



DETAILED PROJECT REPORT
FENUGREEK PROCESSING UNIT
UNDER PMFME SCHEME



National Institute of Food Technology Entrepreneurship and Management
Ministry of Food Processing Industries
Plot No.97, Sector-56, HSIIDC, Industrial Estate, Kundli, Sonipat, Haryana-131028

Website: <http://www.niftem.ac.in>

Email: pmfmecell@niftem.ac.in

Call: 0130-2281089

TABLE OF CONTENTS

S No.	Topic	Page Number
1.	Project Summary	3
2.	About the Product	4-5
3.	Process Flow Chart	5-7
4.	Economics of the Project	8-25
	4.1. Basis & Presumptions	8
	4.2. Capacity, Utilisation, Production & Output	9-10
	4.3. Premises/Infrastructure	10
	4.4. Machinery & Equipment's	11-13
	4.5. Misc. Fixed Assets	13
	4.6. Total Cost of Project	13
	4.7. Means of Finance	14
	4.8. Term Loan	14
	4.9. Term Loan repayment & interest schedule	14-17
	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	:	Fenugreek Processing Unit
2. Nature of proposed project	:	Proprietorship/Company/Partnership
3. Proposed project capacity	:	216000 Kg/annum (40,45,50,55&60% capacity utilization in 1 st to 5 th Year respectively)
4. Raw material	:	Fenugreek seed
5. Major product outputs	:	Fenugreek Powder
6. Total project cost	:	Rs. 24.39 Lakh
• Land development, building & Civil Construction	:	Nil
• Machinery and equipment's	:	Rs. 17.55 Lakh
• Miscellaneous Fixed Assets	:	Rs. 2.50 Lakh
• Working capital	:	Rs. 4.34 Lakh
7. Means of Finance		
• Subsidy (max 10lakhs)	:	Rs. 7.02 Lakh
• Promoter's contribution (min10%)	:	Rs. 2.43 Lakh
• Term loan	:	Rs. 11.03 Lakh
• Working Capital Requirement	:	Rs. 3.90 Lakh
8. Profit after Depreciation, Interest & Tax		
• 1 st year	:	Rs. 2.17 Lakh
• 2 nd year	:	Rs. 3.22 Lakh
• 3 rd year	:	Rs. 4.58 Lakh
• 4 th year	:	Rs. 5.81 Lakh
• 5 th year	:	Rs. 7.60 Lakh
9. Average DSCR	:	Rs. 2.62
10. Term loan repayment	:	5 Years with 6 months grace period

2. ABOUT THE PRODUCT

2.1. PRODUCT INTRODUCTION:

Fenugreek is an annual plant belonging to the Fabaceae family. It's a semi-arid plant with little rounded leaves and yellow cubic seeds. The seedling is grown worldwide. It is native to the Mediterranean and widely grown in Europe and Asia, with India being Fenugreek's largest producer. Fenugreek seeds have a taste similar to maple, which is sweet and nutty and which is used to cover up medicine taste.

One of the most important species of human food is fenugreek. It gives the human body natural food fibre and other essential nutrient items. Its leaves and seeds are used in Ayurvedic medicine as well as in food. Fenugreek, an aromatic and flavourful spice, is widely used in both edible and medicinal applications. Fenugreek has a deep spicy and sweet taste that is similar to that of seasoning. "Kasuri- Methi" is well-known for its wonderful aroma and is also used in culinary preparations. Fenugreek powder is used in the preparation of pickles and vegetable dishes, among other things. Fenugreek seeds are available in both whole and powdered forms. Roasting them reduces the bitterness while still enhancing the taste. The chemical substance responsible for the plant's distinct odor is the santonin, which is found in the seeds.

2.2. MARKET POTENTIAL:

The global demand for Fenugreek Powder has increased as consumer awareness of health and health practices has grown. Fenugreek Powder is simply ground fenugreek seeds. Fenugreek, also known as "methi" in the Indian subcontinent, is widely used. *Trigonella foenum-graecum* is the scientific name for methi, which is a herb. In India and other parts of Asia Pacific, fenugreek powder is used as a seasoning. Consumers are more interested in Fenugreek Powder because it is

extracted from a natural source and has a variety of health benefits. Fenugreek Powder has been shown to boost milk production in breastfeeding mothers while also lowering cholesterol, diabetes, and blood sugar levels. Fenugreek Powder is widely used in nutraceuticals due to its numerous benefits. Fenugreek Powder supplements have been found to help men increase their testosterone levels and libido. Fenugreek Powders were often used to treat the common cold, flu, gallstones, diarrhea, constipation, high blood pressure, and other ailments due to the presence of lutein, zeaxanthin, and lycopene. In the forecast period of 2021-2026, the global fenugreek seed and its product market is expected to expand at a CAGR of 10%.

