

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

### **STEEL FURNITURE UNIT**

Steel furniture has become an essential item for a better living. The demand for furniture are increasing steady and it has been accepted everywhere. Every household require furniture and since the wood has become seare and costly. The steel furniture has taken the place everywhere in view of its durability, attractive look and reasonable rates. Furniture are easy to make at rural areas with limited machines.

**1 Name of the Product** : **Store well Lockers, Table, Chairs, Coots, Gates, Grills etc.**

**2 Project Cost** :

a Capital Expenditure

Land	:	Own	
Building Shed 1750 Sq.ft	:	Rs.	350000.00
Equipment	:	Rs.	950000.00
(Press Break, Hand Shear, Welding Transformer, Power Drilling Machine (Pillar type), lathe machine, power hand drill, Spry Painting unit with Accessories, Bench Vice, spot/gas welding with accessories, tools, measuring instruments etc.)			

Total Capital Expenditure	Rs.	1300000.00
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b Working Capital	Rs.	393000.00
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<b>TOTAL PROJECT COST</b>	<b>:</b>	<b>Rs. 1693000.00</b>
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**3 Estimated Annual Production of Steel Furniture : (Value in '000)**

Sr.No.	Particulars	Capacity	Rate	Total Value
1	Store well Lockers, Table, Chairs, Coots, Gates, Grills etc.			2361
	<b>TOTAL</b>	<b>0.00</b>		<b>2361</b>

<b>4</b>	<b>Raw Material</b>	<b>:</b>	<b>Rs.</b>	<b>1300000.00</b>
<b>5</b>	<b>Lables and Packing Material</b>	<b>:</b>	<b>Rs.</b>	<b>30000.00</b>
<b>6</b>	<b>Wages (Skilled &amp; Unskilled)</b>	<b>:</b>	<b>Rs.</b>	<b>432000.00</b>
<b>7</b>	<b>Salaries</b>	<b>:</b>	<b>Rs.</b>	<b>180000.00</b>
<b>8</b>	<b>Administrative Expenses</b>	<b>:</b>	<b>Rs.</b>	<b>30000.00</b>
<b>9</b>	<b>Overheads</b>	<b>:</b>	<b>Rs.</b>	<b>150000.00</b>
<b>10</b>	<b>Miscellaneous Expenses</b>	<b>:</b>	<b>Rs.</b>	<b>5000.00</b>
<b>11</b>	<b>Depreciation</b>	<b>:</b>	<b>Rs.</b>	<b>112500.00</b>
<b>12</b>	<b>Insurance</b>	<b>:</b>	<b>Rs.</b>	<b>13000.00</b>
<b>13</b>	<b>Interest (As per the PLR)</b>			
	a. C.E.Loan		Rs.	169000.00
	b. W.C.Loan		Rs.	52000.00
	<b>Total Interest</b>		<b>Rs.</b>	<b>221000.00</b>
<b>14</b>	<b>Working Capital Requirement</b>	<b>:</b>		
	<b>Fixed Cost</b>		<b>Rs.</b>	<b>397000.00</b>
	<b>Variable Cost</b>		<b>Rs.</b>	<b>1964000.00</b>
	<b>Requirement of WC per Cycle</b>		<b>Rs.</b>	<b>393500.00</b>

#### **15 Estimated Cost Analysis**

<b>Sr.No.</b>	<b>Particulars</b>	<b>Capacity Utilization(Rs in '000)</b>			
		<b>100%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>
<b>1</b>	<b>Fixed Cost</b>	397.00	238.20	277.90	317.60
<b>2</b>	<b>Variable Cost</b>	1964.00	1178.40	1374.80	1571.20
<b>3</b>	<b>Cost of Production</b>	2361.00	1416.60	1652.70	1888.80
<b>4</b>	<b>Projected Sales</b>	2600.00	1560.00	1820.00	2080.00
<b>5</b>	<b>Gross Surplus</b>	239.00	143.40	167.30	191.20
<b>6</b>	<b>Expected Net Surplus</b>	127.00	31.00	55.00	79.00

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