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PROJECT REPORT

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PROJECT:

COIR/COCONUT FIBRE EXTRACTION

PROJECT REPORT

Of

COIR/COCONUT FIBRE EXTRACTION

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **COIR/COCONUT FIBRE EXTRACTION**

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.]

PROJECT PROFILE FOR COIR FIBRE EXTRACTION UNIT



INTRODUCTION

Coir product by virtue of its eco-friendly and biodegradable qualities are increasingly getting world wide acceptance. The basic raw material of the industry, i.e., **“Coconut husk”** is abundantly available at negligible cost in major coconut growing states of India. It is estimated that as of now only 40%-45% of the raw material availability i.e., the coconut husk is put into coir industrial use. Hence, there is a vast unused potentiality available in coconut growing states of India for extraction of coir fiber and its further processing.

MARKET

Coir fibre extracted from coconut husk has extensive use in almost all coir activities and it is the basic raw material for manufacturing of different varieties of Coir yarn. The economic and pollution control issues have almost arrested the traditional way of coir retting and fibre extractions. Hence, now a day’s industry purely depends upon the fibre produced by mechanical device from Green/Dry coconut husk. In this context, fibres extracted under this method have good demands and market in order to carry out all coir based activities.

PROJECTED BALANCE SHEET

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<u>SOURCES OF FUND</u>					
Capital Account	2.50	2.50	2.50	2.50	2.50
Retained Profit	4.32	8.40	12.87	18.05	23.81
Term Loan	13.50	10.13	6.75	3.38	-
Cash Credit	9.00	9.00	9.00	9.00	9.00
Sundry Creditors	2.27	2.46	2.65	2.84	3.02
Provisions & Other Liab	0.36	0.40	0.44	0.48	0.53
TOTAL :	31.95	32.88	34.20	36.24	38.87
<u>APPLICATION OF FUND</u>					
Fixed Assets (Gross)	15.00	15.00	15.00	15.00	15.00
Gross Dep.	2.11	3.93	5.49	6.82	7.97
Net Fixed Assets	12.90	11.07	9.51	8.18	7.03
Current Assets					
Sundry Debtors	3.99	4.53	4.88	5.23	5.58
Stock in Hand	8.28	8.97	9.66	10.35	11.04
Cash and Bank	4.29	5.56	7.12	9.16	11.55
Deposits & Advances	2.50	2.75	3.03	3.33	3.66
TOTAL :	31.95	32.88	34.20	36.24	38.87

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PROJECTED CASH FLOW STATEMENT

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<u>SOURCES OF FUND</u>					
Share Capital	2.50	-			
Reserve & Surplus	4.32	4.54	5.58	6.48	7.20
Depriciation & Exp. W/off	2.11	1.82	1.56	1.34	1.15
Increase in Cash Credit	9.00	-	-	-	-
Increase In Term Loan	13.50	-	-	-	-
Increase in Creditors	2.27	0.19	0.19	0.19	0.19
Increase in Provisions	0.36	0.04	0.04	0.04	0.05
TOTAL :	34.06	6.58	7.37	8.04	8.58
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	15.00	-	-	-	-
Increase in Stock	8.28	0.69	0.69	0.69	0.69
Increase in Debtors	3.99	0.54	0.35	0.35	0.35
Increase in Deposits & Adv	2.50	0.25	0.28	0.30	0.33
Repayment of Term Loan	-	3.38	3.38	3.38	3.38
Taxation	-	0.45	1.12	1.30	1.44
TOTAL :	29.77	5.31	5.81	6.01	6.19
Opening Cash & Bank Balance	-	4.29	5.56	7.12	9.16
Add : Surplus	4.29	1.27	1.57	2.03	2.40
Closing Cash & Bank Balance	4.29	5.56	7.12	9.16	11.55

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
A) SALES					
Gross Sale	119.70	135.98	146.48	156.98	167.48
Total (A)	119.70	135.98	146.48	156.98	167.48
B) COST OF SALES					
Raw Mateiral Consumed	97.20	105.30	113.40	121.50	129.60
Electricity Expenses	3.44	3.72	4.01	4.30	4.58
Repair & Maintenance	-	1.36	1.46	1.57	1.67
Labour & Wages	8.18	9.00	9.90	10.89	11.98
Depriciation	2.11	1.82	1.56	1.34	1.15
Consumables and Other Expenses	2.39	2.72	2.93	3.14	3.35
Cost of Production	113.32	123.93	133.27	142.74	152.33
Add: Opening Stock /WIP	-	5.04	5.46	5.88	6.30
Less: Closing Stock /WIP	5.04	5.46	5.88	6.30	6.72
Cost of Sales (B)	108.28	123.51	132.85	142.32	151.91
C) GROSS PROFIT (A-B)	11.42	12.47	13.63	14.66	15.56
	10%	9%	9%	9%	9%
D) Bank Interest (Term Loan)	1.16	1.41	1.02	0.63	0.24
Bank Interest (C.C. Limit)	0.90	0.90	0.90	0.90	0.90
E) Salary to Staff	2.64	2.90	3.19	3.51	3.87
F) Selling & Adm Expenses Exp.	2.39	2.72	2.93	3.14	3.35
TOTAL (D+E)	7.10	7.93	8.04	8.18	8.36
H) NET PROFIT	4.32	4.54	5.58	6.48	7.20
I) Taxation	-	0.45	1.12	1.30	1.44
J) PROFIT (After Tax)	4.32	4.08	4.47	5.18	5.76

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