Carpentry & Blacksmithy are perhaps the oldest known Occupation, besides agriculture and hunting, since the onset of civilised life on earth. Even today, Carpentry & Blacksmithy Industry is considered as Mother Industry among all the industries under the purview of Khadi & V.I. Commission. The products of Carpentry & Blacksmithy Industry can be broadly classified as:- (i) Household Furnitures & Fixtures; (ii) School & Office Furniture; (iii) Kitchen-ware items; (iv) Transport items; (v) Musical instruments; (vi) Toys, wood carving & decorative articles.

1 Name of the Product : Wooden Furniture

2 Project Cost :
   a Capital Expenditure
      Land : Own
      Building Shed 1500 Sq.ft : Rs. 300000.00
      Equipment : Rs. 200000.00
      (Circular saw, Surface grinder, Universal Wood working m/c, Drill etc.)
      Total Capital Expenditure : Rs. 500000.00
   b Working Capital : Rs. 740000.00
   TOTAL PROJECT COST : Rs. 1240000.00

3 Estimated Annual Production of Wooden Furniture : (Value in '000)

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Particulars</th>
<th>Capacity</th>
<th>Rate</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Wooden Furniture</td>
<td>3703.00</td>
<td></td>
<td>3703.00</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td></td>
<td></td>
<td>3703.00</td>
</tr>
</tbody>
</table>

4 Raw Material : Rs. 2500000.00
5 Lables and Packing Material : Rs. 10000.00
6 Wages (Skilled & Unskilled) : Rs. 500000.00
7 Salaries : Rs. 200000.00
8 Administrative Expenses : Rs. 100000.00
9 Overheads : Rs. 200000.00
10 Miscellaneous Expenses : Rs. 25000.00
11 Depreciation : Rs. 35000.00
12 Insurance : Rs. 12400.00
13 Interest (As per the PLR)
   a. C.E.Loan Rs. 65000.00
   b. W.C.Loan Rs. 98280.00
   Total Interest Rs. 163280.00
14 Working Capital Requirement :
   Fixed Cost Rs. 395000.00
   Variable Cost Rs. 3308280.00
   Requirement of WC per Cycle Rs. 740656.00
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>395.00</td>
</tr>
<tr>
<td>2</td>
<td>Variable Cost</td>
<td>3308.00</td>
</tr>
<tr>
<td>3</td>
<td>Cost of Production</td>
<td>3703.00</td>
</tr>
<tr>
<td>4</td>
<td>Projected Sales</td>
<td>4200.00</td>
</tr>
<tr>
<td>5</td>
<td>Gross Surplus</td>
<td>497.00</td>
</tr>
<tr>
<td>6</td>
<td>Expected Net Surplus</td>
<td>462.00</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 Premises
   a. Total Cost of Project will be reduced.
   b. Profitability will be increased.
   c. Interest on C.E.will be reduced.