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Annexure - VII.2 (contd.)Profitability

(Rs. in lakhs)

Sl NO.	Particulars	Year I	Year II	Year III
1.	Capacity utilization (%)	60	70	80
2.	Earnings by sale of brooms	1.26	1.47	1.68
3.	<u>Cost of production</u>			
a.	Raw materials	0.12	0.14	0.16
b.	Salary and wages	0.60	0.63	0.66
c.	Other expenses	0.30	0.30	0.30
d.	Depreciation @ 10%	0.01	0.01	0.01
4.	Gross Profit	0.23	0.39	0.55
5.	Depreciation (add back)	0.01	0.01	0.01
6.	Net cash accrual	0.24	0.40	0.56

Source of technology

Directorate of Industries through the social worker of AAJVS may conduct a short duration training programme for the prospective tribals and extend technical support free of cost.

Recommendations/Remarks

The success of this venture mostly depends on suitable marketing support that may be provided to the tribals by the concerned directorates/departments of the Administration.