



**DETAILED PROJECT REPORT**  
**BESAN NAMKEEN MAKING UNIT**  
**UNDER PMFME SCHEME**



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## 1. PROJECT SUMMARY

1. Name of the proposed project	:	Besan Namkeen Making Unit
2. Nature of proposed project	:	Proprietorship/Company/Partnership
3. Proposed project capacity	:	228000 Kg/annum (35,40,45,50&55% capacity utilization in 1 <sup>st</sup> to 5 <sup>th</sup> Year respectively)
4. Raw material	:	Besan, Rice Flour, Turmeric Powder, Red Chilli, Asafetida, Ajwain Seed, Salt, Oil, Masoor Dal, Peanut, Cashew and Chat Masala.
5. Major product outputs	:	Besan Namkeen
6. Total project cost	:	Rs. 21.65 Lakh
• Land development, building & Civil Construction	:	Nil
• Machinery and equipment's	:	Rs. 14.95 Lakh
• Miscellaneous Fixed Assets	:	Rs. 1.50 Lakh
• Working capital	:	Rs. 5.20 Lakh
7. Means of Finance		
• Subsidy (max 10lakhs)	:	Rs. 5.76 Lakh
• Promoter's contribution (min10%)	:	Rs. 2.15 Lakh
• Term loan	:	Rs. 9.05 Lakh
• Working Capital Requirement	:	Rs. 4.68 Lakh
8. Profit after Depreciation, Interest & Tax		
• 1 <sup>st</sup> year	:	Rs. 2.56 Lakh
• 2 <sup>nd</sup> year	:	Rs. 3.54 Lakh
• 3 <sup>rd</sup> year	:	Rs. 5.19 Lakh
• 4 <sup>th</sup> year	:	Rs. 6.39Lakh
• 5 <sup>th</sup> year	:	Rs. 8.30 Lakh
9. Average DSCR	:	Rs. 3.20
10. Term loan repayment	:	5 Years with 6 months grace period

## **2. ABOUT THE PRODUCT**

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

Namkeen is the Hindi word used to describe a savory flavor. The word namkeen is derived from the word namak (meaning salt). It is also used as a generic term to describe savory snack foods. Namkeen is pronounced "num-keen," and can also be referred to as numkeen, namkin, and numkin depending on where you travel throughout India and who you speak to. Typical namkeen snacks in Indian cuisine include khaara, farsan, chivda, sav, chips, fried dals, grains and bhujiya. Namkeen of Indore and ratlam are two snacks that are very well known for their tastes. There are a few other Indian snacks that incorporate salt and have a namkeen flavor, some of which are made from basic grains and can be flavored in a multitude of ways.

Quality Parameter of Namkeen:

1. Appearance:

The diameter, porosity, and uniform structure, are appearance attributes that aid in the perception of quality of the product. The appearance of these products are defined based on blanching, drying & frying quality.

2. Texture and Flavour:

Textural attributes of these namkeens are often associated with their mechanical behaviour, and are related to their appearance and flavour properties. Crispness of namkeens are influenced by temperature in various processes. Moisture content decreases the crunchiness and crispness while increasing density of the product.

Several flavours & type of namkeen can be produced in same food processing unit utilizing various seasoning and different secondary raw materials.

## **2.2. MARKET POTENTIAL:**

The global snacks market size valued at USD 439.9 billion in 2018 and is expected to grow at a compound annual growth rate (CAGR) of 6.2% from 2019 to 2025. Rising health concerns along with changing lifestyles and diets have spurred demand for various snacking options across the globe.

Snack food has emerged as an alternative to full-fledged meals with the paradigm shift in consumer behaviour patterns. The higher disposable incomes, as a result of the growing urbanization and increasing preference for convenience food, have triggered the growth of the snacks industry.

India traditional namkeens market has shown tremendous growth in the past couple of years. The market is forecasted to grow with a CAGR of more than 7% in near future. Increasing consumer's awareness towards healthy and packaged traditional namkeens has created a huge demand for Namkeen in past couple of years.

Indian consumers seem to have recovered their taste for traditional namkeens such as farsan, bhujia and Namkeen going by the impressive growth rate of local firms such as Balaji Wafers and Bikanervala at a time when their multinational rivals are struggling.

