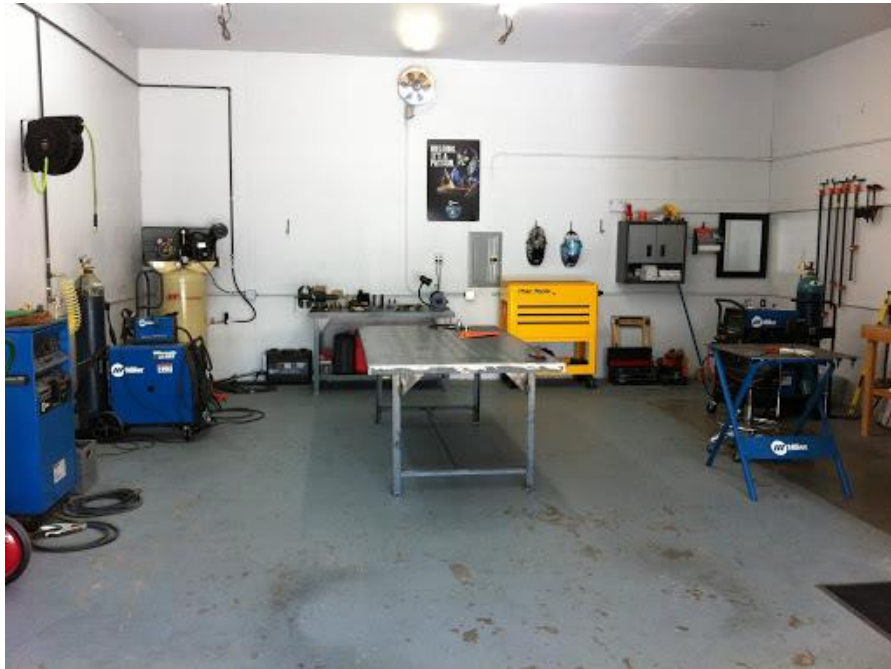


PROJECT REPORT FOR WELDING WORKSHOP



PROMOTER:

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

PROJECT LOCATION:

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

PREPARED BY:

DOWNLOAD PROJECT REPORT.COM
1 187/67, GROUND FLOOR, GRUHALAXMI,
J.M. ROAD, NEAR BALGANDHARVA CHOWK,
PUNE, MAHARASHTRA 411005.

CONTENT

CHAPTER NO.	PARTICULAR
I.	PROJECT AT A GLANCE
II.	ABOUT THE PROJECT
III.	PROFILE OF PROMOTER
IV.	ECONOMICS OF THE PROJECT
A.	TOTAL COST OF THE PROJECT & MEANS OF FINANCE
B.	PROFITABILITY STATEMENT
C.	CASH FLOW STATEMENT
D.	BALANCE SHEET
E.	CAPITAL ACCOUNT
F.	INCOME
G.	EXPENSES
H.	FIXED ASSETS AND DEPRECIATION
I.	TERM LOAN REPAYMENT AND INTEREST THEREON
J.	WORKING CAPITAL

Project For:
WELDING WORKSHOP

I. PROJECT AT A GLANCE

1. About the Promoter : Mr. Akash Sanjay Suryawanshi
Project Location: Maharaja Pratap Chowk
Chandur bazaar, Dist –Amaravti-444704
DOB: 13/10/1992
2. Project Cost : Rs. 5.02 Lakhs
3. Mean of Finance
- A) T. L. facility from Bank : Rs. 2.85 Lakhs
 - B) Beneficiary contribution : Rs. 0.25 Lakhs
 - C) C.C. facility from Bank : Rs. 1.92 Lakhs
 - D) Subsidy under PMEGP Scheme : Rs. 1.76 Lakhs
5. Rate of Interest : 11.00% Per Annum
6. Repayment : 60 monthly instalments, EMI @ 0.06 Lakhs
7. Nature of Project : Welding Workshop
8. Employment Potential : 5 Nos
9. Nature of the Firm : Proprietary Firm
10. Average Debt Coverage ratios : **2.97**

<i>Project For:</i> WELDING WORKSHOP
--

II. ABOUT THE PROJECT

INTRODUCTION

The project is for manufacture of simple engineering spares and for undertaking job work on lathe for turning and welding requirements.

