

PROJECT AT GLANCE :

- 1 Name : **Jacob Tana (M/s M.T. Enterprise)**
 2 Location of Project : Old A.L.C. Line, Pakke Kessang Township, Pakke Kessang District- 790103

3 Type of Organization Proprietorship

4 Name of Project : Hardware

5 **Cost of the project** : (Rs. In Lakhs)

Particulars	Total
Project Cost	50.00
Total	50.00

Means of Finance :

Particulars		Total
Proprietor Contribution	30%	15.00
Term Loan from Bank / Institution	30%	15.00
Government Subsidy	40%	20.00
Total		50.00

- 6 Debt Equity Ratio : 1.00 :1
 7 Debt Coverage Ratio : 11.61
 8 Gross Profit Ratio : 29.26 First Year Operation.
 9 Net Profit Ratio : 24.83 First Year Operation.
 10 Employment Potential : 2
 11 BEP : 15.05 First Year Operation.
 12 Effective Working days : 365 days
 13 Repayment Schdeule : 7 Years
 14 Return on Investment : 63.49 %
 15 Working Capital Expenditure Per Year
 1st Year 2.56
 2nd Year 2.78
 3rd Year 3.01
 4th Year 3.26
 5th Year 3.54
 16 Manpower Required 9

LIST OF ANNEXURE

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| VIII | RETURN ON INVESTMENT |

Annexure 1**COST OF THE PROJECT AND MEANS OF FINANCE:**

(Rs. In Lakhs)

The project cost has been estimated at Rs.

50.00

Brief details of the project cost is given below

Cost of the project		:	(Rs. In Lakhs)
S No	Particulars		
1	Land & Building	Rented	
2	Miscellaneous Fixed Assets		21.29
3	Preliminary & Pre operative expenses		0.95
4	Contingencies		0.71
	Total Fixed Assets		22.95
5	Working Capital Requirement		27.05
	Total Cost of Project		50.00

Annexure 2

Means of Finance		:	(Rs. In Lakhs)
S No	Particulars		Total
1	Proprietor Contribution		15.00
2	Term Loan from Bank / Institution		15.00
3	Government Subsidy		20.00
	Total		50.00

Annexure-3**Land And Building**

(Rs. In Lakhs)

S No	Items	Area	Total
1	Land and Building		Rented

Annexure 4**Miscellaneous fixed Asset**

(Rs. In Lakhs)

S No	Particulars		Total
1	Wall racks, display racks, counter shelves		4.26
2	Glass Counter + Cash Counter		0.45
3	Paint Display Stand + Sample Walls		0.63
4	Godown Racks, Mezzanine Flooring		2.36
5	Computer, Billing Printer, Barcode Scanner		0.69
6	Lighting, Wiring, Fans, Backup Inverter		0.55
7	CCTV System, Wi-Fi Router, Intercom		0.35
8	Exterior Board, Lightbox, Paint Brand Boards		0.63
9	Used 3-wheeler / Bike for local delivery		3.68
10	Mini showroom area for sanitaryware/electricals		7.69

Total**21.29**

OPERATING CAPACITY IS 75%

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PROJECTIONS AND PROFITABILITY STATEMENT

(Rs. In Lakhs)

PARTICULARS	Operating years						
	1	2	3	4	5	6	7
A.INCOME:							
Revenue from Operation	45.65	50.21	60.26	72.31	86.77	104.12	124.95
Misc Income	3.69	4.06	4.87	5.84	7.01	8.42	10.10
GROSS INCOME PER YEAR	49.34	54.27	65.13	78.15	93.78	112.54	135.05
B. EXPENSES:							
Purchase	20.47	22.52	24.77	27.25	29.97	32.97	36.26
Misc Expenses	0.62	8.14	9.77	11.72	14.07	16.88	20.26
Salary	9.69	10.17	10.68	11.22	11.78	12.37	12.99
Rent	0.60	0.63	0.66	0.69	0.73	0.77	0.80
Contingent Expenses	0.33	0.35	0.36	0.38	0.40	0.42	0.44
Depreciation	3.19	2.71	2.31	1.96	1.67	1.42	1.20
Cost of Operations	34.90	44.52	48.55	53.22	58.61	64.82	71.96
C. Gross Profit [A - B]	14.43	9.75	16.57	24.93	35.17	47.72	63.09
D. Interest: on term loan	1.70	1.45	1.19	0.93	0.67	0.42	0.16
	1.70	1.45	1.19	0.93	0.67	0.42	0.16
E. Selling & Admin. Exp.	0.48	0.50	0.53	0.56	0.58	0.61	0.64
GROSS EXPENDITURE PER YEAR	37.09	46.47	50.27	54.71	59.87	65.85	72.76
F. Profit before Tax[C - (D+E)]	12.25	7.80	14.85	23.44	33.91	46.69	62.28
G. Income Tax	-	-	-	-	-		
H. Net Income Per Year	12.25	7.80	14.85	23.44	33.91	46.69	62.28
I. Depreciation added back	3.19	2.71	2.31	1.96	1.67	1.42	1.20
J. Cash Accruals (H + I)	15.44	10.51	17.16	25.40	35.58	48.11	63.49
L. Repayment of Term Loan	2.14	2.14	2.14	2.14	2.14	2.14	2.14
M. Net Cash A'ble (J - K))	13.30	8.37	15.02	23.26	33.43	45.96	61.35

