



DETAILED PROJECT REPORT
STICKY RICE NOODLES UNIT
UNDER PMFME SCHEME



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1. PROJECT SUMMARY

1. Name of the proposed project	:	Sticky Rice Noodles Unit
2. Nature of proposed project	:	Proprietorship/Company/Partnership
3. Proposed project capacity	:	216000 Kg/annum (30,35,40,45&50% capacity utilization in 1 st to 5 th Year respectively)
4. Raw material	:	Rice Kernels, Starch Water and Oil.
5. Major product outputs	:	Sticky Rice Noodles.
6. Total project cost	:	Rs. 26.44 Lakh
• Land development, building & Civil Construction	:	Nil
• Machinery and equipment's	:	Rs. 17.30 Lakh
• Miscellaneous Fixed Assets	:	Rs. 3.00 Lakh
• Working capital	:	Rs. 6.14 Lakh
7. Means of Finance		
• Subsidy (max 10lakhs)	:	Rs. 7.11 Lakh
• Promoter's contribution (min10%)	:	Rs. 2.63 Lakh
• Term loan	:	Rs. 11.17 Lakh
• Working Capital Requirement	:	Rs. 5.53 Lakh
8. Profit after Depreciation, Interest & Tax		
• 1 st year	:	Rs. 1.82 Lakh
• 2 nd year	:	Rs. 5.40 Lakh
• 3 rd year	:	Rs. 9.03 Lakh
• 4 th year	:	Rs. 13.21Lakh
• 5 th year	:	Rs. 17.41 Lakh
9. Average DSCR	:	Rs. 4.21
10. Term loan repayment	:	5 Years with 6 months grace period

2. ABOUT THE PRODUCT

2.1. PRODUCT INTRODUCTION:

Human has consumed rice for ages. Rice (*Oryza sativa* L.) is one of the primary food crops in the world and the staple food for almost half of the world's population. There are two different types of rice- glutinous rice and non-glutinous rice. Glutinous rice is also called waxy or sweet rice or sticky rice. The difference between these two kinds of rice is based on native starch present in the endosperm. When cooked grain loses its original shape and becomes very sticky. Glutinous rice primarily contains amylopectin whereas non glutinous rice contains both amylose and amylopectin. Higher amylopectin content and presence of high amount of branched chain result into longer stay in digestive system This, in turn, is reflected in the belief by waxy rice consumers that they only feel “full” when they consume glutinous rice.

Glutinous rice is characterized by opaque appearance and very low amylose content. It is grown in many countries India, Thailand, Vietnam, China, Cambodia, Bangladesh and Japan. It is usually consumed as steamed rice on banana leaf, as dessert or as a breakfast cereal. Glutinous rice cannot be stored for longer time because longer storage deteriorates texture and cooking time by making it fluffier and harder. this is the most important factor limiting production efficiency of sticky rice products such as rice snacks, rice noodles and rice puddings etc. Therefore, it is a challenge for the rice processing industry to achieve the best quality aged glutinous rice having smooth and sticky texture after cooking.

2.2. MARKET POTENTIAL:

Celiac disease is characterized by inflammation of intestine and is caused by consumption of gluten. The only way to prevent is celiac disease is by avoiding consumption of gluten. Since most of the noodles are based on wheat. Sticky rice noodle does not contain gluten and being free of the gluten is major driving force for the market of sticky rice Noodles.

There has been a rise in the consumption of high protein, low calories products. Growing focus for maintaining healthy lifestyle is the key factor in development of rice noodles market. Traditional wheat-based noodles are high in calories whereas Rice based noodles are low in calories and have healthy characteristics. The presence of rice noodles with innovative flavor helps in attracting large consumer base for global rice noodles industry. Growing popularity of Asian cuisine is also a key factor for the market growth of rice noodles.

Present day scenario requires the incorporation of novel ingredients in conventional foods. Noodle products are consumed widely because of their cheap cost, longer shelf life and good sensory attributes. As bakery products are high in fat, and calories, there is a rise in demand for the incorporation of novel flour in noodle products.

