
















## 4.2 Plant & Machinery

S.N.	Item Description	Image
1	Gutting Machine	
2	Washmaster	
3	Scalemaster	
4	Vaccum Packaging Machine	
5	Chiller	

6	Blast Freezer	
7	Freezer	

Note: Cost of the machinery is approx. Rs. 21,00,000 excluding GST and other transportation cost.

#### 4.3 Misc. Assets

S.N.	Item Description	Rate
1	Electricity connection	50,000
2	Furniture & Fixtures	60,000
3	Material handling equipments	40,000

#### 4.4 Power Requirement

The borrower shall require power load of 20 KW which shall be applied with Power Corporation. However, for standby power arrangement the borrower shall also purchase DG Set.

#### **4.5 Manpower Requirement**

10-11 Manpower are required for Frozen Fish unit.

Includes:

3 Skilled Labour

5 Unskilled Labour

2 Sales Personal

1 Accountant

### **5. FINANCIALS**

#### **5.1 Cost of Project**

<b>COST OF PROJECT</b>	
	(in Lacs)
<b>PARTICULARS</b>	<b>Amount</b>
<b>Land &amp; Building</b>	Owned/rented
<b>Plant &amp; Machinery</b>	21.00
<b>Miscellaneous Assets</b>	1.40
<b>Working capital</b>	6.11
<b>Total</b>	<b>28.51</b>

## 5.2 Means of Finance

MEANS OF FINANCE	
PARTICULARS	AMOUNT
Own Contribution (min 10%)	2.85
Subsidy @35%(Max. Rs 10 Lac)	7.84
Term Loan @ 55%	12.32
Working Capital (bank Finance)	5.50
<b>Total</b>	<b>28.51</b>

## 5.3 Projected Balance Sheet

<u>PROJECTED BALANCE SHEET</u>						(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year	
<u>Liabilities</u>						
Capital						
opening balance		11.45	13.91	16.54	19.39	
Add:- Own Capital	2.85					
Add:- Retained Profit	1.76	4.46	6.13	7.85	10.75	
Less:- Drawings	1.00	2.00	3.50	5.00	7.00	
Subsidy/grant	7.84					
Closing Balance	11.45	13.91	16.54	19.39	23.14	
Term Loan	10.95	8.21	5.48	2.74	-	
Working Capital Limit	5.50	5.50	5.50	5.50	5.50	
Sundry Creditors	1.69	1.96	2.25	2.56	2.89	
Provisions & Other Liab	0.40	0.50	0.60	0.72	0.86	
<b>TOTAL :</b>	<b>29.99</b>	<b>30.08</b>	<b>30.37</b>	<b>30.91</b>	<b>32.39</b>	
<u>Assets</u>						



<b>Fixed Assets ( Gross)</b>	22.40	22.40	22.40	22.40	22.40
Gross Dep.	3.29	6.09	8.48	10.52	12.26
<b>Net Fixed Assets</b>	<b>19.11</b>	<b>16.31</b>	<b>13.92</b>	<b>11.88</b>	<b>10.14</b>
<b>Current Assets</b>					
Sundry Debtors	3.56	4.31	4.95	5.63	6.38
Stock in Hand	4.64	5.31	6.03	6.81	7.62
Cash and Bank	2.68	4.15	5.47	6.59	8.24
<b>TOTAL :</b>	<b>29.99</b>	<b>30.08</b>	<b>30.37</b>	<b>30.91</b>	<b>32.39</b>

#### 5.4 Projected Cash Flow

<b><u>PROJECTED CASH FLOW STATEMENT</u></b>					(in Lacs)
<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>SOURCES OF FUND</u></b>					
Own Margin	2.85				
Net Profit	1.76	4.46	6.81	9.24	12.64
Depriciation & Exp. W/off	3.29	2.80	2.39	2.04	1.74
Increase in Cash Credit	5.50	-	-	-	-
Increase In Term Loan	12.32	-	-	-	-
Increase in Creditors	1.69	0.27	0.29	0.31	0.33
Increase in Provisions & Oth lib	0.40	0.10	0.10	0.12	0.14
Sunsidy/grant	7.84				
<b>TOTAL :</b>	<b>35.65</b>	<b>7.63</b>	<b>9.59</b>	<b>11.70</b>	<b>14.85</b>

