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## PROJECT REPORT

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**PROJECT:**

Multani Mud Manufacturing unit

# **PROJECT REPORT**

## **OF**

# **MULTANI MUD MANUFACTURING UNIT**

### **PURPOSE OF THE DOCUMENT**

This particular pre-feasibility is regarding Multani Mud 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 AT A GLANCE**

- 1 Name of the Entrepreneur : xxxxxxxxx
- 2 Constitution (legal Status) : xxxxxxxxx
- 3 Father / Spouse Name : xxxxxxxxx
- 4 Unit Address : xxxxxxxxxxxxxxxxxxxxx
- District : xxxxxx  
Pin: xxxxxx State: xxxxx  
Mobile xxxxxx
- 5 Product and By Product : **MULTANI MUD**
- 6 Name of the project / business activity proposed : **MULTANI MUD MANUFACTURING UNIT**
- 7 Cost of Project : Rs.18.08 Lakhs
- 8 Means of Finance  
Term Loan Rs.10.22 Lakhs  
Own Capital Rs.1.81 Lakhs  
Working Capital Rs.6.05 Lakhs
- 9 Debt Service Coverage Ratio : 2.86
- 10 Pay Back Period : 5 Years
- 11 Project Implementation Period : 5-6 Months
- 12 Break Even Point : 31%
- 13 Employment : 11 Persons
- 14 Power Requirement : 15.00 KW
- 15 Major Raw materials : Water, Multani Mitti Rocks, Packing Material
- 16 Estimated Annual Sales Turnover (Max Capacity) : 77.95 Lakhs
- 17 Detailed Cost of Project & Means of Finance

**COST OF PROJECT**

(Rs. In Lakhs)

| Particulars          | Amount       |
|----------------------|--------------|
| Land                 | Own/Rented   |
| Plant & Machinery    | 9.46         |
| Miss Assets          | 1.20         |
| Furniture & Fixtures | 0.70         |
| Working Capital      | 6.72         |
| <b>Total</b>         | <b>18.08</b> |

**MEANS OF FINANCE**

| Particulars              | Amount       |
|--------------------------|--------------|
| Own Contribution         | 1.81         |
| Working Capital(Finance) | 6.05         |
| Term Loan                | 10.22        |
| <b>Total</b>             | <b>18.08</b> |

# **MULTANI MUD MANUFACTURING UNIT**

## **1. INTRODUCTION**



Fuller's earth is a clay-like material made largely of aluminium magnesium silicate. It gets its name from the fact that it's used to clean dirt and grease off of wool. It was applied to the wool by a worker at a wool refinery known as a "fuller." Multani mitti, or "mud from Multan," is another name for it, and it originates from the Pakistan's city's history of mineral-rich clay.

Fuller's earth may be used in skin care products that helps improving skin quality and are claimed to reduce wrinkles and acne. It's also used in cosmetics to bind other substances, prevent other powders from caking together, give exfoliation, and stabilise products. Fuller's earth is recognised for its capacity to absorb oil and other impurities, making it a good skin cleanser for those who have oily skin or blocked pores. It's also supposed to soften the face and enhance skin tone and appearance. Fuller's earth is also said to have a skin-lightening effect, making it a common component in treatments aimed at reducing the appearance of black spots. There is no scientific evidence to support this assertion. Fuller's earth is a safe and reasonably affordable technique to cleanse and enhance the look of your skin, particularly if you have oily skin. It might also assist with acne and greasy hair. It's sold commercially both online and in stores, either as a powder or already incorporated into skin and hair products. Making your own clay or face masks with fuller's earth might be a good alternative to masks that contain harsh chemicals .

## **2. USES & MARKET POTENTIAL**

Multani mitti uses can be segmented to various applications like in pharmaceutical companies for medicinal purpose, skin care and beauty industry for facial and spas, handicraft sector for decorative items etc.

