



## **DETAILED PROJECT REPORT**

### **RUSK MAKING UNIT**

### **UNDER PMFME SCHEME**



National Institute of Food Technology Entrepreneurship and Management

Ministry of Food Processing Industries

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**TABLE OF CONTENTS**

<b>S No.</b>	<b>Topic</b>	<b>Page Number</b>
1.	Project Summary	3
2.	About the Product	4-5
3.	Process Flow Chart	5-6
4.	Economics of the Project	7-25
	4.1. Basis & Presumptions	7
	4.2. Capacity , Utilisation, Production & Output	8-9
	4.3. Premises/Infrastructure	10
	4.4. Machinery & Equipments	10-11
	4.5. Misc. Fixed Assets	11
	4.6. Total Cost of Project	12
	4.7. Means of Finance	12
	4.8. Term Loan	12
	4.9. Term Loan repayment & interest schedule	13-16
	4.10. Working Capital Calculations	16
	4.11. Salaries/Wages	17
	4.12. Power Requirement	18
	4.13. Depreciation Calculation	18-19
	4.14. Repairs & Maintenance	19
	4.15. Projections of Profitability Analysis	19-20
	4.16. Break Even Point Analysis	21-22
	4.17. Projected Balance Sheet	22-23
	4.18. Cash- Flow Statement	23-24
	4.19. Debt-Service Coverage Ratio	25

## 1. PROJECT SUMMARY

1. Name of the proposed project	:	Rusk Making Unit
2. Nature of proposed project	:	Proprietorship/Company/Partnership
3. Proposed project capacity	:	115200 Kg/annum(75,80,85,90 & 95%) capacity utilization in 1 <sup>st</sup> to 5 <sup>th</sup> Year respectively)
4. Raw materials	:	Wheat flour, MilkPowder,Sugar, Yeast,Salt, Edible Fat
5. Major product outputs	:	Rusk
6. Total project cost	:	Rs 13.58 Lakh
• Land development, building & Civil Construction	:	Nil
• Machinery and equipment's	:	Rs 9.15 Lakh
• Miscellaneous Fixed Assets	:	Rs.1.10 Lakh
• Working capital	:	Rs.3.33 Lakh
8. Means of Finance		
• Subsidy (max 10lakhs)	:	Rs.3.59 Lakh
• Promoter's contribution (min10%)	:	Rs 1.35 Lakh
• Term loan	:	Rs 5.64 Lakh
• Working Capital Requirement	:	Rs. 3.00 Lakh
9. Profit after Depreciation, Interest & Tax		
• 1 <sup>st</sup> year	:	Rs.1.00 Lakh
• 2 <sup>nd</sup> year	:	Rs.2.54 Lakh
• 3 <sup>rd</sup> year	:	Rs.3.38 Lakh
• 4 <sup>th</sup> year	:	Rs.4.54 Lakh
• 5th year	:	Rs.6.42 Lakh
11. Average DSCR	:	3.48
12. Term loan repayment	:	5 Years with 6 months grace period

## **2. ABOUT THE PRODUCT**

### **2.1. PRODUCT INTRODUCTION:**

A rusk is a hard, dry biscuit or a twice-baked bread. It is sometimes used as a teether for babies. In some cultures, rusk is made of cake, rather than bread: this is sometimes referred to as cake rusk. In the UK, the name also refers to a wheat-based food additive.

Roasted Bread are called Rusk. It is having very good selves life and very tasty to eat. It will have all the ingredients and nutrients of Bread. It is neatly packed and sells in the market. The Manufacturing of Rusk also easy as the same bread is manufactured the bread are sliced in the slicing machine the sliced bread are again roasted in the oven to remove the moisture. Good Roasted bread will have no moisture and grips and dry

### **2.2 MARKET POTENTIAL:**

The Indian bakery industry is one of the biggest sections in the country's processed food industry. Bakery products, which include bread, rusk and biscuits, form the major baked foods accounting for over 82 per cent of the total bakery products produced in the country

The demand of processed and convenience food is increasing constantly due to urbanization , changing life style and food habits of the people. Bakery industry in India is the largest of the food industries with an annual turnover of about Rs. 32000 million and has achieved 3rd position in generating revenue among processed food sector. With over 1.2 billion population and 350 million strong urban middle class and changing food habits, the processed food market is promising a huge potential to be tapped.

