KHADI & VILLAGE INDUSTRIES COMMISSION
PROJECT PROFILE FOR GRAMODYOG ROZGAR YOJANA

BARBER SHOP

Hair cutting and hair dressing is an essential service for men as well women. Looking to the need of the barbers, the scheme has been introduced to attractive saloons. Even educated unemployed youths are coming forward to start such units in the rural areas for earning. Such unit can provide employment to 4 persons.

1. Name of the Activity : Hair Cutting/Shaving

2. Project Cost :
   (a) Capital Expenditure
      Land : Own
      Building Shed 250 sq.ft. : Rs. 50000.00
      Equipment : Rs. 30000.00
      (Hair Cutting Chairs, Mirrors, Scissors, cosmetics etc..)
      Total Capital Expenditure Rs. 80000.00
   (b) Working Capital Rs. 13000.00

   TOTAL PROJECT COST : Rs. 93000.00

3. Estimated Annual Service : (Value in ₹000)

<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>1.</td>
<td>Hair cutting, Shaving etc..</td>
<td>Hair Cutting Shaving</td>
<td>15.00</td>
<td>83.70</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>83.70</strong></td>
</tr>
</tbody>
</table>

   4. Raw Material : Rs. 5000.00
   5. Labels and Packing Material : Rs. 0.00
   6. Wages (Skilled & Unskilled) : Rs. 60000.00
7. Salaries : Rs. 0.00
8. Administrative Expenses : Rs. 0.00
9. Overheads : Rs. 5000.00
10. Miscellaneous Expenses : Rs. 500.00
11. Depreciation : Rs. 5500.00
12. Insurance : Rs. 800.00
13. Interest (As per the PLR)
   (a) Capital Expenditure Loan : Rs. 10400.00
   (b) Working Capital Loan : Rs. 1690.00
   Total Interest : Rs. 12090.00
14. Working Capital Requirement
    Fixed Cost : Rs. 11700.00
    Variable Cost : Rs. 71690.00
    Requirement of Working Capital per Cycle : Rs. 13898.00
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>11.70</td>
</tr>
<tr>
<td>2.</td>
<td>Variable Cost</td>
<td>72.00</td>
</tr>
<tr>
<td>3.</td>
<td>Cost of Production</td>
<td>83.70</td>
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<tr>
<td>4.</td>
<td>Projected Sales</td>
<td>100.00</td>
</tr>
<tr>
<td>5.</td>
<td>Gross Surplus</td>
<td>16.30</td>
</tr>
<tr>
<td>6.</td>
<td>Expected Net Surplus</td>
<td>11.00</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.