

Khadi and Village Industries Commission Mumbai

Project Profile on SAREE ROLLING AND POLISHING

Introduction :

Due to increase in population and standard of living there is a good market for this type of unit. This rolling or polishing saree keeps one trim and active. It is becoming more and more popular as every working woman or housewife wants that she should look beautiful or attractive. Its use is more popular particularly among the educated women. It is expected that the demand for the product will increase due to increase in demand for sarees. Raw materials required for Saree Rolling and Polishing are Starch powder and others.

Process of Manufacture: After washing the saree either cotton or silk the starch will spray. Those sarees will keep for drying, these sarees will fold on a uniform wooden piece to get uniform foldings. After keeping for six to eight hours the saree will remove from wooden piece and press with the help of steam iron. With the increase in number of working women, the demand for this product is increasing. Every working woman or housewife wants to be attractive and modern especially in offices, marriage functions, parties and festivals. So there is a potential for setting up of new units in this area.

1 Name of the Product : SAREE ROLLING AND POLISHING

2 Project Cost :

a Capital Expenditure

Land	:		Rs.	Own	-
Workshed in sq.ft on rent	:		Rs.		
Equipment	:		Rs.		25,000.00

Sprayers, Rolling sticks, Sitting stand, Electric steam iron, Pressing table and other accessories.

Total Capital Expenditure		Rs.	25,000.00
b Working Capital		Rs.	70,000.00
TOTAL PROJECT COST :		Rs.	95,000.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	SAREE ROLLING AND POLISHING			450.50
	TOTAL	0.00	0.00	450.50

4 Raw Material : Rs. 100,000.00

5 Packing Material : Rs. 2,500.00

6 Wages (1-Skilled & 1-Unskilled) : Rs. 120,000.00

7 Salaries : Rs. 120,000.00

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8	Administrative Expenses	:	Rs.	25,000.00
9	Overheads	:	Rs.	60,000.00
10	Miscellaneous Expenses	:	Rs.	10,000.00
11	Depreciation	:	Rs.	2,500.00
12	Insurance	:	Rs.	250.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	3,250.00
	b. W.C.Loan	:	Rs.	9,100.00
	Total Interest		Rs.	12,350.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	158,500.00
	Variable Cost		Rs.	291,600.00
	Requirement of WC per Cycle		Rs.	75,017.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	158.50	95.10	110.95	126.80
2	Variable Cost	292.00	175.20	204.40	233.60
3	Cost of Production	450.50	270.30	315.35	331.20
4	Projected Sales	600.00	360.00	420.00	480.00
5	Gross Surplus	149.50	89.70	104.65	119.60
6	Expected Net Surplus	147.00	87.00	102.00	117.00

- Note :
1. All figures mentioned above are only indicative.
 2. If the investment on Building is replaced by Rental then
 - a. Total Cost of Project will be reduced.
 - b. Profitability will be increased.
 - c. Interest on C.E.will be reduced.