

TAMIL NADU RURAL TRANSFORMATION PROJECT

Business Plan for Tomato Sauce Manufacturing unit

1. Village Panchayat:	AA Village
2. Block:	BB Block
3. District:	DD District
4. Applicant:	Mr.AAA
5. Activity:	Tomato Sauce manufacturing unit
6. Classification:	MSME - Manufacturing
7. Sector classification (TNRTP)	Small
8. Purpose of Note: To recommend for sanction of the following limits: Term Loan/Working Capital Demand Loan/Composite Loan (Rs. In Lakhs)	
9. Nature of Facility	Term loan – Composite loan
10. Purpose	For new Tomato sauce manufacturing unit.
11. Limit required	Rs.28.80 Lakhs
12. Margin	10% of the project cost of Rs32 lakhs i.e Rs. 3.20 Lakhs

Introduction: (Details of Promoter name, age, qualification and experience, activity to be financed, existing or new unit, any existing facilities with Banks etc. The present request for loan and purpose.)

Mr.AAA, aged 40 years is from AA village, BB Block, DD District. The applicant propose to establish a tomato sauce manufacturing unit in the village. He had earlier been associated with the similar activity for 5 years and has adequate experience in the line of activity. The applicant presently is not enjoying any facility with any Bank. The present request is for term loan – composite loan of Rs 28.80 Lakhs under TNRTP Matching Grant Programme for establishing a new Tomato sauce manufacturing unit as well as working capital for smooth conduct of day to day operations.

About the product:

The tomato based value added product such as puree, paste sauce and ketchup has become an integral part in the daily consumption pattern both in rural and urban India. Due to the increasing standards of living in the cities as well as the rapid urbanization of the rural areas, consumption of tomato based products is expected to go up steadily.

Ketchup is a sweet and tangy sauce now typically made from tomatoes, sugar and vinegar, with assorted seasonings and spices. The specific spices

and flavours vary, but commonly include onions, allspice, coriander, cloves, cumin, garlic, mustard and sometimes include celery, cinnamon, or ginger.

Tomato ketchup is most often used as a condiment to dishes that are usually served hot and may be fried or greasy: Cutlets, samosas, french fries, hamburgers, hot dogs, chicken tenders, hot sandwiches, meat pies, cooked eggs and grilled or fried meat. Ketchup is sometimes used as the basis for, or as one ingredient in, other sauces and dressings, and the flavour may be replicated as an additive flavouring for snacks such as potato chips.

The ketchup and sauce market alone, in India, is pegged at Rs.1,000 crores and growing at around 20% year-on-year. Therefore, there is a big market for the processed tomato products. The major institutional customers for Ketchup and tomato paste are restaurants. At present, the market of ketchup/puree, especially in the urban areas, is dominated by brands likes MAGGI and KISSAN. However, the existing market can still accommodate micro or small scale units on their own or under other's brand.

I. Profile of the Entrepreneur

Name	Mr. AA
Spouse Name	
Age	40 Years
Education	Graduate
Aadhaar Card No	86XXXX111111
Address	
Phone No	9111111111
Mobile No	-
Email ID	-
Number of years of experience in business	5 Years in the line of activity
Trainings attended (no. and hours)	3 days EDP training through RUDCET
Spouse's occupation	-
If Special category	SC / ST / Differently abled / Widow / Separated woman - General category.

II. Enterprise Profile

Name of the Enterprise	BBB Enterprises
Legal form of Enterprise	Proprietor
Registration No	2222222222
Registration Date	01.02.2021
Registered with whom	
GST No (if available)	33333333
Udhayam Registration(if available)	Yet to be done.

III. Bank Linkage Details

Whether the enterprise has separate bank account	Yes – Current account
If any bank credit availed	No
Name of the bank and branch details	ABC, DD Branch
Nature of the bank facility	Not applicable
Limit sanctioned	Not applicable
Balance outstanding as on date	Rs.3.20 Lakhs

IV. Enterprise Nature

Type of Enterprise	Manufacturing
Product to be produced:	Tomato Sauce i.e. Ketchup
Service to be offered:	<ol style="list-style-type: none">1. Retail Sales2. Direct to consumers for Hotels, restaurants etc in bulk.3. Wholesale Supply
Present Demand	<ul style="list-style-type: none">❖ The unit is located in a central place in the village, well connected to the road and easy approach to the consumers.❖ The rising number of health-conscious consumers of ready to foods and fast foods is giving a boost to ketchup industry. Today markets are flooded with a large variety of tomato ketchup sachets and in PET bottles. With changing lifestyles and increase in disposable incomes, the demand for tomato-based products is ever increasing. Besides consumption in

