



**DETAILED PROJECT REPORT**

**URAD DAL PAPAD MAKING UNIT**

**UNDER PMFME SCHEME**



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## 1. PROJECT SUMMARY

1. Name of the proposed project	:	Urad Dal Papad Making Unit
2. Nature of proposed project	:	Proprietorship/Company/Partnership
3. Proposed project capacity	:	108000 Kg/annum (60,65,70,75&80% capacity utilization in 1 <sup>st</sup> to 5 <sup>th</sup> Year respectively)
4. Raw material	:	Urad Dal Flour, Salt, Edible oil, Mix Spices, Baking soda.
5. Major product outputs	:	Kholar (Rajma)
6. Total project cost	:	Rs. 14.76 Lakh
• Land development, building & Civil Construction	:	Nil
• Machinery and equipment's	:	Rs. 8.25 Lakh
• Miscellaneous Fixed Assets	:	Rs. 2.50 Lakh
• Working capital	:	Rs. 4.01 Lakh
8. Means of Finance		
• Subsidy (max 10lakhs)	:	Rs. 3.76 Lakh
• Promoter's contribution (min10%)	:	Rs. 1.47 Lakh
• Term loan	:	Rs. 5.91 Lakh
• Working Capital Requirement	:	Rs. 3.61 Lakh
9. Profit after Depreciation, Interest & Tax		
• 1 <sup>st</sup> year	:	Rs. 1.60 Lakh
• 2 <sup>nd</sup> year	:	Rs. 2.91 Lakh
• 3 <sup>rd</sup> year	:	Rs. 4.47 Lakh
• 4 <sup>th</sup> year	:	Rs. 6.21 Lakh
• 5 <sup>th</sup> year	:	Rs. 8.01 Lakh
11. Average DSCR	:	Rs. 3.98
12. Term loan repayment	:	5 Years with 6 months grace period

## **2. ABOUT THE PRODUCT**

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

A papadum is a seasoned dough made from peeled black gramme flour (urad flour) that is either fried or baked over an open flame with dry fire. Other flours, such as lentils, chickpeas, barley, tapioca, millet, and potato, may also be used. In India, Pakistan, Bangladesh, Nepal, and Sri Lanka, papadums are commonly eaten as a side dish or as an appetiser, often with a topping or dip such as chopped onions or carrots, chutneys, or other condiments. These are made of rice and are usually eaten as a snack or meal accompaniment in Pakistan. They have been a part of Indian subcontinent cuisine for centuries and are an important part of regular meals. Papad is a small Indian wafer that can also be referred to as a cracker or flat bread. Papad is made mainly from dried pulses and can be fried or roasted. There are a number of papad flavours available on the market, each customised to match the needs of the customer. For optimising both organoleptic and nutritional characteristics, the papad's basic composition differs from a variety of ingredients such as wheat flour, pulse flour, soya flour, spice mixes, chemical mixes, and various vegetable juices. It is necessary to prepare the dough for every papad before proceeding. To make the unique regional papad, the dough contains salt, peanut oil, and some flavours. One of the most important ingredients in making healthy papad is baking soda. After shaping the dough into a small, round flat loaf, it is dried (traditionally in the sun). Deep-frying, roasting over an open flame, toasting, and microwaving are all choices for cooking papad.

Papad is an important part of a meal in India. It is commonly served as a snack, chaat, or in combination with main course recipes. Papad is an indication of Indian cuisine's brilliance. North Indian papad and South Indian papad are the two forms of papad that occur today. Mini papads, big papads, roasted papads, khakra, and a variety of other sizes and textures are available.

In the food industry, the papad producing sector is very lucrative due to the low start-up capital investment. Papad is commonly served as an appetiser and is popular in most Asian countries, especially India. It's a wafer-like substance with a thin profile. The variety and proportion of pulses and spices varies from region to region, depending on local tastes, although some varieties are more widely consumed. Papad is a thin wafer-like snack food that is especially popular in countries in South and Southeast Asia.

