

# UP MSME 1-Connect

## PROJECT REPORT

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PROJECT:

Plaster of Paris Manufacturing Unit

# **PROJECT REPORT**

## **Of**

# **Plaster of Paris Manufacturing**

## **PURPOSE OF THE DOCUMENT**

This particular pre-feasibility is regarding **Plaster of Paris Manufacturing 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.]

# PROJECT REPORT ON PLASTER OF PARIS



## INTRODUCTION

Plaster of Paris which is calcium sulphate with half molecule of water of crystallization ( $\text{CaSO}_4 \cdot \frac{1}{2} \text{H}_2\text{O}$ ) and hygroscopic characteristics obtained by duly calcined the raw material i.e. Gypsum ( $\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$ ). It possesses outstanding property of setting and subsequent hardening when mixed with water.

Plaster of Paris is extensively used in ceramic industry for preparation models and moulds. It is also used as main raw material in the manufacture of toys & statues, chalk crayons, gypsum plaster boards, and decorative picture frames besides wide range of applications in the interior decoration of buildings and other establishments.

## MARKET & DEMAND ASPECTS

As there is growing building construction activity thus requiring large quantities of Plaster of Paris. Demand for the product is also increasing in making mould & models. There is also considerable demand for the plaster of Paris arising from a large number of studies and establishments engaged in making statutes and interior decoration as well as decorative plaster boards for false ceiling etc, which is in turn creating a good scope for setting up new units in this line of manufacture. They are extensively used for writing on black boards and markings on any colored surface. Hospitals and Dental laboratories-pharmaceutical grade, Orthopedic plasters are used by hospitals and clinics for all types of orthopedic cast work such as surgical caste, orthopedic bandages etc

**PROJECTED BALANCE SHEET**

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<b><u>SOURCES OF FUND</u></b>					
Capital Account	2.50	2.50	2.50	2.50	2.50
Retained Profit	9.58	19.96	31.46	43.93	58.65
Term Loan	13.29	9.97	6.65	3.32	0.56
Cash Credit	9.20	9.20	9.20	9.20	9.20
Sundry Creditors	1.42	1.51	1.61	1.70	1.89
Provisions & Other Liab	0.36	0.40	0.44	0.48	0.53
<b>TOTAL :</b>	<b>36.35</b>	<b>43.55</b>	<b>51.85</b>	<b>61.14</b>	<b>73.33</b>
<b><u>APPLICATION OF FUND</u></b>					
<b>Fixed Assets ( Gross)</b>	14.27	14.27	14.27	14.27	14.27
Gross Dep.	1.90	3.56	5.00	6.24	7.30
Net Fixed Assets	12.37	10.71	9.27	8.03	6.97
<b>Current Assets</b>					
Sundry Debtors	4.56	5.37	5.70	6.04	6.68
Stock in Hand	7.09	7.56	8.03	8.51	9.45
Cash and Bank	9.84	17.16	25.82	35.23	46.57
Deposits & Advances	2.50	2.75	3.03	3.33	3.66
<b>TOTAL :</b>	<b>36.35</b>	<b>43.55</b>	<b>51.85</b>	<b>61.14</b>	<b>73.33</b>
	-	-	-	-	-

**PROJECTED CASH FLOW STATEMENT**

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<b><u>SOURCES OF FUND</u></b>					
Share Capital	2.50	-			
Reserve & Surplus	10.64	11.54	12.77	13.87	16.35
Depreciation & Exp. W/off	1.90	1.67	1.44	1.24	1.07
Increase in Cash Credit	9.20	-	-	-	-
Increase In Term Loan	13.29	-	-	-	-
Increase in Creditors	1.42	0.09	0.09	0.09	0.19
Increase in Provisions	0.36	0.04	0.04	0.04	0.05
<b>TOTAL :</b>	<b>39.31</b>	<b>13.34</b>	<b>14.34</b>	<b>15.24</b>	<b>17.65</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	14.27	-	-	-	-
Increase in Stock	7.09	0.47	0.47	0.47	0.94
Increase in Debtors	4.56	0.81	0.34	0.34	0.64
Increase in Deposits & Adv	2.50	0.25	0.28	0.30	0.33
Repayment of Term Loan	-	3.32	3.32	3.32	2.76
Taxation	1.06	1.15	1.28	1.39	1.63
<b>TOTAL :</b>	<b>29.48</b>	<b>6.01</b>	<b>5.68</b>	<b>5.82</b>	<b>6.32</b>
Opening Cash & Bank Balance	-	9.84	17.16	25.82	35.23
Add : Surplus	9.84	7.33	8.65	9.42	11.33
Closing Cash & Bank Balance	<b>9.84</b>	<b>17.16</b>	<b>25.82</b>	<b>35.23</b>	<b>46.57</b>

**PROJECTED PROFITABILITY STATEMENT**

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<b><u>A) SALES</u></b>					
Gross Sale	45.56	53.66	57.04	60.41	66.83
<b>Total (A)</b>	<b>45.56</b>	<b>53.66</b>	<b>57.04</b>	<b>60.41</b>	<b>66.83</b>
<b><u>B) COST OF SALES</u></b>					
Raw Mateiral Consumed	20.25	21.60	22.95	24.30	27.00
Elecricity Expenses	3.77	4.02	4.27	4.52	5.02
Repair & Maintenance	-	0.54	0.57	0.60	0.67
Labour & Wages	4.75	5.23	5.75	6.32	6.96
Depreciation	1.90	1.67	1.44	1.24	1.07
Consumables and Other Expenses	1.37	1.61	1.71	1.81	2.00
<b>Cost of Production</b>	<b>32.03</b>	<b>34.66</b>	<b>36.68</b>	<b>38.80</b>	<b>42.72</b>
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>4.05</b>	<b>4.32</b>	<b>4.59</b>	<b>4.86</b>
<b>Less: Closing Stock /WIP</b>	<b>4.05</b>	<b>4.32</b>	<b>4.59</b>	<b>4.86</b>	<b>5.40</b>
<b>Cost of Sales (B)</b>	<b>27.98</b>	<b>34.39</b>	<b>36.41</b>	<b>38.53</b>	<b>42.18</b>
<b>C) GROSS PROFIT (A-B)</b>	<b>17.58</b>	<b>19.28</b>	<b>20.62</b>	<b>21.89</b>	<b>24.65</b>
	<b>39%</b>	<b>36%</b>	<b>36%</b>	<b>36%</b>	<b>37%</b>
D) Bank Interest (Term Loan )	1.15	1.39	1.00	0.62	0.25
Bank Interest ( C.C. Limit )	0.92	0.92	0.92	0.92	0.92
E) Salary to Staff	3.96	4.36	4.79	5.27	5.80
F) Selling & Adm Expenses Exp.	0.91	1.07	1.14	1.21	1.34
<b>TOTAL (D+E)</b>	<b>6.94</b>	<b>7.73</b>	<b>7.86</b>	<b>8.02</b>	<b>8.30</b>
<b>H) NET PROFIT</b>	<b>10.64</b>	<b>11.54</b>	<b>12.77</b>	<b>13.87</b>	<b>16.35</b>
I) Taxation	1.06	1.15	1.28	1.39	1.63
<b>J) PROFIT (After Tax)</b>	<b>9.58</b>	<b>10.39</b>	<b>11.49</b>	<b>12.48</b>	<b>14.71</b>

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