

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

NEERA CATERING UNIT

The palms are known to mankind as a source of sweetening agent. Palm wealth widely encompasses the tropical countries. The juice yielding from the palm trees called as 'Neera'. Neera can be used as basic raw material for producing semi solid/solid sweet mass called as 'Gur' , 'Palm Sugar' & 'Palm candy'. This trade is fully occupied by the tappers who are poorest of the poor. The trade has got good employment potential besides giving good earnings of the said tapper community. The technology involved in this trade is indigenous and so easy to handle by any one.

1	Name of the Product	:	Neera
2	Project Cost	:	
	a Capital Expenditure		
	Land	:	Own
	Building Shed 500 Sq.ft	:	Rs. 110000.00
	Equipment	:	Rs. 400000.00
	(Poly pouch/Dispenser/Glass sealing M/c, Knifes, Climbing device, Ropes, Aluminium Cans, etc..)		
	Total Capital Expenditure	Rs.	510000.00
	b Working Capital	Rs.	121000.00
	TOTAL PROJECT COST	: Rs.	631000.00

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

Sr.No.	Particulars	Capacity	Rate	Total Value
1	Neera	61200.00 liters	12.00	730.40
	TOTAL	61200.00	12.00	730.40

4	Raw Material	:	Rs. 237000.00
5	Lables and Packing Material	:	Rs. 100000.00

6 Wages (Skilled & Unskilled)	:	Rs.	85000.00
7 Salaries	:	Rs.	36000.00
8 Administrative Expenses	:	Rs.	25000.00
9 Overheads	:	Rs.	150000.00
10 Miscellaneous Expenses	:	Rs.	10000.00
11 Depreciation	:	Rs.	45500.00
12 Insurance	:	Rs.	5100.00
13 Interest (As per the PLR)			
a. C.E.Loan	:	Rs.	66300.00
b. W.C.Loan	:	Rs.	15730.00
Total Interest		Rs.	82030.00
14 Working Capital Requirement	:		
Fixed Cost		Rs.	142400.00
Variable Cost		Rs.	587730.00
Requirement of WC per Cycle		Rs.	121688.00

15 Estimated Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	142.40	85.44	99.68	113.92
2	Variable Cost	588.00	352.80	411.80	470.40
3	Cost of Production	730.40	438.24	511.48	584.32
4	Projected Sales	1200.00	720.00	840.00	960.00
5	Gross Surplus	469.60	281.76	328.52	375.68
6	Expected Net Surplus	424.00	236.00	283.00	330.00

- 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.