The future of India Namkeens Market can be judged from the fact that this industry is expected to grow with 9% CAGR for the time frame of 2018 to 2024. India's namkeen market is divided between organized players and unorganized market.

### 2.3. RAW MATERIAL DESCRIPTION:

Major raw materials are as follows:

- Besan
- Rice Flour
- Turmeric Powder
- Red Chilli
- Asafetida
- Ajwain Seed
- Salt
- Oil
- Masoor Dal
- Peanut
- Cashew
- Chat Masala

### 3. PROCESS FLOW CHART

The dough kneading machines are used for kneading various types of flours for various types of namkeens. Each has its own unique composition and taste. A vast variety of kneader class machine are available to suit various capacity and kneading requirements. The next task is namkeen extrusion for which namkeen extruders are used, Namkeen Extruder machine is useful for extruding gram flour, spices dough (besan) into various shapes. However, in this case it's used to extrude dough in shape of namkeen. The machine is fitted over fryer or namkeen frying machine. The extruded product lands into the frying tank and then is simply fried. The shapes of the products can be altered by using dies of different sizes and shapes.

After frying, besan namkeen are passed through de-oiling machine which simply removes all excess oil from the namkeen. Thus, namkeen is ready after this step for seasoning. These de-oiled namkeens are fed to seasoning machine which utilizes its tumbler arrangement to uniformly season these namkeens with salt and spices as per end product. Finally the namkeen is then weighed, filled in packets and sealed in order to make it ready for sale and dispatch though automatic filling and packaging machines are utilized by large scale manufacturers to maintain high production rate with automation.



**FLOW CHART OF BESAN NAMKEEN**

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

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

1. Production Capacity of Besan Namkeen is 100 kg per hr. First year, Capacity has been taken @ 35%.
2. Working shift of 8 hours per day has been considered.
3. Raw Material stock is for 7 days and Finished goods Closing Stock has been taken for 7 days.
4. Credit period to Sundry Debtors has been given for 10 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 24 KW.
10. Increase in sales and raw material costing has been taken @ 5% on a yearly basis.



## 4.2. CAPACITY, UTILIZATION, PRODUCTION & OUTPUT

<b>COMPUTATION OF PRODUCTION OF BESAN NAMKEEN</b>		
<b>Items to be Manufactured</b>		
Besan Namkeen		
Machine capacity Per hour	100	Kg
Total working Hours	8	
Machine capacity Per Day	800	Kg
Working days in a month	25	Days
Working days per annum	300	
Wastage Considered	5%	
Raw material requirement	240000	Kg
Final Output per annum after wastage	228000	Kg
Final Product to be packed in 1 kg packet		
Number of Packets per annum	228000	1 Kg Packet

<b>Production of Besan Namkeen</b>		
<b>Production</b>	<b>Capacity</b>	<b>Packets</b>
1st year	35%	79,800
2nd year	40%	91,200
3rd year	45%	1,02,600
4th year	50%	1,14,000
5th year	55%	1,25,400





<b>Raw Material Cost</b>			
<b>Year</b>	<b>Capacity Utilisation</b>	<b>Rate (per packet)</b>	<b>Amount (Rs. in lacs)</b>
1st year	35%	65.00	51.87
2nd year	40%	68.25	62.24
3rd year	45%	71.66	73.52
4th year	50%	75.24	85.77
5th year	55%	79.00	99.07

<b>COMPUTATION OF SALE</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	-	1,862	2,128	2,394	2,660
Production	79,800	91,200	1,02,600	1,14,000	1,25,400
Less : Closing Stock	1,862	2,128	2,394	2,660	2,926
<b>Net Sale</b>	<b>77,938</b>	<b>90,934</b>	<b>1,02,334</b>	<b>1,13,734</b>	<b>1,25,134</b>
Sale price per packet	125.00	131.00	138.00	145.00	152.00
<b>Sales (in Lacs)</b>	<b>97.42</b>	<b>119.12</b>	<b>141.22</b>	<b>164.91</b>	<b>190.20</b>






### 4.3. PREMISES/INFRASTRUCTURE

The approximate total area required for complete factory setup is 3000-3500 Sq. ft. for smooth production including storage area. It is expected that the premises will be on rental.