	<p>the households, it is served in hotels, restaurants, clubs, airlines, railways, etc.</p> <ul style="list-style-type: none"> ❖ Quality will be emphasized at each step right from the beginning to the marketing of the Product. ❖ Company will also explore the possibility of marketing their product to retails shops like Big Bazar, Reliance Trends, and Malls etc. It will also try to partner with local and other hotels and restaurants with good offers to attract demand of its product. It is assumed that due to high quality, cost effectiveness and aesthetic packaging, sale of products may not face much problems.
Current Supply	<p>The capacity of the unit is production of 150 tons per annum at 100% capacity with one shift of 8 hours and 300 days per annum. Initial production in the I year is assumed at 60% of the installed capacity. This is the only unit in the Village to cover the nearby urban areas, Hotels and restaurants. Hence the products can be marketed without much problem. No issues are envisaged in the production and supply.</p>

V. TECHNICAL FEASIBILITY:

Location / Infrastructure:	
<p>1. Location Brief on Location – Whether well connected to market by road etc.,</p>	<p>The unit is located in a central place in the village, well connected to markets through the Main Highway, AH45 Main road and is easily approachable to the consumers as well as suppliers of raw materials.</p>
<p>2. Land Extent of Land, sq.ft. Panchayat approval, own/leased</p>	<p>The business is proposed to be run in own premises. The required land space of around 10000 sq.ft is available. Panchayat approval for the proposed activity is to be obtained.</p>
<p>3. Building</p>	<p>There is a shed which was earlier rented as a godown. This shed is to be utilized for housing the machines</p>

<p>Approved plan from local body, sq,ft, whether sufficient for the proposed activity</p>	<p>proposed to be purchased. The minor modifications/repairs will be done by the applicant at his own cost.. Approval/License from Village Panchayat is to be obtained. The cost of land and building is not included in the Project cost.</p>
<p>4. Power Whether required power connection is available</p>	<p>The required power for running the unit will be around 100 units per day and 2500 units per month at Rs.6/- per unit. The required three phase connection is to be obtained.</p>
<p>5. Water Whether adequate water is available.</p>	<p>Around 1000 liters of water is required every day. Adequate water resource is available at the site to be drawn through bore well.</p>
<p>6. Approval Pollution control Board/GST/FSSAI approvals or any other approval is required. Present Status</p>	<p>The applicant has applied for GST Registration, FSSAI and Pollution Control Board approvals. Follow up is being made by the applicant.</p> <p>The applicant is yet to register under UDYAM. The same is under process.</p>
<p>7. Materials Needed Quantity / Cost / Availability / Delivery Time to be discussed.</p> <p>a. Raw materials : b. Equipment : c. Technology :</p>	<p><u>Raw-materials</u> The major raw material is Tomato. Tomatoes will be sourced directly from the Farm. Appropriate agreement will be entered into by the applicant with the farmers directly for continuous supply of Tomatoes at reasonable price prevailing while sourcing the tomatoes. Other ingredients such as Sugar, spices, vinegar, onions, preservatives are available in the local market and can be procured as and when it is necessary.</p> <p>Equipment: The promoter requires a set of machines for different processes involved such as washing, blanching, pulping, mixing, heating, pasteurizing</p>

	<p>etc. The required machineries are detailed in Annexure A. The machineries are to be procured indigenously from a supplier from Chennai.</p> <p>Technology: The applicant has necessary experience in the line of activity. Further he underwent training in RUDSET, Madurai. The required technological support will be provided by the supplier itself.</p>						
<p>8. Cost of capital assets: Details of equipment/machinery with cost of individual item required along with quotations.</p>	<p style="text-align: right;">(Rs in lakhs)</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 70%;">1. Machineries & other Fixed Assets (As per Annexure A)</td> <td style="text-align: right; width: 30%;">23.00</td> </tr> <tr> <td>2. Working capital (As per annexure B)</td> <td style="text-align: right;">9.00</td> </tr> <tr> <td>Total Project cost</td> <td style="text-align: right;">32.00</td> </tr> </table>	1. Machineries & other Fixed Assets (As per Annexure A)	23.00	2. Working capital (As per annexure B)	9.00	Total Project cost	32.00
1. Machineries & other Fixed Assets (As per Annexure A)	23.00						
2. Working capital (As per annexure B)	9.00						
Total Project cost	32.00						
<p>9. Cost of working capital for one operating cycle</p> <p>d. raw-materials, e. Semi-finished goods, f. finished goods, g. receivables outstanding h. Total working capital needs</p> <p>(The value of raw-materials, semi-finished goods, finished goods, receivables outstanding to be arrived)</p>	<p>The working capital requirement is arrived at Rs.9.00 lakhs as per Annexure B.</p>						
<p>OR</p>							
<p>25% of projected annual sales turnover if necessary. (The projected annual sales should be reasonable and</p>	<p>The assessment has been done as per holding levels detailed in annexure B.</p>						

