

PROJECT REPORT  
FOR  
1000 MT  
COLD STORAGE

## Details of Project Cost and Means of finance

	<b>Particulars</b>	<b>Amount (Rs. In lacs)</b>
1.	Land & Land Development	5.00
2.	Building : (a) Civil Work - 35.25 (b) Steel Racking System – 24.00	59.25
3.	Plant & Machinery : Refrigeration System	182.26
4.	Electrical Installation (a) DG Set 450 KVA – 1 No. – 27.00 (b) Electrical Cables & Control Panel - 1.49	28.49
<b>Total Project Cost</b>		<b>275.00</b>

### **MEANS OF FINANCE:**

1.	Promoters Contribution	25.00
2.	Grant Subsidy From APICOL	50.00
3.	Term Loan from Commercial Bank	200.00
<b>TOTAL</b>		<b>275.00</b>

### **CIVIL CONSTRUCTION :**

The civil construction area of the cold storage will be about 9300 sq.ft. The height of the Cold Storage will be 18 ft. and the cold storage will also have proper walls for insulation and will have 4 compartments with one Ante room. The Ante room will be used for storing material before it goes to the cold storage. As per estimation, the civil construction cost comes to Rs.35.25 lacs.

### **PLANT & MACHINARIES :**

PEB Structure, Puf Panels & Refrigeration systems will be supplied by a reputed supplier of cold storage plants, and the cost of the same comes to Rs.182.26 lacs.

## **ELECTRICAL INSTALLATION**

The Company is already having a dedicated transformer with a connected load of 870 KW drawn from 33 KVA line and it has surplus capacity to accommodate the power requirement of this plant. However, The Company will be going for a D.G. Set as a stand-by to meet it's requirement in case of any power failure as the cold storage cannot be left without providing continuous power supply.

## **MAN POWER**

The total manpower requirement for this project comprises of managerial, supervisory and other professional staff as below.

Factory Manager	1 No.
Storage Executive	1 No.
Supervisors	4 Nos.
Maintenance Mechanic	1 No.
Storage Boys	30Nos.

## **SALES & PROFIT :**

The company has projected to achieve a sales turnover of Rs.200.00 lacs & also projected a profit of Rs.27.00 lacs during the first year operation.

## PROFITABILITY STATEMENT FOR 6 YEARS

PARTICULARS	1st yr	2nd yr	3rd yr	4th yr	5th yr	6th yr
<b>INCOME</b>						
STORING CHARGES RECEIVED	177.94	186.83	196.18	196.18	196.18	196.18
<b>TOTAL INCOME</b>	<b>177.94</b>	<b>186.83</b>	<b>196.18</b>	<b>196.18</b>	<b>196.18</b>	<b>196.18</b>
<b>EXPENSES</b>						
POWER & FUEL	12.00	13.20	14.52	14.52	14.52	14.52
OTHER MANUFACTURING EXP.	3.60	3.96	4.36	4.36	4.36	4.36
ADMINISTRATIVE EXP.	1.20	1.32	1.45	1.45	1.45	1.45
WAGES & SALARIES	71.62	78.78	86.66	86.66	86.66	86.66
INTEREST (TERM LOAN)	26.25	21.59	16.92	12.26	7.59	2.93
DEPRECIATION	22.84	22.84	22.84	22.84	22.84	22.84
<b>TOTAL</b>	<b>137.51</b>	<b>141.69</b>	<b>146.75</b>	<b>142.08</b>	<b>137.42</b>	<b>132.75</b>
PROFIT BEFORE TAX	40.43	45.15	49.43	54.09	58.76	63.42
<b>TAX</b>	13.34	14.90	16.31	17.85	19.39	20.93
<b>NET PROFIT AFTER TAX</b>	27.09	30.25	33.12	36.24	39.37	42.49
<b>CASH GENERATION</b>	<b>49.93</b>	<b>53.09</b>	<b>55.96</b>	<b>59.08</b>	<b>62.21</b>	<b>65.33</b>

## BREAK EVEN POINT

TOTAL FIXED COST	120.71	123.21	126.42	121.76	117.09	112.42
TOTAL CONTRIBUTION	161.14	168.35	175.85	175.85	175.85	175.85
BREAK EVEN POINT (%)	74.91%	73.18%	71.89%	69.24%	66.59%	63.93%