The Multani mitti market is as energising and useful as the substance itself. It has a strong rural demand as well as a well-functioning urban demand. Multani mitti is classified as a sedimentary clay and is mostly constituted of the qualities silica, iron oxide, lime, magnesia, and water in extremely varied amounts. Olive, green, white, brown, yellow, blue, and more colours are available. The global market for Fuller's Earth and Allied Clays is expected to expand by 3.7 million tonnes, with a compounded annual growth rate of 2.9 percent. One of the sectors studied and examined in this research is bentonite, which has a growth potential of over 3.9 percent. Because of the changing forces that underpin this expansion, it's vital for enterprises in this sector to stay on top of the market's pulse. Poised to reach over 3 Million Tons by the year 2025, Bentonite will bring in healthy gains adding significant momentum to global growth.

### **RAW MATERIAL REQUIREMENT**

Basic raw material are as follows:

- Water
- Multani mitti rocks
- Packing material

## **MANUFACTURING PROCESS**

Because of the increasing awareness of organic and natural skincare and beauty, people nowa days are shifting from chemically infused beauty products to natural remedies like multani mitti. Hence, the production of multani mitti occurs to be simply procuring it natural possible way.

- Procurement of the raw material: This clay is widely obtained from the Multan region and Barmer part of Rajasthan, readily available with the sellers in the market.
- Grinding Process: The Pure product is sourced and then put into grinding process where it gets grind into finely coarsed powder.
- Filtering the finished product: The next step involves filtering the grinded powder to remove the impurities. As largely the product is used to make facial paste and medicinal purpose, hence it is important to remove stone or hard substances from the powder for final packaging.
- Packaging: Finally the filtered powder is packaged and stored for market distribution. For reminder it is important to pack the product in dry and damp free packaging such that the rawness and purity of the product remains intact without getting spoiled or damped.

## **3. PROJECT COMPONENTS**

### **3.1 Land /Civil Work**

The land require for this manufacturing unit will be approx. around 1500-2000 square feet. We have not considered the cost of Land purchase & Building Civil work in the project. It is assumed that land & building will be on rent & approx. rental of the same will be Rs.20000.00 per month.

### 3.2 Plant and Machinery

| S.N.             | Description                    | Amount   | Qty | Amount          |
|------------------|--------------------------------|----------|-----|-----------------|
| 1                | Multani mitti grinding machine | 3,70,000 | 1   | 3,70,000        |
| 2                | Filtering machine              | 1,72,000 | 1   | 1,72,000        |
| 3                | Packaging machine              | 2,10,000 | 1   | 2,10,000        |
| 4                | Other Equipment's              | -        | -   | 50,000          |
| <b>Sub Total</b> |                                |          |     | <b>8,02,000</b> |
| <b>GST</b>       |                                |          |     | <b>1,44,360</b> |
| <b>Total</b>     |                                |          |     | <b>9,46,360</b> |

**Note:** Total Machinery cost shall be Rs 9.46 lakh including GST and Transportation Cost.

### 3.3 Power Requirement

The borrower shall require power load of 15 KW which shall be applied with Power Corporation.

However, for standby power arrangement the borrower shall also purchase DG Set.

### 3.4 Manpower Requirement

Manpower required for this manufacturing unit is depend on the land, type of manufacturing unit etc. For this unit around 11 people will be required.

### 3.5 Other Utilities

General electrical apparatus, Water, Telephone, etc.

