



DETAILED PROJECT REPORT

CANNED MUSSELS 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, Sonapat, 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	4-6
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	:	Canned Mussels 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	:	Fresh Mussels, Salt and Citric Acid
5. Major product outputs	:	Canned Mussels
6. Total project cost	:	Rs. 32.11 Lakh
• Land development, building & Civil Construction	:	Nil
• Machinery and equipment's	:	Rs. 23.65 Lakh
• Miscellaneous Fixed Assets	:	Rs. 2.60 Lakh
• Working capital	:	Rs. 5.86 Lakh
7. Means of Finance		
• Subsidy (max 10lakhs)	:	Rs. 9.19 Lakh
• Promoter's contribution (min10%)	:	Rs. 3.20 Lakh
• Term loan	:	Rs. 14.44 Lakh
• Working Capital Requirement	:	Rs. 5.27 Lakh
8. Profit after Depreciation, Interest & Tax		
• 1 st year	:	Rs. 2.00 Lakh
• 2 nd year	:	Rs. 5.94 Lakh
• 3 rd year	:	Rs. 9.14 Lakh
• 4 th year	:	Rs. 12.98 Lakh
• 5th year	:	Rs. 17.24 Lakh
9. Average DSCR	:	Rs. 3.51
10. Term loan repayment	:	5 Years with 6 months grace period

2. ABOUT THE PRODUCT

2.1. PRODUCT INTRODUCTION:

Mollusks are the invertebrate with soft bodies, divided into foot and visceral section. They are subdivided into bivalve, cephalopods and gastropods. The commercially important bivalve are mussels, oysters, clams and scallops.

Mytilus edulis, *Mytilus trossulus* and *Mytilus galloprovincialis* are the species that dominates global production. Mussels are ideally suited to aquaculture because they show wide tolerance of environmental conditions, are low in the food chain exploiting natural primary production, show high fecundity and productivity, grow naturally at high densities, and are tasty and nutritious and popular with consumers.

The demand for protein rich food is increasing, especially in developing countries, stimulating the exploration of unexploited or non-traditional resources. Marine molluscs are. Mussels are sustainable source of producing dietary protein, omega 3 fatty acid, essential amino acids. The protein content in mussels varies from 12.6- 24 g/ 100g depending on the variety. Mussels contain little saturated fatty acid and significant amount of vitamin C. mussels contains approximately 20 – 28% calories from fat. For these reasons mussels can be considered low fat and high protein food. it is also a good source of calcium, phosphorus, zinc, iron and copper.

Uses of canned mussels

1. Canned mussels is used in preparation of soups, broths, noodles and rice.
2. It can be used for preparation of ready to eat and ready to cook foods.
3. Mussels are used in preparation of pickles, flavouring and sauces.

2.2. MARKET POTENTIAL:

Shellfish is major component of global aquatic food supply. There are two groups of shellfish consumed. First group includes crustaceans such as shrimp, crab and lobster whereas second group includes mollusks such as clams, mussels, oysters, scallops and octopus. With rapid urbanization, hectic work schedules, nuclear families and increased number of working member of families, there is rise in demand of ready to cook and ready to eat sea mussels.

Rising health concern is also one factor boosting the growth of mussels' industry. Sea food have always been an important source of protein and other nutrients such as omega 3 fatty acid, free amino acids and vitamin B12. Non vegetarian consumers are slowly changing their lifestyle significantly following pescatarians. Pescatarians refers to vegetarian food along with sea food but does not include any meat such as beef, pork, poultry and others.

Manufactures are producing various shellfish snacks such as chips. Wafers and crackers. Sea snack industry is growing because of easy availability, long shelf life, nutrition as well as taste. Hence with increase in such product there is also increase in demand of mussels as they are used as raw material.

The Indian Government is promoting sustainable farming practices to produce high-quality 'sustainable' in order to minimize the environmental effects on aquaculture. Moreover, the Seafood Exporters Association of India (SEAI) and the Marine Products Export Development Authority (MPEDA) are supporting the export of fish, shell fish and mussels such as ready-to-eat and ready-to-cook products.

2.3. RAW MATERIAL DESCRIPTION:

The major raw material required for producing canned mussels are fresh mussels. The minor ingredient may contain salt for brine preparation and citric acid.

