

KVIC- PMEGP**PROJECT PROFILE ON HURRAICHI CHAPPALS & SANDALS****Introduction**

Hurraichi Chappals and Sandal are mainly used as casual sleeper during summer. This item is solely manufactured in India and not likely to have competition from other countries. Its production and productivity have to be increased in relation to increasing demand. The process of manufacture is on craft basis and fully hand made. Standardization should be effected to ensure uniformity in quality and increase in production at minimum cost. This industry should be broad based to enable trade to earn more and more foreign exchange and continue to maintain its grip on the expost market. Raw materials for the manufacture of these chappals and sandal are indigenously available and there is no dearth of raw materials as well as labour for manufacture of this item. This is, therefore, good scope for settingup SSI units for the said manufacture.

1 Name of the Product : **HURRAICHI CHAPPALS & SANDALS**

2 Project Cost :

a Capital Expenditure

Land : Own

Work shesq.mtrs 0 Rs.

Equipment : Rs. 420,000.00

(1)Upper Leather Sking Machine 1 no, (2)Upper Strap Cutting Machine 1 no,(3) Upper Stitching Machine 4 nos (4) Bottom Sole Cutting Press (5) Bottom Componenets Splitting Machine (6) Rolling Machine (7) Weighing Machine(8) Tools & Equipments (9) Office Equipment (10) Office Furniture.

Total Capital Expenditure Rs. 420,000.00

b Working Capital Rs. 1,200,000.00

TOTAL PROJECT COST : Rs. 1,620,000.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in tons	Rate	Total Value
1	Hurraichi Chappals & Sandals	120000.00	63.00	7541.80
TOTAL		120000.00	63.00	7541.80

4 Raw Material : Rs. 6,700,000.00

5 Labels and Packing Material : Rs. 25,000.00

6 Wages (2-Skilled & 2-Unskilled) : Rs. 432,000.00

7 Salaries -1 manager Rs. 60,000.00

8	Administrative Expenses	:	Rs.	75,000.00
9	Overheads	:	Rs.	25,000.00
10	Miscellaneous Expenses	:	Rs.	10,000.00
11	Depreciation	:	Rs.	42,000.00
12	Insurance	:	Rs.	4,200.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	54,600.00
	b. W.C.Loan	:	Rs.	156,000.00
	Total Interest		Rs.	210,600.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	203,800.00
	Variable Cost		Rs.	7,338,000.00
	Requirement of WC per Cycle		Rs.	1,256,967.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	203.80	122.28	142.66	163.04
2	Variable Cost	7338.00	4402.80	5136.60	5870.40
3	Cost of Production	7541.80	4525.08	5279.26	5299.64
4	Projected Sales	8500.00	5100.00	5950.00	6800.00
5	Gross Surplus	958.20	574.92	670.74	766.56
6	Expected Net Surplus	916.00	533.00	629.00	725.00

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

2.This is model project profile for guidance

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