



# MODEL PROJECT REPORT



## PROJECT REPORT ON NAMKEEN MANUFACTURING

**SWAVALAMBI BHARAT ABHIYAN**

## 1. INTRODUCTION

### NAMKEEN MANUFACTURING UNIT



Namkeen Is The Hindi Word Used To Describe A Savory Flavor. The Word Namkeen Is Derived From The Word Namak (Meaning Salt). Namkeen Is Also Used As A Generic Term To Describe Savory Snack Foods. Both Black And Regular White Salt Are Used In Indian Cooking, Which Gives It The Salty Flavor Many People Like. Other Namkeen Snacks Common In Indian Cuisine Include Khaara, Farsan, Chivda, Sav, Chips And Bhujia. Namkeen Of Indore And Ratlam Are Two Snacks That Are Very Well Known For Their Tastes.

Namkeen Foods Are Typically Designed To Be Portable, Quick, And Satisfying. Processed Snack Foods, As One Form Of Convenience Food, Are Designed To Be Less Perishable, More Durable, And More Portable Than Prepared Foods. They Often Contain Substantial Amounts Of Sweeteners, Preservatives, And Appealing Ingredients Such As Chocolate, Peanuts, And Specially-Designed Flavors.

## **2. MARKET POTENTIAL**

India Traditional Snacks Market Has Shown Tremendous Growth In The Past Couple Of Years. The Market Is Forecasted To Grow With A CAGR Of More Than 7% In Near Future. Increasing Consumer's Awareness Towards Healthy And Packaged Traditional Snacks Has Created A Huge Demand For Namkeen In Past Couple Of Years.

Namkeen Is The Dominant Segment, Followed By The Extruded Snacks. The Market Is Also Segmented Into Organized And Unorganized Sector Of Which Unorganized Is The Dominant Market.

The India Snacks Market Will Be More Than INR 1 Billion By The End Of 2024. At Present Unorganized Market Is Dominating The India Snacks Market. But This Scenario Is Expected To Change During The Forecast Period Of 2020-2024. India Snacks Market Is Growing Due To Following Factors Lifestyle Changes, Rising Urbanization, Growing Middle Class Population, Local Availability And Availability Of Snacks In Small Package Size, Low Price And Company's Strategies To Focus On Regional Taste.

## **3. PRODUCT DESCRIPTION**

### **3.1 PRODUCT TYPES & SIZE**

Indian Consumers Seem To Have Recovered Their Taste For Traditional Snacks Such As Sev, Bhujia And Namkeen/ Mixtures, Which Are Contributing To The Impressive Growth Rate Of The Firms.

To Elaborate Further, Namkeens Can Be Characterized Into Three Segments As:

- **Single Product Segment:** Moong Dal, Chana Dal, Peanut, Nut Cracker, Karare Peanut, Heeng Jeera Peanut, Masala Matar, Mathri, Namkeen Pare, Etc.
- **Single Product In Bhujia:** Plain Sev, Bikaneri Bhujia, Aloo Bhujia, Punjabi Tadka, Ratlami Sev, Bhavnagri Gathiya, Etc.
- **Lots Of Mix:** Navratan Mix, Khatta Meetha, Chatpata Mix, Magic Mix, Royal Treat, Kanpuri Mix, Bombay Mix, Kaju Mix, Kashmiri Mix, All In One, Etc.

Now Namkeen Is Well Known To Each And Every Part Of Our Geography. South And North East Part Of India Has Good Demand Of Namkeen Because Of Mix Culture.

### **Size Of The Product**

Namkeen Products Are Packed In Different Types Of Packaging Product With Different Sizes.

