

FULL PVC FOOTWEAR

Introduction

Full PVC Footwear such as Chappal, Sandals and Shoes are popular in Indian market due to their cheap prices, durability and easy maintenance and affordability by common people. Used PVC footwear containing basic raw material i.e. PVC can again be used for making cheaper types of footwear. The plant and machinery and raw materials are available indigenously. The PVC Footwears are generally light weight and very comfortable to wear in rainy season.

Scheme for Manufacturing / Servicing of Product : Full PVC Footwear

1. Brief Particulars of the unit

- a) Name of the unit
- b) Office address with Telephone no.
- c) Factory address with Telephone no.
- d) Sales counter address with Telephone no.
- e) Fax/e-mail
- f) Constitution
- g) Name of the proprietor /partners
- h) Line of mfg./servicing actives
- i) Whether to setup New unit / Revival / Running unit
- j) Mode of acquiring of business place (Owned / Rented /Leasehold etc.)
- k) Selling / Marketing arrangement
- l) Registration no.& date with any Institution
- m) Type of the Organization (1.Induividual; 2. Group) 2

2. Cost of the scheme

A. Non-Recurring expenditure :

Item	Quantity	Amount / Unit	Total Amount
a. Factory Site (Vide Annexure - 'A')	0	0.00	0.00
b. Plant & Machinery (Vide Annexure - 'B')	0	1200000.00	1,200,000.00
c. Tools, equipments (Vide Annexure - 'C')	0	0.00	0.00
d. Miscellaneous (Vide Annexure - 'D')			0.00
Total Rs.			1,200,000.00

B. Recurring expenditure :

Working Capital (Annexure -'E', 'F', 'G', 'H')	Rs.	241,100.00
Working Capital for three months	Rs.	723,300.00

C. Others :

Rs.
Rs.
Rs.

Total Rs.

Total Cost of the Project (A+B+C)	1,923,300.00
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3. Total Cost of the Project and means of Finance

Item	Total Amount	Own Fund	Margin/Subsidy	Bank Loan
a. Non-Recurring expenditure (A)	1,200,000.00	120,000.00	240,000.00	840,000.00
b. Recurring expenditure (B)	723,300	72,330.00	144,660.00	506,310.00
c. Others (C)	0.00	0.00	0.00	0.00
Total Rs.	1,923,300.00	192,330.00	384,660.00	1,346,310.00
Subsidy Max 1,00,000 For Individuals; 2,50,000 For Groups		192,330.00	250,000.00	1,480,970.00

* If the Bank is not ready to provide loan more than 70% of the project cost, the difference amount i.e (14,80,970 - 13,46,310) is to be arranged by the entrepreneurs.

4. Cost, Sale and Profitability for a year

	Amount in Rs.		Amount in Rs.
To Opening Stock		By Sale	4,125,000.00
Cost/Expenses :			
a. Raw Material	2,094,600.00		
b. Utilities	48,000.00		
Gross Profit	1,982,400.00		
Total	4,125,000.00	Total	4,125,000.00
		By Gross Profit	1,982,400.00
c. Depreciation on Machinery @ 10%	89,000.00		
d. Depreciation on Tools- dies @ 25%	47,500.00		
e. Depreciation on Furniture @ 20%	12,000.00		
f. Salary of personnel (vide Annexure - 'G')	510,600.00		
g. Other Contingent Expenses (vide Annexure - 'H')	240,000.00		
h. Interest @ 12% p.a. on bank loan of Rs. 14,80,970	177,716.40		
Net Profit (Pre Tax)	905,583.60		
Total	1,982,400.00		1,982,400.00