3. PROCESS FLOW CHART

Raw material receiving

Raw, fresh material is collected from hatcheries and transported to the processing plant. At the plant, they are inspected for quality and quantity and the selected units are continue to further steps.

Sorting and cleaning

The harvested mussels were are thoroughly cleaned with water to remove residual dirt, bacteria and reduce microbial load. The cleaned mussels are stored at 10C or below until used for further processing. Dead and broken mussels are removed by hand. mussels are hand graded by size. No food processing aids or ingredients are used in this step.

Pre - cooking of mussels

After cleaning, mussels are steamed for about 4 minutes at 240 F (10 ½ lbs/square inch gauge pressure) or for about 6 minutes in boiling water at 212°F or steam at atmosphere pressure. At the end of cooking the mussels were cooled immediately under spray of potable water.

Can filling with mussel meat

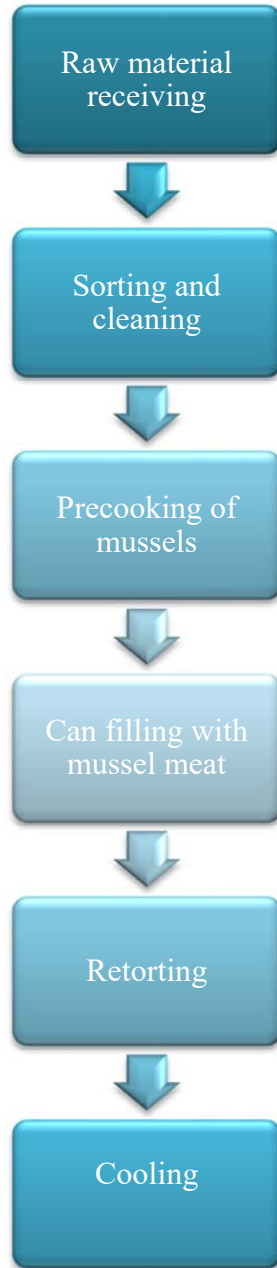
The pre cooked mussel meats were packed in open cans, the hot liquid brine consists of aqueous solution of salt (1-3%) and citric acid (0.1%) were added to the can at temperature of 75 °C.

Retorting

Thermal sterilization of filled and sealed can is carried out in saturated steam at temperature in range of 110-130 °C for a specified time to achieve final process lethality.

Cooling of can

After heating, final cooling step is applied with water at ambient temperature 19 – 21°C. finally, cans are stored at room temperature and have shelf life of 4 years under these conditions.



Flow chart of canned mussels manufacturing

4. ECONOMICS OF THE PROJECT

4.1. BASIS & PRESUMPTIONS

1. Production Capacity of Canned Mussels is 400 Kg. per day. First year, Capacity has been taken @ 30%.
2. Working shift of 8 hours per day has been considered.
3. Raw Material stock is for 5 days and Finished goods Closing Stock has been taken for 5 days.
4. Credit period to Sundry Debtors has been given for 14 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 30 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 CANNED MUSSELS		
Items to be Manufactured		
Canned Mussels		
Total working Hours	8	
Plant capacity Per Day	400	Kg
Working days in a month	25	Days
Working days per annum	300	
Wastage Considered	10%	
Raw material requirement	120000	Kg
Final Output per annum after wastage	108000	Kg
Final Product to be packed in 1 Kg Packet		
Number of Packets per annum	108000	1 kg Packet

Production of Canned Mussels		
Production	Capacity	KG
1st year	30%	32,400
2nd year	35%	37,800
3rd year	40%	43,200
4th year	45%	48,600
5th year	50%	54,000




Raw Material Cost			
Year	Capacity Utilisation	Rate (per kg.)	Amount (Rs. in lacs)
1st year	30%	130.00	46.80
2nd year	35%	137.00	57.54
3rd year	40%	144.00	69.12
4th year	45%	151.00	81.54
5th year	50%	159.00	95.40



