

KVIC - PMEGP

PROJECT PROFILE ON COTTON MATTRESSES & PILLOW

Introduction :

The process of manufacture of Cotton Mattresses and pillow covers is very simple and easily manageable. These items can be manufacture with little knowledge of sewing. The project is for manufacturing of mattresses & pillows filled with Raw Cotton. Due to urbanisation, the demand of Mattreseses and pillows has increased very fast.

Process of Manufacture: The fabric in different colours/designs is spread on a table and is cut with hand scissors as per required sizes. The cut pieces are stitched by sewing machines then the raw cotton (ginned) is inserted into the Mattresses and pillow covers manually. Then the mattresses are quilted with hand for firmness of raw cotton.

1 Name of the Product : COTTON MATTRESSES & PILLOW

2 Project Cost :

a Capital Expenditure

Land	:		Rs.	Own	-
Work shed in sq.ft	Rented		Rs.		
Equipment	:		Rs.		100,000.00

Sewing Machine-2, Cotton cleaning machine-1,weighing Balance,Slotted angle racks Cutting tables stools etc.Office furnitures

Total Capital Expenditure		Rs.	100,000.00
b Working Capital		Rs.	370,000.00
TOTAL PROJECT COST :		Rs.	470,000.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	COTTON MATTRESSES & PILLOW	2600 pcs		2226.00
TOTAL		0.00	0.00	2226.00

4 Raw Material	:	Rs.	1,620,000.00
5 Labels and Packing Material	:	Rs.	125,000.00
6 Wages (1-Skilled)	:	Rs.	84,000.00
7 Salaries (Manager-1)		Rs.	120,000.00

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8	Administrative Expenses	:	Rs.	125,000.00
9	Overheads	:	Rs.	50,000.00
10	Miscellaneous Expenses	:	Rs.	40,000.00
11	Depreciation	:	Rs.	10,000.00
12	Insurance	:	Rs.	1,000.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	13,000.00
	b. W.C.Loan	:	Rs.	48,100.00
	Total Interest		Rs.	61,100.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	299,000.00
	Variable Cost		Rs.	1,927,100.00
	Requirement of WC per Cycle		Rs.	371,017.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	299.00	179.40	209.30	239.20
2	Variable Cost	1927.00	1156.20	1348.90	1541.60
3	Cost of Production	2226.00	1335.60	1558.20	1588.10
4	Projected Sales	2500.00	1500.00	1750.00	2000.00
5	Gross Surplus	274.00	164.40	191.80	219.20
6	Expected Net Surplus	264.00	154.00	182.00	209.00

- 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..