acceptable)	
<p>10.Skills Requirements: skilled labour available / Not available</p> <p>If not available: whether people can be trained? If so, training period and training facility?</p>	<p>The promoter is experienced in the line of activity for five years and has the required skills to run the unit. The unit requires 7 persons i.e. One Manager, Two skilled workers, two semi skilled workers, one helper and one salesman. Manager, two skilled workers are permanent staffs only. Others are casual staffs</p>
<p>11.Production Process:</p>	
<p>a.Production Plan/cycle (operating cycle may be one-day / week / month or one year as per the activity selected):</p>	<ul style="list-style-type: none"> • Fully ripe, red tomatoes are washed, sorted and trimmed. • After cutting and chopping, the tomatoes are subjected to blanching at 70 to 90 degrees C, for three to five minutes to soften. • Juice is extracted either mechanically or through sieving. • Straining of Tomato pulp/Juice. • Cooking pulp with one-third quantity of sugar. • Putting spice bag in pulp and pressing occasionally. • Cooking to one-third of original volume of pulp/juice • Removal of spice bag (after squeezing in pulp) • Addition of remaining sugar and salt. • Cooking • Judging of end-point (Tomato solids by hand refract meter volume by measuring stick, (ie) one-third of its original • Addition of vinegar / acetic acid and preservative • Filling hot into bottles at about 88 degrees Centigrade. • Crown Corking

	<ul style="list-style-type: none"> • Pasteurization (at 85 to 90 deg. Centigrade for 30 minutes) • Cooling • Storage at ambient temperature(in cool and dry place) <p>The operating cycle is assumed at 58 days for the unit as detailed in Annexure B.</p>
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VI. COMMERCIAL FEASIBILITY:

<p>Marketing strategy :</p> <p>a. Direct to customers :</p> <p>b. Bulk to Institutions :</p> <p>c. Through Retailers / Wholesalers:</p> <p>d. Through Online:</p>	<p>The tomato based value added products such as puree, paste sauce and ketchup are extensively used in daily consumption pattern both in rural and urban India. Due to increasing standards of living in the cities and the rapid urbanization taking place in the rural areas, consumption of tomato based products is expected to go up steadily.</p> <p>The major institutional customers of tomato Ketchup are restaurants. Tie up arrangements are to be made with local restaurants and hotels. Further to explore the possibility of appointing distributors in select districts for distribution under a "Brand name". Apart from these, focus will be on supply to retailers as well as supply in the whole sale market at a discount.</p>
<p>c. Pricing & Discounts :</p>	<p>The price for one Kg of Tomato sauce will be Rs.110/-. Bulk supply and immediate cash payment will be encouraged with a discount in price.</p>
<p>d. Market promotion strategies:</p>	<ul style="list-style-type: none"> • To target the restaurants and hotels for bulk supply at a competitive price.

	<ul style="list-style-type: none"> • Further to explore the possibility of selling under a “brand name” through distributors after obtaining ‘Quality Certificate’ from NSIC. • Different methods/attractive packing materials will be used for packing the Ketchup to attract different types of customers. • Will also explore the possibility to have tie-up arrangements with popular Brands such as “Maggie” and “Kissan” for franchise in certain areas.
e. Physical and digital connectivity:	While the payments are also accepted by way of cash, digital payments will be encouraged with appropriate equipment installed and cost will be borne by the applicant.
f. Risks and risk mitigation planned:	Market risk – The unit is the only unit working in the village and nearby areas. Further the quality will be maintained at each stage of processing and hence the product will be a competitive product to brands like “Kissan” and “Maggi” offered at a lower price.

