

Kora Grass mat weaving

Introduction :

Kora Grass mat weaving is one of the traditional industries in the country. At present the mats are woven on traditional looms by weavers. With a view to increasing the production and earnings of the artisans, the societies will undertake weaving on the improved looms devised by the Fibre Directorate of KVIC. This activity is predominant in Tamilnadu, Andhra Pradesh & Karnataka.

Prospects: Mat weaving plays a very important role in generating more employment and therefore should be expanded, given the availability of raw materials, artisans, marketing facilities etc. there is a good demand for the mats.

1 Name of the Product : Kora Grass Matt

2 Project Cost :

a Capital Expenditure

Land : Own

Workshed in sq.ft 1200 Rs. 360,000.00

Equipment : Rs. 230,000.00

1. Mat loom 20 Nos @ Rs. 3000/- 70000/- 2. Sewing machine 3 Nos.

@ Rs. 10000- 3. Cutting table Rack weighing balance etc.

Total Capital Expenditure Rs. 590,000.00

b Working Capital Rs. 359,774.00

TOTAL PROJECT COST : Rs. **949,774.00**

3 Estimated Annual Production Capacity:

(Rs. in 000)

| Sr.No. | Particulars | Capacity in No./Q. | Rate | Total Value |
|--------------|-------------|--------------------|-------------|----------------|
| 1 | | | | 1360.60 |
| TOTAL | | 0.00 | 0.00 | 1360.60 |

4 Raw Material : Rs. 212,500.00

5 Labels and Packing Material : Rs. 2,000.00

6 Wages (Skilled & Unskilled) : Rs. 900,000.00

7 Salaries : Rs. 72,000.00

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|----|-----------------------------|---|-----|--------------|
| 8 | Administrative Expenses | : | Rs. | 25,000.00 |
| 9 | Overheads | : | Rs. | 15,000.00 |
| 10 | Miscellaneous Expenses | : | Rs. | 5,000.00 |
| 11 | Depreciation | : | Rs. | 41,000.00 |
| 12 | Insurance | : | Rs. | 5,900.00 |
| 13 | Interest (As per the PLR) | | | |
| | a. C.E.Loan | : | Rs. | 76,700.00 |
| | b. W.C.Loan | : | Rs. | 46,771.00 |
| | Total Interest | | Rs. | 123,471.00 |
| 14 | Working Capital Requirement | : | | |
| | Fixed Cost | | Rs. | 184,600.00 |
| | Variable Cost | | Rs. | 1,176,271.00 |
| | Requirement of WC per Cycle | | Rs. | 226,812.00 |

15 Cost Analysis

| Sr.No. | Particulars | Capacity Utilization(Rs in '000) | | | |
|--------|----------------------|----------------------------------|---------|---------|---------|
| | | 100% | 60% | 70% | 80% |
| 1 | Fixed Cost | 184.60 | 110.76 | 129.22 | 147.68 |
| 2 | Variable Cost | 1176.00 | 705.60 | 823.20 | 940.80 |
| 3 | Cost of Production | 1360.60 | 816.36 | 952.42 | 970.88 |
| 4 | Projected Sales | 1800.00 | 1080.00 | 1260.00 | 1440.00 |
| 5 | Gross Surplus | 439.40 | 263.64 | 307.58 | 351.52 |
| 6 | Expected Net Surplus | 398.00 | 223.00 | 267.00 | 311.00 |

- Note :
1. All figures mentioned above are only indicative.
 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.