

Khadi and Village Industries Commission Mumbai

PROJECT PROFILE ON V-BELTS AND FAN BELTS

Introduction :

With the rapid industrial growth in India , the demand for V-Belts and Fan Belts is increasing day by day. V-Belts are largely used in single or multiple form for automobiles, domestic and commercial equipment and in industrial drives or a wide range of horse power extending upward from a fractional value.

1 Name of the Product : V-BELTS AND AN BELTS.

2 Project Cost :

a Capital Expenditure

Land	:		Own	
Work shed in sq.ft	rented	0	Rs.	-
Equipment			Rs.	660,000.00

Rubber mixing mill 12 inches x 30 inches complete with 25 HP motor and reduction gear. Vuleanising Chamber, Hydraulic press with pump motor and other accessories, Spreading machine 28 inches width , Churning Mill 100 hr. Capacity, Boiler 100 kg. Evp. Capacity, Belt Building units, Testing Equipments and Electrification , Installation charges. , Moulds/fixtures, Ofice equipment and working tables etc. Pre-operative expenses.

Total Capital Expenditure	Rs.	660,000.00
b Working Capital	Rs.	750,000.00
TOTAL PROJECT COST :	Rs.	1,410,000.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	V- BELTS AND FAN BELTS	12000 Nos.	264.00	3172.40
TOTAL		0.00	264.00	3172.40

4 Raw Material	:	Rs.	2,040,000.00
5 Labels and Packing Material	:	Rs.	125,000.00
6 Wages (3-Skilled & 3- Unskilled)		Rs.	432,000.00
7 Salaries (1-Manager)		Rs.	120,000.00

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8	Administrative Expenses	:	Rs.	120,000.00
9	Overheads	:	Rs.	120,000.00
10	Miscellaneous Expenses	:	Rs.	25,000.00
11	Depreciation	:	Rs.	66,000.00
12	Insurance	:	Rs.	6,600.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	85,800.00
	b. W.C.Loan	:	Rs.	97,500.00
	Total Interest		Rs.	183,300.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	357,400.00
	Variable Cost		Rs.	2,814,500.00
	Requirement of WC per Cycle		Rs.	792,975.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	357.40	214.44	250.18	285.92
2	Variable Cost	2815.00	1689.00	1970.50	2252.00
3	Cost of Production	3172.40	1903.44	2220.68	2256.42
4	Projected Sales	3900.00	2340.00	2730.00	3120.00
5	Gross Surplus	727.60	436.56	509.32	582.08
6	Expected Net Surplus	662.00	371.00	443.00	516.00

- Note :
- 1.All figures mentioned above are only indicative.
 - 2.This is model project profile for guidance
 - 3.Cost of Project, and its profitability will be changed depends on the area, availability of raw Material, man power, power requirement and various other factors etc..