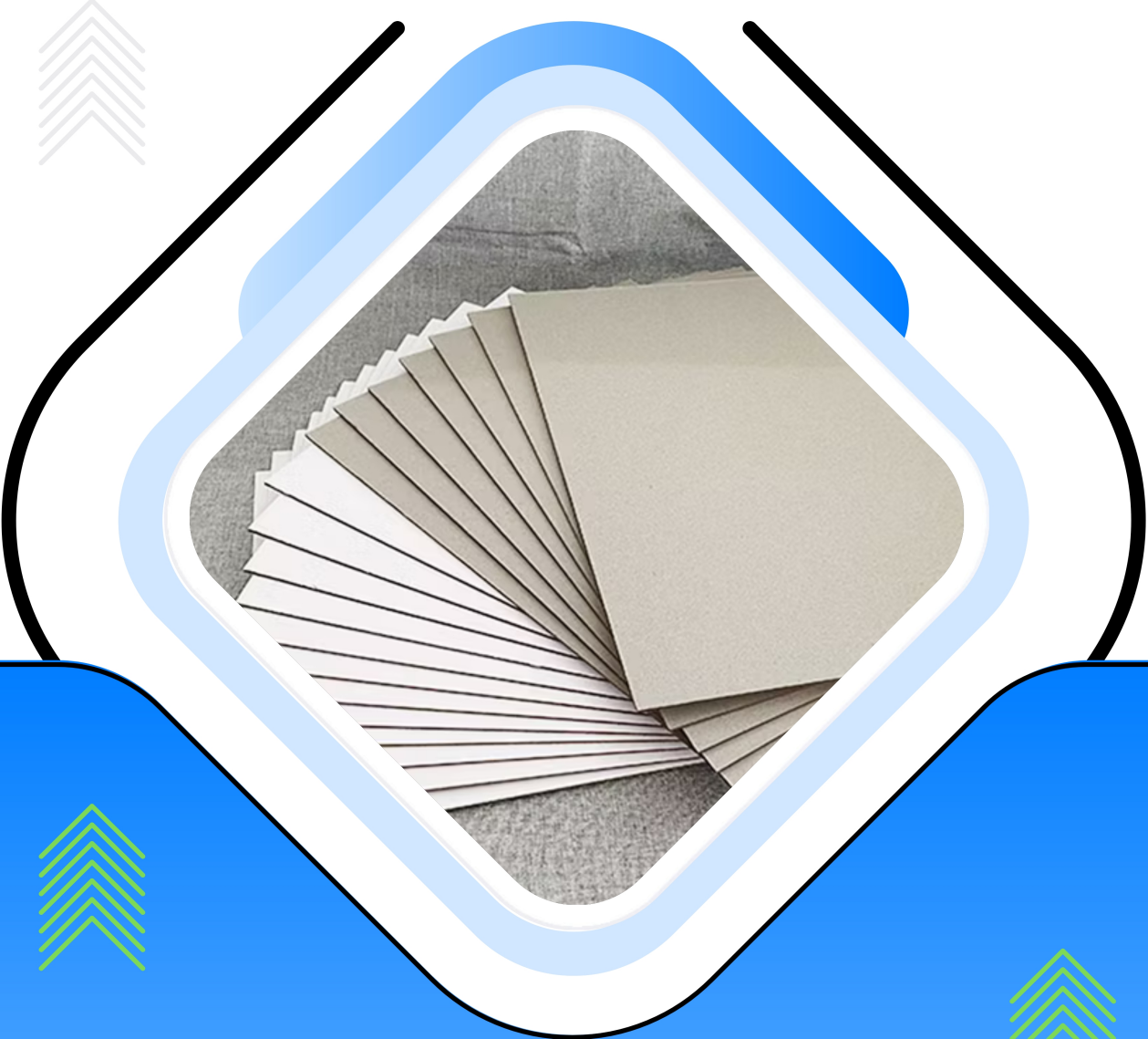




MODEL PROJECT REPORT



PROJECT REPORT ON DUPLEX BOARD

SWAVALAMBI BHARAT ABHIYAN

PROJECT AT A GLANCE

- 1 Name of the Entrepreneur : xxxxxxxxxx
- 2 Constitution (legal Status) : xxxxxxxxxx
- 3 Father / Spouse Name : xxxxxxxxxxxx
- 4 Unit Address : xxxxxxxxxxxxxxxxxxxxxx

District : xxxxxxxx
 Pin: xxxxxxxx
 Mobile xxxxxxxx

State: xxxxx
- 5 Product and By Product : **DUPLEX BOARD**
- 6 Name of the project / business activity proposed : **DUPLEX BOARD MANUFACTURING UNIT**
- 7 Cost of Project : Rs.15.79 Lakhs
- 8 Means of Finance

