

SPRAY GUNS

I. Introduction

The spray guns, most commonly and widely used for painting purposes. These spray guns can be made of different capacity to hold the liquid. The generally used capacities are ½ and 1 litre.

There are other designs in the spray guns like artist small pencilled type, light weight, spray gun with nozzle, air blow guns and oil spray guns etc.

The product range as indicated above are common types used for spray painting along with air compressors. Since the parts of the spray guns have to be replaced after certain usage there is a scope for this type of industry. The project profile is based on the above range of capacity of spray guns for painting purpose.

The main part of the spray guns are : (1) metallic containers, (2) Regulator valve housing and finger grips, (3) Finger lever, (4) Jet cap, (5) Jet nozzle, (6) Air house nozzle, (7) Regulator nozzle pin, (8) Jet cap, (9) Inner adjustable, Jet control pin guide and (10) After assembly of all parts inspection and testing for quality control for air leaks and jet spray adjustment have to be carried out for spraying efficiently.

II. Market Potential

The demand for spray guns is ever increasing due to its end use. It is a must in every painting shop. It has got very good replacement market as well as OC for the compressor manufacturer.

III. Production Target

The project envisage to manufacture about 3600 nos. of guns per annum on single shift basis at 75% entification valuing at Rs. 4.32 lakhs.

IV. Basis and Assumptions

The project cost varies from city to city. The production cost is variable due to variable cost of labour, raw materials, etc. from place to place. The unit has to sell its product through their agents for wide marketability. Rent has been taken as Rs. 16 per sq. Mts.

V. Quality Control & Standards

The unit which wants to manufacture sprap gun has to follow strictly the I.S. Specification for its quality.

VI. Land and Building (Rented shed)

15 M × 10 Meter = 150 Sq.M. Rs. 2,400

VII. Machinery and Equipment

| | Rs. |
|--|-----------------|
| 1. Precision Centre lathe 4" bed with Standard accessories -1 No. | 35,000 |
| 2. Capsten lathe bar cap. 25 MM turret head with thread chasing attachment machine suitable for both bar work and check work complete with standard accessories -1 No. | 75,000 |
| 3. Bench Drilling machine ¾" cap with Electric Motor | 5,000 |
| 4. Air compressor 1 HP cap. with accessories-1 No. | 6,500 |
| 5. Gas Welding set | 4,000 |
| 6. Hand Fly Press No. 5 & 6 -2 Nos. | 8,000 |
| 7. Bench Tool Grinder-1 No. | 2,500 |
| 8. Hand tools and measuring instruments | 5,000 |
| 9. Office equipment and Furniture | 5,000 |
| 10. Installation & Electrification | 6,000 |
| Total | 1,52,000 |

VIII. Raw Materials (Per month)

| | |
|---|---------------|
| 1. Aluminium alloy casting 150 Kgs. @ Rs. 40 | 6,000 |
| 2. Brass rods, assorted sizes 100 Kg. @ Rs. 45 | 4,500 |
| 3. Bought out item, screws, springs etc. | 500 |
| 4. CRCA Sheets, deepdrawn 16 S. W. G. to 18 S.W.G. 100 Kgs. @ Rs. 8 | 800 |
| Total | 11,800 |
| Say | 12,000 |

IX. Staff and Labour (Per month)

| | Nos. | Rs. |
|--|------|--------------|
| 1. Supervisor (Tech.) | 1 | 1,200 |
| 2. Skilled workers | 3 | 2,400 |
| 3. Semi-skilled workers | 2 | 1,000 |
| 4. Typist-cum-Clerk | 1 | 500 |
| 5. Store keeper-cum-Accountant | 1 | 800 |
| 6. Watchman/Peon | 2 | 800 |
| | | 6,700 |
| 30% Perquisites | | 2,000 |
| | | 8,700 |

X. Miscellaneous Expenses (Per month)

| | Rs. |
|--|--------------|
| 1. Rent | 2,400 |
| 2. Power and Water | 500 |
| 3. Consumables | 1,000 |
| 4. Transport | 1,000 |
| 5. Other expenses for phone, travelling etc. | 1,500 |
| | 6,400 |

XI. Working Capital (Per month)

| | Rs, |
|-------------------------------------|--------|
| 1. Raw Material | 12,000 |
| 2. Staff and labour | 8,700 |
| 3. Miscellaneous Expenses | 6,400 |
| | 27,100 |

For 2 months : Rs. 27,100 × 2 = 54,200

XII. Total Capital Investment

| | |
|---|----------|
| 1. Machinery and Equipment | 1,52,000 |
| 2. Working capital for 2 months | 54,200 |
| | 2,06,200 |

XIII. Cost of Production (Per year)

| | |
|---|----------|
| 1. Working capital 27,100 × 12 | 3,25,200 |
| 2. Depreciation on machinery & equipments @ 10% | 15,200 |
| 3. Interest on capital Investment @ 15% | 30,930 |
| | 3,71,330 |

XIV. Sales Proceeds (Per year)

| | |
|---|----------|
| By sale of 3600 Nos. of assorted size spray guns and Air guns of Rs. 140 each | 5,04,000 |
| Cost of production (per year) | 3,71,330 |
| | 1,32,670 |

Percentage of profit on sale = 26.3%
 Percentage of profit on investment = 64.3%

$$\text{Breakeven point} = \frac{\text{FC}}{\text{FC} = \text{Profit}} = 50.5\%$$

Fixed Cost

| | Rs. |
|---|----------|
| (a) Rent | 28,800 |
| (b) Depn. on Machinery | 15,200 |
| (c) Interest on Total Investments | 30,930 |
| (d) 40 % | 41,760 |
| (e) Misc. Exp. | 19,200 |
| | 1,35,890 |

XV. Name and address of the machinery Suppliers

1. M/s. Batliboi & Co. NG Road, Bangalore-2.
2. M/s. Paramount Machine Tools Corpn. 812, Industrial Area-B, Ludhiana-3.
3. M/s. Alfred Herbert (India) Ltd., Asaf Ali Road, New Delhi.
4. M/s. Prem Tools Corporation, Plot No. 408/410, Sub Plot No. 13 — Air Compressors.
5. M/s. Arograph and Co., No. 8/10A, Barzer Road, Cochin, Keral — Gas Welding set.

Addresses of raw material supplier—Local market.

