



DETAILED PROJECT REPORT

BASIL LEAVES PROCESSING UNIT

UNDER PMFME SCHEME



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TABLE OF CONTENTS

S No.	Topic	Page Number
1.	Project Summary	3
2.	About the Product	4-6
3.	Process Flow Chart	6-8
4.	Economics of the Project	9-25
	4.1. Basis & Presumptions	9
	4.2. Capacity, Utilisation, Production & Output	10-11
	4.3. Premises/Infrastructure	11
	4.4. Machinery & Equipment's	12-13
	4.5. Misc. Fixed Assets	14
	4.6. Total Cost of Project	14
	4.7. Means of Finance	14
	4.8. Term Loan	15
	4.9. Term Loan repayment & interest schedule	15-18
	4.10. Working Capital Calculations	18
	4.11. Salaries/Wages	19
	4.12. Power Requirement	20
	4.13. Depreciation Calculation	20
	4.14. Repairs & Maintenance	21
	4.15. Projections of Profitability Analysis	21
	4.16. Break Even Point Analysis	22
	4.17. Projected Balance Sheet	23
	4.18. Cash- Flow Statement	24
	4.19. Debt-Service Coverage Ratio	25

1. PROJECT SUMMARY

1. Name of the proposed project	:	Basil Leaves Processing 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	:	Freshly harvested leaves
5. Major product outputs	:	Dried Basil Leaves
6. Total project cost	:	Rs. 26.81 Lakh
• Land development, building & Civil Construction	:	Nil
• Machinery and equipment's	:	Rs. 15.90 Lakh
• Miscellaneous Fixed Assets	:	Rs. 2.80 Lakh
• Working capital	:	Rs. 8.11 Lakh
7. Means of Finance		
• Subsidy (max 10lakhs)	:	Rs. 6.55 Lakh
• Promoter's contribution (min10%)	:	Rs. 2.67 Lakh
• Term loan	:	Rs. 10.29 Lakh
• Working Capital Requirement	:	Rs. 7.29 Lakh
8. Profit after Depreciation, Interest & Tax		
• 1 st year	:	Rs. 1.88 Lakh
• 2 nd year	:	Rs. 5.12 Lakh
• 3 rd year	:	Rs. 8.72 Lakh
• 4 th year	:	Rs. 11.79 Lakh
• 5 th year	:	Rs. 15.38 Lakh
9. Average DSCR	:	Rs. 4.19
10. Term loan repayment	:	5 Years with 6 months grace period

2. ABOUT THE PRODUCT

2.1. PRODUCT INTRODUCTION:

Basil belongs to the mint tribe. The most popular culinary basil is sweet basil. Basils have square, spreading branches, opposite leaves, brown or black seeds, and flower spikes as physical characteristics. Basils with large leaves, such as sweet basil, Italian basil, and lettuce-leaf basil, can reach a height of two to three feet. Basil with small leaves, such as lemon basil, dwarf basil, bush basil, or spicy globe basil, can achieve a height and width of 8 to 12 inches. Dark Opal and Purple Ruffles, for example, are reddish-purple varieties with purple flowers rather than white flowers. Despite slight taste differences, these varieties are used in food processing. When all danger of frost has gone, basil can be immediately seeded or transplanted to the field in late spring. Plants are arranged every six inches in rows 25 to 35 inches apart. Basil may also be planted in three-line rows in raised beds. Basil is sensitive to drought and needs constant watering. Drip irrigation is preferable because it reduces the amount of moisture that comes into contact with the trees, which causes damage to the vegetation.

The soil type, recent fertiliser applications, and previous crop type all influence how much basil needs to be fertilised. A nitrogen, phosphorus, and potassium fertiliser is recommended in general. Fertilizer can be scattered over a field and ploughed in, or it can be added in between the rows of a growing crop through a process known as "side dressing." Herbicides are normally not used until plant emergence as basil is cultivated commercially. For weed control, farmers rely on mechanical planting, high plant populations, mulch, and manual weed removal.

Basil comes in over 60 different varieties, some of which are red or purple in colour, and each has its own distinct taste. Sweet basil is the most common and widely available variety, with many varieties to choose from. Because of its anise-like scent, Thai basil is used in many recipes. The purple stems and robust leaves differentiate it from sweet basil. Lemon basil, cinnamon basil, and spicy bush basil are examples of varieties named for the way they smell or taste.