## 4. FINANCIALS

| <b>PROJECTED BALANCE SHEET</b>          |              |              |              |              |              | (in Lacs) |
|---|--------------|--------------|--------------|--------------|--------------|-----------|
| PARTICULARS                             | 1st year     | 2nd year     | 3rd year     | 4th year     | 5th year     |           |
| <b><u>Liabilities</u></b>               |              |              |              |              |              |           |
| Capital                                 |              |              |              |              |              |           |
| Opening Balance                         |              | 2.11         | 3.36         | 5.44         | 8.37         |           |
| Add:- Own Capital                       | 1.81         |              |              |              |              |           |
| Add:- Retained Profit                   | 3.30         | 4.45         | 5.58         | 6.93         | 8.39         |           |
| Less:- Drawings                         | 3.00         | 3.20         | 3.50         | 4.00         | 4.50         |           |
| Closing Balance                         | <u>2.11</u>  | <u>3.36</u>  | <u>5.44</u>  | <u>8.37</u>  | <u>12.26</u> |           |
| Term Loan                               | 9.09         | 6.82         | 4.54         | 2.27         | -            |           |
| Working Capital Limit                   | 6.05         | 6.05         | 6.05         | 6.05         | 6.05         |           |
| Sundry Creditors                        | 1.47         | 1.73         | 1.80         | 2.06         | 1.81         |           |
| Provisions & Other Liabilities          | 0.50         | 0.75         | 0.90         | 1.08         | 1.20         |           |
| <b>TOTAL :</b>                          | <b>19.22</b> | <b>18.70</b> | <b>18.73</b> | <b>19.83</b> | <b>21.32</b> |           |
| <b><u>Assets</u></b>                    |              |              |              |              |              |           |
| <b>Fixed Assets ( Gross)</b>            | 11.36        | 11.36        | 11.36        | 11.36        | 11.36        |           |
| Gross Depreciation                      | 1.67         | 3.09         | 4.30         | 5.34         | 6.22         |           |
| <b>Net Fixed Assets</b>                 | <b>9.69</b>  | <b>8.27</b>  | <b>7.06</b>  | <b>6.02</b>  | <b>5.14</b>  |           |
| <b><u>Current Assets</u></b>            |              |              |              |              |              |           |
| Sundry Debtors                          | 3.90         | 4.10         | 4.40         | 5.05         | 6.22         |           |
| Stock in Hand                           | 4.30         | 5.03         | 5.80         | 6.62         | 7.49         |           |
| Cash and Bank                           | 0.33         | 0.20         | 0.27         | 0.53         | 0.66         |           |
| Loans and advances/other current assets | 1.00         | 1.10         | 1.20         | 1.60         | 1.80         |           |
| <b>TOTAL :</b>                          | <b>19.22</b> | <b>18.70</b> | <b>18.73</b> | <b>19.83</b> | <b>21.32</b> |           |



| <b>PROJECTED CASH FLOW STATEMENT</b>       |                 |                 |                 |                 | (in Lacs)       |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>PARTICULARS</b>                         | <b>1st year</b> | <b>2nd year</b> | <b>3rd year</b> | <b>4th year</b> | <b>5th year</b> |
| <b><u>SOURCES OF FUND</u></b>              |                 |                 |                 |                 |                 |
| Own Margin                                 | 1.81            |                 |                 |                 |                 |
| Net Profit                                 | 3.30            | 4.45            | 5.90            | 7.60            | 9.44            |
| Depriciation & Exp. W/off                  | 1.67            | 1.42            | 1.21            | 1.03            | 0.88            |
| Increase in Cash Credit                    | 6.05            | -               | -               | -               | -               |
| Increase In Term Loan                      | 10.22           | -               | -               | -               | -               |
| Increase in Creditors                      | 1.47            | 0.26            | 0.07            | 0.26            | 0.24            |
| Increase in Provisions & Other liabilities | 0.50            | 0.25            | 0.15            | 0.18            | 0.12            |
| <b>TOTAL :</b>                             | <b>25.02</b>    | <b>6.37</b>     | <b>7.34</b>     | <b>9.07</b>     | <b>10.20</b>    |
| <b><u>APPLICATION OF FUND</u></b>          |                 |                 |                 |                 |                 |
| Increase in Fixed Assets                   | 11.36           |                 |                 |                 |                 |
| Increase in Stock                          | 4.30            | 0.73            | 0.77            | 0.82            | 0.87            |
| Increase in Debtors                        | 3.90            | 0.21            | 0.30            | 0.65            | 1.17            |
| Increase in loans and advances             | 1.00            | 0.10            | 0.10            | 0.40            | 0.20            |
| Repayment of Term Loan                     | 1.14            | 2.27            | 2.27            | 2.27            | 2.27            |
| Drawings                                   | 3.00            | 3.20            | 3.50            | 4.00            | 4.50            |
| Taxation                                   | -               | -               | 0.32            | 0.67            | 1.05            |
| <b>TOTAL :</b>                             | <b>24.69</b>    | <b>6.51</b>     | <b>7.26</b>     | <b>8.81</b>     | <b>10.07</b>    |
| Opening Cash & Bank Balance                | -               | 0.33            | 0.20            | 0.27            | 0.53            |
| Add : Surplus                              | 0.33            | -0.14           | 0.08            | 0.26            | 0.13            |
| Closing Cash & Bank Balance                | <b>0.33</b>     | <b>0.20</b>     | <b>0.27</b>     | <b>0.53</b>     | <b>0.66</b>     |

