

# INDUSTRIAL HAND GLOVES PRODUCT

## INTRODUCTION

Industrial hand gloves are used as protective apparel for workers in factories. They are made up of varied materials like cotton fabrics, leathers etc. Due to rapid industrialization there is a sufficient space in the existing market to bridge the demand of those items.

### Scheme for Manufacturing / Servicing of Industrial Hand Gloves Product

#### 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 Proprietor / Partners
- h) Line of mfg. / servicing activities
- 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. Individual; 2.Group) 1

#### 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')	7		90,500.00
c. Tools, equipment (Vide Annexure - 'C')	0	0.00	0.00
d. Miscellaneous (Vide Annexure - 'D')			0.00
<b>Total</b>		<b>Rs.</b>	<b>90,500.00</b>

##### B. Recurring expenditure :

Working Capital (vide- 'E', 'F', , 'H')	<b>Rs.</b>	<b>113,950.00</b>
<b>Total Working Capital for 3 Month</b>	<b>Rs.</b>	<b>341,850.00</b>

##### C. Other :

i) Security Deposit/Investment		
ii) Preliminary & Pre-operative expenses		
iii) Provision for contingencies		
<b>Total</b>	<b>Rs.</b>	<b>0.00</b>

**Total Cost of the project (A+B+C) :** 432,350.00

### 3. Total Cost of the Project and means of Finance

Item	Total Amount	Own Fund	Margin/Subsidy	Bank Loan
a. Non-Recurring expenditure (A)	90,500.00	9,050.00	18,100.00	63,350.00
b. Recurring expenditure (B)	341,850.00	34,185.00	68,370.00	239,295.00
c. Others (C)	0.00	0.00	0.00	0.00
<b>Total Rs.</b>	<b>432,350.00</b>	<b>43,235.00</b>	<b>86,470.00</b>	<b>302,645.00</b>
<b>* Subsidy Max 1,00,000 For Individuals; 2,50,000 For Groups</b>		<b>43,235.00</b>	<b>86,470.00</b>	<b>302,645.00</b>

### 4. Cost of Production & Profitability of a year

	Amount in Rs.		Amount in Rs.
<b>To Opening Stock</b>	<b>NIL</b>	<b>By Sale</b>	<b>1,575,000.00</b>
<b>Cost/expenses :</b>			
a. Raw Materials and utilities (vide Annexure-E)	828,300.00		
<b>Gross Profit</b>	<b>746,700.00</b>		
<b>Total</b>	<b>1,575,000.00</b>		<b>1,575,000.00</b>
		<b>By Gross Profit</b>	<b>746,700.00</b>
b. Salary (Annexure-H)	462,300.00		
c. Other contingent expenses(Annexure-F)	76,800.00		
d. Carriage Outward	—		
e. Interest on Bank loan @12% p.a.	36,317.40		
f. Depreciation on Machinery @ 10% p.a.	5,500.00		
g. Depreciation on tools @ 25% p.a.	1,250.00		
h. Depreciation on furniture @ 25%	5,000.00		
<b>Net Profit (Pre -Tax)</b>	<b>159,532.60</b>		
<b>Total</b>	<b>746,700.00</b>		<b>746,700.000</b>

## 5. Break Even analysis

	Amount in Rs.		Amount in Rs.
(A) Fixed Cost		B. Variable Cost	
		Raw material & utilities	8,28,300.00
a. Total depreciation	11,750.00		
b. Interest on Bank Loan	36,317.40		
c. Salary	462,300.00		
d. Other Contingent expenses	76,800.00		
e. Other fixed exps.			
<b>Total</b>	<b>587,167.40</b>		
(C) Sale	1,575,000.00		
(D) Contribution (Sales- Variable Cost)	746,700.00		
(E) Break even sales (Fixed Cost X Sales)/Cont.	1,238,501.00		
(F) Margin of safety (Sales- B. E. Sales)	336,499.00		
(G) B.E.P (%) (B.E. Sales/Sale) x 100	78.63		

## 6. Cash Generation

	Amount In Rs.
a. Net Profit (pre tax)	159,532.60
b. Depreciation (+)	11,750.00
<b>Total Cash Generation</b>	<b>171,282.60</b>