### **2.3 RAW MATERIAL DESCRIPTION:**

Rusk is made from wheat flour, sugar, skimmed milk powder, vegetable oil, gluten, malt extract, soy flour, salt, yeast, and water. It is eaten as a dunking biscuit, particularly with Persian chai (tea).

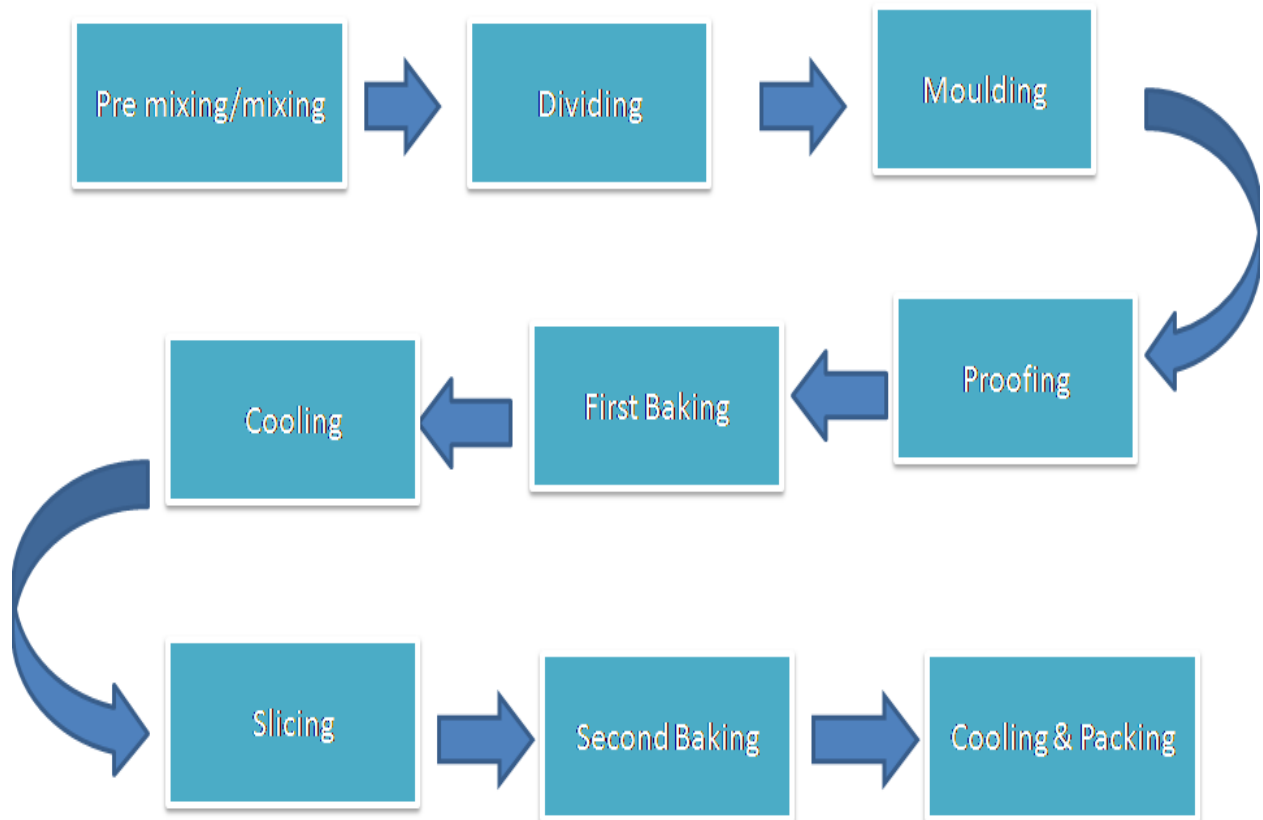
Key ingredients are listed below:

- Wheat Flour
- Milk Powder
- Custard Powder
- Edible Fat
- Sugar
- Yeast
- Salt

### **3. PROCESS FLOW CHART**

- Procurement of raw material.
- Pre- mixing of ingredients as per formulation to form dough of proper consistency.
- The dough is then divided and pieces are put into molds for proofing, followed by first baking,
- Then rusk to be cooled for some time, after that second baking to be done and again cooling.
- Checking of final product, packaging & sent for sale.