<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	22.40				
Increase in Stock	4.64	0.67	0.72	0.78	0.81
Increase in Debtors	3.56	0.75	0.64	0.68	0.75
Repayment of Term Loan	1.37	2.74	2.74	2.74	2.74
Drawings	1.00	2.00	3.50	5.00	7.00
Taxation	-	-	0.68	1.39	1.90
<b>TOTAL :</b>	<b>32.97</b>	<b>6.16</b>	<b>8.28</b>	<b>10.58</b>	<b>13.20</b>
Opening Cash & Bank Balance	-	2.68	4.15	5.47	6.59
Add : Surplus	2.68	1.47	1.31	1.12	1.65
Closing Cash & Bank Balance	<b>2.68</b>	<b>4.15</b>	<b>5.47</b>	<b>6.59</b>	<b>8.24</b>

## 5.5 Projected Profitability

<b><u>PROJECTED PROFITABILITY STATEMENT</u></b>					
(in Lacs)					
<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd 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>					
FROZEN FISH	71.25	86.23	99.04	112.67	127.64
<b>Total</b>	<b>71.25</b>	<b>86.23</b>	<b>99.04</b>	<b>112.67</b>	<b>127.64</b>

<b>COST OF SALES</b>					
Raw Material Consumed	33.75	39.19	45.00	51.19	57.75
Electricity Expenses	6.00	6.90	7.94	9.13	10.04
Depreciation	3.29	2.80	2.39	2.04	1.74
Wages & labour	11.04	12.14	13.36	14.69	16.16
Repair & maintenance	2.14	2.59	2.97	3.38	3.83
Packaging	2.85	3.45	3.96	4.51	5.11
<b>Cost of Production</b>	<b>59.07</b>	<b>67.07</b>	<b>75.62</b>	<b>84.93</b>	<b>94.62</b>
<b>Add: Opening Stock /WIP</b>	-	2.95	3.35	3.78	4.25
<b>Less: Closing Stock /WIP</b>	2.95	3.35	3.78	4.25	4.73
Cost of Sales	56.11	66.67	75.19	84.46	94.14
<b>GROSS PROFIT</b>	<b>15.14</b>	<b>19.56</b>	<b>23.85</b>	<b>28.20</b>	<b>33.50</b>
<b>GROSS PROFIT (%)</b>	<b>21.24%</b>	<b>22.68%</b>	<b>24.08%</b>	<b>25.03%</b>	<b>26.25%</b>
Salary to Staff	6.96	8.35	10.02	11.53	12.91
Interest on Term Loan	1.21	1.07	0.77	0.46	0.16
Interest on working Capital	0.61	0.61	0.61	0.61	0.61
Rent	3.60	3.96	4.36	4.79	5.27
selling & adm exp	1.00	1.12	1.29	1.58	1.91
<b>TOTAL</b>	<b>13.37</b>	<b>15.10</b>	<b>17.04</b>	<b>18.96</b>	<b>20.86</b>
<b>NET PROFIT</b>	<b>1.76</b>	<b>4.46</b>	<b>6.81</b>	<b>9.24</b>	<b>12.64</b>
<b>NET PROFIT(%)</b>	<b>2.47%</b>	<b>5.17%</b>	<b>6.88%</b>	<b>8.20%</b>	<b>9.90%</b>
Taxation		-	0.68	1.39	1.90
<b>PROFIT (After Tax)</b>	<b>1.76</b>	<b>4.46</b>	<b>6.13</b>	<b>7.85</b>	<b>10.75</b>

