



M/S: CONCEPT PACKAGING LTD

Project Review- Tanzania Unit



Prepared by



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1) Project at Glance:

A fully automated plant with a world-class production facility is being set up at Tanzania which is spread across a span of 4,000 sq.mtr with an annual capacity to produce 12,000 MT of corrugated boxes and will be operational by April 2025



Indicative Image of proposed plant.

2) About the Entity:

2.1) The company

Senior group of companies is promoted by a team of qualified professionals who are highly experienced in the field of manufacturing of automatic corrugated box and board making machinery.

The company is having a long list of domestic as well as international clients. The company access to global trends in machine manufacturing gives best value for your money.

2.2) Existing Units & Clientele:

a) Unit 1 – Amritsar (for machinery production)

b) **Established Customer Base:** The current clientele includes Varun beverages Ltd. Which is a representative of PepsiCo in India.

c) **Geographical Coverage:** Suppling machinery throughout India and abroad in Western African Regions and countries like Angola, Nigeria & Ghana.

2.3) The Key Managerial Personal

1) Mr. Mukhtar Singh Thind

Senior Machinery was founded by Mr. Mukhtar Singh Thind in the year 1985 in Amritsar, Punjab for the growth of the corrugated box machinery industry in India.

Quality on Board – The next generation

1. Mr. Avinash Singh
2. Mr. Amardeep Singh

2.4) Journey So far

Super Senior Industries started as a manufacturer of printing machinery and as latter saw an opportunity in the expanding corrugated boxes industries and started manufacturing of corrugated boxes machinery as successfully developed product as per market changes and requirements it also prides itself on being the first ever made in India company to install 7 ply automatic plant one of the very few installed in India.

2.5) Industry and our Presence

In Tanzania the major market for the corrugated boxes is the food and beverages industry which requires a lot of boxes monthly with a monthly requirement of approximate 4000 tons and increasing day by day. The food industry includes biscuit manufacturers, chips manufacturers, etc. whereas beverages include water, liquor and soda industry. Other than these industries there are many other industries such as cosmetic industry, footwear industry.

3) About the Project

3.1) Cost and Means:

Cost and Means			
Cost	\$ Amount in lakhs	Means	\$ Amount in lakhs
Plant and machinery	10	Own contribution	5
		Bank Term Loan	5
Total	10	Total	10

Machinery list

Sr.no	Description	Cost in USD
1	5 ply Automatic Plant (1600mm)	5,00,000
2	5 Colour printer colour die Cutter with vibrator & stacker (1400*2400mm)	1,60,000
3	Automatic Folder gluer	28,000
4	Testing Equipment	25,000
5	Boiler (3 TON)	55,000
6	Boiler Pipeline	50,000
7	Forklift	28,000
8	Hand Pallet Truck	10,000
9	Air Compressor	15,000
10	Plastic Pallets	8,000
11	Semi Automatic Stitching Machine	22,000
12	E Flute Machine Extra In Auto Plant	30,000
13	Accessories(Extra Spares,Generator,Welding set,drills,grinder,etc)	69,000
	Total Machine Cost	10,00,000

3.2) Schedule of Implementation:

Activity Description	Status	Start Date	End Date
Land lease agreement	In Process	AUG-25	AUG-25
P&M order and advance	In process	JUN-24	Dec-25

Installation & commissioning of Plant & Machinery	Quotes Received	NOV-25	DEC-25
Trial run	planned	DEC-25	DEC-25
Start of commercial production	planned	DEC-25	

3.3) Loan Proposal:

An Unsecured loan from the promoters is requested to fund the project cost including the plant & machinery through a single term Loan of 5 Lakhs USD

- **Repayable over 2 years.**
- Moratorium of 6 months (required for installation and trial runs before commencement of commercial production)
- Interest during moratorium shall be served as and when applied.