Working Capital Requirement 2.56 2.78 3.01 3.26 3.54 3.84 4.17

DEPRECIATION SCHEDULE:

PARTICULARS	WDV at the year end						
	1	2	3	4	5	6	7
Plant & Machinery	21.29	18.10	15.38	13.07	11.11	9.45	8.03
Depreciation @ 15%	3.19	2.71	2.31	1.96	1.67	1.42	1.20
WDV	18.10	15.38	13.07	11.11	9.45	8.03	6.83
Total Assets [1+2+3+4]	18.10	15.38	13.07	11.11	9.45	8.03	6.83
Total Depreciation [1+2+3+4]	3.19	2.71	2.31	1.96	1.67	1.42	1.20

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CASH - FLOW STATEMENT :

PARTICULARS	Operating Years						
	1	2	3	4	5	6	7
A. Source of Funds :							
Profit after Tax	12.25	7.80	14.85	23.44	33.91	46.69	62.28
Depreciation	3.19	2.71	2.31	1.96	1.67	1.42	1.20
Loan from Bank	15.00						
Subsidy	20.00						
Promoters Contribution	15.00	-	-	-	-		
TOTAL OF ' A '	65.44	10.51	17.16	25.40	35.58	48.11	63.49
B. Application of Funds :							
Fixed Assets	22.95	-	-	-	-		
Repayment of loan	2.14	2.14	2.14	2.14	2.14	2.14	2.14
TOTAL OF ' B '	25.09	2.14	2.14	2.14	2.14	2.14	2.14
C. Opening Balance	-	40.35	48.72	63.74	87.00	120.43	166.39
D. Net surplus (A - B)	40.35	8.37	15.02	23.26	33.43	45.96	61.35
E. Closing Balance	40.35	48.72	63.74	87.00	120.43	166.39	227.74

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INTEREST SCHEDULE :

(Rs. in Lakhs)

Particulars	QUARTERS	OPENING	LOAN	CLOSING	INTEREST	INTEREST P.A.
		BALANCE	REPAYMENT	BALANCE	PER QTR.	
I	1	15.00	0.54	14.46	0.45	1.70
	2	14.46	0.54	13.93	0.43	
	3	13.93	0.54	13.39	0.42	
	4	13.39	0.54	12.86	0.40	
II	1	12.86	0.54	12.32	0.39	1.45
	2	12.32	0.54	11.79	0.37	
	3	11.79	0.54	11.25	0.35	
	4	11.25	0.54	10.71	0.34	
III	1	10.71	0.54	10.18	0.32	1.19
	2	10.18	0.54	9.64	0.31	
	3	9.64	0.54	9.11	0.29	
	4	9.11	0.54	8.57	0.27	
IV	1	8.57	0.54	8.03	0.26	0.93
	2	8.03	0.54	7.50	0.24	
	3	7.50	0.54	6.96	0.22	
	4	6.96	0.54	6.43	0.21	
V	1	6.43	0.54	5.89	0.19	0.67
	2	5.89	0.54	5.36	0.18	
	3	5.36	0.54	4.82	0.16	
	4	4.82	0.54	4.28	0.14	
VI	1	4.28	0.54	3.75	0.13	0.42
	2	3.75	0.54	3.21	0.11	
	3	3.21	0.54	2.68	0.10	
	4	2.68	0.54	2.14	0.08	
VII	1	2.14	0.54	1.61	0.06	0.16
	2	1.61	0.54	1.07	0.05	
	3	1.07	0.54	0.53	0.03	
	4	0.53	0.54	(0.00)	0.02	