Term Loan Rs.9.09 Lakhs
 Own Capital Rs.1.58 Lakhs
 Working Capital Rs.5.12 Lakhs
- 9 Debt Service Coverage Ratio : 2.84
- 10 Pay Back Period : 5 Years
- 11 Project Implementation Period : 5-6 Months
- 12 Break Even Point : 42%
- 13 Employment : 12 Persons
- 14 Power Requirement : 30.00 HP
- 15 Major Raw materials : Cardboard & Adhesive
- 16 Estimated Annual Sales Turnover (Max Capacity) : 102.53 Lakhs
- 17 Detailed Cost of Project & Means of Finance

COST OF PROJECT

(Rs. In Lakhs)

Particulars	Amount
Land	Own/Rented
Plant & Machinery	9.50
Furniture & Fixtures	0.60
Working Capital	5.69
Total	15.79

MEANS OF FINANCE

Particulars	Amount
Own Contribution	1.58
Working Capital(Finance)	5.12
Term Loan	9.09
Total	15.79

DUPLEX BOARD MANUFACTURING UNIT

Introduction:

Duplex Board is a kind of paperboard or cardboard, also named greyboard, due to its double side grey color. It consists of two layers, or plies, so people call it duplex board. The exterior one side of the board often is coated with a bright white appearance to give it a glossy sheen. Coated duplex board one side with a glossy coated surface suit for superior printability. The advantage of the duplex board is rigid, durable, straight. In Box Packaging Solution team, usually, we use it to make luxury rigid gift boxes, like rigid shoe boxes, garment boxes, and toys packing. Because of the outstanding paper stiffness, which is strong support for the box die-cutting process, and laminating hot stamping results. Also, it could be used for making containers to pack wine and liquor packaging. The uncoated duplex board always be wrapped with art paper and specialty paper to build rigid boxes with fantastic artwork printing.



Uses & Market Potential:

Duplex board is tough, thin and able to take on a bright white appearance, unlike common corrugated cardboard. It is commonly used to create boxes for a variety of small goods. For example, it is often used in pharmaceutical packaging. The duplex board is a new product and requires considerable efforts in introducing it into the market. The acceptance of the product is increasing day by day. Presently, the boards are marketed through converters who directly use the boards to manufacture finish product. There is a huge demand of duplex board in India and all over the world. The Duplex Board market revenue was 2110 Million USD in 2019, and will reach 2881 Million USD in 2025, with a CAGR of 5.32% during 2020- 2025. Moreover, continuous growing economies, urbanization or residential sector development, and various supportive government policies are attributing towards the production and consumption of duplex board in both developed and developing countries across the globe.

Product:

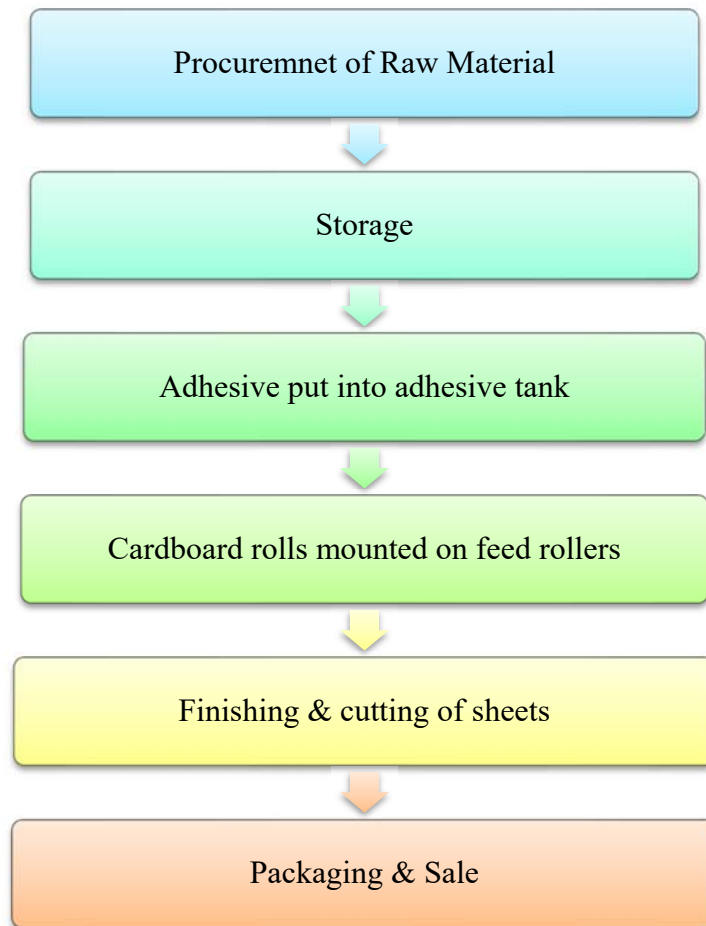
Duplex Board

Raw Material:

The raw materials required are:

- Cardboard
- Adhesive

Manufacturing Process:



Area:

The industrial setup requires space for Inventory, workshop or manufacturing area, space for power supply utilities and polishing area. Also, some of the area of building is required for office staff facilities, office furniture, etc. Thus, the approximate total area required for complete industrial setup is 1200-1800Sqft.

