

CANE AND BAMBOO PRODUCTS

1. INTRODUCTION

The unit proposed here is a cane and bamboo unit producing baskets, chairs and small novelty items. Quality cane products have regular demand in and outside the state. The craftsmanship of Kerala in the field is well acclaimed. The production process simple and capital investment is not high.

2. RAW MATERIALS

Cane, bamboo sticks etc.

3. MANPOWER REQUIREMENT : 4

4. PROJECT COST

A. Fixed Capital	Rs
Land & Building	Rented
Plant & Machinery	15,000
	15,000
B. Working Capital (per month)	
Raw Material & Packing	7,300
Salary & wages	2,500

Other expenses	1,200
	11,000
Working capital (for 2 months)	22,000
Total (A+B)	37,000

5. COST OF PRODUCTION

	(Rs.)
Production cost (per annum)	1,32,000
Depreciation on machinery	1,500
Interest on investment	6,660
	1,40,160

6. PROFITABILITY

Sales turnover	2,10,000
Production cost	1,40,160
Annual profit	69,840
Percentage of profit on Investment	32.6%

Market potential :

Cane and bamboo products find extensive use in the country as a whole. Although they are fast being replaced by synthetic articles, the popularity of these items is bound to grow considering the resistance against plastic and synthetic products that is growing over the recent past. There is also a good export market waiting to be tapped, especially from the ecologically friendly West. With increased acceptance, there will be good scope for profits. There is good local as well as export demand for these items.

Annual Production capacity : Rs . 2,10,000 /-

List of Plant, Machinery & equipment :

- 1 Slivering machine
- 2 Hand tools

Suppliers of Plant & Machinery :

- 1 Local suppliers