

# PROJECT REPORT

Of

# WAFER BISCUITS

## PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **Wafer Biscuits**.

The objective of the pre-feasibility report is primarily to facilitate potential entrepreneurs in project identification for investment and in order to serve his objective; the document covers various aspects of the project concept development, start-up, marketing, finance and management.

[We can modify the project capacity and project cost as per your requirement. We can also prepare project report on any subject as per your requirement.]



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**PROJECT PROFILE**

# **WAFFER BISCUITS**



## **INTRODUCTION**

Bakery industry in India is the largest of the food industries with an annual turnover of about 3000 cores. India is the second largest producer of biscuits after USA. The biscuits industry in india comprises of organized and unorganized sectors. Bread and biscuits form the major baked foods accounting for over 80% of total bakery products produced in the country. The quantities of bread and biscuits are more than bread. The industry has traditionally been and largely continues to be in the unorganized sector contributing over 70% of the total production. Bakery products once considered as sick man's diet have now become an essential food items of the vast majority of population. Though bakery industry in India has been in existence since long, real fillip came only in the later part of 20<sup>th</sup> century. The contributing factors were urbanization, resulting in increased demand for ready to eat products at reasonable costs etc.

## **MARKET POTENTIAL**

The bakery units are unevenly spread among states. These are mainly concentrated in the states of Maharashtra, West Bengal, Andhra Pradesh, Karnataka and Uttar Pradesh. Industrially advanced states like Maharashtra and West Bengal have very large number of bakery units. The per capita consumption is very high in industrialized states like Maharashtra and West Bengal. The biscuits are becoming quite popular in rural areas as well. Nearly 55 % of the biscuits are becoming quite popular in rural areas as well. Nearly 55% of the biscuits are consumption of biscuits in rural area could be attributed to its position as a snack, longer shelf life and better taste which is liked by different cross sections of populations. There is no marketing problem as every shop is a market for wafer biscuits.

Bakery products still remain the cheapest of the processed ready to eat products in the country. The production of bakery products has increased from 5.19 lakh tones in 1975 to 18.95 lakh tones in 1990 recording fourfold increase in 15 years. Among the bakery products, biscuits occupy an important place as they contribute over 33% of total products processed. Over 79 % of the biscuits are produced by small scale sector consisting of both factory and non-factory units. The growth rate for bakery products is estimated at an average of 9.8% per future. The estimated growth rate of 9.8 % is on the lower side considering the present potentiality of bakery precuts, particularly in rural areas, where about 70% of the population lives. Trends in consumption of bakery products by population of lower- and middle-income groups indicate vast scope for consideration of nutritional enrichment of bakery products.

## **BASIS AND PRESUMPTIONS**

1. The project profile has been prepared on the basis of single shift of 8 hours a day and 25 working days in a month at 60% efficiency.
2. It is presumed that in the first year, the capacity utilization will be 70 % followed by 80% in the second year with 100% in the fifth years.
3. The rate of salaries and wages for skilled workers and others are on the basis of the minimum rates
4. Interest rate for the fixed and working capital has been taken @ 11.50% on an average whether financed by the bankers or financial institutions.
5. The margin money required is the minimum 10% of the total capital investment.

6. The rates in respect of machinery, equipment and raw materials are those prevailing at the time of preparation of the projects profile and are likely to vary from place to place and supplier to supplier. When a tailor-made project profile is prepared, Necessary changes are to be made.
7. The payback period may be 5 years after the initial gestation period.
8. The gestation period in implementation of the project may be to the tune of 6 to 9 months which includes making all formalities, market surveys and tie-ups etc.

## **TECHNICAL ASPECTS**

### **PROCESS OF MANUFACTURE**

The main product of the unit wafer biscuits can be manufactured after obtaining raw materials like maida, starch, soda, salt, color, preservatives, vanaspati, sugar, flavors etc. Which are easily available in local markets? The calculated amount of maida, starch, vanaspati, water etc. is mixed in a mixer to form paste. The paste so formed will be poured into pre-heated mould to bake wafer sheet. The other ingredients like sugar, vanaspati, colors, essence are mixed in a planetary mixer to form cream. The cream so prepared will be applied on the sheets to form sandwich. Thereafter the sandwich will be cut into biscuits and packed in pouches.

