



**DETAILED PROJECT REPORT**  
**CORIANDER POWDER UNIT**  
**UNDER PMFME SCHEME**



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**1. PROJECT SUMMARY**

1. Name of the proposed project	:	Coriander Powder Unit
2. Nature of proposed project	:	Proprietorship/Company/Partnership
3. Proposed project capacity	:	228000 Kg/annum(50,55,60,65&70% capacity utilization in 1 <sup>st</sup> to 5 <sup>th</sup> Year respectively)
4. Raw material	:	Coriander Seeds
5. Major product outputs	:	Coriander Powder
6. Total project cost	:	Rs. 18.38 Lakh
• Land development, building & Civil Construction	:	Nil
• Machinery and equipment's	:	Rs. 12.10 Lakh
• Miscellaneous Fixed Assets	:	Rs. 1.50 Lakh
• Working capital	:	Rs. 4.78 Lakh
8. Means of Finance		
• Subsidy (max 10lakhs)	:	Rs. 4.76 Lakh
• Promoter's contribution (min10%)	:	Rs. 1.83 Lakh
• Term loan	:	Rs. 7.48 Lakh
• Working Capital Requirement	:	Rs. 4.30 Lakh
9. Profit after Depreciation, Interest & Tax		
• 1 <sup>st</sup> year	:	Rs. 1.41 Lakh
• 2 <sup>nd</sup> year	:	Rs. 3.12 Lakh
• 3 <sup>rd</sup> year	:	Rs. 4.92 Lakh
• 4 <sup>th</sup> year	:	Rs. 6.66 Lakh
• 5 <sup>th</sup> year	:	Rs. 8.46 Lakh
11. Average DSCR	:	Rs. 3.57
12. Term loan repayment	:	5 Years with 6 months grace period

## **2. ABOUT THE PRODUCT**

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

Coriander is an annual herb that grows with branching stems and small white, pinkish flowers to a height of about 90cm. It is a member of the same family (Umbelliferae) and is native to the Mediterranean and the Middle East as carrots and parsley.

Coriander is cultivated for its seeds and leaves, also known as Chinese cilantro and parsley, both of which are used in a variety of dishes.

Mature brown seeds should be used to ground the powder. Seed heads are cut along with some inches of the stalk or the plant can be taken out with roots and hung in bags upside down, when the seeds are completely dry they begin to detach from the stalk, collected, and stored in a cold, dry place or grind to obtain the fine powder. Its ground powder is used as a seasoning in mixtures. Coriander powder used to spice a range of items such as seafood, sodas, pickles, bakery, and curry recipes. Coriander powder and its essential oil are known as natural food preservatives, including antibacterial, antifungal, and antioxidant properties.

### **2.2. MARKET POTENTIAL:**

The demand for vegetarian and non-vegetarian recipes to be packed with flavorful and medicinal qualities has not only increased in the Indian market for Indian spices but also internationally. In 2019-20, exports of Indian spices and spice products increased to Rs 21,515.4 crore (USD 3033.44 million) and an amount of 11,83,000 tonnes, retaining their strong demand facing rigid

competition in foreign markets. India exported a total of 11,00,250 MT of spices and spice items during the preceding year of 2018-19. In rupee terms, exports of spices increased 10 percent from Rs 19,505.81 crore in 2019-20 and growth was 8 percent in dollar terms. It is one of mankind's first recognized produce that has originated in the Mediterranean and eastern regions. Coriander powder is produced mainly in Argentina, India, Morocco, Romania, Russia, Spain, Yugoslavia, France, Italy, the Netherlands, Burma, Afghanistan, Pakistan, Turkey, Canada, Mexico, Bulgaria, and, to a certain extent, in England, Canada, and the USA. It is estimated that global coriander seed production is around 6 lakh tonnes. Furthermore, coriander is widely grown on a small scale in home gardens, which is never included in official statistics. India is the largest manufacturer and exporter of coriander Powder in the world, with annual production averaging about 3 lakh tonnes (Raw). The Indian share is 80%, Morocco 4.7%, Bulgaria and Canada 3.75%, Romania 3.12%, China 2.2%, and Syria 2.5% each. Production fluctuates dramatically between years, ranging from less than 2 lakh tonnes to more than 4 lakh tonnes this decade. The world's two biggest producing states are Madhya Pradesh and Rajasthan, adding more than two-thirds of the country's total production. The other growers are Gujarat, Assam, Andhra Pradesh, Karnataka, Orissa, and Tamil Nadu. Coriander is cultivated as a rabi crop for seed cultivation, with sowing from October to November and new crop deliveries seen from February to March. From the southern states of India, Delhi is the major domestic buyers of coriander powder. The spice processing agencies that consume about 50 percent of the products are mainly based on coriander powder. The demand from this industry peaks from April to June, which also coincides with the peak arrival season.

