



DETAILED PROJECT REPORT

WALNUT PROCESSING 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	:	Walnut Processing Unit
2. Nature of proposed project	:	Proprietorship/Company/Partnership
3. Proposed project capacity	:	570000 packets of 100 gm/annum (30,35,40,45&50% capacity utilization in 1 st to 5 th Year respectively)
4. Raw material	:	Harvested Walnuts
5. Major product outputs	:	Walnut
6. Total project cost	:	Rs. 38.49 Lakh
• Land development, building & Civil Construction	:	Nil
• Machinery and equipment's	:	Rs. 29.70 Lakh
• Miscellaneous Fixed Assets	:	Rs. 2.00 Lakh
• Working capital	:	Rs. 6.79 Lakh
7. Means of Finance		
• Subsidy (max 10lakhs)	:	Rs. 10.00 Lakh
• Promoter's contribution (min10%)	:	Rs. 4.93 Lakh
• Term loan	:	Rs. 17.44 Lakh
• Working Capital Requirement	:	Rs. 6.11 Lakh
8. Profit after Depreciation, Interest & Tax		
• 1 st year	:	Rs. 1.90 Lakh
• 2 nd year	:	Rs. 6.98 Lakh
• 3 rd year	:	Rs. 12.38 Lakh
• 4 th year	:	Rs. 17.05 Lakh
• 5 th year	:	Rs. 21.60 Lakh
9. Average DSCR	:	Rs. 3.64
10. Term loan repayment	:	5 Years with 6 months grace period

2. ABOUT THE PRODUCT

2.1. PRODUCT INTRODUCTION:

Walnut (*Juglans* sp.) is the most common temperate nut fruit. Jammu and Kashmir, Uttar Pradesh, and Himachal Pradesh are among the places where it is developed. Since the current planting is mostly seedlings, there are no standard walnut orchards in the country. After 10-15 years, seedling trees reach giant proportions and begin bearing nuts of varying size and shape, while vegetatively propagated plants are true to type and grow nearly uniform-sized nuts after 4-5 years. Most valuable Exchange Earning nut crop. In India, walnut grows in the northwestern Himalayan belt, expanding up to Darjeeling and Sikkim. Walnuts are an exceptionally nutritious nut. Walnuts improve the process of reducing bad LDL cholesterol and have significantly healthier omega-3 fats and advance antioxidant activity than any other nut. This rich nutrient profile of walnuts helps in many health benefits such as improved heart disease risk factors and reduced inflammation. Walnuts are an excellent source of healthy protein, fiber, and fats. Walnuts also improve the health of the heart and bone and also assist in weight management. The most profitable nut crop in terms of exchange earnings. Walnut is grown in India's northwestern Himalayan belt, which extends up to Darjeeling and Sikkim. Walnuts are an exceptionally nutritious nut. Walnuts, more than any other nut, aid in the reduction of bad LDL cholesterol, contain substantially healthy omega-3 fats and promote antioxidant activity. Walnuts' high nutrient profile contributes to various health benefits, including decreased inflammation and increased heart disease risk factors. Walnuts are a great source of protein, fiber, and healthy fats. Walnuts are also good for your heart and bones, as well as helping you lose weight.

2.2. MARKET POTENTIAL:

Nuts are nutrient-dense fruit that has been eaten for centuries all over the world. Cashews, walnuts, Marcona almonds, peanuts, and hazelnuts are the most widely eaten nuts. Nuts are consumed by many people all over the world because of their excellent nutritional profile, which includes polyunsaturated and monounsaturated fats, all of which reduce blood cholesterol. Nuts are also high in fiber, protein, vitamins, and minerals, such as folate, vitamin E, potassium, and magnesium. Walnuts can be found in a wide range of bakery items. Walnuts have a variety of skin, hair, and health benefits in addition to being versatile in the kitchen. Walnuts are known for promoting healthy skin, hair, and overall health. Walnut is used to improve the quality of a variety of hair and skincare products. Walnut is a high-quality, natural product that has numerous health benefits for a wide range of industries and cultures around the world. Jammu and Kashmir produce approximately 3.5 lakh quintals of walnut per year, accounting for roughly 98 percent of India's total walnut output. The Kashmir Valley alone produces 95% of this, with the rest grown in the Jammu region's Doda and Kishtwar districts. The fruit also generates significant foreign exchange earnings because it is exported to Europe, where India controls nearly 20% of the market. By 2021, India's total walnut demand is expected to rise from 3.6 lakh quintals currently produced to 7.25 lakh quintals. In 2017, the global walnut market was estimated to be worth US\$6,197.1 million. Over the forecast period of 2017 to 2025, the market will expand at a CAGR of 4.1 percent. With such a steady rate of growth, the market is expected to reach a value of US\$8,534.5 million by the end of 2025.

