



## 2. PROJECT PROFILE ON CEMENT FLOWER POTS AND WATER TANKS

Category : Manufacturing

Total Cost of Project : Rs. 1,99,000/-

BEP : 41 %

### I. INTRODUCTION OF BUSINESS IDEA :

In urban and semi-urban area, the use of flowers pots is increasing as there is little space for growing plants on land. Water shortage is every where in the district and as such there is necessity of water tanks.

### II. PRODUCT AND ITS APPLICATIONS :

The water shortage during summer has created a demand for storage facility and the need for cement water tanks by new constructions with medium and low budget. In this profile 10-15 liter capacity pot, and 100 liters capacity water tanks are proposed to be made.

### III. MARKET POTENTIAL :

The constructions of houses are increasing in all taluks of the district. As the open space available in all houses is becoming less and less and also the flats do not have any space for growing plants etc, the demand for flower pots is increasing. Water tanks are must for every house as there is acute shortage of water in all taluks of the district. The syntax tanks are available; however people with low budget and permanent fixed arrangements prefer cement water tanks. Thus there is good potential for the proposed products in the market.

### IV. CAPACITY-INSTALLED, UTILIZED & SALES :

Sl. No.	Product	Qty.	Rate Per pot	Sales Amount
01.	Flower pots	2,500	100	2,50,000
02.	Water tanks	800	850	6,80,000
	<b>TOTAL</b>			<b>9,30,000</b>

### V. MANUFACTURING PROCESS & QUALITY :

Sand and cement are mixed in 4:1 proportion with water. The mixture is poured in steel moulds depending upon the shape. The mould is released after 4 hours. The pots/tanks are cured with water for 5 days after which they are ready for sale.

The quality product can be ensured by continuous curing and use of quality sand.



## VI. COST OF PROJECT AND MEANS OF FINANCE, INCLUDING WORKING CAPITAL REQUIREMENTS :

### A. Cost of Project :

Sl. No	Particulars	Amount (Rs).
1	Equipments	80,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Deposits	20,000
5	Working Capital Requirements	79,000
	<b>Total</b>	<b>1,99,000</b>

### B. Means of Finance:

Sl. No	Particulars	Amount (Rs).
1	Loan @ 75%	1,50,000
2	Equity	48,000
	<b>Total</b>	<b>1,99,000</b>

### C. Working capital requirement

Sl. No.	Particulars	Basis	Period	Amount
1	Raw-materials	4,10,000/12 x 1	1/2m	17,000
2	Finished goods	6,70,000/48 x 1	1 wk	14,000
3	Bills receivable	9,30,000/12 x 1/2	1/2m	38,000
4	Working exp		1m	10,000
	<b>Total</b>			<b>79,000</b>

## VII. MAIN INPUTS REQUIREMENT :

### A. Machinery :

Sl. No.	Particulars	Qty.	Total Cost
01.	Equipments	5 moulds	50,000
02.	Miscellaneous	Lump sum	30,000
	<b>TOTAL</b>		<b>80,000</b>

### B. Raw-materials ( Per annum):

Sl. No.	Particulars	Qty	Rate (Rs.)	Total Cost (Rs.)
1	Cement	300 bags	300	90,000
2	Sand	8lorry	40,000	3,20,000
	<b>Total</b>			<b>4,10,000</b>



**C. Utilities :**

Sl. No.	Particulars	Total Monthly Charges. (Rs.)
1	Electricity & Water	1,000

**D. Man-power requirement :**

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
01	Skilled workers	1	8,000	96,000
02	Helper	2	5,000	1,20,000
	<b>Total</b>			<b>2,16,000</b>

**E. MAIN INFRASTRUCTURE REQUIREMENT :**

Building	Built up space of 100 sq. ft is required and open space is required.
Power	Commercial power connection is required.
Water	2 KL Water is required per day

**VIII. PROFITABILITY PROJECTION (Annual) :**

Particulars	Basis	Amount (Rs.)
Sales Revenue (Projected)	Ref : IV	9,30,000
Raw Materials	Ref : VII B	4,10,000
Man power expenses	Ref : VII D	2,16,000
Utilities	Ref : VII C	12,000
Interest	@ 12%	24,000
Depreciation	@ 20% SLM	16,000
Overheads	Rent, maintenance etc.	80,000
<b>Total Expenses</b>		<b>7,58,000</b>
<b>Profit</b>		<b>1,72,000</b>

**IX. FINANCIAL INDICATOR :**

<p><b>Break Even Point</b></p> $\frac{FC}{SR-VC} \times 100$	$\frac{1,20,000}{2,92,000} \times 100$	41 %
<p><b>Payback period</b></p> $\frac{COP}{\text{Profit} + \text{Deprn.}}$	$\frac{78,100}{64,000}$	1 years 3month



**ADDRESSES :**

**X. SUPPLIERS OF MACHINERY / EQUIPMENTS :**

All India Paints and Hardware  
Kalburgi Complex, Dajibanpeth,  
Hubli ph 0836-2268326

**Suppliers of raw material :**

Suresh Steel and Cements,  
Akshay center, Gokul Road,  
Hubli-580030  
Ph 0836-2330940

**XI. SPECIAL NOTE :**

Skill training is required for the preparation of pots and tanks, which is available in JSS Vocational training institute at Vidyagiri, Dharwad..