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

Coriander Seeds is the only raw material required for the manufacturing of Coriander powder.

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

For exporting the seed spices, quality is the most important criterion. The quality of seed spices is assessed by mean of its intrinsic (Moisture, volatile oil, oleoresins content, major chemical constituents) as well as extrinsic (size, appearance, colour) quality. The right time of coriander harvesting is very important activities in the prospect of quality of coriander powder production. Some of the processes involved in between harvesting and delivery to processing plant.

#### **Stage of the harvest:**

The crop of coriander matures in 90 to 135 days. The stage of maturity of the fruit at harvest is when central umbels are about to attain yellow color. The right time harvesting is usually in the morning hours to avoid shedding losses.

- **Sun Drying:**

Sun drying is a conventional drying process used to decrease the moisture content of coriander by spreading plants under the sun. Solar radiation heats up the plant as well as the surrounding air and thereby increases the amount of evaporation of water from coriander seed.

- **Threshing of seed spices:**

After proper drying, the coriander plant is taken to threshing process. traditionally the threshing of seed spices is performed by treading the crop under the tire of a tractor or by stick beating and then the threshed stocks are cleaned by winnowing in the natural air stream or in the artificial air streaming the processed products. Nowadays the thrasher is invented that reduced the physical losses of seeds.

[All the steps until this point are pre-processing plant stages, thus are usually performed by farmers or vendors themselves]

- **Cleaning/Grading:**

Various machines are used for special functions. Magnet drum/pulley is used to separate iron particles. Vibro separator is being used to separate identical weed seed from the product. Electronic color sorters are used to separate discoloured seeds to enhance the color value of the final product. A gravity separator can also be used to separate undesirable material on the basis of weight.

- **Seed Roasting/Drying:**

The typical aroma and flavor of coriander seed are not fully developed until it is completely dry. Seed roasting machines are used to dry seeds. It is necessary to ensure that the drying temperature does not reach 100 ° C, as this decreases the amount of volatile oils

**Grinding:**

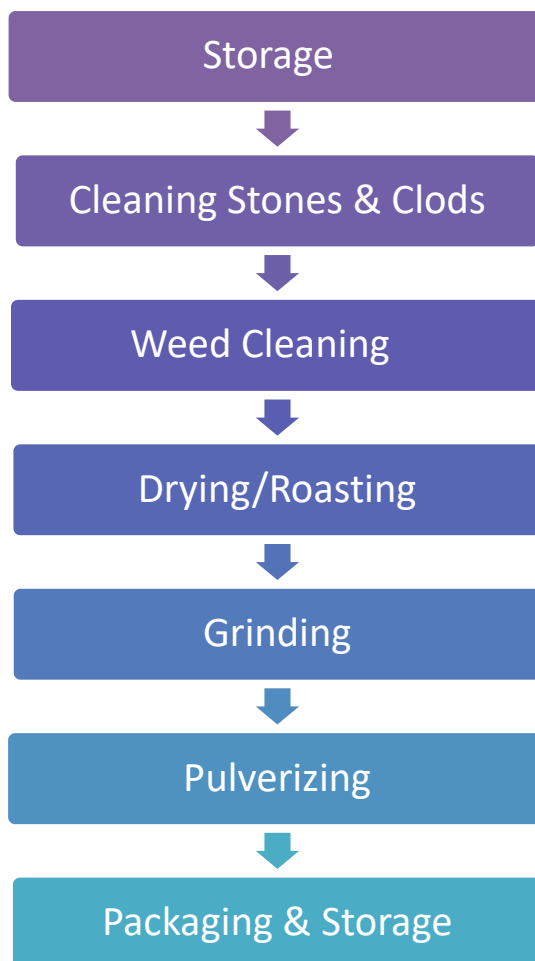
The process is the final stage where the dried seeds of coriander are grounded and turned into a fine powder which is further processed by Pulverizing.

