

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

BARBER SHOP

Hair cutting and hair dressing is an essential service for men as well women. Looking to the need of the barbars, the scheme has been introduced to attractive saloons. Even educated unemployed youths are coming forward to start such units in the rural areas for earning. Such unit can provide employment to 4 persons.

1 Name of the Service : Hair Cutting / Shaving

2 Project Cost :

a Capital Expenditure

Land	:	Own	
Building Shed 250 Sq.ft	:	Rs.	50000.00
Equipment (Hair cutting Chairs, Mirrors, Scissors, cosmetics etc..)	:	Rs.	30000.00

Total Capital Expenditure	Rs.		80000.00
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b Working Capital	Rs.		13000.00
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TOTAL PROJECT COST	:	Rs.	93000.00
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3 Estimated Annual Service : (Value in '000)

Sr.No.	Particulars	Capacity	Rate	Total Value
1	Hair cutting, Shaving etc..	Hair Cutting Shaving	15.00 10.00	83.70
	TOTAL			83.70

4 Raw Material	:	Rs.	5000.00
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5 Lables and Packing Material	:	Rs.	0.00
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6 Wages (Skilled & Unskilled)	:	Rs.	60000.00
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7	Salaries	:	Rs.	0.00
8	Administrative Expenses	:	Rs.	0.00
9	Overheads	:	Rs.	5000.00
10	Miscellaneous Expenses	:	Rs.	500.00
11	Depreciation	:	Rs.	5500.00
12	Insurance	:	Rs.	800.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	10400.00
	b. W.C.Loan	:	Rs.	1690.00
	Total Interest		Rs.	12090.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	11700.00
	Variable Cost		Rs.	71690.00
	Requirement of WC per Cycle		Rs.	13898.00

15 Estimated Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	11.70	7.02	8.19	9.36
2	Variable Cost	72.00	43.20	50.40	57.60
3	Cost of Production	83.70	50.22	58.59	66.96
4	Projected Sales	100.00	60.00	70.00	80.00
5	Gross Surplus	16.30	9.78	11.41	13.04
6	Expected Net Surplus	11.00	4.00	6.00	8.00

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 then

- Total Cost of Project will be reduced.
- Profitability will be increased.
- Interest on C.E.will be reduced.