



MODEL PROJECT REPORT



PROJECT REPORT ON CURTAIN MAKING

SWAVALAMBI BHARAT ABHIYAN

PROJECT AT A GLANCE

- 1 Name of the Entrepreneur : xxxxxxxx
- 2 Constitution (legal Status) : xxxxxxxx
- 3 Father / Spouse Name : xxxxxxxxxxxx
- 4 Unit Address : xxxxxxxxxxxxxxxxxxxxxxxx
- District : xxxxxx
Pin: xxxxxxx
Mobile xxxxxxx
State: xxxxxxxxx
- 5 Product and By Product : CURTAINS
- 6 Name of the project / business activity proposed : CURTAINS MAKING UNIT
- 7 Cost of Project : Rs.9.5 Lakhs
- 8 Means of Finance
Term Loan Rs.4.05 Lakhs
Own Capital Rs.0.95 Lakhs
Working Capital Rs.4.5 Lakhs
- 9 Debt Service Coverage Ratio : 3.00
- 10 Pay Back Period : 5 Years
- 11 Project Implementation Period : 5-6 Months
- 12 Break Even Point : 29%
- 13 Employment : 10 Persons
- 14 Power Requirement : 12.00 HP
- 15 Major Raw materials : Yarn (Polyester, Cotton), Consumables lile threads, scissors, colors
- 16 Estimated Annual Sales Turnover (Max Capacity) : 121.55 Lakhs
- 17 Detailed Cost of Project & Means of Finance

COST OF PROJECT

(Rs. In Lakhs)

Particulars	Amount
Land	Own/Rented
Plant & Machinery	3.50
Furniture & Fixtures	1.00
Working Capital	5.00
Total	9.50

MEANS OF FINANCE

Particulars	Amount
Own Contribution	0.95
Working Capital(Finance)	4.50
Term Loan	4.05
Total	9.50

CURTAIN MAKING UNIT

Introduction:

Beautifying one's house has been an ancient tradition since ages; the rich do it with expensive materials while the lower income households too decorate their homes in their own creative ways. To cover your windows and to obscure any unpleasant spaces, curtains are an essential fixture. There is no doubt that window curtains are not only a necessity but are also a decorative accessory that plays an important role in elevating the decor. When it comes to event decorations, using backdrop curtains is a thoughtful choice. Other than providing their basic function of covering windows or event venue walls, curtains have several other significant benefits as well. Curtains can also be used to create a segregated area. A room divider curtain can help you separate areas without confining space. Other room divider options tend to make the room smaller, whereas living room curtains are flexible and can easily be drawn to divide the area when needed.



Uses & Market Potential:

Curtains provide protection from external elements such as weather changes, UV light, etc. To cover your windows and to obscure any unpleasant spaces, curtains are an essential fixture. There is no doubt that window curtains are not only a necessity but are also a decorative accessory that plays an important role in elevating the décor. Curtains are often hung on the inside of a building's windows to block the passage of light. For instance, at night to aid sleeping, or to stop light from escaping outside the building (stopping people outside from being able to see inside, often for privacy

reasons). Curtain and Window Blinds Market size is forecast to exceed USD 26.8 billion by 2027. Growing residential & commercial building developments along with rapid urbanization is likely to drive the curtains and window blinds industry growth. The rising disposable income of the consumer group and growing demand for enhancing aesthetics of home with upgrade of window curtains and decor items will drive industry penetration. Modern architecture is focused on the utilization of new tools and designs to provide improved and sustainable aesthetics. Curtain walls are anticipated to provide sophisticated and unique appearance to modern buildings. Further, real estate developers are increasingly incorporating curtain walls in their commercial building projects to cater to corporate and hospitality sectors.

Product:

CURTAIN

Raw Material:

1. Yarn (Polyester, Cotton)
2. Consumables like threads, scissors, colors

Manufacturing Process:

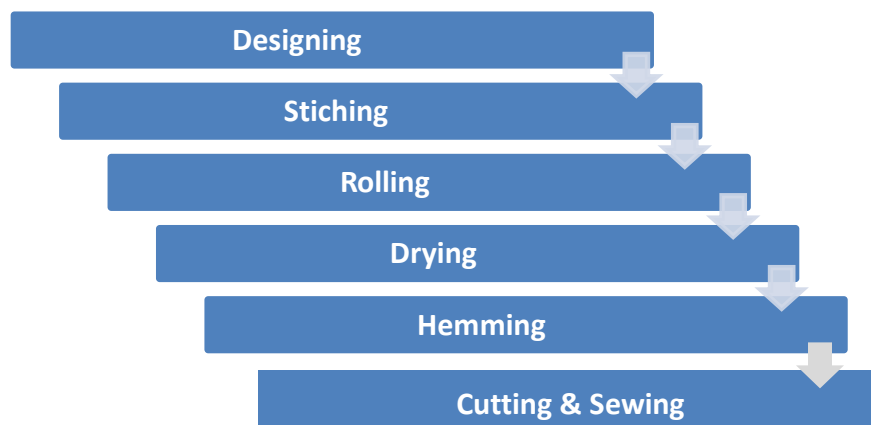


Fig. 1 – Process Flowchart

Area:

The industrial setup requires space for Inventory, workshop or manufacturing area, space for power supply utilities dyeing, designing and finishing area. Thus, the approximate total area required for complete small scale factory setup is 1000-1500Sq. ft. approximately.

