MBI-03

KHADI & VILLAGE INDUSTRIES COMMISSION
PROJECT PROFILE FOR GRAMODYOG ROZGAR YOJANA

LAC BANGLES MANUF ACTURING UNIT

Lac bangle is being used by mostly all ladies in the world. The product is largley used particularly by the rural women. The process of manufacture consists of only two stages and technology involved is very simple, less investment and the unit can be set up anywhere in rural areas. There is a good market for the lac bangles in rural areas than urban.

1. Name of the Product	**:**	**Lac Bangles**	
2. Project Cost	**:**		
(a) Capital Expenditure			
Land	:	Own	
Building Shed 300 sq.ft.	:	Rs.	60000.00
Equipment (Charcoal Stove, Scissors, Tongue, Kalgooti, Thin Iron rod, Iron disc, Iron plate, Pots & Wooden roller etc..)	:	Rs.	5000.00
Total Capital Expenditure	:	Rs.	65000.00
(b) Working Capital	:	Rs.	54000.00
TOTAL PROJECT COST	**:**	**Rs.**	**1 19000.00**

3. Estimated Annual Production of Lac Bangle : (Value in í000)

Sl. No.	Particulars	Capacity	Rate	Total Value
1.	Bangle Rings, Lac, Titanium Powder, Rosin, Polish etc..	12000.00 Nos.	27.00	328.10
	TOTAL	**12000.00 Nos.**	**27.00**	**328.10**

4. Raw Material	**:**	**Rs.**	**200000.00**
5. Labels and Packing Material	**:**	**Rs.**	**2000.00**
6. Wages (Skilled & Unskilled)	**:**	**Rs.**	**5000.00**

7. **Salaries** : **Rs. 36000.00**

8. **Administrative Expenses** : **Rs. 6000.00**

9. **Overheads** : **Rs. 15000.00**

10. **Miscellaneous Expenses** : **Rs. 3000.00**

11. **Depreciation** : **Rs. 3500.00**

12. **Insurance** : **Rs. 650.00**

13. **Interest (As per the PLR)**
    (a) Capital Expenditure Loan : Rs. 8450.00
    (b) Working Capital Loan : Rs. 7020.00

    Total Interest : **Rs. 15470.00**

14. **Working Capital Requirement**
    Fixed Cost : **Rs. 54100.00**
    Variable Cost : **Rs. 274020.00**
    Requirement of Working Capital per Cycle : **Rs. 54687.00**

15. **Estimated Cost Analysis**

Sl. No.	Particulars	Capacity Utilization (Rs. in í000)			
		100%	**60%**	**70%**	**80%**
1.	**Fixed Cost**	54.10	32.46	37.87	43.28
2.	**Variable Cost**	274.00	164.40	191.80	219.20
3.	**Cost of Production**	328.10	196.86	229.67	262.48
4.	**Projected Sales**	400.00	240.00	280.00	320.00
5.	**Gross Surplus**	71.90	43.14	50.33	57.52
6.	**Expected Net Surplus**	68.00	40.00	47.00	54.00

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 Capital Expenditure will be reduced.