COMPUTATION OF SALE					
Particulars	1st year	2nd year	3rd year	4th year	5th year
Op Stock	-	540	630	720	810
Production	32,400	37,800	43,200	48,600	54,000
Less : Closing Stock	540	630	720	810	900
Net Sale	31,860	37,710	43,110	48,510	53,910
Sale price per packet	320.00	336.00	353.00	371.00	390.00
Sales (in Lacs)	101.95	126.71	152.18	179.97	210.25

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.
Mussels cleaning machine	The machine cleans and removes impurities from raw mussels. It consists of water pump that turns on water in stainless steel pool so that water can clean impurities.	
Mussels cooking machine	Mussels cooking machine is used for cooking live fresh mussel. Steam from boiler with high temperature heats water in the stainless-steel pool. The moment when desired temperature is reached conveyor belt conveys mussels into cooking machine. The method used is high temperature for short time. The mussels are cooked till well done.	
Can filling and seaming machine	The machine is composed of filling and capping part. Filling part consist of stainless-steel high precision filling nozzle and stainless-steel feeling pump. It consists of electromagnetic capping system. The capping and filling automatically stops in lack of cans. It also consists of can unloading stamping machine.	
Can sterilization machine	Sterilization pot is composed of a pot cover, an opening device pot body, a steam nozzle,	

	<p>a locking wedge, a sterilization basket. The inner layer of pot is made up of stainless steel, equipped with pressure gauge and safety valve. This machine uses advanced technology to control the whole process of sterilization time, temperature, pressure, inlet drainage and exhaust intelligently and automatically. The temperature is accurate ($\pm 0.5^{\circ}\text{C}$).</p>	
<p>Material handling and other Equipment's</p>	<p>These Equipment's are used for material handling. Other equipment's like water pumps, motors, etc are also used.</p>	

Machine	Unit	Rate	Price
Mussels cleaning machine	1	475000	475000
Mussels cooking machine	1	650000	650000
Can filling and seaming machine	1	560000	560000
Can sterilization machine	1	430000	430000
Material handling and other equipment's (Trolley, weighing machine, etc.)	-	250000	250000

Note: Total Machinery cost shall be Rs 23.65 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	23.65
Miscellaneous Assets	2.60
Working capital	5.86
Total	32.11

4.7. MEANS OF FINANCE

MEANS OF FINANCE	
PARTICULARS	AMOUNT
Own Contribution (min 10%)	3.20
Subsidy @35%(Max. Rs 10 Lac)	9.19
Term Loan @ 55%	14.44
Working Capital (Bank Finance)	5.27
Total	32.11

4.8. TERM LOAN: Term loan of Rs. 14.44 Lakh is required for project cost of Rs. 32.11 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	-	14.44	14.44	-	-	14.44
	2nd month	14.44	-	14.44	0.13	-	14.44
	3rd month	14.44	-	14.44	0.13	-	14.44
	4th month	14.44	-	14.44	0.13	-	14.44
	5th month	14.44	-	14.44	0.13	-	14.44
	6th month	14.44	-	14.44	0.13	-	14.44
	7th month	14.44	-	14.44	0.13	0.27	14.17
	8th month	14.17	-	14.17	0.13	0.27	13.90
	9th month	13.90	-	13.90	0.13	0.27	13.64
	10th month	13.64	-	13.64	0.12	0.27	13.37
	11th month	13.37	-	13.37	0.12	0.27	13.10
	12th month	13.10	-	13.10	0.12	0.27	12.83
					1.42	1.60	
2nd	Opening Balance						
	1st month	12.83	-	12.83	0.12	0.27	12.57
	2nd month	12.57	-	12.57	0.12	0.27	12.30