2.2. MARKET POTENTIAL:

In the coming years, the global basil leaves market is expected to see increased demand. The expanded use of basil leaves in a variety of sectors is one of the main reasons for this forecast. Basil leaves are a type of mint herb that are commonly used in a variety of recipes throughout the world. Basil leaves are being used more frequently in fish, potato, and meat recipes, which is driving demand development. Furthermore, due to the increasing use of basil leaves in stews, sauces, garnishes, and sausages, the global basil leaves market is expected to see significant growth opportunities. Latin America, North America, Western Europe, Eastern Europe, Asia Pacific Excluding Japan (APEJ), Japan, and the Middle East and Africa make up the global basil leaves market (MEA). North America is one of the most important markets for basil leaves among them. Basil leaves have been increasingly common in Japan and Europe in recent years. A large number of companies involved in the production of essential oils can be found in Europe and North America. As a result of this, the basil leaves market is expected to see massive demand from these regions in the coming years.

Basil is an annual or perennial herb that is grown for its leaves. Basil is classified as an ultra-niche and high-value crop due to its common success as a medicinal plant with significant health benefits.

In recent years, North America has been the world's largest manufacturer of basil leaves. In 2019, the Asia Pacific industry accounted for 37.87 percent of the overall market, while Europe and North America accounted for 4.35 percent and 51.23 percent, respectively. The main suppliers in the global Basil Leaves industry include McCormick, Litehouse, Fresh Origins, Frontier Natural Products, Herbs Egypt, and others. The global Basil Leaves demand is forecast to rise at a CAGR of 1.3 percent between 2021 and 2026, from USD 57 million in 2020 to USD 62 million in 2026.

2.3. RAW MATERIAL DESCRIPTION:

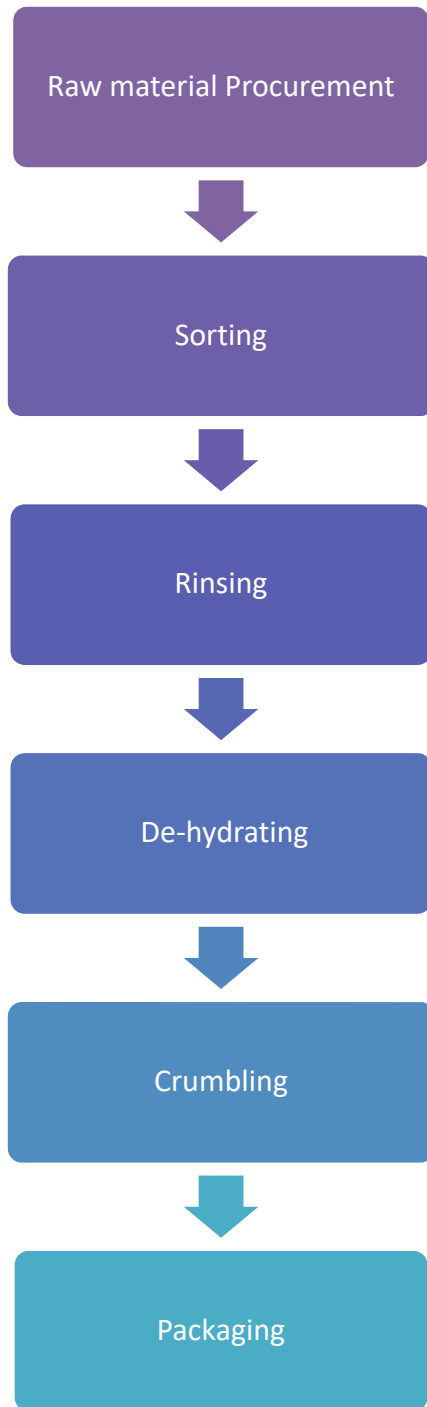
The only raw material that is used is freshly harvested leaves for Basil Leaves Processing Unit.

3. PROCESS FLOW CHART

The **basil leaves processing** steps are mainly: post harvesting preparing the herbs, rinsing/cleaning, single layer placing on the dehydrator, air flow circulation, Drying & Storage.

- **Raw Material Procurement:** Raw materials should be received & stored in hygienic condition. The quality of the raw material should be checked carefully.
- **Sorting:** The herbs have a high moisture content, and if not dried quickly in a dehydrator or other form, they can mold. Herbs are better picked when the buds are full, right before the first flowers open. Collect them early in the morning, after the dew has evaporated. To extract moisture from the herbs, rinse them in cold water and gently shake them. Avoid bruising the leaves by rubbing them dry.
- **Rinsing:** Washing the leaves thoroughly to remove dirt and dust accumulated during and post harvesting.