Cost of Machines:

Machine	Quantity	Price
Duplex Board Machine	1	850000
Other equipment's	-	100000
TOTAL		950000

Power Requirement- The estimated Power requirement is taken at 30 HP.

Manpower Requirement— Following manpower is required:

- Machine operator-2
- Skilled/unskilled worker-3
- Helper-4
- Manager cum Accountant-1
- Sales Personnel-2

FINANCIALS

PROJECTED BALANCE SHEET

PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
<u>Capital Account</u>					
Opening Balance	-	2.19	3.29	4.66	6.59
Add: Additions	1.58	-	-	-	-
Add: Net Profit	3.41	4.29	4.97	5.92	6.95
Less: Drawings	2.80	3.20	3.60	4.00	5.00
Closing Balance	2.19	3.29	4.66	6.59	8.54
CC Limit	5.12	5.12	5.12	5.12	5.12
Term Loan	8.08	6.06	4.04	2.02	-
Sundry Creditors	1.80	2.02	2.25	2.48	2.73
TOTAL :	17.20	16.49	16.07	16.21	16.39
<u>APPLICATION OF FUND</u>					
Fixed Assets (Gross)	10.10	10.10	10.10	10.10	10.10
Gross Dep.	1.49	2.75	3.83	4.75	5.53
Net Fixed Assets	8.62	7.35	6.27	5.35	4.57
Current Assets					
Sundry Debtors	2.99	3.53	3.93	4.35	4.78
Stock in Hand	4.50	5.03	5.57	6.13	6.72
Cash and Bank	1.09	0.59	0.30	0.38	0.32
TOTAL :	17.20	16.49	16.07	16.21	16.39
	-	-	-	-	-

<u>PROJECTED PROFITABILITY STATEMENT</u>					
PARTICULARS	I	II	III	IV	V
<u>A) SALES</u>					
Gross Sale	64.13	75.56	84.25	93.24	102.53
Total (A)	64.13	75.56	84.25	93.24	102.53
<u>B) COST OF SALES</u>					
Raw Material Consumed	36.00	40.39	44.95	49.67	54.56
Electricity Expenses	3.36	3.69	4.03	4.36	4.70
Repair & Maintenance	1.60	1.89	2.11	2.33	2.56
Labour & Wages	11.59	12.98	14.28	15.71	17.28
Depreciation	1.49	1.27	1.08	0.92	0.78
Cost of Production	54.04	60.22	66.44	72.99	79.88
Add: Opening Stock /WIP	-	2.70	3.01	3.32	3.65
Less: Closing Stock /WIP	2.70	3.01	3.32	3.65	3.99
Cost of Sales (B)	51.34	59.91	66.13	72.66	79.54
C) GROSS PROFIT (A-B)	12.79	15.64	18.12	20.58	22.99
	19.95%	20.70%	21.51%	22.07%	22.42%
D) Bank Interest i) (Term Loan)	0.99	0.81	0.58	0.36	0.14
ii) Interest On Working Capital	0.56	0.56	0.56	0.56	0.56
E) Salary to Staff	7.06	8.47	9.14	10.06	10.86
F) Selling & Adm Expenses Exp.	0.77	1.51	2.70	3.26	3.79
G) TOTAL (D+E+F)	9.38	11.35	12.99	14.25	15.36
H) NET PROFIT	3.41	4.29	5.13	6.33	7.63
	5.3%	5.7%	6.1%	6.8%	7.4%
I) Taxation	-	-	0.16	0.41	0.68
J) PROFIT (After Tax)	3.41	4.29	4.97	5.92	6.95

PROJECTED CASH FLOW STATEMENT

PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
Own Contribution	1.58	-	-	-	-
Reserve & Surplus	3.41	4.29	5.13	6.33	7.63
Depreciation & Exp. W/off	1.49	1.27	1.08	0.92	0.78
Increase In Cash Credit	5.12	-	-	-	-
Increase In Term Loan	9.09	-	-	-	-
Increase in Creditors	1.80	0.22	0.23	0.24	0.24
TOTAL :	22.49	5.78	6.44	7.49	8.66
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	10.10	-	-	-	-
Increase in Stock	4.50	0.53	0.54	0.56	0.59
Increase in Debtors	2.99	0.53	0.41	0.42	0.43
Repayment of Term Loan	1.01	2.02	2.02	2.02	2.02
Taxation	-	-	0.16	0.41	0.68
Drawings	2.80	3.20	3.60	4.00	5.00
TOTAL :	21.40	6.28	6.72	7.41	8.72
Opening Cash & Bank Balance	-	1.09	0.59	0.30	0.38
Add : Surplus	1.09	- 0.50	- 0.28	0.08	- 0.06
Closing Cash & Bank Balance	1.09	0.59	0.30	0.38	0.32

