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Venture Capital for Microenterprise Development: The VCAT Model

By Jack Croucher and S. K. Gupta
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Introduction:

What follows is a description of the project known as the Venture Capital Company for the Application of Appropriate Technology (VCAT) a joint effort of Appropriate Technology International (ATI) and the Industrial Development Bank of India (IDBI).

The paper is structured as follows: First the problem is conceptualized within a framework of real or perceived risks. Next the VCAT model is described initially by comparing the conventional understanding of venture capital with way in which it has been adapted by ATI; then the organizational details of VCAT are discussed. These include the process of project identification and the process and criteria for investment approval. A brief discussion of the Company's draft Financial Projections follows. These draft Financial Projections and the assumptions on which they are based are included in Annex 1. Finally, the conclusion describes ways in which VCAT has made use of ATI's experience in developing the venture capital strategy.

The Problem of Microenterprise Development:

Rural enterprise development faces a variety of risks. Banks and other organizations responsible for promoting

microenterprise development are concerned about financing, technology, location, and target groups. Existing or would be entrepreneurs are apprehensive about getting involved with banks and are hesitant to attempt something new, an innovative technology or a different activity.

There appears to be no shortage of capital for investment in small scale enterprise and industrial undertakings. This is certainly true for India and we suspect for many other countries. Yet little of this financing finds its way into rural microenterprise investment. One reason for this is that rural lending programs have tended to be dominated by agricultural loans or those associated with poverty alleviation programs such as the Integrated Rural Development Program. The rapid expansion of the banking network and the accompanying pressures imposed by the emphasis on the quantum of lending have left banks with limited experience, limited training, and above all limited time in which to undertake careful assessments and to gather and provide rural entrepreneurs with the detailed technical and market information they need. Furthermore, conventional project appraisal criteria, which focuses on capital efficiency (IRR), may not be the best, and certainly should not be the sole, measure of risk for determining the appropriateness and security of an investment.

Investing in the transfer and adaption of new or innovative technology is also risky. Traditional methods are proven and are well understood; new methods introduce uncertainty and disrupt established patterns. Often the technical staff of lending institutions do not have the training to adequately assess the utility of unfamiliar technologies for microenterprises. In addition, the extensive and relevant R&D work at technical and research institutions languishes in the laboratory or at the pilot project stage for lack of an effective transfer, adoption and dissemination mechanism. Field tests of new technologies rarely determine their commercial viability. The result is that rural microenterprises have remained essentially artisanal in nature: they rarely possess the inherent entrepreneurial and technical strength necessary to generate adequate incomes or to cope with changing markets.

Given traditional investment theories related to economies of scale and agglomeration economies which have an inherent urban bias, rural areas are perceived as perilous locations in which to invest capital. Infrastructure and markets are underdeveloped, raw material supply may be inadequate and communication and monitoring are difficult, or at least inconvenient. It is not only physical distances that separate rural entrepreneurs from the network of institutions promoting microenterprise development. Social and educational gaps also prevent the poor from taking

advantage of available services, innovations, and opportunities.

The residents of rural villages are generally seen as not being worthy of credit. Institutions perceive them this way, even though the assessment is unfair. Thus, while capital may be in plentiful supply, access to it is made difficult by application procedures that require lengthy forms and criteria that require sizable collateral. Very often poor people are suspicious of banks and other similar institutions. They have neither the time nor the type of sophistication required to complete complicated application forms; nor do they have sufficient assets in the form acceptable to lending institutions.

When investment decisions in microenterprises are characterized by the risks identified above, whether real or perceived, their liability becomes magnified. It is for these reasons, that the VCAT model approaches microenterprise development with the goal of seeking to eliminate, minimize, and share risk.

The Model: Venture Capital for the Application of Appropriate Technology (VCAT).

Beginning in 1984, Appropriate Technology International, in collaboration with local organizations established four

small investment companies, one each in the Philippines, Thailand, Indonesia, and Sri Lanka.These investment companies have come to be known as venture capital companies and are part of the effort to adapt financial support to the needs of microenterprise development in rural areas. Efforts based on these earlier experiences, recently culminated in the development of an India company known as the Venture Capital Company for the Application of Appropriate Technology (VCAT), a joint effort of Appropriate Technology International (ATI) and the Industrial Development Bank of India (IDBI).

