



## **DETAILED PROJECT REPORT**

### **CURD MAKING UNIT**

### **UNDER PMFME SCHEME**



National Institute of Food Technology Entrepreneurship and Management

Ministry of Food Processing Industries

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**1. PROJECT SUMMARY**

1. Name of the proposed project	:	Curd Making Unit
2. Nature of proposed project	:	Proprietorship/Company/Partnership
3. Proposed project capacity	:	240000Kg/annum(50,55,60,65&70% capacity utilization in 1 <sup>st</sup> to 5 <sup>th</sup> Year respectively)
4. Raw material	:	Milk
5. Major product outputs	:	Curd
6. Total project cost	:	Rs. 10.37 Lakh
• Land development, building & Civil Construction	:	Nil
• Machinery and equipment's	:	Rs. 7.50 Lakh
• Miscellaneous Fixed Assets	:	Rs. 1.20 Lakh
• Working capital	:	Rs. 1.67 Lakh
8. Means of Finance		
• Subsidy (max 10lakhs)	:	Rs. 3.05 Lakh
• Promoter's contribution (min10%)	:	Rs. 1.03 Lakh
• Term loan	:	Rs. 4.79 Lakh
• Working Capital Requirement	:	Rs. 1.50 Lakh
9. Profit after Depreciation, Interest & Tax		
• 1 <sup>st</sup> year	:	Rs. 0.78 Lakh
• 2 <sup>nd</sup> year	:	Rs. 1.84 Lakh
• 3 <sup>rd</sup> year	:	Rs. 3.29 Lakh
• 4 <sup>th</sup> year	:	Rs. 4.90Lakh
• 5 <sup>th</sup> year	:	Rs. 6.15 Lakh
11. Average DSCR	:	Rs. 3.77
12. Term loan repayment	:	5 Years with 6 months grace period

## **2. ABOUT THE PRODUCT**

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

Curd, also known as Dahi, is a well-known milk product which is prepared by the process of fermentation. It is generally consumed on a daily basis, as a part of a meal or refreshment by a large part of the Indian population. It is also suitable for consumption by the lactose intolerant consumers. Curd is a rich source of nutrients such as calcium, phosphorus, vitamin B2, magnesium and beneficial fatty acids which help to strengthen bones and teeth, improve digestion and reduce the risk of heart problems.

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

The curd market in India is currently being driven by the increasing demand from urban regions. Curd Market in India: exhibiting a CAGR of 13% during 2010-2017. The healthy growth of the market can be attributed to numerous forces. Population growth, rising disposable incomes, increasing health consciousness among consumers and affordable price are some of the factors that are currently broadening the growth aspects of the mark. The market is expected to reach a value of nearly INR 1,809.3 Billion by 2024.

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

Milk is the only raw material that is used for making Curd.

## **3. PROCESS FLOW CHART**

### **Step1: Procurement**

Procurement of raw milk.

### **Step 2: Milk Reception Area**

After procurement step bring the milk to the milk reception & cool the milk, so that life span of the milk can be increased & it can be used for further processing.

### **Step 3: Pasteurization**

After that the main processing of by product starts & put the cooled milk into the inoculation tank and boil the milk at 80oC - 90oC (depends upon the pasteurization). Then again cool it at 4oC.

Pasteurization machines are of two types:

1. Slow online pasteurization
2. Continuous online pasteurization

#### **Step 4: Homogenization**

- We used Offline cream separator with pasteurization machine this helps to remove fat from milk and used for the production of the milk.
- Online homogenizer is attached with the pasteurization machine. This breaks the fat part and mixed in the milk.
- It is used for manufacturing of curd.

#### **Step 5: Distribution of pasteurized milk in different tanks**

It consists of different tanks which are categorized according to the fat content.

After that milk is transferred into different sections like pouch milk, curd processing, paneer processing.

#### **Curd**

Milk is boiled at 92°C and then we thermize it & add culture into that.

