

PROJECT PROFILE FOR SHOE MAKING (HAND MADE) & REPAIRING

INTRODUCTION

Shoes and chappals are used by common man of all levels for protection of their feet. These are mostly produced in small and cottage industry. Most of the operations are carried out by hand. The shoes can be produced by an individual worker with the assistance from one helper at village level. The same unit can also work as shoe repairing unit.

MANUFACTURING PROCESS

The leather/synthetic leather is cut into components of required shape. These components are stitched together for preparation of upper. The upper is then lasted over shoe last and sole is attached to this lasted upper. After removal of last, shoes are finished. Similar process is applied for production of chappals.

Production Capacity - 125 pairs of Soes / Chappals per month.

FINANCIAL ASPECTS

A. Fixed Capital

- i) Land and Building 300 sqft (rented).
- ii) Plant and Machinery.

Rs.
1,500

Name of Machine	Nos. required	Rate	Total
Industrial Stitching Machines.	1 No.	6,600	6,600
Buffing Machine.	1 No.	3,300	3,300
Lasts (wooden).	8 Nos.	140	1,120
Hand Tools and Equipments.	LS	2,500	2,500
		Total	13,520

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B. Working Capital (pm).

1.	Semi Skilled Worker (Self)	Nil.
2.	Helper	1,200
3.	Leather Foam 15 mtrs. @ Rs.325 per mtr.	4,875
4.	125 Soles @ Rs.22 per pair.	2,750
5.	Lining material 15 mtrs @ Rs.160 per mtr.	2,400
6.	Other materials @ Rs.22 per bag.	2,750
7.	Rent	1,500
8.	Miscellaneous Expenses.	1,000
	Total	16,475

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C. Total Capital Investment

(i)	Fixed Capital	13,520
(ii)	Working Capital	16,475
	Total	30,000



D. Production Cost (pm).

(i)	Working Capital	16,475
(ii)	Interest @ 12%	300
(iii)	Depreciation on Machines @ 10%	100
(iv)	Depreciation on Tools Equipments and lasts @ 20%.	150
	Total	17,025

E. Total Sales (pm).

Sale of 150 pairs of shoes 25,500

F. Profit Per Month.

Total Sales	–	Production Cost	
25,500	–	17,025	8,475