## **2.2. MARKET POTENTIAL:**

The market potential for papad is very high. Because in almost all the families, especially in Kerala, people use papad as side dish. Papad is a one of the important side dishes in the food culture of Kerala. And in South India also including religious rituals of Hindu and all other people consuming papad. Papad is a popular Indian side dish served with meals. Few people still drink it with tea. Papads are made from urad dal, potatoes, sugar, and other ingredients. Not only are papad bariyans consumed in homes, but they are also consumed in notches, pubs, and Dhabas, as well as by people who are going on picnics or eating meals. Breakfast is reported to be worth Rs 2.5 billion in India, and the demand contains cornflakes, muesli, biscuits, oatmeal, and porridge. The demand is expected to expand at a rate of up to 30% each year, and with modern retail offering new recipes for contemporary Indian and Western goods, a large wave of growth is expected. The snack food industry is expected to be worth between Rs 45 and Rs 50 billion. According to reports, the demand is rising at a rate of 7 to 8% each year. Traditional snacks (bhujia, chanachur, and the like), Western snacks (potato chips, cheese balls, and the like), and freshly developed finger snacks make up the arranged snacks group. According to projections, the demand for packaged snacks expanded at a compound annual growth rate of 14% in 2012, reaching a size of Rs 35 billion.

### 2.3. RAW MATERIAL DESCRIPTION:

Major raw materials are mentioned below:

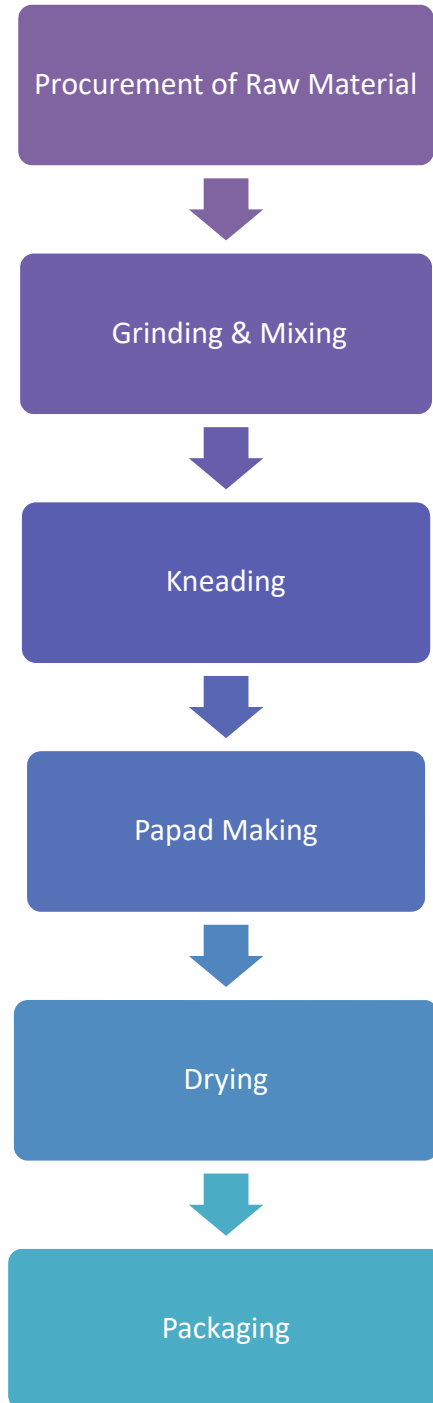
- Urad Dal Flour
- Salt
- Edible oil
- Mix Spices (Chili, Cumin, Garlic, Black pepper)
- Baking Soda

S.N.	Particulars	Rate (Approx.)
1	Urad Dal Flour	Rs 60-80/Kg
2	Salt	Rs 10-12/kg
3	Edible Oil	Rs 100-120/Ltr.
4	Mix Spices	Rs 120-150/kg
5	Baking Soda	Rs 30-40/kg

Average raw material cost per 1 kg packet: Rs. 60-70

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

- **Raw Material Procurement:** Raw materials should be received & stored in hygienic condition. The quality of the raw material should be checked carefully.
- Papad can be manufactured from different varieties of pulses flours or there could be a combination of pulses flours as well.
- Adequate quantity of water is added in flour of Urad dal, common salt, spices and sodium bicarbonate and homogenous mixing is done to obtain dough.
- After about 30 minutes, small balls weighing around 7-8 grams of dough are made. These balls are then placed in papad making machine or papad press wherein these balls are pressed and circular papads are made as per the size of mould.
- These papads are then sun-dried but in this note drier with trolley is recommended as sun-drying may not be always feasible for industries.
- Lot of 25 or 50 papads is then packed in polythene bags.





