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PROJECT REPORT

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PROJECT:

POTTERY PRODUCTS

PROJECT REPORT

Of

POTTERY PRODUCTS

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **Pottery products making unit.**

The objective of the pre-feasibility report is primarily to facilitate potential entrepreneurs in project identification for investment and in order to serve his objective; the document covers various aspects of the project concept development, start-up, marketing, finance and management.

[We can modify the project capacity and project cost as per your requirement. We can also prepare project report on any subject as per your requirement.]

POTTERY



Introduction

Pottery is the process of forming vessels and other objects with clay and other ceramic materials, which are fired at high temperatures to give them a hard, durable form. Major types include earthenware, stoneware and porcelain. The place where such wares are made by a potter is also called a pottery (plural "potteries"). Pottery is made by forming a ceramic (often clay) body into objects of a desired shape and heating them to high temperatures (600-1600 °C) in a bonfire, pit or kiln and induces reactions that lead to permanent changes including increasing the strength and rigidity of the object. Much pottery is purely utilitarian, but much can also be regarded as ceramic art. A clay body can be decorated before or after firing.

Clay-based pottery can be divided into three main groups: earthenware, stoneware and porcelain. These require increasingly more specific clay material, and increasingly higher firing temperatures. All three are made in glazed and unglazed varieties, for different purposes. All may also be decorated by various techniques. In many examples the group a piece belongs to is immediately visually apparent, but this is not always the case.

Pottery originated before the Neolithic period. Pottery objects are made from damp clay mixed with other materials. They are then fired in a special oven called a kiln at high temperatures. Firing makes the clay hard. The potter may then apply a glaze to the surface before firing the object again. The fired glaze makes the surface of the pottery shiny, decorative and water-tight.

Pottery Products Market Analysis

India along with several other developing countries of Asia is considered as one of the first Asian countries to manufacture as well as export products of pottery. The important markets for pottery products are USA, Mexico, Hong Kong, Japan, Germany, Italy and France. However, the share of global market of India in pottery products is believed to be less than 1%. The important suppliers list includes China, UK, Japan and USA.

The yearly production of pottery products in the Khurja units of Uttar Pradesh is slated to be around ` 85 crore. Out of this about 20% is exported in the international market. Among the pottery products that are exported from India, the most common ones are chemical porcelains, handicraft art ware and more.

In order to improve the overall condition of the India pottery industry, it is important to identify the various requirements of the manufacturing centers, technological development along with advancement of the centers with help structures have also become a necessity. Proper review of the industry, analyzing the need, gap and formulating of a proper plan are also important.

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
Capacity Utilisation %	70%	75%	80%	85%	90%
SALES					
Gross Sale					
Total	9.24	10.80	11.92	13.08	14.30
Total	9.24	10.80	11.92	13.08	14.30
COST OF SALES					
Raw Mateiral Consumed	6.05	6.54	7.05	7.57	8.09
Elecricity Expenses	0.50	0.55	0.61	0.67	0.74
Depriciation	0.13	0.12	0.10	0.09	0.07
Consumables	0.51	0.59	0.66	0.72	0.79
Repair & maintenace	0.09	0.11	0.12	0.13	0.14
Cost of Production	7.29	7.92	8.54	9.17	9.83
Add: Opening Stock /WIP	-	0.61	0.66	0.71	0.76
Less: Closing Stock /WIP	0.61	0.66	0.71	0.76	0.82
Cost of Sales	6.68	7.86	8.48	9.12	9.78
GROSS PROFIT	2.56	2.94	3.43	3.96	4.52
Rent	1.08	1.11	1.15	1.18	1.22
Selling & adm Exp	0.28	0.32	0.36	0.39	0.43
TOTAL	1.36	1.44	1.50	1.57	1.64
NET PROFIT	1.20	1.50	1.93	2.39	2.87
Taxation					
PROFIT (After Tax)	1.20	1.50	1.93	2.39	2.87

PROJECTED BALANCE SHEET					
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
Liabilities					
Capital					
opening balance		3.11	3.61	4.04	4.33
Add:- Own Capital	2.50				
Add:- Retained Profit	1.20	1.50	1.93	2.39	2.87
Less:- Drawings	0.60	1.00	1.50	2.10	2.50
Closing Blance	3.11	3.61	4.04	4.33	4.70
Sundry Creditors	0.30	0.31	0.35	0.38	0.40
TOTAL :	3.41	3.91	4.39	4.71	5.11
Assets					
Fixed Assets (Gross)	1.00	1.00	1.00	1.00	1.00
Gross Dep.	0.13	0.25	0.35	0.44	0.51
Net Fixed Assets	0.87	0.75	0.65	0.57	0.49
Current Assets					
Sundry Debtors	0.69	0.81	0.89	1.09	1.19
Stock in Hand	1.11	1.21	1.30	1.40	1.49
Cash and Bank	0.74	1.14	1.55	1.66	1.93
TOTAL :	3.41	3.91	4.39	4.71	5.11

PROJECTED CASH FLOW STATEMENT

PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
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SOURCES OF FUND

Own Margin	2.50				
Net Profit	1.20	1.50	1.93	2.39	2.87
Depreciation & Exp. W/off	0.13	0.12	0.10	0.09	0.07
Increase in Creditors	0.30	0.00	0.05	0.03	0.03

TOTAL :	4.14	1.62	2.08	2.50	2.98
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APPLICATION OF FUND

Increase in Fixed Assets	1.00				
Increase in Stock	1.11	0.09	0.09	0.10	0.10
Increase in Debtors	0.69	0.12	0.08	0.20	0.10
Drawings	0.60	1.00	1.50	2.10	2.50
Taxation	-	-	-	-	-

TOTAL :	3.41	1.21	1.68	2.39	2.70
Opening Cash & Bank Balance	-	0.74	1.14	1.55	1.66
Add : Surplus	0.74	0.41	0.40	0.11	0.28
Closing Cash & Bank Balance	0.74	1.14	1.55	1.66	1.93

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