MARKET

The market for Welding workshop has got wide scope due to fast growth of industrialisation, especially in the service sector. Spares for automobile parts, machine parts, etc can be manufactured. In tribal areas non-availability of spare parts is also creating problems. There is market especially in important centres

MANUFACTURING PROCESS

The manufacturing process depends upon the type of job. Generally, the job includes raw material, cutting, drilling, turning & facing, milling & parting off, inspection and despatch. Diploma in Mechanical Engineering (DME) and ITI (Turner Trade) trained persons can establish these kind of units for self-employment.

<i>Projections for:</i> WELDING WORKSHOP
--

IV. ECONOMICS OF THE PROJECT

A. TOTAL COST OF THE PROJECT

(Rs. Lacs)

S.No.	Particulars	Total	Spent	Bal. To be spent
A.	Fixed Cost			
1	Machineri, Equipments Shed & Furniture	3.00	-	3.00
		3.00		3.00
B	Working Capital	2.02	-	2.02
	TOTAL COST OF THE PROJECT	5.02		5.02

MEANS OF FINANCE

a) Own Contribution (5%)	0.25
b) T L facility from Bank (95%)	2.85
c) CC facility from Bank (95%)	1.92
	5.02
C) Subsidy Entitlement Under CMEGP scheme @ 35%	1.76

Projections for:
WELDING WORKSHOP

B. PROFITABILITY STATEMENT

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Income	10.08	11.52	12.67	13.94	15.33	16.87
2	Expenses	9.18	9.82	10.51	11.04	11.59	12.17
3	Int. on TL	0.29	0.24	0.18	0.12	0.04	-
4	Depreciation	0.45	0.38	0.33	0.28	0.23	0.20
5	Profit after int. & dep.	0.16	1.08	1.65	2.51	3.46	4.50
6	Income Tax	-	-	-	-	0.35	0.45
7	Profit after Tax	0.16	1.08	1.65	2.51	3.12	4.05
8	Add : Depreciation	0.45	0.38	0.33	0.28	0.23	0.20
9	Add : Interest on TL	0.29	0.24	0.18	0.12	0.04	-
10	Cash Accruals	0.90	1.70	2.16	2.90	3.39	4.25
11	Repayment of TL with Interest	0.74	0.74	0.74	0.74	0.74	-
12	DSCR	1.21	2.28	2.90	3.90	4.57	-
13	Average DSCR	2.97					
14	Net Profit to total receipts	1.58	9.35	13.04	17.99	20.33	23.99

<i>Projections for:</i> WELDING WORKSHOP
--

C. CASH FLOW STATEMENT

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
A	Inflow :						
1	Cash flow from Opration	0.90	1.70	2.16	2.90	3.39	4.25
2	T.L. from Bank	2.85					
3	CC from bank	1.92					
4	Own contribution	0.25					
5	Subsidy	1.76					
	Total (A)	7.67	1.70	2.16	2.90	3.39	4.25
B	Outflow:						
1	Fixed Assets	3.00	-	-	-	-	-
2	Repay of TL	0.74	0.74	0.74	0.74	0.74	-
3	Drawings	0.25	0.28	0.30	0.33	0.37	0.40
	Total (B)	3.99	1.02	1.05	1.08	1.11	0.40
	Summery:						
	Op. Cash & Bank Bal.	-	3.68	4.36	5.47	7.29	9.58
	Surplus / (Deficit)	3.68	0.68	1.11	1.82	2.29	3.84
	Cl. Cash & Bank Bal.	3.68	4.36	5.47	7.29	9.58	13.42

