

**Khadi and Village Industries Commission Mumbai**

**Project Profile on WOODEN TOYS AND DECORATIVE PIECES**

**Introduction :**

Variety of wooden toys and decorative pieces can be made as carved out of wood. Indian toys made on sandal, teak and rose wood have wide markets globally. White cheap wood is used for manufacture of toys, high quality wood pieces are usual for manufacture of decorative pieces. The wood pieces are cut with the help of band saw and jig saw carved manually and joined the pieces where ever required with fevicol etc. The products are either polished or painted before being sent to markets. Raw materials required for Wooden Toys and decorative pieces are wood pieces, fevicol, paint sand paper etc.

**Annual Production capacity :** It is envisaged to produce goods worth Rs.298000/-. **Suppliers of Plant & Machinery :** Locally available.

**1 Name of the Product :** **WOODEN TOYS AND DECORATIVE PIECES**

**2 Project Cost :**

a	Capital Expenditure				<b>Own</b>
	Land	:			-
	Workshed in sq.ft	:	Rs.		-
	Equipment	:	Rs.		<b>62,000.00</b>
Band saw machine, Jig saw machine, Bench grindre, 12 mm drilling machine, sanding machine etc.					
	Total Capital Expenditure		Rs.		<b>62,000.00</b>
b	Working Capital		Rs.		<b>150,000.00</b>
	<b>TOTAL PROJECT COST :</b>		Rs.		<b>212,000.00</b>

**3 Estimated Annual Production Capacity:**

Sr.No.	Particulars	Capacity in No./Q.	Rate	(Rs. in 000)
Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	<b>WOODEN TOYS AND DECORATIVE PIECES</b>			907.68
	<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>907.68</b>

<b>4</b>	<b>Raw Material</b>	:	Rs.		<b>500,000.00</b>
<b>5</b>	<b>Labels and Packing Material</b>	:	Rs.		<b>5,000.00</b>
<b>6</b>	<b>Wages (1-Skilled &amp;1- Unskilled)</b>	:	Rs.		<b>144,000.00</b>
<b>7</b>	<b>Salaries( MANAGER-1)</b>		Rs.		<b>120,000.00</b>

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<b>8</b>	<b>Administrative Expenses</b>	<b>:</b>	<b>Rs.</b>	<b>45,000.00</b>
<b>9</b>	<b>Overheads</b>	<b>:</b>	<b>Rs.</b>	<b>60,000.00</b>
<b>10</b>	<b>Miscellaneous Expenses</b>	<b>:</b>	<b>Rs.</b>	<b>5,000.00</b>
<b>11</b>	<b>Depreciation</b>	<b>:</b>	<b>Rs.</b>	<b>6,200.00</b>
<b>12</b>	<b>Insurance</b>	<b>:</b>	<b>Rs.</b>	<b>620.00</b>
<b>13</b>	<b>Interest (As per the PLR)</b>			
	<b>a. C.E.Loan</b>	<b>:</b>	<b>Rs.</b>	<b>8,060.00</b>
	<b>b. W.C.Loan</b>	<b>:</b>	<b>Rs.</b>	<b>19,500.00</b>
	<b>Total Interest</b>		<b>Rs.</b>	<b>27,560.00</b>
<b>14</b>	<b>Working Capital Requirement</b>	<b>:</b>		
	<b>Fixed Cost</b>		<b>Rs.</b>	<b>178,680.00</b>
	<b>Variable Cost</b>		<b>Rs.</b>	<b>728,500.00</b>
	<b>Requirement of WC per Cycle</b>		<b>Rs.</b>	<b>151,197.00</b>

**15 Cost Analysis**

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
<b>1</b>	<b>Fixed Cost</b>	178.68	107.21	125.08	142.94
<b>2</b>	<b>Variable Cost</b>	729.00	437.40	510.30	583.20
<b>3</b>	<b>Cost of Production</b>	907.68	544.61	635.38	653.24
<b>4</b>	<b>Projected Sales</b>	1200.00	720.00	840.00	960.00
<b>5</b>	<b>Gross Surplus</b>	292.32	175.39	204.62	233.86
<b>6</b>	<b>Expected Net Surplus</b>	286.00	169.00	198.00	228.00

- 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.