



## PROJECT PROFILE ON HAWAI SLIPPER MANUFACTURING UNIT

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Category : Manufacturing

Total Cost of Project : Rs. 3,75,000/-

BEP : 42 %

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### I. INTRODUCTION OF BUSINESS IDEA :

Hawaii Slipper is used for common use by every one. It is preferred in rural places as it is comparatively cheap.

### II. PRODUCT AND ITS APPLICATIONS :

Hawaii slippers are used as footwear. This is used inside as well as outside the house. It is used by persons belonging to all ages. It is preferred by rural people.

### III. MARKET POTENTIAL :

Footwear needs to be changed every year at least once. The footwear easily affordable by poor and middle class people is Hawaii slippers. There is regular demand for Hawaii slippers in all taluks. The product is being supplied from far off places. Local units will certainly have an advantage.

### IV. CAPACITY-REVENUE & SALES :

Sl. No.	Product	Qty.	Sales Amount
01.	Hawai Slippers	40,000 pairs/ annum	16,00,000
TOTAL			16,00,000

### V. MANUFACTURING PROCESS & QUALITY :

Microcellular sheets are used in manufacturing the Hawaii slippers. The sheets are cut as per the required size. The wholes are punched as per the design specifications. The straps are then placed in both left and right slippers. The product is packed after giving finishing touches.



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

**A. Cost of Project :**

Sl. No	Particulars	Amount (Rs).
1	Equipments	1,22,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Deposit	60,000
5	Working Capital Requirements	1,53,000
	<b>Total</b>	<b>3,75,000</b>

**B. Means of Finance:**

Sl. No	Particulars	Amount (Rs).
1	Loan @ 75%	2,81,000
2	Equity	94,000
	<b>TOTAL</b>	<b>3,75,000</b>

**C. Working capital requirements :**

Sl. No.	Particulars	Basis	Period	Amount
1	Raw-materials	9,20,000/12 x 1	1m	77,000
2	Bills Receivable	16,00,000/12 x ½	½	66,000
3	Working expenses		1m	10,000
	<b>TOTAL</b>			<b>1,53,000</b>

**VII. MAIN INPUTS REQUIREMENT :**

**A. Machinery :**

Sl. No	Particulars	Quantity	Rate	Total Cost (In Rs)
01.	Fly press	2	30,000	60,000
02.	Die Set	8 Sets	2,000	16,000
03.	Drilling and countersunk m/c	1	30,000	30,000
04.	Rack	2	3,000	6,000
05	Tools and accessories			10,000
	<b>Total</b>			<b>1,22,000</b>

**B. RAW MATERIALS :**

Sl. No.	Particulars	Qty	Rate	Amount
1	Microcellular sheet	2,400	250	6,00,000
2	Straps	40,000 pairs	7	2,80,000
3	Packing materials			40,000
<b>Total</b>				<b>9,20,000</b>

**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 worker	1	8,000	96,000
02	Helper	2	5,000	1,20,000
03	Sales representative	1	6,000	72,000
<b>Total</b>				<b>2,88,000</b>

**E. MAIN INFRASTRUCTURE REQUIREMENT :**

Building	Rented 800 Sft covered area, 1500/- pm
Power	1 H P
Water	General purposes only.

**VIII. PROFITABILITY PROJECTION (ANNUAL) :**

Particulars	Basis	Amount (Rs.)
<b>Sales Revenue (Projected)</b>	Ref : IV	<b>16,00,000</b>
Raw Materials	Ref : VII B	7,58,000
Man power expenses	Ref : VII D	2,88,000
Utilities	Ref : VII C	60,000
Interest	@ 12%	34,000
Depreciation	@ 20% SLM	25,000
Overheads	Rent, maintenance	1,50,000
<b>Total Expenses</b>		<b>13,15,000</b>
<b>Profit</b>		<b>2,85,000</b>

**IX. FINANCIAL INDICATOR :**

$\frac{\text{Break Even Point FC}}{\text{SR-VC}} \times 100$	$\frac{2,09,000 \times 100}{4,94,000} \times$	42%
$\frac{\text{Payback period COP}}{\text{Profit + Deprn.}}$	$\frac{3,75,000}{3,10,000}$	1 years 3 months

**ADDRESSES :****X. SUPPLIERS OF MACHINERY / EQUIPMENTS :**

Hindustan Machinery Corporation  
D-1, Unity Building  
JC Road, Bangalore-560002  
Ph 080-22241942

**SUPPLIERS OF RAW MATERIAL :**

Arihant plastics  
986/25, 54<sup>th</sup> cross,  
11<sup>th</sup> main, 3rd block Rajajinagar  
Bangalore-10  
Ph. 080-23109114