

KHADI & VILLAGE INDUSTRIES COMMISSION
PROJECT PROFILE FOR GRAMODYOG ROJGAR YOJANA

FIBRE BAN MAKING UNIT (SABAI GRASS)

Sabai is a hardly plant, thrives best in regions with an annual rainfall of 30 to 60 inches. It prevents soil erosion. The grass is harvested annually in November when it grows wild. It is used in rope making everywhere. Twines and strings are also manufactured. The ropes made out of it are used for Jhoolas and bridges. It is also used for making mats, soles and uppers of grass slippers. It has good market in India.

1	Name of the Product	:	Ply Yarn Made of Moonj/ Sabai Grass
2	Project Cost	:	
	a Capital Expenditure		
	Land	:	Own
	Building Shed 250 Sq.ft Katcha	:	Rs. 25000.00
	Equipment (Ban making m/c, Hammer and Tools etc.)	:	Rs. 20000.00
	Total Capital Expenditure	Rs.	45000.00
	b Working Capital	Rs.	35000.00
	TOTAL PROJECT COST	:	Rs. 80000.00

3 Estimated Annual Production of Ply Yarn (Ban) : (Value in '000)

Sr.No.	Particulars	Capacity	Rate	Total Value
1	Ply Yarn (BAN)			178.30
	TOTAL			178.30

4	Raw Material	:	Rs. 50000.00
5	Lables and Packing Material	:	Rs. 1000.00
6	Wages (Skilled & Unskilled)	:	Rs. 80000.00

7	Salaries	:	Rs.	24000.00
8	Administrative Expenses	:	Rs.	5000.00
9	Overheads	:	Rs.	5000.00
10	Miscellaneous Expenses	:	Rs.	2000.00
11	Depreciation	:	Rs.	3250.00
12	Insurance	:	Rs.	450.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	5850.00
	b. W.C.Loan	:	Rs.	4550.00
	Total Interest		Rs.	10400.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	37300.00
	Variable Cost		Rs.	140550.00
	Requirement of WC per Cycle		Rs.	35570.00

15 Estimated Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	37.30	22.38	26.11	29.84
2	Variable Cost	141.00	84.60	98.70	112.80
3	Cost of Production	178.30	106.98	124.81	142.64
4	Projected Sales	300.00	180.00	210.00	240.00
5	Gross Surplus	121.70	73.02	85.19	97.36
6	Expected Net Surplus	118.00	70.00	82.00	94.00

- 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
- Total Cost of Project will be reduced.
 - Profitability will be increased.
 - Interest on C.E.will be reduced.