- Place the herb leaves in a single layer on the dehydrator tray after rinsing with cold water and shaking them out. This would help the leaves dry more evenly. To save herbs from dropping through the appliance's rim, you can need to cover the dehydrator tray with a fine panel.
- You may also cut some of the trays to make room for the larger leaves. Remove any trays that aren't required to ensure that all leaves achieve sufficient air circulation.
- Dry herbs on the lowest setting possible for the best taste. If your dehydrator doesn't have a thermostat, set it for the shortest duration possible and keep an eye on the herbs. The recommended temperature range is 95 to 115 degrees Fahrenheit, but in humid conditions, 125 degrees Fahrenheit may be needed. One to four hours is a typical drying period.
- When the leaves crumble and the stems snap when bent, herbs are dry. They are then put in a crumbling machine and then crumbled to get the final product.
- **Packaging:** The qualified Crumbled basil leaves are packed in the plastic or glass bottles which prevents it from dampening and losing its aroma.



4. ECONOMICS OF THE PROJECT

4.1. BASIS & PRESUMPTIONS

1. Production Capacity of Dried Basil Leaves 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 15 days.
5. Credit period by the Sundry Creditors has been provided for 10 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 18 KW.
10. Increase in sales and raw material costing has been taken @ 5% on a yearly basis.

4.2. CAPACITY, UTILIZATION, PRODUCTION & OUTPUT

<u>COMPUTATION OF PRODUCTION OF DRIED BASIL LEAVES</u>		
Items to be Manufactured		
Dried Basil Leaves		
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 Dried Basil Leaves		
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%	120.00	86.40
2nd year	35%	126.00	105.84
3rd year	40%	132.00	126.72
4th year	45%	139.00	150.12
5th year	50%	146.00	175.20

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	200.00	210.00	221.00	232.00	244.00
Sales (in Lacs)	126.58	158.23	190.39	224.92	262.91


4.3. PREMISES/INFRASTRUCTURE

The approximate total area required for complete factory setup is 1500-2000 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.
Vegetables washing Machine	Washing Machine is used to wash the dirt attached on the surface of the leaves by bubble washing.	
Dehydrator Machine	Dehydrating trays are put in the dehydrator and set to the herb setting (roughly the lowest setting available) of 35°C or 95°F.	
Coarse Grinding Machine	A coarse grinder machine would get the leaves look somewhat chunky.	
Packaging Machine	The finished product is packed using this machine.	

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Material handling and other Equipments	These Equipments are used for material handling. Other equipments like water pumps, weighing machine, kitchen tools, etc. are also used.	
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Machine	Unit	Rate	Price
Vegetables washing Machine	1	225000	225000
Dehydrator Machine	1	400000	400000
Coarse Grinding Machine	1	175000	175000
Packaging Machine	1	450000	450000
Material handling and other equipment's (Bins, trolley, weighing machine, kitchen tools etc.)	-	340000	340000

Note: Total Machinery cost shall be Rs 15.90 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	15.90
Miscellaneous Assets	2.80
Working capital	8.11
Total	26.81

4.7. MEANS OF FINANCE

MEANS OF FINANCE	
PARTICULARS	AMOUNT
Own Contribution (min 10%)	2.67
Subsidy @35%(Max. Rs 10 Lac)	6.55
Term Loan @ 55%	10.29
Working Capital (Bank Finance)	7.29
Total	26.81

4.8. TERM LOAN: Term loan of Rs. 10.29 Lakh is required for project cost of Rs. 26.81 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	-	10.29	10.29	-	-	10.29
	2nd month	10.29	-	10.29	0.09	-	10.29
	3rd month	10.29	-	10.29	0.09	-	10.29
	4th month	10.29	-	10.29	0.09	-	10.29
	5th month	10.29	-	10.29	0.09	-	10.29
	6th month	10.29	-	10.29	0.09	-	10.29
	7th month	10.29	-	10.29	0.09	0.19	10.09
	8th month	10.09	-	10.09	0.09	0.19	9.90
	9th month	9.90	-	9.90	0.09	0.19	9.71
	10th month	9.71	-	9.71	0.09	0.19	9.52
	11th month	9.52	-	9.52	0.09	0.19	9.33
	12th month	9.33	-	9.33	0.09	0.19	9.14
					1.01	1.14	
2nd	Opening Balance						
	1st month	9.14	-	9.14	0.08	0.19	8.95
	2nd month	8.95	-	8.95	0.08	0.19	8.76
	3rd month	8.76	-	8.76	0.08	0.19	8.57
	4th month	8.57	-		0.08	0.19	8.38