### **PRODUCTION CAPACITY**

1	<b>Production of creamed wafer biscuits</b>	<b>60 MT</b>
2	Value of creamed –wafer biscuits at 100% Capacity	Rs. 77.61lac PA

**MOTIVE POWER** - 25 K.W.

### **ENERGY CONSERVATION**

The following steps may be taken for the conservation of energy:

1. Machinery and equipment parts which are revolving and reciprocating should be properly, lubricated from time to time with suitable lubricant oil.
2. Lay out of the unit should be in such a way that no back tracking of material is there.
3. All electric switches may be turned off when not required.
4. The entire transmission belt will be tightened before starting the work is wherever applicable.
5. As far as possible, solar energy and day light will be used keeping all the other lights off.
6. As far as possible, inductive load of motor will be reduced and high-power factor will be used with the aid of capacitors of appropriate sizes.

## **POLLUTION CONTROL**

- 1 . This industry may involve pollution to some extent for which state pollution control board has to be approached.
- 2 . The minimum height of shed will be maintained with exhaust fans installed for removing decongestion, proper ventilation, removal of cokes, fumes etc.

## **IMPLEMENTATION SCHEDULE**

The implementation of the project includes various jobs/exercises such as procurement of technical know-how, market surveys and tie-ups, preparation of project report, selection of site, registration, financing of project, procurement of machinery and raw materials etc, Recruitment of staff erection/ commissioning of machines, trial production and commercial production etc. In order to efficiently and successfully implement the project in the shortest period, simultaneous exercises are carried out. Project implementation will take a period of 8 months from the date of approval of the scheme.

**PROJECT AT A GLANCE**

- 1 Name of the Entrepreneur XXXXXXXX
- 2 Constitution (legal Status) XXXXXXXX
- 3 Father's/Spouce's Name XXXXXXXXX
- 4 Unit Address : XXXXXXXX
- Taluk/Block: XXXXX
- District : XXXXX State:
- Pin: XXXXX
- E-Mail : XXXXX
- Mobile XXXXX
- 5 Product and By Product : **Wafer Biscuit**
- 6 Name of the project / business activity proposed **Wafer Biscuit**
- 7 Cost of Project : Rs12.12lac
- 8 Means of Finance
- Term Loan Rs.7.89 Lacs
- KVIC Margin Money - As per Project Eligibility
- Own Capital Rs.1.21 Lacs
- Working Capital Rs.3.02 Lacs
- 9 Debt Service Coverage Ratio : 3.66
- 10 Pay Back Period : 5 Years
- 11 Project Implementation Period : 6 Months
- 12 Break Even Point : 35%
- 13 Employment : 9 Persons
- 14 Power Requirement : 25.00 HP
- 15 Major Raw materials : Wheat flour maida
- 16 Estimated Annual Sales Turnover : 44.46 Lacs
- 16 Detailed Cost of Project & Means of Finance

**COST OF PROJECT**

(Rs. In Lacs)

Particulars	Amount
Land	Rented/Owned
Building & Civil Work (1000 Sq Ft)	3.00
Plant & Machinery	5.17
Furniture & Fixtures	0.30
Pre-operative Expenses	0.30
Working Capital Requirement	3.35
<b>Total</b>	<b>12.12</b>

**MEANS OF FINANCE**

Particulars	Amount
Own Contribution @10%	1.21
Term Loan	7.89
Workign Capital Finance	3.02
<b>Total</b>	<b>12.12</b>

	<b>General</b>	<b>Special</b>
Beneficiary's Margin Money	10%	5%
(% of Project Cost)		

**PLANT & MACHINERY**

PARTICULARS	QTY.	RATE	AMOUNT IN RS.
Manual wafer biscuit Machine ( 6 plates ) ( including creaming, cutting and support tables, capacity cream wafer 25-30 kg/hrs 15 KW	1	275000	275000
Butter Mixing Machine ( 7-30 kg/Hrs butter, 2 kw	1	35000	35000
Sugar grinding machine ( 30-50 kg/Hrs 2 kw	1	35000	35000
Planetay mixer ( 3 speed system steel body capacity 25 kg/Hrs 2kw )	1	45000	45000
Sealing ( Packaging machine 1 kw )	1	15000	15000
Working table with ss/aluminium top	2	5000	5000
Weighing balance platform type	1	5000	5000
Aluminium vessels mats cups mugs ladle spoons gloves etc.		10000	10000
Electrification and installation charges @ 10% of cost of plant and machinery		42000	42000
Misc. Tools	1	50000	50000
<b>Total</b>			<b>517,000.00</b>