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

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

1. Production Capacity of Urad Dal Papad is 50 kg per hr. First year, Capacity has been taken @ 60%.
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 14 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 URAD DAL PAPAD</b>		
<b>Items to be Manufactured</b>		
Urad Dal Papad		
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	10%	
Raw material requirement	120000	Kg
Final Output per annum after wastage	108000	Kg
Final Product to be packed in 1 kg Packet		
Number of Packets per annum	108000	1 Kg Packet

<b>Production of Urad Dal Papad</b>		
<b>Production</b>	<b>Capacity</b>	<b>KG</b>
1st year	60%	64,800
2nd year	65%	70,200
3rd year	70%	75,600
4th year	75%	81,000
5th year	80%	86,400





<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	60%	60.00	43.20
2nd year	65%	63.00	49.14
3rd year	70%	66.00	55.44
4th year	75%	69.00	62.10
5th year	80%	72.00	69.12



<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	-	1,512	1,638	1,764	1,890
Production	64,800	70,200	75,600	81,000	86,400
Less : Closing Stock	1,512	1,638	1,764	1,890	2,016
<b>Net Sale</b>	<b>63,288</b>	<b>70,074</b>	<b>75,474</b>	<b>80,874</b>	<b>86,274</b>
Sale price per packet	120.00	126.00	132.00	139.00	146.00
<b>Sales (in Lacs)</b>	<b>75.95</b>	<b>88.29</b>	<b>99.63</b>	<b>112.41</b>	<b>125.96</b>

### 4.3. PREMISES/INFRASTRUCTURE

The approximate total area required for complete factory setup is 2000-2500 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.
Pulverizer	This machine is used to grind the pulses.	
Dough Kneading Machine	An apparatus for working and mixing dough	
Papad Making Machine	Automatic Papad making machine for making of Papad, is a automatic plant, involving processes right from the dough spreading, cutting and ready-to-deliver Papad at the collection end.	
Tray Drier	This machine is used to dry the papads for further packaging.	

Packaging Machine	These machines are used to pack the given product in required quantity within the packing materials.	
Material handling and other Equipments	These Equipments are used for material handling. Other equipment's like water pumps, weighing machine, etc are also used.	

Machine	Unit	Rate	Price
Pulverizer	1	90000	90000
Dough Kneading Machine	1	55000	55000
Papad Making Machine	1	220000	220000
Tray Drier	1	100000	100000
Packaging Machine	1	160000	160000
Material handling and other equipment's (Bins, trolley, weighing machine, etc.)	-	200000	200000

**Note:** Total Machinery cost shall be Rs 8.25 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	8.25
Miscellaneous Assets	2.50
Working capital	4.01
<b>Total</b>	<b>14.76</b>

**4.7. MEANS OF FINANCE**

<b>MEANS OF FINANCE</b>	
<b>PARTICULARS</b>	<b>AMOUNT</b>
Own Contribution (min 10%)	1.47
Subsidy @35%(Max. Rs 10 Lac)	3.76
Term Loan @ 55%	5.91
Working Capital (Bank Finance)	3.61
<b>Total</b>	<b>14.76</b>

**4.8. TERM LOAN:** Term loan of Rs. 5.91 Lakh is required for project cost of Rs. 14.76 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	-	5.91	5.91	-	-	5.91
	2nd month	5.91	-	5.91	0.05	-	5.91
	3rd month	5.91	-	5.91	0.05	-	5.91
	4th month	5.91	-	5.91	0.05	-	5.91
	5th month	5.91	-	5.91	0.05	-	5.91
	6th month	5.91	-	5.91	0.05	-	5.91
	7th month	5.91	-	5.91	0.05	0.11	5.80
	8th month	5.80	-	5.80	0.05	0.11	5.69
	9th month	5.69	-	5.69	0.05	0.11	5.58
	10th month	5.58	-	5.58	0.05	0.11	5.47
	11th month	5.47	-	5.47	0.05	0.11	5.37
	12th month	5.37	-	5.37	0.05	0.11	5.26
					0.58	0.66	
<b>2nd</b>	Opening Balance						
	1st month	5.26	-	5.26	0.05	0.11	5.15
	2nd month	5.15	-	5.15	0.05	0.11	5.04
	3rd month	5.04	-	5.04	0.05	0.11	4.93

