

PROJECT PROFILE ON NECK-TIES & HANDKERCHIEFS

Introduction :

The handkerchief is necessary item for everybody. Wearing of neck ties improves ones personality and respect. Hence the trend for suing ties is increasing day by day . Manufacture of these items is simple and easiily manageable. PROCESS OF MANUFACTURE : The fabric in different colours/designs is spread on a table and is cut with hand scissors as per required size and shape of the article. The cut pieces are stitched by sewing machines. The Neckties and Handkerchiefs are then pressed and packed for marketing.

1 Name of the Product : **NECK TIES & HANDKERCHIEFS**

2 Project Cost :

a Capital Expenditure

Land

:

Own

Work shed construction

0

Rs.

Equipment

:

Rs.

215,000.00

(1) Sewing m/c (oiver iocerated) (2) Picot/Embroidery m/c (3)Straight bar cloth cutting m/c with motor (4)Measuring instruments like set square, triangles, measuring tape, large and small scissors etc.(5)Electric iron (6) cutting tables, stools etc (7) Wooden racks (8) Erection & installation **OFFICE FURNITURE** : Table, chairs & Almira

Total Capital Expenditure

Rs.

215,000.00

b Working Capital

Rs.

550,000.00

TOTAL PROJECT COST :

Rs.

765,000.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in tons	Rate	Total Value
1	NECK TIES & HANDKERCHIEFS 100000-PIECES NECK TIES,8700 DOZEN PIECES OF HANDCHIEFS	DIFFERENT RATES	0.00	3301.10
TOTAL		0.00	0.00	3301.10

4 Raw Material

:

Rs.

1,965,000.00

5 Labels and Packing Material

:

Rs.

25,000.00

6 Wages (6-Skilled & 6-Unskilled)

:

Rs.

864,000.00

7 Salaries -1 manager

Rs:

120,000.00

PAGE (2)

8	Administrative Expenses	:	Rs.	125,000.00
9	Overheads	:	Rs.	75,000.00
10	Miscellaneous Expenses	:	Rs.	25,000.00
11	Depreciation	:	Rs.	21,500.00
12	Insurance	:	Rs.	2,150.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	27,950.00
	b. W.C.Loan	:	Rs.	71,500.00
	Total Interest		Rs.	99,450.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	300,100.00
	Variable Cost		Rs.	3,000,500.00
	Requirement of WC per Cycle		Rs.	550,100.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	300.10	180.06	210.07	240.08
2	Variable Cost	3001.00	1800.60	2100.70	2400.80
3	Cost of Production	3301.10	1980.66	2310.77	2340.78
4	Projected Sales	3631.21	2178.73	2541.85	2904.97
5	Gross Surplus	330.11	198.07	231.08	264.09
6	Expected Net Surplus	309.00	177.00	210.00	243.00

Note : 1.All figures mentioned above are only indicative.
2.This is model project profile for guidance
3.Cost of Project, and its priority will be changed depends on the area, availability of raw Material, man power, power requirement and various other factors etc..