Cost of Machines:

S No.	Machine	Unit	Price (INR)
1.	Jacquard Raschel curtain-making machine	1	125,500/-
2.	Single Needle Lockstitch Machine with Edge Trimmer	1	85,000/-
3.	Three Threads Over lock Machine	1	29,500/-
4.	Blind Stitch Machine for Heming	1	55,000/-
5.	Single-Needle Bar-tack Machine	1	55,000/-
	Total		3,50,000/-

Power Requirement- - The estimated Power requirement is taken at 12 HP.

Manpower Requirement- Following manpower is required:

- Skilled/unskilled worker-3
- Helper- 3
- Machine Operator- 2
- Sales Personal and Accountant- 2

FINANCIALS

PROJECTED BALANCE SHEET

PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
<u>Capital Account</u>					
Opening Balance	-	1.85	2.95	4.35	5.74
Add: Additions	0.95	-	-	-	-
Add: Net Profit	0.90	1.40	2.40	3.39	4.27
Less: Drawings	-	0.30	1.00	2.00	2.80
Closing Balance	1.85	2.95	4.35	5.74	7.21
CC Limit	4.50	4.50	4.50	4.50	4.50
Term Loan	3.60	2.70	1.80	0.90	-
Sundry Creditors	1.95	2.16	2.38	2.61	2.84
TOTAL :	11.90	12.31	13.03	13.74	14.55
<u>APPLICATION OF FUND</u>					
Fixed Assets (Gross)	4.50	4.50	4.50	4.50	4.50
Gross Dep.	0.63	1.16	1.62	2.02	2.36
Net Fixed Assets	3.88	3.34	2.88	2.48	2.14
Current Assets					
Sundry Debtors	2.61	3.00	3.33	3.69	4.05
Stock in Hand	4.65	5.17	5.72	6.30	6.90
Cash and Bank	0.77	0.81	1.09	1.27	1.45
TOTAL :	11.90	12.31	13.03	13.74	14.55
	-	-	-	-	-

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	I	II	III	IV	V
<u>A) SALES</u>					
Gross Sale	78.30	89.96	100.04	110.57	121.55
Total (A)	78.30	89.96	100.04	110.57	121.55
<u>B) COST OF SALES</u>					
Raw Material Consumed	58.50	64.84	71.40	78.19	85.20
Electricity Expenses	1.61	1.75	1.88	2.01	2.15
Repair & Maintenance	1.17	1.35	1.50	1.66	1.82
Labour & Wages	10.71	11.78	12.96	14.26	15.68
Depreciation	0.63	0.54	0.46	0.40	0.34
Cost of Production	72.62	80.25	88.20	96.51	105.19
Add: Opening Stock /WIP	-	2.70	3.01	3.34	3.69
Less: Closing Stock /WIP	2.70	3.01	3.34	3.69	4.06
Cost of Sales (B)	69.92	79.94	87.86	96.16	104.83
C) GROSS PROFIT (A-B)	8.38	10.01	12.17	14.41	16.72
	10.70%	11.13%	12.17%	13.03%	13.76%
D) Bank Interest i) (Term Loan)	0.44	0.36	0.26	0.16	0.06
ii) Interest On Working Capital	0.50	0.50	0.50	0.50	0.50
E) Salary to Staff	5.29	6.14	7.12	8.26	9.58
F) Selling & Adm Expenses Exp.	1.25	1.62	1.90	2.10	2.31
TOTAL (D+E+F)	7.48	8.61	9.78	11.02	12.45
H) NET PROFIT	0.90	1.40	2.40	3.39	4.27
	1.1%	1.6%	2.4%	3.1%	3.5%
I) Taxation	-	-	-	-	-
J) PROFIT (After Tax)	0.90	1.40	2.40	3.39	4.27