## Rusk Manufacturing Process Flow Chart



## **4. ECONOMICS OF THE PROJECT**

### **4.1. BASIS & PRESUMPTIONS**

1. Production Capacity of Rusk is 400 Kgs per day. First year, Capacity has been taken @ 75%.
2. Working shift of 08 hours per day has been considered.
3. Raw Material stock is for 10 days and Finished goods Closing Stock has been taken for 10 days.
4. Credit period to Sundry Debtors has been given for 7 days.
5. Credit period by the Sundry Creditors has been provided for 7 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 10 KW.
10. Selling Prices & Raw material costing has been increased by 5% & 5% respectively in the subsequent years.

## 4.2. CAPACITY, UTILIZATION, PRODUCTION & OUTPUT

### COMPUTATION OF PRODUCTION OF RUSK

#### Items to be Manufactured

Rusk

Machine capacity Per hour	50	Kg
Total working Hours	8	
Machine capacity Per Day	400	Kg
Working days in a month	25	Days
Working days per annum	300	
Wastage Considered	4%	
Raw material requirement	120000	Kg
Final Output per annum after wastage	115200	Kg
Final Product to be packed in 1 kg Packet		
Number of Packets per annum	115200	1 Kg Packet

Production of Rusk		
Production	Capacity	KG
1st year	75%	86,400
2nd year	80%	92,160
3rd year	85%	97,920
4th year	90%	1,03,680
5th year	95%	1,09,440






<b>Raw Material Cost</b>			
<b>Year</b>	<b>Capacity Utilisation</b>	<b>Rate (per Kg)</b>	<b>Amount (Rs. in lacs)</b>
1st year	75%	43.50	39.15
2nd year	80%	46.00	44.16
3rd year	85%	48.00	48.96
4th year	90%	50.00	54.00
5th year	95%	53.00	60.42

<b><u>COMPUTATION OF SALE</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>
Op Stock	-	2,880	3,072	3,264	3,456
Production	86,400	92,160	97,920	1,03,680	1,09,440
Less : Closing Stock	2,880	3,072	3,264	3,456	3,648
<b>Net Sale</b>	<b>83,520</b>	<b>91,968</b>	<b>97,728</b>	<b>1,03,488</b>	<b>1,09,248</b>
sale price per packet	70.00	74.00	78.00	82.00	86.00
<b>Sales (in Lacs)</b>	<b>58.46</b>	<b>68.06</b>	<b>76.23</b>	<b>84.86</b>	<b>93.95</b>

### 4.3. PREMISES/INFRASTRUCTURE

The approximate total area required for complete factory setup is 1800-2000 Sq. ft. for smooth production including storage area. It is expected that the premises will be on rental.

### 4.4. MACHINERY & EQUIPMENTS

Machine	Machine Description	Image
Spiral Mixer	Spiral mixers are best suited for mixing bread, because they keep the dough at a lower temperature given how the mixer bowl rotates as the spiral hook spins to knead the dough	
Rotary Rack	They are ideal for baking of a wide range of baked goods including bread, rusk, cookies, cakes, and so much more	
Normal slicer	Used for slicing rusk into small size.	

Molds, storage tank, collection tank etc.	Used for storage of raw material & finished goods.	
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Machine	Unit	Rate	Price
Spiral Mixer (Capacity - 50 Kg)	1	2,00,000	2,00,000
Rotary Rack (40-50 Kg/hr)	1	5,00,000	5,00,000
Normal slicer (30 Slices) 400-500 kg/hr	1	65,000	65,000
Molds, storage tank, collection tank etc.		1,50,000	1,50,000

Note: Cost of the machinery is approx. Rs. 9.15 Lakhs excluding GST and other transportation cost.