Term Loan	5,00,000 USD
ROI	9.50%
Repayment period in Months	24
Moratorium period	6
EMI	22,975 USD

Repayment schedule			
Particulars	25-26	26-27	27-28
Moratorium interest	23,750		
Annual Interest		37,306	13,668
Principal Repayment	0	2,38,180	2,61,820
Total	23,750	275,486	2,75,487
Principal O/S	5,00,000	261,820	0

4) Financial Projections

4.1) Balance Sheet: Sources of funds

SOURCES OF FUNDS	2025-26 (\$ in lacs)	2026-27 (\$ in lacs)	2027-28 (\$ in lacs)	2028-29 (\$ in lacs)	2029-30 (\$ in lacs)	2030-31 \$ in lacs)
Capital	5.00	5.24	5.24	5.24	5.24	5.24
Share Capital	-	5.00	5.24	5.24	5.24	5.24
Add: Additions	5.00	0.24	-	-	-	-
Reserves & Surplus	-	15.22	36.20	47.17	57.53	67.08
Reserves	-	-	15.22	36.20	62.39	93.73
Add: Profit for the year	-	15.22	20.98	26.19	31.34	35.74
Net worth	5.00	20.46	41.44	67.63	98.97	134.71
Loan Funds						
Secured loans						
Unsecured loans	5.00	2.38	2.62			
Total Loan	5.00	2.38	2.62			
Current Liabilities						
Cash Credit	-	-	-	-	-	--
Creditors for Trade	-	1.33	1.70	2.01	2.31	2.53
Other current liability	-	-	-	-	-	-
Provision	-	6.52	8.99	11.22	13.43	15.32
Total Current Liabilities	-	7.86	10.69	13.23	15.74	17.84
TOTAL LIABILITIES	10.00	30.70	54.75	80.86	114.71	152.55

Balance Sheet: Application of funds

APPLICATION OF FUNDS	2025-26 (\$ in lacs)	2026-27 (\$ in lacs)	2027-28 (\$ in lacs)	2028-29 (\$ in lacs)	2029-30 (\$ in lacs)	2030-31 (\$ in lacs)
Fixed Assets						
Opening WDV	-	10.00	8.50	7.23	6.14	5.22
Addition/CWIP	10.00	-	-	-	-	-
Deletion	-	-	-	-	-	-
Depreciation	-	1.50	1.28	1.08	0.92	0.78
Net Block	10	8.50	7.23	6.14	5.22	4.44
Investments	-	8.04	29.11	52.64	83.76	120.02
Current Assets						
Stock in Hand	-	5.46	7.03	8.44	9.84	10.54
Sundry Debtors	-	8.50	11.19	13.44	15.69	17.35
Bank Accounts	-	0.10	0.10	0.10	0.10	0.10
Cash in Hand	-	0.10	0.10	0.10	0.10	0.10
Other Current Assets	-					
Total Current Assets	-	14.16	18.42	22.08	25.73	28.10
TOTAL ASSETS	10.00	30.70	54.75	80.86	114.71	152.55

4.2) Profit and Loss

	2026-27	2027-28	2028-29	2029-30	2030-31
	(\$ in lacks)	(\$ in lacks)	(\$ in lacks)	(\$ in lacks)	(\$ in lacks)
Net Sales	68.95	90.76	109.01	127.26	140.74
Purchases	36.90	42.67	49.98	57.36	62.11
Material Consumed	32.46	41.60	48.83	56.21	61.54
Direct Expenses-	1.54	2.02	2.42	2.82	3.02
- Direct labour	0.98	1.30	1.56	1.82	1.94
- Power and Fuel	0.25	0.32	0.38	0.44	0.47
production overheads	0.31	0.40	0.48	0.56	0.60
Cost of Production	34.00	43.41	51.25	59.03	64.56
Opening Finished goods	0.00	1.01	1.31	1.57	1.83
Closing Finished goods	1.01	1.31	1.57	1.83	1.96
Cost of Goods sold	32.98	43.12	50.99	58.77	64.43
Gross Profit	35.97	47.64	58.02	68.49	76.31
Gross Profit %	52.16%	52.49%	53.22%	53.82%	54.22%
Admin Expenses	6.86	9.03	10.85	12.66	13.60
Salaries wages	2.06	2.71	3.25	3.80	4.08
Selling expenses	3.43	4.25	5.42	6.33	6.80
EBITDA	23.62	31.38	38.49	45.70	51.84
EBITDA %	34.26%	34.58%	35.31%	35.91%	36.83%
Finance Costs	0.37	0.14			
Depreciation (WDV)	1.50	1.28	1.08	0.92	0.78
Operating Profit (PBT)	21.75	29.97	37.41	44.78	51.05
Tax	6.52	8.99	11.22	13.43	15.32
Net Profit	15.22	20.98	26.19	31.34	35.74
NP/Sales	22.08%	23.12%	24.02%	24.63%	25.39%
CASH PROFIT	16.72	22.26	27.27	32.26	36.52

