KHADI & VILLAGE INDUSTRIES COMMISSION
PROJECT PROFILE FOR GRAMODYOG ROZGAR YOJANA

PRODUCTION OF VERMICOMPOST

Organic solid waste management by employing earthworms has multifarious role to play in a
developing country like India. Firstly, it makes way for utilization of available organic wastes
produce the rich source of organic manure of high quality, which is superior to other types of
organic manures in its physico-chemical and biological properties. Secondly, the manure is produced
in a shorter duration of time of six weeks and is a fully matured, homogenous matter. Thirdly, the
programme provides job opportunities for the unskilled labour force. Finally, it is the best way of
safe guarding the environment. Vermicompost (compost produced by the activity of selected species
of earthworms) has been adjudged as the best source of organic amendments to soil. Using
vermicompost can fulfill the requirements for organically grown products.

1. Name of the Product : Vermicompost (Bio-Manure)

2. Project Cost :

   (a) Capital Expenditure
       Land : Own
       Building Shed 1900 sq.ft. : Rs. 380000.00
       Equipment : Rs. 325000.00
       Shovel for Mixing, Sieving M/c., Cutter & Blender, Sewing M/c., Breeder Box, Mini Tractor
       Total Capital Expenditure : Rs. 705000.00

   (b) Working Capital : Rs. 160000.00

   TOTAL PROJECT COST : Rs. 865000.00

3. Estimated Annual Production of Vermicompost : (Value in `000)

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Capacity (MT)</th>
<th>Rate</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Vermicompost</td>
<td>500.00</td>
<td>1.967</td>
<td>983.70</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>500.00</td>
<td>1.967</td>
<td>983.70</td>
</tr>
</tbody>
</table>
4. Raw Material : Rs. 300000.00
5. Labels and Packing Material : Rs. 10000.00
6. Wages (Skilled & Unskilled) : Rs. 264000.00
7. Salaries : Rs. 90000.00
8. Administrative Expenses : Rs. 10000.00
9. Overheads : Rs. 180000.00
10. Miscellaneous Expenses : Rs. 10000.00
11. Depreciation : Rs. 51500.00
12. Insurance : Rs. 7050.00
13. Interest (As per the PLR)
   (a) Capital Expenditure Loan : Rs. 91650.00
   (b) Working Capital Loan : Rs. 20800.00
   Total Interest : Rs. 112450.00
14. Working Capital Requirement
   Fixed Cost : Rs. 208700.00
   Variable Cost : Rs. 774800.00
   Requirement of Working Capital per Cycle : Rs. 163917.00
15. Estimated Cost Analysis

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Capacity Utilization (Rs. in 1000)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>1.</td>
<td>Fixed Cost</td>
<td>208.70</td>
</tr>
<tr>
<td>2.</td>
<td>Variable Cost</td>
<td>775.00</td>
</tr>
<tr>
<td>3.</td>
<td>Cost of Production</td>
<td>983.70</td>
</tr>
<tr>
<td>4.</td>
<td>Projected Sales</td>
<td>1500.00</td>
</tr>
<tr>
<td>5.</td>
<td>Gross Surplus</td>
<td>516.30</td>
</tr>
<tr>
<td>6.</td>
<td>Expected Net Surplus</td>
<td>465.00</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.