#### 4.5. MISCELLANEOUS FIXED ASSETS

- Electricity connection
- Other equipment's & fixture

**4.6. TOTAL COST OF PROJECT**

<b>COST OF PROJECT</b>	
	(in Lacs)
<b>PARTICULARS</b>	<b>Amount</b>
Land & Building	Owned/Rented
Plant & Machinery	9.15
Miscellaneous Assets	1.10
Working capital	3.33
<b>Total</b>	<b>13.58</b>

**4.7. MEANS OF FINANCE**

<b>MEANS OF FINANCE</b>	
<b>PARTICULARS</b>	<b>AMOUNT</b>
Own Contribution (min 10%)	1.35
Subsidy @35% (Max. Rs 10 Lac)	3.59
Term Loan @ 55%	5.64
Working Capital (Bank Finance)	3.00
<b>Total</b>	<b>13.58</b>

**4.8. TERM LOAN:** Term loan of Rs. 5.64 Lakh is required for project cost of Rs. 13.58 Lakh.

**4.9. TERM LOAN REPAYMENT & INTEREST SCHEDULE**

REPAYMENT SCHEDULE OF TERM LOAN							
						Interest	11.00%
Year	Particulars	Amount	Addition	Total	Interest	Repayment	Closing Balance
<b>1st</b>	Opening Balance						
	1st month	-	5.64	5.64	-	-	5.64
	2nd month	5.64	-	5.64	0.05	-	5.64
	3rd month	5.64	-	5.64	0.05	-	5.64
	4th month	5.64	-	5.64	0.05	-	5.64
	5th month	5.64	-	5.64	0.05	-	5.64
	6th month	5.64	-	5.64	0.05	-	5.64
	7th month	5.64	-	5.64	0.05	0.10	5.53
	8th month	5.53	-	5.53	0.05	0.10	5.43
	9th month	5.43	-	5.43	0.05	0.10	5.32
	10th month	5.32	-	5.32	0.05	0.10	5.22
	11th month	5.22	-	5.22	0.05	0.10	5.12
	12th month	5.12	-	5.12	0.05	0.10	5.01
					0.55	0.63	
<b>2nd</b>	Opening Balance						
	1st month	5.01	-	5.01	0.05	0.10	4.91
	2nd month	4.91	-	4.91	0.04	0.10	4.80
	3rd month	4.80	-	4.80	0.04	0.10	4.70
	4th month	4.70	-	4.70	0.04	0.10	4.59
	5th month	4.59	-	4.59	0.04	0.10	4.49

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6th month	4.49	-	4.49	0.04	0.10	4.38
7th month	4.38	-	4.38	0.04	0.10	4.28
8th month	4.28	-	4.28	0.04	0.10	4.18
9th month	4.18	-	4.18	0.04	0.10	4.07
10th month	4.07	-	4.07	0.04	0.10	3.97
11th month	3.97	-	3.97	0.04	0.10	3.86
12th month	3.86	-	3.86	0.04	0.10	3.76
				<b>0.49</b>	<b>1.25</b>	
<b>3rd</b>	Opening Balance					
1st month	3.76	-	3.76	0.03	0.10	3.65
2nd month	3.65	-	3.65	0.03	0.10	3.55
3rd month	3.55	-	3.55	0.03	0.10	3.45
4th month	3.45	-	3.45	0.03	0.10	3.34
5th month	3.34	-	3.34	0.03	0.10	3.24
6th month	3.24	-	3.24	0.03	0.10	3.13
7th month	3.13	-	3.13	0.03	0.10	3.03
8th month	3.03	-	3.03	0.03	0.10	2.92
9th month	2.92	-	2.92	0.03	0.10	2.82
10th month	2.82	-	2.82	0.03	0.10	2.71
11th month	2.71	-	2.71	0.02	0.10	2.61
12th month	2.61	-	2.61	0.02	0.10	2.51
				<b>0.35</b>	<b>1.25</b>	
<b>4th</b>	Opening Balance					
1st month	2.51	-	2.51	0.02	0.10	2.40
2nd month	2.40	-	2.40	0.02	0.10	2.30

