

KHADI & VILLAGE INDUSTRIES COMMISSION **PROJECT PROFILE FOR GRAMODYOG ROJGAR YOJANA**

MEDIUM SISAL FIBRE UNIT

Sisal(Agave) is a native of Mexico. The plants were taken to Europe, Africa and the Far East by the Spanish and the Portuguese. It was introduced in India during the 15th century by the Portuguese and is now found all over the country. There are about 275 species of sisal. Sisal fibre strands (tissues) are stronger than other leaf fibres. It is mainly used for ropes and twines for agricultural purposes, marine tying and general industrial uses. The Sisal products have a good market as the sisal fibre is also used in the manufacture of other decorative articles such as door mats, table mats, wall hangings, fancy bags etc. It has a good market in India and abroad.

1	Name of the Product	:	Sisal Fiber Unit
2	Project Cost	:	
	a Capital Expenditure		
	Land	:	Own
	Building Shed 250 Sq.ft	:	Rs. 50000.00
	Equipment (Raspodar m/c, Motor 5 hp and tools etc..)	:	Rs. 75000.00
	Total Capital Expenditure	Rs.	125000.00
	b Working Capital	Rs.	28000.00
	TOTAL PROJECT COST	: Rs.	153000.00

3 Estimated Annual Production of Sisal Fiber : (Value in '000)

Sr.No.	Particulars	Capacity	Rate	Total Value
1	Sisal Fiber	125.00 Tons	1120.00	140.50
	TOTAL	125.00	1120.00	140.50

4	Raw Material	:	Rs. 35000.00
5	Lables and Packing Material	:	Rs. 1000.00

6 Wages (Skilled & Unskilled)	:	Rs.	24000.00
7 Salaries	:	Rs.	24000.00
8 Administrative Expenses	:	Rs.	10000.00
9 Overheads	:	Rs.	20000.00
10 Miscellaneous Expenses	:	Rs.	5000.00
11 Depreciation	:	Rs.	10000.00
12 Insurance	:	Rs.	1250.00
13 Interest (As per the PLR)			
a. C.E.Loan	:	Rs.	16250.00
b. W.C.Loan	:	Rs.	3640.00
 Total Interest		Rs.	19890.00
14 Working Capital Requirement	:		
Fixed Cost		Rs.	56500.00
Variable Cost		Rs.	83640.00
Requirement of WC per Cycle		Rs.	28028.00

15 Estimated Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	56.50	33.90	39.55	45.20
2	Variable Cost	84.00	50.40	58.80	67.20
3	Cost of Production	140.50	84.30	98.35	112.40
4	Projected Sales	275.00	165.00	192.50	220.00
5	Gross Surplus	134.50	80.70	94.15	107.60
6	Expected Net Surplus	125.00	71.00	84.00	98.00

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