PM FME- Detailed Project Report of Canned Mussels Unit

3rd month	12.30	-	12.30	0.11	0.27	12.03
4th month	12.03	-	12.03	0.11	0.27	11.76
5th month	11.76	-	11.76	0.11	0.27	11.50
6th month	11.50	-	11.50	0.11	0.27	11.23
7th month	11.23	-	11.23	0.10	0.27	10.96
8th month	10.96	-	10.96	0.10	0.27	10.69
9th month	10.69	-	10.69	0.10	0.27	10.43
10th month	10.43	-	10.43	0.10	0.27	10.16
11th month	10.16	-	10.16	0.09	0.27	9.89
12th month	9.89	-	9.89	0.09	0.27	9.63
				1.25	3.21	
3rd	Opening Balance					
1st month	9.63	-	9.63	0.09	0.27	9.36
2nd month	9.36	-	9.36	0.09	0.27	9.09
3rd month	9.09	-	9.09	0.08	0.27	8.82
4th month	8.82	-	8.82	0.08	0.27	8.56
5th month	8.56	-	8.56	0.08	0.27	8.29
6th month	8.29	-	8.29	0.08	0.27	8.02
7th month	8.02	-	8.02	0.07	0.27	7.75
8th month	7.75	-	7.75	0.07	0.27	7.49
9th month	7.49	-	7.49	0.07	0.27	7.22
10th month	7.22	-	7.22	0.07	0.27	6.95
11th month	6.95	-	6.95	0.06	0.27	6.68
12th month	6.68	-	6.68	0.06	0.27	6.42

PM FME- Detailed Project Report of Canned Mussels Unit

				0.90	3.21		
4th	Opening Balance						
	1st month	6.42	-	6.42	0.06	0.27	6.15
	2nd month	6.15	-	6.15	0.06	0.27	5.88
	3rd month	5.88	-	5.88	0.05	0.27	5.61
	4th month	5.61	-	5.61	0.05	0.27	5.35
	5th month	5.35	-	5.35	0.05	0.27	5.08
	6th month	5.08	-	5.08	0.05	0.27	4.81
	7th month	4.81	-	4.81	0.04	0.27	4.55
	8th month	4.55	-	4.55	0.04	0.27	4.28
	9th month	4.28	-	4.28	0.04	0.27	4.01
	10th month	4.01	-	4.01	0.04	0.27	3.74
	11th month	3.74	-	3.74	0.03	0.27	3.48
	12th month	3.48	-	3.48	0.03	0.27	3.21
				0.54	3.21		
5th	Opening Balance						
	1st month	3.21	-	3.21	0.03	0.27	2.94
	2nd month	2.94	-	2.94	0.03	0.27	2.67
	3rd month	2.67	-	2.67	0.02	0.27	2.41
	4th month	2.41	-	2.41	0.02	0.27	2.14
	5th month	2.14	-	2.14	0.02	0.27	1.87
	6th month	1.87	-	1.87	0.02	0.27	1.60
	7th month	1.60	-	1.60	0.01	0.27	1.34
	8th month	1.34	-	1.34	0.01	0.27	1.07
	9th month	1.07	-		0.01	0.27	0.80

			1.07			
10th month	0.80	-	0.80	0.01	0.27	0.53
11th month	0.53	-	0.53	0.00	0.27	0.27
12th month	0.27	-	0.27	0.00	0.27	-
				0.19	3.21	
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>					
	1.41	1.69	2.01	2.34	2.69
<u>Raw Material</u>					
	0.78	0.96	1.15	1.36	1.59
Closing Stock	2.19	2.65	3.16	3.70	4.28

COMPUTATION OF WORKING CAPITAL REQUIREMENT					
TRADITIONAL METHOD					(in Lacs)
Particulars	Amount	Own Margin		Bank Finance	
Finished Goods & Raw Material	2.19				
Less : Creditors	1.09				
Paid stock	1.10	10%	0.11	90%	0.99
Sundry Debtors	4.76	10%	0.48	90%	4.28
	5.86		0.59		5.27
MPBF					5.27
WORKING CAPITAL LIMIT DEMAND (from Bank)					5.27
Working Capital Margin					0.59

4.11. SALARY & WAGES

<u>BREAK UP OF LABOUR CHARGES</u>			
Particulars	Wages	No of	Total
	Rs. per Month	Employees	Salary
Plant Operator	15,000	3	45,000
Supervisor	18,000	1	18,000
Skilled (in thousand rupees)	12,000	2	24,000
Unskilled (in thousand rupees)	8,500	4	34,000
Total salary per month			1,21,000
Total annual labour charges	(in lacs)		14.52

<u>BREAK UP OF STAFF SALARY CHARGES</u>			
Particulars	Salary	No of	Total
	Rs. per Month	Employees	Salary
Administrative Staff	7,500	2	15,000
Manager	20,000	1	20,000
Accountant	16,000	1	16,000
Total salary per month			51,000
Total annual Staff charges	(in lacs)		6.12

