

**PROJECT REPORT
ON
FOOD PROCESSING UNIT**

PROJECT AT A GLANCE

1	Name of the Unit	Akhila Enterprises	
2	Line of Activity	Food Processing	
3	Products	Chilli Powder (Red)	
4	New/Expansion/Modernization	New	
5	Constitution	Proprietorship	
6	Name of the Proprietor	Manasa Annam	
7	Registered Address	8/3-32-1, NTR Colony, Gudivada , Krishna , A P -521301	
8	Site Location	8/3-32-1, NTR Colony, Gudivada , Krishna , A P -521301	0
9	Cost of the Project		5,00,000.00
10	Feciliites Required	Term Loan	
11	Promoters Contribution		50,000.00
12	Loan From Bank		4,50,000.00
13	Moratorium	6 Months	
14	Power	Yes	
15	BEP	64.04%	
16	Average DSCR	2.10	

Akhila Enterprises

Total Project Cost

S.No	Particulars	Amount
1	Cost of Chilly Powder Machine Capacity - 25-30 kgs /hr Nubmber of Machine- 2 Each Machine @ 2,50,000	0 30,000
2	Shed Cost Area Required 10*30sft Total sft required - 300 sft Cost of Const/sft @ 200	60,000
3	Chilli Powder Packing Machine	80,000
4	Chilli dryer Machine	50,000
5	Construction Cost	50,000
6	Packing Covers	70,000
7	Weighing Machine	8,000
8	Electrical Wiring	50,000
9	Field Laese	72,000
10	Misc	30,000
	Total Cost	5,00,000

Means of Finance :Term Loan

S.NO	Particulars	Amount	%
1	Promoters Conribution	50,000	10%
2	Bank Finance	4,50,000	90%
	Total	5,00,000	100%

S.NO	Particulars	Amount	%
	Working Capital		
	Total Working Capital Required	9,93,500	81,658

Akhila Enterprises

Yield Statement - Chilly Power

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
1.Total Installed Capacity in Kgs	500	500	550	550	600
3.No of Production Months in year	10	10	10	10	10
4.Total Installed Capacity	5000	5000	5500	5500	6000
5.Capacity Utilization	100.00%	100.00%	100.00%	100.00%	100.00%
5.Actual Capacity in Kgs	5000	5000	5500	5500	6000
6.Selling Price per Kg	250	250	250	250	250
7.Total Revenue /Year	12,50,000	12,50,000	13,75,000	13,75,000	15,00,000

Purchases

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
a) Cost					
1.Chilly in Tons	6	6	7	7	7
2.Raw Chilly per Ton	120000	120000	120000	120000	120000
Total Feed Cost	7,20,000	7,20,000	8,40,000	8,40,000	8,40,000

Cost

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
a) Packing Covers	7,500	7,500	8,500	8,500	10,000
b) Labour Cost					
1.Manpower Required	2	2	2	2	2
2.Salary/Month	9,000	9,000	9,000	9,000	10,000
Total Salary	2,16,000	2,16,000	2,16,000	2,16,000	2,40,000
c) Repairs and Maintaince/ Year	20000	22000	24200	26620	29282
d) Insurance @2% on Animal Cost	-	-	-	-	-
e) Electrical Cost/ Year	30,000	33,000	36,300	39,930	43,923

Akhila Enterprises

Projected Profitability Statement

Particulars	Projected Year 1	Projected Year 2	Projected Year 3	Projected Year 4	Projected Year 5
Income					
Sales Revenue	12,50,000	12,50,000	13,75,000	13,75,000	15,00,000
Other Income	-	-	-	-	-
Total	12,50,000	12,50,000	13,75,000	13,75,000	15,00,000
Expenditure					
Chilly Cost	7,27,500	7,27,500	8,48,500	8,48,500	8,50,000
	-	-	-	-	-
Salaries & Wages	2,16,000	2,16,000	2,16,000	2,16,000	2,40,000
	-	-	-	-	-
Repairs and Maintaince	20,000	22,000	24,200	26,620	29,282
Electricity Charges	30,000	33,000	36,300	39,930	43,923
Misc Exp	-	-	-	-	-
Finance Charges	59,625	31,875	22,875	13,875	4,875
Depriciation	50,000	50,000	50,000	50,000	50,000
Profit Before Tax	1,46,875	1,69,625	1,77,125	1,80,075	2,81,920
Provision for Tax	-	-	-	54,023	84,576
Profit After Tax	1,46,875	1,69,625	1,77,125	1,26,053	1,97,344
Net Profit Ratio	11.75%	13.57%	12.88%	9.17%	13.16%

