

Organization of the Lot Production of Angle Drives for PA “Gomselmash” on OJSC Plant “VIZAS”, Vitebsk.

A. Project opportunity description

A1. Project name:

Organization of the lot production of angle drives for PA “Gomselmash” on OJSC plant “VIZAS”, Vitebsk.

A1a. Short name:

Organization of the lot production of angle drives.

A1c. Summary description:

Project target: organization of the lot production of angle drives 060540092 with the program of annual release up to 4000 units on the operated areas of OJSC plant “VIZAS” with partial usage and equipment modernization and purchase of new equipment and technologies for qualitative efficient part machining.

A2. Project status:

The structure of angle drive has been designed, the experimental production lot has been made and passed benchmark and field tests. The special equipment is developed and manufactured for assembly and testing of angle drives.

A3. Organization involved and their roles:

OJSC plant “VIZAS”, the Republic of Belarus, 210602, Vitebsk, 83 Frunze ave., Director General is Kolokolchikov Igor Vasilyevich, Tel.: (0212) 24-10-37 Tel.: (0212) 24-05-17. E-mail: info@vizas.org

A4. Project description:

The special divisions from the efficient equipment for production, assembly, green-run and testing of angle drives, and also reconstruction of the thermal division are offered to create. The enterprises that enter into composition of PA “Gomselmash” are planned to be suppliers of casts and press formings. This helps release qualitative accessories for agricultural engineering. Division capacity – 5000 units per year.

A4a. Project cost:

1750 thousands euro.

A5. Background /history/overall programe/related or similar projects:

The enterprise was established in 1897. The prototype of the modern plant – iron foundry was established in 1897 in Klin, Moscow province, by Chepel M.T. In Vitebsk – since 1944. In 1991 the enterprise was reformed into AP, and in 2002 – into OJSC. The basic plant specialization – the release of cutter grinder of different specialization. For plant action period more than 500 models of grinding machinery were adapted. The plant produces competitive equipment that doesn't yield on precision ratings to the leading firms. The uptake of universal cutter grinder with CNC in the end of 80s - in the beginning of 90s, making of grinder center, manufacture of coordinate-measuring machines were new stages for the enterprise. The enterprise designed and adapted in the production the basic model of CNC semiautomatic device for grinding of gear wheels. At the present time the staff of the

enterprise works on the construction of the gear cutter with CNC for bevel gear. Since 2006 the plant produces angle drives and reducers of more than 10 titles for the agricultural enterprises of the country. For this period the experience of making the same product was accumulated, personnel were trained, special equipment was designed and produced.

A6. Environmental impact summary:

Making of the lot production of angle drives will not increase harmful emission into the atmosphere and concentration of harmful substance in the industrial flows.

A7. Possible obstacles/problems/risk degree:

In connection with state plans of development of agricultural machinery in the country and stable financing situation the risk degree is small. Planned to purchase equipment, used technical decisions and organizational charts suppose the creation of flexible production structure that quickly reacts on competitive changes of the product.

A8. Time period for project implementation and pay-back period (years):

2,5 years/6 years

A9. Project branch:

Industry

B. Capital cost Items

B1. Project physical component:

**B2. Capital cost
Thousands euro**

DDW	250
Technical re-equipment	1050
Renewal of circulating asserts	450
TOTAL	1750

B3. Sub-project by location

**B4. Capital cost
USD million**

C. Capital Resources Available (owner, associates, sponsors etc.)

C1. Resources, grants, investments, equipments, equity/ownership etc.

**C2. Sum,
thousands euro**

State Funds and own funds	650
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D. Required Investment, Deficient Funds

D1 Necessary Financing, Required Type of Financial Participation:

Crediting, purchase of OJSC stocks.

**D2 Source of
finance**

D3. Type of Investment

**D4. Amount
thousands
euro**

Financing of purchase	Credit	1100
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and equipment modernization, purchase of advanced manufacturing sciences.		
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E. Demand (Users) and Revenues

E1. Type of Users, Volumes, Pricing, Revenues, Estimated Profit/Savings

The project is developed for concrete consumer – PA “Gomselmash”. Angle drive can be realized and by OJSC “Lidagroprommach”, marketing study of possibility of their realization of the agricultural enterprises of Russia is held. Planned production volume – up to 4000 units per year. Price – is agreed.

E2. Financing Sources

E3. Revenues (Sales) thousands euro

	3200
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F. Transaction and Operating Costs

F1. Costs Components, Capital Allowance Policy, Industrial Engineering etc.

Costs – material, labour costs, assessments on the material needs, capital allowances, taxes and the others.

F2. Cost item:

F3. Amount thousands euro

Basic raw materials and stuff	740
Wage	340
Burden	1370
The others	420
Total	2870

G. Net Income Value

G1. Net Income Value:

G2. Amount thousands euro

Net income	270
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H. Project Information Source:

H1. This form was completed by (name, appointment):

V.Z.Bober, Marketing Specialist

H2. Organization:

OJSC plant “VIZAS”, the Republic of Belarus, 210602, Vitebsk, 83 Frunze ave.

H3. Tel./ Fax/E-mail:

Tel.: (0212) 24-10-37/ (0212) 24-05-17, E-mail: info@vizas.org

H4. Date: March of 2011

H5. Supreme organization:

Ministry of Industry of the Republic of Belarus