**Pulverizing:**

It's a type of grinding process which grinds the given product to very fine sized powder. A dust collector is provided in the system for ensuring dust less operation and for no loss of ground powder.

**Packaging:**

The finished product is then packaged and stored for supply.



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

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

1. Production Capacity of Coriander Powder is 100 kg per hr. First year, Capacity has been taken @ 50%.
2. Working shift of 8 hours per day has been considered.



3. Raw Material stock is for 10 days and Finished goods Closing Stock has been taken for 10 days.
4. Credit period to Sundry Debtors has been given for 7 days.
5. Credit period by the Sundry Creditors has been provided for 7 days.
6. Depreciation and Income tax has been taken as per the Income tax Act, 1961.
7. Interest on working Capital Loan and Term loan has been taken at 11%.
8. Salary and wages rates are taken as per the Current Market Scenario.
9. Power Consumption has been taken at 10 KW.
10. Increase in sales and raw material costing has been taken @ 5% on a yearly basis.

#### 4.2. CAPACITY, UTILIZATION, PRODUCTION & OUTPUT

<b><u>COMPUTATION OF PRODUCTION OF CORIANDER POWDER</u></b>		
<b>Items to be Manufactured</b>		
Coriander Powder		
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 Coriander Powder</b>		
<b>Production</b>	<b>Capacity</b>	<b>KG</b>
1st year	50%	1,14,000
2nd year	55%	1,25,400
3rd year	60%	1,36,800
4th year	65%	1,48,200
5th year	70%	1,59,600




<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	50%	45.00	54.00
2nd year	55%	47.00	62.04
3rd year	60%	49.00	70.56
4th year	65%	51.00	79.56
5th year	70%	54.00	90.72






<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	-	3,800	4,180	4,560	4,940
Production	1,14,000	1,25,400	1,36,800	1,48,200	1,59,600
Less : Closing Stock	3,800	4,180	4,560	4,940	5,320
<b>Net Sale</b>	<b>1,10,200</b>	<b>1,25,020</b>	<b>1,36,420</b>	<b>1,47,820</b>	<b>1,59,220</b>
Sale price per packet	75.00	79.00	83.00	87.00	91.00
<b>Sales (in Lacs)</b>	<b>82.65</b>	<b>98.77</b>	<b>113.23</b>	<b>128.60</b>	<b>144.89</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.
Silos	These equipments are class of storage equipments which are specifically designed for dry grain raw material of small granule composition. It is used to store grains.	
De-Stoner	This machine is applied for the efficient separation of stones and metal, glass, and other high density impurities from a stream of grain.	
Vibro Separator	Vibro separator is being used to separate identical weed seed from the product.	

<p>Coriander Seed roasting Machine</p>	<p>This machine is used for Coriander seed roasting. This machine uses an advanced drum plus copy board structure.</p>	
<p>Powder Grinding Machine</p>	<p>This machine is primarily used for food, herbs, coriander powder, resin powder, chemicals and other substances.</p>	
<p>Pulverizer</p>	<p>It is a mechanical device used for pulverizing, crushing and grinding a wide variety of materials to varying finesses.</p>	
<p>Drum Sieve</p>	<p>A quality drum sieve machine is used for removing large impurities from seed at high capacities. Careful preliminary cleaning reduces the wear and tear on the downstream equipment in the production process.</p>	 <p style="text-align: center;">Drum Sieve</p>
<p>Automatic Pouch Packing &amp; Filling Machine</p>	<p>This machine is used for filling of coriander powder in different volumes pouches as per setting followed by sealing them.</p>	

