

KHADI & VILLAGE INDUSTRIES COMMISSION
PROJECT PROFILE FOR GRAMODYOG ROJGAR YOJANA

MANUFACTURING OF LAUNDRY SOAP

With ever increasing population of the country the demands of appears/cloth also increasing proportionately. For the better look the necessity for more and more laundry soap have increased many fold in recent years. Many soap units have good success stories. The demand will never be negative. It will be an ideal venture for an assured income.

1 Name of the Product	:	Laundry Soap
2 Project Cost	:	
a Capital Expenditure		
Land	:	Own
Building Shed 1200 Sq.ft	:	Rs. 240000.00
Equipment (Kadai, Moulds, Conical Pan, Slab cutter, Cutting m/c, Stamping M/c. etc.)	:	Rs. 100000.00
Total Capital Expenditure		Rs. 340000.00
b Working Capital		Rs. 296000.00
TOTAL PROJECT COST	:	Rs. 636000.00

3 Estimated Annual Production of Laundry Soap : (Value in '000)

Sr.No.	Particulars	Capacity	Rate	Total Value
1	Laundry Soap	55.00 Tons	21.50	1186.60
	TOTAL		21.50	1186.60

4 Raw Material	:	Rs. 750000.00
5 Lables and Packing Material	:	Rs. 30000.00
6 Wages (Skilled & Unskilled)	:	Rs. 200000.00

7 Salaries	: Rs.	36000.00
8 Administrative Expenses	: Rs.	25000.00
9 Overheads	: Rs.	50000.00
10 Miscellaneous Expenses	: Rs.	10000.00
11 Depreciation	: Rs.	22000.00
12 Insurance	: Rs.	3400.00
13 Interest (As per the PLR)		
a. C.E.Loan	: Rs.	44200.00
b. W.C.Loan	: Rs.	38480.00
Total Interest	Rs.	82680.00
14 Working Capital Requirement	:	
Fixed Cost	Rs.	118600.00
Variable Cost	Rs.	1068480.00
Requirement of WC per Cycle	Rs.	296770.00

15 Estimated Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	118.60	71.16	83.02	94.88
2	Variable Cost	1068.00	640.80	747.60	854.40
3	Cost of Production	1186.60	711.96	830.62	949.28
4	Projected Sales	1350.00	810.00	945.00	1080.00
5	Gross Surplus	163.40	98.04	114.38	130.72
6	Expected Net Surplus	141.00	76.00	92.00	109.00

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.