## 5.6 Production and Yield

<b>Production of FROZEN FISH</b>		
<b>Production</b>	<b>Capacity</b>	<b>KG</b>
1st year	50%	37,500
2nd year	55%	41,250
3rd year	60%	45,000
4th year	65%	48,750
5th year	70%	52,500

<b>Raw Material Cost</b>			
<b>Year</b>	<b>Capacity Utilisation</b>	<b>Rate (per KG)</b>	<b>Amount (Rs. in lacs)</b>
1st year	50%	90.00	33.75
2nd year	55%	95.00	39.19
3rd year	60%	100.00	45.00
4th year	65%	105.00	51.19
5th year	70%	110.00	57.75

## 5.7 Sales Revenue

<b><u>COMPUTATION OF SALE</u></b>					
<b>Particulars</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>
Op Stock	-	1,875	2,063	2,250	2,438
Production	37,500	41,250	45,000	48,750	52,500
Less : Closing					

Stock	1,875	2,063	2,250	2,438	2,625
<b>Net Sale</b>	<b>35,625</b>	<b>41,063</b>	<b>44,813</b>	<b>48,563</b>	<b>52,313</b>
sale price per KG	200.00	210.00	221.00	232.00	244.00
<b>Sales (in Lacs)</b>	<b>71.25</b>	<b>86.23</b>	<b>99.04</b>	<b>112.67</b>	<b>127.64</b>

## 5.8 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>					
	2.95	3.35	3.78	4.25	4.73
<b><u>Raw Material</u></b>					
	1.69	1.96	2.25	2.56	2.89
<b>Closing Stock</b>	<b>4.64</b>	<b>5.31</b>	<b>6.03</b>	<b>6.81</b>	<b>7.62</b>

<b>COMPUTATION OF WORKING CAPITAL REQUIREMENT</b>					
<b>TRADITIONAL METHOD (in Lacs)</b>					
<b>Particulars</b>	<b>Amount</b>	<b>Own Margin</b>		<b>Bank Finance</b>	
Finished Goods & Raw Material	4.64				
Less : Creditors	1.69				
<b>Paid stock</b>	<b>2.95</b>	<b>10%</b>	<b>0.30</b>	<b>90%</b>	<b>2.66</b>
<b>Sundry Debtors</b>	<b>3.56</b>	<b>10%</b>	<b>0.36</b>	<b>90%</b>	<b>3.21</b>
	<b>6.52</b>		<b>0.65</b>		<b>5.86</b>
<b>MPBF</b>					<b>5.86</b>
<b>WORKING CAPITAL LIMIT DEMAND ( from Bank)</b>					<b>5.50</b>
<b>Working Capital Margin</b>					<b>0.61</b>

## 5.9 Power, Salary & Wages Calculation

<b>Utility Charges (per month)</b>		
<b>Particulars</b>	<b>value</b>	<b>Description</b>
Power connection required	20	KWH
consumption per day	200	units
Consumption per month	5,000	units
Rate per Unit	10	Rs.
power Bill per month	50,000	Rs.

<b><u>BREAK UP OF LABOUR CHARGES</u></b>			
<b>Particulars</b>	<b>Wages Rs. per Month</b>	<b>No of Employees</b>	<b>Total Salary</b>
Skilled (in thousand rupees)	14,000	3	42,000
Unskilled (in thousand rupees)	10,000	5	50,000
<b>Total salary per month</b>			<b>92,000</b>
<b>Total annual labour charges</b>	<b>(in lacs)</b>	<b>8</b>	<b>11.04</b>

<b><u>BREAK UP OF Staff Salary CHARGES</u></b>			
<b>Particulars</b>	<b>Salary Rs. per Month</b>	<b>No of Employees</b>	<b>Total Salary</b>
Sales Personal	18,000	2	36,000
Accountant	22,000	1	22,000
<b>Total salary per month</b>			<b>58,000</b>
<b>Total annual Staff charges</b>	<b>(in lacs)</b>	<b>3</b>	<b>6.96</b>