The term "venture capital" has no commonly accepted definition, but conventional usage implies investments, usually in the form of equity finance, in new or expanding enterprises characterized by high risks and the prospects of high gains. In essence, venture capital is a deliberate search for investment opportunities capable of generating considerable economic value added and substantial returns for investors. The objective of the venture capitalist is generally capital appreciation. The investor hopes that the business grows and prospers so that the increased value of his or her equity position can be converted into cash or other liquid assets.

Inherent in the venture capital concept are the twin elements of risk and reward. It is generally accepted that

the greater the risks, the larger the expected gain. A venture capitalist looks to gain three to five times the value of the investment in five to seven years. Venture capital financing then, is determined by risk analysis rather than collateral. As such, it addresses some of the issues of risk reviewed above.

Venture capital (equity financing) is usually associated with non-traditional financing. Whereas banks provide loans and become creditors, venture capitalists generally become share holders in their investments by taking an equity position. Venture capitalists tend to be very active investors who exert considerable influence over the management of their investments. Oftentimes venture capitalists establish partnership-like relationships with their joint venture partners in order to help to build up the value of the company.

This strong link with management, the active partnership with the entrepreneur in which risks are eliminated, minimized or shared, and the proactive search for investment opportunities distinguish venture capital investment from more conventional financing practices. In those, bankers take a more passive role using loans secured by collateral or securities and management linkages are minimal.

The venture capital strategy developed and modified over the past few years by ATI is incorporated in the VCAT model developed jointly by ATI and IDBI. VCAT shares almost all of the characteristics of the venture capital design noted above. The main differences lie in the objectives. The objective of the standard venture capital investor is to generate high returns in the form of economic value added. VCAT's main objectives are developmental as well as profit-making. While VCAT expects to make a fair return on its investments, its primary objective is the promotion of regional socio-economic growth through the development of commercially viable, rural microenterprises and industries. The distribution of benefits to the rural poor is a major concern and will take many forms. These include the backward linkage effects to producers and suppliers of raw materials by increasing demand of underutilized and undervalued locally available resources. Forward linkage effects occur to other microenterprises as a result of the increase in economic activity and employment. Employment is generated by job creation at a reasonable cost in the new undertakings. Increase in incomes is generated by the value adding activities of these new enterprises and by the capital formation for and by the partners. Monitoring these benefit flows will comprise an important aspect of VCAT's evaluation methodology.

Finally, VCAT has technology objectives that distinguish it from the conventional venture capital company. VCAT expects to play an important role in linking appropriate technology R&D institutions with the productive sector. One of the Company's functions is to actively search for and identify promising new and innovative technologies that have passed the prototype testing stage and appraise them for commercial investment. In this regard, VCAT is seen as providing an important link between inventors and technologists on the one hand and entrepreneurs and investors on the other in the process of setting up the first commercial demonstration of an innovative product or process.

These multiple objectives can lead to complications and need to be fully understood and carefully managed in order to be achieved.

In summary, ATI's experimental venture capital model emphasizes four points:

1. the sharing of financial risks;
2. a proactive approach to identifying:
    a) investment opportunities that benefit low income people;
    b) commercially viable technologies appropriate to local resource endowments;
    c) individuals and groups who serve as partners in joint ventures.

3. an active partnership role in setting up and supporting the enterprise with managerial, technical, and extension as well as financial services; and
4. a vehicle for moving innovative technologies into the marketplace.

Organizational Structure.

VCAT is being established as a private, non profit company, according to Indian Company Law, with a Board of Directors to set policy and a staff to run its operations. The local Project Advisory Committee as well as ATI's Project Review and Advisory Committee will assist in investment review and selection. The Industrial Development Bank of India, which is the apex industrial development institution in India, is arranging for a capital and operating budget of $6.1 million. The capitalization takes the form of an endowment fund, a contribution to equity capital, and a long-term interest free loan. ATI is providing technical assistance to the Company by assigning staff to be stationed in India as well as by providing for short-term consultancies and back up from regular ATI staff.

The Company will attempt to overcome the barriers to microenterprise development caused by the lack of knowledge and information about appropriate technology, the inaccessibility of financial resources and the lack of entrepreneurial, managerial, and technical skills. Within

the context of the regional economy, the company will improve the standard of living of the rural poor by building equity, generating income and employment opportunities directly through its joint ventures and indirectly through multiplier effects and forward and backward linkages in the regional economy. It is projected that 2500 jobs will be created during the first five years of the project.

