Nail polish is one of the cosmetic used by women folk. Nitrocellulose, dibutylphalate, acetone, acetate and dyes are the raw materials used. Due to increased standard of living of our people in cities and towns, people are using different types of cosmetics and nail polish is one which is used maximum in total cosmetic range.

1. Name of the Product : Nail Polish
2. Project Cost :
   (a) Capital Expenditure
      Land : Own
      Building Shed 400 Sq.ft. : Rs. 80000.00
      Equipment : Rs. 60000.00
      (1) SS vessels with motorized portable stirrer,
      (2) Stainless steel drums, (3) Glass Beakers,
      (4) Equipments, (5) Laboratory
      Total Capital Expenditure : Rs. 140000.00
   (b) Working Capital : Rs. 80000.00
   TOTAL PROJECT COST : Rs. 220000.00
3. Estimated Annual Production of Nail Polish : (Rs. 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>Nail Polish</td>
<td>6 Quintal</td>
<td>50000.00</td>
<td>324.60</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>6 Quintal</td>
<td>50000.00</td>
<td>324.60</td>
</tr>
</tbody>
</table>
4. Raw Material : Rs. 50000.00
5. Labels and Packing Material : Rs. 100000.00
6. Wages (Skilled & Unskilled) : Rs. 45000.00
7. Salaries : Rs. 30000.00
8. Administrative Expenses : Rs. 20000.00
9. Overheads : Rs. 25000.00
10. Miscellaneous Expenses : Rs. 25000.00
11. Depreciation : Rs. 10000.00
12. Insurance : Rs. 1400.00
13. Interest (As per the PLR)
   (a) Capital Expenditure Loan : Rs. 18200.00
   (b) Working Capital Loan : Rs. 10030.00
   Total Interest : Rs. 28600.00
14. Working Capital Requirement
   Fixed Cost : Rs. 94600.00
   Variable Cost : Rs. 230400.00
   Requirement of Working Capital per Cycle : Rs. 81250.00
15. Estimated Cost Analysis

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Capacity Utilization (Rs. in Rs. 1000)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>1.</td>
<td>Fixed Cost</td>
<td>94.60</td>
</tr>
<tr>
<td>2.</td>
<td>Variable Cost</td>
<td>230.00</td>
</tr>
<tr>
<td>3.</td>
<td>Cost of Production</td>
<td>324.60</td>
</tr>
<tr>
<td>4.</td>
<td>Projected Sales</td>
<td>421.98</td>
</tr>
<tr>
<td>5.</td>
<td>Gross Surplus</td>
<td>97.38</td>
</tr>
<tr>
<td>6.</td>
<td>Expected Net Surplus</td>
<td>87.00</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.