



MODEL PROJECT REPORT



PROJECT REPORT ON COTTON WICKS

SWAVALAMBI BHARAT ABHIYAN

PROJECT AT A GLANCE

- 1 Name of the Entrepreneur **XXXXXXX**
- 2 Constitution (legal Status) **XXXXXXX**
- 3 Father's/Spouse's Name XXXXXXXX
- 4 Unit Address : XXXXXXXX
- Taluk/Block: XXXXX
District : XXXXX
Pin: XXXXX State: XXXXX
E-Mail : XXXXX
Mobile XXXXX
- 5 Product and By Product : **Cotton Wicks**
- 6 Name of the project / business activity proposed :
- 7 Cost of Project : **Rs. 1.00 Lakhs**
- 8 **Means of Finance**
Term Loan **Rs.**
KVIC Margin Money **Rs.**
Own Capital **Rs.**
- 9 Debt Service Coverage Ratio :
- 10 Pay Back Period : Years
- 11 Project Implementation Period : Months
- 12 Break Even Point :
- 13 Employment : 1-2 Persons
- 14 Power Requirement :
- 15 Major Raw materials : Cotton, Packing Materials
- 16 Estimated Annual Sales Turnover : Rs. 10.00 Lakhs
- 16 Detailed Cost of Project & Means of Finance

COST OF PROJECT

(Rs. In Lacs)

Particulars	Amount
Land	-
Building & Civil Work	-
Plant & Machinery	1.00
Furniture & Fixtures	-
Pre-operative Expenses	-
Contingencies	-
Working Capital Requirement	-
Total	1.00

MEANS OF FINANCE

Particulars	Amount
Own Contribution	1.00
Bank Finance	-
Total	1.00

KVIC Margin Monery

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PROJECTED BALANCE SHEET

PARTICULARS	I Proj	II Proj	III Proj	IV Proj	V Proj
<u>SOURCES OF FUND</u>					
<u>Capital A/c</u>					
Opening Balance	-	2.50	4.24	6.09	8.35
Add: Addition	1.00	-	-	-	-
Add: Net Profit after tax	3.00	3.74	4.36	5.26	6.44
Less : Drawings	1.50	2.00	2.50	3.00	3.50
	2.50	4.24	6.09	8.35	11.29
<u>Current Liabilities</u>					
Sundry Creditors	0.50	0.55	0.61	0.67	0.73
Other Current Liabilities	0.25	0.28	0.30	0.33	0.37
TOTAL :	3.25	5.06	7.00	9.35	12.38
<u>APPLICATION OF FUND</u>					
Fixed Assets (Gross)	1.00	1.00	1.00	1.00	1.00
Gross Dep.	0.15	0.28	0.39	0.48	0.56
Net Fixed Assets	0.85	0.72	0.61	0.52	0.44
Sundry Debtors	0.33	0.38	0.44	0.51	0.58
Cash and Bank	2.07	3.96	5.95	8.32	11.36
TOTAL :	3.25	5.06	7.00	9.35	12.38
	-	-	-	-	-

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	I Proj	II Proj	III Proj	IV Proj	V Proj
<u>SALES</u>					
Revenue from Operations	10.00	11.50	13.20	15.20	17.50
Total (A)	10.00	11.50	13.20	15.20	17.50
Purchases	5.40	6.00	7.00	8.00	9.00
Electricity Expenses	0.05	0.06	0.06	0.07	0.07
Wages	1.00	1.05	1.10	1.15	1.20
Add: Opening Stock	-	0.10	0.12	0.15	0.18
Less: Closing Stock	0.10	0.12	0.15	0.18	0.20
Cost of Production	6.35	7.09	8.13	9.19	10.25
Gross Profit	3.65	4.42	5.07	6.01	7.25
	36.50%	38.39%	38.41%	39.56%	41.41%
Selling & Admin Expenses	0.50	0.55	0.61	0.67	0.73
Depreciation	0.15	0.13	0.11	0.09	0.08
	0.65	0.68	0.71	0.76	0.81
NET PROFIT	3.00	3.74	4.36	5.26	6.44
	30.00%	32.50%	33.00%	34.58%	36.78%
ADD : DEPRECIATION	0.15	0.13	0.11	0.09	0.08
CASH ACCRUALS	3.15	3.87	4.46	5.35	6.51

PROJECTED CASH FLOW STATEMENT

PARTICULARS	I	II	III	IV	V
	Proj	Proj	Proj	Proj	Proj
<u>SOURCES OF FUND</u>					
Incr. in Capital	1.00	-	-	-	
Net Profit after tax	3.00	3.74	4.36	5.26	6.44
Depriciation & Exp. W/off	0.15	0.13	0.11	0.09	0.08
Incr. in Creditors	0.50	0.05	0.06	0.06	0.07
Incr. in Provisions	0.25	0.03	0.03	0.03	0.03
TOTAL :	4.90	3.94	4.55	5.44	6.61
<u>APPLICATION OF FUND</u>					
Incr. in Fixed Assets	1.00	-	-	-	-
Incr. in Debtors	0.33	0.05	0.06	0.07	0.08
Drawings	1.50	2.00	2.50	3.00	3.50
TOTAL :	2.83	2.05	2.56	3.07	3.58
Opening Cash & Bank Balance	-	2.07	3.96	5.95	8.32
Add : Surplus	2.07	1.89	1.99	2.37	3.04
Closing Cash & Bank Balance	2.07	3.96	5.95	8.32	11.36

Assumptions for the Project:

*There are two types of Cotton wicks manufactured- Round Cotton Wicks and Long Cotton Wicks

*The Main raw material required is Cotton

*Other Consumable may include Packing Material depending upon the packing of finished goods

*The Manufacturing Capacity of Machine:

Round Cotton Wicks	:	3.00	kg/day	(Shift of 7-8 hours per day)
Long Cotton Wicks	:	3.00	kg/day	(Shift of 7-8 hours per day)

*The Average quantity of Cotton consumed is 3 kg/day per machine

*The Quantity of Raw Material Required and Processed is 3 kg/day per machine

*The Average cost of 3 kg cotton is Rs. 300/kg i.e. Rs.900/-

*The Average Selling price of Manufactured product is:

Round Cotton wicks	:	500.00	Rs/Kg
Long Cotton wicks	:	600.00	Rs/Kg

(Note: The Selling Price of Manufactured cotton wicks may vary depending upon the quality and value addition in the packing of the Product)

DEPRECIATION SCHEDULE

Description	Plant & Machinery	Total
	15.00%	
Opening Balance	0.00	0.00
Addition	1.00	1.00
	1.00	1.00
Less : Depreciation	0.15	0.15
WDV at the end of Ist Year	0.85	0.85
Addition	0.00	0.00
	0.85	0.85
Less : Depreciation	0.13	0.13
WDV at the end of IIInd Year	0.72	0.72
Addition	0.00	0.00
	0.72	0.72
Less : Depreciation	0.11	0.11
WDV at the end of IIIrd Year	0.61	0.61
Addition	0.00	0.00
	0.61	0.61
Less : Depreciation	0.09	0.09
WDV at the end of IV th Year	0.52	0.52
Addition	0.00	0.00
	0.52	0.52
Less : Depreciation	0.08	0.08
WDV at the end of V th year	0.44	0.44