#### **Pouch Packaging Size**

- ✓ 50 Gram
- ✓ 100 Gram
- ✓ 250 Gram
- ✓ 500 Gram
- ✓ 1 KG

### **3.2 Raw Material Requirement**

<b>S.N.</b>	<b>Particulars</b>	<b>Rate Per KG</b>
1	Besan	65-70
2	Oil	90-100
3	Spices	200-250
5	Dal	80-90
6	Peanut	110-120
7	Potato	12-15

Average Raw Material Cost Per KG: Rs. 65-70

### **3.3 MANUFACTURING PROCESS**

- Procurement Of Raw Material.
- Preparation Of Dough With The Help Of Dough Mixer.
- Then With The Help Of Bhujia Machine Extruder Convert The Dough Into The Shape Of Required Namkeen.
- After That Take It Into The Frying Section.
- Drying Of Namkeen
- After Frying, Mix All The Other Ingredients Like: Peanut, Spices Etc. As Per The Different Taste Of The Namkeen.
- Seasoning Of Namkeen With The Help Of Seasoning Machine.
- Packaging Of Goods.
- Transportation.



#### **4. PROJECT COMPONENTS**



##### **4.1 Land**

Land Required 1200-1500 Square Feet Approx.

Approximate Rent For The Same Is Rs.25000-30000 Per Month.

## 4.2 Plant & Machinery

Machine	Description	Image
Dough Mixer	Used For Quickly Mixing Batches Of Dough Or Batter.	
Bhujia Extruder Machine	This Machine Is Useful For Extruding Sev, Papdi, Ganthia Etc. The Machine Is Fitted Over Frying Pan.	
Rectangular Batch Tilting Fryer With Diesel Burner	Used For Processing Various Types Of Namkeen	

Seasoning Drum	Seasoning Machine Can Be Used To Season And Mix All Kinds Of Namkeen. It Can Mix And Season Food Evenly And Then Discharge Them Automatically.	
Packaging Machine	For Packaging Of Namkeen Into Different Size And Types Of Packets.	

Note: Cost Of The Machine Is Approx. Rs. 12,00,000 Excluding GST And Other Transportation Cost.

#### 4.3 Misc. Assets

S.N.	Item Description	Rate
1	Electricity Connection	70,000
2	Furniture And Equipment's	50,000
3	Storage Tank, Collection Tank Etc.	30,000



#### **4.4 Power Requirement**

The Borrower Shall Require Power Load Of 15 KW Which Shall Be Applied With Power Corporation. However, For Standby Power Arrangement The Borrower Shall Also Purchase DG Set.

#### **4.5 Manpower Requirement**

6-7 Manpower Are Required For The Namkeen Manufacturing Unit.

Includes:

2 Skilled Labour

2 Unskilled Labour

2 Helper

1 Accountant

### **5. FINANCIALS**

#### **5.1 Cost Of Project**

<b>COST OF PROJECT</b> (In Lacs)			
<b>PARTICULARS</b>	<b>AMOUNT</b>	<b>Own Contribution</b>	<b>Bank Finance</b>
<b>Land &amp; Building</b>		25.00%	75.00%
<b>Owned /Rented</b>			
<b>Plant &amp; Machinery</b>	12.00	3.00	9.00
<b>Furniture &amp; Fixtures And Other Assets</b>	1.50	0.38	1.13
<b>Working Capital</b>	6.67	1.67	5.00
<b>Total</b>	<b>20.17</b>	<b>5.04</b>	<b>15.13</b>

## 5.2 Means Of Finance

<b>MEANS OF FINANCE</b>	
<b>PARTICULARS</b>	<b>AMOUNT</b>
Own Contribution	5.04
Bank Loan	10.13
Working Capital Limit	5.00
<b>Total</b>	<b>20.17</b>