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<p>Material handling and other Equipments</p>	<p>These Equipments are used for material handling. Other equipments like water pumps, conveyors , etc are also used.</p>	
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Machine	Unit	Rate	Price
De-Stoner	1	175000	175000
Vibro Separator (100kg/hr)	1	80000	80000
Powder Grinding Machine(100-150 kg/hr)	1	90000	90000
Coriander Seed Roasting Machine (75-300 kg/hr)	1	140000	140000
Pulverizer (50-300 kg/hr)	1	190000	190000
Drum Sieve	1	35000	35000
Automatic Pouch Packing & Filling Machine	1	150000	150000
Material handling and other equipments (Bins, trolley, conveyor, silos, etc.)	-	350000	350000

**Note:** Approx. Total Machinery cost shall be Rs 12.10 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	12.10
Miscellaneous Assets	1.50
Working capital	4.78
<b>Total</b>	<b>18.38</b>

#### 4.7. MEANS OF FINANCE

<b>MEANS OF FINANCE</b>	
<b>PARTICULARS</b>	<b>AMOUNT</b>
Own Contribution (min 10%)	1.83
Subsidy @35%(Max. Rs 10 Lac)	4.76
Term Loan @ 55%	7.48
Working Capital (Bank Finance)	4.30
<b>Total</b>	<b>18.38</b>

**4.8. TERM LOAN:** Term loan of Rs. 7.48 Lakh is required for project cost of Rs. 18.38 Lakh

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

REPAYMENT SCHEDULE OF TERM LOAN								
							Interest	11.00%
Year	Particulars	Amount	Addition	Total	Interest	Repayment	Closing Balance	
<b>1st</b>	Opening Balance							
	1st month	-	7.48	7.48	-	-	7.48	
	2nd month	7.48	-	7.48	0.07	-	7.48	
	3rd month	7.48	-	7.48	0.07	-	7.48	
	4th month	7.48	-	7.48	0.07	-	7.48	
	5th month	7.48	-	7.48	0.07	-	7.48	
	6th month	7.48	-	7.48	0.07	-	7.48	
	7th month	7.48	-	7.48	0.07	0.14	7.34	
	8th month	7.34	-	7.34	0.07	0.14	7.20	
	9th month	7.20	-	7.20	0.07	0.14	7.06	
	10th month	7.06	-	7.06	0.06	0.14	6.93	
	11th month	6.93	-	6.93	0.06	0.14	6.79	
	12th month	6.79	-	6.79	0.06	0.14	6.65	
					0.74	0.83		
<b>2nd</b>	Opening Balance							
	1st month	6.65	-	6.65	0.06	0.14	6.51	
	2nd month	6.51	-	6.51	0.06	0.14	6.37	
	3rd month	6.37	-	6.37	0.06	0.14	6.23	

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4th month	6.23	-	6.23	0.06	0.14	6.09
5th month	6.09	-	6.09	0.06	0.14	5.96
6th month	5.96	-	5.96	0.05	0.14	5.82
7th month	5.82	-	5.82	0.05	0.14	5.68
8th month	5.68	-	5.68	0.05	0.14	5.54
9th month	5.54	-	5.54	0.05	0.14	5.40
10th month	5.40	-	5.40	0.05	0.14	5.26
11th month	5.26	-	5.26	0.05	0.14	5.13
12th month	5.13	-	5.13	0.05	0.14	4.99
				<b>0.65</b>	<b>1.66</b>	
<b>3rd</b>	Opening Balance					
1st month	4.99	-	4.99	0.05	0.14	4.85
2nd month	4.85	-	4.85	0.04	0.14	4.71
3rd month	4.71	-	4.71	0.04	0.14	4.57
4th month	4.57	-	4.57	0.04	0.14	4.43
5th month	4.43	-	4.43	0.04	0.14	4.29
6th month	4.29	-	4.29	0.04	0.14	4.16
7th month	4.16	-	4.16	0.04	0.14	4.02
8th month	4.02	-	4.02	0.04	0.14	3.88
9th month	3.88	-	3.88	0.04	0.14	3.74
10th month	3.74	-	3.74	0.03	0.14	3.60
11th month	3.60	-	3.60	0.03	0.14	3.46
12th month	3.46	-	3.46	0.03	0.14	3.32
				<b>0.46</b>	<b>1.66</b>	