There is a greater attraction towards local grains as through research now people are aware of the goodness of these grains and nutritional abundance due to the presence of high phytochemical properties and trace minerals as compared to wheat flour. Increasing demand for local grains increases the market for Rice based noodles.

The government is now introducing initiatives due to a particular nutrient deficiency in various demographics. These initiatives are creating awareness in consumers as well as producers for use of functional products in our daily life to fully fill the daily requirement of nutrients which result in wider acceptance of these innovative products.

2.3. RAW MATERIAL DESCRIPTION:

The major raw material used are rice kernels, starch water and oil. The minor ingredients used are improvers and antioxidants

3. PROCESS FLOW CHART

Raw material receiving

Before rice kernels are unloaded, some samples are taken to check quality of raw material to determine whether it is suitable for end product. Based on these tests, the storage condition of kernels is determined. The right heat, relative humidity and air must be maintained to prevent rice from sprouting or fermenting.

Cleaning and grading

The objective of cleaning is to eliminate foreign material such as stones, husk, stick, metals, plastics, threads and unwanted grain particles. Air current act as a vacuum cleaner. It removes anything lighter than kernel required weight like dust and other impurities.

Dry milling of rice

Rice kernels are milled to obtain flour with moisture content less than 10% without any pre-processing steps.

Mixing of ingredients

Water is added to flour and other ingredients and is mixed. The ratio of water and flour must be appropriate in order to make the dough of optimum consistency. The process of mixing is

affected by flour quality, addition of certain components, the volume of water added, humidity and temperature of processing environment.

Steaming

During steaming, starch gelatinization and cooking take place. The noodles cooking depends on temperature, original water, pressure of the steam, duration of the product is exposed to steaming process. The steaming is stopped by cold water.

Sheeting

Sheeting of the noodle dough is proposed to obtain smooth sheets of the dough with proper thickness as well as uniform and continuous gelatinized starch distributed throughout the dough sheet. The crumbly dough is conveyed to the hopper or sheeting rolls to develop continuous dough sheets.

