

## **Business Proposal for Manufacturing of Ceramics Sanitary ware**

**Business: Manufacturing of Ceramics P-Traps & Orissa**

### **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 this factor the demand of ceramics items specially the sanitary wares has been increased remarkably. Other than the domestic consumption of the ceramics wares there has been a great potential for the export of the sanitary wares.

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 small sanitary wares items like P- Traps, Squat etc. The entrepreneurs shall be able to start a profitable business of sanitary wares.

### **A- Setting Up the Business**

The business of manufacturing of P-Traps 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  
Casting Benches  
Molds  
Other Accessories  
Body & Glaze Raw Materials

#### **Staff Required**

3 to 4 person

## **B- Business Estimated Cost**

Following is the Capital and Operational Cost of the Business.

<b>Sr. No.</b>	<b>Items</b>	<b>Amount (Rs.)</b>
	<b>Capital Cost</b>	
1.	Machinery & Equipment	500,000
2.	Mould Cost	100,000
4.	Office and Furniture	35,000
5.	Capital in hand	100,000
	<b>Total</b>	<b>735,000</b>
	<b>Operational Cost (5,000 P-Traps per month)</b>	
1.	Salaries	50,000
2.	Raw materials	175,000
3.	Labor	50,000
3.	Utilities expenses	65,000
4.	Maintenance cost	5,000
5.	Firing cost	225,000
6.	Packing cost	35,000
7.	Carriage cost	35,000
8.	Space Rent	15,000
	<b>Total</b>	<b>655,000</b>
	<b>Total Project Cost</b>	<b>1,390,000</b>

### **Services to be provided by Ceramics Development and Training Complex:**

- Manufacturing guidance of sanitary wares, P-Traps, Squats etc.
- Designing and mold making of sanitary wares P-Traps, Squat etc.
- Raw materials sourcing and testing
- On-the Job training of unskilled/semi-skilled workers

### **Future Prospects:**

The entrepreneur is expected to earn about Rs. 400,000/- 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	155,781	168,243	181,703	196,239	211,938	228,893	247,204
Interest	111,200	111,200	98,738	85,278	70,742	55,043	38,088	19,777
Total Repayment	111,200	266,981	266,981	266,981	266,981	266,981	266,981	266,981
Expected Return %	7%	12%	17%	22%	29%	35%	41%	48%
Expected Return Amount	540,000	987,000	1,498,350	2,081,468	2,744,561	3,496,711	4,347,961	5,309,415
<b>Net Profit</b>	<b>428,800</b>	<b>720,019</b>	<b>1,231,369</b>	<b>1,814,487</b>	<b>2,477,580</b>	<b>3,229,730</b>	<b>4,080,980</b>	<b>5,042,434</b>

### 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.**