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<b>4th</b>	Opening Balance						
	1st month	3.32	-	3.32	0.03	0.14	3.19
	2nd month	3.19	-	3.19	0.03	0.14	3.05
	3rd month	3.05	-	3.05	0.03	0.14	2.91
	4th month	2.91	-	2.91	0.03	0.14	2.77
	5th month	2.77	-	2.77	0.03	0.14	2.63
	6th month	2.63	-	2.63	0.02	0.14	2.49
	7th month	2.49	-	2.49	0.02	0.14	2.35
	8th month	2.35	-	2.35	0.02	0.14	2.22
	9th month	2.22	-	2.22	0.02	0.14	2.08
	10th month	2.08	-	2.08	0.02	0.14	1.94
	11th month	1.94	-	1.94	0.02	0.14	1.80
	12th month	1.80	-	1.80	0.02	0.14	1.66
					<b>0.28</b>	<b>1.66</b>	
<b>5th</b>	Opening Balance						
	1st month	1.66	-	1.66	0.02	0.14	1.52
	2nd month	1.52	-	1.52	0.01	0.14	1.39
	3rd month	1.39	-	1.39	0.01	0.14	1.25
	4th month	1.25	-	1.25	0.01	0.14	1.11
	5th month	1.11	-	1.11	0.01	0.14	0.97
	6th month	0.97	-	0.97	0.01	0.14	0.83
	7th month	0.83	-	0.83	0.01	0.14	0.69
	8th month	0.69	-	0.69	0.01	0.14	0.55
	9th month	0.55	-	0.55	0.01	0.14	0.42
	10th month	0.42	-		0.00	0.14	0.28

			0.42			
11th month	0.28	-	0.28	0.00	0.14	0.14
12th month	0.14	-	0.14	0.00	0.14	-
			<b>0.10</b>		<b>1.66</b>	
DOOR TO DOOR MORATORIUM PERIOD	60	MONTHS				
	6	MONTHS				
REPAYMENT PERIOD	54	MONTHS				

#### 4.10. WORKING CAPITAL CALCULATIONS

<b>COMPUTATION OF CLOSING STOCK &amp; WORKING CAPITAL</b>						(in Lacs)
<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>	
<b>Finished Goods</b>						
	2.41	2.76	3.10	3.48	3.90	
<b>Raw Material</b>						
	1.80	2.07	2.35	2.65	3.02	
<b>Closing Stock</b>	<b>4.21</b>	<b>4.83</b>	<b>5.45</b>	<b>6.13</b>	<b>6.93</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	4.21					
Less : Creditors	1.26					
<b>Paid stock</b>	<b>2.95</b>	<b>10%</b>	<b>0.30</b>	<b>90%</b>	<b>2.66</b>	
<b>Sundry Debtors</b>	<b>1.93</b>	<b>10%</b>	<b>0.19</b>	<b>90%</b>	<b>1.74</b>	
	<b>4.88</b>		<b>0.49</b>		<b>4.39</b>	
<b>MPBF</b>					<b>4.39</b>	
<b>WORKING CAPITAL LIMIT DEMAND ( from Bank)</b>					<b>4.30</b>	
<b>Working Capital Margin</b>					<b>0.48</b>	

**4.11. SALARY & WAGES**

<b><u>BREAK UP OF LABOUR CHARGES</u></b>			
<b>Particulars</b>	<b>Wages Rs. per Month</b>	<b>No of Employees</b>	<b>Total Salary</b>
Plant Operator	15,000	1	15,000
Supervisor	20,000	1	20,000
Skilled (in thousand rupees)	12,000	2	24,000
Unskilled (in thousand rupees)	8,500	3	25,500
<b>Total salary per month</b>			<b>84,500</b>
<b>Total annual labour charges</b>	<b>(in lacs)</b>		<b>10.14</b>