## 5.3 Projected Balance Sheet

<b><u>PROJECTED BALANCE SHEET</u></b>					
<b>(In Lacs)</b>					
<b>PARTICULARS</b>	<b>1st Year</b>	<b>2<sup>nd</sup> Year</b>	<b>3<sup>rd</sup> Year</b>	<b>4th Year</b>	<b>5th Year</b>
<b>Liabilities</b>					
<b>Capital</b>					
Opening Balance		5.86	7.97	10.26	12.86
<i>Add:- Own Capital</i>	5.04				
Add:- Retained Profit	2.57	4.86	7.29	9.60	11.96
Less:- Drawings	1.75	2.75	5.00	7.00	9.50
Closing Balance	5.86	7.97	10.26	12.86	15.32
Term Loan	9.00	6.75	4.50	2.25	-
Working Capital Limit	5.00	5.00	5.00	5.00	5.00
Sundry Creditors	2.46	2.83	3.23	3.69	4.19
Provisions & Other Liab	0.50	0.63	0.75	0.90	1.08
<b>TOTAL :</b>	<b>22.82</b>	<b>23.18</b>	<b>23.74</b>	<b>24.71</b>	<b>25.59</b>
<b>Assets</b>					
<b>Fixed Assets ( Gross)</b>	13.50	13.50	13.50	13.50	13.50

Gross Dep.	1.95	3.62	5.04	6.25	7.29
<b>Net Fixed Assets</b>	<b>11.55</b>	<b>9.89</b>	<b>8.46</b>	<b>7.25</b>	<b>6.21</b>
<b>Current Assets</b>					
Sundry Debtors	3.48	4.18	4.82	5.51	6.23
Stock In Hand	6.28	7.21	8.19	9.35	10.58
Cash And Bank	1.51	1.90	2.26	2.60	2.57
<b>TOTAL :</b>	<b>22.82</b>	<b>23.18</b>	<b>23.74</b>	<b>24.71</b>	<b>25.59</b>

#### 5.4 Projected Cash Flow

<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>4<sup>th</sup> Year</b>	<b>5th Year</b>
<b>SOURCES OF FUND</b>					
Own Margin	5.04				
Net Profit	2.57	4.86	7.56	10.29	13.27
Depriciation & Exp. W/Off	1.95	1.67	1.42	1.21	1.04
Increase In Cash Credit	5.00	-	-	-	-
Increase In Term Loan	10.13	-	-	-	-
Increase In Creditors	2.46	0.37	0.39	0.47	0.50
Increase In Provisions & Oth Lib	0.50	0.13	0.13	0.15	0.18
<b>TOTAL :</b>	<b>27.65</b>	<b>7.02</b>	<b>9.50</b>	<b>12.13</b>	<b>14.98</b>
<b>APPLICATION OF FUND</b>					
Increase In Fixed Assets	13.50				
Increase In Stock	6.28	0.93	0.98	1.16	1.23
Increase In Debtors	3.48	0.70	0.64	0.68	0.73
Repayment Of Term Loan	1.13	2.25	2.25	2.25	2.25
Drawings	1.75	2.75	5.00	7.00	9.50
Taxation	-	-	0.27	0.69	1.31
<b>TOTAL :</b>	<b>26.14</b>	<b>6.63</b>	<b>9.14</b>	<b>11.78</b>	<b>15.01</b>

Opening Cash & Bank Balance	-	1.51	1.90	2.26	2.60
ADD : Surplus	1.51	0.39	0.36	0.34	(0.03)
Closing Cash & Bank Balance	<b>1.51</b>	<b>1.90</b>	<b>2.26</b>	<b>2.60</b>	<b>2.57</b>

