

FLY ASH BRICKS

1. INTRODUCTION

Fly ash bricks manufacturing units can be set up nearby thermal power stations. Because the main raw material is fly ash, which is generated by thermal power stations in big quantity. Fly ash supplied by thermal power stations at free of cost, the entrepreneur has to bear only transportation charges from thermal power stations to the fly ash bricks manufacturing unit.

2. MARKET

There is good demand for fly ash bricks. The awareness among the people is required and also at the same time the government has to give some special incentives for these types of activities. The technologies are eco-friendly, reduce solid waste and dust in the nature. Compared to hollow brick and clay brick, the cost is reasonable. Technology for construction of wall without cement between the bricks has been developed by GODWIN Industries, Auto Nagar, Guntur. Construction of wall with these bricks is very easy and cost-effective. Technology is indigenously available.

3. MANUFACTURING PROCESS

Required raw material like Fly ash, Gypsum, alum and stone crushing dust have to be mixed as per the ratio. The mixed product can be placed into automatic locking machine. This to be kept in moulds for manufacturing of automatic locking fly ash bricks. After the processing, the bricks have to be dried after applying required water on the bricks. After two days of drying, the bricks can be sold. It is a simple manufacturing process.

4. PRODUCTION CAPACITY PER ANNUM

Capacity 240000 Bricks per annum
Selling Price Rs. 6 Per box

5. PROJECT COST/CAPITAL INVESTMENT

S.No	Description	Amount Rs.
1	Preliminary & Preoperative Expns	2000
2	Fixed Capital	301000
3	Working Capital for 1 month(s)	100500
	Total Project Cost	403500

6. MEANS OF FINANCE

S.No	Description	%age	Amount Rs.
1	Promoter Contribution	15%	60525
2	Subsidy /Soft Loan	20%	80700
3	Term Loan	65%	262275
	Total		403500

7. FINANCIAL ASPECTS

A. FIXED CAPITAL

i. Land and Buildings

Rented

2000 per month

ii. Machinery and Equipment

S.No	Description	Qty.	Rate	Amount Rs.
1	Automatic locking machine	1	165000	165000
2	Mixer	1	70000	70000
3	Motor 1 HP	1	6000	6000
4	Flat form and other expenses	1	50000	50000
6	Other equipment	1	10000	10000
Total				301000

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	2	1500	3000
3	Workers	6	1000	6000
Total				11500

ii. Raw Material (per month)

S.No	Description	Unit	Qty.	Rate	Amount Rs.
1	Fly ash, Gypsum, Alum and Stone powder	Kgs	20000	4	80000
Total					80000

iii. Utilities (per month)

S.No	Description	Unit	Amount Rs.
1	Power	LS	2000
2	Water	LS	500
Total			2500

iv. Other Expenses (per month)

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

v. Total Working Capital (per month)

S.No	Description	Amount Rs.
1	Rent	2000
2	Salaries and Wages	11500
3	Raw Material	80000
4	Utilities	2500
5	Other Expenses	4500
	Total	100500

8. COST OF PRODUCTION (PER ANNUM)

S.No	Description	Amount Rs.
1	Total Working Capital	1206000
2	Depreciation @ 15%	45150
3	Interest @ 12%	31473
	Total	1282623

9. TURNOVER (PER YEAR)

S.No	Description	Unit	Qty.	Rate Rs.	Amount Rs.
1		Bricks perannr	240000	6	1440000
	Total				1440000

10. FIXED COST (PER YEAR)

S.No	Description	Amount Rs.
1	Depreciation	45150
2	Interest	31473
3	Rent	24000
4	Salaries & Wages @ 40%	4600
5	Other Expenses incl. Utilities @ 40%	2800
	Total	108023

11. PROFIT ANALYSIS & RATIOS

1	Net Profit	Rs.	157377
2	Percentage of Profit on Sales		11%
3	Percentage of Return on Investment		39%
4	Break Even Point		41%