

Khadi and Village Industries Commission Mumbai

PROJECT PROFILE ON LEATHER WALLETS AND PURSES

Introduction :

Leather wallets and purses are used to carry currency notes, coins, visiting cards, stamps, credit cards etc. Leather wallets and purses are fancy leather goods and novelty items. It is one of the most fashionable items used by large number of people. It is a fashion oriented and labour intensive industry.

1 Name of the Product : LEATHER WALLETS AND PURSES

2 Project Cost :

a Capital Expenditure

Land	:		Rs.	Own
Work shed in sq.ft rented	:	0	Rs.	-
Equipment	:		Rs.	560,000.00

Flat bed single Needle industrial stitching machine with motor and accessories, Cylinder Bed Industrial Imp. Stitchng machine with motor and accessories, Embossing Machine, Skiving Machine, Grinding Tools, Hand tools, Workshop Furniture, Office equipment and furniture, Electrification & installation.

Total Capital Expenditure	Rs.	560,000.00
b Working Capital	Rs.	1,100,000.00
TOTAL PROJECT COST :	Rs.	1,660,000.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	LEATHER WALLETS AND PURSES	150000.00	47.00	7141.40
TOTAL		150000.00	47.00	7141.40

4 Raw Material : Rs. 6,000,000.00

5 Labels and Packing Material : Rs. 75,000.00

6 Wages (2-Skilled & 2- Unskilled) Rs. 300,000.00

7 Salaries (1-Manager) Rs. 120,000.00

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8	Administrative Expenses	:	Rs.	150,000.00
9	Overheads	:	Rs.	175,000.00
10	Miscellaneous Expenses	:	Rs.	100,000.00
11	Depreciation	:	Rs.	56,000.00
12	Insurance	:	Rs.	5,600.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	72,800.00
	b. W.C.Loan	:	Rs.	143,000.00
	Total Interest		Rs.	215,800.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	448,400.00
	Variable Cost		Rs.	6,693,000.00
	Requirement of WC per Cycle		Rs.	1,785,350.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	448.40	269.04	313.88	358.72
2	Variable Cost	6693.00	4015.80	4685.10	5354.40
3	Cost of Production	7141.40	4284.84	4998.98	5043.82
4	Projected Sales	8000.00	4800.00	5600.00	6400.00
5	Gross Surplus	858.60	515.16	601.02	686.88
6	Expected Net Surplus	803.00	459.00	545.00	631.00

- 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..