#### 4.4. MACHINERY & EQUIPMENTS

Machine Name	Description	Machine Image
Flour Sifter	It's a sifter class machine which is used to perform sifting process and remove any larger particulate impurities from flour.	
Metal Detector	It's a simple machine that utilizes electromagnetic induction to detect any metal present in given bulk material.	
Dough Kneader	This machine simplify kneads the raw material ingredients i.e. flour with other raw materials to produce the required dough.	
De-Oiling Machine	It's a simple machine designed to dry the given product within specified range, by removing extra oil by utilizing appropriate mechanisms; the simplest class of this machine utilize a perforated drum and motor arrangement, to simply centrifuge the excess oil, while continuous line utilize vibrating tray or air dryer type arrangements.	

PM FME- Detailed Project Report of Besan Namkeen Making Unit

<p>Namkeen Fryer Machine</p>	<p>It's a fryer class machine used to fry various namkeens like shev, bhujia or namkeen constituents.</p>	
<p>Namkeen Extruder</p>	<p>It's a extruder class machine used to extrude the dough into various namkeen components using appropriate dies.</p>	
<p>Seasoning Machine</p>	<p>It's a simple rotating tumbler device used to apply seasoning and salt on given product, in this case namkeens.</p>	
<p>Nitrogen Flush Packaging Machine</p>	<p>The functioning of machine is simple, it forms an open pouch by two step sealing, followed by filling of chips, nitrogen flushing and final sealing to obtain the namkeen filled packet.</p>	
<p>Material handling and other Equipment's</p>	<p>These Equipment's are used for material handling. Other equipment's like water pumps, weighing machine, food grade conveyor, storage tank, kitchen tools, etc are also used.</p>	

<b>Machine</b>	<b>Unit</b>	<b>Rate</b>	<b>Price</b>
Flour Sifter	1	175000	175000
Metal Detector	1	140000	140000
Dough Kneader	1	185000	185000
De-Oiling Machine	1	150000	150000
Namkeen Fryer Machine	1	120000	120000
Namkeen Extruder	1	135000	135000
Seasoning Machine	1	165000	165000
Nitrogen Flush Packaging Machine	1	125000	125000
Material handling and other equipment's (Bins, trolley, pumps, food grade conveyor, storage tanks, kitchen tools, weighing machine, etc.)	-	300000	300000

**Note:** Total Machinery cost shall be Rs 14.95 lakh including equipment's but excluding GST and Transportation Cost.

#### **4.5. MISCELLANEOUS FIXED ASSETS**

- Water Supply Arrangements
- Furniture & Fixtures
- Computers & Printers

**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	14.95
Miscellaneous Assets	1.50
Working capital	5.20
<b>Total</b>	<b>21.65</b>

**4.7. MEANS OF FINANCE**

<b>MEANS OF FINANCE</b>	
<b>PARTICULARS</b>	<b>AMOUNT</b>
Own Contribution (min 10%)	2.15
Subsidy @35%(Max. Rs 10 Lac)	5.76
Term Loan @ 55%	9.05
Working Capital (Bank Finance)	4.68
<b>Total</b>	<b>21.65</b>

**4.8. TERM LOAN:** Term loan of Rs.9.05 Lakh is required for project cost of Rs. 21.65 Lakh.

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

<b>REPAYMENT SCHEDULE OF TERM LOAN</b>							
						Interest	11.00%
<b>Year</b>	<b>Particulars</b>	<b>Amount</b>	<b>Addition</b>	<b>Total</b>	<b>Interest</b>	<b>Repayment</b>	<b>Closing Balance</b>
<b>1st</b>	Opening Balance						
	1st month	-	9.05	9.05	-	-	9.05
	2nd month	9.05	-	9.05	0.08	-	9.05
	3rd month	9.05	-	9.05	0.08	-	9.05
	4th month	9.05	-	9.05	0.08	-	9.05
	5th month	9.05	-	9.05	0.08	-	9.05
	6th month	9.05	-	9.05	0.08	-	9.05
	7th month	9.05	-	9.05	0.08	0.17	8.88
	8th month	8.88	-	8.88	0.08	0.17	8.71
	9th month	8.71	-	8.71	0.08	0.17	8.54
	10th month	8.54	-	8.54	0.08	0.17	8.38
	11th month	8.38	-	8.38	0.08	0.17	8.21
	12th month	8.21	-	8.21	0.08	0.17	8.04
					0.89	1.01	
<b>2nd</b>	Opening Balance						
	1st month	8.04	-	8.04	0.07	0.17	7.87
	2nd month	7.87	-	7.87	0.07	0.17	7.71
	3rd month	7.71	-	7.71	0.07	0.17	7.54
	4th month	7.54	-	7.54	0.07	0.17	7.37
	5th month	7.37	-	7.37	0.07	0.17	7.20

