

## PROJECT PROFILE FOR LEATHER GASKETS AND WASHERS MAKING

### INTRODUCTION

The leather gaskets and washers are made from trimmings of Vegetable Tanned (VT) Leathers and are used in hand pumps, Kerosene Stoves, Kerosene Lanterns and other type of pumps and machines. These items have good demand in rural and suburb areas. The required hand operated machines and raw materials are easily available and such units can be set up in rural areas.

### MANUFACTURING PROCESS

The pieces of required shapes and sizes are cut from trimmings of VT Leather and wetted in water overnight. These pieces are then moulded as per required shape in the same cutting machine by changing dies. The molded pieces are treated with oil/wax/preservator, coloured, inspected and packed.

Production Capacity - 5,000 washers per month.

### FINANCIAL ASPECTS

#### A. Fixed Capital

- i) Land and Building 300 sqft (rented).
- ii) Plant and Machinery.

Rs.  
2,500

Name of Machine	Nos. required	Rate	Total
Hand Press	1 No.	8,030	8,030
VT Leather Splitting Machine.	1 No.	3,520	3,520
Tools, Dies and Equipments	LS	2,200	2,200
		Total	13,750

13,520

#### B. Working Capital (pm).

1.	Semi Skilled Worker (Self)	Nil.
2.	Helper	1,200
3.	VT Leather Trimmings 250 Kg @ Rs.42 per Kg.	10,500
4.	Other Materials.	1,000
5.	Rent	2,500
6.	Miscellaneous Expenses.	1,000
	Total	16,200

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#### C. Total Capital Investment

(i)	Fixed Capital	13,750
(ii)	Working Capital	16,200
	Total	30,000

## D. Production Cost (pm).

(i)	Working Capital	16,200
(ii)	Interest @ 12%	300
iii)	Depreciation on Machines @ 10%	150
(iv)	Depreciation on Tools Equipments and lasts @ 20%.	100
	Total	16,750

## E. Total Sales (pm).

Sale of 5000 Nos. of washers @ 25,000  
Rs.5.00 per washer.

## F. Profit Per Month.

Total Sales	–	Production Cost	
25,500	–	16,750	Rs.8,250