KHADI & VILLAGE INDUSTRIES COMMISSION  
PROJECT PROFILE FOR GRAMODYOG ROZGAR YOJANA  

PALM FIBRE BRUSH MAKING UNIT  

Palm brush have got dometic as well as industrial demand. Manufacturing process is very simple. There is a good demand for the product.

1. Name of the Product : Palm Fibre Brushes

2. Project Cost :

(a) Capital Expenditure

Land : Own
Building Shed 1000 sq.ft. : Rs. 200000.00
Equipment : Rs. 75000.00
(Fibre Extracing M/c, Wood profile cutter, Blades of different size, Drill M/c, Fibre shaving M/c and tools etc..)

**Total Capital Expenditure** : Rs. 275000.00

(b) Working Capital : Rs. 110000.00

**TOTAL PROJECT COST** : Rs. 385000.00

3. Estimated Annual Production of Palm Fibre Brush : (Value in 1000)

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Particulars</th>
<th>Capacity in Kg.</th>
<th>Rate</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Wood, Raw Fiber, Hardwares etc.</td>
<td>60000.00</td>
<td>11.00</td>
<td>670.50</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>60000.00</td>
<td>11.00</td>
<td>670.50</td>
</tr>
</tbody>
</table>

4. Raw Material : Rs. 300000.00

5. Labels and Packing Material : Rs. 2000.00

6. Wages (Skilled & Unskilled) : Rs. 145000.00

7. Salaries : Rs. 36000.00

8. Administrative Expenses : Rs. 30000.00
9. Overheads : Rs. 100000.00

10. Miscellaneous Expenses : Rs. 5000.00

11. Depreciation : Rs. 17500.00

12. Insurance : Rs. 2750.00

13. Interest (As per the PLR)
   (a) Capital Expenditure Loan : Rs. 35750.00
   (b) Working Capital Loan : Rs. 14300.00

Total Interest : Rs. 50050.00

14. Working Capital Requirement
    Fixed Cost : Rs. 109500.00
    Variable Cost : Rs. 561300.00
    Requirement of Working Capital per Cycle : Rs. 111800.00

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>109.50</td>
</tr>
<tr>
<td>2.</td>
<td>Variable Cost</td>
<td>561.00</td>
</tr>
<tr>
<td>3.</td>
<td>Cost of Production</td>
<td>670.50</td>
</tr>
<tr>
<td>4.</td>
<td>Projected Sales</td>
<td>800.00</td>
</tr>
<tr>
<td>5.</td>
<td>Gross Surplus</td>
<td>129.50</td>
</tr>
<tr>
<td>6.</td>
<td>Expected Net Surplus</td>
<td>112.00</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.