Cutting

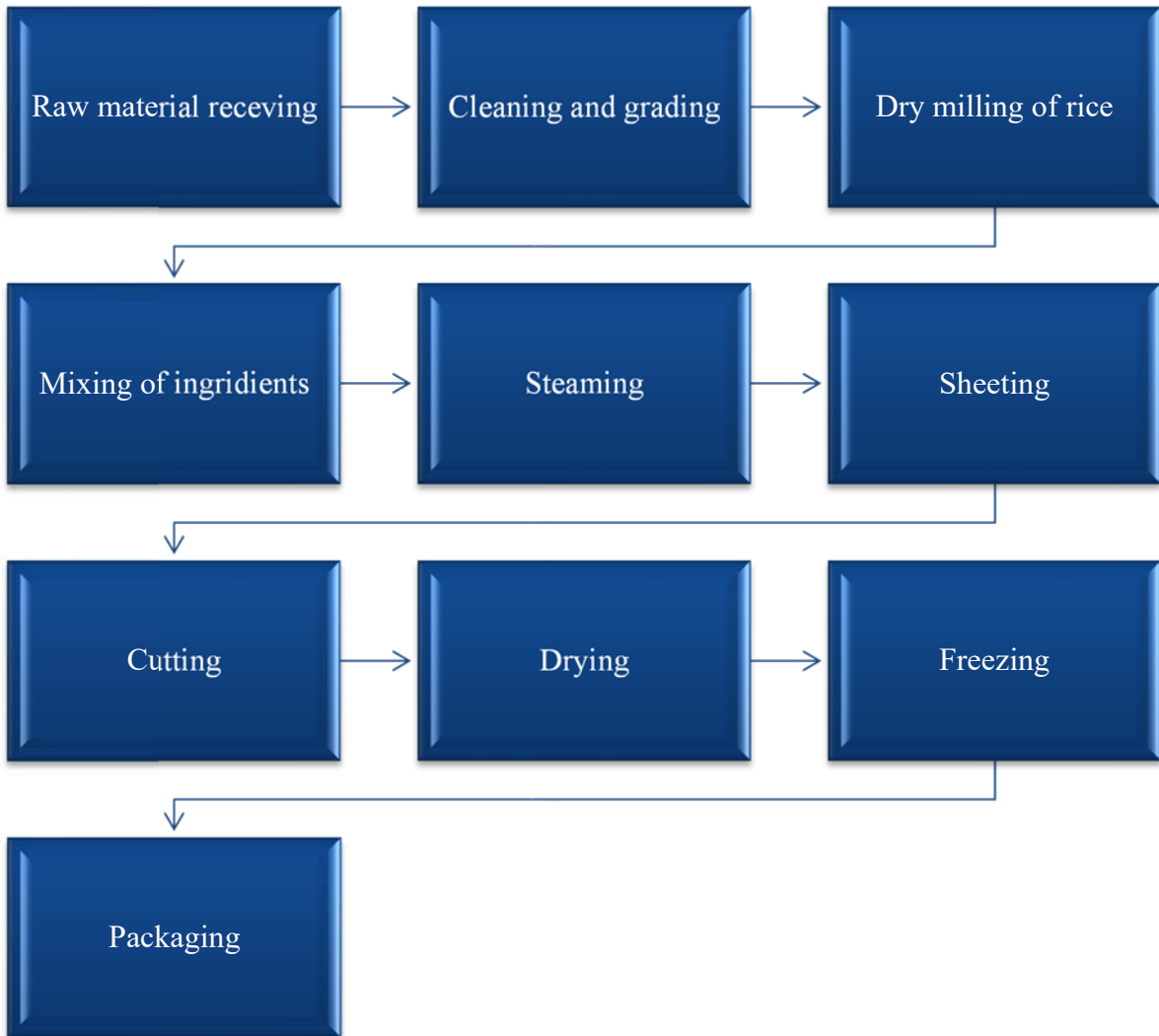
Noodles are cut into strands after desired thickness is achieved during sheeting. The shape and width of strands are identified by means of the cutting rolls.

Drying

Drying increases the shelf life of noodles by limiting the biochemical and microbiological stability which is achieved by reducing moisture content. The process of drying can be achieved by air drying or deep frying. Instant noodles are mostly fried, the strands of the noodles are supplied to frying basket and dipped in hot air. The frying time and temperature are 60 -100 seconds and 140 – 160°C. Deep frying causes moisture loss, gelatinization and fat uptake. Moisture and oil content of fried noodles are 15-22% and 3-6% respectively.

Freezing

After fried noodles are brought to room temperature, they are dipped in cold water at 5°C and frozen quickly by blast of cold air at -30°C



Flow Chart of Rice Noodles Manufacturing

4. ECONOMICS OF THE PROJECT

4.1. BASIS & PRESUMPTIONS

1. Production Capacity of Sticky Rice Noodles is 100 kg per hr. First year, Capacity has been taken @ 30%.
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 28 KW.
10. Increase in sales and raw material costing has been taken @ 5% on a yearly basis.

4.2. CAPACITY, UTILIZATION, PRODUCTION & OUTPUT

COMPUTATION OF PRODUCTION OF STICKY RICE NOODLES		
Items to be Manufactured		
Sticky Rice Noodles		
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	10%	
Raw material requirement	240000	Kg
Final Output per annum after wastage	216000	Kg
Final Product to be packed in 1 kg Packet		
Number of Packets per annum	216000	1 Kg Packet

Production of Sticky Rice Noodles		
Production	Capacity	KG
1st year	30%	64,800
2nd year	35%	75,600
3rd year	40%	86,400
4th year	45%	97,200
5th year	50%	1,08,000