4.3) Cash Flow-Operating and Investing activities

Particulars	2026-27	2027-28	2028-29	2029-30	2030-31
	(\$ in lacks)	(\$ in lacks)	(\$ in lacks)	(\$ in lacks)	(\$ in lacks)
Cash flow from operating activities :	15.22	20.98	26.19	31.34	35.74
Adjusted for :					
Depreciation And Amortisation	1.50	1.28	1.08	0.92	0.78
Interest paid	0.37	0.14			
Operating Profit before working capital changes :	17.10	22.39	27.27	32.26	36.52
Changes in :					
(Increase) / Decrease in Trade and other receivables	(8.50)	(2.69)	(2.25)	(2.25)	(1.66)
(Increase) / Decrease in Inventories	(5.46)	(1.57)	(1.41)	(1.41)	(0.70)
Increase / (Decrease) in Trade and other payables	7.86	2.84	2.54	2.51	2.10
Cash generations from operations :	10.99	20.97	26.15	31.12	36.26
NET CASH FROM OPERATING ACTIVITIES :	10.99	20.97	26.15	31.12	36.26
Cash flow from investing activities :					
Sale/(Purchase) of Investment	(8.04)	(21.07)	(23.53)	(31.12)	(36.26)
NET CASH USED IN INVESTING ACTIVITIES :	(8.04)	(21.07)	(23.53)	(31.12)	(36.26)

4.3) Cash Flow- Financing activities

Cash flow from financing activities :							
Proceeds of Capital Issue/(Redemption)	0.24	-	-	-	-	-	-
Interest paid	(0.37)	(0.14)	-	-	-	-	-
Proceeds/(Repayment) of Working Capital Loans	-	-	-	-	-	-	-
Proceeds of Unsecured Loans	-	-	-	-	-	-	-
Proceeds/(Repayment) of Term Loans	(2.62)	0.24	(2.62)	-	-	-	-
Proceeds/(Repayment) of FITL							
NET CASH USED IN FINANCING ACTIVITIES :	(2.75)	0.10	(2.62)	-	-	-	-
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C) :	0.20	0.00	0.00	0.00	0.00	(0.00)	(0.00)
CASH & CASH EQUIVALENTS - OPENING BALANCE :	-	-	0.20	0.20	0.20	0.20	0.20
CASH & CASH EQUIVALENTS - CLOSING BALANCE :	0.20	0.20	0.20	0.20	0.20	0.20	0.20

4.4 Ratio analysis

Particulars	2026-27	2027-28	2028-29	2029-30	2030-31
Working capital ratios					
Current ratio	1.80	1.72	1.67	1.63	1.57
Acid Test Ratio	1.07	1.03	1.01	0.98	0.65
Asset Turnover Ratio= Net Sales / Total Tangible Assets	2.25	1.66	1.66	1.62	1.56
Debt-to-Equity Ratio	1.00	0.12	0.06	0.00	0.00
Working capital margin	6.30	7.73	8.84	9.99	10.25
Total Outside Liability	7.86	10.69	13.23	15.74	17.84
Return on Equity=Net Profit / Equity	74.40%	50.63%	49.97%	49.93%	49.42%
ROCE	109.97%	74.12%	75.52%	74.27%	72.76%
Tangible Networth (incl QE)	22.84	44.06	52.41	62.77	72.32
TOL/TNW	7.86	10.69	13.23	15.74	17.84
Debt-to-EBIDA	0.11	0.00	0.00	0.00	0.00
Working capital cycle	80.00	80.00	80.00	80.00	80.00
No of Cycles	4.56	4.56	4.56	4.56	4.56

4.5) ISCR & DSCR

- ISCR

Particulars		2026-27	2027-28	
Cash Accruals (A)		16.72	22.26	
Total interest (B)		0.37	0.14	
ISCR (A/B)		45.82	163.84	
Average	104.83		Total	77.47