## 5.5 Projected Profitability

<b><u>PROJECTED PROFITABILITY STATEMENT</u></b> (In Lacs)					
<b>PARTICULARS</b>	<b>1<sup>st</sup> Year</b>	<b>2<sup>nd</sup> Year</b>	<b>3<sup>rd</sup> 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>					
Namkeen	116.00	139.50	160.83	183.61	207.82
<b>Total</b>	<b>116.00</b>	<b>139.50</b>	<b>160.83</b>	<b>183.61</b>	<b>207.82</b>
<b>COST OF SALES</b>					
Raw Material Consumed	82.11	94.48	107.62	123.16	139.71
Electricity Expenses	3.60	4.14	4.76	5.48	6.02
Depreciation	1.95	1.67	1.42	1.21	1.04
Wages & Labour	5.64	6.20	6.82	7.51	8.26
Repair & Maintenance	3.48	4.18	4.82	5.51	6.23
Packaging	9.60	11.09	12.70	14.45	16.34
<b>Cost Of Production</b>	<b>106.38</b>	<b>121.77</b>	<b>138.15</b>	<b>157.31</b>	<b>177.59</b>
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>3.55</b>	<b>4.06</b>	<b>4.61</b>	<b>5.24</b>
<b>Less: Closing Stock /WIP</b>	<b>3.55</b>	<b>4.06</b>	<b>4.61</b>	<b>5.24</b>	<b>5.92</b>
Cost Of Sales	102.83	121.25	137.61	156.67	176.92
<b>GROSS PROFIT</b>	<b>13.17</b>	<b>18.24</b>	<b>23.22</b>	<b>26.94</b>	<b>30.91</b>

Salary To Staff	3.72	4.09	4.50	4.95	5.45
Interest On Term Loan	1.00	0.88	0.63	0.38	0.13
Interest On Working Capital	0.55	0.55	0.55	0.55	0.55
Rent	3.60	3.96	4.36	4.79	5.27
Selling & Adm Exp	1.74	3.91	5.63	5.97	6.23
<b>TOTAL</b>	<b>10.61</b>	<b>13.38</b>	<b>15.67</b>	<b>16.64</b>	<b>17.64</b>
NET PROFIT	2.57	4.86	7.56	10.29	13.27
Taxation			0.27	0.69	1.31
PROFIT (After Tax)	2.57	4.86	7.29	9.60	11.96

## 5.1 Production And Yield

<b><u>COMPUTATION OF PRODUCTION OF NAMKEEN</u></b> <b>Items To Be Manufactured</b> Namkeen		
Production Capacity	100	KG Per Hour
Working Hours Per Day	8	
Machine Capacity Per Day	800	KG
Machine Capacity Per Annum	240000	KG
Wastage	5%	Of Input
Raw Material Requirement	252632	KG
<b>Final Product</b> One Packet Size (Assumed)	500	
Total Packets Per Annum	480000	Gram Packets

<b>Production Of Namkeen</b>		
<b>Production</b>	<b>Capacity</b>	<b>Packets</b>
1st Year	50%	240,000
2nd Year	55%	264,000
3rd Year	60%	288,000
4th Year	65%	312,000
5th Year	70%	336,000

<b>Packaging Charges</b>			
<b>Raw Material</b>	<b>Packets (500 Grams)</b>	<b>Rate Per Packet</b>	<b>Amount (Rs. In Lacs)</b>
1st Year	240,000	4.00	9.60
2nd Year	264,000	4.20	11.09
3rd Year	288,000	4.41	12.70
4th Year	312,000	4.63	14.45
5th Year	336,000	4.86	16.34

## **5.1 Sales Revenue**

<b><u>COMPUTATION OF SALE</u></b>					
<b>Particulars</b>	<b>1st Year</b>	<b>2<sup>nd</sup> Year</b>	<b>3rd Year</b>	<b>4th Year</b>	<b>5th Year</b>
Op Stock	-	8,000	8,800	9,600	10,400
Production	240,000	264,000	288,000	312,000	336,000
Less : Closing Stock	8,000	8,800	9,600	10,400	11,200
<b>Net Sale</b>	<b>232,000</b>	<b>263,200</b>	<b>287,200</b>	<b>311,200</b>	<b>335,200</b>
Sale Price Per Packet	50.00	53.00	56.00	59.00	62.00
<b>Sales (In Lacs)</b>	<b>116.00</b>	<b>139.50</b>	<b>160.83</b>	<b>183.61</b>	<b>207.82</b>