2.3. RAW MATERIAL DESCRIPTION:

Fenugreek seed: the seed that is obtained from farmers' fields that are separated and cleaned by winnowing to remove chaff, dust, and dirt. The moisture content of the seeds should be 9%. Packaging material i.e. plastic sacks, polybags etc.

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.

Vibratory pre- cleaning:

Vibratory pre-cleaning is the first step in the process of removing large and small impurities from farm produce. Pre-cleaning is a cleaning operation that removes impurities such as stones, leaves, sticks, sand, fine dust, and other contaminants before silo storage.

De-stoning:

The aim of this process is that removes stones and other particles impurities from the Fenugreek seed.

Magnetic separation:

The Fenugreek seeds first passes by a magnetic separator that removes ferrous metal particles. It is also necessary to ensure that no metal pieces are in the finished product.

Gravity separation

The gravity separator separates products of same size but with difference in specific weight.

Roasting:

After cleaning, dry roast the fenugreek seed on a low flame until it turns an achieved mild golden brown colour. Allow it to cool, and the seeds will be ready to grind.

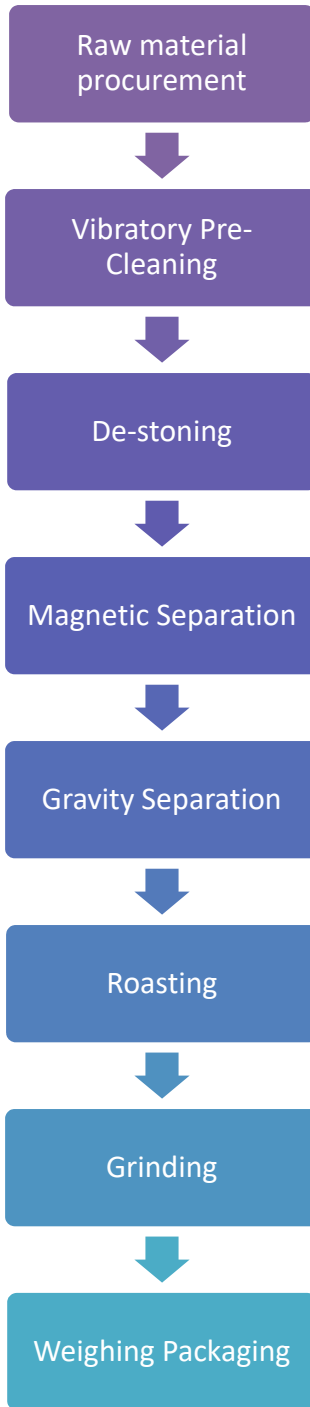
Grinding

Grinding can be a method of adding value to a product. After grinding, spices are more vulnerable to spoilage. Fenugreek seeds are available as whole seeds and ground powder.

Weighing Packaging

The packaging is done in a simple manner: the fenugreek seed powder are fed into the packaging machine's holding tank, which then weighs and fills the Fenugreek seed powder into the sacs. It simply fills the sacs to the desired weight and sews the other end.

PM FME- Detailed Project Report of Fenugreek Processing Unit



4. ECONOMICS OF THE PROJECT

4.1. BASIS & PRESUMPTIONS

1. Production Capacity of Fenugreek Powder is 800 Kg. per day. First year, Capacity has been taken @ 40%.
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 16 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 FENUGREEK POWDER		
Items to be Manufactured		
Fenugreek 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	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 Fenugreek Powder		
Production	Capacity	Packets
1st year	40%	86,400
2nd year	45%	97,200
3rd year	50%	1,08,000
4th year	55%	1,18,800
5th year	60%	1,29,600

Raw Material Cost			
Year	Capacity Utilisation	Rate (per kg)	Amount (Rs. in lacs)
1st year	40%	36.00	34.56
2nd year	45%	38.00	41.04
3rd year	50%	40.00	48.00
4th year	55%	42.00	55.44
5th year	60%	44.00	63.36

COMPUTATION OF SALE					
Particulars	1st year	2nd year	3rd year	4th year	5th year
Op Stock	-	2,880	3,240	3,600	3,960
Production	86,400	97,200	1,08,000	1,18,800	1,29,600
Less : Closing Stock	2,880	3,240	3,600	3,960	4,320
Net Sale	83,520	96,840	1,07,640	1,18,440	1,29,240
Sale price per packet	95.00	100.00	105.00	110.00	116.00
Sales (in Lacs)	79.34	96.84	113.02	130.28	149.92





4.3. PREMISES/INFRASTRUCTURE

The approximate total area required for complete factory setup is 2500-3500 Sq. ft. for smooth production including storage area. It is expected that the premises will be on rental.

