

"KVIC- REGP-(Gramodyog Rojgar Yojana)"

Project Profile on Steel Book Racks

Introduction :

Steel Book racks are used extensively because they are easy to assemble and are portable. They are preferred to wooden book racks because they are less expensive, occupy lesser space and are easy to maintain. They are fabricated or assembled to different heights with provision to vary the number of shelves because they are assembled using slotted angles. There is a good demand for steel book racks for domestic consumption and also there is good scope for exports.

Process of manufacture : Steel book racks are made by using nuts and bolts to assemble components slotted angles and shelves, according to requirements.

1 Name of the Product : **Steel Book Racks**

2 Project Cost :

a Capital Expenditure

Land

:

Own

Workshed in sq.ft On rent Rs.

Equipment : Rs.

100,000.00

1)Sheet folding bracke press, 2) Gas welding set, 3)bench drill machine, 4) Fly press, 5) Air compressor

Total Capital Expenditure Rs. **100,000.00**

b Working Capital Rs. **180,000.00**

TOTAL PROJECT COST : Rs. **280,000.00**

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in No..	Rate Rs	Total Value
1	Steel Book Racks			1081.00
TOTAL		0.00	0.00	775.00

4 Raw Material : Rs. **660,000.00**

5 Labels and Packing Material : Rs. **10,000.00**

6 Wages (1-Skilled & 1-Unskilled) : Rs. **144,000.00**

7 Salaries (MANAGER-1) Rs. **120,000.00**

8	Administrative Expenses	:	Rs.	45,000.00
9	Overheads	:	Rs.	60,000.00
10	Miscellaneous Expenses	:	Rs.	5,000.00
11	Depreciation	:	Rs.	10,000.00
12	Insurance	:	Rs.	1,000.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	13,000.00
	b. W.C.Loan	:	Rs.	23,400.00
	Total Interest		Rs.	36,400.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	184,000.00
	Variable Cost		Rs.	897,400.00
	Requirement of WC per Cycle		Rs.	180,233.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	184.00	110.40	128.80	147.20
2	Variable Cost	897.00	538.20	627.90	717.60
3	Cost of Production	1081.00	648.60	756.70	775.10
4	Projected Sales	1300.00	780.00	910.00	1040.00
5	Gross Surplus	219.00	131.40	153.30	175.20
6	Expected Net Surplus	209.00	121.00	143.00	165.00

- Note :
1. All figures mentioned above are only indicative.
 2. If the investment on Building is replaced by Rental then
 - a. Total Cost of Project will be reduced.
 - b. Profitability will be increased.
 - c. Interest on C.E.will be reduced.