VII. ENVIRONMENT ASSESSMENT

To be entered as per the required			
Category of the enterprise proposed: Orange (code 2007) – Medium polluting. The enterprise to obtain Consent to operate from TNPCB.			
Environment Issue identified	Environment Guidelines or mitigation measures Integrated	Greening Measures identified	Support needed
		(for green, orange and	Implement the Implement the

	(Please tick)	red categories)	mitigation measures	greening measures
Exploitation of local resources (water and energy)	<ul style="list-style-type: none"> •Electricity •Water 	To ensure adequate measures for Proper disposal of waste water	NA	NA
Waste generation and disposal	<ul style="list-style-type: none"> •Dust/air pollutants 	To ensure adequate measures for Proper disposal of dust and waste fixing exhaust fans etc.	NA	NA
Worker and Community safety	<ul style="list-style-type: none"> •Safety measures / gadgets 	Safety masks, gloves, chappals to be provided.	NA	NA

Whether the activity proposed is in the negative list: No

VIII. FINANCIAL VIABILITY

1. Cost of the project and Means of the project:	
a. Cost of the Project:	(Rs in lakhs)
i. Fixed capital Cost of all the equipment's /machinery/construction(excluding land cost)	Machineries – 23.00
ii.Working capital	Working capital 9.00
iii.Pre-operative expenses*	Nil
Total cost of the project (i + ii + iii)	32.00
Pre-operative expenses such as salaries to permanent staff before commencement of operations, Interest during holiday period etc to	

be met by the borrower from his own source.	
b. Means of the project:	
i. Loan from financial Institution / Bank (95% or 90%):	28.80
ii. Margin money -Borrower's contribution (5% or 10%):	3.20
Total means of the project (i + ii)	32.00
c. Matching grant from the project**	9.60
Whether the entrepreneur has the sufficient means to bring in the margin money and has enough buffer to manage any cost escalations	Yes. The applicant has deposit to the extent of Rs.3.20 lakhs in the Bank.

**Matching Grant is @30% of the total cost of the project (excluding pre-operative expenses, land cost, lease). As Matching Grant will be kept in a "Subsidy Reserve Fund" account of the bank as a back-ended grant, it is not shown under the Means of the project. The matching grant to be adjusted as below:

	(Rs in Lakhs)
Loan initially disbursed by the Bank	- 28.80
Less 30% matching grant	- 9.60
Balance principal amount to be repaid by Borrower	- 19.20

Upon completion of minimum period of 18 months and upon repayment of principal amount of Rs.19.20 lakhs and the interest portion, the matching grant of Rs.9.60 lakhs can be adjusted to the loan account of the borrower and the loan account can be closed.

IX. Repayment capacity

1. Calculation of DSCR. (Profitability based on Projections in Annex D)

- Loan amount of Rs.28,80,000 repayable in 60 months @ 12% after Holiday period of 6 months.
- Monthly instalment - principal amount is Rs.53333/-
Last instalment - Rs.53345/-
- Though the repayment is fixed for 60 months, upon prompt repayment the loan is closed on the 43rd month itself with matching grant amount of Rs.960000/- which is eligible for the project.
- 50% of net profit and depreciation is taken for DSCR Calculation in the I Year since only six months operation in I Year
- Interest calculation details available in Annexure F.

Particulars	YEAR 1 (6 M)	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Net profit after tax	917240	2200520	2655959	3108995	3059948
Depreciation	115000	230000	230000	230000	230000
Interest	115200	195200	118401	41601	0
Grant					960000
Cash surplus A	1147440	2625720	3004360	3380596	4249948
Principal Repayment	0	639996	639996	640008	960000
Interest	115200	195200	118401	41601	0
Repayment obligation B	115200	835196	758397	681609	960000
DSCR A/B	9.96	3.14	3.96	4.96	4.43
Average DSCR			5.29		

The average DSCR is 5.29 which is above the minimum DSCR of 1.5: 1 as required by MGP guidelines. The repayment capacity is comfortable.

2. Current Ratio

Current assets / Current liabilities

(To assess whether the enterprise has sufficient liquidity for the payments that are due within 12 months. Current ratio should be more than 1.25.)