## 5.2 Working Capital Assessment

<b>COMPUTATION OF CLOSING STOCK &amp; WORKING CAPITAL (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>Finished Goods</u></b>					
	3.55	4.06	4.61	5.24	5.92
<b><u>Raw Material</u></b>					
	2.74	3.15	3.59	4.11	4.66
<b>Closing Stock</b>	<b>6.28</b>	<b>7.21</b>	<b>8.19</b>	<b>9.35</b>	<b>10.58</b>

<b>COMPUTATION OF WORKING CAPITAL REQUIREMENT</b>			
<b>TRADITIONAL METHOD</b>		<b>(In Lacs)</b>	
<b>Particulars</b>	<b>Amount</b>	<b>Own Margin</b>	<b>Bank Financ</b>
Finished Goods & Raw	6.28		
Material Less : Creditors	2.46		
<b>Paid Stock</b>	<b>3.82</b>	<b>25% 0.95</b>	<b>75% 2.86</b>
<b>Sundry Debtors</b>	<b>3.48</b>	<b>25% 0.87</b>	
	<b>7.30</b>	<b>1.82</b>	<b>5.47</b>
<b>WORKING CAPITAL LIMIT DEMAND ( From Bank)</b>			<b>5.00</b>

### 5.3 Power, Salary & Wages Calculation

Utility Charges (Per Month)		
Particulars	Value	Description
Power Connection Required	15	KWH
Consumption Per Day	120	Units
Consumption Per Month	3,000	Units
Rate Per Unit	10	Rs.
Power Bill Per Month	30,000	Rs.

<b><u>BREAK UP OF LABOUR CHARGES</u></b>			
Particulars	Wages Rs. Per Month	No Of Employees	Total Salary
Skilled (In Thousand Rupees)	14,000	2	28,000
Unskilled (In Thousand Rupees)	9,500	2	19,000
<b>Total Salary Per Month</b>			<b>47,000</b>
<b>Total Annual Labour Charges</b>	<b>(In Lacs)</b>		<b>5.64</b>

<b><u>BREAK UP OF Staff Salary CHARGES</u></b>			
Particulars	Salary Rs. Per Month	No Of Employees	Total Salary
Helper	7,000	2	14,000
Accountant	17,000	1	17,000
<b>Total Salary Per Month</b>			<b>31,000</b>
<b>Total Annual Staff Charges</b>	<b>(In Lacs)</b>		<b>3.72</b>



## 5.4 Depreciation

<b><u>COMPUTATION OF DEPRECIATION</u></b> (In Lacs)			
<b>Description</b>	<b>Plant &amp; Machinery</b>	<b>Furniture</b>	<b>TOTAL</b>
Rate Of Depreciation	<b>15.00%</b>	<b>10.00%</b>	
<b>Opening Balance</b>	-	-	-
Addition	12.00	1.50	13.50
Total	12.00	1.50	13.50
Less : Depreciation	1.80	0.15	1.95
<b>WDV At End Of Year</b>	<b>10.20</b>	<b>1.35</b>	<b>11.55</b>
Additions During The Year	-	-	-
Total	10.20	1.35	11.55
Less : Depreciation	1.53	0.14	1.67
<b>WDV At End Of Year</b>	<b>8.67</b>	<b>1.22</b>	<b>9.89</b>
Additions During The Year	-	-	-
Total	8.67	1.22	9.89
Less : Depreciation	1.30	0.12	1.42
<b>WDV At End Of Year</b>	<b>7.37</b>	<b>1.09</b>	<b>8.46</b>
Additions During The Year	-	-	-
Total	7.37	1.09	8.46
Less : Depreciation	1.11	0.11	1.21
<b>WDV At End Of Year</b>	<b>6.26</b>	<b>0.98</b>	<b>7.25</b>
Additions During The Year	-	-	-
Total	6.26	0.98	7.25
Less : Depreciation	0.94	0.10	1.04
<b>WDV At End Of Year</b>	<b>5.32</b>	<b>0.89</b>	<b>6.21</b>