| <b>PROJECTED PROFITABILITY STATEMENT</b> |                 |                 |                 |                 | <b>(in Lacs)</b> |
|--|-----------------|-----------------|-----------------|-----------------|------------------|
| <b>PARTICULARS</b>                       | <b>1st year</b> | <b>2nd year</b> | <b>3rd year</b> | <b>4th year</b> | <b>5th year</b>  |
| Capacity Utilisation %                   | <b>40%</b>      | <b>45%</b>      | <b>50%</b>      | <b>55%</b>      | <b>60%</b>       |
| <b>SALES</b>                             |                 |                 |                 |                 |                  |
| MULTANI MUD                              | 77.95           | 94.69           | 110.03          | 126.34          | 143.60           |
| <b>Total</b>                             | <b>77.95</b>    | <b>94.69</b>    | <b>110.03</b>   | <b>126.34</b>   | <b>143.60</b>    |
| <b>COST OF SALES</b>                     |                 |                 |                 |                 |                  |
| Raw material cost                        | 44.16           | 51.84           | 60.00           | 68.64           | 77.76            |
| Electricity Expenses                     | 2.88            | 3.46            | 4.15            | 4.98            | 5.97             |
| Depreciation                             | 1.67            | 1.42            | 1.21            | 1.03            | 0.88             |
| Wages & labour                           | 7.68            | 8.83            | 9.89            | 10.88           | 11.97            |
| Repair & maintenance                     | 1.95            | 2.37            | 2.75            | 3.16            | 3.59             |
| Consumables                              | 4.29            | 5.21            | 6.05            | 6.95            | 7.90             |
| <b>Cost of Production</b>                | <b>62.63</b>    | <b>73.13</b>    | <b>84.05</b>    | <b>95.64</b>    | <b>108.07</b>    |
| <b>Add: Opening Stock</b>                | <b>-</b>        | <b>2.09</b>     | <b>2.44</b>     | <b>2.80</b>     | <b>3.19</b>      |
| <b>Less: Closing Stock</b>               | <b>2.09</b>     | <b>2.44</b>     | <b>2.80</b>     | <b>3.19</b>     | <b>3.60</b>      |
| Cost of Sales                            | 60.54           | 72.78           | 83.69           | 95.25           | 107.66           |
| <b>GROSS PROFIT</b>                      | <b>17.41</b>    | <b>21.91</b>    | <b>26.34</b>    | <b>31.08</b>    | <b>35.94</b>     |
| Salary to Staff                          | 7.08            | 9.20            | 11.51           | 13.81           | 16.01            |
| Interest on Term Loan                    | 1.00            | 0.89            | 0.64            | 0.39            | 0.14             |
| Interest on working Capital              | 0.67            | 0.67            | 0.67            | 0.67            | 0.67             |
| Rent                                     | 2.40            | 2.64            | 2.90            | 3.19            | 3.51             |
| Selling & Administration Expenses        | 2.96            | 4.07            | 4.73            | 5.43            | 6.17             |
| <b>TOTAL</b>                             | <b>14.11</b>    | <b>17.47</b>    | <b>20.44</b>    | <b>23.48</b>    | <b>26.50</b>     |
| <b>NET PROFIT</b>                        | <b>3.30</b>     | <b>4.45</b>     | <b>5.90</b>     | <b>7.60</b>     | <b>9.44</b>      |
| Taxation                                 | -               | -               | 0.32            | 0.67            | 1.05             |
| <b>PROFIT (After Tax)</b>                | <b>3.30</b>     | <b>4.45</b>     | <b>5.58</b>     | <b>6.93</b>     | <b>8.39</b>      |

