

# UP MSME 1-Connect

## PROJECT REPORT

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PROJECT:

Fly ash bricks manufacturing Unit

# **PROJECT REPORT**

## **Of**

# **FLY ASH BRICKS**

## **PURPOSE OF THE DOCUMENT**

This particular pre-feasibility is regarding Fly ash bricks 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.]

## **FLY ASH BRICKS**



### **INTRODUCTION**

Fly ash is a fine, glass-like powder recovered from gases created by coal-fired electric power generation. Fly ash material is solidified while suspended in the exhaust gases and is collected by electrostatic precipitators or filter bags. Since the particles solidify while suspended in the exhaust gases, fly ash particles are generally spherical in shape and range in size from 0.5  $\mu\text{m}$  to 100  $\mu\text{m}$ . They consist mostly of silicon dioxide ( $\text{SiO}_2$ ), aluminum oxide ( $\text{Al}_2\text{O}_3$ ) and iron oxide ( $\text{Fe}_2\text{O}_3$ ).

### **Why use fly ash in concrete?**

How much fly ash in concrete? Typically, concrete designers use fly ash a partial replacement for Portland cement at values up to 30 percent of the total cementitious composition. The use of high percentages (high volumes) of fly ash has been studied extensively over the last 15 years, and the benefits of this type of concrete have been well documented. When properly designed and constructed, the increased benefits of concrete made with 40, 50, and 60 percent fly ash replacement include dramatically reduced concrete permeability, and excellent resistance to all forms of premature deteri

**PROJECTED BALANCE SHEET STATEMENT**

<b>Particulars</b>	<b>Const</b>	<b>Y1</b>	<b>Y2</b>	<b>Y3</b>	<b>Y4</b>	<b>Y5</b>	<b>Y6</b>
<b><u>SOURCES OF FUND</u></b>							
Opening Capital	-	9.80	11.58	14.13	16.57	20.54	22.32
Addition in Capital	9.80	-	-	-	-	-	-
Add:- Profits	-	2.78	4.35	4.94	6.97	8.78	9.38
Less:- Drawings	-	1.00	1.80	2.50	3.00	7.00	9.00
<b>Closing Capital</b>	<b>9.80</b>	<b>11.58</b>	<b>14.13</b>	<b>16.57</b>	<b>20.54</b>	<b>22.32</b>	<b>22.69</b>
Term Loan From Bank	21.50	19.35	15.05	10.75	6.45	2.15	0.00
Working Capital Loan	-	5.00	5.00	5.00	5.00	5.00	5.00
Sundry Creditors	0.30	5.50	6.05	6.66	7.65	8.80	9.68
Other Current liabilities & Provisions	0.20	1.20	1.32	1.45	1.60	1.76	1.93
<b>TOTAL :</b>	<b>31.80</b>	<b>42.63</b>	<b>41.55</b>	<b>40.42</b>	<b>41.24</b>	<b>40.03</b>	<b>39.31</b>
<b><u>APPLICATION OF FUND</u></b>							
Fixed Assets							
Gross Block	30.48	30.48	30.48	30.48	30.48	30.48	30.48
Depreciation	-	4.13	7.69	10.75	13.38	15.66	17.62
<b>Net Block</b>	<b>30.48</b>	<b>26.35</b>	<b>22.80</b>	<b>19.74</b>	<b>17.10</b>	<b>14.82</b>	<b>12.86</b>
<b>Current Assets</b>							
Sundry Debtors	-	7.34	9.07	10.09	11.04	11.92	12.51
Inventory	-	6.96	8.04	8.77	9.50	10.22	10.52
Cash and Bank	0.82	1.42	1.04	1.17	1.60	0.87	1.00
Other Current Assets	0.50	0.55	0.61	0.67	2.00	2.20	2.42
<b>TOTAL :</b>	<b>31.80</b>	<b>42.63</b>	<b>41.55</b>	<b>40.42</b>	<b>41.24</b>	<b>40.03</b>	<b>39.31</b>