4.4. MACHINERY & EQUIPMENTS

Machine Name	Description	Machine Image.
Vibrating Pre-Cleaner	It consists of a vibrating sieve that is powered by an exciter, which is powered by an appropriate motor, and it is used to remove the majority of dirt and large impurities from a given grain.	
De-stoner	It's a machine which is used to remove stones from the given grain, widely used in various grain mills in cleaning section.	
Magnetic Separator	It's a type of separator which is used to remove magnetic impurities from given product using powerful electromagnets, used in wide range of industries for separation.	
Gravity separator	The gravity separator is used to separate any type of kernel or granular product that is nearly identical in size but differs in weight.	
Seed Roaster machine	This seeds roasting machine is used for roasting the varieties of seeds like cereals, spices, grains etc.	

PM FME- Detailed Project Report of Fenugreek Processing Unit

Grinding machine	This machine is commonly used for grinding dried whole spices.	
Sifting Machine	The sifting machines are used for sieve the fine powder received from grinding machine.	
Packaging Machine	This machine is used to pack the finished grinded Fenugreek powder for market sale.	
Material handling and other Equipment's	These Equipment's are used for material handling. Other equipment's like unloading bins, silos, bucket elevator, belt conveyors, etc. are also used.	

Machine	Unit	Rate	Price
Vibrating Pre-Cleaner	1	150000	150000
De-stoner	1	175000	175000
Magnetic Separator	1	100000	100000
Gravity separator	1	130000	130000
Seed Roaster machine	1	105000	105000

Grinding machine	1	165000	165000
Sifting Machine	1	200000	200000
Packaging Machine	1	380000	380000
Material handling and other equipment's (Unloading Bins, silos, bucket elevator, belt conveyors etc.)	-	350000	350000

Note: Total Machinery cost shall be Rs 17.55 lakh including equipment's but excluding GST and Transportation Cost.

4.5. MISCELLANEOUS FIXED ASSETS

- Water Supply Arrangements
- Furniture & Fixtures
- Computers & Printers

4.6. TOTAL COST OF PROJECT

COST OF PROJECT	
	(in Lacs)
PARTICULARS	Amount
Land & Building	Owned/Rented
Plant & Machinery	17.55
Miscellaneous Assets	2.50
Working capital	4.34
Total	24.39

4.7. MEANS OF FINANCE

MEANS OF FINANCE	
PARTICULARS	AMOUNT
Own Contribution (min 10%)	2.43
Subsidy @35%(Max. Rs 10 Lac)	7.02
Term Loan @ 55%	11.03
Working Capital (Bank Finance)	3.90
Total	24.39

4.8. TERM LOAN: Term loan of Rs. 11.03 Lakh is required for project cost of Rs. 24.39 Lakh

4.9. TERM LOAN REPAYMENT& INTEREST SCHEDULE

REPAYMENT SCHEDULE OF TERM LOAN								
							Interest	11.00%
Year	Particulars	Amount	Addition	Total	Interest	Repayment	Closing Balance	
1st	Opening Balance							
	1st month	-	11.03	11.03	-	-	11.03	
	2nd month	11.03	-	11.03	0.10	-	11.03	
	3rd month	11.03	-	11.03	0.10	-	11.03	
	4th month	11.03	-		0.10		11.03	

PM FME- Detailed Project Report of Fenugreek Processing Unit

			11.03				
5th month	11.03	-	11.03	0.10			11.03
6th month	11.03	-	11.03	0.10			11.03
7th month	11.03	-	11.03	0.10	0.20		10.82
8th month	10.82	-	10.82	0.10	0.20		10.62
9th month	10.62	-	10.62	0.10	0.20		10.41
10th month	10.41	-	10.41	0.10	0.20		10.21
11th month	10.21	-	10.21	0.09	0.20		10.01
12th month	10.01	-	10.01	0.09	0.20		9.80
				1.08	1.23		
2nd	Opening Balance						
1st month	9.80	-	9.80	0.09	0.20		9.60
2nd month	9.60	-	9.60	0.09	0.20		9.39
3rd month	9.39	-	9.39	0.09	0.20		9.19
4th month	9.19	-	9.19	0.08	0.20		8.99
5th month	8.99	-	8.99	0.08	0.20		8.78
6th month	8.78	-	8.78	0.08	0.20		8.58
7th month	8.58	-	8.58	0.08	0.20		8.37
8th month	8.37	-	8.37	0.08	0.20		8.17
9th month	8.17	-	8.17	0.07	0.20		7.96
10th month	7.96	-	7.96	0.07	0.20		7.76
11th month	7.76	-	7.76	0.07	0.20		7.56
12th month	7.56	-	7.56	0.07	0.20		7.35
				0.95	2.45		
3rd	Opening Balance						