## 5.5 Repayment Schedule

REPAYMENT SCHEDULE OF TERM LOAN							
Interest						11.00%	
Year	Particulars	Amount	Addition	Total	Interest	Repayment	Closing Balance
<b>Ist</b>	<b>Opening Balance</b>						
	1st Month	-	10.13	10.13	-	-	10.13
	2nd Month	10.13	-	10.13	0.09	-	10.13
	3rd Month	10.13	-	10.13	0.09	-	10.13
	4th Month	10.13	-	10.13	0.09		10.13
	5th Month	10.13	-	10.13	0.09		10.13
	6th Month	10.13	-	10.13	0.09		10.13
	7th Month	10.13	-	10.13	0.09	0.19	9.94
	8th Month	9.94	-	9.94	0.09	0.19	9.75
	9th Month	9.75	-	9.75	0.09	0.19	9.56
	10th Month	9.56	-	9.56	0.09	0.19	9.38
	11th Month	9.38	-	9.38	0.09	0.19	9.19
	12th Month	9.19	-	9.19	0.08	0.19	9.00
					1.00	1.13	
<b>2nd</b>	<b>Opening Balance</b>						
	1st Month	9.00	-	9.00	0.08	0.19	8.81
	2nd Month	8.81	-	8.81	0.08	0.19	8.63
	3rd Month	8.63	-	8.63	0.08	0.19	8.44
	4th Month	8.44	-	8.44	0.08	0.19	8.25
	5th Month	8.25	-	8.25	0.08	0.19	8.06
	6th Month	8.06	-	8.06	0.07	0.19	7.88
	7th Month	7.88	-	7.88	0.07	0.19	7.69
	8th Month	7.69	-	7.69	0.07	0.19	7.50
	9th Month	7.50	-	7.50	0.07	0.19	7.31
	10th Month	7.31	-	7.31	0.07	0.19	7.13
	11th Month	7.13	-	7.13	0.07	0.19	6.94
	12th Month	6.94	-	6.94	0.06	0.19	6.75
					<b>0.88</b>	<b>2.25</b>	
<b>3rd</b>	<b>Opening Balance</b>						
	1st Month	6.75	-	6.75	0.06	0.19	6.56
	2nd Month	6.56	-	6.56	0.06	0.19	6.38
	3rd Month	6.38	-	6.38	0.06	0.19	6.19
	4th Month	6.19	-	6.19	0.06	0.19	6.00
	5th Month	6.00	-	6.00	0.06	0.19	5.81
	6th Month	5.81	-	5.81	0.05	0.19	5.63

	7th Month	5.63	-	5.63	0.05	0.19	5.44
	8th Month	5.44	-	5.44	0.05	0.19	5.25
	9th Month	5.25	-	5.25	0.05	0.19	5.06
	10th Month	5.06	-	5.06	0.05	0.19	4.88
	11th Month	4.88	-	4.88	0.04	0.19	4.69
	12th Month	4.69	-	4.69	0.04	0.19	4.50
					<b>0.63</b>	<b>2.25</b>	
<b>4th</b>	<b>Opening Balance</b>						
	1st Month	4.50	-	4.50	0.04	0.19	4.31
	2nd Month	4.31	-	4.31	0.04	0.19	4.13
	3rd Month	4.13	-	4.13	0.04	0.19	3.94
	4th Month	3.94	-	3.94	0.04	0.19	3.75
	5th Month	3.75	-	3.75	0.03	0.19	3.56
	6th Month	3.56	-	3.56	0.03	0.19	3.38
	7th Month	3.38	-	3.38	0.03	0.19	3.19
	8th Month	3.19	-	3.19	0.03	0.19	3.00
	9th Month	3.00	-	3.00	0.03	0.19	2.81
	10th Month	2.81	-	2.81	0.03	0.19	2.63
	11th Month	2.63	-	2.63	0.02	0.19	2.44
	12th Month	2.44	-	2.44	0.02	0.19	2.25
					<b>0.38</b>	<b>2.25</b>	
<b>5th</b>	<b>Opening Balance</b>						
	1st Month	2.25	-	2.25	0.02	0.19	2.06
	2nd Month	2.06	-	2.06	0.02	0.19	1.88
	3rd Month	1.88	-	1.88	0.02	0.19	1.69
	4th Month	1.69	-	1.69	0.02	0.19	1.50
	5th Month	1.50	-	1.50	0.01	0.19	1.31
	6th Month	1.31	-	1.31	0.01	0.19	1.13
	7th Month	1.13	-	1.13	0.01	0.19	0.94
	8th Month	0.94	-	0.94	0.01	0.19	0.75
	9th Month	0.75	-	0.75	0.01	0.19	0.56
	10th Month	0.56	-	0.56	0.01	0.19	0.38
	11th Month	0.38	-	0.38	0.00	0.19	0.19
	12th Month	0.19	-	0.19	0.00	0.19	-
					<b>0.13</b>	<b>2.25</b>	
DOOR TO DOOR		60	MONTHS				
MORATORIUM PERIOD		6	MONTHS				
REPAYMENT PERIOD		54	MONTHS				

