

KHADI & VILLAGE INDUSTRIES COMMISSION
PROJECT PROFILE FOR GRAMODYOG ROJGAR YOJANA

PROJECT PROFILE ON PRODUCTION OF VERMICOMPOST
UNDER REBT (BIO-TECHNOLOGY WING)

Organic solid waste management by employing earthworms has multifarious role to play in a developing country like India. Firstly it makes way for utilization of available organic wastes to produce the rich source of organic manure of high quality, which is superior to other types of organic manures in its physico-chemical and biological properties. Secondly, the manure is produced in a shorter duration of time of six weeks and is a fully matured, homogenous matter. Thirdly, the programme provides job opportunities for the unskilled labour force. Finally, it is the best way of safe guarding the environment. Vermicompost (compost produced by the activity of selected species of earthworms) has been adjudged as the best source of organic amendments to soil. Using vermicompost can fulfill the requirements for organically grown products.

1	Name of the Product	:	Vermicompost (Bio-Manure)
2	Project Cost	:	
	a Capital Expenditure	:	
	Land	:	
	Building Shed 1900 sq.ft.	Rs.	380000.00
	Equipment	:	Rs. 325000.00
	Shovel for Mixing, Sieving M/c., Cutter & Blender, Sewing M/c., Breeder Box, Mini Tractor		
	Total Capital Expenditure	Rs.	705000.00
	b Working Capital	Rs.	160000.00
	TOTAL PROJECT COST	:	Rs. 865000.00

3 Estimated Annual Production of Vermicompost (Value in '000)

Sr.No.	Particulars	Capacity(MT)	Rate	Total Value
1	Vermicompost	500.00	1.967	983.70
	TOTAL	500.00	983.70	

4	Raw Material	:	Rs.	300000.00
5	Lables and Packing Material	:	Rs.	10000.00
6	Wages (Skilled & Unskilled)	:	Rs.	264000.00
7	Salaries	:	Rs.	90000.00
8	Administrative Expenses	:	Rs.	10000.00
9	Overheads	:	Rs.	180000.00
10	Miscellaneous Expenses	:	Rs.	10000.00
11	Depreciation	:	Rs.	51500.00
12	Insurance	:	Rs.	7050.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	91650.00
	b. W.C.Loan	:	Rs.	20800.00
	Total Interest		Rs.	112450.00
14	Woring Capital Requirement	:		
	Fixed Cost		Rs.	208700.00
	Variable Cost		Rs.	774800.00
	Requirement of WC per Cycle		Rs.	163917.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	208.70	125.22	146.09	166.96
2	Variable Cost	775.00	465.00	542.50	620.00
3	Cost of Production	983.70	590.22	688.59	786.96
4	Projected Sales	1500.00	900.00	1050.00	1200.00
5	Gross Surplus	516.30	309.78	361.41	413.04
6	Expected Net Surplus	465.00	258.00	310.00	362.00

- 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 then
a. Total Cost of Project will be reduced.
b. Profitability will be increased.
c. Interest on C.E.will be reduced.