

Project Report

Of

JITENDRA KUMAR SHUTTERING STORE

For

SHUTTERING WORK

Working Address Vill : Ninavali,
Post : Bhagner,
Distt : Firozabad

PREPARED BY

ASHOK KUMAR DIXIT

Chartered Accountants

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PROJECT AT A GLANCE

1 NAME OF THE PROJECT:-	JITENDRA KUMAR SHUTTERING STORE Vill: Ninavali, Post : Bhagner Distt: Firozabad
2 ADDRESS OF UNIT	
a) Regd. Office	Do
b) Work Place	Do
3 Constitution	Propreitorship
4 Name of the Propreitor	Sri Jitendra Kumar
5 Size of the Unit	Under PMEGP Ind Loan
6 Item to be Manufactured	Shuttering
7 Estimated Work Period	300 days in a year
8 Annual Capacity	The unit shall have the salescapacity of Rs. 37.80 Lacs Per annum at 90% level of capacity
9 Nature of the unit	Services
10 Number of person employed	10
11 Existing Facility	Nil
12 Required Facility	1) Term Loan of Rs. 8.10 Lacs 2) Working Capital of Rs. 0.90 Lacs



Assumptions:-

The Following assumption have been made while computing the cost of Production and Profitability Statement.

- 1) The Utilisation of the installed capacity has been estimated at 60% 70% 80% 90% 90% 90%.
- 2) The rate of Raw material and various ingredients input have been taken according to the prevailing market rates.
- 3) The Administration and other overheads are estimated at about 7% of total realisation.
- 4) Depreciation have been charged on W.D.V.method.
- 5) Interest on term loan @ 9.50%
- 6) Interest on working capital @ 9.50%.
- 7) Machinery and Equipments will be depreciate on W.D.V. method @ 15%. Rs. 9.00 Lacs.

Year	Ist	IInd	IIIrd	IVth	Vth	Vith
Machinery & Equipments	9.00	7.20	5.76	4.61	3.69	2.95
Less: Dep.	1.80	1.44	1.15	0.92	0.74	0.59
	7.20	5.76	4.61	3.69	2.95	2.36

Total Depreciation 1.80 1.44 1.15 0.92 0.74 0.59



1 COST OF PROJECT

1) Land and Building	Owned
2) Machinery & Equipments	9.00 Lacs
3) Working Capital Requirement	1.00 Lacs
	10.00 Lacs

2 MEANS OF FINANCE

Own Contribution	1.00 Lacs
<u>Finance From Bank</u>	
Term Loan	8.10 Lacs
Working Capital	0.90 Lacs
	10.00 Lacs



WORKING CAPITAL

Total Working Capital	1.00 Lacs
Proposed Finance	0.90 Lacs
Margine Money For Working Capital	0.10 Lacs
Existing Margine Money For Working Capital	Nil
Whether Bank is Agreeable in principal to Grant working capital	Yes

Whether Society/ Individual has been taken any Financial Assistance from any other financial Institution or Bank

No

WORKING CAPITAL REQUIREMENT AT DIFFERENT LEVEL OF CAPACITY

		Ist	IInd	IIIrd	IVth	Vth	VIth
1) Raw material	25 Days	0.30	0.35	0.40	0.45	0.45	0.45
2) Debtors	10 Days	0.84	0.98	1.12	1.26	1.26	1.26
		1.14	1.33	1.52	1.71	1.71	1.71
Creditors	12 Days	0.14	0.17	0.19	0.22	0.22	0.22
		1.00	1.16	1.33	1.49	1.49	1.49

REPAYMENT SCHEDULE

T/L	Repay	Balance	Interest	W/C	Balance	Interest	Total Int.	Int. not to be charged	Total Int.
8.10	1.35	6.75	0.77	0.90	0.90	0.09	0.86	0.14	0.71
	1.35	5.40	0.64		0.90	0.09	0.73	0.14	0.58
	1.35	4.05	0.51		0.90	0.09	0.60	0.14	0.46
	1.35	2.70	0.38		0.90	0.09	0.47		0.47
	1.35	1.35	0.26		0.90	0.09	0.34		0.34
	1.35	0.00	0.13		0.90	0.09	0.21		0.21

