

## STONE POLISHING UNIT

### 1. INTRODUCTION

Natural stone or sand stone are the most widely used variety of stone used for flooring and front elevation or decoration of outer walls. The stones used for front elevation or frontal decoration can be of 4 mm to 14 mm while the stone used in flooring is of 25 mm to 40 mm thickness. Artistic use of stones not only increases the beauty of the house but also reduces the cost of construction.

### 2. MARKET

Polished stone tiles or slabs are now being widely used for construction of buildings. They enhance the beauty of the building and reduce maintenance cost. The market for these products is growing in urban areas particularly in middle and upper middle class houses in cities and commercial complexes. The proposed sizes are of the order of 1' x 1' and 1' x 2' (tiles). The product has good market prospects in all important towns in the country.

### 3. MANUFACTURING PROCESS

The technique used for stone polishing is quite simple. Rough stones are first put in the circle of polishing machine, stones can be polished by the machine at a time. During running the machine, small amount of fine sand and water is added at regular intervals. After grating of the surface and the edges, stone is ready for building purpose.

### 4. PRODUCTION CAPACITY PER ANNUM

Capacity	48000 Sq.ft.
Selling Price	Rs. 17 Sq.ft.

### 5. PROJECT COST/CAPITAL INVESTMENT

S.No	Description	Amount Rs.
1	Preliminary & Preoperative Expns	4000
2	Fixed Capital	94000
3	Working Capital for 1 month(s)	63300
Total Project Cost		161300

## 6. MEANS OF FINANCE

S.No	Description	%age	Amount Rs.
1	Promoter Contribution	15%	24195
2	Subsidy	20%	32260
3	Term Loan	65%	104845
	Total		161300

## 7. FINANCIAL ASPECTS

## A. FIXED CAPITAL

i. Land and Buildings Rented **1500** per month

## ii. Machinery and Equipment

S.No	Description	Qty.	Rate	Amount Rs.
1	Stone Polishing machine	1	40000	40000
2	10 HP Motor Machine	1	10000	10000
3	Stone cutter with diamond cutter	1	34000	34000
4	7.5 HP otor for cutter	1	10000	10000
5				0
6				0
7				0
				0
				0
	Total			94000

## B. WORKING CAPITAL

## i. Salaries &amp; Wages (per month)

S.No	Description	Nos.	Sal/mon.	Amount Rs.
1	Supervisor/Entrepreneur	1	3000	3000
2	Skilled Workers	2	2500	5000
3	Unskilled Workers	2	2000	4000
4		0		0
5		0	0	0
	Total			12000

## ii. Raw Material (per month)

S.No	Description	Unit	Qty.	Rate	Amount Rs.
1	Rough (sand) stone	Sq.ft.	4000	7.5	30000
2	Transportation Cost	Qtl	400	14.5	5800
3	Sand & other consumables				500
			0	0	0
			0	0	0
			0	0	0
	Total				36300

## iii. Utilities (per month)

S.No	Description	Unit	Amount Rs.
1	Power	LS	8000
2	Water	LS	1000
	Total		9000

## iv. Other Expenses (per month)

S.No	Description	Amount Rs.
1	Postage & Stationery Expenses	500
2	Transportation Expenses	2000
3	Advertisement Expenses	0
4	Consumable Stores	1000
5	Miscellaneous Expenses	1000
	Total	4500

## v. Total Working Capital (per month)

S.No	Description	Amount Rs.
1	Rent	1500
2	Salaries and Wages	12000
3	Raw Material	36300
4	Utilities	9000
5	Other Expenses	4500
	Total	63300

## 8. COST OF PRODUCTION (PER ANNUM)

S.No	Description	Amount Rs.
1	Total Working Capital	759600
2	Depreciation @ 15%	14100
3	Interest @ 12%	12581
	Total	786281

## 9. TURNOVER (PER YEAR)

S.No	Description	Unit	Qty.	Rate Rs.	Amount Rs.
1	Stone Polishing	Sq.ft.	48000	17	816000
	Total				816000

## 10. FIXED COST (PER YEAR)

S.No	Description	Amount Rs.
1	Depreciation	14100
2	Interest	12581
3	Rent	18000
4	Salaries & Wages @ 40%	57600
5	Other Expenses incl. Utilities @ 40%	64800
	Total	167081

## 11. PROFIT ANALYSIS &amp; RATIOS

1 Net Profit Rs. 29719

## NSIC

## Project Profiles

2	Percentage of Profit on Sales	4%
3	Return on Investment	18%
4	Break Even Point	85%