<b><u>BREAK UP OF STAFF SALARY CHARGES</u></b>			
<b>Particulars</b>	<b>Salary Rs. per Month</b>	<b>No of Employees</b>	<b>Total Salary</b>
Administrative Staff	8,000	1	8,000
Manager	18,000	1	18,000
Accountant	14,000	1	14,000
<b>Total salary per month</b>			<b>40,000</b>
<b>Total annual Staff charges</b>	<b>(in lacs)</b>		<b>4.80</b>

## 4.12 POWER REQUIREMENT

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

## 4.13. DEPRECIATION CALCULATION

<b>COMPUTATION OF DEPRECIATION</b>			(in Lacs)
<b>Description</b>	<b>Plant &amp; Machinery</b>	<b>Miss. Assets</b>	<b>TOTAL</b>
Rate of Depreciation	<b>15.00%</b>	<b>10.00%</b>	
<b>Opening Balance</b>	-	-	-
Addition	12.10	1.50	13.60
Total	12.10	1.50	13.60
Less : Depreciation	1.82	0.15	1.97
<b>WDV at end of Year</b>	<b>10.29</b>	<b>1.35</b>	<b>11.64</b>
Additions During The Year	-	-	-
Total	10.29	1.35	11.64
Less : Depreciation	1.54	0.14	1.68
<b>WDV at end of Year</b>	<b>8.74</b>	<b>1.22</b>	<b>9.96</b>
Additions During The Year	-	-	-
Total	8.74	1.22	9.96
Less : Depreciation	1.31	0.12	1.43
<b>WDV at end of Year</b>	<b>7.43</b>	<b>1.09</b>	<b>8.52</b>
Additions During The Year	-	-	-
Total	7.43	1.09	8.52
Less : Depreciation	1.11	0.11	1.22
<b>WDV at end of Year</b>	<b>6.32</b>	<b>0.98</b>	<b>7.30</b>
Additions During The Year	-	-	-
Total	6.32	0.98	7.30
Less : Depreciation	0.95	0.10	1.05
<b>WDV at end of Year</b>	<b>5.37</b>	<b>0.89</b>	<b>6.25</b>