PM FME- Detailed Project Report of Fenugreek Processing Unit

1st month	7.35	-	7.35	0.07	0.20	7.15
2nd month	7.15	-	7.15	0.07	0.20	6.94
3rd month	6.94	-	6.94	0.06	0.20	6.74
4th month	6.74	-	6.74	0.06	0.20	6.53
5th month	6.53	-	6.53	0.06	0.20	6.33
6th month	6.33	-	6.33	0.06	0.20	6.13
7th month	6.13	-	6.13	0.06	0.20	5.92
8th month	5.92	-	5.92	0.05	0.20	5.72
9th month	5.72	-	5.72	0.05	0.20	5.51
10th month	5.51	-	5.51	0.05	0.20	5.31
11th month	5.31	-	5.31	0.05	0.20	5.11
12th month	5.11	-	5.11	0.05	0.20	4.90
				0.69	2.45	
4th	Opening Balance					
1st month	4.90	-	4.90	0.04	0.20	4.70
2nd month	4.70	-	4.70	0.04	0.20	4.49
3rd month	4.49	-	4.49	0.04	0.20	4.29
4th month	4.29	-	4.29	0.04	0.20	4.08
5th month	4.08	-	4.08	0.04	0.20	3.88
6th month	3.88	-	3.88	0.04	0.20	3.68
7th month	3.68	-	3.68	0.03	0.20	3.47
8th month	3.47	-	3.47	0.03	0.20	3.27
9th month	3.27	-	3.27	0.03	0.20	3.06
10th month	3.06	-	3.06	0.03	0.20	2.86

PM FME- Detailed Project Report of Fenugreek Processing Unit

	11th month	2.86	-	2.86	0.03	0.20	2.65
	12th month	2.65	-	2.65	0.02	0.20	2.45
					0.42	2.45	
5th	Opening Balance						
	1st month	2.45	-	2.45	0.02	0.20	2.25
	2nd month	2.25	-	2.25	0.02	0.20	2.04
	3rd month	2.04	-	2.04	0.02	0.20	1.84
	4th month	1.84	-	1.84	0.02	0.20	1.63
	5th month	1.63	-	1.63	0.01	0.20	1.43
	6th month	1.43	-	1.43	0.01	0.20	1.23
	7th month	1.23	-	1.23	0.01	0.20	1.02
	8th month	1.02	-	1.02	0.01	0.20	0.82
	9th month	0.82	-	0.82	0.01	0.20	0.61
	10th month	0.61	-	0.61	0.01	0.20	0.41
	11th month	0.41	-	0.41	0.00	0.20	0.20
	12th month	0.20	-	0.20	0.00	0.20	-
					0.15	2.45	
	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
<u>Finished Goods</u>					
	2.14	2.51	2.89	3.30	3.75
<u>Raw Material</u>					
	1.15	1.37	1.60	1.85	2.11
Closing Stock	3.29	3.88	4.49	5.15	5.87

COMPUTATION OF WORKING CAPITAL REQUIREMENT					
TRADITIONAL METHOD					(in Lacs)
Particulars	Amount	Own Margin		Bank Finance	
Finished Goods & Raw Material	3.29				
Less : Creditors	0.81				
Paid stock	2.48	10%	0.25	90%	2.24
Sundry Debtors	1.85	10%	0.19	90%	1.67
	4.34		0.43		3.90
MPBF					3.90
WORKING CAPITAL LIMIT DEMAND (from Bank)					3.90
Working Capital Margin					0.43

4.11. SALARY & WAGES

<u>BREAK UP OF LABOUR CHARGES</u>			
Particulars	Wages	No of	Total
	Rs. per Month	Employees	Salary
Plant Operator	16,000	3	48,000
Supervisor	20,000	1	20,000
Skilled (in thousand rupees)	15,000	3	45,000
Unskilled (in thousand rupees)	7,500	4	30,000
Total salary per month			1,43,000
Total annual labour charges	(in lacs)		17.16