PM FME- Detailed Project Report of Urad Dal Papad Making Unit

4th month	4.93	-	4.93	0.05	0.11	4.82
5th month	4.82	-	4.82	0.04	0.11	4.71
6th month	4.71	-	4.71	0.04	0.11	4.60
7th month	4.60	-	4.60	0.04	0.11	4.49
8th month	4.49	-	4.49	0.04	0.11	4.38
9th month	4.38	-	4.38	0.04	0.11	4.27
10th month	4.27	-	4.27	0.04	0.11	4.16
11th month	4.16	-	4.16	0.04	0.11	4.05
12th month	4.05	-	4.05	0.04	0.11	3.94
				<b>0.51</b>	<b>1.31</b>	
<b>3rd</b>	<b>Opening Balance</b>					
1st month	3.94	-	3.94	0.04	0.11	3.83
2nd month	3.83	-	3.83	0.04	0.11	3.72
3rd month	3.72	-	3.72	0.03	0.11	3.61
4th month	3.61	-	3.61	0.03	0.11	3.50
5th month	3.50	-	3.50	0.03	0.11	3.39
6th month	3.39	-	3.39	0.03	0.11	3.28
7th month	3.28	-	3.28	0.03	0.11	3.18
8th month	3.18	-	3.18	0.03	0.11	3.07
9th month	3.07	-	3.07	0.03	0.11	2.96
10th month	2.96	-	2.96	0.03	0.11	2.85
11th month	2.85	-	2.85	0.03	0.11	2.74
12th month	2.74	-	2.74	0.03	0.11	2.63
				<b>0.37</b>	<b>1.31</b>	



PM FME- Detailed Project Report of Urad Dal Papad Making Unit

<b>4th</b>	Opening Balance						
	1st month	2.63	-	2.63	0.02	0.11	2.52
	2nd month	2.52	-	2.52	0.02	0.11	2.41
	3rd month	2.41	-	2.41	0.02	0.11	2.30
	4th month	2.30	-	2.30	0.02	0.11	2.19
	5th month	2.19	-	2.19	0.02	0.11	2.08
	6th month	2.08	-	2.08	0.02	0.11	1.97
	7th month	1.97	-	1.97	0.02	0.11	1.86
	8th month	1.86	-	1.86	0.02	0.11	1.75
	9th month	1.75	-	1.75	0.02	0.11	1.64
	10th month	1.64	-	1.64	0.02	0.11	1.53
	11th month	1.53	-	1.53	0.01	0.11	1.42
	12th month	1.42	-	1.42	0.01	0.11	1.31
					<b>0.22</b>	<b>1.31</b>	
<b>5th</b>	Opening Balance						
	1st month	1.31	-	1.31	0.01	0.11	1.20
	2nd month	1.20	-	1.20	0.01	0.11	1.09
	3rd month	1.09	-	1.09	0.01	0.11	0.99
	4th month	0.99	-	0.99	0.01	0.11	0.88
	5th month	0.88	-	0.88	0.01	0.11	0.77
	6th month	0.77	-	0.77	0.01	0.11	0.66
	7th month	0.66	-	0.66	0.01	0.11	0.55
	8th month	0.55	-	0.55	0.01	0.11	0.44
	9th month	0.44	-	0.44	0.00	0.11	0.33
	10th month	0.33	-		0.00	0.11	0.22

