KHADI & VILLAGE INDUSTRIES COMMISSION
PROJECT PROFILE FOR GRAMODYOOG ROJGAR YOJANA

PRODUCTION OF GASKET SHELLAC COMPOUND (GASKET CEMENT)

On account of its high resistance to attack by oils and petroleum hydrocarbon, shellac is extensively used in automobile and aviation industry for making petrol and gas tight seals in engine and fuel lines. Product made by the items given has been found to be superior to those ordinary available in the market. As regards adhesion flexibility, shock and oil resistance.

1. Name of the Product : Gasket Shellac Compound (Gasket Cement)

2. Project Cost :
   a. Capital Expenditure
      Land : Own
      Building Shed 500 sq.ft. : Rs. 100000.00
      Equipment : Rs. 10000.00
      (SS Vessel with lid, Stop cock, Stirrer, Motor with speed regulator, weighing balance measuring cylinder, gravity meter & tools etc.)
      Total Capital Expenditure : Rs. 110000.00
   b. Working Capital : Rs. 57000.00

   TOTAL PROJECT COST : Rs. 167000.00

3. Estimated Annual Production Capacity of Gasket Cement: (Value in ‘000)

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Particulars</th>
<th>Capacity in Kg.</th>
<th>Rate</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gasket Cement</td>
<td>2000.00</td>
<td>172.00</td>
<td>344.40</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>2000.00</td>
<td>172.00</td>
<td>344.40</td>
</tr>
</tbody>
</table>

4. Raw Material : Rs. 200000.00

5. Lables and Packing Material : Rs. 5000.00
6 Wages (Skilled & Unskilled) : Rs. 36000.00
7 Salaries : Rs. 36000.00
8 Administrative Expenses : Rs. 20000.00
9 Overheads : Rs. 20000.00
10 Miscellaneous Expenses : Rs. 5000.00
11 Depreciation : Rs. 6000.00
12 Insurance : Rs. 1100.00
13 Interest (As per the PLR)
   a. C.E.Loan : Rs. 14300.00
   b. W.C.Loan : Rs. 7410.00
   Total Interest : Rs. 21710.00
14 Working Capital Requirement :
   Fixed Cost : Rs. 76400.00
   Variable Cost : Rs. 268410.00
   Requirement of WC per Cycle : Rs. 57468.00
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>76.40</td>
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<tr>
<td>2</td>
<td>Variable Cost</td>
<td>268.00</td>
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<tr>
<td>3</td>
<td>Cost of Production</td>
<td>344.40</td>
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<tr>
<td>4</td>
<td>Projected Sales</td>
<td>400.00</td>
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<tr>
<td>5</td>
<td>Gross Surplus</td>
<td>55.60</td>
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<tr>
<td>6</td>
<td>Expected Net Surplus</td>
<td>50.00</td>
</tr>
</tbody>
</table>

Note : 1. All figures mentioned above are only indicative and may vary from place to place.