

**Khadi and Village Industries Commission Mumbai**

**PROJECT PROFILE ON V-BELTS AND FAN BELTS**

**Introduction :**

With the rapid industrial growth in India , the demand for V-Belts and Fan Belts is increasing day by day. V-Belts are largely used in single or multiple form for automobiles, domestic and commercial equipment and in industrial drives or a wide range of horse power extending upward from a fractional value.

**1 Name of the Product : V-BELTS AND AN BELTS.**

**2 Project Cost :**

a Capital Expenditure

Land : Own

Work shed in sq.ft rented 0 Rs. -

Equipment : Rs. 660,000.00

Rubber mixing mill 12 inches x 30 inches complete with 25 HP motor and reduction gear. Vulcanising Chamber, Hydraulic press with pump motor and other accessories, Spreading machine 28 inches width , Churning Mill 100 hr. Capacity, Boiler 100 kg. Evp. Capacity, Belt Building units, Testing Equipments and Electrification , Installation charges. , Moulds/fixtures, Office equipment and working tables etc. Pre-operative expenses.

Total Capital Expenditure Rs. 660,000.00

b Working Capital Rs. 750,000.00

**TOTAL PROJECT COST : Rs. 1,410,000.00**

**3 Estimated Annual Production Capacity: (Rs. in 000)**

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	V- BELTS AND FAN BELTS	12000 Nos.	264.00	3172.40
<b>TOTAL</b>		<b>0.00</b>	<b>264.00</b>	<b>3172.40</b>

**4 Raw Material : Rs. 2,040,000.00**

**5 Labels and Packing Material : Rs. 125,000.00**

**6 Wages (3-Skilled & 3- Unskilled) Rs. 432,000.00**

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

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<b>8</b>	<b>Administrative Expenses</b>	<b>:</b>	<b>Rs.</b>	<b>120,000.00</b>
<b>9</b>	<b>Overheads</b>	<b>:</b>	<b>Rs.</b>	<b>120,000.00</b>
<b>10</b>	<b>Miscellaneous Expenses</b>	<b>:</b>	<b>Rs.</b>	<b>25,000.00</b>
<b>11</b>	<b>Depreciation</b>	<b>:</b>	<b>Rs.</b>	<b>66,000.00</b>
<b>12</b>	<b>Insurance</b>	<b>:</b>	<b>Rs.</b>	<b>6,600.00</b>
<b>13</b>	<b>Interest (As per the PLR)</b>			
	<b>a. C.E.Loan</b>	<b>:</b>	<b>Rs.</b>	<b>85,800.00</b>
	<b>b. W.C.Loan</b>	<b>:</b>	<b>Rs.</b>	<b>97,500.00</b>
	<b>Total Interest</b>		<b>Rs.</b>	<b>183,300.00</b>
<b>14</b>	<b>Working Capital Requirement</b>	<b>:</b>		
	<b>Fixed Cost</b>		<b>Rs.</b>	<b>357,400.00</b>
	<b>Variable Cost</b>		<b>Rs.</b>	<b>2,814,500.00</b>
	<b>Requirement of WC per Cycle</b>		<b>Rs.</b>	<b>792,975.00</b>

**15 Cost Analysis**

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
<b>1</b>	<b>Fixed Cost</b>	357.40	214.44	250.18	285.92
<b>2</b>	<b>Variable Cost</b>	2815.00	1689.00	1970.50	2252.00
<b>3</b>	<b>Cost of Production</b>	3172.40	1903.44	2220.68	2256.42
<b>4</b>	<b>Projected Sales</b>	3900.00	2340.00	2730.00	3120.00
<b>5</b>	<b>Gross Surplus</b>	727.60	436.56	509.32	582.08
<b>6</b>	<b>Expected Net Surplus</b>	662.00	371.00	443.00	516.00

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