#### **Step 6: Packaging**

Prepared curd is then transferred into the packaging section

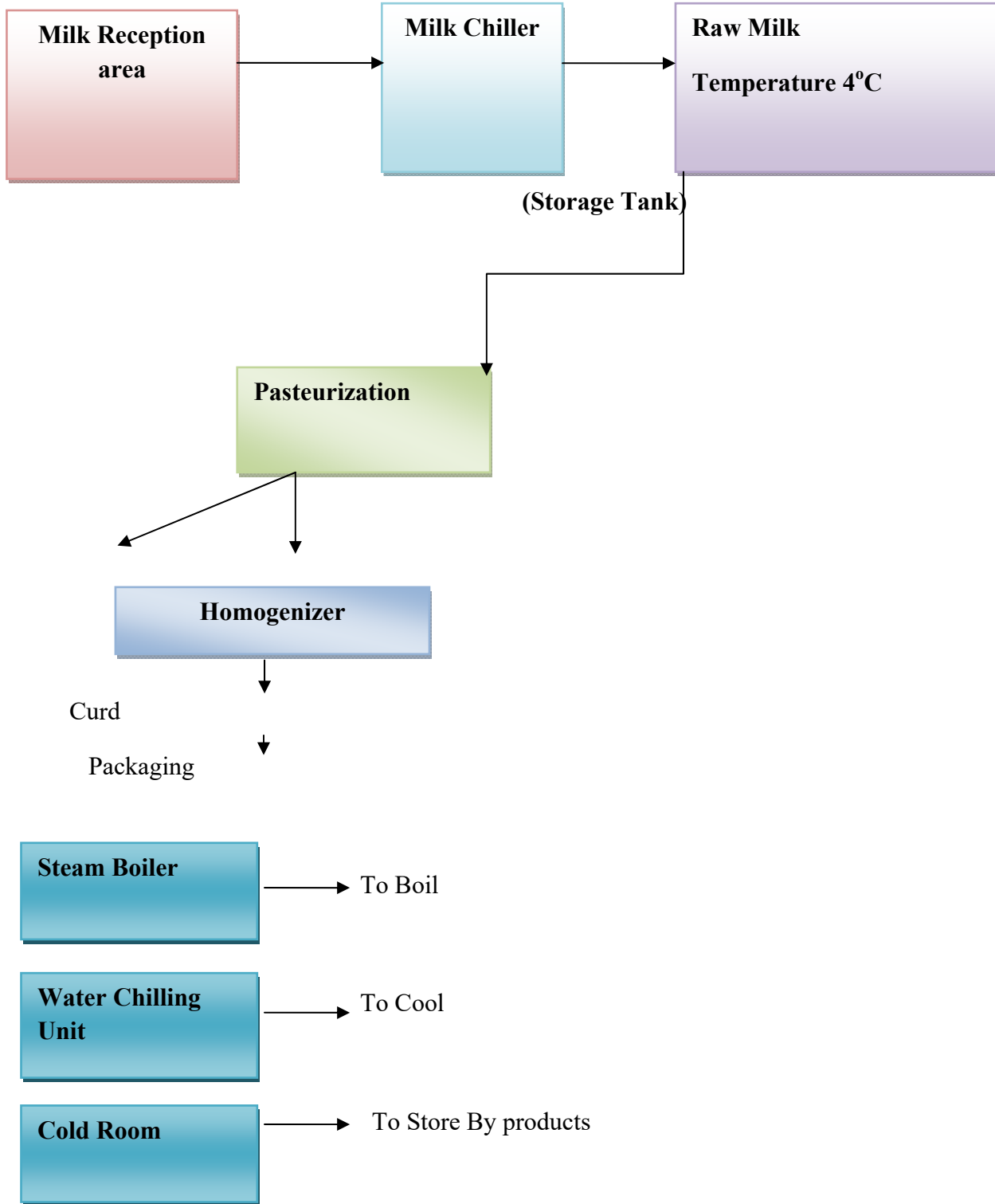
#### **Step 7: Cold room**

All the product are transferred into cold rooms where the temperature is below 4°C

#### **Step 8: Distribution**

All final products are transferred through transportation into different areas.

