

KHADI & VILLAGE INDUSTRIES COMMISSION **PROJECT PROFILE FOR GRAMODYOG ROJGAR YOJANA**

PALM LEAF FANCY AND UTILITY ARTICLES MAKING UNIT

Palm leaf Fancy and utility articles are prepared from the tender leaf of Palmyrah palm tree. The raw tender leaves are obtained/cut down from the top of the tree, which is in light green colour. These leaves are dried in the sunlight for two days for maintaining required moisture and it turns to light lemon yellow in colour. Then the leaves are cut by Leaf sizing machine as per design and coloured by synthetic colour for making more attractive product. Palm leaf is available in most of states in India and having good demand in domestic market & abroad.

1	Name of the products	:	Palm Leaf Fancy and Utility Articles
2	Project Cost	:	
	a Capital Expenditure		
	Land	:	Own
	Building Shed 750 Sq.ft	:	Rs. 150000.00
	Equipment	:	Rs. 150000.00
	Leaf sizing machine, Pressing machine, Cutting machine, Vessels, Cutting Knives, Tools Sets, Sewing/Stitching machine & Mugs stoves etc.	:	
	Total Capital Expenditure	Rs.	300000.00
	b Working Capital	Rs.	152000.00
	TOTAL PROJECT COST	:	Rs. 452000.00

3 Estimated Annual Production Capacity of Palmleaf articles:(Value in '000)

Sr.No.	Particulars	Capacity	Rate	Total Value
1	Different type & designs of palm leaf & utility articles	60000.00 Nos.	15.00	913.00
	TOTAL	60000.00	15.00	913.00

4	Raw Material	:	Rs. 360000.00
5	Labels and Packing Material	:	Rs. 20000.00

6 Wages (Skilled & Unskilled)	:	Rs.	400000.00
7 Salaries	:	Rs.	36000.00
8 Administrative Expenses	:	Rs.	10000.00
9 Overheads	:	Rs.	20000.00
10 Miscellaneous Expenses	:	Rs.	5000.00
11 Depreciation	:	Rs.	22500.00
12 Insurance	:	Rs.	3000.00
13 Interest (As per the PLR)			
a. C.E.Loan	:	Rs.	39000.00
b. W.C.Loan	:	Rs.	19760.00
Total Interest		Rs.	58760.00
14 Working Capital Requirement	:		
Fixed Cost		Rs.	93000.00
Variable Cost		Rs.	819760.00
Requirement of WC per Cycle		Rs.	152127.00

15 Estimated Cost Analysis

Sr. No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	93.00	55.80	65.10	74.40
2	Variable Cost	820.00	492.00	574.00	656.00
3	Cost of Production	913.00	547.80	639.10	730.40
4	Projected Sales	1000.00	600.00	700.00	800.00
5	Gross Surplus	87.00	52.20	60.90	69.60
6	Expected Net Surplus	65.00	30.00	38.00	47.00

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