**PROJECTED BALANCE SHEET**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>SOURCES OF FUND</u></b>					
Capital Account	1.21	1.21	1.21	1.21	1.21
Retained Profit	5.43	11.86	19.30	28.35	38.91
Term Loan	7.89	5.92	3.95	1.97 -	0.11
Cash Credit	3.02	3.02	3.02	3.02	3.02
Sundry Creditors	1.26	1.47	1.68	1.89	2.09
Provisions & Other Liab	0.36	0.40	0.44	0.48	0.53
<b>TOTAL :</b>	<b>19.17</b>	<b>23.88</b>	<b>29.59</b>	<b>36.92</b>	<b>45.65</b>
<b><u>APPLICATION OF FUND</u></b>					
<b>Fixed Assets ( Gross)</b>	8.47	8.47	8.47	8.47	8.47
Gross Dep.	1.09	2.05	2.88	3.60	4.22
Net Fixed Assets	7.38	6.42	5.59	4.87	4.25
<b>Current Assets</b>					
Sundry Debtors	1.48	1.81	2.07	2.33	2.59
Stock in Hand	3.13	3.65	4.17	4.69	5.21
Cash and Bank	4.68	9.25	14.73	21.70	29.94
Deposits & Advances	2.50	2.75	3.03	3.33	3.66
<b>TOTAL :</b>	<b>19.17</b>	<b>23.88</b>	<b>29.59</b>	<b>36.92</b>	<b>45.65</b>
	-	-	-	-	-

**PROJECTED PROFITABILITY STATEMENT**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>A) SALES</u></b>					
Gross Sale	44.46	54.21	62.01	69.81	77.61
<b>Total (A)</b>	<b>44.46</b>	<b>54.21</b>	<b>62.01</b>	<b>69.81</b>	<b>77.61</b>
<b><u>B) COST OF SALES</u></b>					
Raw Mateiral Consumed	25.14	29.33	33.52	37.71	41.90
Elecricity Expenses	2.15	2.51	2.86	3.22	3.58
Repair & Maintenance	-	0.54	0.62	0.70	0.78
Labour & Wages	4.49	4.94	5.43	5.97	6.57
Depriciation	1.09	0.96	0.83	0.72	0.62
Consumables and Other Expense	0.89	1.08	1.24	1.40	1.55
<b>Cost of Production</b>	<b>33.75</b>	<b>39.35</b>	<b>44.50</b>	<b>49.71</b>	<b>55.00</b>
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>1.87</b>	<b>2.18</b>	<b>2.50</b>	<b>2.81</b>
<b>Less: Closing Stock /WIP</b>	<b>1.87</b>	<b>2.18</b>	<b>2.50</b>	<b>2.81</b>	<b>3.12</b>
Cost of Sales (B)	31.88	39.04	44.19	49.40	54.69
<b>C) GROSS PROFIT (A-B)</b>	<b>12.58</b>	<b>15.17</b>	<b>17.82</b>	<b>20.41</b>	<b>22.92</b>
	<b>28%</b>	<b>28%</b>	<b>29%</b>	<b>29%</b>	<b>30%</b>
D) Bank Interest (Term Loan )	0.68	0.82	0.60	0.37	0.14
Bank Interest ( C.C. Limit )	0.30	0.30	0.30	0.30	0.30
E) Salary to Staff	5.28	5.81	6.39	7.03	7.73
F) Selling & Adm Expenses Exp.	0.89	1.08	1.24	1.40	1.55
<b>TOTAL (D+E)</b>	<b>7.15</b>	<b>8.02</b>	<b>8.53</b>	<b>9.09</b>	<b>9.72</b>
H) NET PROFIT	5.43	7.15	9.30	11.31	13.20
I) Taxation	-	0.72	1.86	2.26	2.64
J) PROFIT (After Tax)	5.43	6.44	7.44	9.05	10.56