BALANCE SHEET

	Projected	Projected	Projected	Projected	Projected
Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
Liabilities					
Proprietors Capital					
Capital	50,000	1,96,875	3,66,500	5,43,625	6,69,678
Reserves & Surplus	1,46,875	1,69,625	1,77,125	1,26,053	1,97,344
Less: Drawings	-	-	-	-	-
Total	1,96,875	3,66,500	5,43,625	6,69,678	8,67,022
Secured Loans					
Term Loan	3,60,000	2,70,000	1,80,000	90,000	-
Unsecured Loans					
	-	-	-	-	-
Current Liabilities					
Advances From Customers	-	-	-	-	-
Sundry Creditors	-	-	-	-	-
Other Provisions	-	-	-	-	-
Total	5,56,875	6,36,500	7,23,625	7,59,678	8,67,022
Assets					
Fixed Assets					
Fixed Assets	4,50,000	4,00,000	3,50,000	3,00,000	2,50,000
Non Current Assets	-	-	-	-	-
Current Assets					
Sundry Debtors	24,306	24,306	26,736	26,736	29,167
Loans & Advances	-	-	-	-	-
Cash & Bank Balances	82,569	2,12,194	3,46,889	4,32,941	5,87,855
Total	5,56,875	6,36,500	7,23,625	7,59,678	8,67,022

Akhila Enterprises

Term Loan 4,50,000.00
 Rate 10.00%
 Intallments Monthly 60
 Insatallament Amount 7,500.00

Installment No	Opening Balance	Installment Amount	Interest	Closing Balance	Yearly Interest
-	4,50,000.00	-	3,750	4,50,000	
-	4,50,000.00	-	3,750	4,50,000	
-	4,50,000.00	-	3,750	4,50,000	
-	4,50,000.00	-	3,750	4,50,000	
-	4,50,000.00	-	3,750	4,50,000	18,750
1	4,50,000.00	7,500.00	3,750	4,42,500	
2	4,42,500.00	7,500.00	3,688	4,35,000	
3	4,35,000.00	7,500.00	3,625	4,27,500	
4	4,27,500.00	7,500.00	3,563	4,20,000	
5	4,20,000.00	7,500.00	3,500	4,12,500	
6	4,12,500.00	7,500.00	3,438	4,05,000	
7	4,05,000.00	7,500.00	3,375	3,97,500	
8	3,97,500.00	7,500.00	3,313	3,90,000	
9	3,90,000.00	7,500.00	3,250	3,82,500	
10	3,82,500.00	7,500.00	3,188	3,75,000	
11	3,75,000.00	7,500.00	3,125	3,67,500	
12	3,67,500.00	7,500.00	3,063	3,60,000	40,875
13	3,60,000.00	7,500.00	3,000	3,52,500	
14	3,52,500.00	7,500.00	2,938	3,45,000	
15	3,45,000.00	7,500.00	2,875	3,37,500	
16	3,37,500.00	7,500.00	2,813	3,30,000	
17	3,30,000.00	7,500.00	2,750	3,22,500	
18	3,22,500.00	7,500.00	2,688	3,15,000	
19	3,15,000.00	7,500.00	2,625	3,07,500	
20	3,07,500.00	7,500.00	2,563	3,00,000	
21	3,00,000.00	7,500.00	2,500	2,92,500	
22	2,92,500.00	7,500.00	2,438	2,85,000	
23	2,85,000.00	7,500.00	2,375	2,77,500	
24	2,77,500.00	7,500.00	2,313	2,70,000	31,875
25	2,70,000.00	7,500.00	2,250	2,62,500	
26	2,62,500.00	7,500.00	2,188	2,55,000	
27	2,55,000.00	7,500.00	2,125	2,47,500	
28	2,47,500.00	7,500.00	2,063	2,40,000	
29	2,40,000.00	7,500.00	2,000	2,32,500	
30	2,32,500.00	7,500.00	1,938	2,25,000	
31	2,25,000.00	7,500.00	1,875	2,17,500	
32	2,17,500.00	7,500.00	1,813	2,10,000	
33	2,10,000.00	7,500.00	1,750	2,02,500	
34	2,02,500.00	7,500.00	1,688	1,95,000	
35	1,95,000.00	7,500.00	1,625	1,87,500	
36	1,87,500.00	7,500.00	1,563	1,80,000	22,875
37	1,80,000.00	7,500.00	1,500	1,72,500	
38	1,72,500.00	7,500.00	1,438	1,65,000	
39	1,65,000.00	7,500.00	1,375	1,57,500	
40	1,57,500.00	7,500.00	1,313	1,50,000	
41	1,50,000.00	7,500.00	1,250	1,42,500	
42	1,42,500.00	7,500.00	1,188	1,35,000	
43	1,35,000.00	7,500.00	1,125	1,27,500	
44	1,27,500.00	7,500.00	1,063	1,20,000	
45	1,20,000.00	7,500.00	1,000	1,12,500	
46	1,12,500.00	7,500.00	938	1,05,000	
47	1,05,000.00	7,500.00	875	97,500	
48	97,500.00	7,500.00	813	90,000	13,875
49	90,000.00	7,500.00	750	82,500	
50	82,500.00	7,500.00	688	75,000	
51	75,000.00	7,500.00	625	67,500	
52	67,500.00	7,500.00	563	60,000	
53	60,000.00	7,500.00	500	52,500	
54	52,500.00	7,500.00	438	45,000	