2.3. RAW MATERIAL DESCRIPTION:

Walnut: Harvest walnuts are used as raw material. Nuts should be harvested at PTB stage (when packing tissue turns brown). Walnuts are usually harvested when hull colour changes from green to yellowish with cracks or when splitting starts at suture from pedicel end.

3. PROCESS FLOW CHART

Harvesting

Walnuts are generally harvested by changing the colour of a hull from green to yellow, or when suture begins at the end of a pedicel. Nuts should be picked in the PTB phase (when packing tissue turns brown). Nuts should be dehusked (outer green layer), washed and dried properly after harvesting. If nuts are not properly dried, the growth of the mould impairs the quality of the fruit.

Drying of Nut

A huller removes the outer green husk, washed and the nut is mechanically dried using air-dried to the ideal moisture level of 8%.

Grading

Following drying, sizing of the in-shell nuts occurs. In-shell walnuts are sized as jumbo, large, medium, or baby walnut, according to national standards and send to appropriate storage.

Hauling

Walnuts are taken from storage as required and sent to the shelling department, where they are mechanically cracked for consumer and industrial use.

Husk separation

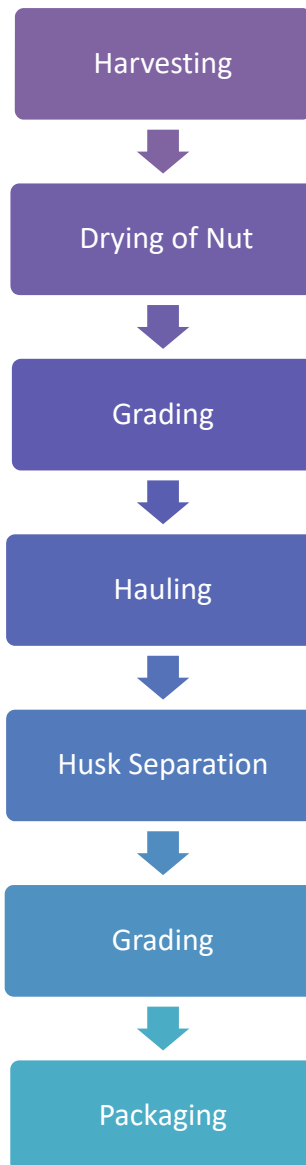
The shell is screened to separate the Husk and kernels. Kernels are sorted into sizes, separated from shells by air, and passed via an automated colour grader and a shell sorter.

Grading (selection, inspection)

Finally, the kernels are physically sorted by skilled labourers on conveying lines according to the standard of BIS or FSSAI.

Packaging in different packages

After ensure that the finished product is clean, well-dried, and of the desired color, as determined by a reference to the walnut color map. According to their grade and color, the final walnuts are packed in different packages.



4. ECONOMICS OF THE PROJECT

4.1. BASIS & PRESUMPTIONS

1. Production Capacity of Walnut is 200 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 7 days and Finished goods Closing Stock has been taken for 7 days.
4. Credit period to Sundry Debtors has been given for 10 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 34 KW.
10. Increase in sales and raw material costing has been taken @ 5% on a yearly basis.

4.2. CAPACITY, UTILIZATION, PRODUCTION & OUTPUT

<u>COMPUTATION OF PRODUCTION OF WALNUT</u>		
Items to be Manufactured		
Walnut		
Total working Hours	8	
Machine capacity Per Day	200	Kg
Working days in a month	25	Days
Working days per annum	300	
Wastage Considered	5%	
Raw material requirement	60000	Kg
Final Output per annum after wastage	57000	Kg
Final Product to be packed in 100 gm Packet		
Number of Packets per annum	570000	100 gm Packet