NOTE :

Interest on Term Loan is calculated and Liquidated in
7 year

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BALANCE SHEET

PARTICULARS	Pre-op Period	Operating Years						
		1	2	3	4	5	6	7
A. LIABILITIES :								
Capital Account	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Reserves & Surplus		12.25	20.05	34.90	58.34	92.25	138.94	201.23
Govt Subsidy	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
Secured Loan	15.00	12.86	10.71	8.57	6.43	4.28	2.14	(0.00)
TOTAL	50.00	60.11	65.76	78.47	99.77	131.54	176.08	236.23
B. ASSETS :								
Fixed Assets	22.95	18.10	15.38	13.07	11.11	9.45	8.03	6.83
Current Assets		1.66	1.66	1.66	1.66	1.66	1.66	1.66
Cash & Bank	27.05	40.35	48.72	63.74	87.00	120.43	166.39	227.74
Deposits				-	-	-		
TOTAL	50.00	60.11	65.76	78.47	99.77	131.54	176.08	236.23

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DEBT SERVICE COVERAGE RATIO :

Particulars	Operating Years						
	1	2	3	4	5	6	7
A. SOURCES :							
Profit after tax	12.25	7.80	14.85	23.44	33.91	46.69	62.28
Depreciation	3.19	2.71	2.31	1.96	1.67	1.42	1.20
Interest on term loan	1.70	1.45	1.19	0.93	0.67	0.42	0.16
TOTAL OF ' A '	17.15	11.96	18.35	26.33	36.25	48.52	63.65
B DEBT :							
Term loan installment	2.14	2.14	2.14	2.14	2.14	2.14	2.14
Interest on Term Loan	1.70	1.45	1.19	0.93	0.67	0.42	0.16
TOTAL OF ' B '	3.85	3.59	3.33	3.08	2.82	2.56	2.30
C Debt Service Coverage Ratio							
DSCR [A / B]	4.46	3.33	5.51	8.56	12.86	18.95	27.63

D Average DSCR 11.61

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BREAK-EVEN ANALYSIS

(Rs. in Lakhs)

Particulars	Years						
	1	2	3	4	5	6	7
A. Receipts	49.34	54.27	65.13	78.15	93.78	112.54	135.05
B. Variable cost:	31.71	41.81	46.25	51.26	56.95	63.40	70.75
D. Fixed costs:							
Depreciation	3.19	2.71	2.31	1.96	1.67	1.42	1.20
Interest on Term Loan	1.70	1.45	1.19	0.93	0.67	0.42	0.16
Administration Expenses	0.48	0.50	0.53	0.56	0.58	0.61	0.64
	5.38	4.66	4.03	3.45	2.93	2.45	2.01
E. Contribution [A - B]	17.63	12.46	18.88	26.89	36.84	49.14	64.29
F. P.V.Ratio [E/A x 100]	35.73	22.96	28.99	34.41	39.28	43.66	47.61
G. Break - even [Value] [D / F x 100]	15.05	20.31	13.89	10.02	7.45	5.60	4.22
H. Cash Break Even [Without Depreciation]	6.11	8.49	5.93	4.32	3.20	2.36	1.69

ANNEXURE VIII

ANALYSIS OF RETURN ON INVESTMENT :

$$1. \text{ Return on Investment} = \frac{\text{Average Return} \times 100}{\text{Capital Employed}}$$

$$2. \text{ Return} = \text{Profit before tax} + \text{Depreciation} + \text{Interest on term loan}$$

$$3. \text{ Capital Employed} = \text{Cost of the Project}$$

RETURN ON INVESTMENT :

PARTICULARS	O P E R T I N G Y E A R S						
	1	2	3	4	5	6	7
Profit before tax	12.25	7.80	14.85	23.44	33.91	46.69	62.28
Depreciation	3.19	2.71	2.31	1.96	1.67	1.42	1.20
Interest on Term Loan	1.70	1.45	1.19	0.93	0.67	0.42	0.16
	17.15	11.96	18.35	26.33	36.25	48.52	63.65

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# Average Return	31.75
# Capital Employed	50.00
# Return on Investment	63.49 %

Conclusion: The DSCR Ratio is at a higher proposition and proposes a stable venture. The Project seems feasible.