PROJECTED CASH FLOW STATEMENT

PARTICULARS	I	II	III	IV	V
SOURCES OF FUND					
Own Contribution	0.95	-			
Reserve & Surplus	0.90	1.40	2.40	3.39	4.27
Depriciation & Exp. W/off	0.63	0.54	0.46	0.40	0.34
Increase In Cash Credit	4.50				
Increase In Term Loan	4.05	-	-	-	-
Increase in Creditors	1.95	0.21	0.22	0.23	0.23
TOTAL :	12.98	2.15	3.08	4.01	4.85
APPLICATION OF FUND					
Increase in Fixed Assets	4.50	-	-	-	-
Increase in Stock	4.65	0.52	0.56	0.58	0.60
Increase in Debtors	2.61	0.39	0.34	0.35	0.37
Repayment of Term Loan	0.45	0.90	0.90	0.90	0.90
Taxation	-	-	-	-	-
Drawings	-	0.30	1.00	2.00	2.80
TOTAL :	12.21	2.11	2.79	3.83	4.67
Opening Cash & Bank Balance	-	0.77	0.81	1.09	1.27
Add : Surplus	0.77	0.04	0.28	0.18	0.18
Closing Cash & Bank Balance	0.77	0.81	1.09	1.27	1.45

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL

PARTICULARS	I	II	III	IV	V
Finished Goods					
(10 Days requirement)	2.70	3.01	3.34	3.69	4.06
Raw Material					
(10 Days requirement)	1.95	2.16	2.38	2.61	2.84
Closing Stock	4.65	5.17	5.72	6.30	6.90

COMPUTATION OF WORKING CAPITAL REQUIREMENT

Particulars	Amount	Margin(10%)	Net
			Amount
Stock in Hand	4.65		
Less:			
Sundry Creditors	1.95		
Paid Stock	2.70	0.27	2.43
Sundry Debtors	2.61	0.26	2.35
Working Capital Requirement			4.78
Margin			0.53
MPBF			4.78
Working Capital Demand			4.50

REPAYMENT SCHEDULE OF TERM LOAN						11.0%	
Year	Particulars	Amount	Addition	Total	Interest	Repayment	CI Balance
I	Opening Balance						
	Ist Quarter	-	4.05	4.05	0.11	-	4.05
	IInd Quarter	4.05	-	4.05	0.11	-	4.05
	IIIRD Quarter	4.05	-	4.05	0.11	0.23	3.83
	Ivth Quarter	3.83	-	3.83	0.11	0.23	3.60
					0.44	0.45	
II	Opening Balance						
	Ist Quarter	3.60	-	3.60	0.10	0.23	3.38
	IInd Quarter	3.38	-	3.38	0.09	0.23	3.15
	IIIRD Quarter	3.15	-	3.15	0.09	0.23	2.93
	Ivth Quarter	2.93		2.93	0.08	0.23	2.70
					0.36	0.90	
III	Opening Balance						
	Ist Quarter	2.70	-	2.70	0.07	0.23	2.48
	IInd Quarter	2.48	-	2.48	0.07	0.23	2.25
	IIIRD Quarter	2.25	-	2.25	0.06	0.23	2.03
	Ivth Quarter	2.03		2.03	0.06	0.23	1.80
					0.26	0.90	
IV	Opening Balance						
	Ist Quarter	1.80	-	1.80	0.05	0.23	1.58
	IInd Quarter	1.58	-	1.58	0.04	0.23	1.35
	IIIRD Quarter	1.35	-	1.35	0.04	0.23	1.13
	Ivth Quarter	1.13		1.13	0.03	0.23	0.90
					0.16	0.90	
V	Opening Balance						
	Ist Quarter	0.90	-	0.90	0.02	0.23	0.67
	IInd Quarter	0.67	-	0.67	0.02	0.23	0.45
	IIIRD Quarter	0.45	-	0.45	0.01	0.23	0.22
	Ivth Quarter	0.22		0.22	0.01	0.23	0.00
					0.06	0.90	
Door to Door Period 60 Months Moratorium Period 6 Months Repayment Period 54 Months							

CALCULATION OF D.S.C.R					
PARTICULARS	I	II	III	IV	V
CASH ACCRUALS	1.53	1.94	2.86	3.79	4.61
Interest on Term Loan	0.44	0.36	0.26	0.16	0.06
Total	1.96	2.30	3.12	3.95	4.67
REPAYMENT					
Repayment of Term Loan	0.45	0.90	0.90	0.90	0.90
Interest on Term Loan	0.44	0.36	0.26	0.16	0.06
Total	0.89	1.26	1.16	1.06	0.96
DEBT SERVICE COVERAGE RATIO	2.21	1.82	2.69	3.72	4.86
AVERAGE D.S.C.R.			3.00		

Assumptions:

1. Production Capacity of Curtains is 250 pcs per day. First year, Capacity has been taken @ 60%.
2. Working shift of 10 hours per day has been considered.
3. Raw Material stock and Finished goods closing stock has been taken for 10 days.
4. Credit period to Sundry Debtors has been given for 10 days.
5. Credit period by the Sundry Creditors has been provided for 10 days.
6. Depreciation and Income tax has been taken as per the Income tax Act, 1961.
7. Interest on working Capital Loan and Term loan has been taken at 11%.
8. Salary and wages rates are taken as per the Current Market Scenario.
9. Power Consumption has been taken at 12 HP.
10. Selling Prices & Raw material costing has been increased by 3% & 2% respectively in the subsequent years.