			0.33			
11th month	0.22	-	0.22	0.00	0.11	0.11
12th month	0.11	-	0.11	0.00	0.11	-
			<b>0.08</b>	<b>1.31</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><u>Finished Goods</u></b>					
	1.48	1.66	1.86	2.08	2.30
<b><u>Raw Material</u></b>					
	1.01	1.15	1.29	1.45	1.61
<b>Closing Stock</b>	<b>2.48</b>	<b>2.81</b>	<b>3.15</b>	<b>3.52</b>	<b>3.91</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	2.48				
Less : Creditors	1.01				
<b>Paid stock</b>	<b>1.48</b>	<b>10%</b>	<b>0.15</b>	<b>90%</b>	<b>1.33</b>
<b>Sundry Debtors</b>	<b>2.53</b>	<b>10%</b>	<b>0.25</b>	<b>90%</b>	<b>2.28</b>
	<b>4.01</b>		<b>0.40</b>		<b>3.61</b>
<b>MPBF</b>					<b>3.61</b>
<b>WORKING CAPITAL LIMIT DEMAND ( from Bank)</b>					<b>3.61</b>
<b>Working Capital Margin</b>					<b>0.40</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	14,000	2	28,000
Supervisor	16,000	1	16,000
Skilled (in thousand rupees)	12,000	2	24,000
Unskilled (in thousand rupees)	9,000	3	27,000
<b>Total salary per month</b>			<b>95,000</b>
<b>Total annual labour charges</b>	<b>(in lacs)</b>		<b>11.40</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	7,000	3	21,000
Manager	18,000	1	18,000
Accountant	15,000	1	15,000
<b>Total salary per month</b>			<b>54,000</b>
<b>Total annual Staff charges</b>	<b>(in lacs)</b>		<b>6.48</b>

#### 4.12 POWER REQUIREMENT

<b>Utility Charges (per month)</b>		
<b>Particulars</b>	<b>value</b>	<b>Description</b>
Power connection required	14	KWH
consumption per day	112	units
Consumption per month	2,800	units
Rate per Unit	10	Rs.
power Bill per month	28,000	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	8.25	2.50	10.75
Total	8.25	2.50	10.75
Less : Depreciation	1.24	0.25	1.49
<b>WDV at end of Year</b>	<b>7.01</b>	<b>2.25</b>	<b>9.26</b>
Additions During The Year	-	-	-
Total	7.01	2.25	9.26
Less : Depreciation	1.05	0.23	1.28
<b>WDV at end of Year</b>	<b>5.96</b>	<b>2.03</b>	<b>7.99</b>
Additions During The Year	-	-	-
Total	5.96	2.03	7.99
Less : Depreciation	0.89	0.20	1.10
<b>WDV at end of Year</b>	<b>5.07</b>	<b>1.82</b>	<b>6.89</b>
Additions During The Year	-	-	-
Total	5.07	1.82	6.89
Less : Depreciation	0.76	0.18	0.94
<b>WDV at end of Year</b>	<b>4.31</b>	<b>1.64</b>	<b>5.95</b>
Additions During The Year	-	-	-
Total	4.31	1.64	5.95
Less : Depreciation	0.65	0.16	0.81
<b>WDV at end of Year</b>	<b>3.66</b>	<b>1.48</b>	<b>5.14</b>

