

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	Consumable 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 annum	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%