

PROJECT REPORT **FOR** **INDUSTRIAL PLOT**

SWAMI KRUPA ENGINEERING

Activity:

Manufacturer of Motor Vehicle Parts

Registered Office:

Plot No. F-18, MIDC, Nashik - 422010

Area Required:

10240 Sq Mtr

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SWAMI KRUPA ENGINEERING**CHAPTER-I****HIGHLIGHTS OF PROJECT**

Sr No		
1	Name Of The Unit	Swami Krupa Engineering
2	Constitution	Proprietorship
3		
4	Proprietor	Dilip Prabhakar Shinde
5	Registered Office	Plot No.F-18 ,MIDC ,Ambad, Nashik-422010
6	UDYAM Reg.	
7	GST Registration No.	
6	Proposed Project to be setup	AKRALE (ADDITIONAL DINDORI) ,NASHIK
7	Nature Of Activity	Manufacturer of Motor Vehicle Parts
11	Area Required	10240.00 Sq Mtr
11	Details of Products	Motor Vehicle Parts
12	Raw Material required	HR sheet , CEW Pipe , SS Pipe
13	Employment Potential (The required skilled and Unskilled Employees are easily available at the Location of Unit.)	Skilled : - 65 Semi-skilled : - 45 Administrative : - 20 Other : - 05 ----- Total : - 135
14	Expected Annual Turnover Debt service coverage ratio (DSCR) Average Net profit ratio	4065.93 Lakhs (Average) 1.59 (Average) 1.05 (Minimum) 2.28 (Maximum) 7%

SWAMI KRUPA ENGINEERING
CHAPTER -II
BRIEFS & INTRODUCTION

2.1 BRIEFS

M/s Swami Krupa Engineering is a Proprietorship, carrying business of Manufacturer of Motor Vehicle Parts; the Company is planning for Expand its activity of supplying its products and sales through nearby locations at large scale.

This project report is prepared for the said firm to enable it to expand its business activity and increase the production capacity of the existing products which can generate the employment opportunities.

2.2 INTRODUCTION

M/ Swami Krupa Engineering is promoted by the most experienced and dynamic promoter in this growing city of Pune., the city in vicinity of Mumbai and Nashik, is one of the most fast developing industrial cities and centrally located.

M/s Swami Krupa Engineering is an outcome of well thought plan by young entrepreneurs. They worked hard in the jobs, got the experience in all fields and also got his basics of management absolutely clear. They are dynamic, energetic and a successful businessman's and enjoys good reputation in the market. They are very much confident of the success of his business.

2.3 LOCATION

Registered Office:
Plot No. F-18, MIDC, Ambad,
Nashik-422010

MARKET & RAW MATERIAL AVAILABILITY

3.1 MARKET

The Proprietor of The firm, M/s Swami Krupa Engineering, Has already done market survey and he has collected large and big orders from market from Nashik, Sinnar , Pune ,Dindori & Gujarat .So Material be sold at all above cities and other nearby market. So, there will be no problem of market for the Material market availability of and other nearby areas. So, unit will become sound unit in the future. The company received large number of enquiries about his products and collected orders.

3.2 RAW MATERIAL AVAILABILITY

The materials required is very easily available at, proposed industrial area (Akrule Additional Dindori Nashik). So, the sufficient material is available for unit.

3.3 POWER AND WATER

The unit will require Basic 50 power of HP. It can be easily available from local MSEB. Office and water are required only for utility purposes, it can be easily available.

SWAMI KRUPA ENGINEERING

CHAPTER-IV **FEASIBILITY**

4.1 FINANCIAL FEASIBILITY

D.S.C.R. (Debt service coverage Ratio) reflects the capability of the borrower to meet financing obligations. Higher the ratio better is the performance. It shows an ability of the borrower to repay the borrowed funds along with Interest.

In case of the Unit D.S.C.R. (Average) is more than One (1.59) showing strong backing up of funds to repay the principal installments along with Interest.

In the initial years due to Heavy expenditure and low-Income generation proprietor will observe low. But slowly as Profit after Tax increases D.S.C.R. will also go up. The proposed project is financially and technically viable from all respects. The projected profit and funds available are explained in detail in various Statements and Schedules enclosed.