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3rd month	2.30	-	2.30	0.02	0.10	2.19
4th month	2.19	-	2.19	0.02	0.10	2.09
5th month	2.09	-	2.09	0.02	0.10	1.98
6th month	1.98	-	1.98	0.02	0.10	1.88
7th month	1.88	-	1.88	0.02	0.10	1.77
8th month	1.77	-	1.77	0.02	0.10	1.67
9th month	1.67	-	1.67	0.02	0.10	1.57
10th month	1.57	-	1.57	0.01	0.10	1.46
11th month	1.46	-	1.46	0.01	0.10	1.36
12th month	1.36	-	1.36	0.01	0.10	1.25
				<b>0.21</b>	<b>1.25</b>	
<b>5th</b>	<b>Opening Balance</b>					
1st month	1.25	-	1.25	0.01	0.10	1.15
2nd month	1.15	-	1.15	0.01	0.10	1.04
3rd month	1.04	-	1.04	0.01	0.10	0.94
4th month	0.94	-	0.94	0.01	0.10	0.84
5th month	0.84	-	0.84	0.01	0.10	0.73
6th month	0.73	-	0.73	0.01	0.10	0.63
7th month	0.63	-	0.63	0.01	0.10	0.52
8th month	0.52	-	0.52	0.00	0.10	0.42
9th month	0.42	-	0.42	0.00	0.10	0.31
10th month	0.31	-	0.31	0.00	0.10	0.21
11th month	0.21	-	0.21	0.00	0.10	0.10
12th month	0.10	-	0.10	0.00	0.10	-
				<b>0.07</b>	<b>1.25</b>	

DOOR TO DOOR MORATORIUM PERIOD	60	MONTHS
REPAYMENT PERIOD	6	MONTHS
	54	MONTHS

#### 4.10. WORKING CAPITAL CALCULATIONS

<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>Finished Goods</b>					
	1.69	1.87	2.08	2.29	2.48
<b>Raw Material</b>					
	1.31	1.47	1.63	1.80	2.01
<b>Closing Stock</b>	<b>2.99</b>	<b>3.35</b>	<b>3.71</b>	<b>4.09</b>	<b>4.50</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	2.99				
Less : Creditors	0.91				
<b>Paid stock</b>	<b>2.08</b>	<b>10%</b>	<b>0.21</b>	<b>90%</b>	<b>1.87</b>
<b>Sundry Debtors</b>	<b>1.36</b>	<b>10%</b>	<b>0.14</b>	<b>90%</b>	<b>1.23</b>
	<b>3.44</b>		<b>0.34</b>		<b>3.10</b>
<b>MPBF</b>					<b>3.10</b>
<b>WORKING CAPITAL LIMIT DEMAND ( from Bank)</b>					<b>3.00</b>
<b>Working Capital Margin</b>					<b>0.33</b>



**4.11. SALARY & WAGES**

<b><u>BREAK UP OF LABOUR CHARGES</u></b>			
<b>Particulars</b>	<b>Wages Rs. per Month</b>	<b>No of Employees</b>	<b>Total Salary</b>
Skilled (in thousand rupees)	5,500	2	11,000
Unskilled (in thousand rupees)	3,500	1	3,500
<b>Total salary per month</b>			<b>14,500</b>
<b>Total annual labour charges</b>	<b>(in lacs)</b>		<b>1.74</b>

<b><u>BREAK UP OF STAFF SALARY CHARGES</u></b>			
<b>Particulars</b>	<b>Salary Rs. per Month</b>	<b>No of Employees</b>	<b>Total Salary</b>
Helper	8,000	1	8,000
Accountant	16,000	1	16,000
<b>Total salary per month</b>			<b>24,000</b>
<b>Total annual Staff charges</b>	<b>(in lacs)</b>		<b>2.88</b>

## 4.12 POWER REQUIREMENT

<b>Utility Charges (per month)</b>		
<b>Particulars</b>	<b>value</b>	<b>Description</b>
Power connection required	10	KWH
consumption per day	80	units
Consumption per month	2,000	units
Rate per Unit	10	Rs.
power Bill per month	20,000	Rs.