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				8.57			
5th month	8.38	-	8.38	0.08	0.19	8.19	
6th month	8.19	-	8.19	0.08	0.19	8.00	
7th month	8.00	-	8.00	0.07	0.19	7.81	
8th month	7.81	-	7.81	0.07	0.19	7.62	
9th month	7.62	-	7.62	0.07	0.19	7.43	
10th month	7.43	-	7.43	0.07	0.19	7.24	
11th month	7.24	-	7.24	0.07	0.19	7.05	
12th month	7.05	-	7.05	0.06	0.19	6.86	
				0.89	2.29		
3rd	Opening Balance						
1st month	6.86	-	6.86	0.06	0.19	6.67	
2nd month	6.67	-	6.67	0.06	0.19	6.48	
3rd month	6.48	-	6.48	0.06	0.19	6.29	
4th month	6.29	-	6.29	0.06	0.19	6.09	
5th month	6.09	-	6.09	0.06	0.19	5.90	
6th month	5.90	-	5.90	0.05	0.19	5.71	
7th month	5.71	-	5.71	0.05	0.19	5.52	
8th month	5.52	-	5.52	0.05	0.19	5.33	
9th month	5.33	-	5.33	0.05	0.19	5.14	
10th month	5.14	-	5.14	0.05	0.19	4.95	
11th month	4.95	-	4.95	0.05	0.19	4.76	
12th month	4.76	-	4.76	0.04	0.19	4.57	
				0.64	2.29		
4th	Opening Balance						

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1st month	4.57	-	4.57	0.04	0.19	4.38
2nd month	4.38	-	4.38	0.04	0.19	4.19
3rd month	4.19	-	4.19	0.04	0.19	4.00
4th month	4.00	-	4.00	0.04	0.19	3.81
5th month	3.81	-	3.81	0.03	0.19	3.62
6th month	3.62	-	3.62	0.03	0.19	3.43
7th month	3.43	-	3.43	0.03	0.19	3.24
8th month	3.24	-	3.24	0.03	0.19	3.05
9th month	3.05	-	3.05	0.03	0.19	2.86
10th month	2.86	-	2.86	0.03	0.19	2.67
11th month	2.67	-	2.67	0.02	0.19	2.48
12th month	2.48	-	2.48	0.02	0.19	2.29
				0.39	2.29	
5th	Opening Balance					
1st month	2.29	-	2.29	0.02	0.19	2.10
2nd month	2.10	-	2.10	0.02	0.19	1.90
3rd month	1.90	-	1.90	0.02	0.19	1.71
4th month	1.71	-	1.71	0.02	0.19	1.52
5th month	1.52	-	1.52	0.01	0.19	1.33
6th month	1.33	-	1.33	0.01	0.19	1.14
7th month	1.14	-	1.14	0.01	0.19	0.95
8th month	0.95	-	0.95	0.01	0.19	0.76
9th month	0.76	-	0.76	0.01	0.19	0.57
10th month	0.57	-	0.57	0.01	0.19	0.38

11th month	0.38	-	0.38	0.00	0.19	0.19
12th month	0.19	-	0.19	0.00	0.19	-
				0.14	2.29	
DOOR TO DOOR MORATORIUM PERIOD	60	MONTHS				
REPAYMENT PERIOD	6	MONTHS				
	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
Finished Goods					
	2.64	3.19	3.79	4.44	5.14
Raw Material					
	2.02	2.47	2.96	3.50	4.09
Closing Stock	4.66	5.66	6.74	7.95	9.22

COMPUTATION OF WORKING CAPITAL REQUIREMENT					
TRADITIONAL METHOD					(in Lacs)
Particulars	Amount	Own Margin		Bank Finance	
Finished Goods & Raw Material	4.66				
Less : Creditors	2.88				
Paid stock	1.78	10%	0.18	90%	1.60
Sundry Debtors	6.33	10%	0.63	90%	5.70
	8.11		0.81		7.29
MPBF					7.29
WORKING CAPITAL LIMIT DEMAND (from Bank)					7.29
Working Capital Margin					0.81