**PROJECTED CASH FLOW STATEMENT**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>SOURCES OF FUND</u></b>					
Share Capital	1.21	-			
Reserve & Surplus	5.43	7.15	9.30	11.31	13.20
Depriciation & Exp. W/off	1.09	0.96	0.83	0.72	0.62
Increase in Cash Credit	3.02	-	-	-	-
Increase In Term Loan	7.89	-	-	-	-
Increase in Creditors	1.26	0.21	0.21	0.21	0.21
Increase in Provisions	0.36	0.04	0.04	0.04	0.05
<b>TOTAL :</b>	<b>20.26</b>	<b>8.35</b>	<b>10.37</b>	<b>12.28</b>	<b>14.08</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	8.47	-	-	-	-
Increase in Stock	3.13	0.52	0.52	0.52	0.52
Increase in Debtors	1.48	0.33	0.26	0.26	0.26
Increase in Deposits & Adv	2.50	0.25	0.28	0.30	0.33
Repayment of Term Loan	-	1.97	1.97	1.97	2.09
Taxation	-	0.72	1.86	2.26	2.64
<b>TOTAL :</b>	<b>15.58</b>	<b>3.78</b>	<b>4.89</b>	<b>5.32</b>	<b>5.84</b>
Opening Cash & Bank Balance	-	4.68	9.25	14.73	21.70
Add : Surplus	4.68	4.57	5.48	6.96	8.24
Closing Cash & Bank Balance	<b>4.68</b>	<b>9.25</b>	<b>14.73</b>	<b>21.70</b>	<b>29.94</b>

**COMPUTATION OF MANUFACTURING OF WAFER BISCUIT**

Items to be Manufactured

Wafer Biscuit

Manufacturing Capacity per day	-	0.20	MT
	-		
No. of Working Hour		8	
No of Working Days per month		25	
No. of Working Day per annum		300	
Total Production per Annum		60.00	MT
Year		Capacity	MT
		Utilisation	
IST YEAR		60%	36
IIND YEAR		70%	42
IIIRD YEAR		80%	48
IVTH YEAR		90%	54
VTH YEAR		100%	60

**COMPUTATION OF RAW MATERIAL**

Item Name		Quantity of Raw Material MT	Recovery	Unit Rate of /MT	Total Cost Per Annum (100%)
Raw Material Average rates	100%	60.00	95%	70,000.00	41.90
Wheat flour maida	4MT				
Maida starch vegetable fat salt soda colours	1MT				
Average rates Rs70000/- per MT				Total (Rounded off in lacs)	41.90
Annual Consumption cost	( In Lacs)				41.90

Raw Material Consumed	Capacity Utilisation	Amount (Rs.)
IST YEAR	60%	25.14
IIND YEAR	70%	29.33
IIIRD YEAR	80%	33.52
IVTH YEAR	90%	37.71
VTH YEAR	100%	41.90

**COMPUTATION OF CLOSING STOCK & WORKING CAPITAL**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>Finished Goods</u></b>					
(15 Days requirement)	1.87	2.18	2.50	2.81	3.12
<b><u>Raw Material</u></b>					
(15 Days requirement)	1.26	1.47	1.68	1.89	2.09
<b>Closing Stock</b>	<b>3.13</b>	<b>3.65</b>	<b>4.17</b>	<b>4.69</b>	<b>5.21</b>

**COMPUTATION OF WORKING CAPITAL REQUIREMENT**

<b>Particulars</b>			<b>Total Amount</b>
Stock in Hand			3.13
Sundry Debtors			1.48
		Total	4.61
Sundry Creditors			1.26
Working Capital Requirement			<b>3.35</b>
Margin			0.34
Working Capital Finance			<b>3.02</b>

**BREAK UP OF LABOUR**

Particulars		Wages Per Month	No of Employees	Total Salary
Skilled Worker		8,000.00	3	24,000.00
Unskilled Worker		5,000.00	2	10,000.00
				34,000.00
Add: 10% Fringe Benefit				3,400.00
Total Labour Cost Per Month				37,400.00
Total Labour Cost for the year ( In Rs. Lakhs)			5	4.49

**BREAK UP OF SALARY**

Particulars		Salary Per Month	No of Employees	Total Salary
Manager		12,000.00	1	12,000.00
Accountant		8,000.00	1	8,000.00
Sales Agent		10,000.00	2	20,000.00
Total Salary Per Month				40,000.00
Add: 10% Fringe Benefit				4,000.00
Total Salary for the month				44,000.00
Total Salary for the year ( In Rs. Lakhs)			4	5.28

