

**Khadi and Village Industries Commission Mumbai**

**Tiny Handmade Paper Conversion Unit**

**Introduction**

Name of the Product :- Greeting Cards , Visiting Cards , Wedding cards , Letterheads , Envelops, File Folders, Carry Bags, Lamp Shed, Photo Frame, Office Stationery etc.

**1 Name of the Product :** Greeting Cards Visiting Cards, Wedding Cards Envelops

**2 Project Cost :**

a Capital Expenditure

Land

Workshed in sq.ft

4

330 on lease

Rs.

Rs.

Own

84,000.00

Paper Cuytting Machine, Punching Machine, Creasing Machine, File

master, Dab Press etc.

Total Capital Expenditure

Rs.

84,000.00

b Working Capital

Rs.

19,704.00

**TOTAL PROJECT COST :**

Rs.

**103,704.00**

**3 Estimated Annual Production Capacity:**

(Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	Greeting Cards Visiting Cards File Folders etc.	151000.00	3.50	235.76
<b>TOTAL</b>		<b>151000.00</b>	<b>3.50</b>	<b>235.76</b>

**4 Raw Material** : Rs. 105,100.00

**5 Labels and Packing Material** : Rs. 10,000.00

**6 Wages (Skilled & Unskilled)** : Rs. 54,000.00

**7 Salaries** : Rs. 54,000.00

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8	Administrative Expenses	:	Rs.	2,500.00
9	Overheads	:	Rs.	166,000.00
10	Miscellaneous Expenses	:	Rs.	500.00
11	Depreciation	:	Rs.	8,400.00
12	Insurance	:	Rs.	840.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	10,920.00
	b. W.C.Loan	:	Rs.	2,562.00
	Total Interest		Rs.	13,482.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	68,760.00
	Variable Cost		Rs.	166,800.00
	Requirement of WC per Cycle		Rs.	39,260.00

**15 Cost Analysis**

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	68.76	41.26	48.13	55.01
2	Variable Cost	167.00	100.20	116.90	133.60
3	Cost of Production	235.76	141.46	165.03	171.91
4	Projected Sales	299.00	179.40	209.30	239.20
5	Gross Surplus	63.24	37.94	44.27	50.59
6	Expected Net Surplus	55.00	30.00	36.00	42.00

- Note :
1. All figures mentioned above are only indicative.
  2. If the investment on Building is replaced by Rental then
    - a. Total Cost of Project will be reduced.
    - b. Profitability will be increased.
    - c. Interest on C.E.will be reduced.