

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

ORGANIC FOOD

Organic agriculture is an ecological production management system that promotes and enhances bio-diversity, biological cycles and soil biological activity. It is based on minimum use of off-farm inputs that maintain ecological harmony. Organic food handlers, processors and retailers adhere to standards that maintain the integrity of organic agriculture products. The goal of organic agriculture is to optimize the health & productivity of interdependent communities of soil light, plants, animals & people.

1	Name of the Product	:	Organic Food
2	Project Cost	:	
	a Capital Expenditure		
	Land	:	Own
	Building Shed 1000 Sq.ft	:	Rs. 200000.00
	Equipment	:	Rs. 250000.00
	(Grader with winnover, cleaner, weighing balance packing m/c etc..)		
	Total Capital Expenditure	Rs.	450000.00
	b Working Capital	Rs.	410000.00
	TOTAL PROJECT COST	: Rs.	860000.00

3 Estimated Annual Production of Organic Food : (Value in '000)

Sr.No.	Particulars	Capacity	Rate	Total Value
1	Organic grains	2000.00 Quintal	2054.00	4108.00
	TOTAL	2000.00	2054.00	4108.00

4	Raw Material	:	Rs.	3000000.00
5	Lables and Packing Material	:	Rs.	250000.00

6	Wages (Skilled & Unskilled)	:	Rs.	100000.00
7	Salaries	:	Rs.	72000.00
8	Administrative Expenses	:	Rs.	250000.00
9	Overheads	:	Rs.	300000.00
10	Miscellaneous Expenses	:	Rs.	20000.00
11	Depreciation	:	Rs.	35000.00
12	Insurance	:	Rs.	4500.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	58500.00
	b. W.C.Loan	:	Rs.	53300.00
	Total Interest		Rs.	111800.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	405000.00
	Variable Cost		Rs.	3703300.00
	Requirement of WC per Cycle		Rs.	410830.00

15 Estimated Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	405.00	243.20	283.90	324.60
2	Variable Cost	3703.00	2221.40	2592.30	2962.20
3	Cost of Production	4108.00	2464.60	2875.20	3286.80
4	Projected Sales	4500.00	2700.00	3150.00	3600.00
5	Gross Surplus	392.00	235.40	274.80	313.20
6	Expected Net Surplus	357.00	200.00	239.00	279.00

- Note : 1. All figures mentioned above are only indicative any may vary from 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.