## DEBT SERVICE COVERAGE RATIO (D.S.C.R.)

PARTICULARS	1st yr	2nd yr	3rd yr	4th yr	5th yr	6th yr
PROFIT AFTER TAX	27.09	30.25	33.12	36.24	39.37	42.49
DEPCRICATION	22.84	22.84	22.84	22.84	22.84	22.84
INTEREST ON TERM LOAN	26.25	21.59	16.92	12.26	7.59	2.93
<b>TOTAL</b>	<b>76.18</b>	<b>74.67</b>	<b>72.88</b>	<b>71.34</b>	<b>69.80</b>	<b>68.26</b>
INTEREST ON TERM LOAN	26.25	21.59	16.92	12.26	7.59	2.93
REPAYMENT OF TERM LOAN	33.32	33.32	33.32	33.32	33.32	33.40
<b>TOTAL</b>	<b>59.57</b>	<b>54.91</b>	<b>50.24</b>	<b>45.58</b>	<b>40.91</b>	<b>36.33</b>
D.S.C.R.	1.28	1.36	1.45	1.57	1.71	1.88
<b>AVERAGE D.S.C.R.</b>	<b>1.54</b>					

## CASH FLOW STATEMENT

	1st yr	2nd yr	3rd yr	4th yr	5th yr	6th yr
<b>A. SOURCE OF FUNDS</b>						
1. CASH ACCRUALS (PBT + INT.)	66.68	66.73	66.35	66.35	66.35	66.35
2. INCREASE IN SHARE CAPITAL	25.00					
3. INCREASE IN UNSECURED LOAN						
4. DEPRICIATION	22.84	22.84	22.84	22.84	22.84	22.84
5. INCREASE IN TERM LOAN	200.00					
6. INCREASE IN SUBSIDY	50.00					
7. INCREASE IN BANK BORROWING						
8. INCREASE IN CURRENT LIABILITIES						
9. DECREASE IN NON CURRENT ASSETS	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL SOURCE (A)</b>	<b>275.00</b>	<b>89.52</b>	<b>89.57</b>	<b>89.19</b>	<b>89.19</b>	<b>89.19</b>
<b>B. DEPOSITION OF FUNDS</b>						
1. PREL. & PREOP. EXPENSES						
2. INCREASE IN CAPITAL EXPEN.	275.00					
3. INCREASE IN CURRENT ASSET						
4. DECREASE IN TERM LOAN	33.32	33.32	33.32	33.32	33.32	33.40
5. INCREASE IN NON-CURRENT ASSET						
6. INCREASE IN INVESTMENTS						
7. PAYMENT OF INTEREST	26.25	21.59	16.92	12.26	7.59	2.93
8. PAYMENT OF TAX	13.34	14.90	16.31	17.85	19.39	20.93
<b>TOTAL UTILISATION (B)</b>	<b>275.00</b>	<b>72.91</b>	<b>69.80</b>	<b>63.43</b>	<b>60.30</b>	<b>57.26</b>
C. OPENING BALANCE	0.00	16.61	36.37	59.01	84.77	113.66
D. NET SURPLUS	16.61	19.77	22.64	25.76	28.89	31.93
E. CLOSING BALANCE	16.61	36.37	59.01	84.77	113.66	145.59

## PROJECTED BALANCE SHEET

	1st yr	2nd yr	3rd yr	4th yr	5th yr	6th yr
<b><u>LIABILITIES</u></b>						
<b>Share Holders Fund :</b>						
Share Capital	25.00	25.00	25.00	25.00	25.00	25.00
Subsidy	50.00	50.00	50.00	50.00	50.00	50.00
Profit & loss account	27.09	57.34	90.45	126.69	166.06	208.56
<b>Loan Funds</b>						
Secured Loan	200.00	166.68	133.36	100.04	66.72	33.40
<b>Current Liabilitis</b>						
Outstandings payable	0.10	0.10	0.10	0.10	0.10	0.10
Provn. For I.Tax	13.34	14.90	16.31	17.85	19.39	20.93
<b>TOTAL</b>	<b>315.53</b>	<b>314.01</b>	<b>315.22</b>	<b>319.69</b>	<b>327.27</b>	<b>337.99</b>
<b><u>ASSETS</u></b>						
<b>Fixed Asset</b>						
Gross Block	275.00	275.00	275.00	275.00	275.00	275.00
Less: Depreciation	22.84	45.68	68.52	91.36	114.19	137.03
Net Block	252.16	229.32	206.48	183.64	160.81	137.97
<b>Current Assets :</b>						
Cash & bank balances	16.61	36.37	59.01	84.77	113.66	145.59
Closing Stock						
Sundry debtors	39.38	39.73	40.09	40.09	40.09	40.17
Advance Tax	7.38	8.59	9.64	11.18	12.72	14.26
<b>Other Assets</b>						
Miscellaneous expenditure						
<b>TOTAL</b>	<b>315.53</b>	<b>314.02</b>	<b>315.22</b>	<b>319.68</b>	<b>327.27</b>	<b>337.99</b>