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	2	28,000
Supervisor	16,000	1	16,000
Skilled (in thousand rupees)	12,000	3	36,000
Unskilled (in thousand rupees)	8,000	4	32,000
Total salary per month			1,12,000
Total annual labour charges	(in lacs)		13.44

<u>BREAK UP OF STAFF SALARY CHARGES</u>			
Particulars	Salary	No of	Total
	Rs. per Month	Employees	Salary
Administrative Staff	7,000	2	14,000
Manager	20,000	1	20,000
Accountant	18,000	1	18,000
Total salary per month			52,000
Total annual Staff charges	(in lacs)		6.24

4.12 POWER REQUIREMENT

Utility Charges (per month)		
Particulars	value	Description
Power connection required	18	KWH
consumption per day	144	units
Consumption per month	3,600	units
Rate per Unit	10	Rs.
power Bill per month	36,000	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	15.90	2.80	18.70
Total	15.90	2.80	18.70
Less : Depreciation	2.39	0.28	2.67
WDV at end of Year	13.52	2.52	16.04
Additions During The Year	-	-	-
Total	13.52	2.52	16.04
Less : Depreciation	2.03	0.25	2.28
WDV at end of Year	11.49	2.27	13.76
Additions During The Year	-	-	-
Total	11.49	2.27	13.76
Less : Depreciation	1.72	0.23	1.95
WDV at end of Year	9.76	2.04	11.81
Additions During The Year	-	-	-
Total	9.76	2.04	11.81
Less : Depreciation	1.46	0.20	1.67
WDV at end of Year	8.30	1.84	10.14
Additions During The Year	-	-	-
Total	8.30	1.84	10.14
Less : Depreciation	1.24	0.18	1.43
WDV at end of Year	7.05	1.65	8.71

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%
SALES					
Gross Sale					
Dried Basil Leaves	126.58	158.23	190.39	224.92	262.91
Total	126.58	158.23	190.39	224.92	262.91
COST OF SALES					
Raw Material Consumed	86.40	105.84	126.72	150.12	175.20
Electricity Expenses	4.32	4.97	5.71	6.57	7.23
Depreciation	2.67	2.28	1.95	1.67	1.43
Wages & labour	13.44	15.86	18.40	20.79	23.07
Repair & maintenance	3.80	4.75	5.71	6.75	7.89
Packaging	2.53	3.16	3.81	4.50	5.26
Cost of Production	113.15	136.86	162.30	190.39	220.08
Add: Opening Stock /WIP	-	2.64	3.19	3.79	4.44
Less: Closing Stock /WIP	2.64	3.19	3.79	4.44	5.14
Cost of Sales	110.51	136.30	161.71	189.74	219.38
GROSS PROFIT	16.06	21.93	28.68	35.18	43.52
	12.69%	13.86%	15.06%	15.64%	16.55%
Salary to Staff	6.24	7.49	8.84	9.90	11.28
Interest on Term Loan	1.01	0.89	0.64	0.39	0.14
Interest on working Capital	0.80	0.80	0.80	0.80	0.80
Rent	3.60	3.96	4.36	4.79	5.27
selling & adm exp	2.53	3.48	4.19	5.06	6.57
TOTAL	14.18	16.62	18.82	20.94	24.06
NET PROFIT	1.88	5.30	9.86	14.24	19.46
	1.48%	3.35%	5.18%	6.33%	7.40%
Taxation	-	0.19	1.14	2.45	4.08
PROFIT (After Tax)	1.88	5.12	8.72	11.79	15.38