Installment No	Opening Balance	Installment Amount	Interest	Closing Balance	Yearly Interest
55	45,000.00	7,500.00	375	37,500	
56	37,500.00	7,500.00	313	30,000	
57	30,000.00	7,500.00	250	22,500	
58	22,500.00	7,500.00	188	15,000	
59	15,000.00	7,500.00	125	7,500	
60	7,500.00	7,500.00	63	-	4,875

Debt Service Coverage Ratio

Particulars	Projected Year 1	Projected Year 2	Projected Year 3	Projected Year 4	Projected Year 5
Profit After tax	1,46,875	1,69,625	1,77,125	1,26,053	1,97,344
Depriciation	50,000	50,000	50,000	50,000	50,000
Interest on term Loan	59,625	31,875	22,875	13,875	4,875
Total	2,56,500	2,51,500	2,50,000	1,89,928	2,52,219
Payment Obligation					
TL Installments	90,000	90,000	90,000	90,000	90,000
Interest	59,625	31,875	22,875	13,875	4,875
Total	1,49,625	1,21,875	1,12,875	1,03,875	94,875
DSCR	1.71	2.06	2.21	1.83	2.66
Avg DSCR	2.10				

Break Even Point

Particulars	Projected	Projected	Projected	Projected	Projected
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	12,50,000	12,50,000	13,75,000	13,75,000	15,00,000
Variable Costs					
Chilly Cost	7,27,500	7,27,500	8,48,500	8,48,500	8,50,000
Repairs and Maintaince	20,000	22,000	24,200	26,620	29,282
Total	7,47,500	7,49,500	8,72,700	8,75,120	8,79,282
Contribution	5,02,500	5,00,500	5,02,300	4,99,880	6,20,718
Fixed Costs					
Salaries	2,16,000	2,16,000	2,16,000	2,16,000	2,40,000
Electricity Charges	30,000	33,000	36,300	39,930	43,923
Interest	59,625	31,875	22,875	13,875	4,875
Depriciation	50,000	50,000	50,000	50,000	50,000
Total	3,55,625	3,30,875	3,25,175	3,19,805	3,38,798
Break even Point	70.77%	66.11%	64.74%	63.98%	54.58%
Break even Sales	8,84,639	8,26,361	8,90,137	8,79,675	8,18,724
Margin of Safety Sales	3,65,361	4,23,639	4,84,863	4,95,325	6,81,276
Average BEP	64.04%				