**4.14. REPAIR & MAINTENANCE:** Repair & Maintenance is 2.0% of Gross Sale.

#### 4.15. PROJECTIONS OF PROFITABILITY ANALYSIS

<b><u>PROJECTED PROFITABILITY STATEMENT</u></b>						<b>(in Lacs)</b>
<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>	
Capacity Utilisation %	<b>50%</b>	<b>55%</b>	<b>60%</b>	<b>65%</b>	<b>70%</b>	
<b><u>SALES</u></b>						
<b>Gross Sale</b>						
Coriander Powder	82.65	98.77	113.23	128.60	144.89	
<b>Total</b>	<b>82.65</b>	<b>98.77</b>	<b>113.23</b>	<b>128.60</b>	<b>144.89</b>	
<b><u>COST OF SALES</u></b>						
Raw Material Consumed	54.00	62.04	70.56	79.56	90.72	
Electricity Expenses	2.40	2.76	3.17	3.65	4.02	
Depreciation	1.97	1.68	1.43	1.22	1.05	
Wages & labour	10.14	11.66	12.83	14.11	14.82	
Repair & maintenance	1.65	1.98	2.26	2.57	2.90	
Packaging	2.23	2.67	2.83	3.22	3.62	
<b>Cost of Production</b>	<b>72.39</b>	<b>82.78</b>	<b>93.09</b>	<b>104.33</b>	<b>117.12</b>	
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>2.41</b>	<b>2.76</b>	<b>3.10</b>	<b>3.48</b>	
<b>Less: Closing Stock /WIP</b>	<b>2.41</b>	<b>2.76</b>	<b>3.10</b>	<b>3.48</b>	<b>3.90</b>	
Cost of Sales	69.98	82.43	92.75	103.96	116.69	
<b>GROSS PROFIT</b>	<b>12.67</b>	<b>16.33</b>	<b>20.48</b>	<b>24.65</b>	<b>28.20</b>	
	<b>15.33%</b>	<b>16.54%</b>	<b>18.09%</b>	<b>19.17%</b>	<b>19.46%</b>	
Salary to Staff	4.80	5.66	6.74	7.75	8.53	
Interest on Term Loan	0.74	0.65	0.46	0.28	0.10	
Interest on working Capital	0.47	0.47	0.47	0.47	0.47	
Rent	3.60	3.96	4.36	4.79	5.27	
selling & adm exp	1.65	2.47	3.40	4.12	4.35	
<b>TOTAL</b>	<b>11.26</b>	<b>13.21</b>	<b>15.43</b>	<b>17.41</b>	<b>18.72</b>	
<b>NET PROFIT</b>	<b>1.41</b>	<b>3.12</b>	<b>5.05</b>	<b>7.23</b>	<b>9.48</b>	
	<b>1.71%</b>	<b>3.16%</b>	<b>4.46%</b>	<b>5.63%</b>	<b>6.55%</b>	
Taxation	-	-	0.14	0.57	1.02	
<b>PROFIT (After Tax)</b>	<b>1.41</b>	<b>3.12</b>	<b>4.92</b>	<b>6.66</b>	<b>8.46</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>	82.65	98.77	113.23	128.60	144.89
Less : Op. WIP Goods	-	2.41	2.76	3.10	3.48
Add : Cl. WIP Goods	2.41	2.76	3.10	3.48	3.90
<b>Total Sales</b>	<b>85.06</b>	<b>99.11</b>	<b>113.57</b>	<b>128.98</b>	<b>145.32</b>
<b>Variable &amp; Semi Variable Exp.</b>					
Raw Material Consumed	54.00	62.04	70.56	79.56	90.72
Electricity Exp/Coal Consumption at 85%	2.04	2.35	2.70	3.10	3.41
Wages & Salary at 60%	8.96	10.40	11.74	13.12	14.00
Selling & administrative Expenses 80%	1.32	1.98	2.72	3.29	3.48
Interest on working Capital	0.473	0.473	0.473	0.473	0.473
Repair & maintenance	1.65	1.98	2.26	2.57	2.90
Packaging	2.23	2.67	2.83	3.22	3.62
<b>Total Variable &amp; Semi Variable Exp</b>	<b>70.68</b>	<b>81.87</b>	<b>93.28</b>	<b>105.33</b>	<b>118.61</b>
<b>Contribution</b>	<b>14.38</b>	<b>17.24</b>	<b>20.29</b>	<b>23.65</b>	<b>26.71</b>
<b>Fixed &amp; Semi Fixed Expenses</b>					
Electricity Exp/Coal Consumption at 15%	0.36	0.41	0.48	0.55	0.60
Wages & Salary at 40%	5.98	6.93	7.83	8.74	9.34
Interest on Term Loan	0.74	0.65	0.46	0.28	0.10
Depreciation	1.97	1.68	1.43	1.22	1.05
Selling & administrative Expenses 20%	0.33	0.49	0.68	0.82	0.87
Rent	3.60	3.96	4.36	4.79	5.27
<b>Total Fixed Expenses</b>	<b>12.97</b>	<b>14.12</b>	<b>15.24</b>	<b>16.41</b>	<b>17.22</b>
<b>Capacity Utilization</b>	<b>50%</b>	<b>55%</b>	<b>60%</b>	<b>65%</b>	<b>70%</b>
<b>OPERATING PROFIT</b>	<b>1.41</b>	<b>3.12</b>	<b>5.05</b>	<b>7.23</b>	<b>9.48</b>
<b>BREAK EVEN POINT</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>
<b>BREAK EVEN SALES</b>	<b>76.71</b>	<b>81.19</b>	<b>85.29</b>	<b>89.52</b>	<b>93.71</b>

