

# UP MSME 1-Connect

## PROJECT REPORT

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**PROJECT:**

**ALUMINIUM FOIL REWINDING**

**PROJECT REPORT**

**Of**

**ALUMINIUM FOIL REWINDING**

**PURPOSE OF THE DOCUMENT**

This particular pre-feasibility is regarding **Aluminium Foil Rewinding**.

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.]

## **ALUMINIUM FOIL REWINDING**



### **Introduction**

Aluminium foil (or aluminium foil in North America), often referred to with the misnomer tin foil, is aluminium prepared in thin metal leaves with a thickness less than 0.2 mm (7.9 mils); thinner gauges down to 6 micrometres (0.24 mils) are also commonly used. In the United States, foils are commonly gauged in thousandths of an inch or mils. Standard household foil is typically 0.016 mm (0.63 mils) thick, and heavy duty household foil is typically 0.024 mm (0.94 mils). The foil is pliable, and can be readily bent or wrapped around objects. Thin foils are fragile and are sometimes laminated to other materials such as plastics or paper to make them more useful. Aluminium foil supplanted tin foil in the mid 20th century.

## **Aluminium Foil Rewinding Market Analysis**

The global aluminium foil market size was valued at USD 23.1 billion in 2018 and is expected to advance at a CAGR of 5.3% from 2019 to 2025. Increasing demand from food and pharmaceutical packaging sectors is expected to significantly drive the market over the coming years.

The versatility of aluminium foil makes it an ideal material for use in different forms of packaging. Benefits of the product including malleability, strength, dead fold characteristics, and formability are likely to boost the market growth over the forecast period. In addition, the product's ability to withstand extreme temperature is likely to fuel its demand as a packaging material.

**PROJECTED PROFITABILITY STATEMENT**

<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>50%</b>	<b>53%</b>	<b>55%</b>	<b>58%</b>	<b>60%</b>
<b><u>SALES</u></b>					
<b>Gross Sale</b>					
Aluminium Foil Roil	99.00	115.84	122.39	130.98	137.86
<b>Total</b>	<b>99.00</b>	<b>115.84</b>	<b>122.39</b>	<b>130.98</b>	<b>137.86</b>
<b><u>COST OF SALES</u></b>					
Raw Mateiral Consumed	65.57	70.05	73.54	78.45	81.77
Elecricity Expenses	0.50	0.55	0.61	0.67	0.74
Depriciation	0.66	0.56	0.48	0.42	0.36
Consumables	6.93	8.11	8.57	9.17	9.65
Repair & maintenace	4.85	5.68	6.00	6.42	6.75
other direct expenses	5.45	6.37	6.73	7.20	7.58
Packaging Charges	1.98	2.32	2.45	2.62	2.76
Labour	6.00	6.60	7.26	7.99	8.78
<b>Cost of Production</b>	<b>91.94</b>	<b>100.24</b>	<b>105.64</b>	<b>112.93</b>	<b>118.39</b>
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>7.66</b>	<b>8.35</b>	<b>8.80</b>	<b>9.41</b>
<b>Less: Closing Stock /WIP</b>	<b>7.66</b>	<b>8.35</b>	<b>8.80</b>	<b>9.41</b>	<b>9.87</b>
Cost of Sales	84.28	99.55	105.19	112.32	117.94
<b>GROSS PROFIT</b>	<b>14.72</b>	<b>16.29</b>	<b>17.20</b>	<b>18.65</b>	<b>19.92</b>
salary to staff	0.96	1.06	1.16	1.28	1.34
Interest on Term Loan	0.42	0.39	0.31	0.23	0.02
Interest on working Capital	0.84	0.84	0.84	0.84	0.84
Selling & adm Exp	6.93	8.11	8.57	9.82	10.75
Rent	1.20	1.32	1.45	1.60	1.76

<b>TOTAL</b>	<b>10.35</b>	<b>11.72</b>	<b>12.33</b>	<b>13.77</b>	<b>14.71</b>
NET PROFIT	4.37	4.57	4.87	4.88	5.21
Taxation					0.04
PROFIT (After Tax)	4.37	4.57	4.87	4.88	5.16

<b>PROJECTED BALANCE SHEET</b>					
<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>Liabilities</u></b>					
Capital					
opening balance		3.62	6.20	8.56	10.69
<i>Add:- Own Capital</i>	1.25				
Add:- Retained Profit	4.37	4.57	4.87	4.88	5.16
Less:- Drawings	2.00	2.00	2.50	2.75	3.50
Closing Blance	3.62	6.20	8.56	10.69	12.36
Subsidy Reserve	1.18	1.18	1.18	-	-
Term Loan	3.89	3.17	2.45	0.55	-
Working Capital Limit	7.00	7.00	7.00	7.00	7.00
Sundry Creditors	2.73	2.92	3.06	4.90	4.94
Provisions & Other Liab	0.30	0.40	0.55	0.66	0.83
<b>TOTAL :</b>	<b>18.72</b>	<b>20.86</b>	<b>22.80</b>	<b>23.80</b>	<b>25.12</b>
<b><u>Assets</u></b>					
<b>Fixed Assets ( Gross)</b>	4.72	4.72	4.72	4.72	4.72
Gross Dep.	0.66	1.22	1.71	2.12	2.48
<b>Net Fixed Assets</b>	<b>4.06</b>	<b>3.50</b>	<b>3.01</b>	<b>2.60</b>	<b>2.24</b>
FD of Subsidy	1.18	1.18	1.18		
<b>Current Assets</b>					
Sundry Debtors	2.06	4.83	6.63	8.19	9.48
Stock in Hand	9.03	9.81	10.34	11.05	11.57
Cash and Bank	2.39	1.54	1.64	1.97	1.83
<b>TOTAL :</b>	<b>18.72</b>	<b>20.86</b>	<b>22.80</b>	<b>23.80</b>	<b>25.12</b>

**PROJECTED CASH FLOW STATEMENT**

<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	1.25				
Net Profit	4.37	4.57	4.87	4.88	5.21
Depriciation & Exp. W/off	0.66	0.56	0.48	0.42	0.36
Increase in Cash Credit	7.00	-	-	-	-
Increase In Term Loan	4.25	-	-	-	-
Increase in Creditors	2.73	0.19	0.15	1.84	0.04
Increase in Provisions & Oth lib	0.30	0.10	0.15	0.11	0.17
increase in subsidy	1.18				
<b>TOTAL :</b>	<b>21.74</b>	<b>5.42</b>	<b>5.64</b>	<b>7.25</b>	<b>5.76</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	4.72				
Increase in Stock	9.03	0.79	0.52	0.71	0.52
Increase in Debtors	2.06	2.76	1.80	1.56	1.29
Repayment of Term Loan	0.36	0.72	0.72	1.90	0.55
Increase in FD	1.18	-	-		
Drawings	2.00	2.00	2.50	2.75	3.50
Taxation	-	-	-	-	0.04
<b>TOTAL :</b>	<b>19.35</b>	<b>6.27</b>	<b>5.55</b>	<b>6.92</b>	<b>5.90</b>
Opening Cash & Bank Balance	-	2.39	1.54	1.64	1.97
Add : Surplus	2.39 -	0.85	0.10	0.33 -	0.14
Closing Cash & Bank Balance	<b>2.39</b>	<b>1.54</b>	<b>1.64</b>	<b>1.97</b>	<b>1.83</b>

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