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	6th month	7.20	-	7.20	0.07	0.17	7.04
	7th month	7.04	-	7.04	0.06	0.17	6.87
	8th month	6.87	-	6.87	0.06	0.17	6.70
	9th month	6.70	-	6.70	0.06	0.17	6.53
	10th month	6.53	-	6.53	0.06	0.17	6.37
	11th month	6.37	-	6.37	0.06	0.17	6.20
	12th month	6.20	-	6.20	0.06	0.17	6.03
					<b>0.78</b>	<b>2.01</b>	
<b>3rd</b>	Opening Balance						
	1st month	6.03	-	6.03	0.06	0.17	5.86
	2nd month	5.86	-	5.86	0.05	0.17	5.70
	3rd month	5.70	-	5.70	0.05	0.17	5.53
	4th month	5.53	-	5.53	0.05	0.17	5.36
	5th month	5.36	-	5.36	0.05	0.17	5.19
	6th month	5.19	-	5.19	0.05	0.17	5.03
	7th month	5.03	-	5.03	0.05	0.17	4.86
	8th month	4.86	-	4.86	0.04	0.17	4.69
	9th month	4.69	-	4.69	0.04	0.17	4.52
	10th month	4.52	-	4.52	0.04	0.17	4.36
	11th month	4.36	-	4.36	0.04	0.17	4.19
	12th month	4.19	-	4.19	0.04	0.17	4.02
					<b>0.56</b>	<b>2.01</b>	
<b>4th</b>	Opening Balance						
	1st month	4.02	-	4.02	0.04	0.17	3.85
	2nd month	3.85	-		0.04	0.17	3.69



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				3.85			
3rd month	3.69	-	3.69	0.03	0.17	3.52	
4th month	3.52	-	3.52	0.03	0.17	3.35	
5th month	3.35	-	3.35	0.03	0.17	3.18	
6th month	3.18	-	3.18	0.03	0.17	3.02	
7th month	3.02	-	3.02	0.03	0.17	2.85	
8th month	2.85	-	2.85	0.03	0.17	2.68	
9th month	2.68	-	2.68	0.02	0.17	2.51	
10th month	2.51	-	2.51	0.02	0.17	2.35	
11th month	2.35	-	2.35	0.02	0.17	2.18	
12th month	2.18	-	2.18	0.02	0.17	2.01	
				<b>0.34</b>	<b>2.01</b>		
<b>5th</b>	Opening Balance						
1st month	2.01	-	2.01	0.02	0.17	1.84	
2nd month	1.84	-	1.84	0.02	0.17	1.68	
3rd month	1.68	-	1.68	0.02	0.17	1.51	
4th month	1.51	-	1.51	0.01	0.17	1.34	
5th month	1.34	-	1.34	0.01	0.17	1.17	
6th month	1.17	-	1.17	0.01	0.17	1.01	
7th month	1.01	-	1.01	0.01	0.17	0.84	
8th month	0.84	-	0.84	0.01	0.17	0.67	
9th month	0.67	-	0.67	0.01	0.17	0.50	
10th month	0.50	-	0.50	0.00	0.17	0.34	
11th month	0.34	-	0.34	0.00	0.17	0.17	
12th month	0.17	-		0.00	0.17	-	

0.17		
		0.12      2.01
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><u>Finished Goods</u></b>					
	1.95	2.32	2.72	3.15	3.62
<b><u>Raw Material</u></b>					
	1.21	1.45	1.72	2.00	2.31
<b>Closing Stock</b>	<b>3.16</b>	<b>3.77</b>	<b>4.44</b>	<b>5.16</b>	<b>5.93</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	3.16				
Less : Creditors	1.21				
<b>Paid stock</b>	<b>1.95</b>	<b>10%</b>	<b>0.19</b>	<b>90%</b>	<b>1.75</b>
<b>Sundry Debtors</b>	<b>3.25</b>	<b>10%</b>	<b>0.32</b>	<b>90%</b>	<b>2.92</b>
	<b>5.20</b>		<b>0.52</b>		<b>4.68</b>
<b>MPBF</b>					<b>4.68</b>
<b>WORKING CAPITAL LIMIT DEMAND ( from Bank)</b>					<b>4.68</b>
<b>Working Capital Margin</b>					<b>0.52</b>