## 5.10 Depreciation

<b>COMPUTATION OF DEPRECIATION</b>			(in Lacs)
<b>Description</b>	<b>Plant &amp; Machinery</b>	<b>Miss. Assets</b>	<b>TOTAL</b>
Rate of Depreciation	<b>15.00%</b>	<b>10.00%</b>	
<b>Opening Balance</b>	-	-	-
Addition	21.00	1.40	22.40
Total	21.00	1.40	22.40
Less : Depreciation	3.15	0.14	3.29
<b>WDV at end of Year</b>	<b>17.85</b>	<b>1.26</b>	<b>19.11</b>
Additions During The Year	-	-	-
Total	17.85	1.26	19.11
Less : Depreciation	2.68	0.13	2.80
<b>WDV at end of Year</b>	<b>15.17</b>	<b>1.13</b>	<b>16.31</b>
Additions During The Year	-	-	-
Total	15.17	1.13	16.31
Less : Depreciation	2.28	0.11	2.39
<b>WDV at end of Year</b>	<b>12.90</b>	<b>1.02</b>	<b>13.92</b>
Additions During The Year	-	-	-
Total	12.90	1.02	13.92
Less : Depreciation	1.93	0.10	2.04
<b>WDV at end of Year</b>	<b>10.96</b>	<b>0.92</b>	<b>11.88</b>
Additions During The Year	-	-	-
Total	10.96	0.92	11.88
Less : Depreciation	1.64	0.09	1.74
<b>WDV at end of Year</b>	<b>9.32</b>	<b>0.83</b>	<b>10.14</b>

## 5.11 Repayment schedule

REPAYMENT SCHEDULE OF TERM LOAN							
						Interest	11.00%
Year	Particulars	Amount	Addition	Total	Interest	Repayment	Closing Balance
<b>1st</b>	Opening Balance						
	1st month	-	12.32	12.32	-	-	12.32
	2nd month	12.32	-	12.32	0.11	-	12.32
	3rd month	12.32	-	12.32	0.11	-	12.32
	4th month	12.32	-	12.32	0.11		12.32
	5th month	12.32	-	12.32	0.11		12.32
	6th month	12.32	-	12.32	0.11		12.32
	7th month	12.32	-	12.32	0.11	0.23	12.09
	8th month	12.09	-	12.09	0.11	0.23	11.86
	9th month	11.86	-	11.86	0.11	0.23	11.64
	10th month	11.64	-	11.64	0.11	0.23	11.41
	11th month	11.41	-	11.41	0.10	0.23	11.18
	12th month	11.18	-	11.18	0.10	0.23	10.95
					1.21	1.37	
<b>2nd</b>	Opening Balance						
	1st month	10.95	-	10.95	0.10	0.23	10.72
	2nd month	10.72	-	10.72	0.10	0.23	10.49
	3rd month	10.49	-	10.49	0.10	0.23	10.27
	4th month	10.27	-	10.27	0.09	0.23	10.04
	5th month	10.04	-	10.04	0.09	0.23	9.81
	6th month	9.81	-	9.81	0.09	0.23	9.58



	7th month	9.58	-	9.58	0.09	0.23	9.35
	8th month	9.35	-	9.35	0.09	0.23	9.13
	9th month	9.13	-	9.13	0.08	0.23	8.90
	10th month	8.90	-	8.90	0.08	0.23	8.67
	11th month	8.67	-	8.67	0.08	0.23	8.44
	12th month	8.44	-	8.44	0.08	0.23	8.21
					<b>1.07</b>	<b>2.74</b>	
<b>3rd</b>	Opening Balance						
	1st month	8.21	-	8.21	0.08	0.23	7.99
	2nd month	7.99	-	7.99	0.07	0.23	7.76
	3rd month	7.76	-	7.76	0.07	0.23	7.53
	4th month	7.53	-	7.53	0.07	0.23	7.30
	5th month	7.30	-	7.30	0.07	0.23	7.07
	6th month	7.07	-	7.07	0.06	0.23	6.84
	7th month	6.84	-	6.84	0.06	0.23	6.62
	8th month	6.62	-	6.62	0.06	0.23	6.39
	9th month	6.39	-	6.39	0.06	0.23	6.16
	10th month	6.16	-	6.16	0.06	0.23	5.93
	11th month	5.93	-	5.93	0.05	0.23	5.70
	12th month	5.70	-	5.70	0.05	0.23	5.48
					<b>0.77</b>	<b>2.74</b>	
<b>4th</b>	Opening Balance						
	1st month	5.48	-	5.48	0.05	0.23	5.25
	2nd month	5.25	-	5.25	0.05	0.23	5.02
	3rd month	5.02	-		0.05	0.23	4.79

