



## PROJECT PROFILE ON FOOT-WEAR REPAIRS

Category : Service

Total Cost of Project : Rs. 40,000/-

BEP : 44.45 %

### I. INTRODUCTION OF BUSINESS IDEA :

Use of footwear has become common among all categories of people, the medium and poor class people prefer simple variety of footwear which need to be repaired often. Hence there is demand for footwear shop service.

### II. SERVICE AND ITS APPLICATIONS :

The repair service is required for all categories of people who use medium and low-cost foot wears. The type of repair may be minor or major one.

### III MARKET POTENTIAL:

The medium and poor families can not afford to buy new footwear every now and then, hence today they prefer to repair it, so that they can use it for a longer time.

### IV. CAPACITY-REVENUE & SALES (1<sup>st</sup> year)

Sl. No.	Service	No. of Repairs	Rate in Rs (average)	Amount (Annual)
01.	Shoe, Footwear stitching and all types footwear repair	7,000	30/-	2,10,000
<b>Total</b>				<b>2,10,000</b>

### V. SERVICE METHODOLOGY AND QUALITY :

In this unit the repair of all type of foot wears and also shoe polishing, stitching etc. is carried out.

### VI. COST OF PROJECT AND MEANS OF FINANCE, INCLUDING WORKING CAPITAL REQUIREMENTS :

#### A. Cost of Project :

Sl. No	Particulars	Amount (Rs).
1	Equipments	60,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Deposits	10,000
5	Working Capital Requirements	-
<b>Total</b>		<b>90,000</b>



**B. Means of Finance:**

Sl. No	Particulars	Amount (Rs).
1	Loan @ 75%	68,000
2	Equity	22,000
	<b>Total</b>	<b>90,000</b>

**C. Working Capital Requirement:**

- Nil -

**VII. MAIN INPUTS REQUIREMENT :**

**A. Equipments :**

Sl.No.	Particulars	No.	Total Cost
01.	Working Shed	01	50,000
02	Tools & Accessories		10,000
	<b>Total</b>		<b>60,000</b>

**B. Raw-materials/Consumables : (per annum)**

S. No.	Particulars	Qty	Total Cost (Rs.)
1	Consumable Items	Lump sum	12,000
	<b>Total</b>		<b>12,000</b>

**C. Utilities : (Per annum)**

Sl. No.	Particulars	Annual Charges. (Rs.)
1	Electricity & Water	5,000
	<b>Total</b>	<b>5,000</b>



**D. Man-power requirement :**

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
01	Skilled Labour (Self)	1	5,000/-	60,000
	<b>Total</b>			<b>60,000</b>

**E. MAIN INFRASTRUCTURE REQUIREMENT :**

Building	Work shed of 40 Sq.Ft. is required
Power	General power connection is required.
Water	Water is required for general purposes

**VIII. PROFITABILITY PROJECTION (Annual) :**

Particulars	Basis	Amount (Rs.)
<b>Sales / income (Projected)</b>	Ref : IV	<b>2.10,000</b>
Raw Materials/Consumables	Ref : VII B	12,000
Man power expenses	Ref : VII D	60,000
Utilities	Ref : VII C	5,000
Interest	@ 12%	8,000
Depreciation	10% SLM	6,000
Overheads	Maintenance, repair rent etc.	20,000
<b>Total Expenses</b>		<b>1.11,000</b>
<b>Profit</b>		<b>99,000</b>

**IX. FINANCIAL INDICATOR :**

Break Even Point		
$\frac{FC}{SR-VC} \times 100$	$\frac{34.000}{1.33.000} \times 100$	26%
Payback period	90,000	Less tha 1 Year
$\frac{COP}{Profit + Deprn.}$	$\frac{90,000}{1.05,000}$	



**ADDRESSES :**

**X. SUPPLIERS OF MACHINERY / EQUIPMENTS :**

M/s. Shah & Agency,  
M G Road,  
Ranebennur.

M/s. Patry Hardware,  
Opp. District Court,  
Haveri.

**XI. SPECIAL NOTE**

Training from Lidkar is preferred.