**4.11. SALARY & WAGES**

<b><u>BREAK UP OF LABOUR CHARGES</u></b>			
<b>Particulars</b>	<b>Wages</b>	<b>No of</b>	<b>Total</b>
	<b>Rs. per Month</b>	<b>Employees</b>	<b>Salary</b>
Plant Operator	16,000	3	48,000
Supervisor	20,000	1	20,000
Skilled (in thousand rupees)	15,000	3	45,000
Unskilled (in thousand rupees)	6,500	5	32,500
<b>Total salary per month</b>			<b>1,45,500</b>
<b>Total annual labour charges</b>	<b>(in lacs)</b>		<b>17.46</b>

<b><u>BREAK UP OF STAFF SALARY CHARGES</u></b>			
<b>Particulars</b>	<b>Salary</b>	<b>No of</b>	<b>Total</b>
	<b>Rs. per Month</b>	<b>Employees</b>	<b>Salary</b>
Administrative Staff	8,000	2	16,000
Manager	20,000	1	20,000
Accountant	16,000	1	16,000
<b>Total salary per month</b>			<b>52,000</b>
<b>Total annual Staff charges</b>	<b>(in lacs)</b>		<b>6.24</b>

**4.12 POWER REQUIREMENT**

<b><u>Utility Charges (per month)</u></b>		
<b>Particulars</b>	<b>value</b>	<b>Description</b>
Power connection required	24	KWH
consumption per day	192	units
Consumption per month	4,800	units
Rate per Unit	10	Rs.
power Bill per month	48,000	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	14.95	1.50	16.45
Total	14.95	1.50	16.45
Less : Depreciation	2.24	0.15	2.39
<b>WDV at end of Year</b>	<b>12.71</b>	<b>1.35</b>	<b>14.06</b>
Additions During The Year	-	-	-
Total	12.71	1.35	14.06
Less : Depreciation	1.91	0.14	2.04
<b>WDV at end of Year</b>	<b>10.80</b>	<b>1.22</b>	<b>12.02</b>
Additions During The Year	-	-	-
Total	10.80	1.22	12.02
Less : Depreciation	1.62	0.12	1.74
<b>WDV at end of Year</b>	<b>9.18</b>	<b>1.09</b>	<b>10.27</b>
Additions During The Year	-	-	-
Total	9.18	1.09	10.27
Less : Depreciation	1.38	0.11	1.49
<b>WDV at end of Year</b>	<b>7.80</b>	<b>0.98</b>	<b>8.79</b>
Additions During The Year	-	-	-
Total	7.80	0.98	8.79
Less : Depreciation	1.17	0.10	1.27
<b>WDV at end of Year</b>	<b>6.63</b>	<b>0.89</b>	<b>7.52</b>

