KHADI & VILLAGE INDUSTRIES COMMISSION  
PROJECT PROFILE FOR GRAMODYOG ROZGAR YOJANA  
PRODUCTION OF TWO-IN-ONE RADIO AND TAPE RECORDER

For the generation of rural employment through electronics, Khadi & Village Industries Commission jointly with the Department of Electronics (Govt. of India) formulated guidelines and pattern for implementation during 1990. Many consumable products have been identified for production, two-in-one radio and tape recorder i.e. one among them. Even today the demand for production of Electronic items and its use are high both in village as well as urban areas.

1. Name of the Product: Radio and Tape Recorder

2. Project Cost:

   (a) Capital Expenditure
      - Land: Own
      - Building Shed 1000 sq.ft.: Rs. 200000.00
      - Equipment: Rs. 250000.00 (Trans. Winding M/c, Techometer, Multimeter Dig. & Analog, Ammeter, Furnace, Oscilloscope, Hand tools, Jigs & Fixure, Test panel etc., Laboratory equipment)
      - Total Capital Expenditure: Rs. 450000.00

   (b) Working Capital: Rs. 200000.00

   TOTAL PROJECT COST: Rs. 650000.00

3. Estimated Annual Production of Radio and Tape: (Value in 1000)

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Capacity</th>
<th>Rate</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Radio and Tape Recorder</td>
<td>6000.00</td>
<td></td>
<td>801.00</td>
</tr>
<tr>
<td>1.</td>
<td></td>
<td>Sets</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>6000.00</td>
<td></td>
<td>801.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sets</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Raw Material: Rs. 400000.00

5. Labels and Packing Material: Rs. 10000.00

6. Wages (Skilled & Unskilled): Rs. 150000.00
7. Salaries : Rs. 72000.00
8. Administrative Expenses : Rs. 30000.00
9. Overheads : Rs. 30000.00
10. Miscellaneous Expenses : Rs. 20000.00
11. Depreciation : Rs. 35000.00
12. Insurance : Rs. 4500.00
13. Interest (As per the PLR)
   (a) Capital Expenditure Loan : Rs. 58500.00
   (b) Working Capital Loan : Rs. 26000.00
   Total Interest : Rs. 84500.00
14. Working Capital Requirement
   Fixed Cost : Rs. 185000.00
   Variable Cost : Rs. 616000.00
   Requirement of Working Capital per Cycle : Rs. 200250.00
15. Estimated Cost Analysis

<table>
<thead>
<tr>
<th>Sl. 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>185.00</td>
</tr>
<tr>
<td>2.</td>
<td>Variable Cost</td>
<td>616.00</td>
</tr>
<tr>
<td>3.</td>
<td>Cost of Production</td>
<td>801.00</td>
</tr>
<tr>
<td>4.</td>
<td>Projected Sales</td>
<td>1000.00</td>
</tr>
<tr>
<td>5.</td>
<td>Gross Surplus</td>
<td>199.00</td>
</tr>
<tr>
<td>6.</td>
<td>Expected Net Surplus</td>
<td>164.00</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 Capital Expenditure will be reduced.