**Curd Processing Technical Flow Chart**



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

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

1. Production Capacity of Curd 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 1 day and Finished goods Closing Stock has been taken for 1 day.
4. Credit period to Sundry Debtors has been given for 7 days.
5. Credit period by the Sundry Creditors has been provided for 2 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 8 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 CURD

#### Items to be Manufactured

Curd

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	
Raw material requirement	240000	Kg
Final Output per annum after wastage	240000	Kg
Final Product to be packed in 1 kg Packet		
Number of Packets per annum	240000	1 Kg Packet

Production of Curd		
Production	Capacity	KG
1st year	50%	1,20,000
2nd year	55%	1,32,000
3rd year	60%	1,44,000
4th year	65%	1,56,000
5th year	70%	1,68,000

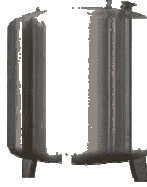




<b>Raw Material Cost</b>			
<b>Year</b>	<b>Capacity Utilisation</b>	<b>Rate (per Kg)</b>	<b>Amount (Rs. in lacs)</b>
1st year	50%	40.00	48.00
2nd year	55%	42.00	55.44
3rd year	60%	44.00	63.36
4th year	65%	46.00	71.76
5th year	70%	48.00	80.64




<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	-	400	440	480	520
Production	1,20,000	1,32,000	1,44,000	1,56,000	1,68,000
Less : Closing Stock	400	440	480	520	560
<b>Net Sale</b>	<b>1,19,600</b>	<b>1,31,960</b>	<b>1,43,960</b>	<b>1,55,960</b>	<b>1,67,960</b>
Sale price per packet	60.00	63.00	66.00	69.00	72.00
<b>Sales (in Lacs)</b>	<b>71.76</b>	<b>83.13</b>	<b>95.01</b>	<b>107.61</b>	<b>120.93</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
Electrical Heating Tank	It's a tank incorporated with electrical heater to heat the given product to required temperature.	
Homogenizer	This machine is used to obtain the required solute particle size within the given mixture.	
Plate Heat Exchanger (double stage)	It's a heat transfer equipment used to transfer heat in-between given fluids.	
Culture tank with buff	This tank is used to maintain & create an appropriate culture medium for inoculation of given substance.	
Milk Storage Tank	The milk storage tank is ideal for cooling and holding milk at a cold temperature until it's further processed. The machine is made of stainless steel and used to store the raw milk in good condition. The milk storage tank is specifically selected based on the needs and requirements of each individual customer.	

Curd Incubator	In this curd is stored at desired temperature and protect the product from getting stale and damage.	
Dump Tank	A separate collection and containment vessel intended to receive an emergency discharge of liquids, liquid reaction mass, or slurries.	
Material handling and other Equipments	These Equipments are used for material handling. Other equipments like water pumps, conveyors, weighing machine, etc are also used.	

Machine	Unit	Rate	Price
Electrical Heating Tank (Capacity 500-1000 Ltr.)	1	125000	125000
Homogenizer (Capacity 100-500 Ltr/hr)	1	130000	130000
Plate Heat Exchanger(double stage)	1	70000	70000
Culture tank with buff	1	135000	135000
Milk Storage Tank (Capacity- 100-200 Ltr.)	2	40000	80000
Curd Incubator	1	50000	50000
Dump Tank	1	10000	10000
Material handling and other equipments (Bins, trolley, pumps, weighing machine, etc.)	-	150000	150000

**Note:** Total Machinery cost shall be Rs 7.50lakh 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	7.50
Miscellaneous Assets	1.20
Working capital	1.67
<b>Total</b>	<b>10.37</b>

#### 4.7. MEANS OF FINANCE

<b>MEANS OF FINANCE</b>	
<b>PARTICULARS</b>	<b>AMOUNT</b>
Own Contribution (min 10%)	1.03
Subsidy @35%(Max. Rs 10 Lac)	3.05
Term Loan @ 55%	4.79
Working Capital (Bank Finance)	1.50
<b>Total</b>	<b>10.37</b>