**4.14. REPAIR & MAINTENANCE:** Repair & Maintenance is 3.0% of Gross Sale.

#### 4.15. PROJECTIONS OF PROFITABILITY ANALYSIS

<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>35%</b>	<b>40%</b>	<b>45%</b>	<b>50%</b>	<b>55%</b>
<b><u>SALES</u></b>					
<b>Gross Sale</b>					
Besan Namkeen	97.42	119.12	141.22	164.91	190.20
<b>Total</b>	<b>97.42</b>	<b>119.12</b>	<b>141.22</b>	<b>164.91</b>	<b>190.20</b>
<b><u>COST OF SALES</u></b>					
Raw Material Consumed	51.87	62.24	73.52	85.77	99.07
Electricity Expenses	5.76	6.62	7.62	8.76	9.64
Depreciation	2.39	2.04	1.74	1.49	1.27
Wages & labour	17.46	20.95	25.14	28.91	33.25
Repair & maintenance	2.92	3.57	4.24	4.95	5.71
Packaging	3.12	3.81	4.52	5.28	6.09
<b>Cost of Production</b>	<b>83.52</b>	<b>99.25</b>	<b>116.78</b>	<b>135.16</b>	<b>155.01</b>
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>1.95</b>	<b>2.32</b>	<b>2.72</b>	<b>3.15</b>
<b>Less: Closing Stock /WIP</b>	<b>1.95</b>	<b>2.32</b>	<b>2.72</b>	<b>3.15</b>	<b>3.62</b>
Cost of Sales	81.57	98.88	116.37	134.73	154.55
<b>GROSS PROFIT</b>	<b>15.85</b>	<b>20.24</b>	<b>24.85</b>	<b>30.18</b>	<b>35.65</b>
	<b>16.27%</b>	<b>16.99%</b>	<b>17.60%</b>	<b>18.30%</b>	<b>18.74%</b>
Salary to Staff	6.24	8.11	9.65	12.07	13.88
Interest on Term Loan	0.89	0.78	0.56	0.34	0.12
Interest on working Capital	0.51	0.51	0.51	0.51	0.51
Rent	3.60	4.32	5.18	6.22	7.15
selling & adm exp	2.05	2.98	3.53	4.12	4.76
<b>TOTAL</b>	<b>13.29</b>	<b>16.71</b>	<b>19.44</b>	<b>23.27</b>	<b>26.42</b>
NET PROFIT	2.56	3.54	5.41	6.92	9.23
	<b>2.63%</b>	<b>2.97%</b>	<b>3.83%</b>	<b>4.20%</b>	<b>4.85%</b>
Taxation	-	-	0.21	0.53	0.93
PROFIT (After Tax)	2.56	3.54	5.19	6.39	8.30

**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>	97.42	119.12	141.22	164.91	190.20
Less : Op. WIP Goods	-	1.95	2.32	2.72	3.15
Add : Cl. WIP Goods	1.95	2.32	2.72	3.15	3.62
<b>Total Sales</b>	<b>99.37</b>	<b>119.49</b>	<b>141.63</b>	<b>165.34</b>	<b>190.67</b>
<b>Variable &amp; Semi Variable Exp.</b>					
Raw Material Consumed	51.87	62.24	73.52	85.77	99.07
Electricity Exp/Coal Consumption at 85%	4.90	5.63	6.47	7.45	8.19
Wages & Salary at 60%	14.22	17.44	20.88	24.59	28.28
Selling & administrative Expenses 80%	1.64	2.38	2.82	3.30	3.80
Interest on working Capital	0.514432	0.514432	0.514432	0.514432	0.514432
Repair & maintenance	2.92	3.57	4.24	4.95	5.71
Packaging	3.12	3.81	4.52	5.28	6.09
<b>Total Variable &amp; Semi Variable Exp</b>	<b>79.18</b>	<b>95.60</b>	<b>112.97</b>	<b>131.85</b>	<b>151.64</b>
<b>Contribution</b>	<b>20.19</b>	<b>23.90</b>	<b>28.66</b>	<b>33.50</b>	<b>39.02</b>
<b>Fixed &amp; Semi Fixed Expenses</b>					
Electricity Exp/Coal Consumption at 15%	0.86	0.99	1.14	1.31	1.45
Wages & Salary at 40%	9.48	11.63	13.92	16.39	18.85
Interest on Term Loan	0.89	0.78	0.56	0.34	0.12
Depreciation	2.39	2.04	1.74	1.49	1.27
Selling & administrative Expenses 20%	0.41	0.60	0.71	0.82	0.95
Rent	3.60	4.32	5.18	6.22	7.15
<b>Total Fixed Expenses</b>	<b>17.63</b>	<b>20.36</b>	<b>23.25</b>	<b>26.58</b>	<b>29.79</b>
<b>Capacity Utilization</b>	<b>35%</b>	<b>40%</b>	<b>45%</b>	<b>50%</b>	<b>55%</b>
<b>OPERATING PROFIT</b>	<b>2.56</b>	<b>3.54</b>	<b>5.41</b>	<b>6.92</b>	<b>9.23</b>
<b>BREAK EVEN POINT</b>	<b>31%</b>	<b>34%</b>	<b>37%</b>	<b>40%</b>	<b>42%</b>
<b>BREAK EVEN SALES</b>	<b>86.78</b>	<b>101.81</b>	<b>114.92</b>	<b>131.19</b>	<b>145.56</b>