The Company consists of an administrative headquarters and will have five regional centers phased in over three years. The staff is organized around functional groups, including the Technology Support Group (TSG), the Business Support Group (BSG) and the Extension Services Group (ESG). The General Manager will be the chief executive officer.

The Technology Support Group (TSG) is made up of one Manager (Technical) at headquarters and two Technical Specialists for each of the five regional centers. Its functions include:

* searching for, identifying, assessing and appraising technologies; technology testing and commercial demonstration;

* identifying investment opportunities (technologies): this will occur in both a proactive and a reactive manner. The Group will react to specific requests for

assistance from the various project centers as well as actively seek out investment opportunities. TSG will be responsible for appraising the investment potential of technologies; will carry out needed testing and if necessary arrange for field demonstration of such technologies in pilot projects;

* assisting the other Groups in the preparation of regional resource surveys for each of the five regions in which the Company operates. These surveys will identify the significant economic activities, the agricultural and industrial base, distribution of employment, natural resources, physical infrastructure, market systems and institutional infrastructure (government and private) as part of the information base for identifying investment opportunities for microenterprise investments;

* identifying and arranging for necessary technical training required by joint venture partners; and

* responsibility for networking with the science and technology R&D community in India in order to facilitate linkages between VCAT, its venture partners and the vast array of technology related institutions throughout India. The Group also acts as liaison with ATI and its worldwide network.

Business Support Group (BSG) consists of one Manager (Business) at headquarters and two Business Specialists stationed at each of the five regional centers. BSG staff will be available for long term assignments to work on joint venture management. Its functions include:

* preparation of financial feasibility studies on potential investments;

* preparation of business plans for approved investments, that include cash flow projections, markets assessments;

* providing ongoing assistance to joint ventures in enterprise management, establishing accounting systems, recordkeeping, and inventory control; and identifying and arranging for training for joint venture partners;

* monitoring and evaluation of enterprise performance; and

* liaison with the local business community and banks.

Extension Services Group (ESG) consists of five extension workers stationed at each of the regional centers, under the

supervision of the Center Manager. These men and women will be natives of the region in which they will work and will have proven field work experience and ability to communicate with the village folk. The functions of this Group include:

* identifying and motivating potential entrepreneurs and introducing them to the Company;

* explaining the objectives of VCAT as well as its operating procedures to the village folk; and

* monitoring on a regular basis of cash flows, gathering information on social impact analysis for joint ventures and trouble shooting for existing or potential problems.

Financial Services.

The primary form of financing will be equity capital provided through equity participation in a joint venture. VCAT is prepared to provide to 90% of capital requirements (fixed and working) in the form of equity financing. VCAT will also assist in arranging for capital in the form of conventional financing from commercial banks. It is anticipated that in the early investments almost all of the capital will be provided in the form of equity financing. Once the first few investments have developed a proven track record, future investments will make greater and greater use

of conventional loans, and equity capital will be employed strategically as a leverage.

Joint Venture investment identification and approval processes:

Investment Opportunity Identification Process:

Step One: Regional Resource Survey to identify the significant economic activities, the agricultural and industrial base, distribution of employment, natural resource endowment, physical infrastructure, market systems, and institutional infrastructure (public and private). From this information base certain promising sectors will be identified.

Step Two: Detailed analysis of the sectors identified in Step One. Examination of these sectors from the perspective of their marketability, competitive advantage, replicability, employment/income generation, benefits, and potential for adopting appropriate technologies.

Step Three: Selection of one, or at most two, sectors for investment appraised on the criteria detailed below.

Project Appraisal Criteria: While all investments will be made only to joint ventures that have been determined to be

commercially viable (profitable and sustainable), other criteria will also guide investment decisions.