CHAPTER-V

THE ECONOMICS OF THE PROJECT:

The detailed workings as to the financial aspects of the project of the firm are given in various schedules as under:

❖ PROJECT COST & MEANS OF FINANCE	SCHEDULE - I
❖ PROJECTED PERFORMANCE & PROFITABILITY STATEMENT	SCHEDULE - II
❖ PROJECTED CASH FLOW STATEMENT	SCHEDULE - III
❖ PROJECTED BALANCE SHEET	SCHEDULE - IV
❖ DEPRECIATION SCHEDULE	SCHEDULE -V
❖ STATEMENT SHOWING INTEREST ON LOAN	SCHEDULE – VI
❖ RATIO ANALYSIS	SCHEDULE – VII
❖ STATEMENT SHOWING D.S.C.R. (DEBT SERVICE COVERAGE RATIO)	SCHEDULE – VIII

ASSUMPTIONS

1. Depreciation has been calculated as per the Provisions of Income Tax Act, 1961
2. Sale Price of all Products is taken as existing at the time of preparing the project Report.
3. It is assumed that Unit on Average run for 26 days in a month.
4. It is assumed that All Indirect Expenses will grow @ 10 %.
5. Tax Provisions are made as per the law existing at the time of preparing this report.
6. It is assumed that 50% of the Total Sales is on Credit Basis.
7. All Calculations are based on the information's furnished by Director.

SWAMI KRUPA ENGINEERING

Schedule : I

(Amt In Lakhs)

ESTIMATED PROJECT COST		
Particulars		Total Cost
Plant & Machinery	(As per Annexure)	4,000.00
Factory Shed	(Rs.1500 x 75000 Sq ft)	1,500.00
Land (Lease)	(Rs.3000 x 10240 Sq Mtr)	307.20
Working Capital		1,000.00
TOTAL COST OF PROJCT		6,807.20

MEANS OF FINANCE		
Particulars	Total (Rs)	%
Own Contribution (from Director & Relatives)	1,701.80	25.00%
Term Loan From Bank/FI	4,355.40	75.00%
Working Capital Loan From Bank/FI	750.00	
TOTAL	6,807.20	100.00%

SWAMI KRUPA ENGINEERING

Schedule :II

(Amt In Lakhs)

PROJECTED PERFORMANCE & PROFITABILITY STATEMENT							
Particulars	YEARS						
	Projected 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27	Projected 2027-28	Projected 2028-29	Projected 2029-30
GROSS SALES	5,000.00	5,500.00	6,050.00	6,655.00	7,320.50	8,052.55	8,857.81
GROSS SALES	5,000.00	5,500.00	6,050.00	6,655.00	7,320.50	8,052.55	8,857.81
Raw Material	4,500.00	3,740.00	4,114.00	4,525.40	5,068.45	5,575.29	6,132.82
Direct Labour	250.00	275.00	302.50	332.75	366.03	402.63	442.89
Other Direct Expenses	150.00	165.00	181.50	199.65	259.55	285.50	314.05
Administrative & Other Expenses	50.00	55.00	60.50	66.55	73.21	80.53	88.58
Sub Total	4,950.00	4,235.00	4,658.50	5,124.35	5,767.22	6,343.95	6,978.34
Add :- Opening Stock	-	1,250.00	1,500.00	1,600.00	1,700.00	1,800.00	1,900.00
Less:- Closing Stock	1,250.00	1,500.00	1,600.00	1,700.00	1,800.00	1,900.00	2,000.00
Operating Profit	1,300.00	1,515.00	1,491.50	1,630.65	1,653.28	1,808.60	1,979.47
Depreciation on Fixed assets	480.72	717.65	618.13	532.73	459.41	396.43	342.30
Profit Before Interest & Taxes	819.28	797.35	873.37	1,097.92	1,193.87	1,412.18	1,637.17
Less:-							
Interest on Term Loan	479.09	410.65	342.21	273.77	205.33	136.88	68.44
Interest on Working Capital Loan	90.00	90.00	90.00	90.00	90.00	90.00	90.00
Profit Before Remuneration	250.19	296.70	441.16	734.15	898.54	1,185.29	1,478.72
Less:							
Directors Remuneration	50.00	50.00	80.00	100.00	120.00	180.00	200.00
Profit Before Tax(PBT)	200.19	246.70	361.16	634.15	778.54	1,005.29	1,278.72
Provision for Tax	34.03	41.94	61.40	107.81	132.35	170.90	217.38
Net Profit after Tax (PAT)	166.15	204.76	299.76	526.34	646.19	834.39	1,061.34