**4.17. PROJECTED BALANCE SHEET**

<b>PROJECTED BALANCE SHEET</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>Liabilities</u></b>					
Capital					
opening balance		7.47	7.51	8.70	10.09
<i>Add:- Own Capital</i>	2.15				
Add:- Retained Profit	2.56	3.54	5.19	6.39	8.30
Less:- Drawings	3.00	3.50	4.00	5.00	6.00
Subsidy/grant	5.76				
Closing Balance	7.47	7.51	8.70	10.09	12.39
Term Loan	8.04	6.03	4.02	2.01	-
Working Capital Limit	4.68	4.68	4.68	4.68	4.68
Sundry Creditors	1.21	1.45	1.72	2.00	2.31
Provisions & Other Liab	0.40	0.50	0.60	0.72	0.86
<b>TOTAL :</b>	<b>21.80</b>	<b>20.17</b>	<b>19.71</b>	<b>19.50</b>	<b>20.24</b>
<b><u>Assets</u></b>					
<b>Fixed Assets ( Gross)</b>	16.45	16.45	16.45	16.45	16.45
Gross Dep.	2.39	4.43	6.18	7.66	8.93
<b>Net Fixed Assets</b>	<b>14.06</b>	<b>12.02</b>	<b>10.27</b>	<b>8.79</b>	<b>7.52</b>
<b>Current Assets</b>					
Sundry Debtors	3.25	3.97	4.71	5.50	6.34
Stock in Hand	3.16	3.77	4.44	5.16	5.93
Cash and Bank	1.34	0.41	0.29	0.06	0.45
<b>TOTAL :</b>	<b>21.80</b>	<b>20.17</b>	<b>19.71</b>	<b>19.50</b>	<b>20.24</b>

**4.18. CASH FLOW STATEMENT**

<b>PROJECTED CASH FLOW 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>
<b><u>SOURCES OF FUND</u></b>					
Own Margin	2.15				
Net Profit	2.56	3.54	5.41	6.92	9.23
Depriciation & Exp. W/off	2.39	2.04	1.74	1.49	1.27
Increase in Cash Credit	4.68	-	-	-	-
Increase In Term Loan	9.05	-	-	-	-
Increase in Creditors	1.21	0.24	0.26	0.29	0.31
Increase in Provisions & Oth liability	0.40	0.10	0.10	0.12	0.14
Sunsidy/grant	5.76				
<b>TOTAL :</b>	<b>28.20</b>	<b>5.92</b>	<b>7.51</b>	<b>8.81</b>	<b>10.96</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	16.45				
Increase in Stock	3.16	0.61	0.67	0.71	0.77
Increase in Debtors	3.25	0.72	0.74	0.79	0.84
Repayment of Term Loan	1.01	2.01	2.01	2.01	2.01
Drawings	3.00	3.50	4.00	5.00	6.00
Taxation	-	-	0.21	0.53	0.93
<b>TOTAL :</b>	<b>26.86</b>	<b>6.84</b>	<b>7.63</b>	<b>9.04</b>	<b>10.56</b>
Opening Cash & Bank Balance	-	1.34	0.41	0.29	0.06
Add : Surplus	1.34	-0.92	-0.12	-0.23	0.40
Closing Cash & Bank Balance	<b>1.34</b>	<b>0.41</b>	<b>0.29</b>	<b>0.06</b>	<b>0.45</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	4.95	5.58	6.93	7.88	9.57
Interest on Term Loan	0.89	0.78	0.56	0.34	0.12
<b>Total</b>	<b>5.84</b>	<b>6.36</b>	<b>7.49</b>	<b>8.22</b>	<b>9.69</b>
<b><u>REPAYMENT</u></b>					
Instalment of Term Loan	1.01	2.01	2.01	2.01	2.01
Interest on Term Loan	0.89	0.78	0.56	0.34	0.12
<b>Total</b>	<b>1.89</b>	<b>2.79</b>	<b>2.57</b>	<b>2.35</b>	<b>2.13</b>
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>3.08</b>	<b>2.28</b>	<b>2.91</b>	<b>3.49</b>	<b>4.55</b>
<b>AVERAGE D.S.C.R.</b>	<b>3.20</b>				