1. The Company will invest its funds in the based on the following guidelines:

a. The level of investment in joint ventures by the Company and the absolute size of these joint venture (as determined by total assets) should be commensurate with the potential impact anticipated on the improvement of the economic status of the rural poor in the Project area. One measure of is the extent of participation of rural small shareholders in the investment. At least 50% percent of total equity investment will be placed with the economically weaker sections.

b. Each investment should have the potential for widespread replication within the region and preferably elsewhere in India.

c. The Company will only invest in ventures with legal entities (which can sue and be sued in their own names).

d. The investment portfolio will strive for a balance between high risk, innovative joint ventures and those

less risky businesses that attempt to commercialize proven technologies in the Project area. Thus, not all investments will feature new technologies.

e. Projects should demonstrate use of locally available skills, particularly through self-employment.

f. The Company will strive to maintain a balance between employment generation and income generation objectives.

g. The Company will strive to provide opportunities for women.

h. The Company will strive to make use of local resources, especially agricultural wastes.

i. Conventional loan financing to joint ventures must be organized in such a way as not to pose a threat to VCAT's operational viability, i.e. VCAT should avoid responsibility for such loans.

2. The following types of activities are suitable for joint venture investments: (indicative list only)

a. agricultural products processing

b. agricultural waste utilization

c. farm and rural based engineering

d. forest based products

e. animal husbandry and related activities

f. fisheries, aquaculture, and related activities

g. textiles

h. local mineral resource development and ceramics

i. bio-technologies

j. rural energy related industries.

3. The Company will co-venture with:

a. private companies

b. public companies

c. associations in the Project area

d. corporations and other statutory boards, e.g. trusts, societies.

e. banks and other financial institutions

f. individuals

Private companies shall be required to invest a minimum of 25 percent of the total equity. Public companies and non-profit organizations shall be required to invest a minimum of 15 percent of the total equity. Village associations and individuals from the economically weaker section shall be required to invest no less than 10 percent of the total equity or showcause why this requirement is inappropriate on a case by case basis.

Equity capital contributions can be made in both cash and/or kind, such as labor, land, buildings, etc.,.

4. Each venture in which the Company invests must:

a. sign a shareholders' agreement prior to investment of funds;

b. agree to and have the capacity to maintain complete and accurate books and records in accordance with generally accepted accounting principles and to retain all supporting documentation thereof; and

c. arrange to have its books of accounts audited annually by an independent chartered public accountant, and to submit a copy of any reports of such audits, including the management letter, if any to the Company.

5. When ventures are sold or interests therein put on the market the selling price of such ownership interests shall be the fair market value, as determined by a firm of independent chartered public accountants.

6. Formal investment review and approval procedures to be completed before an investment is finalized are:

a. Concept Stage:

i. a concept paper of not more than two pages that describes the technology, its consistency with investment criteria, replication potential, benefits and an estimate of the time needed to develop the concept for investment. The Concept Paper is reviewed internally.

b. Feasibility Stage:

i. The approved concept is developed into a business plan and is analyzed for its technical feasibility; its commercial feasibility; its marketability; its economic benefits; and the capability of the proposed venture partner. This plan is reviewed by the local Project Advisory Committee. The ATI Project Review and Advisory Committee will also review those projects that introduce for the first time a technology that is new to VCAT.

c. Investment Stage:

i. The Company determines whether it will make an investment based on the results of a feasibility study and business plan.

ii. Investment opportunities will be reviewed quarterly by the Project Advisory Committee. Investments below a certain level (yet to be decided) can be approved by the General Manager; investments above this level will be approved by the Project Advisory Committee. In special cases of particularly large or unusual investments, the VCAT Board will need to give its approval.

iii. A legal shareholders agreement must be in effect. This agreement must address, at a minimum, the issues regarding management control, buyout and dissolution provisions which protect the value of each equity holder's interest in the venture.

VCAT Financial Projections:

VCAT is planned to evolve into a self-sustaining organization. This means that the Company will need to generate earnings sufficient to cover its operating expenses. This is achieved in year nine when the net cash flow becomes positive. (see line 118 of the Draft Financial

Projections,Annex 1). The Draft Financial Projections are included here because they highlight important issues regarding the operational assumptions of the Company. It is important to note that these are draft projections presented for discussion purposes. The numbers should not be taken as carved in stone.(A more detailed Financial Projection analysis is currently underway). Among the important variables included in the assumptions are: the average size of investment(line 2); the percentage write-off for failed investments (line 3); the equity schedule (line 19); and the number of new investments (line 22). Once the Company has been operating for sometime it is expected that more exact information on these variables will be available.

Conclusions:

In closing, it might be of interest to point out some of the ways in which the design of VCAT has made use of ATI's experience in developing the venture capital strategy. These are most notable in three areas: organization, the understanding of sustainability, and technology search.

