

## PROJECT PROFILE ON COTTON MATTRESSES &amp; PILLOW

**Introduction :**

The process of manufacture of Cotton Mattresses and pillow covers is very simple and easily manageable. These items can be manufacture with little knowledge of sewing. The project is for manufacturing of mattresses & pillows filled with Raw Cotton. Due to urbanisation, the demand of Mattresses and pillows has increased very fast.

Process of Manufacture: The fabric in different colours/designs is spread on a table and is cut with hand scissors as per required sizes. The cut pieces are stitched by sewing machines then the raw cotton (ginned) is inserted into the Mattresses and pillow covers manually. Then the mattresses are quilted with hand for firmness of raw cotton.

**1 Name of the Product : COTTON MATTRESSES & PILLOW****2 Project Cost :****a Capital Expenditure**

|                    |        |  |     |            |
|--------------------|--------|--|-----|------------|
| Land               | :      |  | Rs. | Own        |
| Work shed in sq.ft | Rented |  | Rs. | -          |
| Equipment          | :      |  | Rs. | 100,000.00 |

Sewing Machine-2, Cotton cleaning machine-1, weighing Balance, Slotted angle racks Cutting tables stools etc. Office furnitures

|                             |            |                   |
|-----------------------------|------------|-------------------|
| Total Capital Expenditure   | Rs.        | 100,000.00        |
| b Working Capital           | Rs.        | 370,000.00        |
| <b>TOTAL PROJECT COST :</b> | <b>Rs.</b> | <b>470,000.00</b> |

**3 Estimated Annual Production Capacity:**

(Rs. in 000)

| Sr.No.       | Particulars                | Capacity in No./Q. | Rate        | Total Value    |
|--------------|----------------------------|--------------------|-------------|----------------|
| 1            | COTTON MATTRESSES & PILLOW | 2600 pcs           |             | 2226.00        |
| <b>TOTAL</b> |                            | <b>0.00</b>        | <b>0.00</b> | <b>2226.00</b> |

|   |                             |   |     |              |
|---|-----------------------------|---|-----|--------------|
| 4 | Raw Material                | : | Rs. | 1,620,000.00 |
| 5 | Labels and Packing Material | : | Rs. | 125,000.00   |
| 6 | Wages (1-Skilled )          | : | Rs. | 84,000.00    |
| 7 | Salaries ( Manager-1)       |   | Rs. | 120,000.00   |

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|           |                                    |          |            |                     |
|-----------|------------------------------------|----------|------------|---------------------|
| <b>8</b>  | <b>Administrative Expenses</b>     | <b>:</b> | <b>Rs.</b> | <b>125,000.00</b>   |
| <b>9</b>  | <b>Overheads</b>                   | <b>:</b> | <b>Rs.</b> | <b>50,000.00</b>    |
| <b>10</b> | <b>Miscellaneous Expenses</b>      | <b>:</b> | <b>Rs.</b> | <b>40,000.00</b>    |
| <b>11</b> | <b>Depreciation</b>                | <b>:</b> | <b>Rs.</b> | <b>10,000.00</b>    |
| <b>12</b> | <b>Insurance</b>                   | <b>:</b> | <b>Rs.</b> | <b>1,000.00</b>     |
| <b>13</b> | <b>Interest (As per the PLR)</b>   |          |            |                     |
|           | <b>a. C.E.Loan</b>                 | <b>:</b> | <b>Rs.</b> | <b>13,000.00</b>    |
|           | <b>b. W.C.Loan</b>                 | <b>:</b> | <b>Rs.</b> | <b>48,100.00</b>    |
|           | <b>Total Interest</b>              |          | <b>Rs.</b> | <b>61,100.00</b>    |
| <b>14</b> | <b>Working Capital Requirement</b> | <b>:</b> |            |                     |
|           | <b>Fixed Cost</b>                  |          | <b>Rs.</b> | <b>299,000.00</b>   |
|           | <b>Variable Cost</b>               |          | <b>Rs.</b> | <b>1,927,100.00</b> |
|           | <b>Requirement of WC per Cycle</b> |          | <b>Rs.</b> | <b>371,017.00</b>   |

**15 Cost Analysis**

| <b>Sr.No.</b> | <b>Particulars</b>          | <b>Capacity Utilization(Rs in '000)</b> |            |            |            |
|---------------|-----------------------------|---|------------|------------|------------|
|               |                             | <b>100%</b>                             | <b>60%</b> | <b>70%</b> | <b>80%</b> |
| <b>1</b>      | <b>Fixed Cost</b>           | 299.00                                  | 179.40     | 209.30     | 239.20     |
| <b>2</b>      | <b>Variable Cost</b>        | 1927.00                                 | 1156.20    | 1348.90    | 1541.60    |
| <b>3</b>      | <b>Cost of Production</b>   | 2226.00                                 | 1335.60    | 1558.20    | 1588.10    |
| <b>4</b>      | <b>Projected Sales</b>      | 2500.00                                 | 1500.00    | 1750.00    | 2000.00    |
| <b>5</b>      | <b>Gross Surplus</b>        | 274.00                                  | 164.40     | 191.80     | 219.20     |
| <b>6</b>      | <b>Expected Net Surplus</b> | 264.00                                  | 154.00     | 182.00     | 209.00     |

Note : 1.All figures mentioned above are only indicative.

2.This is model project profile for guidance

3.Cost of Project, and its priority will be changed depends on the area, availability of raw Material, man power, power requirement and various other factors etc..