| <b><u>CALCULATION OF D.S.C.R</u></b> |                 |                 |                 |                 |                 |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>PARTICULARS</b>                   | <b>1st year</b> | <b>2nd year</b> | <b>3rd year</b> | <b>4th year</b> | <b>5th year</b> |
|                                      |                 |                 |                 |                 |                 |
| CASH ACCRUALS                        | 4.97            | 5.87            | 6.80            | 7.96            | 9.27            |
| Interest on Term Loan                | 1.00            | 0.89            | 0.64            | 0.39            | 0.14            |
| <b>Total</b>                         | <b>5.98</b>     | <b>6.75</b>     | <b>7.43</b>     | <b>8.35</b>     | <b>9.40</b>     |
|                                      |                 |                 |                 |                 |                 |
| <b><u>REPAYMENT</u></b>              |                 |                 |                 |                 |                 |
| Instalment of Term Loan              | 1.14            | 2.27            | 2.27            | 2.27            | 2.27            |
| Interest on Term Loan                | 1.00            | 0.89            | 0.64            | 0.39            | 0.14            |
|                                      |                 |                 |                 |                 |                 |
| <b>Total</b>                         | <b>2.14</b>     | <b>3.16</b>     | <b>2.91</b>     | <b>2.66</b>     | <b>2.41</b>     |
|                                      |                 |                 |                 |                 |                 |
| <b>DEBT SERVICE COVERAGE RATIO</b>   | <b>2.79</b>     | <b>2.14</b>     | <b>2.56</b>     | <b>3.14</b>     | <b>3.91</b>     |
| <b>AVERAGE D.S.C.R.</b>              | <b>2.86</b>     |                 |                 |                 |                 |

| <b>COMPUTATION OF CLOSING STOCK &amp; WORKING CAPITAL</b> |                 |                 |                 |                 | (in Lacs)       |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>PARTICULARS</b>  | <b>1st year</b> | <b>2nd year</b> | <b>3rd year</b> | <b>4th year</b> | <b>5th year</b> |
| <b><u>Finished Goods</u></b>                              |                 |                 |                 |                 |                 |
| (10 Days)   | 2.09            | 2.44            | 2.80            | 3.19            | 3.60            |
| <b><u>Raw Material</u></b>                                |                 |                 |                 |                 |                 |
| (15 Days)   | 2.21            | 2.59            | 3.00            | 3.43            | 3.89            |
| <b>Closing Stock</b>                                      | <b>4.30</b>     | <b>5.03</b>     | <b>5.80</b>     | <b>6.62</b>     | <b>7.49</b>     |

| <b>COMPUTATION OF WORKING CAPITAL REQUIREMENT</b> |               |                   |             |                     |             |
|---|---------------|-------------------|-------------|---------------------|-------------|
| <b>TRADITIONAL METHOD</b>                         |               |                   |             |                     | (in Lacs)   |
| <b>Particulars</b>                                | <b>Amount</b> | <b>Own Margin</b> |             | <b>Bank Finance</b> |             |
| Finished Goods & Raw Material                     | 4.30          |                   |             |                     |             |
| Less : Creditors                                  | 1.47          |                   |             |                     |             |
| <b>Paid stock</b>                                 | <b>2.82</b>   | <b>10%</b>        | <b>0.28</b> | <b>90%</b>          | <b>2.54</b> |
| <b>Sundry Debtors</b>                             | <b>3.90</b>   | <b>10%</b>        | <b>0.39</b> | <b>90%</b>          | <b>3.51</b> |
|   | <b>6.72</b>   |                   | <b>0.67</b> |                     | <b>6.05</b> |
| <b>MPBF</b>                                       |               |                   |             |                     | <b>6.05</b> |
| <b>WORKING CAPITAL LIMIT DEMAND ( from Bank)</b>  |               |                   |             |                     | <b>6.05</b> |