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL

PARTICULARS	I	II	III	IV	V
<u>Finished Goods</u>					
(15 Days requirement)	2.70	3.01	3.32	3.65	3.99
<u>Raw Material</u>					
(15 Days requirement)	1.80	2.02	2.25	2.48	2.73
Closing Stock	4.50	5.03	5.57	6.13	6.72

COMPUTATION OF WORKING CAPITAL REQUIREMENT

Particulars	Amount	Margin(10%)	Net Amount
Stock in Hand	4.50		
Less:			
Sundry Creditors	1.80		
Paid Stock	2.70	0.27	2.43
Sundry Debtors	2.99	0.30	2.69
Working Capital Requirement			5.12
Margin			0.57
MPBF			5.12
Working Capital Demand			5.12

REPAYMENT SCHEDULE OF TERM LOAN						11.0%	
Year	Particulars	Amount	Addition	Total	Interest	Repayment	CI Balance
I	Opening Balance						
	Ist Quarter	-	9.09	9.09	0.25	-	9.09
	Iind Quarter	9.09	-	9.09	0.25	-	9.09
	IIIrd Quarter	9.09	-	9.09	0.25	0.51	8.55
	Ivth Quarter	8.59	-	8.59	0.24	0.51	8.08
					0.99	1.01	
II	Opening Balance						
	Ist Quarter	8.08	-	8.08	0.22	0.51	7.58
	Iind Quarter	7.58	-	7.58	0.21	0.51	7.07
	IIIrd Quarter	7.07	-	7.07	0.19	0.51	6.57
	Ivth Quarter	6.57		6.57	0.18	0.51	6.06
					0.81	2.02	
III	Opening Balance						
	Ist Quarter	6.06	-	6.06	0.17	0.51	5.56
	Iind Quarter	5.56	-	5.56	0.15	0.51	5.05
	IIIrd Quarter	5.05	-	5.05	0.14	0.51	4.55
	Ivth Quarter	4.55		4.55	0.12	0.51	4.04
					0.58	2.02	
IV	Opening Balance						
	Ist Quarter	4.04	-	4.04	0.11	0.51	3.54
	Iind Quarter	3.54	-	3.54	0.10	0.51	3.03
	IIIrd Quarter	3.03	-	3.03	0.08	0.51	2.53
	Ivth Quarter	2.53		2.53	0.07	0.51	2.02
					0.36	2.02	
V	Opening Balance						
	Ist Quarter	2.02	-	2.02	0.06	0.51	1.52
	Iind Quarter	1.52	-	1.52	0.04	0.51	1.01
	IIIrd Quarter	1.01	-	1.01	0.03	0.51	0.51
	Ivth Quarter	0.51		0.51	0.01	0.51	-
					0.14	2.02	
<div> <div>Door to Door Period</div> <div>60 Months</div> </div> <div> <div>Moratorium Period</div> <div>6 Months</div> </div> <div> <div>Repayment Period</div> <div>54 Months</div> </div>							

CALCULATION OF D.S.C.R

PARTICULARS	I	II	III	IV	V
<u>CASH ACCRUALS</u>	4.90	5.56	6.05	6.84	7.74
Interest on Term Loan	0.99	0.81	0.58	0.36	0.14
Total	5.89	6.37	6.64	7.20	7.88
<u>REPAYMENT</u>					
Repayment of Term Loan	1.01	2.02	2.02	2.02	2.02
Interest on Term Loan	0.99	0.81	0.58	0.36	0.14
Total	2.00	2.83	2.60	2.38	2.16
DEBT SERVICE COVERAGE RATIO	2.95	2.25	2.55	3.03	3.65
AVERAGE D.S.C.R.			2.84		

Assumptions:

1. Production Capacity of Duplex Board Manufacturing unit is taken at 1000 KG per day. First year, Capacity has been taken @ 50%.
2. Working shift of 10 hours per day has been considered.
3. Raw Material stock and Finished goods closing stock has been taken for 15 days.
4. Credit period to Sundry Debtors has been given for 14 days.
5. Credit period by the Sundry Creditors has been provided for 15 days.
6. Depreciation and Income tax has been taken as per the Income tax Act,1961.
7. Interest on working Capital Loan and Term loan has been taken at 11%.
8. Salary and wages rates are taken as per the Current Market Scenario.
9. Power Consumption has been taken at 30 HP.
10. Selling Prices & Raw material costing has been increased by 3% & 2% respectively in the subsequent years.