4.12 POWER REQUIREMENT

Utility Charges (per month)		
Particulars	value	Description
Power connection required	30	KWH
consumption per day	240	units
Consumption per month	6,000	units
Rate per Unit	10	Rs.
power Bill per month	60,000	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	23.65	2.60	26.25
Total	23.65	2.60	26.25
Less : Depreciation	3.55	0.26	3.81
WDV at end of Year	20.10	2.34	22.44
Additions During The Year	-	-	-
Total	20.10	2.34	22.44
Less : Depreciation	3.02	0.23	3.25
WDV at end of Year	17.09	2.11	19.19
Additions During The Year	-	-	-
Total	17.09	2.11	19.19
Less : Depreciation	2.56	0.21	2.77
WDV at end of Year	14.52	1.90	16.42
Additions During The Year	-	-	-
Total	14.52	1.90	16.42
Less : Depreciation	2.18	0.19	2.37
WDV at end of Year	12.35	1.71	14.05
Additions During The Year	-	-	-
Total	12.35	1.71	14.05
Less : Depreciation	1.85	0.17	2.02
WDV at end of Year	10.49	1.54	12.03

4.14. REPAIR & MAINTENANCE: Repair & Maintenance is 4.0% 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%
<u>SALES</u>					
Gross Sale					
Canned Mussels	101.95	126.71	152.18	179.97	210.25
Total	101.95	126.71	152.18	179.97	210.25
<u>COST OF SALES</u>					
Raw Material Consumed	46.80	57.54	69.12	81.54	95.40
Electricity Expenses	7.20	8.28	9.52	10.95	12.05
Depreciation	3.81	3.25	2.77	2.37	2.02
Wages & labour	14.52	17.42	20.91	23.84	26.70
Repair & maintenance	4.08	5.07	6.09	7.20	8.41
Packaging	8.36	10.14	12.17	14.40	16.82
Cost of Production	84.77	101.70	120.59	140.29	161.39
Add: Opening Stock /WIP	-	1.41	1.69	2.01	2.34
Less: Closing Stock /WIP	1.41	1.69	2.01	2.34	2.69
Cost of Sales	83.35	101.42	120.27	139.96	161.04
GROSS PROFIT	18.60	25.29	31.91	40.01	49.21
	18.24%	19.96%	20.97%	22.23%	23.40%
Salary to Staff	6.12	7.34	8.81	9.87	11.35
Interest on Term Loan	1.42	1.25	0.90	0.54	0.19
Interest on working Capital	0.58	0.58	0.58	0.58	0.58
Rent	3.60	3.96	4.36	4.79	5.27
selling & adm exp	4.88	5.82	6.88	8.26	9.65
TOTAL	16.60	18.95	21.52	24.05	27.04
NET PROFIT	2.00	6.34	10.38	15.96	22.16
	1.96%	5.00%	6.82%	8.87%	10.54%
Taxation	-	0.40	1.24	2.99	4.92
PROFIT (After Tax)	2.00	5.94	9.14	12.98	17.24

4.16. BREAK EVEN POINT ANALYSIS

BREAK EVEN POINT ANALYSIS					
Year	I	II	III	IV	V
Net Sales & Other Income	101.95	126.71	152.18	179.97	210.25
Less : Op. WIP Goods	-	1.41	1.69	2.01	2.34
Add : Cl. WIP Goods	1.41	1.69	2.01	2.34	2.69
Total Sales	103.36	126.99	152.49	180.30	210.60
Variable & Semi Variable Exp.					
Raw Material Consumed	46.80	57.54	69.12	81.54	95.40
Electricity Exp/Coal Consumption at 85%	6.12	7.04	8.09	9.31	10.24
Wages & Salary at 60%	12.38	14.86	17.83	20.22	22.83
Selling & administrative Expenses 80%	3.91	4.65	5.50	6.61	7.72
Interest on working Capital	0.579994	0.579994	0.579994	0.579994	0.579994
Repair & maintenance	4.08	5.07	6.09	7.20	8.41
Packaging	8.36	10.14	12.17	14.40	16.82
Total Variable & Semi Variable Exp	82.23	99.88	119.39	139.86	162.00
Contribution	21.14	27.11	33.10	40.44	48.60
Fixed & Semi Fixed Expenses					
Electricity Exp/Coal Consumption at 15%	1.08	1.24	1.43	1.64	1.81
Wages & Salary at 40%	8.26	9.91	11.89	13.48	15.22
Interest on Term Loan	1.42	1.25	0.90	0.54	0.19
Depreciation	3.81	3.25	2.77	2.37	2.02
Selling & administrative Expenses 20%	0.98	1.16	1.38	1.65	1.93
Rent	3.60	3.96	4.36	4.79	5.27
Total Fixed Expenses	19.14	20.77	22.72	24.48	26.44
Capacity Utilization	30%	35%	40%	45%	50%
OPERATING PROFIT	2.00	6.34	10.38	15.96	22.16
BREAK EVEN POINT	27%	27%	27%	27%	27%
BREAK EVEN SALES	93.60	97.29	104.66	109.14	114.57