| REPAYMENT SCHEDULE OF TERM LOAN |                 |        |          |       |          |           |                 |
|---------------------------------|-----------------|--------|----------|-------|----------|-----------|-----------------|
|                                 |                 |        |          |       |          | Interest  | 11.00%          |
| Year                            | Particulars     | Amount | Addition | Total | Interest | Repayment | Closing Balance |
| 1st                             | Opening Balance | -      |          |       |          |           |                 |
|                                 | 1st month       |        | 10.22    | 10.22 | -        | -         | 10.22           |
|                                 | 2nd month       | 10.22  | -        | 10.22 | 0.09     | -         | 10.22           |
|                                 | 3rd month       | 10.22  | -        | 10.22 | 0.09     | -         | 10.22           |
|                                 | 4th month       | 10.22  | -        | 10.22 | 0.09     | -         | 10.22           |
|                                 | 5th month       | 10.22  | -        | 10.22 | 0.09     | -         | 10.22           |
|                                 | 6th month       | 10.22  | -        | 10.22 | 0.09     | -         | 10.22           |
|                                 | 7th month       | 10.22  | -        | 10.22 | 0.09     | 0.19      | 10.03           |
|                                 | 8th month       | 10.03  | -        | 10.03 | 0.09     | 0.19      | 9.85            |
|                                 | 9th month       | 9.85   | -        | 9.85  | 0.09     | 0.19      | 9.66            |
|                                 | 10th month      | 9.66   | -        | 9.66  | 0.09     | 0.19      | 9.47            |
|                                 | 11th month      | 9.47   | -        | 9.47  | 0.09     | 0.19      | 9.28            |
|                                 | 12th month      | 9.28   | -        | 9.28  | 0.09     | 0.19      | 9.09            |
|                                 |                 |        |          |       | 1.00     | 1.14      |                 |
| 2nd                             | Opening Balance |        |          |       |          |           |                 |
|                                 | 1st month       | 9.09   | -        | 9.09  | 0.08     | 0.19      | 8.90            |
|                                 | 2nd month       | 8.90   | -        | 8.90  | 0.08     | 0.19      | 8.71            |
|                                 | 3rd month       | 8.71   | -        | 8.71  | 0.08     | 0.19      | 8.52            |
|                                 | 4th month       | 8.52   | -        | 8.52  | 0.08     | 0.19      | 8.33            |
|                                 | 5th month       | 8.33   | -        | 8.33  | 0.08     | 0.19      | 8.14            |
|                                 | 6th month       | 8.14   | -        | 8.14  | 0.07     | 0.19      | 7.95            |
|                                 | 7th month       | 7.95   | -        | 7.95  | 0.07     | 0.19      | 7.76            |
|                                 | 8th month       | 7.76   | -        | 7.76  | 0.07     | 0.19      | 7.57            |
|                                 | 9th month       | 7.57   | -        | 7.57  | 0.07     | 0.19      | 7.38            |
|                                 | 10th month      | 7.38   | -        | 7.38  | 0.07     | 0.19      | 7.19            |
|                                 | 11th month      | 7.19   | -        | 7.19  | 0.07     | 0.19      | 7.01            |
|                                 | 12th month      | 7.01   | -        | 7.01  | 0.06     | 0.19      | 6.82            |
|                                 |                 |        |          |       | 0.89     | 2.27      |                 |
| 3rd                             | Opening Balance |        |          |       |          |           |                 |
|                                 | 1st month       | 6.82   | -        | 6.82  | 0.06     | 0.19      | 6.63            |
|                                 | 2nd month       | 6.63   | -        | 6.63  | 0.06     | 0.19      | 6.44            |
|                                 | 3rd month       | 6.44   | -        | 6.44  | 0.06     | 0.19      | 6.25            |
|                                 | 4th month       | 6.25   | -        | 6.25  | 0.06     | 0.19      | 6.06            |
|                                 | 5th month       | 6.06   | -        | 6.06  | 0.06     | 0.19      | 5.87            |
|                                 | 6th month       | 5.87   | -        | 5.87  | 0.05     | 0.19      | 5.68            |
|                                 | 7th month       | 5.68   | -        | 5.68  | 0.05     | 0.19      | 5.49            |
|                                 | 8th month       | 5.49   | -        | 5.49  | 0.05     | 0.19      | 5.30            |
|                                 | 9th month       | 5.30   | -        | 5.30  | 0.05     | 0.19      | 5.11            |
|                                 | 10th month      | 5.11   | -        | 5.11  | 0.05     | 0.19      | 4.92            |
|                                 | 11th month      | 4.92   | -        | 4.92  | 0.05     | 0.19      | 4.73            |
|                                 | 12th month      | 4.73   | -        | 4.73  | 0.04     | 0.19      | 4.54            |
|                                 |                 |        |          |       | 0.64     | 2.27      |                 |
| 4th                             | Opening Balance |        |          |       |          |           |                 |