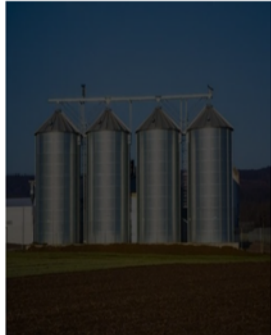

Raw Material Cost			
Year	Capacity Utilisation	Rate (per Kg)	Amount (Rs. in lacs)
1st year	30%	90.00	64.80
2nd year	35%	95.00	79.80
3rd year	40%	100.00	96.00
4th year	45%	105.00	113.40
5th year	50%	110.00	132.00




COMPUTATION OF SALE					
Particulars	1st year	2nd year	3rd year	4th year	5th year
Op Stock	-	1,512	1,764	2,016	2,268
Production	64,800	75,600	86,400	97,200	1,08,000
Less : Closing Stock	1,512	1,764	2,016	2,268	2,520
Net Sale	63,288	75,348	86,148	96,948	1,07,748
Sale price per packet	180.00	189.00	198.00	208.00	218.00
Sales (in Lacs)	113.92	142.41	170.57	201.65	234.89

4.3. PREMISES/INFRASTRUCTURE




The approximate total area required for complete factory setup is 2500-3000 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
Vibrating grain separator	A vibrating grain separator is a multifunctional machinery used for pre-treatment and cleaning. Adopting high frequency and small vibrating amplitude motor, it can efficiently separate and clean impurities of different sizes. The outlet is equipped with a circulation air separator to remove dust and light impurities.	
Silos or storage bin	Silos are used for the storage of grain and flour in the mill. The material of silo should protect the grains from the harsh environment of outside. There will be one or more discharge hole in the bottom depending on the different material and storage capacity.	
Rice flour mill	Rice flour grinding machine with moving tools such as rotor and stator. The rice kernels are fed into crushing chambers through a hopper is sheared, impacted into small size by rotor and stator. The flour goes automatically via sieve and discharged from outlet port. The fine powder is collected by the	

	filter pockets.	
Planetary mixture	Planetary mixture consists of agitator to do planetary motion inside the bowl where material is blend. The machine has 3 types of agitator and 3 different speeds. All parts in contact with food are made up of stainless steel.	
Noodle sheeter and cutter machine	Dough sheeting is done by set of rolls with decreasing roll gaps. At this time, reduction ratio, roll diameter and sheeting speed should be considered to obtain an optimum dough reduction. The final dough sheet thickness is set on the rolls according to noodles type and measured using a thickness dial gauge. The sheeting machine is equipped with cutting device to cut noodle strands into desirable length.	
Noodles frying machine	Frying machine consists of heat exchanger for heating of oil. Ensure stable frying heat. Consist of conveyor for conveying noodle cake into the machine followed by transferring noodles cake for packaging.	

PM FME- Detailed Project Report of Sticky Rice Noodles Unit

Freezing machine	Freezing machine is made with stainless steel and equipped with stainless steel freezing racks. the freezing method can be co current or countercurrent air flow. The freezing source is electricity to cold air.	
Packaging machine	Packaging machine is used for filling, sealing, cutting, heating pouches. packaging speed can be changed according to the speed of production. touch screen display for setting up different parameters. It involves setting up of parameters such as bag length and weight followed by sealing of bag and final product delivered by conveyor.	
Material handling and other Equipment's	These Equipment's are used for material handling. Other equipment's like water pumps, weighing machine, etc are also used.	

