

KHADI & VILLAGE INDUSTRIES COMMISSION
PROJECT PROFILE FOR GRAMODYOG ROJGAR YOJANA

PRODUCTION OF OXALIC ACID

Barks containing Oxalates obtained from forest department or local panchayat are stored first. During the fusion process, caustic soda solution in first warmed at reactor up to 60 deg. Celceous. Pieces of Oxalate barks are disintegrated & sieved and placed in screw conveyor to reaction vessel with hot solution of soda. Steam is passed through the reactor vessel in order to maintain desired level of temperature. There is a good demand in domestic & international market.

1	Name of the Product	:	Oxalic Acid Crystals
2	Project Cost	:	
	a Capital Expenditure		
	Land	:	Own
	Building Shed 1000 Sq.ft	:	Rs. 200000.00
	Equipment	:	Rs. 425000.00
	(Wood chipper, band saw, screens, reactor vessel, baby boiler, Scrubber/absorbtion tower condensor, Pumps, drier, storage tank, Laboratory equipment etc..)		
	Total Capital Expenditure	Rs.	625000.00
	b Working Capital	Rs.	343000.00
	TOTAL PROJECT COST	:	Rs. 968000.00

3 Estimated Annual Production of Oxalic Acid : (Value in '000)

Sr.No.	Particulars	Capacity	Rate	Total Value
1	Oxalic Acid	130.00 Tons	13180.00	1714.50
	TOTAL	130.00	13180.00	1714.50

4	Raw Material	:	Rs. 1200000.00
5	Lables and Packing Material	:	Rs. 30000.00

6	Wages (Skilled & Unskilled)	: Rs.	110000.00
7	Salaries	: Rs.	72000.00
8	Administrative Expenses	: Rs.	30000.00
9	Overheads	: Rs.	120000.00
10	Miscellaneous Expenses	: Rs.	20000.00
11	Depreciation	: Rs.	52500.00
12	Insurance	: Rs.	6250.00
13	Interest (As per the PLR)		
	a. C.E.Loan	: Rs.	81250.00
	b. W.C.Loan	: Rs.	44590.00
	Total Interest	Rs.	125840.00
14	Working Capital Requirement	:	
	Fixed Cost	Rs.	209500.00
	Variable Cost	Rs.	1504590.00
	Requirement of WC per Cycle	Rs.	342818.00

15 Estimated Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	209.50	125.70	146.65	167.60
2	Variable Cost	1505.00	903.00	1053.50	1204.00
3	Cost of Production	1714.50	1028.70	1200.15	1371.60
4	Projected Sales	2000.00	1200.00	1400.00	1600.00
5	Gross Surplus	285.50	171.30	199.85	223.40
6	Expected Net Surplus	233.00	119.00	147.00	176.00

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