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

#### 4.15. PROJECTIONS OF PROFITABILITY ANALYSIS

<b>PROJECTED PROFITABILITY STATEMENT</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>60%</b>	<b>65%</b>	<b>70%</b>	<b>75%</b>	<b>80%</b>
<b><u>SALES</u></b>					
<b>Gross Sale</b>					
Urad Dal Papad	75.95	88.29	99.63	112.41	125.96
<b>Total</b>	<b>75.95</b>	<b>88.29</b>	<b>99.63</b>	<b>112.41</b>	<b>125.96</b>
<b><u>COST OF SALES</u></b>					
Raw Material Consumed	43.20	49.14	55.44	62.10	69.12
Electricity Expenses	3.36	3.86	4.44	5.11	5.62
Depreciation	1.49	1.28	1.10	0.94	0.81
Wages & labour	11.40	12.54	13.79	15.17	16.69
Repair & maintenance	2.28	2.65	2.99	3.37	3.78
Packaging	1.52	1.77	1.99	2.25	2.52
<b>Cost of Production</b>	<b>63.24</b>	<b>71.24</b>	<b>79.76</b>	<b>88.95</b>	<b>98.54</b>
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>1.48</b>	<b>1.66</b>	<b>1.86</b>	<b>2.08</b>
<b>Less: Closing Stock /WIP</b>	<b>1.48</b>	<b>1.66</b>	<b>1.86</b>	<b>2.08</b>	<b>2.30</b>
Cost of Sales	61.77	71.05	79.56	88.73	98.32
<b>GROSS PROFIT</b>	<b>14.18</b>	<b>17.24</b>	<b>20.07</b>	<b>23.68</b>	<b>27.64</b>
	<b>18.67%</b>	<b>19.53%</b>	<b>20.14%</b>	<b>21.07%</b>	<b>21.95%</b>
Salary to Staff	6.48	7.26	7.98	8.78	9.66
Interest on Term Loan	0.58	0.51	0.37	0.22	0.08
Interest on working Capital	0.40	0.40	0.40	0.40	0.40
Rent	3.60	3.96	4.36	4.79	5.27
selling & adm exp	1.52	2.21	2.49	2.81	3.27
<b>TOTAL</b>	<b>12.58</b>	<b>14.33</b>	<b>15.59</b>	<b>17.00</b>	<b>18.68</b>
<b>NET PROFIT</b>	<b>1.60</b>	<b>2.91</b>	<b>4.47</b>	<b>6.68</b>	<b>8.96</b>
	<b>2.11%</b>	<b>3.30%</b>	<b>4.49%</b>	<b>5.94%</b>	<b>7.12%</b>
Taxation	-	-	-	0.47	0.95
<b>PROFIT (After Tax)</b>	<b>1.60</b>	<b>2.91</b>	<b>4.47</b>	<b>6.21</b>	<b>8.01</b>