<u>BREAK UP OF STAFF SALARY CHARGES</u>			
Particulars	Salary	No of	Total
	Rs. per Month	Employees	Salary
Administrative Staff	8,500	3	25,500
Manager	25,000	1	25,000
Accountant	20,000	1	20,000
Total salary per month			70,500
Total annual Staff charges	(in lacs)		8.46

4.12 POWER REQUIREMENT

Utility Charges (per month)		
Particulars	value	Description
Power connection required	16	KWH
consumption per day	128	units
Consumption per month	3,200	units
Rate per Unit	10	Rs.
power Bill per month	32,000	Rs.

4.13. DEPRECIATION CALCULATION

COMPUTATION OF DEPRECIATION			(in Lacs)
Description	Plant & Machinery	Miss. Assets	TOTAL
Rate of Depreciation	15.00%	10.00%	
Opening Balance	-	-	-
Addition	17.55	2.50	20.05
Total	17.55	2.50	20.05
Less : Depreciation	2.63	0.25	2.88
WDV at end of Year	14.92	2.25	17.17
Additions During The Year	-	-	-
Total	14.92	2.25	17.17
Less : Depreciation	2.24	0.23	2.46
WDV at end of Year	12.68	2.03	14.70
Additions During The Year	-	-	-
Total	12.68	2.03	14.70
Less : Depreciation	1.90	0.20	2.10
WDV at end of Year	10.78	1.82	12.60
Additions During The Year	-	-	-
Total	10.78	1.82	12.60
Less : Depreciation	1.62	0.18	1.80
WDV at end of Year	9.16	1.64	10.80
Additions During The Year	-	-	-
Total	9.16	1.64	10.80
Less : Depreciation	1.37	0.16	1.54
WDV at end of Year	7.79	1.48	9.26

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 %	40%	45%	50%	55%	60%
<u>SALES</u>					
Gross Sale					
Fenugreek Powder	79.34	96.84	113.02	130.28	149.92
Total	79.34	96.84	113.02	130.28	149.92
COST OF SALES					
Raw Material Consumed	34.56	41.04	48.00	55.44	63.36
Electricity Expenses	3.84	4.22	4.65	5.11	5.62
Depreciation	2.88	2.46	2.10	1.80	1.54
Wages & labour	17.16	20.59	23.68	27.23	31.32
Repair & maintenance	2.38	2.91	3.39	3.91	4.50
Packaging	3.33	4.07	4.75	5.47	6.30
Cost of Production	64.16	75.29	86.57	98.96	112.63
Add: Opening Stock /WIP	-	2.14	2.51	2.89	3.30
Less: Closing Stock /WIP	2.14	2.51	2.89	3.30	3.75
Cost of Sales	62.02	74.92	86.19	98.55	112.18
GROSS PROFIT	17.33	21.92	26.83	31.73	37.74
	21.84%	22.64%	23.74%	24.36%	25.17%
Salary to Staff	8.46	10.58	12.90	14.84	17.06
Interest on Term Loan	1.08	0.95	0.69	0.42	0.15
Interest on working Capital	0.43	0.43	0.43	0.43	0.43
Rent	3.60	4.32	5.18	6.22	7.46
selling & adm exp	1.59	2.42	3.05	3.65	4.20
TOTAL	15.16	18.70	22.25	25.55	29.30
NET PROFIT	2.17	3.22	4.58	6.18	8.44
	2.73%	3.33%	4.05%	4.75%	5.63%
Taxation	-	-	-	0.38	0.85
PROFIT (After Tax)	2.17	3.22	4.58	5.81	7.60