## 4.13. DEPRECIATION CALCULATION

<b>COMPUTATION OF DEPRECIATION</b>			(in Lacs)
<b>Description</b>	<b>Plant &amp; Machinery</b>	<b>Miss. Assets</b>	<b>TOTAL</b>
Rate of Depreciation	<b>15.00%</b>	<b>10.00%</b>	
<b>Opening Balance</b>	-	-	-
Addition	9.15	1.10	10.25
Total	9.15	1.10	10.25
Less : Depreciation	1.37	0.11	1.48
<b>WDV at end of Year</b>	<b>7.78</b>	<b>0.99</b>	<b>8.77</b>
Additions During The Year	-	-	-
Total	7.78	0.99	8.77
Less : Depreciation	1.17	0.10	1.27
<b>WDV at end of Year</b>	<b>6.61</b>	<b>0.89</b>	<b>7.50</b>
Additions During The Year	-	-	-
Total	6.61	0.89	7.50
Less : Depreciation	0.99	0.09	1.08

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<b>WDV at end of Year</b>	<b>5.62</b>	<b>0.80</b>	<b>6.42</b>
Additions During The Year	-	-	-
Total	5.62	0.80	6.42
Less : Depreciation	0.84	0.08	0.92
<b>WDV at end of Year</b>	<b>4.78</b>	<b>0.72</b>	<b>5.50</b>
Additions During The Year	-	-	-
Total	4.78	0.72	5.50
Less : Depreciation	0.72	0.07	0.79
<b>WDV at end of Year</b>	<b>4.06</b>	<b>0.65</b>	<b>4.71</b>

**4.14. REPAIR & MAINTENANCE:** Repair & Maintenance is 2.5% of Gross Sale.

#### 4.15. PROJECTIONS OF PROFITABILITY ANALYSIS

<b><u>PROJECTED PROFITABILITY STATEMENT</u></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>
Capacity Utilisation %	<b>75%</b>	<b>80%</b>	<b>85%</b>	<b>90%</b>	<b>95%</b>
<b><u>SALES</u></b>					
<b>Gross Sale</b>					
Rusk	58.46	68.06	76.23	84.86	93.95
<b>Total</b>	<b>58.46</b>	<b>68.06</b>	<b>76.23</b>	<b>84.86</b>	<b>93.95</b>
<b><u>COST OF SALES</u></b>					
Raw Material Consumed	39.15	44.16	48.96	54.00	60.42
Electricity Expenses	2.40	2.76	3.17	3.65	4.02

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Depreciation	1.48	1.27	1.08	0.92	0.79
Wages & labour	1.74	1.91	1.91	2.07	2.23
Repair & maintenance	1.46	1.70	1.91	2.12	2.35
Packaging	4.38	4.42	5.34	5.94	4.70
<b>Cost of Production</b>	<b>50.62</b>	<b>56.22</b>	<b>62.37</b>	<b>68.70</b>	<b>74.50</b>
<b>Add: Opening Stock /WIP</b>	-	1.69	1.87	2.08	2.29
<b>Less: Closing Stock /WIP</b>	1.69	1.87	2.08	2.29	2.48
Cost of Sales	48.93	56.04	62.17	68.49	74.31
<b>GROSS PROFIT</b>	<b>9.53</b>	<b>12.02</b>	<b>14.06</b>	<b>16.37</b>	<b>19.64</b>
	<b>16.30%</b>	<b>17.66%</b>	<b>18.45%</b>	<b>19.29%</b>	<b>20.91%</b>
Salary to Staff	2.88	3.34	4.08	4.69	5.16
Interest on Term Loan	0.55	0.49	0.35	0.21	0.07
Interest on working Capital	0.33	0.33	0.33	0.33	0.33
Rent	3.60	3.96	4.36	4.79	5.27
selling & adm exp	1.17	1.36	1.52	1.70	1.88
<b>TOTAL</b>	<b>8.53</b>	<b>9.48</b>	<b>10.64</b>	<b>11.72</b>	<b>12.71</b>
NET PROFIT	1.00	2.54	3.43	4.65	6.93
	<b>1.71%</b>	<b>3.73%</b>	<b>4.49%</b>	<b>5.48%</b>	<b>7.38%</b>
Taxation	-	0.00	0.05	0.11	0.51
PROFIT (After Tax)	1.00	2.54	3.38	4.54	6.42