## 5.6 Financial Indicators

FINANCIAL INDICATORS					
TURNOVER	116.00	139.50	160.83	183.61	207.82
GROSS PROFIT	13.17	18.24	23.22	26.94	30.91
<b>G.P. RATIO</b>	<b>11.35%</b>	<b>3.08%</b>	<b>14.44%</b>	<b>14.67%</b>	<b>14.87%</b>
NET PROFIT	2.57	4.86	7.56	10.29	13.27
<b>N.P. RATIO</b>	<b>2.21%</b>	<b>3.48%</b>	<b>4.70%</b>	<b>5.61%</b>	<b>6.38%</b>
CURRENT ASSETS	11.27	13.29	15.27	17.46	19.38
CURRENT LIABILITIES	7.96	8.46	8.98	9.59	10.27
<b>CURRENT RATIO</b>	<b>1.42</b>	<b>1.57</b>	<b>1.70</b>	<b>1.82</b>	<b>1.89</b>
TERM LOAN	9.00	6.75	4.50	2.25	-
TOTAL NET WORTH	5.86	7.97	10.26	12.86	15.32
<b>DEBT/EQUITY</b>	<b>1.54</b>	<b>0.85</b>	<b>0.44</b>	<b>0.17</b>	<b>-</b>
TOTAL NET WORTH	5.86	7.97	10.26	12.86	15.32
TOTAL OUTSIDE LIABILITIES	16.96	15.21	13.48	11.84	10.27
<b>TOL/TNW</b>	<b>2.90</b>	<b>1.91</b>	<b>1.31</b>	<b>0.92</b>	<b>0.67</b>
PBDIT	6.06	7.95	10.16	12.44	14.99
INTEREST	1.55	1.43	1.18	0.93	0.68
<b>INTEREST COVERAGE RATIO</b>	<b>3.92</b>	<b>5.57</b>	<b>8.62</b>	<b>13.36</b>	<b>21.92</b>
WDV	11.55	9.89	8.46	7.25	6.21
TERM LOAN	9.00	6.75	4.50	2.25	-
<b>FACR</b>	<b>1.28</b>	<b>1.46</b>	<b>1.88</b>	<b>3.22</b>	<b>-</b>

## 5.7 DSCR

<b><u>CALCULATION OF D.S.C.R</u></b>					
<b>PARTICULARS</b>	<b>1<sup>st</sup> Year</b>	<b>2<sup>nd</sup> Year</b>	<b>3<sup>rd</sup> Year</b>	<b>4<sup>th</sup> Year</b>	<b>5<sup>th</sup> Year</b>
CASH ACCRUALS	4.52	6.52	8.71	10.82	13.00
Interest On Term Loan	1.00	0.88	0.63	0.38	0.13
<b>Total</b>	<b>5.51</b>	<b>7.40</b>	<b>9.34</b>	<b>11.20</b>	<b>13.13</b>
<b><u>REPAYMENT</u></b>					
Instalment Of Term Loan	1.13	2.25	2.25	2.25	2.25
Interest On Term Loan	1.00	0.88	0.63	0.38	0.13
Total	2.12	3.13	2.88	2.63	2.38
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>2.60</b>	<b>2.37</b>	<b>3.25</b>	<b>4.26</b>	<b>5.51</b>
<b>AVERAGE D.S.C.R.</b>	<b>3.60</b>				