**COMPUTATION OF DEPRECIATION**

Description	Land	Building/shed	Plant & Machinery	Furniture	TOTAL
Rate of Depreciation		<b>10.00%</b>	<b>15.00%</b>	<b>10.00%</b>	
<b>Opening Balance</b>	Leased	-	-	-	-
Addition	-	3.00	5.17	0.30	8.47
Less : Depreciation	-	3.00	5.17	0.30	8.47
WDV at end of Ist year	-	0.30	0.78	0.02	1.09
Additions During The Year	-	2.70	4.39	0.29	7.38
Less : Depreciation	-	-	-	-	-
WDV at end of IInd Year	-	2.70	4.39	0.29	7.38
Additions During The Year	-	0.27	0.66	0.03	0.96
Less : Depreciation	-	-	-	-	-
WDV at end of IIInd Year	-	2.43	3.74	0.26	6.42
Additions During The Year	-	-	-	-	-
Less : Depreciation	-	2.43	3.74	0.26	6.42
WDV at end of IIIrd year	-	0.24	0.56	0.03	0.83
Additions During The Year	-	2.19	3.18	0.23	5.59
Less : Depreciation	-	-	-	-	-
WDV at end of IV year	-	2.19	3.18	0.23	5.59
Additions During The Year	-	0.22	0.48	0.02	0.72
Less : Depreciation	-	-	-	-	-
WDV at end of IV year	-	1.97	2.70	0.21	4.87
Additions During The Year	-	-	-	-	-
Less : Depreciation	-	1.97	2.70	0.21	4.87
WDV at end of Vth year	-	0.20	0.40	0.02	0.62
Additions During The Year	-	1.77	2.29	0.19	4.25
Less : Depreciation	-	-	-	-	-
WDV at end of Vth year	-	1.77	2.29	0.19	4.25

**REPAYMENT SCHEDULE OF TERM LOAN**

11.5%

Year	Particulars	Amount	Addition	Total	Interest	Repayment	CI Balance
<b>IST YEAR</b>	Opening Balance						
	Ist Quarter	-	7.89	7.89	-	-	7.89
	Iind Quarter	7.89	-	7.89	0.23	-	7.89
	IIIrd Quarter	7.89	-	7.89	0.23	-	7.89
	Ivth Quarter	7.89	-	7.89	0.23	-	7.89
					0.68	-	
<b>IIND YEAR</b>	Opening Balance						
	Ist Quarter	7.89	-	7.89	0.23	0.49	7.40
	Iind Quarter	7.40	-	7.40	0.21	0.49	6.91
	IIIrd Quarter	6.91	-	6.91	0.20	0.49	6.41
	Ivth Quarter	6.41	-	6.41	0.18	0.49	5.92
					0.82	1.97	
<b>IIIRD YEAR</b>	Opening Balance						
	Ist Quarter	5.92	-	5.92	0.17	0.49	5.43
	Iind Quarter	5.43	-	5.43	0.16	0.49	4.93
	IIIrd Quarter	4.93	-	4.93	0.14	0.49	4.44
	Ivth Quarter	4.44	-	4.44	0.13	0.49	3.95
					0.60	1.97	
<b>IIVTH YEAR</b>	Opening Balance						
	Ist Quarter	3.95	-	3.95	0.11	0.49	3.45
	Iind Quarter	3.45	-	3.45	0.10	0.49	2.96
	IIIrd Quarter	2.96	-	2.96	0.09	0.49	2.47
	Ivth Quarter	2.47	-	2.47	0.07	0.49	1.97
					0.37	1.97	
<b>IVTH YEAR</b>	Opening Balance						
	Ist Quarter	1.97	-	1.97	0.06	0.49	1.48
	Iind Quarter	1.48	-	1.48	0.04	0.49	0.99
	IIIrd Quarter	0.99	-	0.99	0.03	0.55	0.44
	Ivth Quarter	0.44	-	0.44	0.01	0.55	0.11
					0.14	2.09	

CALCULATION OF D.S.C.R

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>CASH ACCRUALS</u></b>	6.52	7.39	8.27	9.77	11.18
Interest on Term Loan	0.68	0.82	0.60	0.37	0.14
Total	7.20	8.22	8.86	10.14	11.32
<b><u>REPAYMENT</u></b>					
Instalment of Term Loan	1.97	1.97	1.97	2.09	2.09
Interest on Term Loan	0.68	0.82	0.60	0.37	0.14
Total	2.65	2.80	2.57	2.46	2.23
<b>DEBT SERVICE COVERAGE R</b>	<b>2.71</b>	<b>2.94</b>	<b>3.45</b>	<b>4.13</b>	<b>5.08</b>
<b>AVERAGE D.S.C.R.</b>			<b>3.66</b>		