				5.02			
	4th month	4.79	-	4.79	0.04	0.23	4.56
	5th month	4.56	-	4.56	0.04	0.23	4.33
	6th month	4.33	-	4.33	0.04	0.23	4.11
	7th month	4.11	-	4.11	0.04	0.23	3.88
	8th month	3.88	-	3.88	0.04	0.23	3.65
	9th month	3.65	-	3.65	0.03	0.23	3.42
	10th month	3.42	-	3.42	0.03	0.23	3.19
	11th month	3.19	-	3.19	0.03	0.23	2.97
	12th month	2.97	-	2.97	0.03	0.23	2.74
					<b>0.46</b>	<b>2.74</b>	
<b>5th</b>	Opening Balance						
	1st month	2.74	-	2.74	0.03	0.23	2.51
	2nd month	2.51	-	2.51	0.02	0.23	2.28
	3rd month	2.28	-	2.28	0.02	0.23	2.05
	4th month	2.05	-	2.05	0.02	0.23	1.83
	5th month	1.83	-	1.83	0.02	0.23	1.60
	6th month	1.60	-	1.60	0.01	0.23	1.37
	7th month	1.37	-	1.37	0.01	0.23	1.14
	8th month	1.14	-	1.14	0.01	0.23	0.91
	9th month	0.91	-	0.91	0.01	0.23	0.68
	10th month	0.68	-	0.68	0.01	0.23	0.46
	11th month	0.46	-	0.46	0.00	0.23	0.23
	12th month	0.23	-	0.23	0.00	0.23	-

			<b>0.16</b>	<b>2.74</b>
DOOR TO DOOR	60	MONTHS		
MORATORIUM PERIOD	6	MONTHS		
REPAYMENT PERIOD	54	MONTHS		

## 5.12 DSCR

<b><u>CALCULATION OF D.S.C.R</u></b>					
<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>
CASH ACCRUALS	5.05	7.26	8.52	9.89	12.48
Interest on Term Loan	1.21	1.07	0.77	0.46	0.16
<b>Total</b>	<b>6.26</b>	<b>8.33</b>	<b>9.28</b>	<b>10.35</b>	<b>12.65</b>
<b><u>REPAYMENT</u></b>					
Instalment of Term Loan	1.37	2.74	2.74	2.74	2.74
Interest on Term Loan	1.21	1.07	0.77	0.46	0.16
<b>Total</b>	<b>2.58</b>	<b>3.80</b>	<b>3.50</b>	<b>3.20</b>	<b>2.90</b>
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>2.43</b>	<b>2.19</b>	<b>2.65</b>	<b>3.23</b>	<b>4.36</b>
<b>AVERAGE D.S.C.R.</b>	<b>2.97</b>				