**4.8. TERM LOAN:** Term loan of Rs. 4.79 Lakh is required for project cost of Rs. 10.37 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	-	4.79	4.79	-	-	4.79
	2nd month	4.79	-	4.79	0.04	-	4.79
	3rd month	4.79	-	4.79	0.04	-	4.79
	4th month	4.79	-	4.79	0.04	-	4.79
	5th month	4.79	-	4.79	0.04	-	4.79
	6th month	4.79	-	4.79	0.04	-	4.79
	7th month	4.79	-	4.79	0.04	0.09	4.70
	8th month	4.70	-	4.70	0.04	0.09	4.61
	9th month	4.61	-	4.61	0.04	0.09	4.52
	10th month	4.52	-	4.52	0.04	0.09	4.43
	11th month	4.43	-	4.43	0.04	0.09	4.34
	12th month	4.34	-	4.34	0.04	0.09	4.25
					0.47	0.53	
<b>2nd</b>	Opening Balance						

PM FME- Detailed Project Report of Curd Making Unit

1st month	4.25	-	4.25	0.04	0.09	4.16
2nd month	4.16	-	4.16	0.04	0.09	4.08
3rd month	4.08	-	4.08	0.04	0.09	3.99
4th month	3.99	-	3.99	0.04	0.09	3.90
5th month	3.90	-	3.90	0.04	0.09	3.81
6th month	3.81	-	3.81	0.03	0.09	3.72
7th month	3.72	-	3.72	0.03	0.09	3.63
8th month	3.63	-	3.63	0.03	0.09	3.54
9th month	3.54	-	3.54	0.03	0.09	3.46
10th month	3.46	-	3.46	0.03	0.09	3.37
11th month	3.37	-	3.37	0.03	0.09	3.28
12th month	3.28	-	3.28	0.03	0.09	3.19
				<b>0.41</b>	<b>1.06</b>	
<b>3rd</b>	Opening Balance					
1st month	3.19	-	3.19	0.03	0.09	3.10
2nd month	3.10	-	3.10	0.03	0.09	3.01
3rd month	3.01	-	3.01	0.03	0.09	2.92
4th month	2.92	-	2.92	0.03	0.09	2.84
5th month	2.84	-	2.84	0.03	0.09	2.75
6th month	2.75	-	2.75	0.03	0.09	2.66
7th month	2.66	-	2.66	0.02	0.09	2.57
8th month	2.57	-	2.57	0.02	0.09	2.48
9th month	2.48	-	2.48	0.02	0.09	2.39
10th month	2.39	-	2.39	0.02	0.09	2.30

PM FME- Detailed Project Report of Curd Making Unit

	11th month	2.30	-	2.30	0.02	0.09	2.22
	12th month	2.22	-	2.22	0.02	0.09	2.13
					<b>0.30</b>	<b>1.06</b>	
<b>4th</b>	Opening Balance						
	1st month	2.13	-	2.13	0.02	0.09	2.04
	2nd month	2.04	-	2.04	0.02	0.09	1.95
	3rd month	1.95	-	1.95	0.02	0.09	1.86
	4th month	1.86	-	1.86	0.02	0.09	1.77
	5th month	1.77	-	1.77	0.02	0.09	1.68
	6th month	1.68	-	1.68	0.02	0.09	1.60
	7th month	1.60	-	1.60	0.01	0.09	1.51
	8th month	1.51	-	1.51	0.01	0.09	1.42
	9th month	1.42	-	1.42	0.01	0.09	1.33
	10th month	1.33	-	1.33	0.01	0.09	1.24
	11th month	1.24	-	1.24	0.01	0.09	1.15
	12th month	1.15	-	1.15	0.01	0.09	1.06
					<b>0.18</b>	<b>1.06</b>	
<b>5th</b>	Opening Balance						
	1st month	1.06	-	1.06	0.01	0.09	0.97
	2nd month	0.97	-	0.97	0.01	0.09	0.89
	3rd month	0.89	-	0.89	0.01	0.09	0.80
	4th month	0.80	-	0.80	0.01	0.09	0.71
	5th month	0.71	-	0.71	0.01	0.09	0.62
	6th month	0.62	-	0.62	0.01	0.09	0.53
	7th month	0.53	-		0.00	0.09	0.44