Particulars	Year I	Year II	Year III	Year IV
Raw material stock	42000	49000	56000	63000
Other ingrediants	8400	9800	11200	12600
Work in progress	88590	216583	245583	274733
Packing material	12600	31500	36000	40500
Finished goods' stock	107345	265349	296202	327175
Receivables	643500	750750	858000	965250
Total current assets (A)	902435	1322982	1502985	1683258
Trade creditors	0	0	0	0
TL Instalments repayable in one Year	0	639996	639996	640008
Total Current Liabilities(B)	0	639996	639996	639996
Current RatioA/B	N/A	2.06	2.35	2.63

***TL instalments in year I is taken as '0' since 6 months holiday period to commence from Oct 2021 to March 2022.**

Current ratio is above 1.25 in all the years. Hence the liquidity is comfortable.

3. Debt/Equity ratio (DER)

The debt equity ratio is to find out the leverage of the owners capital.
DER: Total liabilities / Total equity (Projected Balance sheet as per annexure E)

Particulars	I Year	II Year	III Year	IV Year
Term Loan	28.80	16.00	9.60	0
Current Liabilities	0	6.40	6.40	6.40
Total Debt(A)	28.80	22.40	16.00	6.40
Capital	3.20	3.20	3.20	3.20
Retained profit	18.34	40.34	66.89	97.98
Grant	9.60	9.60	9.60	9.60
Total Equity(B)	31.14	53.14	79.69	110.78
Debt Equity Ratio(A)/(B)	0.92	0.42	0.20	0.06

The Debt to equity ratio is comfortable and reducing every year due to retention of profits. It is below the bench mark level of 3:1 in all the years.

X. Recommendation:

As the proposal is viable and complies with the guidelines in respect of Matching Grant Programme, we may recommend to the concerned Bank.

ANNEXURE – A

Machinery & Equipments:

S.No	Descriptions	Power required	Area required (Sq.ft)	Qty	Amount (Rs.) in lakhs
1.	Tomatoes Washer Capacity : 100 kg /hr	210V	16	1	1.80
2.	Blancher Capacity : 15 kg /hr	1 KW	10	1	1.80
3.	Fruit Pulper Capacity : 100 kg /hr	2 HP	25	1	2.40
4.	Pasteuriser with Boiler Capacity : 500 lt /hr	2 KW	25	1	6.00
5.	Mixing Tank Capacity : 500 lt /hr	2 HP	25	1	1.00
6.	Vacuum Pan/ Stem Kettle Capacity : 500 lt /hr	5 HP	25	1	5.00
7.	Ketchup Packing Machine Capacity : 500 lt /hr	1 HP	10	1	2.00
	Total				20.00

Other Fixed Assets

(Rs. In lakhs)

Power Fittings(Transformer)	2.00
Furniture and Fixtures, Plastic trays and Electrical fittings.	1.00
Total	3.00

Total Machineries and Equipments required – Rs.23 Lakhs

Annexure - B

Working Capital Assessment

Working Capital Requirement (In Rupees)

Current Assets	Holding Period	Year I (60% - (90 MT)	Year II (70% - 105MT)	Year III (80% - 120 MT)
Raw material stock	7 days (of Raw material cost)	42000	49000	56000
Other ingrediants	7 days (of cost of ingredients)	8400	9800	11200
Work in progress	7 days of Cost of Production	88590	216583	245583
Packing material	7 days (of cost of Packing Materials)	12600	31500	36000
Finished goods' stock	7 days (of cost of sale)	106998	264145	295616
Receivables	30 days (of sales value)	643500	750750	858000
Total current assets		902088	1321777	1502399
Trade creditors	0	0	0	0
Working capital requirement		902088	1321777	1502399
Rounded off		900000	1300000	1500000

The operating cycle is assumed at 58 days(excluding holding level of packing materials). The working capital requirement for the I year is Rs 9 Lakhs.

Annexure C

BASIS & PRESUMPTIONS

1. Installed Capacity(100%) is 150 Tons of Tomato Ketchup based on the following:
 - Per day shift of 8 hours.
 - 25 days per month and 300 days per annum.
 - To start with, in the I Year, the capacity utilisation will be 60% i.e. 90 Tons. In the II year 70% - 105 Tons, III Year 80% - 120 Tons and IV year onwards it is 90% - 135 Tons
2. The selling price is conservatively fixed at Rs.110/- per kg of Tomato ketchup, when compared to the market price of around Rs.140/- per Kg. The price of Rs.110/- can still be reduced by Rs.10/- further in case if necessary to compete with prevailing brands such as "Kissan", "Maggi" and the project will still be viable.
3. The output ratio i.e. the Ketchup is fixed at 65% of the input i.e. Tomatoes which is the main raw material based on which the sales volume and value is arrived at.
4. The basic raw material Raw material is tomato and the price of tomatoes are always fluctuating. The average price is assumed at Rs.20/- per Kg.
5. The cost of other ingredients is arrived at 20% of the cost of raw material i.e. tomato based on the following formulation table:

For 25 Kgs of Tomato Juice, the following ingredients are required to obtain the end product i.e. Ketchup. The table indicates the quantity and cost of other ingredients.