As noted earlier, VCAT has multiple objectives including socio-economic development as well as making enough of a profit to assure its existence. Previous experience has shown that these venture capital initiatives have a greater chance for success when they themselves are operated with an entrepreneurial spirit. VCAT has been organized as a

private, non profit company. It is intended that it will operate as a private sector business. Its staff will be paid private sector wages and benefits and will be expected to perform as employees of a business and to measure upto business sector standards. Managing VCAT to achieve all of its multiple objectives will be a complicated task and will require a special ability to weigh alternatives and counterbalance competing demands while ensuring that all the objectives are met. Rarely does one encounter the perfect organizational vehicle, nor is it easy to create one. In designing VCAT we are trying to instill the management capacity to balance and integrate all of the required capacities into a dynamic, entrepreneurial yet sustainable program.

Experience has shown that to foster sustainability, VCAT needs to concentrate its efforts on developing its expertise in a few investment areas. Previous efforts have spread themselves to thin by attempting to develop a wide and varied portfolio. VCAT will focus on developing a large number of investments within a few specific sectors that have the potential for replication. This will allow the Company to be more efficient in its strategic planning and design and to make the most effective use of its scarce capital and professional resources.

Finally, we have learned that the search and identification of appropriate technologies as well as their assessment and matching to specific investment needs is a far more complicated undertaking than previously thought. Furthermore, not very much is known or understood about how this process should take place. VCAT is making a pioneering attempt at designing a prototype for this process through its Technology Support Group. We hope to be able to report on its progress at a later date.

Annex 1

The preliminary projections of the financial performance of VCAT are based on the following assumptions: (The "line #" refers to the specific line in the financial projections spreadsheet found in Annex I):

line #	Assumptions
1	It is assumed that VCAT will start off with funds totaling Rs 80,000,000.
2	The average investment (including working capital) per enterprise will be Rs 400,000.
3	There will be a 25% write-off of all invested funds due to failed enterprises.
8	Two centers will be opened in the first year, one more in the second and two more in the third.
11	This is a projection of the number of new investments in which VCAT will provide 100% of the funds needed; this is the total for all centers.
12	In year 4, VCAT will begin making joint investments in new enterprises along with other financial institutions; it is assumed that VCAT will provide 50% of the financing in these undertakings.
19	Equity Schedule: This is a projection of how equity investments will flow back to VCAT. In this example it is assumed that for every Rs 100 invested in year 1, Rs 50 will be returned in year 4, Rs 100 in year 5 and Rs 150 in year 6.(Note: this is one of the most important assumptions in these projections).
22	Given the above assumptions this is a calculation of the new investments projected for each year.
24-35	This is a projection of the outflow of new investments and the return flow from mature investments, according to the equity schedule shown in line 19.
39-43	This is the calculation of "capital gains" expected from the joint venture investments.
46-51	This is the calculation of the balance in VCAT's enterprise investment account, after taking into account investment write-offs and reflows.

54-58 This shows the same as 46-51, except on a cumulative basis.

67-96 Shows the projected Income and Expense Statement for VCAT.

68 It is assumed that all funds not invested in enterprises are left on deposit earning 10% annually.

70 Assuming that an enterprise has sales equal to 3.25 times its capital base, and assuming that VCAT can earn a royalty fee of 2% of sales from the enterprise, the fee would equal 6% of the invested capital.

79 Salaries Direct: each center would have 13 staff, including support staff; this is analyzed elsewhere.

80 Salaries Indirect: this was estimated at 50% of Direct Salaries.

82 Investment Write-Offs: 25% of all new investments.

84-92 For the purposes of this exercise, all these costs were estimated at 100% of all salary (direct and indirect) costs.