Machine	Unit	Rate	Price
Vibrating grain separator	1	145000	145000
Rice flour mill	1	245000	245000
Planetary mixture	2	55000	110000
Noodle sheeter and cutter machine	1	90000	90000

Noodles frying machine	1	470000	470000
Freezing machine	1	220000	220000
Packaging machine	1	150000	150000
Material handling and other equipment's (Bins, trolley, conveyor, silos, weighing machine, etc.)	-	30000	300000

Note: Total Machinery cost shall be Rs 17.30 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

COST OF PROJECT	
	(in Lacs)
PARTICULARS	Amount
Land & Building	Owned/Rented
Plant & Machinery	17.30
Miscellaneous Assets	3.00
Working capital	6.14
Total	26.44

4.7. MEANS OF FINANCE

MEANS OF FINANCE	
PARTICULARS	AMOUNT
Own Contribution (min 10%)	2.63
Subsidy @35%(Max. Rs 10 Lac)	7.11
Term Loan @ 55%	11.17
Working Capital (Bank Finance)	5.53
Total	26.44

4.8. TERM LOAN: Term loan of Rs.11.17 Lakh is required for project cost of Rs. 26.44 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	
1st	Opening Balance							
	1st month	-	11.17	11.17	-	-	11.17	
	2nd month	11.17	-	11.17	0.10	-	11.17	
	3rd month	11.17	-	11.17	0.10	-	11.17	
	4th month	11.17	-	11.17	0.10	-	11.17	
	5th month	11.17	-		0.10		11.17	

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			11.17			
6th month	11.17	-	11.17	0.10		11.17
7th month	11.17	-	11.17	0.10	0.21	10.96
8th month	10.96	-	10.96	0.10	0.21	10.75
9th month	10.75	-	10.75	0.10	0.21	10.54
10th month	10.54	-	10.54	0.10	0.21	10.34
11th month	10.34	-	10.34	0.09	0.21	10.13
12th month	10.13	-	10.13	0.09	0.21	9.92
				1.10	1.24	
2nd	Opening Balance					
1st month	9.92	-	9.92	0.09	0.21	9.72
2nd month	9.72	-	9.72	0.09	0.21	9.51
3rd month	9.51	-	9.51	0.09	0.21	9.30
4th month	9.30	-	9.30	0.09	0.21	9.10
5th month	9.10	-	9.10	0.08	0.21	8.89
6th month	8.89	-	8.89	0.08	0.21	8.68
7th month	8.68	-	8.68	0.08	0.21	8.48
8th month	8.48	-	8.48	0.08	0.21	8.27
9th month	8.27	-	8.27	0.08	0.21	8.06
10th month	8.06	-	8.06	0.07	0.21	7.86
11th month	7.86	-	7.86	0.07	0.21	7.65
12th month	7.65	-	7.65	0.07	0.21	7.44
				0.97	2.48	
3rd	Opening Balance					
1st month	7.44	-	7.44	0.07	0.21	7.24

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2nd month	7.24	-	7.24	0.07	0.21	7.03
3rd month	7.03	-	7.03	0.06	0.21	6.82
4th month	6.82	-	6.82	0.06	0.21	6.62
5th month	6.62	-	6.62	0.06	0.21	6.41
6th month	6.41	-	6.41	0.06	0.21	6.20
7th month	6.20	-	6.20	0.06	0.21	6.00
8th month	6.00	-	6.00	0.05	0.21	5.79
9th month	5.79	-	5.79	0.05	0.21	5.58
10th month	5.58	-	5.58	0.05	0.21	5.38
11th month	5.38	-	5.38	0.05	0.21	5.17
12th month	5.17	-	5.17	0.05	0.21	4.96
				0.69	2.48	
4th	Opening Balance					
1st month	4.96	-	4.96	0.05	0.21	4.76
2nd month	4.76	-	4.76	0.04	0.21	4.55
3rd month	4.55	-	4.55	0.04	0.21	4.34
4th month	4.34	-	4.34	0.04	0.21	4.14
5th month	4.14	-	4.14	0.04	0.21	3.93
6th month	3.93	-	3.93	0.04	0.21	3.72
7th month	3.72	-	3.72	0.03	0.21	3.51
8th month	3.51	-	3.51	0.03	0.21	3.31
9th month	3.31	-	3.31	0.03	0.21	3.10
10th month	3.10	-	3.10	0.03	0.21	2.89
11th month	2.89	-	2.89	0.03	0.21	2.69

