

CLAY BRICKS MANUFACTURING

1. INTRODUCTION

Clay bricks are used in house construction , institutions and commercial constructions. These bricks are very cheap compared to other hollow bricks. The strength of the wall is also good.

2. MARKET

There is good demand for clay bricks in developing countries like India .Due to increasing urbanisation many houses and industries to be constructed as per the requirement of the people.

3. MANUFACTURING PROCESS

The clay brick activity is mainly located in rural areas. The raw material availability is good. Mixing the clay with ash and forming them into bricks in moulds arranged thus in order and burning with coal/rice husk in a kiln.

4. PRODUCTION CAPACITY PER ANNUM

Capacity 1200000 Bricks per annum
Selling Price Rs. 1 Per Brick

5. PROJECT COST/CAPITAL INVESTMENT

| S.No | Description | Amount Rs. |
|------|----------------------------------|------------|
| 1 | Preliminary & Preoperative Expns | 1000 |
| 2 | Fixed Capital | 50000 |
| 3 | Working Capital for 1 month(s) | 95000 |
| | Total Project Cost | 146000 |

6. MEANS OF FINANCE

| S.No | Description | %age | Amount Rs. |
|------|-----------------------|------|------------|
| 1 | Promoter Contribution | 15% | 21900 |
| 2 | Subsidy /Soft Loan | 20% | 29200 |
| 3 | Term Loan | 65% | 94900 |
| | Total | | 146000 |

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 | Shed ,Moulds ,motor, etc | 1 | 50000 | 50000 |
| | Total | | | 50000 |

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 | 2000 | 4000 |
| 3 | Workers | 2 | 1500 | 3000 |
| | Total | | | 9500 |

ii. Raw Material (per month)

| S.No | Description | Unit | Qty. | Rate | Amount Rs. |
|------|----------------------|---------|--------|------|------------|
| 1 | Husk, sand, Clay etc | Lumpsum | 100000 | 0.8 | 80000 |
| | Total | | | | 80000 |

iii. Utilities (per month)

| S.No | Description | Unit | Amount Rs. |
|------|-------------|------|------------|
| 1 | Power | LS | 500 |
| 2 | Water | LS | 500 |
| | Total | | 1000 |

iv. Other Expenses (per month)

| S.No | Description | Amount Rs. |
|------|-------------------------|------------|
| 2 | Transportation Expenses | 1000 |
| 4 | Consumeble Stores | 500 |
| 5 | Miscellaneous Expenses | 1000 |
| | Total | 2500 |

v. Total Working Capital (per month)

| S.No | Description | Amount Rs. |
|------|--------------------|------------|
| 1 | Rent | 2000 |
| 2 | Salaries and Wages | 9500 |
| 3 | Raw Material | 80000 |
| 4 | Utilities | 1000 |
| 5 | Other Expenses | 2500 |
| | Total | 95000 |

8. COST OF PRODUCTION (PER ANNUM)

| S.No | Description | Amount Rs. |
|------|-----------------------|------------|
| 1 | Total Working Capital | 1140000 |
| 2 | Depreciation @ 15% | 7500 |
| 3 | Interest @ 12% | 11388 |
| | Total | 1158888 |

9. TURNOVER (PER YEAR)

| S.No | Description | Unit | Qty. | Rate Rs. | Amount Rs. |
|------|-------------|---------------|---------|----------|------------|
| 1 | | Bricks per an | 1200000 | 1 | 1200000 |
| | Total | | | | 1200000 |

10. FIXED COST (PER YEAR)

| S.No | Description | Amount Rs. |
|------|--------------------------------------|------------|
| 1 | Depreciation | 7500 |
| 2 | Interest | 11388 |
| 3 | Rent | 24000 |
| 4 | Salaries & Wages @ 40% | 45600 |
| 5 | Other Expenses incl. Utilities @ 40% | 16800 |
| | Total | 105288 |

11. PROFIT ANALYSIS & RATIOS

| | | | |
|---|------------------------------------|-----|-------|
| 1 | Net Profit | Rs. | 41112 |
| 2 | Percentage of Profit on Sales | | 3% |
| 3 | Percentage of Return on Investment | | 28% |
| 4 | Break Even Point | | 72% |