SWAMI KRUPA ENGINEERING

Schedule :III

(Amt In Lakhs)

<u>PROJECTED CASH FLOW STATEMENT</u>							
Particulars	YEARS						
	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
<u>SOURCES OF FUNDS</u>							
Opening Balance	Nil	44.54	22.90	30.52	48.94	114.35	480.32
Net Cash Accrual	646.87	922.41	917.89	1,059.08	1,105.60	1,230.82	1,403.64
Term Loan	4,355.40	-	-	-	-	-	-
Working Capital Loan	750.00	-	-	-	-	-	-
Own Capital.	1,701.80	-	-	-	-	-	-
Unsecured Loan	300.00	-	(100.00)	(200.00)	-	-	-
Increase in Current Liabilities	704.79	(78.70)	62.61	14.42	(126.82)	57.63	63.39
Sub Total (A)	8,458.87	888.25	903.40	904.01	1,027.71	1,402.80	1,947.35
<u>APPLICATION OF FUNDS</u>							
Increase in Fixed Assets	5,807.20	-	-	-	-	-	-
Increase in Sundry Debtors	684.93	(6.85)	150.68	82.88	91.16	100.28	110.31
Increase in Closing Stock	1,250.00	250.00	100.00	100.00	100.00	100.00	100.00
Increase in Deposits & Investments	50.00	-	-	50.00	100.00	100.00	100.00
Drawings	-	-	-	-	-	-	-
Repayment of Loan	622.20	622.20	622.20	622.20	622.20	622.20	622.20
Sub Total (B)	8,414.33	865.35	872.88	855.08	913.36	922.48	932.51
NET SURPLUS	44.54	22.90	30.52	48.94	114.35	480.32	1,014.84
CLOSING BALANCE	44.54	22.90	30.52	48.94	114.35	480.32	1,014.84

SWAMI KRUPA ENGINEERING

Schedule :IV

(Amt In Lakhs)

PROJECTED BALANCE SHEET							
	YEARS						
	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
CAPITAL & LIABILITIES							
<u>CAPITAL</u>							
Add:- Addition	- 1,701.80	1,701.80 -	1,701.80	1,701.80	1,701.80	1,701.80	1,701.80
<u>RESERVES AND SURPLUS</u>							
Net Profit For the Year	166.15	370.92	670.68	1,197.02	1,843.21	2,677.60	3,738.94
Less:- Drawings	-	-	-	-	-	-	-
NET WORTH	1,867.95	2,072.72	2,372.48	2,898.82	3,545.01	4,379.40	5,440.74
<u>SECURED LOAN</u>							
Bank loan-Term Loan	3,733.20	3,111.00	2,488.80	1,866.60	1,244.40	622.20	0.00
Working Capital Loan	750.00	750.00	750.00	750.00	750.00	750.00	750.00
<u>UNSECURED LOANS</u>	300.00	300.00	200.00	-	-	-	-
<u>CURRENT LIABILITIES & PROVISIONS</u>							
Sundry Creditors	554.79	461.10	507.21	557.93	416.58	458.24	504.07
Provisions	150.00	165.00	181.50	145.20	159.72	175.69	193.26
TOTAL	7,355.95	6,859.81	6,499.98	6,218.55	6,115.71	6,385.54	6,888.07
<u>ASSETS</u>							
<u>FIXED ASSETS</u>							
Gross Block	5,807.20	5,807.20	5,807.20	5,807.20	5,807.20	5,807.20	5,807.20
Less:- Depreciation	480.72	1,198.37	1,816.50	2,349.23	2,808.64	3,205.07	3,547.37
Net Block	5,326.48	4,608.83	3,990.70	3,457.97	2,998.56	2,602.13	2,259.83
<u>CURRENT ASSETS</u>							
Sundry Debtors	684.93	678.08	828.77	911.64	1,002.81	1,103.09	1,213.40
Closing Stock	1,250.00	1,500.00	1,600.00	1,700.00	1,800.00	1,900.00	2,000.00
Deposits ,Other Current Asset	50.00	50.00	50.00	100.00	200.00	300.00	400.00
Cash & Bank Balance	44.54	22.90	30.52	48.94	114.35	480.32	1,014.84
TOTAL	7,355.95	6,859.81	6,499.98	6,218.55	6,115.71	6,385.54	6,888.07