Note: The Subsidy Realised will be adjusted to term Loan Account after three Years



PROJECTED BALANCE SHEET FOR THE FOLLOWING YEARS

Year	Ist	IIInd	IIIrd	IVth	Vth	VIth
LIABILITIES						
CAPITAL	1.00	3.86	5.70	7.86	10.47	13.05
ADD:PROFIT	4.36	6.34	8.16	9.61	9.82	10.02
LESS: DRAWING	3.00	4.50	6.00	7.00	7.25	7.50
ADD:Margine Money (Non-Refundable)	1.50					
	3.86	5.70	7.86	10.47	13.05	15.56
SECURED LOAN						
T/L	6.75	5.40	4.05	2.70	1.35	0.00
Working Capital	0.90	0.90	0.90	0.90	0.90	0.90
Creditors	0.14	0.17	0.19	0.22	0.22	0.22
	11.66	12.17	13.01	14.29	15.51	16.68
ASSETS						
MACHINERY	7.20	5.76	4.61	3.69	2.95	2.36
STOCK IN HAND	0.30	0.35	0.40	0.45	0.45	0.45
T D R	1.50	1.50	1.50	1.50	1.50	1.50
DEBTORS	0.84	0.98	1.12	1.26	1.26	1.26
CASH	1.82	3.58	5.38	7.39	9.35	11.11
	11.66	12.17	13.01	14.29	15.51	16.68



COST OF PRODUCTION AND PROFITABILITY STATEMENT

Year	Ist	IInd	IIIrd	IVth	Vth	VIth
SALES	25.20	29.40	33.60	37.80	37.80	37.80
PRODUCTION COST						
1. Raw material consumed	3.50	4.20	4.80	5.40	5.40	5.40
2. Labour	12.60	13.86	15.25	16.77	16.77	16.77
3. Power & Fuel	0.36	0.42	0.48	0.51	0.54	0.54
4. Depreciation	1.80	1.44	1.15	0.92	0.74	0.59
	18.36	19.92	21.68	23.63	23.45	23.30
OVERHEAD COST						
1. Administration exp.	1.26	1.47	1.68	1.89	1.89	1.89
2. Interest of T/L	0.71	0.58	0.46	0.47	0.34	0.21
3. Selling & Distribution exp	0.50	0.59	0.67	0.76	0.76	0.76
Cost of Sale	20.84	22.56	24.49	26.75	26.44	26.16
Profit	4.36	6.84	9.11	11.05	11.36	11.64
Provision for tax	0.00	0.50	0.95	1.45	1.54	1.62
Profit after Tax	4.36	6.34	8.16	9.61	9.82	10.02
Depreciation	1.80	1.44	1.15	0.92	0.74	0.59
Cash Accrual	6.16	7.78	9.31	10.53	10.56	10.61
D.S.C.R.	3.33	4.32	5.41	6.04	6.44	6.92
Average D.S.C.R	5.41					



CASH AND FUNDS FLOW STATEMENT FOR THE FOLLOWING YEARS

(Figure in Lacs)