			0.53			
8th month	0.44	-	0.44	0.00	0.09	0.35
9th month	0.35	-	0.35	0.00	0.09	0.27
10th month	0.27	-	0.27	0.00	0.09	0.18
11th month	0.18	-	0.18	0.00	0.09	0.09
12th month	0.09	-	0.09	0.00	0.09	-
				<b>0.06</b>	<b>1.06</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>					
	0.20	0.23	0.26	0.29	0.33
<b><u>Raw Material</u></b>					
	0.16	0.18	0.21	0.24	0.27
<b>Closing Stock</b>	<b>0.36</b>	<b>0.42</b>	<b>0.47</b>	<b>0.53</b>	<b>0.60</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	0.36				
Less : Creditors	0.32				
<b>Paid stock</b>	<b>0.04</b>	<b>10%</b>	<b>0.00</b>	<b>90%</b>	<b>0.04</b>
<b>Sundry Debtors</b>	<b>1.67</b>	<b>10%</b>	<b>0.17</b>	<b>90%</b>	<b>1.51</b>
	<b>1.72</b>		<b>0.17</b>		<b>1.54</b>
<b>MPBF</b>					<b>1.54</b>
<b>WORKING CAPITAL LIMIT DEMAND ( from Bank)</b>					<b>1.50</b>
<b>Working Capital Margin</b>					<b>0.17</b>

#### 4.11. SALARY & WAGES

<b>BREAK UP OF LABOUR CHARGES</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	18,000	1	18,000
Unskilled (in thousand rupees)	7,000	3	21,000
<b>Total salary per month</b>			<b>54,000</b>
<b>Total annual labour charges</b>		<b>(in lacs)</b>	<b>6.48</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	15,000	1	15,000
<b>Total salary per month</b>			<b>41,000</b>
<b>Total annual Staff charges</b>	<b>(in lacs)</b>		<b>4.92</b>

