

KHADI & VILLAGE INDUSTRIES COMMISSION **PROJECT PROFILE FOR GRAMODYOG ROJGAR YOJANA**

STEEL FURNITURE UNIT

Steel furniture has become an essential item for a better living. The demand for furniture are increasing steady and it has been accepted everywhere. Every household require furniture and since the wood has become seare and costly. The steel furniture has taken the place everywhere in view of its durability, attractive look and reasonable rates. Furniture are easy to make at rural areas with limited machines.

- 1 Name of the Product** : **Store well Lockers, Table, Chairs, Coots, Gates, Grills etc.**
- 2 Project Cost** :
- a Capital Expenditure
- | | | | |
|--------------------------|---|-----|-----------|
| Land | : | Own | |
| Building Shed 1750 Sq.ft | : | Rs. | 350000.00 |
| Equipment | : | Rs. | 950000.00 |
- (Press Break, Hand Shear, Welding Transformer, Power Drilling Machine (Pillar type), lathe machine, power hand drill, Spry Painting unit with Accessories, Bench Vice, spot/gas welding with accessories, tools, measuring instruments etc.)
- | | | | |
|---------------------------|-----|--|------------|
| Total Capital Expenditure | Rs. | | 1300000.00 |
|---------------------------|-----|--|------------|
- b Working Capital
- | | | | |
|--|-----|--|-----------|
| | Rs. | | 393000.00 |
|--|-----|--|-----------|
- TOTAL PROJECT COST** : **Rs. 1693000.00**

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

Sr.No.	Particulars	Capacity	Rate	Total Value
1	Store well Lockers, Table, Chairs, Coots, Gates, Grills etc.			2361
	TOTAL	0.00		2361

4	Raw Material	:	Rs.	1300000.00
5	Lables and Packing Material	:	Rs.	30000.00
6	Wages (Skilled & Unskilled)	:	Rs.	432000.00
7	Salaries	:	Rs.	180000.00
8	Administrative Expenses	:	Rs.	30000.00
9	Overheads	:	Rs.	150000.00
10	Miscellaneous Expenses	:	Rs.	5000.00
11	Depreciation	:	Rs.	112500.00
12	Insurance	:	Rs.	13000.00
13	Interest (As per the PLR)			
	a. C.E.Loan		Rs.	169000.00
	b. W.C.Loan		Rs.	52000.00
	Total Interest		Rs.	221000.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	397000.00
	Variable Cost		Rs.	1964000.00
	Requirement of WC per Cycle		Rs.	393500.00

15 Estimated Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	397.00	238.20	277.90	317.60
2	Variable Cost	1964.00	1178.40	1374.80	1571.20
3	Cost of Production	2361.00	1416.60	1652.70	1888.80
4	Projected Sales	2600.00	1560.00	1820.00	2080.00
5	Gross Surplus	239.00	143.40	167.30	191.20
6	Expected Net Surplus	127.00	31.00	55.00	79.00

- Note :
- All figures mentioned above are only indicative and may vary from place to place.
 - If the investment on Building is replaced by Rental Premises
 - Total Cost of Project will be reduced.
 - Profitability will be increased.
 - Interest on C.E.will be reduced.