**COMPUTATION OF SALE**

Particulars	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
Op Stock	-	2	2	2	3
Production	36	42	48	54	60
Less : Closing Stock	36	44	50	56	63
	2	2	2	3	3
Net Sale	34	42	48	54	60
Sale Price per MT	130,000.00	130,000.00	130,000.00	130,000.00	130,000.00
<b>Sale (in Lacs)</b>	<b>44.46</b>	<b>54.21</b>	<b>62.01</b>	<b>69.81</b>	<b>77.61</b>

**COMPUTATION OF ELECTRICITY**

<b>(A) POWER CONNECTION</b>				
Total Working Hour per day		Hours	8	
Electric Load Required		HP	25	
Load Factor			0.7460	
Electricity Charges		per unit	8.00	
Total Working Days			300	
<b>Electricity Charges ( 8 Hrs Per day )</b>				358,080.00
Add : Minimim Charges (@ 10%)				
<b>(B) D.G. SET</b>				
No. of Working Days			300	days
No of Working Hours			1	Hour per day
Total no of Hour			300	
Diesel Consumption per Hour			-	
Total Consumption of Diesel			-	
Cost of Diesel			65.00	Rs. /Ltr
Total cost of Diesel			-	
Add : Lube Cost @15%			-	
Total			-	
Total cost of Power & Fuel at 100%				3.58
Year		Capacity		Amount (in Lacs)
IST YEAR		60%		2.15
IIND YEAR		70%		2.51
IIIRD YEAR		80%		2.86
IVTH YEAR		90%		3.22
VTH YEAR		100%		3.58

## BREAK EVEN POINT ANALYSIS

Year	I	II	III	IV	V
<b>Net Sales &amp; Other Income</b>	44.46	54.21	62.01	69.81	77.61
Less : Op. WIP Goods	-	1.87	2.18	2.50	2.81
Add : Cl. WIP Goods	1.87	2.18	2.50	2.81	3.12
<b>Total Sales</b>	<b>46.33</b>	<b>54.52</b>	<b>62.32</b>	<b>70.12</b>	<b>77.92</b>
<b>Variable &amp; Semi Variable Exp.</b>					
Raw Material & Tax	25.14	29.33	33.52	37.71	41.90
Electricity Exp/Coal Consumption at 85%	1.83	2.13	2.43	2.74	3.04
Manufacturing Expenses 80%	0.71	1.30	1.49	1.68	1.86
Wages & Salary at 60%	5.86	6.45	7.09	7.80	8.58
Selling & administrative Expenses 80%	0.71	0.87	0.99	1.12	1.24
Intt. On Working Capital Loan	0.30	0.30	0.30	0.30	0.30
<b>Total Variable &amp; Semi Variable Exp</b>	<b>34.55</b>	<b>40.37</b>	<b>45.82</b>	<b>51.34</b>	<b>56.93</b>
<b>Contribution</b>	<b>11.78</b>	<b>14.15</b>	<b>16.50</b>	<b>18.78</b>	<b>21.00</b>
<b>Fixed &amp; Semi Fixed Expenses</b>					
Manufacturing Expenses 20%	0.18	0.33	0.37	0.42	0.47
Electricity Exp/Coal Consumption at 15%	0.32	0.38	0.43	0.48	0.54
Wages & Salary at 40%	3.91	4.30	4.73	5.20	5.72
Interest on Term Loan	0.68	0.82	0.60	0.37	0.14
Depreciation	1.09	0.96	0.83	0.72	0.62
Selling & administrative Expenses 20%	0.18	0.22	0.25	0.28	0.31
<b>Total Fixed Expenses</b>	<b>6.36</b>	<b>7.00</b>	<b>7.20</b>	<b>7.47</b>	<b>7.80</b>
<b>Capacity Utilization</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>
<b>OPERATING PROFIT</b>	<b>5.43</b>	<b>7.15</b>	<b>9.30</b>	<b>11.31</b>	<b>13.20</b>
<b>BREAK EVEN POINT</b>	<b>32%</b>	<b>35%</b>	<b>35%</b>	<b>36%</b>	<b>37%</b>
<b>BREAK EVEN SALES</b>	<b>24.99</b>	<b>26.96</b>	<b>27.21</b>	<b>27.88</b>	<b>28.93</b>

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