**ESTIMATION OF REVENUE :**

	<u>Rs. in lacs</u>
<b>A : <u>STORING CHARGES :</u></b>	177.94
750 MT @ Rs.65/- per MT / per day (Operation - 365 days with maximum 75% utilization)	
<b>TOTAL</b>	<b>177.94</b>

**ESTIMATION OF EXPENSES :**

	<u>Rs. in lacs</u>
<b>A : <u>POWER &amp; FUEL :</u></b>	12.00
@ Rs.1,00,000/- per month	
<b>B : <u>SALARY &amp; WAGES (as per Annexure)</u></b>	71.62
<b>TOTAL</b>	<b>83.62</b>

**MAN POWER & SALARY**

				EACH SALARY PER MONTH	TOTAL PER MONTH	TOTAL (12 MONTHS)
1	Factory Manager	1	no.	25000.00	25000.00	300000.00
2	Store Executive	1	no.	20000.00	20000.00	240000.00
3	Supervisors	4	nos.	15000.00	60000.00	720000.00
4	Maintenance Mechanic	1	nos.	12500.00	12500.00	150000.00
5	Store Boys	30	nos.	12000.00	360000.00	4320000.00
<b>TOTAL</b>					<b>477500.00</b>	<b>5730000.00</b>
ADD : 25 % INFRINGEMENT BENEFITS						1432500.00
					<b>TOTAL</b>	<b>7162500.00</b>
					<b>Say</b>	<b>7162000.00</b>



### DEPRECIATION SHEDULE (SLM)

PARTICULARS	ACQUISITION COST	% OF DEP.	DEPRE- CIATION
LAND	5.00		
BUILDING	59.25	3.34	1.98
PLANT & MACHINERY	182.26	10.34	18.85
ELECTRICAL INSTALLATION	28.49	7.07	2.01
<b>TOTAL</b>	<b>275.00</b>		<b>22.84</b>

### REPAYMENT SCHEDULE OF TERM LOAN

	1st yr	2nd yr	3rd yr	4th yr	5th yr	6th yr
<b>TERM LOAN from Bank</b>						
1ST QTR. - Ending 30th APR.	8.33	8.33	8.33	8.33	8.33	8.33
2ND QTR. - Ending 30th SEP.	8.33	8.33	8.33	8.33	8.33	8.33
3RD QTR. - Ending 31st DEC.	8.33	8.33	8.33	8.33	8.33	8.37
4TH QTR. - Ending 31st MAR.	8.33	8.33	8.33	8.33	8.33	8.37
<b>BALANCE</b>	<b>200.00</b>	<b>166.68</b>	<b>133.36</b>	<b>100.04</b>	<b>66.72</b>	<b>33.40</b>
<b>TOTAL YRL. REPAYMENT</b>	<b>0.00</b>	<b>33.32</b>	<b>33.32</b>	<b>33.32</b>	<b>33.32</b>	<b>33.40</b>

### REPAYMENT SCHEDULE OF INTEREST ON TERM LOAN

	1st yr	2nd yr	3rd yr	4th yr	5th yr	6th yr
<b>14.00%</b>						
1ST QTR. - Ending 30th APR.	7.00	5.83	4.67	3.50	2.34	1.17
2ND QTR. - Ending 30th SEP.	6.71	5.54	4.38	3.21	2.04	0.88
3RD QTR. - Ending 31st DEC.	6.42	5.25	4.08	2.92	1.75	0.59
4TH QTR. - Ending 31st MAR.	6.13	4.96	3.79	2.63	1.46	0.29
<b>TOTAL</b>	<b>26.25</b>	<b>21.59</b>	<b>16.92</b>	<b>12.26</b>	<b>7.59</b>	<b>2.93</b>
<b>TOTAL YRL. INTEREST</b>	<b>26.25</b>	<b>21.59</b>	<b>16.92</b>	<b>12.26</b>	<b>7.59</b>	<b>2.93</b>