## 5.8 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>	116.00	139.50	160.83	183.61	207.82
Less : Op. WIP Goods	-	3.55	4.06	4.61	5.24
Add : Cl. WIP Goods	3.55	4.06	4.61	5.24	5.92
<b>Total Sales</b>	<b>119.55</b>	<b>140.01</b>	<b>161.38</b>	<b>184.25</b>	<b>208.50</b>

<b>Variable &amp; Semi Variable Exp.</b>					
Raw Material Consumed	82.11	94.48	107.62	123.16	139.71
Electricity Exp/Coal Consumption At 85%	3.06	3.52	4.05	4.65	5.12
Wages & Salary At 60%	5.62	6.18	6.80	7.47	8.22
Selling & Administrative Expenses 80%	1.39	3.12	4.50	4.77	4.99
Interest On Working Capital	0.55	0.55	0.55	0.55	0.55
Repair & Maintenance	3.48	4.18	4.82	5.51	6.23
Packaging	9.60	11.09	12.70	14.45	16.34
<b>Total Variable &amp; Semi Variable Exp</b>	<b>105.80</b>	<b>123.13</b>	<b>141.04</b>	<b>160.57</b>	<b>181.16</b>
<b>Contribution</b>	<b>13.74</b>	<b>16.88</b>	<b>20.34</b>	<b>23.68</b>	<b>27.34</b>
<b>Fixed &amp; Semi Fixed Expenses</b>					
Electricity Exp/Coal Consumption At 15%	0.54	0.62	0.71	0.82	0.90
Wages & Salary At 40%	3.74	4.12	4.53	4.98	5.48
Interest On Term Loan	1.00	0.88	0.63	0.38	0.13
Depreciation	1.95	1.67	1.42	1.21	1.04
Selling & Administrative Expenses 20%	0.35	0.78	1.13	1.19	1.25
Rent	3.60	3.96	4.36	4.79	5.27
<b>Total Fixed Expenses</b>	<b>11.18</b>	<b>12.02</b>	<b>12.78</b>	<b>13.39</b>	<b>14.07</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>2.57</b>	<b>4.86</b>	<b>7.56</b>	<b>10.29</b>	<b>13.27</b>
<b>BREAK EVEN POINT</b>	<b>41%</b>	<b>39%</b>	<b>38%</b>	<b>37%</b>	<b>36%</b>
<b>BREAK EVEN SALES</b>	<b>97.23</b>	<b>99.71</b>	<b>101.40</b>	<b>104.15</b>	<b>107.32</b>

## **6. LICENSE & APPROVALS**

- Obtain The GST Registration.
- Additionally, Obtain The UDYAM Registration Number.
- FSSAI License.
- Fire/Pollution License As Required.
- Factory License
- Choice Of A Brand Name Of The Product And Secure The Name With Trademark If Required.

### **Implementation Schedule**

<b>S.N.</b>	<b>Activity</b>	<b>Time Required (In Months)</b>
1	Acquisition Of Premises	1
2	Procurement & Installation Of Plant & Machinery	1-2
3	Arrangement Of Finance	1-2
4	Requirement Of Required Manpower	1
	Total Time Required (Some Activities Shall Run Concurrently)	4-5 Months

## **7. ASSUMPTIONS**

1. Production Capacity Of Namkeen Is 800 Kgs Per Day. 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 9 Days.
5. Credit Period By The Sundry Creditors Has Been Provided For 9 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 15 KW.
10. Selling Prices & Raw Material Costing Has Been Increased By 5% & 5%