair is generally either Nylon strips or synthetic strips or PVC Nylon canvas cloth or Aluminum sheets. For table or stool, tops are made either aluminum sheets or laminated sheets. For cots also, Nylon strips are used. Aluminum furniture is sold either buffed or with anodized finishing. For anodizing, one can have anodizing plant of his own costing about 2.50 lakhs investment depending upon the required capacity. For the proposed unit anodising considered on hire basis.



VI. COST OF PROJECT AND MEANS OF FINANCE, INCLUDING WORKING CAPITAL REQUIREMENTS :

A. COST OF PROJECT :

Sl. No.	Particulars	Amount (Rs.)
1	Equipments	3,17,000
2	Preliminary and preoperative expenses	10,000
3	Deposits	10,000
5	Working Capital Requirements	2,13,000
	Total	5,50,000

B. MEANS OF FINANCE:

Sl. No.	Particulars	Amount (Rs.)
1	Loan @ 75%	4,10,000
2	Equity	1,40,000
	Total	5,50,000

C. WORKING CAPITAL REQUIREMENT :

Sl. No.	Particulars	Basis	Period	Amount (Rs.)
1	Raw-material	18,00,000/12 x 1	1/2 month	75,000
2	Finished goods	25,00,000/12 x 1/4	1 month	52,000
3	Bills receivables	34,00,000/12 x 1/2	1/2 month	71,000
4	Working exp		1m	15,000
	Total			2,13,000

VII. MAIN INPUTS REQUIREMENT :

A. EQUIPMENTS :

Sl. No.	Particulars	No.	Rate	Total Cost
01.	Shearing Machine	1	40,000	40,000
02.	Lathe Machine	1	60,000	60,000
03.	Bench Drilling Machine	1	15,000	15,000
04.	Hand operated Hydraulic pipe bending Machine	2	25,000	50,000
05.	Horizontal Metal Bend Saw Machine	1	20,000	20,000
06.	Double ended bench grinder	1	12,000	12,000
07.	Punching Machine	1	10,000	10,000
08.	Buffing Machine 3 HP Motor	2	25,000	50,000
09.	Other fixed Assets(Tools & Accessories, Electrification, & Installation, Furniture)		60,000	60,000
	Total			3,17,000

**B. RAW-MATERIALS :**

Sl. No.	Particulars	Qty	Monthly consumption	Total Cost Yearly (Rs.)
1	Aluminum Extrusion different size	12 MT	90,000	10,80,000
2	Aluminum Fasteners, Hinges, rivets etc	2 T	25,000/-	3,00,000
3	Nylon strips & Synthetic strips for chairs & cots		25,000/-	3,00,000
4	Packing Material			1,20,000
	Total			18,00,000

C. UTILITIES :

Sl. No.	Particulars	Monthly Charges (Rs.)	Annual Charges (Rs.)
1	Electricity	8,000	96,000
2	Water charges	250	3,000
	Total		99,000

D. MAN-POWER REQUIREMENT :

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
01	Skilled workers	6	8,000	5,76,000
02	Sales man	2	6,000	1,44,000
03	Helper	2	5,000	1,20,000
	Total			8,40,000

E. MAIN INFRASTRUCTURE REQUIREMENT :

Building	Built up space 750 sq.ft rented.
Power	10 H P power connection is required.
Water	Water is required for general purposes.

VIII. PROFITABILITY PROJECTION (ANNUAL) :

Particulars	Basis	Amount (Rs.)
Sales Revenue (Projected)	Ref : IV	34,00,000
Raw Materials	Ref : VII B	18,00,000
Man power expenses	Ref : VII D	840,000
Utilities	Ref : VII C	99,000
Interest	@ 12%	49,000
Depreciation	15 % SLM	48,000



Overheads (rent and maintenance etc.)		3,00,000
Total Expenses		31,36,000
Profit		2,64,000

IX. FINANCIAL INDICATOR :

Break Even Point FC ----- x 100 SR-VC	3,97,000 ----- x 100 6,61,000	60%
Payback period COP ----- Profit + Deprn.	5,50,000 ----- 3,12,000	1 Year 9 months

X. ADDRESSES :

SUPPLIERS OF MACHINERY / EQUIPMENTS :

Ashok Enterprises,
20, 3rd cross, HDUDA industrial estate,
Hubli-30
Ph: 0836-2333497.

SUPPLIERS OF RAW MATERIAL :

Padmavati Aluminum,
Shop A/1/8, LGF satellite complex,
Koppikar Road, Hubli -20
Ph: 0836 - 2360791.