**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>	75.95	88.29	99.63	112.41	125.96
Less : Op. WIP Goods	-	1.48	1.66	1.86	2.08
Add : Cl. WIP Goods	1.48	1.66	1.86	2.08	2.30
<b>Total Sales</b>	<b>77.42</b>	<b>88.48</b>	<b>99.82</b>	<b>112.63</b>	<b>126.18</b>
<b>Variable &amp; Semi Variable Exp.</b>					
Raw Material Consumed	43.20	49.14	55.44	62.10	69.12
Electricity Exp/Coal Consumption at 85%	2.86	3.28	3.78	4.34	4.78
Wages & Salary at 60%	10.73	11.88	13.07	14.37	15.81
Selling & administrative Expenses 80%	1.22	1.77	1.99	2.25	2.62
Interest on working Capital	0.396716	0.396716	0.396716	0.396716	0.396716
Repair & maintenance	2.28	2.65	2.99	3.37	3.78
Packaging	1.52	1.77	1.99	2.25	2.52
<b>Total Variable &amp; Semi Variable Exp</b>	<b>62.19</b>	<b>70.88</b>	<b>79.65</b>	<b>89.08</b>	<b>99.02</b>
<b>Contribution</b>	<b>15.23</b>	<b>17.60</b>	<b>20.17</b>	<b>23.55</b>	<b>27.16</b>
<b>Fixed &amp; Semi Fixed Expenses</b>					
Electricity Exp/Coal Consumption at 15%	0.50	0.58	0.67	0.77	0.84
Wages & Salary at 40%	7.15	7.92	8.71	9.58	10.54
Interest on Term Loan	0.58	0.51	0.37	0.22	0.08
Depreciation	1.49	1.28	1.10	0.94	0.81
Selling & administrative Expenses 20%	0.30	0.44	0.50	0.56	0.65
Rent	3.60	3.96	4.36	4.79	5.27
<b>Total Fixed Expenses</b>	<b>13.63</b>	<b>14.69</b>	<b>15.70</b>	<b>16.87</b>	<b>18.20</b>
<b>Capacity Utilization</b>	<b>60%</b>	<b>65%</b>	<b>70%</b>	<b>75%</b>	<b>80%</b>
<b>OPERATING PROFIT</b>	<b>1.60</b>	<b>2.91</b>	<b>4.47</b>	<b>6.68</b>	<b>8.96</b>
<b>BREAK EVEN POINT</b>	<b>54%</b>	<b>54%</b>	<b>54%</b>	<b>54%</b>	<b>54%</b>
<b>BREAK EVEN SALES</b>	<b>69.29</b>	<b>73.85</b>	<b>77.68</b>	<b>80.68</b>	<b>84.54</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		4.83	5.44	6.41	7.62
Add:- Own Capital	1.47				
Add:- Retained Profit	1.60	2.91	4.47	6.21	8.01
Less:- Drawings	2.00	2.30	3.50	5.00	6.50
Subsidy/grant	3.76				
Closing Balance	4.83	5.44	6.41	7.62	9.13
Term Loan	5.26	3.94	2.63	1.31	-
Working Capital Limit	3.61	3.61	3.61	3.61	3.61
Sundry Creditors	1.01	1.15	1.29	1.45	1.61
Provisions & Other Liab	0.40	0.50	0.60	0.72	0.86
<b>TOTAL :</b>	<b>15.10</b>	<b>14.63</b>	<b>14.54</b>	<b>14.71</b>	<b>15.22</b>
<b><u>Assets</u></b>					
<b>Fixed Assets ( Gross)</b>	10.75	10.75	10.75	10.75	10.75
Gross Dep.	1.49	2.76	3.86	4.80	5.61
<b>Net Fixed Assets</b>	<b>9.26</b>	<b>7.99</b>	<b>6.89</b>	<b>5.95</b>	<b>5.14</b>
<b>Current Assets</b>					
Sundry Debtors	2.53	2.94	3.32	3.75	4.20
Stock in Hand	2.48	2.81	3.15	3.52	3.91
Cash and Bank	0.82	0.90	1.18	1.49	1.97
<b>TOTAL :</b>	<b>15.10</b>	<b>14.63</b>	<b>14.54</b>	<b>14.71</b>	<b>15.22</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	1.47				
Net Profit	1.60	2.91	4.47	6.68	8.96
Depriciation & Exp. W/off	1.49	1.28	1.10	0.94	0.81
Increase in Cash Credit	3.61	-	-	-	-
Increase In Term Loan	5.91	-	-	-	-
Increase in Creditors	1.01	0.14	0.15	0.16	0.16
Increase in Provisions & Oth lib	0.40	0.10	0.10	0.12	0.14
Sunsidy/grant	3.76				
<b>TOTAL :</b>	<b>19.24</b>	<b>4.43</b>	<b>5.82</b>	<b>7.90</b>	<b>10.08</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	10.75				
Increase in Stock	2.48	0.33	0.35	0.37	0.39
Increase in Debtors	2.53	0.41	0.38	0.43	0.45
Repayment of Term Loan	0.66	1.31	1.31	1.31	1.31
Drawings	2.00	2.30	3.50	5.00	6.50
Taxation	-	-	-	0.47	0.95
<b>TOTAL :</b>	<b>18.42</b>	<b>4.35</b>	<b>5.54</b>	<b>7.58</b>	<b>9.60</b>
Opening Cash & Bank Balance	-	0.82	0.90	1.18	1.49
Add : Surplus	0.82	0.08	0.28	0.31	0.48
Closing Cash & Bank Balance	<b>0.82</b>	<b>0.90</b>	<b>1.18</b>	<b>1.49</b>	<b>1.97</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	3.09	4.19	5.57	7.15	8.82
Interest on Term Loan	0.58	0.51	0.37	0.22	0.08
<b>Total</b>	<b>3.67</b>	<b>4.70</b>	<b>5.94</b>	<b>7.37</b>	<b>8.90</b>
<b><u>REPAYMENT</u></b>					
Instalment of Term Loan	0.66	1.31	1.31	1.31	1.31
Interest on Term Loan	0.58	0.51	0.37	0.22	0.08
<b>Total</b>	<b>1.24</b>	<b>1.83</b>	<b>1.68</b>	<b>1.54</b>	<b>1.39</b>
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>2.96</b>	<b>2.57</b>	<b>3.53</b>	<b>4.80</b>	<b>6.39</b>
<b>AVERAGE D.S.C.R.</b>	<b>3.98</b>				