

Business Proposal for Manufacturing of Electric Ceramics Fuses

Business: Manufacturing of Electric Ceramics Fuses

Scope of Business:

With the increase in population and modernization of the society the business of construction has been increased in our country. Owing to the factor the demand of ceramics items like Porcelain Electric Fuses has been increased remarkably.

Ceramics Development and Training Complex (CDTC), Gujranwala offers manufacturing and training guidance to the interested entrepreneurs under the Prime Minister's Youth Business loan Scheme in the field of Ceramics manufacturing of electric porcelain fuses, miniatures etc. The entrepreneurs shall be able to start a profitable business of manufacturing of Electric Ceramics / Porcelain fuses etc.

A- Setting up the Business

The business of manufacturing of Electric porcelain Fuses can be started within 3 to 4 weeks with following resources.

Business Area

About 2,500 Sq.ft area required to set up the business.

Essential Equipments /Machinery Required.

Ball Mill 4 x 4 ft for Body Preparation
Ball Mill 4 x 4 ft for Glaze Preparation
Filter Press
Manual Press
Air Compressor
Other Accessories
Body & Glaze Raw Materials

Staff Required

4 to 5 person

B- Business Estimated Cost

Following is the Capital and Operational Cost of the Business.

Sr. No.	Items	Amount (Rs.)
	Capital Cost	
1.	Machinery & Equipment	600,000
2.	Office & Furniture cost	35,000
3.	Capital work-in-progress	100,000
	Total	735,000
	Operational Cost (50,000 pieces per month)	
1.	Salaries	50,000
2.	Raw material	150,000
3.	Utilities expenses	65,000
4.	Maintenance cost	5,000
5.	Firing cost	180,000
6.	Packing cost	10,000
7.	Carriage cost	15,000
8.	Space Rent	15,000
	Total	490,000
	Total Business Cost	1,225,000

Services to be provided by Ceramics Development and Training Complex:

- Manufacturing guidance of Electric Porcelain Fuses
- Raw materials sourcing and testing
- On-the Job training of unskilled/semi-skilled workers

Future Prospects:

The entrepreneur is expected to earn about Rs. 266,000/- in the first year of investment with a continuous growth in successive years. He will be able to expand his business through extensive marketing strategies.

Detail of Loan Repayment Schedule:

Financial Assumptions:

Project Life (Years)	8
Interest rate (p.a.)	8.00%
Payments per Year	1
Principal amount for Year 1	0

Summary of Loan Repayment and Expected Profit Earned:

	Years							
Repayment	1	2	3	4	5	6	7	8
Principal	0	130,564	141,009	152,290	164,473	177,631	191,842	207,189
Interest	93,200	93,200	82,755	71,474	59,291	46,133	31,922	16,575
Total Repayment	93,200	223,764	223,764	223,764	223,764	223,764	223,764	223,764
Expected Return %	7%	12%	17%	23%	29%	35%	41%	48%
Expected Return Amount	360,000	654,000	990,300	1,373,775	1,809,820	2,304,402	2,864,123	3,496,280
Net Profit	266,800	430,236	766,536	1,150,011	1,586,056	2,080,638	2,640,359	3,272,516

NOTE:

The above calculations are true and based on the assumptions that economy does not experience any unforeseen risks.

FOR DETAILED BUSINESS PLAN, PLEASE CONTACT OUR HELP DESK.