4.17. PROJECTED BALANCE SHEET

<u>PROJECTED BALANCE SHEET</u>					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>Liabilities</u>					
Capital					
opening balance		11.38	12.82	14.96	17.44
Add:- Own Capital	3.20				
Add:- Retained Profit	2.00	5.94	9.14	12.98	17.24
Less:- Drawings	3.00	4.50	7.00	10.50	14.50
Subsidy/grant	9.19				
Closing Balance	11.38	12.82	14.96	17.44	20.18
Term Loan	12.83	9.63	6.42	3.21	-
Working Capital Limit	5.27	5.27	5.27	5.27	5.27
Sundry Creditors	1.09	1.34	1.61	1.90	2.23
Provisions & Other Liab	0.40	0.50	0.60	0.72	0.86
TOTAL :	30.98	29.56	28.86	28.54	28.54
<u>Assets</u>					
Fixed Assets (Gross)	26.25	26.25	26.25	26.25	26.25
Gross Dep.	3.81	7.06	9.83	12.20	14.22
Net Fixed Assets	22.44	19.19	16.42	14.05	12.03
Current Assets					
Sundry Debtors	4.76	5.91	7.10	8.40	9.81
Stock in Hand	2.19	2.65	3.16	3.70	4.28
Cash and Bank	1.59	1.80	2.18	2.39	2.42
TOTAL :	30.98	29.56	28.86	28.54	28.54

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	3.20				
Net Profit	2.00	6.34	10.38	15.96	22.16
Depriciation & Exp. W/off	3.81	3.25	2.77	2.37	2.02
Increase in Cash Credit	5.27	-	-	-	-
Increase In Term Loan	14.44	-	-	-	-
Increase in Creditors	1.09	0.25	0.27	0.29	0.32
Increase in Provisions & Oth lib	0.40	0.10	0.10	0.12	0.14
Sunsidy/grant	9.19				
TOTAL :	39.39	9.94	13.53	18.74	24.65
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	26.25				
Increase in Stock	2.19	0.46	0.51	0.54	0.58
Increase in Debtors	4.76	1.16	1.19	1.30	1.41
Repayment of Term Loan	1.60	3.21	3.21	3.21	3.21
Drawings	3.00	4.50	7.00	10.50	14.50
Taxation	-	0.40	1.24	2.99	4.92
TOTAL :	37.80	9.73	13.15	18.53	24.62
Opening Cash & Bank Balance	-	1.59	1.80	2.18	2.39
Add : Surplus	1.59	0.21	0.38	0.21	0.03
Closing Cash & Bank Balance	1.59	1.80	2.18	2.39	2.42

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	5.80	9.19	11.91	15.35	19.27
Interest on Term Loan	1.42	1.25	0.90	0.54	0.19
Total	7.22	10.44	12.81	15.89	19.46
<u>REPAYMENT</u>					
Instalment of Term Loan	1.60	3.21	3.21	3.21	3.21
Interest on Term Loan	1.42	1.25	0.90	0.54	0.19
Total	3.02	4.46	4.11	3.75	3.40
DEBT SERVICE COVERAGE RATIO	2.39	2.34	3.12	4.23	5.72
AVERAGE D.S.C.R.	3.51				