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**STATEMENT OF COST OF PRODUCTION AND PROFITABILITY**

<i>Particulars</i>	<i>Y1</i>	<i>Y2</i>	<i>Y3</i>	<i>Y4</i>	<i>Y5</i>	<i>Y6</i>
Gross Sale (Fly Ash Bricks)	110.16	136.03	151.37	165.64	178.73	187.62
<b>NET SALES</b>	<b>110.16</b>	<b>136.03</b>	<b>151.37</b>	<b>165.64</b>	<b>178.73</b>	<b>187.62</b>
<b><u>COST OF PRODUCTION</u></b>						
Raw Material & Consumable	69.58	80.36	87.67	94.97	102.19	105.20
Power Expense	5.94	6.53	7.13	7.72	7.72	8.32
Repair & Maintenance	0.29	0.32	0.37	0.44	0.56	0.72
Wages & Salary	13.86	14.55	15.28	16.04	16.85	17.69
Factory Expenses	1.10	1.36	1.51	1.66	1.79	1.88
<b><u>COST OF PRODUCTION</u></b>	<b>90.77</b>	<b>103.13</b>	<b>111.96</b>	<b>120.84</b>	<b>129.11</b>	<b>133.80</b>
Add :Op. Fin. Goods	-	6.96	8.04	8.77	9.50	10.22
Less : Cl. Fin. Goods	6.96	8.04	8.77	9.50	10.22	10.52
<b>TOTAL (B)</b>	<b>83.81</b>	<b>102.05</b>	<b>111.23</b>	<b>120.11</b>	<b>128.38</b>	<b>133.50</b>
<b>GROSS PROFIT (A-B)</b>	<b>26.35</b>	<b>33.98</b>	<b>40.14</b>	<b>45.53</b>	<b>50.34</b>	<b>54.12</b>
G.P Ratio	<b>23.92%</b>	<b>24.98%</b>	<b>26.52%</b>	<b>27.49%</b>	<b>28.17%</b>	<b>28.85%</b>
Salary to Staff	10.80	12.96	15.55	18.66	21.46	24.68
Selling & Administrative Expenses	3.30	8.16	12.11	13.25	14.30	15.01
Interest on Term Loan	2.34	1.95	1.48	1.01	0.53	0.09
Interest on Working Capital Loan	3.00	3.00	3.00	3.00	3.00	3.00
Depreciation	4.13	3.55	3.06	2.64	2.27	1.96
<b>TOTAL (D)</b>	<b>23.57</b>	<b>29.63</b>	<b>35.20</b>	<b>38.56</b>	<b>41.57</b>	<b>44.74</b>
<b>NET PROFIT (C-D)</b>	<b>2.78</b>	<b>4.35</b>	<b>4.94</b>	<b>6.97</b>	<b>8.78</b>	<b>9.38</b>
<b>LESS : TAXES</b>	<b>0.56</b>	<b>0.87</b>	<b>0.99</b>	<b>1.39</b>	<b>1.76</b>	<b>1.88</b>
<b>PROFIT AFTER TAX</b>	<b>2.22</b>	<b>3.48</b>	<b>3.95</b>	<b>5.58</b>	<b>7.02</b>	<b>7.50</b>
	2.02%	2.56%	2.61%	3.37%	3.93%	4.00%
<b>ADD : DEPRECIATION &amp; EXP.W/off</b>	<b>4.13</b>	<b>3.55</b>	<b>3.06</b>	<b>2.64</b>	<b>2.27</b>	<b>1.96</b>
<b>CASH ACCRUALS</b>	<b>6.35</b>	<b>7.04</b>	<b>7.01</b>	<b>8.21</b>	<b>9.30</b>	<b>9.46</b>

**PROJECTED FUND FLOW STATEMENT**

<i>Particulars</i>	<i>Const</i>	<i>Y1</i>	<i>Y2</i>	<i>Y3</i>	<i>Y4</i>	<i>Y5</i>	<i>Y6</i>
<b>A. <u>SOURCES OF FUND</u></b>							
Capital	9.80		-	-	-	-	-
Unsecured Loan	-	-					
Term Loan from Bank	21.50	-	-	-	-	-	-
Working Capital Loan	-	5.00	-	-	-	-	-
Net Profit	-	2.78	4.35	4.94	6.97	8.78	9.38
Depreciation & Exp. W/off	-	4.13	3.55	3.06	2.64	2.27	1.96
Increase in Sundry Crediotrs	0.30	5.20	0.55	0.61	1.00	1.15	0.88
Increase Other Current libilities & Pro	0.20	1.00	0.12	0.13	0.15	0.16	0.18
<b>TOTAL (A)</b>	<b>31.80</b>	<b>18.11</b>	<b>8.58</b>	<b>8.74</b>	<b>10.75</b>	<b>12.36</b>	<b>12.40</b>
<b>B. <u>APPLICATION OF FUND</u></b>							
Capital Expenditure	30.48	-	-	-	-	-	-
Repayment of Term Loan	-	2.15	4.30	4.30	4.30	4.30	2.15
Increase in Finished Goods	-	6.96	1.08	0.73	0.73	0.72	0.30
Increase in Sundry Debtors	-	7.34	1.72	1.02	0.95	0.87	0.59
Increase in Other Current Assets	0.50	0.05	0.06	0.06	1.33	0.20	0.22
Drawings	-	1.00	1.80	2.50	3.00	7.00	9.00
<b>TOTAL (B)</b>	<b>30.98</b>	<b>17.50</b>	<b>8.96</b>	<b>8.61</b>	<b>10.32</b>	<b>13.09</b>	<b>12.26</b>
Opening Balance	-	0.82	1.42	1.04	1.17	1.60	0.87
Add/Less Surplus	0.82	0.61	(0.38)	0.12	0.44	(0.73)	0.13
Closing Balance	0.82	1.42	1.04	1.17	1.60	0.87	1.00

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