



## 4. PROJECT PROFILE ON CONCRETE MIXING AND VIBRATING EQUIPMENT RENTAL SERVICE

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Category : Service

Total Cost of Project : Rs. 2,45,000/-

BEP : 25 %

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### I. INTRODUCTION OF BUSINESS IDEA :

This profile gives the investment and profitability of operating a concrete mixing and vibrating equipment on rental service. This service unit can be taken up by anybody as the operating of concrete mixer and vibrating equipment is simple. It is assumed that the cost of fuel, transport and wages for operators will be born by the entrepreneur and the daily rental charges include these costs.

### II. SERVICE AND ITS APPLICATIONS :

All the individuals who construct own houses and many builders and contractors are hiring the concrete mixing and vibrating equipment. The demand for rental service and concrete mixing and vibrating equipment is continuous and will increase with increasing building construction activity.

### III. MARKET POTENTIAL :

Construction activity is increasing at a rapid pace, particularly in cities and towns where number of residential flats, office and shopping complex and individual houses are coming up. It has been a common phenomenon these days to provide concrete pillars and roof irrespective of the size of the building. All those engaged in construction need concrete mixing and vibrating equipment. In Hubli & Dharwad, there is shortage of such services as the contractors have to wait in Q for the same.

### IV. CAPACITY-INSTALLED, UTILIZED AND SALES :

Capacity of the proposed. unit

Sl. No.	Sales / income	No. of Days	Rate (Average)	Total Amount (Rs.)
01.	Rent for concrete mixer	240	1,500	3,60,000
02.	Rent for slab vibrator	240	500	1,20,000
03.	Rent for pin vibrator	240	500	1,20,000
	<b>Total</b>			<b>6,00,000</b>



## V. SERVICE METHODOLOGY AND QUALITY :

Operating this service is very simple. The equipment is to be transported to the construction site by hiring a tractor or a bullock cart. The concrete mixer will be loaded in batches with the right proportion of cement, sand, metal (granite pieces) and water. After proper mixing, the mixture is unloaded and is used for pillars or for stability and for removing air bubbles. In case of slab, slab vibrator is used for obtaining uniform surface. Rent will be fixed per day of 8 hours taking into account all the costs incurred on transportation, fuel and operators wages.

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

### A. Cost of Project :

Sl. No	Particulars	Amount (Rs).
1	Equipments	1,35,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Deposits	30,000
5	Working Capital Requirements	60,000
	<b>Total</b>	<b>2,45,000</b>

### B. Means of Finance:

Sl. No	Particulars	Amount (Rs).
1	Loan @ 75%	1,84,000
2	Equity	61,000
	<b>Total</b>	<b>2,45,000</b>

### C. Working Capital Requirement:

Sl. No.	Particulars	Basis	Period	Amount (Rs.)
1	Bills receivables	6,00,000/12	1 month	50,000
2	Working expenses	-	1 month	10,000
	<b>Total</b>			<b>60,000</b>

## VII. MAIN INPUTS REQUIREMENT :



**A. Equipments :**

Sl. No.	Particulars	No.	Rate	Total Cost
01.	Norton concrete mixer 7/5 T with 4 stroke engine of 5 HP Air cooled and mounting	1	90,000	90,000
02.	Slab vibrator Enfield NK 12	1	25,000	25,000
03.	Pin vibrator Enfield NK 12	1	20,000	20,000
	<b>Total</b>			<b>1,35,000</b>

**B. Raw-materials : (Per Annum)**

Sl. No.	Particulars	Qty	Rate	Total Cost (Rs.)
1	Nothing is required	-	-	-
	<b>Total</b>			<b>-</b>

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

Sl. No.	Particulars	Monthly Requirement	Unit Cost	Total Monthly Charges. (Rs.)
1	diesel	50	60	3,000
2	Electricity	100 Units	8	800
3	Water	30 kl		200
	<b>Total</b>			<b>4,000</b>

**D. Man-power requirement :**

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
01	Skill worker	1	7,000	84,000
03	Helper	2	5,000	1,20,000
	<b>Total</b>			<b>2,04,000</b>

**E. MAIN INFRASTRUCTURE REQUIREMENT :**

Building	Open space is required for parking.
Power	Commercial power connection is required.
Water	Water is required for Mixing the concrete



### VIII. PROFITABILITY PROJECTION (Annual) :

Particulars	Basis	Amount (Rs).
Sales / income (Projected)	Ref : IV	6,00,000
Raw Materials	Ref : VII B	-
Man power expenses	Ref : VII D	2,04,000
Utilities	Ref : VII C	48,000
Interest	@ 12%	21,000
Depreciation	20% SLM	26,000
Overheads	Rent, Maintenance etc.	60,000
<b>Total Expenses</b>		<b>3,59,000</b>
<b>Profit</b>		<b>2,41,000</b>

### IX. FINANCIAL INDICATOR :

Break Even Point		
$\frac{FC}{SR-VC} \times 100$	$\frac{86000 \times 100}{348000} \times$	25 %
Payback period		
COP	245,000	Less than 1
Profit + Deprn.	267,000	Year

### X. ADDRESSES :

#### SUPPLIERS OF EQUIPMENTS :

Shree Viswakarma Mechanical Works  
8555, M G Road  
Secunderabad – 500 008

### XI. SPECIAL NOTE :

The operators must have sufficient experience in the field.