SWAMI KRUPA ENGINEERING

Schedule :V

(Amt In Lakhs)

DEPRECIATION SCHEDULE				
Year	Particulars	Machinery Dep 15%	Land & Shed Dep 10%	Total
1	Opening Bal	4,000.00	1,807.20	
	Depreciation	300.00	180.72	480.72
2	W.D.V.	3,700.00	1,626.48	
	Addition	-	-	
	Depreciation	3,700.00	1,626.48	
		555.00	162.65	717.65
3	W.D.V.	3,145.00	1,463.83	
	Depreciation	471.75	146.38	618.13
4	W.D.V.	2,673.25	1,317.45	
	Depreciation	400.99	131.74	532.73
5	W.D.V.	2,272.26	1,185.70	
	Depreciation	340.84	118.57	459.41
6	W.D.V.	1,931.42	1,067.13	
	Depreciation	289.71	106.71	396.43
7	W.D.V.	1,641.71	960.42	
	Depreciation	246.26	96.04	342.30

NOTE :- Depreciation has been provided @ 10 % on Furniture
and @ 15% on the Plant and Machinery as per provisions
of Income Tax Act,1961.

SWAMI KRUPA ENGINEERING

Schedule :VI

STATEMENT SHOWING INTEREST ON LOAN							
Term Loan Amount :- Rs.322.00 Lakhs/- Rate of Interest :- 11 % p.a. Repayment Schdule :- 7 Years equal Instalments including Interest Moratorium :- NIL							
PARTICULARS	YEARS						
	1	2	3	4	5	6	7
OPENING BALANCE	4,355.40	3,733.20	3,111.00	2,488.80	1,866.60	1,244.40	622.20
LESS REPAYMENT		-					
1 st Half Yearly Instalment	311.10	311.10	311.10	311.10	311.10	311.10	311.10
2 nd Half Yearly Instalment	311.10	311.10	311.10	311.10	311.10	311.10	311.10
CLOSING BALANCE	3,733.20	3,111.00	2,488.80	1,866.60	1,244.40	622.20	0.00
INTEREST 11.00	479.09	410.65	342.21	273.77	205.33	136.88	68.44

SWAMI KRUPA ENGINEERING

Schedule :VII

RATIO ANALYSIS

Particulars	YEARS						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
BENEFIT COST RATIO							
Total Cost	5,429.09	4,645.65	5,000.71	5,398.12	5,972.55	6,480.83	7,046.78
Net Profit	166.15	204.76	299.76	526.34	646.19	834.39	1,061.34
Ratio Average	0.03 0.09	0.04	0.06	0.10	0.11	0.13	0.15
DEBT EQUITY RATIO							
EQUITY	1,867.95	2,072.72	2,372.48	2,898.82	3,545.01	4,379.40	5,440.74
DEBT	4,483.20	3,861.00	3,238.80	2,616.60	1,994.40	622.20	0.00
RATIO	2.40	1.86	1.37	0.90	0.56	0.14	0.00
NET PROFIT RATIO							
NET PROFIT	166.15	204.76	299.76	526.34	646.19	834.39	1,061.34
SALES	5,000.00	5,500.00	6,050.00	6,655.00	7,320.50	8,052.55	8,857.81
RATIO Average	0.03 0.07	0.04	0.05	0.08	0.09	0.10	0.12

SWAMI KRUPA ENGINEERING

Schedule :VIII

STATEMENT SHOWING D.S.C.R.(DEBT SERVICE COVERAGE RATIO)

Particulars	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Profit After Tax	166.15	204.76	299.76	526.34	646.19	834.39	1,061.34
Add :- Depreciation	480.72	717.65	618.13	532.73	459.41	396.43	342.30
Net Cash Accrual	646.87	922.41	917.89	1,059.08	1,105.60	1,230.82	1,403.64
Net Cash Accrual before Interest and Tax	1,250.00	1,465.00	1,411.50	1,530.65	1,533.28	1,628.60	1,779.47
Principal And Interest Obligat	1,191.29	1,122.85	1,054.41	985.97	917.53	849.08	780.64
DSCR	1.05	1.30	1.34	1.55	1.67	1.92	2.28
AVERAGE D S C R	1.59						