

**KHADI & VILLAGE INDUSTRIES COMMISSION
PROJECT PROFILE FOR GRAMODYOG ROJGAR YOJANA**

HAND MADE PAPER CONVERSION UNIT

Handmade Paper Industry a Saviour Ecology & Environment. The saviour of ecology because it is:-

* Free from Wood pulp; * Made from Non-toxic, environment friendly, Bio-degradable Cellulose fibres; * Free from destructive chemicals; * Employment generative; * Directly connected to ryak nass; * Handmade paper has good market in India & abroad.

Auto Vats:- A measured quantity of diluted pulp is spread evenly on to a wire mould, which is clamped in between two wooden deckles in a water tub. The excess water in the pulp is drained mechanically by manual operation.

Cylinder Mould:- Intermediate technology to reduce the drudgery of the artisans produces paper very similar to handmade paper other than its grain direction and limitation to use all agro fibres.

1	Name of the Product	:	Hand Made Paper (Conversed)
2	Project Cost	:	
	a Capital Expenditure		
	Land	:	Own
	Building Shed 500 Sq.ft	:	Rs. 100000.00
	Equipment	:	Rs. 150000.00
	(Paper Cutting m/c, Envelop punching m/c, Creasing m/c, Weighing balance, SS plate drier Templates, Tools etc..)		
	Total Capital Expenditure	Rs.	250000.00
	b Working Capital	Rs.	76000.00
	TOTAL PROJECT COST	: Rs.	326000.00

3 Estimated Annual Production of Handmade Paper : (Value in '000)

Sr.No.	Particulars	Capacity	Rate	Total Value
1	Handmade Paper	36.00 Tons	21.00	767.00
	TOTAL	36.00	21.00	767.00

4	Raw Material	:	Rs.	100000.00
5	Lables and Packing Material	:	Rs.	30000.00
6	Wages (Skilled & Unskilled)	:	Rs.	400000.00
7	Salaries	:	Rs.	72000.00
8	Administrative Expenses	:	Rs.	30000.00
9	Overheads	:	Rs.	75000.00
10	Miscellaneous Expenses	:	Rs.	15000.00
11	Depreciation	:	Rs.	20000.00
12	Insurance	:	Rs.	2500.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	32500.00
	b. W.C.Loan	:	Rs.	9880.00
	Total Interest		Rs.	42380.00
14	Woring Capital Requirement	:		
	Fixed Cost		Rs.	152000.00
	Variable Cost		Rs.	614880.00
	Requirement of WC per Cycle		Rs.	76688.00

15 Estimated Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	152.00	91.20	106.40	121.60
2	Variable Cost	615.00	369.00	430.50	492.00
3	Cost of Production	767.00	460.20	536.90	613.60
4	Projected Sales	1000.00	600.00	700.00	800.00
5	Gross Surplus	233.00	139.80	163.10	186.40
6	Expected Net Surplus	213.00	120.00	143.00	166.00

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

- Total Cost of Project will be reduced.
- Profitability will be increased.
- Interest on C.E.will be reduced.