KHADI & VILLAGE INDUSTRIES COMMISSION
PROJECT PROFILE FOR GRAMODYOG ROZGAR YOJANA

PRODUCTION OF OXALIC ACID

Barks containing Oxalates obtained from forest department or local panchayat are stored first. During the fusion process, caustic soda solution is first warmed at reactor up to 60 °C. Pieces of Oxalate barks are disintegrated and sieved and placed in screw conveyor to reaction vessel with hot solution of soda. Steam is passed through the reactor vessel in order to maintain desired level of temperature. There is a good demand in domestic and international market.

1. Name of the Product : Oxalic Acid Crystals

2. Project Cost :
   (a) Capital Expenditure
   Land : Own
   Building Shed 1000 sq.ft. : Rs. 200000.00
   Equipment : Rs. 425000.00
   (Wood chipper, band saw, screens, reactor vessel, baby boiler, Scrubber/absorption tower condensor, Pumps, drier, storage tank, Laboratory equipment etc.)
   Total Capital Expenditure : Rs. 625000.00

   (b) Working Capital : Rs. 343000.00
   TOTAL PROJECT COST : Rs. 968000.00

3. Estimated Annual Production of Oxalic Acid : (Value in t000)

<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>Oxalic Acid</td>
<td>130.00 Tons</td>
<td>13180.00</td>
<td>1714.50</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>130.00 Tons</td>
<td>13180.00</td>
<td>1714.50</td>
</tr>
</tbody>
</table>

4. Raw Material : Rs. 1200000.00

5. Labels and Packing Material : Rs. 30000.00

6. Wages (Skilled & Unskilled) : Rs. 110000.00
7. Salaries : Rs. 72000.00
8. Administrative Expenses : Rs. 30000.00
9. Overheads : Rs. 120000.00
10. Miscellaneous Expenses : Rs. 20000.00
11. Depreciation : Rs. 52500.00
12. Insurance : Rs. 6250.00
13. Interest (As per the PLR)
   (a) Capital Expenditure Loan : Rs. 81250.00
   (b) Working Capital Loan : Rs. 44590.00
   Total Interest : Rs. 125840.00
14. Working Capital Requirement
   Fixed Cost : Rs. 209500.00
   Variable Cost : Rs. 1504590.00
   Requirement of Working Capital per Cycle : Rs. 342818.00
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>209.50</td>
</tr>
<tr>
<td>2.</td>
<td>Variable Cost</td>
<td>1505.00</td>
</tr>
<tr>
<td>3.</td>
<td>Cost of Production</td>
<td>1714.50</td>
</tr>
<tr>
<td>4.</td>
<td>Projected Sales</td>
<td>2000.00</td>
</tr>
<tr>
<td>5.</td>
<td>Gross Surplus</td>
<td>285.50</td>
</tr>
<tr>
<td>6.</td>
<td>Expected Net Surplus</td>
<td>233.00</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.