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	12th month	2.69	-	2.69	0.02	0.21	2.48
					0.42	2.48	
5th	Opening Balance						
	1st month	2.48	-	2.48	0.02	0.21	2.27
	2nd month	2.27	-	2.27	0.02	0.21	2.07
	3rd month	2.07	-	2.07	0.02	0.21	1.86
	4th month	1.86	-	1.86	0.02	0.21	1.65
	5th month	1.65	-	1.65	0.02	0.21	1.45
	6th month	1.45	-	1.45	0.01	0.21	1.24
	7th month	1.24	-	1.24	0.01	0.21	1.03
	8th month	1.03	-	1.03	0.01	0.21	0.83
	9th month	0.83	-	0.83	0.01	0.21	0.62
	10th month	0.62	-	0.62	0.01	0.21	0.41
	11th month	0.41	-	0.41	0.00	0.21	0.21
	12th month	0.21	-	0.21	0.00	0.21	-
					0.15	2.48	
	DOOR TO DOOR MORATORIUM PERIOD	60		MONTHS			
		6		MONTHS			
	REPAYMENT PERIOD	54		MONTHS			

4.10. WORKING CAPITAL CALCULATIONS

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>Finished Goods</u>					
	2.34	2.81	3.33	3.85	4.43
<u>Raw Material</u>					
	1.51	1.86	2.24	2.65	3.08
Closing Stock	3.86	4.68	5.57	6.50	7.51

COMPUTATION OF WORKING CAPITAL REQUIREMENT					
TRADITIONAL METHOD					(in Lacs)
Particulars	Amount	Own Margin		Bank Finance	
Finished Goods & Raw Material	3.86				
Less : Creditors	1.51				
Paid stock	2.34	10%	0.23	90%	2.11
Sundry Debtors	3.80	10%	0.38	90%	3.42
	6.14		0.61		5.53
MPBF					5.53
WORKING CAPITAL LIMIT DEMAND (from Bank)					5.53
Working Capital Margin					0.61

4.11. SALARY & WAGES

<u>BREAK UP OF LABOUR CHARGES</u>			
Particulars	Wages	No of	Total
	Rs. per Month	Employees	Salary
Plant Operator	14,000	4	56,000
Supervisor	16,000	1	16,000
Skilled (in thousand rupees)	12,000	3	36,000
Unskilled (in thousand rupees)	8,500	5	42,500
Total salary per month			1,50,500
Total annual labour charges	(in lacs)		18.06

<u>BREAK UP OF STAFF SALARY CHARGES</u>			
Particulars	Salary	No of	Total
	Rs. per Month	Employees	Salary
Administrative Staff	6,500	3	19,500
Manager	18,000	1	18,000
Accountant	15,000	1	15,000
Total salary per month			52,500
Total annual Staff charges	(in lacs)		6.30

4.12 POWER REQUIREMENT

Utility Charges (per month)		
Particulars	value	Description
Power connection required	28	KWH
consumption per day	224	units
Consumption per month	5,600	units
Rate per Unit	10	Rs.
power Bill per month	56,000	Rs.

4.13. DEPRECIATION CALCULATION

COMPUTATION OF DEPRECIATION			(in Lacs)
Description	Plant & Machinery	Miss. Assets	TOTAL
Rate of Depreciation	15.00%	10.00%	
Opening Balance	-	-	-
Addition	17.30	3.00	20.30
Total	17.30	3.00	20.30
Less : Depreciation	2.60	0.30	2.90
WDV at end of Year	14.71	2.70	17.41
Additions During The Year	-	-	-
Total	14.71	2.70	17.41
Less : Depreciation	2.21	0.27	2.48
WDV at end of Year	12.50	2.43	14.93
Additions During The Year	-	-	-
Total	12.50	2.43	14.93
Less : Depreciation	1.87	0.24	2.12
WDV at end of Year	10.62	2.19	12.81
Additions During The Year	-	-	-
Total	10.62	2.19	12.81
Less : Depreciation	1.59	0.22	1.81
WDV at end of Year	9.03	1.97	11.00
Additions During The Year	-	-	-
Total	9.03	1.97	11.00
Less : Depreciation	1.35	0.20	1.55
WDV at end of Year	7.68	1.77	9.45

