

Khadi and Village Industries Commission Mumbai

Medium Type Handmade Paper Manufacturing unit

Introduction

By setting of this unit, Bond paper, Drawing paper, Deckle edge stationery, Card sheet and other special varieties of Handmade Paper products can be produced. Different varieties of Handmade paper can be converted in to Handmade Paper products like Gift wrapper, handmade paper carry bags, Greeting Cards, Invitation cards, Wedding cards as value added products. The varieties of handmade paper made out of Banana fibre have very good global demand. Other varieties like moonrock paper, marble paper, leatherite paper have also attracted demand in India as well as abroad.

1 Name of the Product : Special varieties of Hand made paper and conversion unit

2 Project Cost :

a Capital Expenditure

Land : Own

Workshed in sq.ft 2000 Rs. 600,000.00

Equipment : Rs. 936,000.00

Rag Chopper, Beater, Auto vat, Hyderoulic Press, Calander Machine,

Paper Cutting machine

Total Capital Expenditure Rs. 1,536,000.00

b Working Capital Rs. 285,000.00

TOTAL PROJECT COST : Rs. **1,821,000.00**

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	Handmade paper varieties			4112.54
TOTAL		0.00	0.00	4112.54

4 Raw Material : Rs. 1,435,200.00

5 Labels and Packing Material : Rs. 300,000.00

6 Wages (Skilled & Unskilled) : Rs. 1,282,500.00

7 Salaries : Rs. 277,500.00

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8	Administrative Expenses	:	Rs.	90,000.00
9	Overheads	:	Rs.	465,000.00
10	Miscellaneous Expenses	:	Rs.	10,000.00
11	Depreciation	:	Rs.	123,600.00
12	Insurance	:	Rs.	15,360.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	199,680.00
	b. W.C.Loan	:	Rs.	37,050.00
	Total Interest		Rs.	236,730.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	592,540.00
	Variable Cost		Rs.	3,519,750.00
	Requirement of WC per Cycle		Rs.	685,382.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	592.54	355.52	414.78	474.03
2	Variable Cost	3520.00	2112.00	2464.00	2816.00
3	Cost of Production	4112.54	2467.52	2878.78	2938.03
4	Projected Sales	4902.00	2941.00	3431.40	3921.60
5	Gross Surplus	789.46	473.68	552.62	631.57
6	Expected Net Surplus	666.00	350.00	429.00	508.00

- 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.