Production of Walnut		
Production	Capacity	KG
1st year	30%	1,71,000
2nd year	35%	1,99,500
3rd year	40%	2,28,000
4th year	45%	2,56,500
5th year	50%	2,85,000





Raw Material Cost			
Year	Capacity Utilisation	Rate (per packet)	Amount (Rs. in lacs)
1st year	30%	45.00	76.95
2nd year	35%	47.00	93.77
3rd year	40%	49.00	111.72
4th year	45%	51.00	130.82
5th year	50%	54.00	153.90

COMPUTATION OF SALE					
Particulars	1st year	2nd year	3rd year	4th year	5th year
Op Stock	-	3,990	4,655	5,320	5,985
Production	1,71,000	1,99,500	2,28,000	2,56,500	2,85,000
Less : Closing Stock	3,990	4,655	5,320	5,985	6,650
Net Sale	1,67,010	1,98,835	2,27,335	2,55,835	2,84,335
Sale price per packet	75.00	79.00	83.00	87.00	91.00
Sales (in Lacs)	125.26	157.08	188.69	222.58	258.74

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.
Grading machine	This machine is used to sort walnuts into different sizes, before shelling.	
Walnut shelling machine	Shelling is the removal of the walnut kernels from its outer husk. This shelling machine is used to minimize walnut waste caused by cracks or crushing, increase efficiency, and reduce hard work and time as well.	
Vibro separator	This machine is used to separate shell from kernels.	
Colour sorting machine	The machine is used to separate the kernels that are different in colour, not as ripe as required, or still with hull after de-hulling. As walnut comes in a different colour, increasing uniformness can increase the marketability of the final product.	

Metal detector	A metal detector is a device that detects the presence of metal in the food item before packaging.	
Filling and packaging machine	A machine for automated weighing and packaging supports the exact weighing and packaging of walnut kernels. The machine weighs and fills the products with precise measures.	
Bucket Elevator	A bucket lift is also a grain leg and is a device for vertical transport of materials.	
Belt conveyers	Belt conveyers are most commonly used in transportation of bulk materials	
Material handling and other Equipments	These Equipments are used for material handling. Other equipment's like water pumps, weighing machine, etc are also used.	

Machine	Unit	Rate	Price
Grading machine	1	130000	130000
Walnut shelling machine	1	85000	85000
Vibro separator	1	95000	95000
Colour sorting machine	1	2200000	2200000

Metal detector	1	130000	130000
Filling and packaging machine	1	180000	180000
Material handling and other equipment's (Bins, trolley, weighing machine, bucket elevator, belt conveyors, etc.)	-	150000	150000

Note: Total Machinery cost shall be Rs 29.70 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	29.70
Miscellaneous Assets	2.00
Working capital	6.79
Total	38.49

4.7. MEANS OF FINANCE

MEANS OF FINANCE	
PARTICULARS	AMOUNT
Own Contribution (min 10%)	4.93
Subsidy @35%(Max. Rs 10 Lac)	10.00
Term Loan @ 55%	17.44
Working Capital (Bank Finance)	6.11
Total	38.49

4.8. TERM LOAN: Term loan of Rs. 17.44 Lakh is required for project cost of Rs. 38.49 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	-	17.44	17.44	-	-	17.44	
	2nd month	17.44	-	17.44	0.16	-	17.44	
	3rd month	17.44	-	17.44	0.16	-	17.44	

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4th month	17.44	-	17.44	0.16		17.44
5th month	17.44	-	17.44	0.16		17.44
6th month	17.44	-	17.44	0.16		17.44
7th month	17.44	-	17.44	0.16	0.32	17.11
8th month	17.11	-	17.11	0.16	0.32	16.79
9th month	16.79	-	16.79	0.15	0.32	16.47
10th month	16.47	-	16.47	0.15	0.32	16.14
11th month	16.14	-	16.14	0.15	0.32	15.82
12th month	15.82	-	15.82	0.15	0.32	15.50
				1.71	1.94	
2nd	Opening Balance					
1st month	15.50	-	15.50	0.14	0.32	15.17
2nd month	15.17	-	15.17	0.14	0.32	14.85
3rd month	14.85	-	14.85	0.14	0.32	14.53
4th month	14.53	-	14.53	0.13	0.32	14.21
5th month	14.21	-	14.21	0.13	0.32	13.88
6th month	13.88	-	13.88	0.13	0.32	13.56
7th month	13.56	-	13.56	0.12	0.32	13.24
8th month	13.24	-	13.24	0.12	0.32	12.91
9th month	12.91	-	12.91	0.12	0.32	12.59
10th month	12.59	-	12.59	0.12	0.32	12.27
11th month	12.27	-	12.27	0.11	0.32	11.95
12th month	11.95	-	11.95	0.11	0.32	11.62
				1.51	3.87	