Particulars	Quantity required	Price per Kg in Rs.	Cost (Rs)
Sugar	1 Kg	30/-	30.00
Salt	50 gms	Rs.3/-	0.15
Garlic	30 gms	Rs.100/-	3.00
Cinnamon	13 gms	Rs.650/-	8.45
Cardamon	5 gms	Rs.300/-	1.50
Mace	1 gm	Rs.2000/-	2.00
Glacial Acetic Acid	50 ml	Rs.300/- for 500 ml	30.00
Onion	320 gms	Rs.25/-	8.00
Clove	13 gms	Rs.1500/-	19.50
Black Pepper	5 gms	Rs.650/-	3.25

Cummin	5 gms	Rs.600/-	3.00
Red Chilli powder	10 gms	Rs.300/-	3.00
Total Cost			111.85

- The cost of ingredients, i.e. Rs111.85 which is to be added to 25 Kgs of Tomato Juice to obtain final product.
 - 50 kgs of Tomatos are required for extraction of 25 kgs of juice.
 - Cost of 50 Kgs of tomato at Rs.20 per Kg will be Rs.1000/-
 - The percentage of other ingredients to R.M. cost will be around 11% approximately. However we have assumed at 20% in view of the fluctuating raw material cost.
6. Packing material cost is assumed at 30% of the raw material cost taking into account the cost of glass bottles which is the most safe and healthy packing wherein the shelf life is longer. However the glass is the costliest among the packing materials.
 7. The required power for running the unit for the proposed machines will be around 100 units per day and 2500 units per month, at 100% capacity, at Rs.6/- per unit.
 8. The Salary and wages for Year I are estimated as below. The cost is estimated to increase by 5% in the subsequent years.

Manpower Requirement

Particulars	No. & Wage	Total Monthly Salary (Rs.)
i. Manager (can be the owner)	1 @ Rs. 20000	20000
ii. Skilled worker	2 @ Rs. 10000	20000
iii. Semi skilled	2 @ Rs. 7500	15000
iv. Helper	1 @ Rs. 5000	5000
v. Sales man	1 @ Rs. 7500	7500
Total	7 persons	Rs. 67500/- per month

9. Repairs and Maintenance is estimated at Rs.50000/- in the I year and to increase by 10% in subsequent years.
10. Other Miscellaneous expenses including insurance is estimated at 2% of sales
11. Depreciation on Machinery is estimated at 10% every year under Straight line method.
12. Interest is assumed at 12% p.a.
13. Tax is arrived at 20% on net profit.

ANNEXURE D
Profitability Projections for Ketchup unit

Particulars	Yr 1	Yr 2	Yr3	Yr 4	Yr 5
(Amount in Rupees)					
A. Sales					
Production Capacity(150 Tons)	150	150	150	150	150
Capacity Utilisation	60%	70%	80%	90%	90%
Capacity Utilisation(Tons)	90	105	120	135	135
Sales of Tomato Ketchup @ Rs.110/Kg at 65% Output ratio	6435000	7507500	8580000	9652500	9652500
B. Cost of Production					
Raw Materials(Avg Price at Rs.20/KG)	1800000	2100000	2400000	2700000	2700000
Other ingredients(At 40% of RM Cost)	360000	420000	480000	540000	540000
Packing Materials(at 30% - Bottle)	540000	630000	720000	810000	810000
Power & Utilities (Rs.15000/- P.M at 100% capacity)	108000	126000	144000	162000	162000
Wages & Salary(67500 for 7 persons)	810000	850500	935550	1029105	1132016
Repair & Maintenance	50000	55000	60500	60500	60500
Other expenses including insurance @2% of Sales	128700	150150	171600	193050	193050
Cost of Production(B)	3796700	4331650	4911650	5494655	5597566
Gross Profit(A-B)	2638300	3175850	3668350	4157845	4054935
Depreciation @10% on 23 Lakhs	230000	230000	230000	230000	230000
Interest	115200	195200	118401	41601	0
Tax @ 20% on profit	458620	550130	663990	777249	764987
Sub Total	803820	975330	1012391	1048850	994987
Cost of sales	4600520	5306980	5924041	6543505	6592552
Net Profit after tax	1834480	2200520	2655959	3108995	3059948
Cash Surplus	2064480	2430520	2885959	3338995	3289948