#### 4.16. BREAK EVEN POINT ANALYSIS

<b>BREAK EVEN POINT ANALYSIS</b>					
<b>Year</b>	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>V</b>
<b>Net Sales &amp; Other Income</b>	58.46	68.06	76.23	84.86	93.95
Less : Op. WIP Goods	-	1.69	1.87	2.08	2.29
Add : Cl. WIP Goods	1.69	1.87	2.08	2.29	2.48
<b>Total Sales</b>	<b>60.15</b>	<b>68.24</b>	<b>76.43</b>	<b>85.07</b>	<b>94.15</b>
<b>Variable &amp; Semi Variable Exp.</b>					
Raw Material Consumed	39.15	44.16	48.96	54.00	60.42
Electricity Exp/Coal Consumption at 85%	2.04	2.35	2.70	3.10	3.41
Wages & Salary at 60%	2.77	3.15	3.59	4.05	4.43
Selling & administrative Expenses 80%	0.94	1.09	1.22	1.36	1.50
Interest on working Capital	0.33	0.33	0.33	0.33	0.33
Repair & maintenance	1.46	1.70	1.91	2.12	2.35
Packaging	4.38	4.42	5.34	5.94	4.70
<b>Total Variable &amp; Semi Variable Exp</b>	<b>51.07</b>	<b>57.20</b>	<b>64.04</b>	<b>70.90</b>	<b>77.15</b>
<b>Contribution</b>	<b>9.08</b>	<b>11.04</b>	<b>12.39</b>	<b>14.17</b>	<b>17.00</b>
<b>Fixed &amp; Semi Fixed Expenses</b>					
Electricity Exp/Coal Consumption at 15%	0.36	0.41	0.48	0.55	0.60
Wages & Salary at 40%	1.85	2.10	2.40	2.70	2.96
Interest on Term Loan	0.55	0.49	0.35	0.21	0.07
Depreciation	1.48	1.27	1.08	0.92	0.79
Selling & administrative Expenses 20%	0.23	0.27	0.30	0.34	0.38

PM FME- Detailed Project Report of Rusk Making

Rent	3.60	3.96	4.36	4.79	5.27
<b>Total Fixed Expenses</b>	<b>8.08</b>	<b>8.50</b>	<b>8.96</b>	<b>9.52</b>	<b>10.07</b>
<b>Capacity Utilization</b>	<b>75%</b>	<b>80%</b>	<b>85%</b>	<b>90%</b>	<b>95%</b>
<b>OPERATING PROFIT</b>	<b>1.00</b>	<b>2.54</b>	<b>3.43</b>	<b>4.65</b>	<b>6.93</b>
<b>BREAK EVEN POINT</b>	<b>67%</b>	<b>62%</b>	<b>61%</b>	<b>60%</b>	<b>56%</b>
<b>BREAK EVEN SALES</b>	<b>53.53</b>	<b>52.55</b>	<b>55.30</b>	<b>57.14</b>	<b>55.75</b>