Average Interest Service Coverage Ratio (ISCR) – 104.83 Times

- DSCR

Particulars		2026-27	2027-28	2028-29	2029-30	2030-31
Net Profit		15.22	20.98	638.01	1016.10	1221.95
Depreciation		1.50	1.28	353.09	310.48	273.31
Interest cost		0.37	0.14	284.22	238.03	187.26
Total (A)		17.10	22.39	1275.31	1564.62	1682.51
Interest cost		0.37	0.14	284.22	238.03	187.26
Instalment of TL		2.38	2.62	465.35	511.54	562.31
Total (B)		2.75	2.75	749.57	749.57	749.57
DSCR (A/B)		6.21	8.13			
Average DSCR	7.17					

Average Debt Service Coverage Ratio (DSCR) – 7.17 Times

4.6) Sensitivity analysis

1) Change in sale price -5%

Particulars	2026-27	2027-28	2028-29	2029-30	2030-31
Net Sales	65.50	86.22	103.56	120.90	133.70
Cost of Goods sold	34.00	43.41	51.25	59.03	64.56
Gross Profit	31.50	42.81	52.31	61.87	69.14
Gross Profit %	48.10%	49.65%	50.51%	51.17%	51.71%
EBITDA	24.65	33.78	41.46	49.20	55.54
Finance Costs	0.37	0.14	-	-	-
Depreciation (WDV)	1.50	1.28	1.08	0.92	0.78
Profit before Tax	22.77	32.37	40.38	48.28	54.76
Tax	4.10	5.83	7.27	8.69	9.86
Net Profit	18.67	26.54	33.11	39.59	44.90
Cash Profit	20.17	27.82	34.19	40.51	45.69
Total loan Instalment & Interest	2.75	2.75			
DSCR	5.82	8.00			
Average DSCR	6.91				

Result: Even if there is negative change in expected sales price the average impact of DSCR is moderate and is well above 6.91 times

2) Change in RM rate -5%

Particulars	2026-27	2027-28	2028-29	2029-30	2030-31
Net Sales	68.95	90.76	109.01	127.26	140.74
Cost of Goods sold	35.70	45.58	53.82	61.99	67.79
Gross Profit	33.25	45.18	55.20	65.28	72.95
Gross Profit %	48.23%	49.78%	50.63%	51.29%	51.83%
EBITDA	20.91	28.92	35.67	42.48	48.48
Finance Costs	0.37	0.14			
Depreciation (WDV)	1.50	1.28	1.08	0.92	0.78
Profit before Tax	19.03	27.51	34.59	41.56	47.69
Tax	5.71	8.25	10.38	12.47	14.31
Net Profit	13.32	19.26	24.21	29.09	33.39
Net Profit %	19.32%	21.22%	22.21%	22.86%	23.72%
Cash Profit	14.82	20.53	25.29	30.02	34.17
Total loan Installment & Interest	2.75	2.75			
DSCR	5.52	7.50			
Average DSCR	6.51				

Result: Even if there is negative change in expected RM price the average impact of DSCR is moderate and is well above 6.51 times

4.7) Assumptions

Sl. no.	Particulars	Assumptions	₹
1	Income Tax rate	Constant	30.00%
2	Debtors payment cycle (in Days)	Constant	45
3	Creditors payment cycle (in Days)	Constant	15
4	RM holding period (in Days)	Constant	50
5	Finished good days	Constant	10
6	Work in Progress days	Constant	0
7	Scrap in RM	Constant	5%
8	Scrap in WIP	Constant	0%
9	Scrap in FG	Constant	0%
10	Skilled Labour (15)- 1 shift	250 Days	₹3287 per day
11	Unskilled Labour (50)- 1 shift	250 Days	₹657per day
12	Other direct overheads	Of direct labour & power	25%
13	Admin overheads	Of Sales	10%
14	Selling & Distribution	Of Sales	5%
15	Salaries & Wages	Of Sales	3%
16	Depreciation is charged from the date on which asset is put to use		
17	Proposed loan in consideration is assumed to have a tenure of 24 months with an Interest rate of 9.5% p.a. and a moratorium period of 6 months. The first instalment of the loan will begin from the October 2024		

5.)Conclusion:

M/S CONCEPT PACKAGING LTD

sees a good business potential for new plant with improved facilities and increased capacity. The market for the refractory is very bullish. The sector growing at double digit, we see a good demand to our product. With advanced machinery, in and experienced promoters, we are confident of delivering a quality product in the market with good margins.

With all favorable business conditions, the company is confident of successful venture with good ROI and a viable investment.