

Khadi and Village Industries Commission Mumbai

SISAL FIBRE PRODUCTION UNIT

Introduction

The Sisal leaves are abundantly available throughout the year. Some plants are cultivated and also wild grown. The individuals collect leaves from the field according to their requirements and carry on the extraction on the newly devised Raspador machine, which gives attractive income. The fibre thus extracted is sold by individuals directly. PROSPECTS: Considering the availability of raw materials, marketing facilities etc, there is bright scope for its development.

1 Name of the Product : Sisal Fibre Production unit

2 Project Cost :

a Capital Expenditure

Land	:			Own
Workshed in sq.ft	:	100	Rs.	30,000.00
Equipment	:		Rs.	75,000.00

Respadors Machine Including electric motar 5 HP , Other hand tools

Total Capital Expenditure		Rs.	105,000.00
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b Working Capital		Rs.	48,000.00
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TOTAL PROJECT COST :		Rs.	153,000.00
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3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	Sisal Fibres	1000.00	25.00	253.00
TOTAL		1000.00	25.00	253.00

4 Raw Material	:	Rs.	75,000.00
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5 Labels and Packing Material	:	Rs.	5,000.00
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6 Wages (Skilled & Unskilled)	:	Rs.	75,000.00
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7 Salaries	:	Rs.	48,000.00
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8	Administrative Expenses	:	Rs.	24,500.00
9	Overheads	:	Rs.	2,400.00
10	Miscellaneous Expenses	:	Rs.	1,800.00
11	Depreciation	:	Rs.	9,000.00
12	Insurance	:	Rs.	1,050.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	13,650.00
	b. W.C.Loan	:	Rs.	6,240.00
	Total Interest		Rs.	19,890.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	89,000.00
	Variable Cost		Rs.	163,640.00
	Requirement of WC per Cycle		Rs.	42,107.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	89.00	53.40	62.30	71.20
2	Variable Cost	164.00	98.40	114.80	131.20
3	Cost of Production	253.00	151.80	177.10	186.00
4	Projected Sales	350.00	210.00	245.00	280.00
5	Gross Surplus	97.00	58.20	67.90	77.60
6	Expected Net Surplus	88.00	49.00	59.00	69.00

- 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.