#### 4.17. PROJECTED BALANCE SHEET

<b><u>PROJECTED BALANCE SHEET</u></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>Liabilities</u></b>					
Capital					
opening balance		5.93	6.47	6.35	6.89
Add:- Own Capital	1.35				
Add:- Retained Profit	1.00	2.54	3.38	4.54	6.42
Less:- Drawings	-	2.00	3.50	4.00	5.00
Subsidy/grant	3.59				
Closing Balance	5.93	6.47	6.35	6.89	8.32
Term Loan	5.01	3.76	2.51	1.25	-
Working Capital Limit	3.00	3.00	3.00	3.00	3.00
Sundry Creditors	0.91	1.03	1.14	1.26	1.41
Provisions & Other Liab	0.40	0.50	0.60	0.72	0.86
<b>TOTAL :</b>	<b>15.26</b>	<b>14.76</b>	<b>13.60</b>	<b>13.13</b>	<b>13.59</b>
<b><u>Assets</u></b>					

<b>Fixed Assets ( Gross)</b>	10.25	10.25	10.25	10.25	10.25
Gross Dep.	1.48	2.75	3.83	4.75	5.54
<b>Net Fixed Assets</b>	<b>8.77</b>	<b>7.50</b>	<b>6.42</b>	<b>5.50</b>	<b>4.71</b>
<b>Current Assets</b>					
Sundry Debtors	1.36	1.59	1.78	1.98	2.19
Stock in Hand	2.99	3.35	3.71	4.09	4.50
Cash and Bank	2.14	2.32	1.69	1.56	2.19
<b>TOTAL :</b>	<b>15.26</b>	<b>14.76</b>	<b>13.60</b>	<b>13.13</b>	<b>13.59</b>

#### 4.18. CASH FLOW STATEMENT

<b><u>PROJECTED CASH FLOW STATEMENT</u></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>
<b><u>SOURCES OF FUND</u></b>					
Own Margin	1.35				
Net Profit	1.00	2.54	3.43	4.65	6.93
Depriciation & Exp. W/off	1.48	1.27	1.08	0.92	0.79
Increase in Cash Credit	3.00	-	-	-	-
Increase In Term Loan	5.64	-	-	-	-
Increase in Creditors	0.91	0.12	0.11	0.12	0.15
Increase in Provisions & Oth lib	0.40	0.10	0.10	0.12	0.14
Sunsidy/grant	3.59				
<b>TOTAL :</b>	<b>17.37</b>	<b>4.02</b>	<b>4.72</b>	<b>5.81</b>	<b>8.02</b>
<b><u>APPLICATION OF FUND</u></b>					

PM FME- Detailed Project Report of Rusk Making

Increase in Fixed Assets	10.25				
Increase in Stock	2.99	0.35	0.36	0.38	0.41
Increase in Debtors	1.36	0.22	0.19	0.20	0.21
Repayment of Term Loan	0.63	1.25	1.25	1.25	1.25
Drawings		2.00	3.50	4.00	5.00
Taxation	-	0.00	0.05	0.11	0.51
<b>TOTAL :</b>	<b>15.23</b>	<b>3.83</b>	<b>5.35</b>	<b>5.94</b>	<b>7.38</b>
Opening Cash & Bank Balance	-	2.14	2.32	1.69	1.56
Add : Surplus	2.14	0.19	-0.64	-0.13	0.63
Closing Cash & Bank Balance	<b>2.14</b>	<b>2.32</b>	<b>1.69</b>	<b>1.56</b>	<b>2.19</b>



**4.19. DEBT SERVICE COVERAGE RATIO**

<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	2.48	3.80	4.46	5.47	7.21
Interest on Term Loan	0.55	0.49	0.35	0.21	0.07
<b>Total</b>	<b>3.04</b>	<b>4.29</b>	<b>4.81</b>	<b>5.68</b>	<b>7.29</b>
<b><u>REPAYMENT</u></b>					
Instalment of Term Loan	0.63	1.25	1.25	1.25	1.25
Interest on Term Loan	0.55	0.49	0.35	0.21	0.07
<b>Total</b>	<b>1.18</b>	<b>1.74</b>	<b>1.60</b>	<b>1.47</b>	<b>1.33</b>
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>2.57</b>	<b>2.46</b>	<b>3.00</b>	<b>3.88</b>	<b>5.49</b>
<b>AVERAGE D.S.C.R.</b>	<b>3.48</b>				