Year	Ist	IInd	IIIrd	IVth	Vth	Vith
<i>SOURCES OF FUND</i>						
1. Profit Before Tax	4.36	6.84	9.11	11.05	11.36	11.64
2. Depreciation	1.80	1.44	1.15	0.92	0.74	0.59
3. Capital	1.00	--	--	--	--	--
4. T/L	8.10	--	--	--	--	--
5. W/C	0.90	--	--	--	--	--
6. Creditors	0.14	0.02	0.02	0.02	0.00	0.00
ADD: Margine Money (Non-Refundable)	1.50					
	17.81	8.30	10.29	12.00	12.10	12.23
<i>APPLICATION OF FUND</i>						
1. Plant & Machinery	9.00	--	--	--	--	--
2. Repayment	1.35	1.35	1.35	1.35	1.35	1.35
3. Increase in stock	0.30	0.05	0.05	0.05	0.00	0.00
4. Increase in Debtors	0.84	0.14	0.14	0.14	0.00	0.00
5. Taxation	0.00	0.50	0.95	1.45	1.54	1.62
6. Darwing	3.00	4.50	6.00	7.00	7.25	7.50
7. T.D.R.	1.50					
	15.99	6.56	8.49	9.99	10.14	10.47
Opening cash Balance	--	1.82	3.58	5.38	7.39	9.35
Add: Surplus/Deficit	1.82	1.76	1.80	2.01	1.96	1.76
Closing balance	1.82	3.58	5.38	7.39	9.35	11.11



CAPACITY INSTALLED

Average 350 Sq. ft. shuttering will be done per day.

No. of working days 300 days

No. of shift One

Annual Capacity

(Per annum 100%)

105000 Sq. ft.

Production in Operating

Year	Ist	IInd	IIIrd	IVth	Vth	VIth
Capacity in (%)	60%	70%	80%	90%	90%	90%
Services Shuttering (in Sq. ft.)	63000	73500	84000	94500	94500	94500
Sales in lacs Shuttering (Rs.40/ Sq.ft.)	25.20	29.40	33.60	37.80	37.80	37.80
	25.20	29.40	33.60	37.80	37.80	37.80

Raw Material Consumed

The raw material will be required of 6.00 Lacs at 100% capacity

Year	Ist	IInd	IIIrd	IVth	Vth	VIth
Raw Material	3.60	4.20	4.80	5.40	5.40	5.40



Labour

The following labour will be employed such as:

Unskilled Labour	5	12500.00 PM	750000.00
Skilled Labour	5	8500.00 PM	510000.00
			1260000.00

With an Increase of 10% per year in the subsequent year

Year	Ist	IInd	IIIrd	IVth	Vth	VIth
Labour exps.	12.60	13.86	15.25	16.77	16.77	16.77

Administration exp.:

5% of the sales realisation including transportation exps.

Selling and Distr.:

2% of the Sales Realisation

Power and Fuel:

The exp. On Power and Fuel is expected to 60000.00 Rs. At 100% Capacity

Year	Ist	IInd	IIIrd	IVth	Vth	VIth
Power and Fuel Exp.	0.36	0.42	0.48	0.54	0.54	0.54



BREAK EVEN POINT

90%

		Fixed	Variable
1. Raw Material	100% V		5.40
2. Wages	20% F	3.35	13.42
3. Administration	20% F	0.38	1.51
4. Power and Fuel	20% F	0.11	0.43
5. Selling & Dist.	100% V		0.76
6. T/L Interest	100% F	0.47	
7. Depreciation	100% F	0.92	
		5.23	21.52

Contribution

Sales-Variable Cost
37.80-21.52 = 16.28

16.28

Fixed cost x 90%
Contribution

5.48×90 30.30%
16.28

Statement of Calculation of DSCR

Particulars	Ist	IInd	IIIrd	IVth	Vth	Vith
Cash Accrual	6.16	7.78	9.31	10.53	10.56	10.61
Intt. On Term Loan	0.71	0.58	0.46	0.47	0.34	0.21
	6.88	8.36	9.77	11.00	10.90	10.82
Particulars	Ist	IInd	IIIrd	IVth	Vth	Vith
Repayment of Term Loan	1.35	1.35	1.35	1.35	1.35	1.35
Intt. On Term Loan	0.71	0.58	0.46	0.47	0.34	0.21
	2.06	1.93	1.81	1.82	1.69	1.56
D.S.C.R.	3.33	4.32	5.41	6.04	6.44	6.92
AVERAGE D.S.C.R.	5.41					