Projections for:
WELDING WORKSHOP

D. BALANCE SHEET

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
A ASSETS :							
1	Fixed Assets :	2.55	2.17	1.84	1.57	1.33	1.13
2	Investments	-	-	-	-	-	-
3	Current Assets	3.68	4.36	5.47	7.29	9.58	13.42
4	Loans & Advances	-	-	-	-	-	-
	Total (A)	6.23	6.52	7.31	8.86	10.91	14.55
B LIABILITIES:							
1	Capital	1.92	2.72	4.07	6.24	8.99	12.64
2	Secured loans	2.40	1.89	1.33	0.70	-	-
3	Current Liabilities						
	Cash Credit	1.92	1.92	1.92	1.92	1.92	1.92
	Total (B)	6.23	6.52	7.31	8.86	10.91	14.55

Projections for:
WELDING WORKSHOP

E. CAPITAL ACCOUNT

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Op. Balance	-	1.92	2.72	4.07	6.24	8.99
2	Additions	2.01	-	-	-	-	-
3	Net Profit	0.16	1.08	1.65	2.51	3.12	4.05
	Sub Total	2.17	2.99	4.37	6.57	9.36	13.04
4	Drawings	0.25	0.28	0.30	0.33	0.37	0.40
5	Closing Balance	1.92	2.72	4.07	6.24	8.99	12.64

Projections for:
WELDING WORKSHOP

F. INCOME

(Rs. Lacs)

S. No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Gross Receipts						
a.	No. of Welding Service per month	21	24	26	29	32	35
b.	No. of Welding Service per annum	252	288	317	348	383	422
c.	Total Receipts per annum (@ Avg. Income Rs.4000 per Service)	10.1	11.5	12.7	13.9	15.3	16.9
Total		10.1	11.5	12.7	13.9	15.3	16.9

Projections for:
WELDING WORKSHOP

G. EXPENSES

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Salary						
i.	Manager (Self)	-	-	-	-	-	-
ii.	Welder (Skill) (3 no.* Rs. 10000 per month)	3.60	3.78	3.97	4.17	4.38	4.59
iii.	Unskilled labour (2 no.* Rs. 8000 per month)	1.92	2.02	2.12	2.22	2.33	2.45
2	Miscellaneous Expenses (@ 5000 per month)	0.60	0.66	0.73	0.76	0.80	0.84
3	Telephone & Electricity Expenses	1.20	1.32	1.45	1.52	1.60	1.68
4	Advertising/Marketing/Social Media (@ 3000 per month)	0.36	0.40	0.44	0.46	0.48	0.50
5	Other Overheads	1.50	1.65	1.82	1.91	2.00	2.10
	Total	9.18	9.82	10.51	11.04	11.59	12.17

Projections for:
WELDING WORKSHOP

H. FIXED ASSETS AND DEPRECIATION

S. No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Machineri, Equipments						
	Op. Balance		2.55	2.17	1.84	1.57	1.33
	Additions	3.00	-	-	-	-	-
	Sub Total	3.00	2.55	2.17	1.84	1.57	1.33
	Less : Depreciation	0.45	0.38	0.33	0.28	0.23	0.20
	Cl. WDV	2.55	2.17	1.84	1.57	1.33	1.13
	Total Depreciation	0.45	0.38	0.33	0.28	0.23	0.20
	Total WDV	2.55	2.17	1.84	1.57	1.33	1.13

Projections for:
WELDING WORKSHOP

I. TERM LOAN REPAYMENT AND INTEREST THEREON

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	TL / Op. Bal.	2.85	2.40	1.89	1.33	0.70	-
2	Repayment during the year	0.45	0.50	0.56	0.63	0.70	-
3	Cl. Balance	2.40	1.89	1.33	0.70	-	-
4	Interest at 11.00 per cent p.a.	0.29	0.24	0.18	0.12	0.04	-
5	Total repayment with Interest	0.74	0.74	0.74	0.74	0.74	-
6	Interest on CC (at 12 per cent p.a.)	0.23	0.23	0.23	0.23	0.23	0.23
7	Total Interest	0.52	0.47	0.41	0.35	0.27	0.23