#### 4.12 POWER REQUIREMENT

<b>Utility Charges (per month)</b>		
<b>Particulars</b>	<b>value</b>	<b>Description</b>
Power connection required		8 KWH
consumption per day		64 units
Consumption per month	1,600 units	
Rate per Unit	10 Rs.	
power Bill per month	16,000 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	7.50	1.20	8.70
Total	7.50	1.20	8.70
Less : Depreciation	1.13	0.12	1.25
<b>WDV at end of Year</b>	<b>6.38</b>	<b>1.08</b>	<b>7.46</b>
Additions During The Year	-	-	-
Total	6.38	1.08	7.46
Less : Depreciation	0.96	0.11	1.06
<b>WDV at end of Year</b>	<b>5.42</b>	<b>0.97</b>	<b>6.39</b>
Additions During The Year	-	-	-
Total	5.42	0.97	6.39
Less : Depreciation	0.81	0.10	0.91
<b>WDV at end of Year</b>	<b>4.61</b>	<b>0.87</b>	<b>5.48</b>
Additions During The Year	-	-	-
Total	4.61	0.87	5.48
Less : Depreciation	0.69	0.09	0.78
<b>WDV at end of Year</b>	<b>3.92</b>	<b>0.79</b>	<b>4.70</b>
Additions During The Year	-	-	-
Total	3.92	0.79	4.70
Less : Depreciation	0.59	0.08	0.67
<b>WDV at end of Year</b>	<b>3.33</b>	<b>0.71</b>	<b>4.04</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>						
Curd	71.76	83.13	95.01	107.61	120.93	
<b>Total</b>	<b>71.76</b>	<b>83.13</b>	<b>95.01</b>	<b>107.61</b>	<b>120.93</b>	
<b><u>COST OF SALES</u></b>						
Raw Material Consumed	48.00	55.44	63.36	71.76	80.64	
Electricity Expenses	1.92	2.21	2.54	2.92	3.21	
Depreciation	1.25	1.06	0.91	0.78	0.67	
Wages & labour	6.48	7.13	7.84	8.62	9.31	
Repair & maintenance	1.44	1.66	1.90	2.15	2.42	
Packaging	1.58	1.66	1.90	2.15	2.42	
<b>Cost of Production</b>	<b>60.66</b>	<b>69.17</b>	<b>78.45</b>	<b>88.39</b>	<b>98.67</b>	
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>0.20</b>	<b>0.23</b>	<b>0.26</b>	<b>0.29</b>	
<b>Less: Closing Stock /WIP</b>	<b>0.20</b>	<b>0.23</b>	<b>0.26</b>	<b>0.29</b>	<b>0.33</b>	
Cost of Sales	60.46	69.14	78.42	88.35	98.64	
<b>GROSS PROFIT</b>	<b>11.30</b>	<b>14.00</b>	<b>16.59</b>	<b>19.26</b>	<b>22.30</b>	
	<b>15.75%</b>	<b>16.84%</b>	<b>17.46%</b>	<b>17.90%</b>	<b>18.44%</b>	
Salary to Staff	4.92	5.71	6.39	6.97	7.66	
Interest on Term Loan	0.47	0.41	0.30	0.18	0.06	
Interest on working Capital	0.17	0.17	0.17	0.17	0.17	
Rent	3.60	3.96	4.36	4.79	5.27	
selling & adm exp	1.36	1.91	2.09	2.25	2.54	
<b>TOTAL</b>	<b>10.52</b>	<b>12.16</b>	<b>13.30</b>	<b>14.35</b>	<b>15.70</b>	
<b>NET PROFIT</b>	<b>0.78</b>	<b>1.84</b>	<b>3.29</b>	<b>4.90</b>	<b>6.59</b>	
	<b>1.09%</b>	<b>2.21%</b>	<b>3.47%</b>	<b>4.56%</b>	<b>5.45%</b>	
Taxation	-	-	-	-	0.44	
<b>PROFIT (After Tax)</b>	<b>0.78</b>	<b>1.84</b>	<b>3.29</b>	<b>4.90</b>	<b>6.15</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>	71.76	83.13	95.01	107.61	120.93
Less : Op. WIP Goods	-	0.20	0.23	0.26	0.29
Add : Cl. WIP Goods	0.20	0.23	0.26	0.29	0.33
<b>Total Sales</b>	<b>71.96</b>	<b>83.16</b>	<b>95.04</b>	<b>107.65</b>	<b>120.97</b>
<b>Variable &amp; Semi Variable Exp.</b>					
Raw Material Consumed	48.00	55.44	63.36	71.76	80.64
Electricity Exp/Coal Consumption at 85%	1.63	1.88	2.16	2.48	2.73
Wages & Salary at 60%	6.84	7.70	8.54	9.36	10.19
Selling & administrative Expenses 80%	1.09	1.53	1.67	1.80	2.03
Interest on working Capital	0.165	0.165	0.165	0.165	0.165
Repair & maintenance	1.44	1.66	1.90	2.15	2.42
Packaging	1.58	1.66	1.90	2.15	2.42
