KHADI & VILLAGE INDUSTRIES COMMISSION  
PROJECT PROFILE FOR GRAMODYOG ROZGAR YOJANA  

STEEL FURNITURE UNIT

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

1. Name of the Product: Storewell Lockers, Table, Chairs, 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, Spray 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 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>1.</td>
<td>Storewell Lockers, Table Chairs, Gates, Grills etc.</td>
<td></td>
<td>2361</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td></td>
<td></td>
<td>2361</td>
</tr>
</tbody>
</table>

4. Raw Material: Rs. 1300000.00

5. Labels 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) Capital Expenditure Loan : Rs. 169000.00
   (b) Working Capital 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 Working Capital per Cycle : Rs. 393500.00
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>397.00</td>
</tr>
<tr>
<td>2.</td>
<td>Variable Cost</td>
<td>1964.00</td>
</tr>
<tr>
<td>3.</td>
<td>Cost of Production</td>
<td>2361.00</td>
</tr>
<tr>
<td>4.</td>
<td>Projected Sales</td>
<td>2600.00</td>
</tr>
<tr>
<td>5.</td>
<td>Gross Surplus</td>
<td>239.00</td>
</tr>
<tr>
<td>6.</td>
<td>Expected Net Surplus</td>
<td>127.00</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.