

GRANITE TILES UNIT

1. INTRODUCTION

The construction activity has witnessed rapid development during the last few decades and with the expansion in government and private construction activity, there is increased return on investment.

2. MARKET

Granite tiles having good demand in the world market as decorative monumental materials. There is vast scope for using granite for meteorological purpose with good export prospects. There is rising trend in the use of granite stone for their strength, glassy finish and everlasting colour. Granite can be used to create beautiful novelty designs. These products have good market in the country and abroad.

3. MANUFACTURING PROCESS

The big boulders brought from mines are cut to slabs of desired thickness and these slabs are cut horizontally and vertically to size on granite block sizing machine with diamond impregnated saws. These square or rectangular tiles are polished on granite polishing machine firstly with steel grits then with other grinding media like silicon, carbide, red oxide, cerium oxide rough and smooth powders. Later these are given wax polish and kept ready for marketing.

4. PRODUCTION CAPACITY PER ANNUM

Capacity	24400 Sq.ft.
Selling Price	Rs. 95 Sq.ft.

5. PROJECT COST/CAPITAL INVESTMENT

S.No	Description	Amount Rs.
1	Preliminary & Preoperative Expns	5000
2	Fixed Capital	1330000
3	Working Capital for 1 month(s)	60000
Total Project Cost		1395000

6. MEANS OF FINANCE

S.No	Description	%age	Amount Rs.
1	Promoter Contribution	15%	209250
2	Subsidy	20%	279000
3	Term Loan	65%	906750
Total			1395000

7. FINANCIAL ASPECTS

A. FIXED CAPITAL

i. Land and Buildings Rented 3000 per month

ii. Machinery and Equipment

S.No	Description	Qty.	Rate	Amount Rs.
1	Verticular Circular saw cutting m/c	1	800000	800000
2	Standard accessories with power supply	1	60000	60000
3	Gear box with moor for auto vertical return	1	40000	40000
4	Heavy duty polishing machine	1	160000	160000
5	Jig plates with clamps	1	40000	40000
6	Stabdar accessories with 5 HP motor			0
	starter, psh buttons, coolant system	1	80000	80000
7	Office furniture	LS	30000	30000
8	Electrification and accessories	LS	120000	120000
	Total			1330000

B. WORKING CAPITAL

i. Salaries & Wages (per month)

S.No	Description	Nos.	Sal/mon.	Amount Rs.
1	Supervisor/Entrepreneur	1	2500	2500
2	Skilled Workers	4	2000	8000
3	Unskilled Workers	6	1500	9000
4	Office Staff	3	2000	6000
5		0	0	0
	Total			25500

ii. Raw Material (per month)

S.No	Description	Unit	Qty.	Rate	Amount Rs.
1	Jobwork Expenses	cu.mts	35	800	28000
2	Emery Powder	LS	1	30000	30000
3			1	28000	28000
4			0	0	0
5			0	0	0
6			0	0	0
7			0	0	0
	Total				86000

iii. Utilities (per month)

S.No	Description	Unit	Amount Rs.
1	Power	LS	15000
2	Water	LS	1000
	Total		16000

iv. Other Expenses (per month)

S.No	Description	Amount Rs.
1	Postage & Stationery Expenses	
2	Transportation Expenses	500
3	Advertisement Expenses	0
4	Consumable Stores	500
5	Miscellaneous Expenses	500
	Total	1500

v. Total Working Capital (per month)

S.No	Description	Amount Rs.
1	Rent	1500
2	Salaries and Wages	6900
3	Raw Material	8800
4	Utilities	1000
5	Other Expenses	2000
	Total	20200

8. COST OF PRODUCTION (PER ANNUM)

S.No	Description	Amount Rs.
1	Total Working Capital	242400
2	Depreciation @ 15%	66000
3	Interest @ 12%	36013
	Total	344413

9. TURNOVER (PER YEAR)

S.No	Description	Unit	Qty.	Rate Rs.	Amount Rs.
1	Granite Tiles	Sq.ft.	28000	16	448000
	Total				448000

10. FIXED COST (PER YEAR)

S.No	Description	Amount Rs.
1	Depreciation	66000
2	Interest	36013
3	Rent	18000
4	Salaries & Wages @ 40%	33120
5	Other Expenses incl. Utilities @ 40%	14400
	Total	167533

11. PROFIT ANALYSIS & RATIOS

1	Net Profit	Rs.	103587
2	Percentage of Profit on Sales		23%
3	Return on Investment		22%
4	Break Even Analysis		62%