<b>Total Variable &amp; Semi Variable Exp</b>	<b>60.74</b>	<b>70.04</b>	<b>79.70</b>	<b>89.87</b>	<b>100.59</b>
<b>Contribution</b>	<b>11.22</b>	<b>13.13</b>	<b>15.35</b>	<b>17.78</b>	<b>20.37</b>
<b>Fixed &amp; Semi Fixed Expenses</b>					
Electricity Exp/Coal Consumption at 15%	0.29	0.33	0.38	0.44	0.48
Wages & Salary at 40%	4.56	5.13	5.69	6.24	6.79
Interest on Term Loan	0.47	0.41	0.30	0.18	0.06
Depreciation	1.25	1.06	0.91	0.78	0.67
Selling & administrative Expenses 20%	0.27	0.38	0.42	0.45	0.51
Rent	3.60	3.96	4.36	4.79	5.27
<b>Total Fixed Expenses</b>	<b>10.44</b>	<b>11.29</b>	<b>12.06</b>	<b>12.88</b>	<b>13.78</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>0.78</b>	<b>1.84</b>	<b>3.29</b>	<b>4.90</b>	<b>6.59</b>
<b>BREAK EVEN POINT</b>	<b>47%</b>	<b>47%</b>	<b>47%</b>	<b>47%</b>	<b>47%</b>
<b>BREAK EVEN SALES</b>	<b>66.93</b>	<b>71.51</b>	<b>74.65</b>	<b>77.95</b>	<b>81.82</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		3.86	4.20	4.99	5.89	
Add:- Own Capital	1.03					
Add:- Retained Profit	0.78	1.84	3.29	4.90	6.15	
Less:- Drawings	1.00	1.50	2.50	4.00	5.00	
Subsidy/grant	3.05					
Closing Balance	3.86	4.20	4.99	5.89	7.04	
Term Loan	4.25	3.19	2.13	1.06	-	
Working Capital Limit	1.50	1.50	1.50	1.50	1.50	
Sundry Creditors	0.32	0.37	0.42	0.48	0.54	
Provisions & Other Liab	0.40	0.50	0.60	0.72	0.86	
<b>TOTAL :</b>	<b>10.33</b>	<b>9.75</b>	<b>9.64</b>	<b>9.65</b>	<b>9.94</b>	
<b><u>Assets</u></b>						
<b>Fixed Assets ( Gross)</b>	8.70	8.70	8.70	8.70	8.70	
Gross Dep.	1.25	2.31	3.22	4.00	4.66	
<b>Net Fixed Assets</b>	<b>7.46</b>	<b>6.39</b>	<b>5.48</b>	<b>4.70</b>	<b>4.04</b>	
<b>Current Assets</b>						
Sundry Debtors	1.67	1.94	2.22	2.51	2.82	
Stock in Hand	0.36	0.42	0.47	0.53	0.60	
Cash and Bank	0.84	1.01	1.47	1.91	2.49	
<b>TOTAL :</b>	<b>10.33</b>	<b>9.75</b>	<b>9.64</b>	<b>9.65</b>	<b>9.94</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	1.03					
Net Profit	0.78	1.84	3.29	4.90	6.59	
Depriciation & Exp. W/off	1.25	1.06	0.91	0.78	0.67	
Increase in Cash Credit	1.50	-	-	-	-	
Increase In Term Loan	4.79	-	-	-	-	
Increase in Creditors	0.32	0.05	0.05	0.06	0.06	
Increase in Provisions & Oth lib	0.40	0.10	0.10	0.12	0.14	
Sunsidy/grant	3.05					
<b>TOTAL :</b>	<b>13.11</b>	<b>3.05</b>	<b>4.36</b>	<b>5.86</b>	<b>7.46</b>	
<b><u>APPLICATION OF FUND</u></b>						
Increase in Fixed Assets	8.70					
Increase in Stock	0.36	0.05	0.06	0.06	0.06	
Increase in Debtors	1.67	0.27	0.28	0.29	0.31	
Repayment of Term Loan	0.53	1.06	1.06	1.06	1.06	
Drawings	1.00	1.50	2.50	4.00	5.00	
Taxation	-	-	-	-	0.44	
<b>TOTAL :</b>	<b>12.27</b>	<b>2.88</b>	<b>3.90</b>	<b>5.42</b>	<b>6.88</b>	
Opening Cash & Bank Balance	-	0.84	1.01	1.47	1.91	
Add : Surplus	0.84	0.17	0.46	0.44	0.58	
Closing Cash & Bank Balance	<b>0.84</b>	<b>1.01</b>	<b>1.47</b>	<b>1.91</b>	<b>2.49</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	2.03	2.90	4.20	5.68	6.82
Interest on Term Loan	0.47	0.41	0.30	0.18	0.06
<b>Total</b>	<b>2.50</b>	<b>3.32</b>	<b>4.50</b>	<b>5.86</b>	<b>6.88</b>
<b><u>REPAYMENT</u></b>					
Instalment of Term Loan	0.53	1.06	1.06	1.06	1.06
Interest on Term Loan	0.47	0.41	0.30	0.18	0.06
<b>Total</b>	<b>1.00</b>	<b>1.48</b>	<b>1.36</b>	<b>1.24</b>	<b>1.13</b>
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>2.49</b>	<b>2.25</b>	<b>3.31</b>	<b>4.71</b>	<b>6.10</b>
<b>AVERAGE D.S.C.R.</b>	<b>3.77</b>				