Term Loan Repayment Schedule

MONTHS	EMI	INTEREST	PRINCIPAL REPAYMENT	OST PRINCIPAL
0				2.85
1	0.06	0.03	0.04	2.81
2	0.06	0.03	0.04	2.78
3	0.06	0.03	0.04	2.74
4	0.06	0.03	0.04	2.70
5	0.06	0.02	0.04	2.67
6	0.06	0.02	0.04	2.63
7	0.06	0.02	0.04	2.59
8	0.06	0.02	0.04	2.55
9	0.06	0.02	0.04	2.52
10	0.06	0.02	0.04	2.48
11	0.06	0.02	0.04	2.44
12	0.06	0.02	0.04	2.40
First Year	0.74	0.29	0.45	
13	0.06	0.02	0.04	2.36
14	0.06	0.02	0.04	2.32
15	0.06	0.02	0.04	2.28
16	0.06	0.02	0.04	2.24
17	0.06	0.02	0.04	2.19

18	0.06	0.02	0.04	2.15
19	0.06	0.02	0.04	2.11
20	0.06	0.02	0.04	2.07
21	0.06	0.02	0.04	2.02
22	0.06	0.02	0.04	1.98
23	0.06	0.02	0.04	1.94
24	0.06	0.02	0.04	1.89
Second Year	0.74	0.24	0.50	
25	0.06	0.02	0.04	1.85
26	0.06	0.02	0.05	1.80
27	0.06	0.02	0.05	1.76
28	0.06	0.02	0.05	1.71
29	0.06	0.02	0.05	1.67
30	0.06	0.02	0.05	1.62
31	0.06	0.01	0.05	1.57
32	0.06	0.01	0.05	1.52
33	0.06	0.01	0.05	1.48
34	0.06	0.01	0.05	1.43
35	0.06	0.01	0.05	1.38
36	0.06	0.01	0.05	1.33
Third Year	0.74	0.18	0.56	
37	0.06	0.01	0.05	1.28
38	0.06	0.01	0.05	1.23
39	0.06	0.01	0.05	1.18
40	0.06	0.01	0.05	1.13
41	0.06	0.01	0.05	1.08
42	0.06	0.01	0.05	1.02
43	0.06	0.01	0.05	0.97
44	0.06	0.01	0.05	0.92
45	0.06	0.01	0.05	0.86
46	0.06	0.01	0.05	0.81
47	0.06	0.01	0.05	0.76
48	0.06	0.01	0.06	0.70
Fourth Year	0.74	0.12	0.63	
49	0.06	0.01	0.06	0.65
50	0.06	0.01	0.06	0.59
51	0.06	0.01	0.06	0.53
52	0.06	0.00	0.06	0.48
53	0.06	0.00	0.06	0.42
54	0.06	0.00	0.06	0.36
55	0.06	0.00	0.06	0.30
56	0.06	0.00	0.06	0.24
57	0.06	0.00	0.06	0.18
58	0.06	0.00	0.06	0.12
59	0.06	0.00	0.06	0.06
60	0.06	0.00	0.06	0.00
Fifth Year	0.74	0.04	0.70	

Projections for:
WELDING WORKSHOP

(Rs. Lacs)

J. WORKING CAPITAL

S.No.	Particulars	1	2	3	4	5	6
1	Gross receipts	10.08	11.52	12.67	13.94	15.33	16.87
2	Working Capital ('@ 20%)	2.02	2.30	2.53	2.79	3.07	3.37
3	Bank CC (95%)	1.92	2.19	2.41	2.65	2.91	3.20
4	Own Contribution(5%)	0.10	0.10	0.10	0.10	0.10	0.10