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3rd	Opening Balance						
	1st month	11.62	-	11.62	0.11	0.32	11.30
	2nd month	11.30	-	11.30	0.10	0.32	10.98
	3rd month	10.98	-	10.98	0.10	0.32	10.65
	4th month	10.65	-	10.65	0.10	0.32	10.33
	5th month	10.33	-	10.33	0.09	0.32	10.01
	6th month	10.01	-	10.01	0.09	0.32	9.69
	7th month	9.69	-	9.69	0.09	0.32	9.36
	8th month	9.36	-	9.36	0.09	0.32	9.04
	9th month	9.04	-	9.04	0.08	0.32	8.72
	10th month	8.72	-	8.72	0.08	0.32	8.39
	11th month	8.39	-	8.39	0.08	0.32	8.07
	12th month	8.07	-	8.07	0.07	0.32	7.75
					1.08	3.87	
4th	Opening Balance						
	1st month	7.75	-	7.75	0.07	0.32	7.43
	2nd month	7.43	-	7.43	0.07	0.32	7.10
	3rd month	7.10	-	7.10	0.07	0.32	6.78
	4th month	6.78	-	6.78	0.06	0.32	6.46
	5th month	6.46	-	6.46	0.06	0.32	6.13
	6th month	6.13	-	6.13	0.06	0.32	5.81
	7th month	5.81	-	5.81	0.05	0.32	5.49
	8th month	5.49	-	5.49	0.05	0.32	5.17
	9th month	5.17	-	5.17	0.05	0.32	4.84
	10th month	4.84	-		0.04	0.32	4.52

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			4.84			
11th month	4.52	-	4.52	0.04	0.32	4.20
12th month	4.20	-	4.20	0.04	0.32	3.87
				0.66	3.87	
5th	Opening Balance					
1st month	3.87	-	3.87	0.04	0.32	3.55
2nd month	3.55	-	3.55	0.03	0.32	3.23
3rd month	3.23	-	3.23	0.03	0.32	2.91
4th month	2.91	-	2.91	0.03	0.32	2.58
5th month	2.58	-	2.58	0.02	0.32	2.26
6th month	2.26	-	2.26	0.02	0.32	1.94
7th month	1.94	-	1.94	0.02	0.32	1.61
8th month	1.61	-	1.61	0.01	0.32	1.29
9th month	1.29	-	1.29	0.01	0.32	0.97
10th month	0.97	-	0.97	0.01	0.32	0.65
11th month	0.65	-	0.65	0.01	0.32	0.32
12th month	0.32	-	0.32	0.00	0.32	-
				0.23	3.87	
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>					
	2.61	3.11	3.62	4.20	4.85
<u>Raw Material</u>					
	1.80	2.19	2.61	3.05	3.59
Closing Stock	4.41	5.30	6.23	7.26	8.44

COMPUTATION OF WORKING CAPITAL REQUIREMENT					
TRADITIONAL METHOD					(in Lacs)
Particulars	Amount	Own Margin		Bank Finance	
Finished Goods & Raw Material	4.41				
Less : Creditors	1.80				
Paid stock	2.61	10%	0.26	90%	2.35
Sundry Debtors	4.18	10%	0.42	90%	3.76
	6.79		0.68		6.11
MPBF					6.11
WORKING CAPITAL LIMIT DEMAND (from Bank)					6.11
Working Capital Margin					0.68

4.11. SALARY & WAGES

<u>BREAK UP OF LABOUR CHARGES</u>			
Particulars	Wages	No of	Total
	Rs. per Month	Employees	Salary
Plant Operator	14,000	4	56,000
Supervisor	16,000	1	16,000
Skilled (in thousand rupees)	12,000	3	36,000
Unskilled (in thousand rupees)	7,500	4	30,000
Total salary per month			1,38,000
Total annual labour charges	(in lacs)		16.56