|                            |      |        |      |             |             |      |
|----------------------------|------|--------|------|-------------|-------------|------|
| 1st month                  | 4.54 | -      | 4.54 | 0.04        | 0.19        | 4.35 |
| 2nd month                  | 4.35 | -      | 4.35 | 0.04        | 0.19        | 4.17 |
| 3rd month                  | 4.17 | -      | 4.17 | 0.04        | 0.19        | 3.98 |
| 4th month                  | 3.98 | -      | 3.98 | 0.04        | 0.19        | 3.79 |
| 5th month                  | 3.79 | -      | 3.79 | 0.03        | 0.19        | 3.60 |
| 6th month                  | 3.60 | -      | 3.60 | 0.03        | 0.19        | 3.41 |
| 7th month                  | 3.41 | -      | 3.41 | 0.03        | 0.19        | 3.22 |
| 8th month                  | 3.22 | -      | 3.22 | 0.03        | 0.19        | 3.03 |
| 9th month                  | 3.03 | -      | 3.03 | 0.03        | 0.19        | 2.84 |
| 10th month                 | 2.84 | -      | 2.84 | 0.03        | 0.19        | 2.65 |
| 11th month                 | 2.65 | -      | 2.65 | 0.02        | 0.19        | 2.46 |
| 12th month                 | 2.46 | -      | 2.46 | 0.02        | 0.19        | 2.27 |
|                            |      |        |      | <b>0.39</b> | <b>2.27</b> |      |
| <b>5th</b> Opening Balance |      |        |      |             |             |      |
| 1st month                  | 2.27 | -      | 2.27 | 0.02        | 0.19        | 2.08 |
| 2nd month                  | 2.08 | -      | 2.08 | 0.02        | 0.19        | 1.89 |
| 3rd month                  | 1.89 | -      | 1.89 | 0.02        | 0.19        | 1.70 |
| 4th month                  | 1.70 | -      | 1.70 | 0.02        | 0.19        | 1.51 |
| 5th month                  | 1.51 | -      | 1.51 | 0.01        | 0.19        | 1.33 |
| 6th month                  | 1.33 | -      | 1.33 | 0.01        | 0.19        | 1.14 |
| 7th month                  | 1.14 | -      | 1.14 | 0.01        | 0.19        | 0.95 |
| 8th month                  | 0.95 | -      | 0.95 | 0.01        | 0.19        | 0.76 |
| 9th month                  | 0.76 | -      | 0.76 | 0.01        | 0.19        | 0.57 |
| 10th month                 | 0.57 | -      | 0.57 | 0.01        | 0.19        | 0.38 |
| 11th month                 | 0.38 | -      | 0.38 | 0.00        | 0.19        | 0.19 |
| 12th month                 | 0.19 | -      | 0.19 | 0.00        | 0.19        | -    |
|                            |      |        |      | <b>0.14</b> | <b>2.27</b> |      |
| DOOR TO DOOR               | 60   | MONTHS |      |             |             |      |
| MORATORIUM PERIOD          | 6    | MONTHS |      |             |             |      |
| REPAYMENT PERIOD           | 54   | MONTHS |      |             |             |      |

### **Assumptions:**

- Production Capacity of Multani Mud is 1600 kg/Day. First year, Capacity has been taken @ 40%.
- Working shift of 8 hours per day has been considered.
- Raw Material stock is for 15 days and finished goods Closing Stock has been taken for 10 days.
- Credit period to Sundry Debtors has been given for 10-15 days.
- Credit period by the Sundry Creditors has been provided for 7-10 days.
- Depreciation and Income tax rates has been taken as per the Income tax Act, 1961.
- Interest on working Capital Loan and Term loan has been taken at 11%.
- Salary and wages rates are taken as per the Current Market Scenario.
- Power Consumption has been taken at 15 KW.
- Selling Prices & Raw material costing has been increased by 3% & 2% respectively in the subsequent years.

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