Annexure E
Projected Balance Sheet for Ketchup Unit

Particulars	Year 1	Year 2	Year 3	Year 4
LIABILITIES				
Promoters Capital				
Promoter Capital	3.20	3.20	3.20	3.20
Profit from P & L A/c	18.34	40.34	66.89	97.98
MGP Grant				9.60
Sub Total	21.54	43.54	70.09	110.78
Secured Loan				
Term Loan	28.80	16.00	9.60	0.00
Sub Total	28.80	16.00	9.60	0.00
Unsecured Loan				
Current Liabilities				
Trade Creditors	0.00	0.00	0.00	0.00
TL Inst due in 1 Year	0.00	6.40	6.40	6.40
Sub Total	0.00	6.40	6.40	6.40
Total Liabilities	50.34	65.94	86.09	117.18
ASSETS				
Gross Fixed Assets Block*	23.00	23.00	23.00	23.00
Sub Total (a)	23.00	23.00	23.00	23.00
Depreciation				
Cumulative Depreciation	2.30	4.60	6.90	9.20
Sub Total (b)	2.30	4.60	6.90	9.20
Net Fixed Assets Block	20.70	18.40	16.10	13.80
Current Assets				
Raw Materials & Packing Materials	0.63	0.90	1.03	2.82
WIP	0.89	2.16	2.46	2.75
Finished Goods	1.07	2.65	2.96	3.27
Debtors	6.43	7.51	8.58	9.61
Sub Total	9.02	13.22	15.03	18.45
Other Current Assets				
Deposits & Investments	15.00	30.00	50.00	70.00
Cash at Bank	5.62	4.32	4.96	14.93
Sub Total	20.62	34.32	54.96	84.93
Total Assets	50.34	65.94	86.09	117.18

Annexure F Interest Calculation

Loan amount Rs.28,80,000/-

Grant – Rs.9,60,000/-

Repayment Period – 60 Months including holiday period of 6 months

Interest rate – 12% on the Net loan amount i.e.(loan amount – Grant)

Date	Particulars	Debit	Credit	Balance	Interest*	Interest Per annum	Principal repayment P.A.
01.09.2021	To loan	2880000		2880000			
1	By repayment		0	2880000	19200.00		
2			0	2880000	19200.00		
3			0	2880000	19200.00		
4			0	2880000	19200.00		
5			0	2880000	19200.00		
6			0	2880000	19200.00	115200	0
7			53333	2826667	19200.00		
8			53333	2773334	18666.67		
9			53333	2720001	18133.34		
10			53333	2666668	17600.01		
11			53333	2613335	17066.68		
12			53333	2560002	16533.35		
13			53333	2506669	16000.02		
14			53333	2453336	15466.69		
15			53333	2400003	14933.36		
16			53333	2346670	14400.03		
17			53333	2293337	13866.70		
18			53333	2240004	13333.37	195200	639996
19			53333	2186671	12800.04		
20			53333	2133338	12266.71		
21			53333	2080005	11733.38		
22			53333	2026672	11200.05		
23			53333	1973339	10666.72		
24			53333	1920006	10133.39		
25			53333	1866673	9600.06		
26			53333	1813340	9066.73		
27			53333	1760007	8533.40		
28			53333	1706674	8000.07		

29			53333	1653341	7466.74		
30			53333	1600008	6933.41	118401	639996
31			53333	1546675	6400.08		
32			53333	1493342	5866.75		
33			53333	1440009	5333.42		
34			53333	1386676	4800.09		
35			53333	1333343	4266.76		
36			53333	1280010	3733.43		
37			53333	1226677	3200.10		
38			53333	1173344	2666.77		
39			53333	1120011	2133.44		
40			53333	1066678	1600.11		
41			53333	1013345	1066.78		
42			53345	960000	533.45	41601	640008
43	Grant @30%		960000	0	0.00		
44				0		0	960000
45				0			0
		2880000	2880000		470402.10	470402	2880000

*Interest calculated on reducing balance outstanding.

*Interest assumed to be serviced every month on the due date.

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