### 5.13 Break Even Point Analysis

<b>BREAK EVEN POINT ANALYSIS</b>					
Year	I	II	III	IV	V
<b>Net Sales &amp; Other Income</b>	71.25	86.23	99.04	112.67	127.64
Less : Op. WIP Goods	-	2.95	3.35	3.78	4.25
Add : Cl. WIP Goods	2.95	3.35	3.78	4.25	4.73
<b>Total Sales</b>	<b>74.20</b>	<b>86.63</b>	<b>99.46</b>	<b>113.13</b>	<b>128.13</b>
<b>Variable &amp; Semi Variable Exp.</b>					
Raw Material Consumed	33.75	39.19	45.00	51.19	57.75
Electricity Exp/Coal Consumption at 85%	5.10	5.87	6.74	7.76	8.53
Wages & Salary at 60%	10.80	12.30	14.03	15.73	17.44
Selling & administrative Expenses 80%	0.80	0.90	1.03	1.26	1.53
Interest on working Capital	0.605	0.605	0.605	0.605	0.605
Repair & maintenance	2.14	2.59	2.97	3.38	3.83
Packaging	2.85	3.45	3.96	4.51	5.11
<b>Total Variable &amp; Semi Variable Exp</b>	<b>56.04</b>	<b>64.89</b>	<b>74.34</b>	<b>84.43</b>	<b>94.80</b>
<b>Contribution</b>	<b>18.16</b>	<b>21.74</b>	<b>25.12</b>	<b>28.70</b>	<b>33.33</b>
<b>Fixed &amp; Semi Fixed Expenses</b>					
Electricity Exp/Coal Consumption at 15%	0.90	1.04	1.19	1.37	1.51
Wages & Salary at 40%	7.20	8.20	9.35	10.49	11.63
Interest on Term Loan	1.21	1.07	0.77	0.46	0.16
Depreciation	3.29	2.80	2.39	2.04	1.74
Selling & administrative Expenses 20%	0.20	0.22	0.26	0.32	0.38
Rent	3.60	3.96	4.36	4.79	5.27
<b>Total Fixed Expenses</b>	<b>16.40</b>	<b>17.29</b>	<b>18.31</b>	<b>19.46</b>	<b>20.69</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>1.76</b>	<b>4.46</b>	<b>6.81</b>	<b>9.24</b>	<b>12.64</b>
<b>BREAK EVEN POINT</b>	<b>45%</b>	<b>44%</b>	<b>44%</b>	<b>44%</b>	<b>43%</b>
<b>BREAK EVEN SALES</b>	<b>67.00</b>	<b>68.88</b>	<b>72.50</b>	<b>76.72</b>	<b>79.53</b>

## **6. LICENSE & APPROVALS**

- Obtain the GST registration.
- Additionally, obtain the Udyog Aadhar registration Number.
- Fire/pollution license as required.
- FSSAI License
- Choice of a Brand Name of the product and secure the name with Trademark if required.

## **7. ASSUMPTIONS**

1. Production Capacity of Frozen Fish is 250 Kgs per day. First year, Capacity has been taken @ 50%.
2. Working shift of 10 hours per day has been considered.
3. Raw Material stock is for 15 days and finished goods Closing Stock has been taken for 15 days.
4. Credit period to Sundry Debtors has been given for 15 days.
5. Credit period by the Sundry Creditors has been provided for 15 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 20 KW.
10. Selling Prices & Raw material costing has been increased by 5% respectively in the subsequent years.

## **Limitations of the Model DPR and Guidelines for Entrepreneurs**

### **Limitations of the Model DPR**

- i. This model DPR has provided only the basic standard components and methodology to be adopted by an entrepreneur while submitting a proposal under the Formalization of Micro Food Processing Enterprises Scheme of MoFPI.
- ii. This is a model DPR made to provide general methodological structure not for specific entrepreneur/crops/location. Therefore, information on the entrepreneur, forms and structure (proprietorship/partnership/cooperative/ FPC/joint stock company) of his business, details of proposed DPR, project location, raw material base/contract sourcing, entrepreneurs own SWOT analysis, detailed market research, rationale of the project for specific location, community advantage/benefit from the project, employment generation and many more detailed aspects not included.
- iii. The present DPR is based on certain assumptions on cost, prices, interest, capacity utilization, output recovery rate and so on. However, these assumptions in reality may vary across places, markets and situations; thus the resultant calculations will also change accordingly.