<u>BREAK UP OF STAFF SALARY CHARGES</u>			
Particulars	Salary	No of	Total
	Rs. per Month	Employees	Salary
Administrative Staff	6,500	2	13,000
Manager	18,000	1	18,000
Accountant	15,000	1	15,000
Total salary per month			46,000
Total annual Staff charges	(in lacs)		5.52

4.12 POWER REQUIREMENT

Utility Charges (per month)		
Particulars	value	Description
Power connection required	34	KWH
consumption per day	272	units
Consumption per month	6,800	units
Rate per Unit	10	Rs.
power Bill per month	68,000	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	29.70	2.00	31.70
Total	29.70	2.00	31.70
Less : Depreciation	4.46	0.20	4.66
WDV at end of Year	25.25	1.80	27.05
Additions During The Year	-	-	-
Total	25.25	1.80	27.05
Less : Depreciation	3.79	0.18	3.97
WDV at end of Year	21.46	1.62	23.08
Additions During The Year	-	-	-
Total	21.46	1.62	23.08
Less : Depreciation	3.22	0.16	3.38
WDV at end of Year	18.24	1.46	19.70
Additions During The Year	-	-	-
Total	18.24	1.46	19.70
Less : Depreciation	2.74	0.15	2.88
WDV at end of Year	15.50	1.31	16.82
Additions During The Year	-	-	-
Total	15.50	1.31	16.82
Less : Depreciation	2.33	0.13	2.46
WDV at end of Year	13.18	1.18	14.36

4.14. REPAIR & MAINTENANCE: Repair & Maintenance is 2.5% of Gross Sale.

4.15. PROJECTIONS OF PROFITABILITY ANALYSIS

<u>PROJECTED PROFITABILITY STATEMENT</u>					(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					
Walnut	125.26	157.08	188.69	222.58	258.74
Total	125.26	157.08	188.69	222.58	258.74
<u>COST OF SALES</u>					
Raw Material Consumed	76.95	93.77	111.72	130.82	153.90
Electricity Expenses	8.16	9.38	10.79	12.41	13.65
Depreciation	4.66	3.97	3.38	2.88	2.46
Wages & labour	16.56	19.04	20.95	24.09	26.02
Repair & maintenance	3.13	3.93	4.72	5.56	6.47
Packaging	2.51	3.14	3.77	4.45	5.17
Cost of Production	111.96	133.23	155.33	180.21	207.67
Add: Opening Stock /WIP	-	2.61	3.11	3.62	4.20
Less: Closing Stock /WIP	2.61	3.11	3.62	4.20	4.85
Cost of Sales	109.35	132.73	154.82	179.63	207.03
GROSS PROFIT	15.91	24.35	33.87	42.94	51.72
	12.70%	15.50%	17.95%	19.29%	19.99%
Salary to Staff	5.52	6.62	7.95	9.38	10.32
Interest on Term Loan	1.71	1.51	1.08	0.66	0.23
Interest on working Capital	0.67	0.67	0.67	0.67	0.67
Rent	3.60	3.96	4.36	4.79	5.27
selling & adm exp	2.51	3.93	4.72	5.56	6.73
TOTAL	14.01	16.69	18.78	21.06	23.22
NET PROFIT	1.90	7.66	15.09	21.88	28.50
	1.51%	4.87%	8.00%	9.83%	11.01%
Taxation	-	0.68	2.71	4.83	6.90
PROFIT (After Tax)	1.90	6.98	12.38	17.05	21.60