4.16. BREAK EVEN POINT ANALYSIS

BREAK EVEN POINT ANALYSIS					
Year	I	II	III	IV	V
Net Sales & Other Income	126.58	158.23	190.39	224.92	262.91
Less : Op. WIP Goods	-	2.64	3.19	3.79	4.44
Add : Cl. WIP Goods	2.64	3.19	3.79	4.44	5.14
Total Sales	129.22	158.78	190.98	225.57	263.60
Variable & Semi Variable Exp.					
Raw Material Consumed	86.40	105.84	126.72	150.12	175.20
Electricity Exp/Coal Consumption at 85%	3.67	4.22	4.86	5.58	6.14
Wages & Salary at 60%	11.81	14.01	16.34	18.41	20.61
Selling & administrative Expenses 80%	2.03	2.78	3.35	4.05	5.26
Interest on working Capital	0.8024	0.8024	0.8024	0.8024	0.8024
Repair & maintenance	3.80	4.75	5.71	6.75	7.89
Packaging	2.53	3.16	3.81	4.50	5.26
Total Variable & Semi Variable Exp	111.04	135.57	161.59	190.21	221.16
Contribution	18.18	23.21	29.39	35.36	42.43
Fixed & Semi Fixed Expenses					
Electricity Exp/Coal Consumption at 15%	0.65	0.75	0.86	0.99	1.08
Wages & Salary at 40%	7.87	9.34	10.89	12.27	13.74
Interest on Term Loan	1.01	0.89	0.64	0.39	0.14
Depreciation	2.67	2.28	1.95	1.67	1.43
Selling & administrative Expenses 20%	0.51	0.70	0.84	1.01	1.31
Rent	3.60	3.96	4.36	4.79	5.27
Total Fixed Expenses	16.30	17.91	19.53	21.12	22.98
Capacity Utilization	30%	35%	40%	45%	50%
OPERATING PROFIT	1.88	5.30	9.86	14.24	19.46
BREAK EVEN POINT	27%	27%	27%	27%	27%
BREAK EVEN SALES	115.87	122.50	126.92	134.72	142.73

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		9.09	11.21	13.93	16.73
Add:- Own Capital	2.67				
Add:- Retained Profit	1.88	5.12	8.72	11.79	15.38
Less:- Drawings	2.00	3.00	6.00	9.00	12.00
Subsidy/grant	6.55				
Closing Balance	9.09	11.21	13.93	16.73	20.11
Term Loan	9.14	6.86	4.57	2.29	-
Working Capital Limit	7.29	7.29	7.29	7.29	7.29
Sundry Creditors	2.88	3.53	4.22	5.00	5.84
Provisions & Other Liab	0.40	0.50	0.60	0.72	0.86
TOTAL :	28.81	29.39	30.62	32.03	34.11
<u>Assets</u>					
Fixed Assets (Gross)	18.70	18.70	18.70	18.70	18.70
Gross Dep.	2.67	4.94	6.89	8.56	9.99
Net Fixed Assets	16.04	13.76	11.81	10.14	8.71
Current Assets					
Sundry Debtors	6.33	7.91	9.52	11.25	13.15
Stock in Hand	4.66	5.66	6.74	7.95	9.22
Cash and Bank	1.79	2.06	2.55	2.70	3.03
TOTAL :	28.81	29.39	30.62	32.03	34.11

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	2.67				
Net Profit	1.88	5.30	9.86	14.24	19.46
Depreciation & Exp. W/off	2.67	2.28	1.95	1.67	1.43
Increase in Cash Credit	7.29	-	-	-	-
Increase In Term Loan	10.29	-	-	-	-
Increase in Creditors	2.88	0.65	0.70	0.78	0.84
Increase in Provisions & Oth lib	0.40	0.10	0.10	0.12	0.14
Sunsidy/grant	6.55				
TOTAL :	34.62	8.33	12.61	16.81	21.87
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	18.70				
Increase in Stock	4.66	1.01	1.08	1.20	1.28
Increase in Debtors	6.33	1.58	1.61	1.73	1.90
Repayment of Term Loan	1.14	2.29	2.29	2.29	2.29
Drawings	2.00	3.00	6.00	9.00	12.00
Taxation	-	0.19	1.14	2.45	4.08
TOTAL :	32.83	8.06	12.11	16.66	21.54
Opening Cash & Bank Balance	-	1.79	2.06	2.55	2.70
Add : Surplus	1.79	0.27	0.50	0.15	0.33
Closing Cash & Bank Balance	1.79	2.06	2.55	2.70	3.03

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	4.54	7.40	10.67	13.46	16.81
Interest on Term Loan	1.01	0.89	0.64	0.39	0.14
Total	5.55	8.29	11.31	13.85	16.95
<u>REPAYMENT</u>					
Instalment of Term Loan	1.14	2.29	2.29	2.29	2.29
Interest on Term Loan	1.01	0.89	0.64	0.39	0.14
Total	2.15	3.18	2.92	2.67	2.42
DEBT SERVICE COVERAGE RATIO	2.58	2.61	3.87	5.18	7.00
AVERAGE D.S.C.R.	4.19				