Broom making is a traditional work involves very simple manual process & suitable for rural unemployed women of different origin. Various types of brooms (long/short handles) of different weight made out of coconut midribs, infloroscences of grasses or palm leaves. It is widely used by all means in industrial as well as domestic.

1 Name of the Product : Broom

2 Project Cost :
   a Capital Expenditure
      Land :
      Building Shed 1000 Sq.ft : Rs. 200000.00
      Equipment : Rs. 20000.00
      (Carding M/c, Tools & implements etc.)
      Total Capital Expenditure Rs. 220000.00
   b Working Capital Rs. 104000.00

TOTAL PROJECT COST : Rs. 324000.00

3 Estimated Annual Production of Broom : (Value in ‘000)

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Particulars</th>
<th>Quantity</th>
<th>Rate</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Broom</td>
<td>125000.00</td>
<td>5.00</td>
<td>626.80</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>125000.00</td>
<td>5.00</td>
<td>626.80</td>
</tr>
</tbody>
</table>

4 Raw Material : Rs. 150000.00

5 Sugar feeding, Migration, Disease control : Rs. 1000.00

6 Wages (Skilled & Unskilled) : Rs. 360000.00
7 Salaries : Rs. 36000.00
8 Administrative Expenses : Rs. 15000.00
9 Overheads : Rs. 15000.00
10 Miscellaneous Expenses : Rs. 5000.00
11 Depreciation : Rs. 12000.00
12 Insurance : Rs. 2200.00
13 Interest (As per the PLR)
   a. C.E.Loan : Rs. 28600.00
   b. W.C.Loan : Rs. 13520.00

Total Interest : Rs. 42120.00
14 Working Capital Requirement
   Fixed Cost : Rs. 86800.00
   Variable Cost : Rs. 539520.00
   Requirement of WC per Cycle : Rs. 104387.00

15 Estimated Cost Analysis

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Particulars</th>
<th>Capacity Utilization (Rs in '000)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>1</td>
<td>Fixed Cost</td>
<td>86.80</td>
</tr>
<tr>
<td>2</td>
<td>Variable Cost</td>
<td>540.00</td>
</tr>
<tr>
<td>3</td>
<td>Cost of Production</td>
<td>626.80</td>
</tr>
<tr>
<td>4</td>
<td>Projected Sales</td>
<td>800.00</td>
</tr>
<tr>
<td>5</td>
<td>Gross Surplus</td>
<td>173.20</td>
</tr>
<tr>
<td>6</td>
<td>Expected Net Surplus</td>
<td>161.00</td>
</tr>
</tbody>
</table>

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