4.16. BREAK EVEN POINT ANALYSIS

BREAK EVEN POINT ANALYSIS					
Year	I	II	III	IV	V
Net Sales & Other Income	125.26	157.08	188.69	222.58	258.74
Less : Op. WIP Goods	-	2.61	3.11	3.62	4.20
Add : Cl. WIP Goods	2.61	3.11	3.62	4.20	4.85
Total Sales	127.87	157.58	189.20	223.16	259.39
Variable & Semi Variable Exp.					
Raw Material Consumed	76.95	93.77	111.72	130.82	153.90
Electricity Exp/Coal Consumption at 85%	6.94	7.98	9.17	10.55	11.60
Wages & Salary at 60%	13.25	15.40	17.34	20.08	21.80
Selling & administrative Expenses 80%	2.00	3.14	3.77	4.45	5.38
Interest on working Capital	0.671981	0.671981	0.671981	0.671981	0.671981
Repair & maintenance	3.13	3.93	4.72	5.56	6.47
Packaging	2.51	3.14	3.77	4.45	5.17
Total Variable & Semi Variable Exp	105.45	128.02	151.17	176.59	205.00
Contribution	22.42	29.55	38.04	46.57	54.38
Fixed & Semi Fixed Expenses					
Electricity Exp/Coal Consumption at 15%	1.22	1.41	1.62	1.86	2.05
Wages & Salary at 40%	8.83	10.27	11.56	13.39	14.53
Interest on Term Loan	1.71	1.51	1.08	0.66	0.23
Depreciation	4.66	3.97	3.38	2.88	2.46
Selling & administrative Expenses 20%	0.50	0.79	0.94	1.11	1.35
Rent	3.60	3.96	4.36	4.79	5.27
Total Fixed Expenses	20.53	21.90	22.94	24.69	25.89
Capacity Utilization	30%	35%	40%	45%	50%
OPERATING PROFIT	1.90	7.66	15.09	21.88	28.50
BREAK EVEN POINT	27%	26%	24%	24%	24%
BREAK EVEN SALES	117.05	116.76	114.12	118.32	123.46

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		12.83	14.31	16.69	19.74
Add:- Own Capital	4.93				
Add:- Retained Profit	1.90	6.98	12.38	17.05	21.60
Less:- Drawings	4.00	5.50	10.00	14.00	18.00
Subsidy/grant	10.00				
Closing Balance	12.83	14.31	16.69	19.74	23.34
Term Loan	15.50	11.62	7.75	3.87	-
Working Capital Limit	6.11	6.11	6.11	6.11	6.11
Sundry Creditors	1.80	2.19	2.61	3.05	3.59
Provisions & Other Liab	0.40	0.50	0.60	0.72	0.86
TOTAL :	36.63	34.73	33.75	33.49	33.90
<u>Assets</u>					
Fixed Assets (Gross)	31.70	31.70	31.70	31.70	31.70
Gross Dep.	4.66	8.62	12.00	14.88	17.34
Net Fixed Assets	27.05	23.08	19.70	16.82	14.36
Current Assets					
Sundry Debtors	4.18	5.24	6.29	7.42	8.62
Stock in Hand	4.41	5.30	6.23	7.26	8.44
Cash and Bank	1.01	1.12	1.54	2.00	2.48
TOTAL :	36.63	34.73	33.75	33.49	33.90

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	4.93				
Net Profit	1.90	7.66	15.09	21.88	28.50
Depreciation & Exp. W/off	4.66	3.97	3.38	2.88	2.46
Increase in Cash Credit	6.11	-	-	-	-
Increase In Term Loan	17.44	-	-	-	-
Increase in Creditors	1.80	0.39	0.42	0.45	0.54
Increase in Provisions & Oth lib	0.40	0.10	0.10	0.12	0.14
Sunsidy/grant	10.00				
TOTAL :	47.23	12.11	18.99	25.33	31.64
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	31.70				
Increase in Stock	4.41	0.89	0.93	1.03	1.18
Increase in Debtors	4.18	1.06	1.05	1.13	1.21
Repayment of Term Loan	1.94	3.87	3.87	3.87	3.87
Drawings	4.00	5.50	10.00	14.00	18.00
Taxation	-	0.68	2.71	4.83	6.90
TOTAL :	46.22	12.00	18.58	24.86	31.16
Opening Cash & Bank Balance	-	1.01	1.12	1.54	2.00
Add : Surplus	1.01	0.11	0.42	0.46	0.48
Closing Cash & Bank Balance	1.01	1.12	1.54	2.00	2.48

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	6.55	10.94	15.76	19.93	24.06
Interest on Term Loan	1.71	1.51	1.08	0.66	0.23
Total	8.27	12.45	16.84	20.59	24.29
<u>REPAYMENT</u>					
Instalment of Term Loan	1.94	3.87	3.87	3.87	3.87
Interest on Term Loan	1.71	1.51	1.08	0.66	0.23
Total	3.65	5.38	4.96	4.53	4.11
DEBT SERVICE COVERAGE RATIO	2.26	2.31	3.40	4.54	5.92
AVERAGE D.S.C.R.	3.64				