



## 4. PROJECT PROFILE ON CHALK PIECE MANUFACTURING

Category : Manufacturing

Total Cost of Project : Rs. 166,000/-

BEP : 35 %

### I. INTRODUCTION OF BUSINESS IDEA :

Chalk piece is used in the school and college for writing on black board while teaching. More and more schools and colleges are being established in the present scenario.

### II. PRODUCT AND ITS APPLICATIONS:

Chalk piece is used in the school and colleges for writing on the black board. This is a method through which the topic content is properly explained to the students. All teachers of schools and colleges need chalk pieces.

### III. MARKET POTENTIAL:

The chalk pieces are an essential requirement for the educational institutes. They are required all through the year. The chalk pieces are majorly supplied to the district from Kumbhakonam from the neighboring state. Local units will certainly have a good demand.

### IV. CAPACITY- REVENUE AND SALES:

Sl. No.	Product	Qty	Rate	Sales Amount
01	Chalk piece	25,000 boxes	Rs.30/boxes	7,50,000

### V. MANUFACTURING PROCESS AND QUALITY:

Plaster of Paris powder is mixed with the water at the required proportion and this slurry is then poured into the moulds. After half an hour, the dried chalk pieces are taken off from the moulds and packed in boxes.

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

#### A. COST OF PROJECT:

Sl. No.	Particulars	Amount (Rs).
01	Equipments	60,000
02	Other fixed assets	10,000
03	Preliminary and preoperative expenses	10,000
04	Deposits	20,000
05	Working Capital Requirements	66,000
	<b>Total</b>	<b>1,66,000</b>



**B. MEANS OF FINANCE:**

Sl. No.	Particulars	Amount (Rs).
01	Loan @ 75%	1,25,000
02	Equity	44,000
	<b>Total</b>	<b>1,66,000</b>

**C. WORKING CAPITAL REQUIREMENT:**

Sl. No.	Particulars	Basis	Period	Amount (Rs).
1	Raw-materials	2,50,000/12 x 1	1 m	20,000
2	Bills Receivable	7,50,000/12 x ½	½ m	31,000
4	Working exp	-	1 m	15,000
	<b>Total</b>			<b>66,000</b>

**VII. Main Inputs Requirements**

**A. Machinery:**

Sl.No.	Particulars	Qty	Rate	Amount (Rs).
1	Moulds	15	3000	45,000
2	Vessels & trays	6		15,000
	<b>Total</b>			<b>60,000</b>

**B. Raw-materials (p.a.):**

Sl.No.	Particulars	Qty	Rate	Total cost(Rs)
1	Plaster of Paris powder	7,500 kg	Rs.20/kg	1,50,000
2	Boxes	25,000 nos	Rs 4 per box	1,00,000
	<b>Total</b>			<b>2,50,000</b>

**C. Utilities:**

Sl. No.	Particulars	Monthly Charges (Rs)	Total Annual Charges (Rs)
1	Electricity and water	1,000	12,000

**D. Man-power requirement:**

Sl. No.	Workers	No.	Monthly Salary (Rs)	Annual Salary (Rs)
01	Skilled workers	1	7,000	84,000
02	Helper	1	4,000	48,000
	<b>Total</b>			<b>1,32,000</b>



**E. Infrastructure Requirement:**

Building	Built up space of 300 sq.ft is required
Power	Normal lighting power connection is required
Water	1 kl Water per day is required.

**VIII. Profitability Projection (Annual):**

Particulars	Basis	Amount (Rs).
<b>Sales Revenue (Projected)</b>	<b>Ref:IV</b>	<b>7,50,000</b>
Raw Materials	Ref: VII B	2,50,000
Man Power Expenses	Ref:VII D	1,32,000
Utilities	Ref:VIIC	12,000
Interest	@12%	15,000
Depreciation	@ 15%	9000
Overheads	Rent, maintenance etc	110,000
<b>Total Expenses</b>		<b>528,000</b>
<b>Profit</b>		<b>2,22,000</b>

**IX. FINANCIAL INDICATOR:**

Break Even Point		
$\frac{FC}{SR-VC} * 100$	$\frac{124,000}{356,000} * 100$	35%
Payback period		
$\frac{\text{Cost of project}}{\text{Profit+ Depn.}}$	$\frac{166,000}{231,000}$	Less than 1 year



**ADDRESS:**

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

Polymer products  
B-8, NGEF Ancillary estate  
Mahadevapura post  
Bangalore-48  
Ph 080-28524429

**Suppliers of raw material:**

Paras Plaster Industries  
138/12 4<sup>th</sup> main road,  
Rajajainagar Industrial town  
Bangalore-44  
Ph 080-23350840.

**XI. SPECIAL NOTE:**

A three days skill training on chalk piece making is suggested.