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

4.15. PROJECTIONS OF PROFITABILITY ANALYSIS

PROJECTED PROFITABILITY STATEMENT					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
Capacity Utilisation %	30%	35%	40%	45%	50%
<u>SALES</u>					
Gross Sale					
Sticky Rice Noodles	113.92	142.41	170.57	201.65	234.89
Total	113.92	142.41	170.57	201.65	234.89
COST OF SALES					
Raw Material Consumed	64.80	79.80	96.00	113.40	132.00
Electricity Expenses	6.72	7.73	8.89	10.22	11.24
Depreciation	2.90	2.48	2.12	1.81	1.55
Wages & labour	18.06	20.59	23.68	25.57	28.64
Repair & maintenance	3.42	4.27	5.12	6.05	7.05
Packaging	4.56	5.70	6.82	8.07	9.40
Cost of Production	100.45	120.56	142.62	165.12	189.88
Add: Opening Stock /WIP	-	2.34	2.81	3.33	3.85
Less: Closing Stock /WIP	2.34	2.81	3.33	3.85	4.43
Cost of Sales	98.11	120.09	142.11	164.59	189.30
GROSS PROFIT	15.81	22.32	28.47	37.06	45.59
	13.88%	15.67%	16.69%	18.38%	19.41%
Salary to Staff	6.30	7.56	8.32	9.90	11.28
Interest on Term Loan	1.10	0.97	0.69	0.42	0.15
Interest on working Capital	0.61	0.61	0.61	0.61	0.61
Rent	3.60	3.96	4.36	4.79	5.27
selling & adm exp	2.39	3.56	4.26	5.04	5.87
TOTAL	14.00	16.65	18.24	20.76	23.18
NET PROFIT	1.82	5.66	10.23	16.30	22.41
	1.59%	3.98%	6.00%	8.08%	9.54%
Taxation	-	0.26	1.20	3.09	5.00
PROFIT (After Tax)	1.82	5.40	9.03	13.21	17.41

4.16. BREAK EVEN POINT ANALYSIS

BREAK EVEN POINT ANALYSIS					
Year	I	II	III	IV	V
Net Sales & Other Income	113.92	142.41	170.57	201.65	234.89
Less : Op. WIP Goods	-	2.34	2.81	3.33	3.85
Add : Cl. WIP Goods	2.34	2.81	3.33	3.85	4.43
Total Sales	116.26	142.88	171.09	202.18	235.47
Variable & Semi Variable Exp.					
Raw Material Consumed	64.80	79.80	96.00	113.40	132.00
Electricity Exp/Coal Consumption at 85%	5.71	6.57	7.55	8.69	9.56
Wages & Salary at 60%	14.62	16.89	19.20	21.28	23.95
Selling & administrative Expenses 80%	1.91	2.85	3.41	4.03	4.70
Interest on working Capital	0.607969	0.607969	0.607969	0.607969	0.607969
Repair & maintenance	3.42	4.27	5.12	6.05	7.05
Packaging	4.56	5.70	6.82	8.07	9.40
Total Variable & Semi Variable Exp	95.62	116.68	138.71	162.12	187.26
Contribution	20.64	26.19	32.38	40.05	48.21
Fixed & Semi Fixed Expenses					
Electricity Exp/Coal Consumption at 15%	1.01	1.16	1.33	1.53	1.69
Wages & Salary at 40%	9.74	11.26	12.80	14.19	15.97
Interest on Term Loan	1.10	0.97	0.69	0.42	0.15
Depreciation	2.90	2.48	2.12	1.81	1.55
Selling & administrative Expenses 20%	0.48	0.71	0.85	1.01	1.17
Rent	3.60	3.96	4.36	4.79	5.27
Total Fixed Expenses	18.82	20.53	22.15	23.75	25.80
Capacity Utilization	30%	35%	40%	45%	50%
OPERATING PROFIT	1.82	5.66	10.23	16.30	22.41
BREAK EVEN POINT	27%	27%	27%	27%	27%
BREAK EVEN SALES	106.04	112.00	117.04	119.90	126.00

