

**Commissioner of Industries
Hyderabad
Andhra Pradesh**

Vinyl Coated Steel & Aluminium

1. Nature of Product and Its Applications:

National Metallurgical Laboratory (NML), Jamshedpur has developed a process for preparation of vinyl coated steel and aluminium. This product finds application in buses, coaches and offices, electrical ducting, electrical and electronic equipment casing etc.

2. Market Potential:

The process is stabilized at bench scale and it is not yet commercialised by the laboratory. Since the product is not available in the market, there is no data available on the demand and supply position. Therefore, it is not possible to estimate the market for the product.

3. Installed Capacity:

A plant with capacity of 12000 sq.Mtrs of coated sheet (1 mm thickness) is considered on the following basis:

Production Capacity	40 Sq. Mtrs/day
No. of working	300 days
No. of shifts	1
Capacity Utilisation	85% in 3rd year

4. Raw Materials:

The major raw materials required for the proposed unit are:

- a) PVC co-polymer
- b) Pigments
- c) Solvents
- d) Plasticizers

PVC copolymers cost about Rs.44 per Kg. Pigments and solvents don't cost much. The above raw materials are available with chemical suppliers/dealers in major cities.

5. Technology/Manufacturing Process:

Manufacturing process of vinyl coated steel and aluminium comprises of pre-treatment of sheets, chromating and phosphating of sheets an application of primer coat followed by backing at appropriate temperature.

The primer is based on poly vinyl chloride co-polymer, phthalate plasticizers, pigments and heat and light stablizers.

6. Plant And Machinery:

6.1 Major Equipments:

The major plant equipments and machinery required are:

- a) Ms & SS Tank
- b) Spray drier & Spray Gun
- c) Air Compressor
- d) Oven
- e) Ball Mill
- f) Weighing machine
- g) MS Tanks 3 Nos.
- h) Blower
- i) Pumps

6.2 Suppliers of Equipments:

- i) Enfab,
C-2, II Floor, Shanti Niwas,
Mettuguda, Secunderabad - 17.
- ii) Hiranya Chem Elec Equipment (p) Ltd.,
D-64, P-123, Ph-V,
IDA, Jeedimetla, Hyderabad - 55.
- iii) Chem project Engineers,
Plot No.B-35, BHEL-AIE, R C Puram,
Hyderabad - 500 032.

7. Location:

Nearness to the market, availability of raw materials, skilled and cheap labour and infrastructure facilities shall be the main consideration for the location of the proposed project.

8. Infrastructure:

Manpower : 11 Nos.
Power : 10 HP

9. Cost Of The Project And Means Of Finance:

Cost Of The Project:

	Particulars	Rs. Lakhs
a)	Land & Land development(410 Sq.Mts)	0.50
b)	Building & Civil construction(150 Sq.Mts)	2.48
c)	Plant and Machinery	11.00
d)	Miscellaneous Fixed assets	0.25
e)	Preliminary & Pre-operative Expenses	0.91
	Total fixed capital	15.14
	Working Capital Margin	0.63
	Total Project Cost	15.77

Total Working capital required in 1 year : Rs. 1.99 Lakhs

Means of Finance: (Rs. Lakhs)
 - Promoter's Contribution : 5.93
 - Term Loan : 9.84

10. Annual Operating Expenses:

Assumed Operation @ 85% of Installed Capacity in 3rd year:

	Particulars	Rs. Lakhs
a)	Raw Material	5.47
b)	Packaging Material & Consumables	0.32
c)	Utilities	0.31
d)	Salaries & Wages - prodn.	1.96
e)	Factory Overheads	0.22
f)	Admn. & Management Expenses	0.56
g)	Financial Expenses :	1.19
	Interest on Term Loan	0.33
	Interest on Working Capital	
h)	Depreciation	0.61
i)	Selling Expenses	10.97

Net Sales realisation : Rs.16.32 Lakhs
 Pre-tax Profit : Rs. 5.35 Lakhs

a) Break Even Point @85% Cap. Utilisation : 30.68%
 b) Rate of return on Investment before taxes : 33.93%