5. Break Even analysis

	Amount In Rs.		Amount In Rs.
(A) Fixed Cost		(B) Variable Cost	2,094,600.00
a. Salary	510,600.00		
b. Utilities	48,000.00		
c. Other Contingent expenses	240,000.00		
d. Depreciation	148,500.00		
e. Interest on 12% loan of Rs. 14,80,970.00	177,716.40		
Total	11,24,816.40		20,94,600.40
(C) Sales	4,125,000.00		
(D) Contribution (Sales - Variable Cost)	2,030,400.00		
(E) Break even sales (Fixed Cost X Sales)/Cont.	22,851,98.80		
(F) Margin of safety (Sales - B.E. Sales)	18,39,801.20		
(G) B.E.P (%) (B.E. Sales / Sale) x 100	55.40		

6. Cash Generation

	Amount In Rs.
a. Net Profit (pre tax)	905,583.60
b. Depreciation (+)	148,500.00
Total Cash Generation	1,054,083.60

7. Distribution of cash generation

	Amount in Rs.
a. Provision for taxes(@ 30% on net Profit)	271,675.08
b. Installment of Bank loan in 5 yrs	296,194.00
c. Personal Drawing @ Rs. 7000x5x12	420,000.00
d. Surplus fund transferred to capital account/reserve fund	66,214.52
Total	1,054,083.60

8. Salient Feature

		(%)
a) Gross Profit Ratio	= (Gross Profit/Net Sale) X 100	48.06
b) Net Profit Ratio	= (Net Profit/Net Sale) x 100	21.95
c) Return On Investment	= (Net Profit/Capital Deployed) x 100	47.08

9. Cost of the Project (vide sl. no. 2)

Item	Description	Area	Value (Rs.)
		Total	

Annexure - 'B'**B. Machinery & Equipment.**

Description	Quantity	Installed Capacity	Value
Six Station PVC Injection Moulding Machine fullautomatic Rotary Type	1		800,000.00
Cost of Moulds 4 set consists of four sizes sandal and shoes	1		160,000.00
Tools and Equipments/Jigs and Fixtures			30,000.00
Cost of Office Equipments, Working Table, racks, trolliers, stools etc.			60,000.00
Electrification and installation charges @ 10% cost of machine			90,000.00
Pre-operative Expenses			60,000.00
Total			1,200,000.00

Annexture - 'C'**C. Furniture & Fixture**

Description	Quantity	Value
Total	0	0.00

Annexure- 'D'**D. Miscellaneous**

Item	Amount (Rs.)
Total	0.00

Recurring expenditure for a month :**Annexure - 'E'****E. Raw Material**

Items	Quantity	Rate (Rs.)	Amount (Rs.)
PVC Granuals	2800 kg	50	140,000.00
Master Batch (Colour)	55kg	60	3,300.00
Fittings, Buckles, Button and Lacer etc	6250 pairs	3	18,750.00
Packing Materials pairs	6250	2	12,500.00
Total			174,550.00

Annexure - 'F'

F. Other Contingent Expenses (Monthly)

Position	No	Value(Rs.)
Rent		6,000.00
Repair and Maintenance		1,000.00
Postage and Stationery		3,000.00
Travelling Expenses		2,000.00
Consumable Stores		1,500.00
Advertisement and Publicity		2,000.00
Insurance		500.00
Sales Expenses		2,500.00
Misc. Expenses		1,500.00
Total		20,000.00

Annexure - 'G'

G. Staff Salary (Monthly)

Position	No	Rate @(Rs.)	Value(Rs.)
1) Manager	1	4000	4,000.00
2) Engineer Mechanical/Electrical	1	4000	4,000.00
3) Designer	1	3000	3,000.00
4) Supervisor	2	2500	5000.00
5) Accountant /Cashier	1	2500	2,500.00
6) Clerk cum typist	1	2000	2000.00
7) Chowkidar	1	1500	1,500.00
8) Skilled Worker	3	2000	6,000.00
9) Unskilled Worker	6	1500	9,000.00
15% Perquisites on Total Salary			5,500.00
Total			42,550.00

Annexure - 'H'

H. Utilities

Position	Value(Rs.)
1. Power	3,750.00
2. Water	250.00
Total	4,000.00

Signature with Date