

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

PRODUCTION OF GASKET SHELLAC COMPOUND (GASKET CEMENT)

On account of its high resistance to attack by oils and petroleum hydrocarbon, shellac is extensively used in automobile and aviation industry for making petrol and gas tight seals in engine and fuel lines. Product made by the items given has been found to be superior to those ordinary available in the market. As regards adhesion flexibility, shock and oil resistance.

1 Name of the Product : Gasket Shellac Compound (Gasket Cement)

2 Project Cost :

a Capital Expenditure

Land	:	Own	
Building Shed 500 sq.ft.	:	Rs.	100000.00
Equipment	:	Rs.	10000.00
(SS Vessel with lid, Stop cock, Stirrer, Motor with speed regulator, weighing balance measuring cylinder, gravity meter & tools etc..)			
 Total Capital Expenditure		Rs.	 110000.00

b Working Capital

	:	Rs.	57000.00
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TOTAL PROJECT COST : Rs. 167000.00

3 Estimated Annual Production Capacity of Gasket Cement: (Value in '000)

Sr.No.	Particulars	Capacity in Kg.	Rate	Total Value
1	Gasket Cement	2000.00	172.00	344.40
	TOTAL	2000.00	172.00	344 .40

4 Raw Material : Rs. 200000.00

5 Lables and Packing Material : Rs. 5000.00

6	Wages (Skilled & Unskilled)	:	Rs.	36000.00
7	Salaries	:	Rs.	36000.00
8	Administrative Expenses	:	Rs.	20000.00
9	Overheads	:	Rs.	20000.00
10	Miscellaneous Expenses	:	Rs.	5000.00
11	Depreciation	:	Rs.	6000.00
12	Insurance	:	Rs.	1100.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	14300.00
	b. W.C.Loan	:	Rs.	7410.00
	Total Interest		Rs.	21710.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	76400.00
	Variable Cost		Rs.	268410.00
	Requirement of WC per Cycle		Rs.	57468.00

15 Estimated Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	76.40	45.84	53.48	61.12
2	Variable Cost	268.00	160.80	187.60	214.40
3	Cost of Production	344.40	206.64	241.08	272.52
4	Projected Sales	400.00	240.00	280.00	320.00
5	Gross Surplus	55.60	44.36	38.92	44.48
6	Expected Net Surplus	50.00	27.00	33.00	38.00

Note : 1.All figures mentioned above are only indicative and may vary from place to place.