

KVIC - PMEGP

PROJECT PROFILE ON CHILDREN SHOE

Introduction :

Children shoes are prepared by using all modern techniques to maximise the comfort of the wearer. Generally Children Shoes are made of P.V.C. or Rubber Sole, but leather Sole can also be used if required by the customers. This product is becoming extremely popular through out the country because of its easiness to wear-coupled with the protection it gives to the feet of the wearer. It is expected that the units coming up in this line of a manufacture will not find it difficult to market its products.

1 Name of the Product : CHILDREN SHOE

2 Project Cost :

a Capital Expenditure

Land	:		Rs.	Own
Work shed in sq.ft	:		Rs.	-
Equipment	:		Rs.	323,000.00

(1)Upper Sewing machine(2) Upper Sewing Machine Treadh(3) Skiving Machine
(4) Cementing Press with Compressor (5) Combined Finishing Machine with one
H.P. Motor (6) Foll Stuping Machine, (7) P.V.C. Shoe lasts 200 pairs @ 400/- (8)
Hand Tools (9) Office and Workshop Furniture

Projec Total Capital Expenditure	Rs.	323,000.00
b Working Capital	Rs.	1,300,000.00
TOTAL PROJECT COST :	Rs.	1,623,000.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	CHILDREN SHOE	30000 Pairs	180.00	5425.22
TOTAL		0.00	180.00	5425.22

4 Raw Material : Rs. 4,800,000.00

5 Labels and Packing Material : Rs. 25,000.00

6 Wages (2-Skilled & 1- Unskilled) Rs. 180,000.00

7 Salaries (1- Manager) Rs. 60,000.00

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8	Administrative Expenses	Rs.	36,000.00
9	Overheads	: Rs.	60,000.00
10	Miscellaneous Expenses	: Rs.	50,000.00
11	Depreciation	: Rs.	32,300.00
12	Insurance	: Rs.	3,230.00
13	Interest (As per the PLR)		
	a. C.E.Loan	: Rs.	41,990.00
	b. W.C.Loan	: Rs.	169,000.00
	Total Interest	Rs.	210,990.00
14	Working Capital Requirement	:	
	Fixed Cost	Rs.	191,220.00
	Variable Cost	Rs.	5,234,000.00
	Requirement of WC per Cycle	Rs.	1,356,305.00

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Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	191.22	114.73	133.85	152.98
2	Variable Cost	5234.00	3140.40	3663.80	4187.20
3	Cost of Production	5425.22	3255.13	3797.65	3816.78
4	Projected Sales	5967.74	3580.65	4177.42	4774.19
5	Gross Surplus	542.52	325.51	379.77	434.02
6	Expected Net Surplus	510.00	293.00	347.00	402.00

- Note :
- 1.All figures mentioned above are only indicative.
 - 2.This is model project profile for guidance
 - 3.Cost of Project, and its prioiflity will be changed depends on the area, availability of raw Material, man power, power requirement and various other factors etc..