**4.17. PROJECTED BALANCE SHEET**

<b><u>PROJECTED BALANCE SHEET</u></b>		<b>(in Lacs)</b>				
<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>	
<b><u>Liabilities</u></b>						
Capital						
opening balance		6.50	8.02	9.93	12.60	
Add:- Own Capital	1.83					
Add:- Retained Profit	1.41	3.12	4.92	6.66	8.46	
Less:- Drawings	1.50	1.60	3.00	4.00	5.00	
Subsidy/grant	4.76					
Closing Balance	6.50	8.02	9.93	12.60	16.06	
Term Loan	6.65	4.99	3.32	1.66	-	
Working Capital Limit	4.30	4.30	4.30	4.30	4.30	
Sundry Creditors	1.26	1.45	1.65	1.86	2.12	
Provisions & Other Liab	0.40	0.50	0.60	0.72	0.86	
<b>TOTAL :</b>	<b>19.11</b>	<b>19.25</b>	<b>19.81</b>	<b>21.14</b>	<b>23.34</b>	
<b><u>Assets</u></b>						
<b>Fixed Assets ( Gross)</b>	13.60	13.60	13.60	13.60	13.60	
Gross Dep.	1.97	3.64	5.08	6.30	7.35	
<b>Net Fixed Assets</b>	<b>11.64</b>	<b>9.96</b>	<b>8.52</b>	<b>7.30</b>	<b>6.25</b>	
<b>Current Assets</b>						
Sundry Debtors	1.93	2.30	2.64	3.00	3.38	
Stock in Hand	4.21	4.83	5.45	6.13	6.93	
Cash and Bank	1.33	2.16	3.18	4.70	6.78	
<b>TOTAL :</b>	<b>19.11</b>	<b>19.25</b>	<b>19.81</b>	<b>21.14</b>	<b>23.34</b>	

**4.18. CASH FLOW STATEMENT**

<b><u>PROJECTED CASH FLOW STATEMENT</u></b>					
<b>(in Lacs)</b>					
<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>
<b><u>SOURCES OF FUND</u></b>					
Own Margin	1.83				
Net Profit	1.41	3.12	5.05	7.23	9.48
Depriciation & Exp. W/off	1.97	1.68	1.43	1.22	1.05
Increase in Cash Credit	4.30	-	-	-	-
Increase In Term Loan	7.48	-	-	-	-
Increase in Creditors	1.26	0.19	0.20	0.21	0.26
Increase in Provisions & Oth lib	0.40	0.10	0.10	0.12	0.14
Sunsidy/grant	4.76				
<b>TOTAL :</b>	<b>23.41</b>	<b>5.08</b>	<b>6.78</b>	<b>8.79</b>	<b>10.93</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	13.60				
Increase in Stock	4.21	0.61	0.63	0.67	0.80
Increase in Debtors	1.93	0.38	0.34	0.36	0.38
Repayment of Term Loan	0.83	1.66	1.66	1.66	1.66
Drawings	1.50	1.60	3.00	4.00	5.00
Taxation	-	-	0.14	0.57	1.02
<b>TOTAL :</b>	<b>22.07</b>	<b>4.25</b>	<b>5.76</b>	<b>7.27</b>	<b>8.86</b>
Opening Cash & Bank Balance	-	1.33	2.16	3.18	4.70
Add : Surplus	1.33	0.83	1.02	1.52	2.07
Closing Cash & Bank Balance	<b>1.33</b>	<b>2.16</b>	<b>3.18</b>	<b>4.70</b>	<b>6.78</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	3.38	4.80	6.35	7.89	9.51
Interest on Term Loan	0.74	0.65	0.46	0.28	0.10
<b>Total</b>	<b>4.11</b>	<b>5.44</b>	<b>6.81</b>	<b>8.17</b>	<b>9.61</b>
<b><u>REPAYMENT</u></b>					
Instalment of Term Loan	0.83	1.66	1.66	1.66	1.66
Interest on Term Loan	0.74	0.65	0.46	0.28	0.10
<b>Total</b>	<b>1.57</b>	<b>2.31</b>	<b>2.13</b>	<b>1.94</b>	<b>1.76</b>
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>2.63</b>	<b>2.36</b>	<b>3.20</b>	<b>4.20</b>	<b>5.45</b>
<b>AVERAGE D.S.C.R.</b>	<b>3.57</b>				