## 7. Distribution of cash generation

	Amount In Rs.
a. Bank's instalment considering repayment in 5 years	60,529.00
b. Personal Drawing @ Rs.8000/pm X 12	96,000.00
c. Surplus fund transferred to Capital account/reserve fund	14,753.60
<b>Total</b>	<b>171,282.60</b>

## 8. Salient Features

		(%)
a) Gross Profit Ratio	= (Gross Profit/Net Sale) x 100	47.41
b) Net Profit Ratio	= (Net Profit/Net Sale) x 100	10.13
c) Return On Investment	= (Net Profit/Capital Deployed) x100	36.90

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

### Annexure - 'A'

#### A. Factory Site etc

Item	Description	Area	Value
a) Land			
b) Land Development			
c) Building /shed	Rented		
d) Others, if any			
<b>Total</b>		<b>0</b>	<b>0.00</b>

### Annexure - 'B'

#### B. Plant & Machinery

Description	Quantity	Rate	Value
a) Flat bed single needle industrial sewing machine power operated 1/2 HP motor	5	7000	35,000.00
b) Cylinder bed single needle industrial sewing machine power operated 1/2 HP motor	2	10000	20,000.00
c) Cost of tools and fixtures		5000	5,000.00
d) Cost of office furniture and workshop furniture		25000.00	25,000.00
e) Electrification and Installation of machinery @ 10%		5500	5,500.00
<b>Total</b>	<b>7</b>		<b>90,500.00</b>

### Annexure - 'C'

#### C. Tools, Equipments & Others accessories

Description	Quantity	Value
a)		
b)		
c)		
d)		
e)		
f)		
g)		
h)		
i)		
<b>Total</b>	<b>0</b>	<b>0.00</b>

**Annexure- 'D'**

**D. Miscellaneous**

Item	Amount (Rs.)
a) Electric Instalation	
b) Machanical	
c) Freight, Insurance & Other contingencies	
d) Statutory Expenditure (Govt. taxes etc.)	
<b>Total</b>	<b>0.00</b>

Recurring expenditure for a month :

**Annexure - 'E'**

**E. Raw Material including Packing Requirement (Monthly)**

Item	Quantity	Rate @ Rs.	Value Rs.
a) Chrome tanned Split Leather (3.5 Pairs per kg)	1786 kg	35.00	62,510.00
b) Thread	6250 pairs	0.50	3,125.00
c) Cartons for packing	63 nos	30.00	1,890.00
<b>Sub-Total</b>			<b>67,525.00</b>
<b>Utilities (Monthly)</b>			
d) Power			1,200.00
e) Water			300.00
<b>Total</b>			<b>1,500.00</b>
<b>Total</b>			<b>69,025.00</b>

**Annexure - 'F'**

**F. Other Contingent Expenses (Monthly)**

Item	Quantity	Rate	Value
a) Rent			3,000.00
b) Postage and Stationery			500.00
c) Consumable Stores			300.00
d) Repair and Maintenance			500.00
e) Transportation Charge			300.00
f) Telephone			500.00
g) Advertisement and Publicity			500.00
h) Insurance			300.00
d) Miscellaneous Expenses			500.00
<b>Total</b>			<b>6,400.00</b>

**Annexure - 'G'****G. Packing Materials (Monthly)**

Item	Quantity	Rate	Value
a)			0.00
b)			0.00
c)			0.00
d)			0.00
<b>Total</b>			<b>0.00</b>

**Annexure - 'H'****H. Staff/Labour Charges (Monthly)**

Position	No	Rate of Monthly wages or remuneration	Total Monthly Cost
a) Production Manager	1	3500	3,500.00
b) Accountant	1	2500	2,500.00
c) Salesman	1	2000	2,000.00
d) Clickers	2	2000	4,000.00
e) Stitchers	7	2000	14,000.00
f) Unskilled Workers	4	1500	6,000.00
g) Sweeper/Watchman	1	1500	1,500.00
<b>Total</b>			<b>33,500.00</b>
<b>Add perquisites @ 15% on Salary</b>		5,025.00	
<b>Total</b>			<b>38,525.00</b>

**Annexure - 'I'****I. Office Staff (Monthly)**

Position	No	Rate of Monthly remuneration	Total Monthly Cost
a) Manager			
b) Designer			
c) Accountant cum Cashier			
d) Store Keeper			
e) Watchman			
<b>Total</b>			<b>0.00</b>

Signature with Date