

## POTTERY ON WHEEL

### 1. INTRODUCTION

The clay is blunged and lavigated through setting method to remove coarse grit, etc. The slurry is de-watered and made into plastic mass. It is thrown over traditional/improved potter's wheel for shaping various articles. The articles are coated with specially prepared engobe, polished and fired in an improved up draught kiln.

### 2. MARKET

The demand for polished and fired pottery products is expanding in urban markets.

### 3. MANUFACTURING PROCESS

Improved design of potter's wheel, kiln and process for traditional terracotta wares eg. Pitcher, planter, kunda, kulhar, plate, tableware, flower vase, etc.

### 4. PRODUCTION CAPACITY PER ANNUM

Capacity

8000 Units

Selling Price

Rs. 18 per unit

### 5. PROJECT COST/CAPITAL INVESTMENT

S.No	Description	Amount Rs.
1	Preliminary & Preoperative Expns	1000
2	Fixed Capital	20000
3	Working Capital for 2 month(s)	18700
	Total Project Cost	39700

### 6. MEANS OF FINANCE

S.No	Description	%age	Amount Rs.
1	Promoter Contribution	15%	5955
2	Subsidy	20%	7940
3	Term Loan	65%	25805
	Total		39700

## 7. FINANCIAL ASPECTS

## A. FIXED CAPITAL

i. Land and Buildings

Rented

750 per month

ii. Machinery and Equipment

S.No	Description	Qty.	Rate	Amount Rs.
1	Improved potters wheel, wood fired	LS	20000	20000
	improved up draught kiln, set of			
	sieves			
	Total			20000

## B. WORKING CAPITAL

i. Salaries &amp; Wages (per month)

S.No	Description	Nos.	Sal/mon.	Amount Rs.
1	Supervisor/Entrepreneur	1	2000	2000
2	Skilled Labour	2	1500	3000
	Total			5000

ii. Raw Material (per month)

S.No	Description	Unit	Qty.	Rate	Amount Rs.
1	Locally available low grade common red clay		LS		3000
	Total				3000

iii. Utilities (per month)

S.No	Description	Unit	Amount Rs.
1	Power	LS	200
2	Water	LS	100
	Total		300

iv. Other Expenses (per month)

S.No	Description	Amount Rs.
1	Transportation Expenses	200
2	Miscellaneous Expenses	100
	Total	300

## v. Total Working Capital (per month)

S.No	Description	Amount Rs.
1	Rent	750
2	Salaries and Wages	5000
3	Raw Material	3000
4	Utilities	300
5	Other Expenses	300
	Total	9350

## 8. COST OF PRODUCTION (PER ANNUM)

S.No	Description	Amount Rs.
1	Total Working Capital	112200
2	Depreciation @ 15%	3000
3	Interest @ 12%	3097
	Total	118297

## 9. TURNOVER (PER YEAR)

S.No	Description	Unit	Qty.	Rate Rs.	Amount Rs.
1		Units	8000	18	144000
	Total				144000

## 10. FIXED COST (PER YEAR)

S.No	Description	Amount Rs.
1	Depreciation	3000
2	Interest	3097
3	Rent	9000
4	Salaries & Wages @ 40%	24000
5	Other Expenses incl. Utilities @ 40%	2880
	Total	41977

## 11. PROFIT ANALYSIS &amp; RATIOS

1	Net Profit	Rs.	25703
2	Percentage of Profit on Sales		18%
3	Percentage of Return on Investment		65%
4	Break Even Point		62%