4.17. PROJECTED BALANCE SHEET

PROJECTED BALANCE SHEET					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>Liabilities</u>					
Capital					
opening balance		8.55	9.95	11.99	14.19
Add:- Own Capital	2.63				
Add:- Retained Profit	1.82	5.40	9.03	13.21	17.41
Less:- Drawings	3.00	4.00	7.00	11.00	14.00
Subsidy/grant	7.11				
Closing Balance	8.55	9.95	11.99	14.19	17.61
Term Loan	9.92	7.44	4.96	2.48	-
Working Capital Limit	5.53	5.53	5.53	5.53	5.53
Sundry Creditors	1.51	1.86	2.24	2.65	3.08
Provisions & Other Liab	0.40	0.50	0.60	0.72	0.86
TOTAL :	25.92	25.29	25.31	25.57	27.08
<u>Assets</u>					
Fixed Assets (Gross)	20.30	20.30	20.30	20.30	20.30
Gross Dep.	2.90	5.37	7.49	9.30	10.85
Net Fixed Assets	17.41	14.93	12.81	11.00	9.45
Current Assets					
Sundry Debtors	3.80	4.75	5.69	6.72	7.83
Stock in Hand	3.86	4.68	5.57	6.50	7.51
Cash and Bank	0.86	0.93	1.25	1.35	2.29
TOTAL :	25.92	25.29	25.31	25.57	27.08

4.18. CASH FLOW STATEMENT

PROJECTED CASH FLOW STATEMENT					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>SOURCES OF FUND</u>					
Own Margin	2.63				
Net Profit	1.82	5.66	10.23	16.30	22.41
Depriciation & Exp. W/off	2.90	2.48	2.12	1.81	1.55
Increase in Cash Credit	5.53	-	-	-	-
Increase In Term Loan	11.17	-	-	-	-
Increase in Creditors	1.51	0.35	0.38	0.41	0.43
Increase in Provisions & Oth lib	0.40	0.10	0.10	0.12	0.14
Sunsidy/grant	7.11				
TOTAL :	33.05	8.59	12.82	18.64	24.54
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	20.30				
Increase in Stock	3.86	0.82	0.89	0.93	1.01
Increase in Debtors	3.80	0.95	0.94	1.04	1.11
Repayment of Term Loan	1.24	2.48	2.48	2.48	2.48
Drawings	3.00	4.00	7.00	11.00	14.00
Taxation	-	0.26	1.20	3.09	5.00
TOTAL :	32.19	8.51	12.51	18.54	23.60
Opening Cash & Bank Balance	-	0.86	0.93	1.25	1.35
Add : Surplus	0.86	0.07	0.32	0.10	0.94
Closing Cash & Bank Balance	0.86	0.93	1.25	1.35	2.29

4.19. DEBT SERVICE COVERAGE RATIO

<u>CALCULATION OF D.S.C.R</u>					
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
CASH ACCRUALS	4.71	7.87	11.15	15.02	18.97
Interest on Term Loan	1.10	0.97	0.69	0.42	0.15
Total	5.81	8.84	11.84	15.44	19.11
<u>REPAYMENT</u>					
Instalment of Term Loan	1.24	2.48	2.48	2.48	2.48
Interest on Term Loan	1.10	0.97	0.69	0.42	0.15
Total	2.34	3.45	3.17	2.90	2.63
DEBT SERVICE COVERAGE RATIO	2.48	2.56	3.73	5.32	7.27
AVERAGE D.S.C.R.	4.21				