



PROJECT PROFILE ON POWER LOOMS

Category : Textile

Total Cost of Project : Rs. 2,84,000/-

BEP : 39 %

I. INTRODUCTION OF BUSINESS IDEA :

The textile garments particularly power loom cloths play an important role in both rural and urban areas. The cloths by power loom sector are preferred for their better quality.

II. PRODUCT AND ITS APPLICATIONS:

Power loom woven cloths especially saris are popular in northern Karnataka. All the textile showrooms sell these products

III. MARKET POTENTIAL:

There is good demand for power loom cloth in rural and urban areas.

IV. CAPACITY-REVNUUE (1ST YEAR):

Sl. No.	Product	Qty	Rate	Sales Amount
01	Saris	3,000	Rs.325/sari	9,75,000

V. MANUFACTURING PROCESS AND QUALITY:

The sizing, beam winding and pern winding of yarn is carried out first. The warp and the weft is prepared as per the design of the sari required and mounted on the powerloom. The weaving is carried out upto the required length. The sari is then folded and packed. Quality yarn and skilled weavers can assure quality products.

VI. COST OF PROJECT AND MEANS OF FINANCE, INCLUDING WORKING CAPITAL REQUIREMENTS:

A. COST OF PROJECT:

Sl. No	Particulars	Amount (Rs).
1	Equipments	1,70,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Deposits	15,000
5	Working Capital Requirements	79,000
	Total	2,84,000

**B. MEANS OF FINANCE:**

Sl. No.	Particulars	Amount (Rs).
1	Loan @ 75% (Excluding deposits)	2,13,000
2	Equity	74,000
	Total	2,84,000

C. WORKING CAPITAL REQUIREMENT:

Sl. No.	Particulars	Basis	Period	Amount
1	Raw-materials/WIP	2,42,500/12 x ½	½ m	10,000
2	Finished Goods	4,51,000/12 x ½	½ m	19,000
3	Bills Receivable	9,75,000/12 x ½	½ m	40,000
4	Working exp		1m	10,000
	Total			79,000

VII. MAIN INPUTS REQUIREMENTS**A. MACHINERY:**

Sl. No.	Particulars	Qty	Amount
1	Power looms	4	1,60,000
2	Tools and accessories	1 set	10,000
	Total		1,70,000

B. RAW-MATERIALS (P.A.):

Sl. No.	Particulars	Qty	Rate Rs.	Total Cost (Rs)
1	Polyester yarn	750 kg	250 per kg	1,87,500
2	Cotton yarn	300 kg	150 per kg	45,000
3	Consumables	PM	-	10,000
	Total			2,42,500

C. UTILITIES:

Sl. No.	Particulars	Monthly Charges (Rs)	Annual Charges (Rs)
1	Electricity	5,000	60,000

D. MAN-POWER REQUIREMENT:

Sl. No.	Workers	No.	Monthly Salary (Rs)	Annual Salary (Rs)
01	Skilled workers	4	6,000	2,88,000
02	Helper	1	4,000	48,000
	Total			3,36,000



E. INFRASTRUCTURE REQUIREMENT:

Building	Built up space of 500 sq.ft is required
Power	4 HP power connection is required
Water	Water is required for general purposes.

VIII. PROFITABILITY PROJECTION (ANNUAL):

Particulars	Basis	Amount (Rs).
Sales Revenue (Projected)	Ref: IV	9,75,000
Raw Materials	Ref: VII B	2,42,500
Man Power Expenses	Ref: VII D	3,36,000
Utilities	Ref: VIIC	60,000
Interest	@12%	25,000
Depreciation	@ 15%	25,000
Overheads	Rent, warping & winding charges etc	80,000
Total Expenses		7,68,000
Profit		2,07,000

IX. FINANCIAL INDICATOR:

Break Even Point FC -----*100 SR-VC	1,30,000 ----- X 100 3,37,000	39 %
Payback period Cost of project ----- Profit+ Depn.	2,84,000 ----- 2,32,000	1 year 3 months

ADDRESS:

X. SUPPLIERS OF MACHINERY / EQUIPMENTS:

P.R.Bavadekar and Co.
Kailasnagar, Shahapur
Belgaum

SUPPLIERS OF RAW MATERIAL:

Yarn is locally available in Shahapur and Vadagaon.

XI. SPECIAL NOTE:

The unit needs skilled weavers.