4.16. BREAK EVEN POINT ANALYSIS

BREAK EVEN POINT ANALYSIS					
Year	I	II	III	IV	V
Net Sales & Other Income	79.34	96.84	113.02	130.28	149.92
Less : Op. WIP Goods	-	2.14	2.51	2.89	3.30
Add : Cl. WIP Goods	2.14	2.51	2.89	3.30	3.75
Total Sales	81.48	97.21	113.40	130.70	150.37
Variable & Semi Variable Exp.					
Raw Material Consumed	34.56	41.04	48.00	55.44	63.36
Electricity Exp/Coal Consumption at 85%	3.26	3.59	3.95	4.34	4.78
Wages & Salary at 60%	15.37	18.70	21.95	25.24	29.03
Selling & administrative Expenses 80%	1.27	1.94	2.44	2.92	3.36
Interest on working Capital	0.429211	0.429211	0.429211	0.429211	0.429211
Repair & maintenance	2.38	2.91	3.39	3.91	4.50
Packaging	3.33	4.07	4.75	5.47	6.30
Total Variable & Semi Variable Exp	60.61	72.67	84.91	97.75	111.75
Contribution	20.88	24.54	28.49	32.94	38.63
Fixed & Semi Fixed Expenses					
Electricity Exp/Coal Consumption at 15%	0.58	0.63	0.70	0.77	0.84
Wages & Salary at 40%	10.25	12.47	14.63	16.83	19.35
Interest on Term Loan	1.08	0.95	0.69	0.42	0.15
Depreciation	2.88	2.46	2.10	1.80	1.54
Selling & administrative Expenses 20%	0.32	0.48	0.61	0.73	0.84
Rent	3.60	4.32	5.18	6.22	7.46
Total Fixed Expenses	18.71	21.32	23.91	26.76	30.18
Capacity Utilization	40%	45%	50%	55%	60%
OPERATING PROFIT	2.17	3.22	4.58	6.18	8.44
BREAK EVEN POINT	36%	39%	42%	45%	47%
BREAK EVEN SALES	73.02	84.46	95.18	106.16	117.51

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		9.11	8.83	9.41	10.72
<i>Add:- Own Capital</i>	2.43				
Add:- Retained Profit	2.17	3.22	4.58	5.81	7.60
Less:- Drawings	2.50	3.50	4.00	4.50	5.50
Subsidy/grant	7.02				
Closing Balance	9.11	8.83	9.41	10.72	12.81
Term Loan	9.80	7.35	4.90	2.45	-
Working Capital Limit	3.90	3.90	3.90	3.90	3.90
Sundry Creditors	0.81	0.96	1.12	1.29	1.48
Provisions & Other Liab	0.40	0.50	0.60	0.72	0.86
TOTAL :	24.02	21.54	19.93	19.08	19.06
<u>Assets</u>					
Fixed Assets (Gross)	20.05	20.05	20.05	20.05	20.05
Gross Dep.	2.88	5.35	7.45	9.25	10.79
Net Fixed Assets	17.17	14.70	12.60	10.80	9.26
Current Assets					
Sundry Debtors	1.85	2.26	2.64	3.04	3.50
Stock in Hand	3.29	3.88	4.49	5.15	5.87
Cash and Bank	1.71	0.70	0.21	0.10	0.43
TOTAL :	24.02	21.54	19.93	19.08	19.06

4.18. CASH FLOW STATEMENT

<u>PROJECTED CASH FLOW STATEMENT</u>					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>SOURCES OF FUND</u>					
Own Margin	2.43				
Net Profit	2.17	3.22	4.58	6.18	8.44
Depriciation & Exp. W/off	2.88	2.46	2.10	1.80	1.54
Increase in Cash Credit	3.90	-	-	-	-
Increase In Term Loan	11.03	-	-	-	-
Increase in Creditors	0.81	0.15	0.16	0.17	0.18
Increase in Provisions & Oth lib	0.40	0.10	0.10	0.12	0.14
Sunsidy/grant	7.02				
TOTAL :	30.63	5.93	6.94	8.28	10.31
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	20.05				
Increase in Stock	3.29	0.59	0.61	0.66	0.72
Increase in Debtors	1.85	0.41	0.38	0.40	0.46
Repayment of Term Loan	1.23	2.45	2.45	2.45	2.45
Drawings	2.50	3.50	4.00	4.50	5.50
Taxation	-	-	-	0.38	0.85
TOTAL :	28.92	6.95	7.44	8.39	9.97
Opening Cash & Bank Balance	-	1.71	0.70	0.21	0.10
Add : Surplus	1.71	-1.01	-0.49	-0.11	0.33
Closing Cash & Bank Balance	1.71	0.70	0.21	0.10	0.43

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	5.05	5.68	6.68	7.61	9.13
Interest on Term Loan	1.08	0.95	0.69	0.42	0.15
Total	6.13	6.64	7.37	8.02	9.28
<u>REPAYMENT</u>					
Instalment of Term Loan	1.23	2.45	2.45	2.45	2.45
Interest on Term Loan	1.08	0.95	0.69	0.42	0.15
Total	2.31	3.41	3.14	2.87	2.60
DEBT SERVICE COVERAGE RATIO	2.66	1.95	2.35	2.80	3.57
AVERAGE D.S.C.R.	2.62				