FILE: VCAT.WK1

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START UP FUNDS	30.00 MILLION								
AVERAGE INVESTMENT	.40								
ANNUAL WRITE-OFF	0.25 PERCENTAGE								
YEAR	1	2	3	4	5	6	7	8	9
NUM OF CENTRES	3	3	5	5	5	5	5	5	5
NUM OF INVESTMENTS									
- FULL	8	12	16	22	30	30	30	30	30
- 50%	0	0	0	4	6	10	20	20	20
LOAN INTEREST RATE	0.18								
LOANS SCHEDULE, PRIN	-1.00		1.00						
EQUITY									
EQUITY SCHEDULE	-1.00			0.50	1.00	1.50			
NEW EQUITY INVESTMENTS	-3.20	-4.80	-6.40	-9.60	-13.20	-14.00	-16.00	-16.00	-12.00
NET EQUITY INVESTMENTS									
YEAR 1	-3.20	0.00	0.00	1.60	3.20	4.80	0.00	0.00	0.00
YEAR 2		-4.80	0.00	0.00	2.40	4.80	7.20	0.00	0.00
YEAR 3			-6.40	0.00	0.00	3.20	6.40	9.60	0.00
YEAR 4				-9.60	0.00	0.00	4.80	9.60	14.40
YEAR 5					-13.20	0.00	0.00	6.60	13.20
YEAR 6						-14.00	0.00	0.00	7.00
YEAR 7							-16.00	0.00	0.00
YEAR 8								-16.00	0.00
YEAR 9									-12.00
NET INVESTMENTS	-3.20	-4.80	-6.40	-8.00	-7.60	-1.20	2.40	9.60	22.80
NET INVESTMENTS	-3.20	-4.80	-6.40	-8.00	-7.60	-1.20	2.40	9.60	22.80
INITIAL INVESTMENT	3.20	4.80	6.40	9.60	13.20	14.00	16.00	16.00	12.00
REPAYMENT OF INITIAL					-3.20	-4.80	-6.40	-9.60	-13.20
CAPITAL GAINS	0.00	0.00	0.00	1.60	2.40	8.00	12.00	16.20	21.40
CHANGE IN INVESTMENT ACCT									
+ NEW INVESTMENTS	3.20	4.80	6.40	9.60	13.20	14.00	16.00	16.00	12.00
- WRITE OFFS	-0.80	-1.20	-1.60	-2.40	-3.30	-3.50	-4.00	-4.00	-3.00
- REPAYMENTS	0.00	0.00	0.00	0.00	-3.20	-4.80	-6.40	-9.60	-13.20
CHANGE IN INVESTMENT ACCT	2.40	3.60	4.80	7.20	6.70	5.70	5.60	2.40	-4.20
TOTAL INVESTMENTS	3.20	8.00	14.40	24.00	37.20	51.20	67.20	83.20	95.20
TOTAL WRITE OFFS	-0.80	-2.00	-3.60	-6.00	-9.30	-12.80	-16.80	-20.80	-23.80
TOTAL REPAYMENTS	0.00	0.00	0.00	0.00	-3.20	-8.00	-14.40	-24.00	-37.20
INVESTMENT ACCT BALANCE	2.40	6.00	10.80	18.00	24.70	30.40	36.00	38.40	34.20

FILE: VCAT.WK1

INCOME									
BANK INTEREST	8.00	7.97	7.72	8.79	5.40	3.79	3.00	2.30	1.92
VENTURE INTEREST									
FEES			0.21	0.52	0.94	1.50	2.21	2.39	2.61
DIVIDENDS									
CAPITAL GAINS	0.00	0.00	0.00	1.00	2.40	8.00	12.00	16.20	21.40
GRANTS									
TOTAL INCOME	8.00	7.97	7.93	8.32	8.74	13.55	17.21	20.79	25.13
SALARIES - DIRECT	1.20	1.70	2.50	3.90	4.30	4.75	5.20	5.72	6.30
- INDIRECT	0.00	0.85	1.75	1.95	2.15	2.37	2.60	2.86	3.15
INVESTMENT WRITE OFFS	0.80	1.20	1.60	2.40	3.30	3.50	4.00	4.00	3.00
OFFICE									
GENERAL	1.30	2.55	5.25	5.85	6.45	7.10	7.80	8.58	9.44
TRANSPORT									
COMMITTEE									
DEPRECIATION									
TOTAL OPER EXP	4.40	6.30	12.10	14.10	16.20	17.69	19.61	21.17	21.89
NET INCOME	3.60	1.67	-4.17	-5.78	-7.46	-4.14	-2.40	-0.38	4.24
ADD INVEST WRITE OFFS	0.80	1.20	1.60	2.40	3.30	3.50	4.00	4.00	3.00
ADD DEPRECIATION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CASH FROM OPERATIONS	4.40	2.87	-2.57	-3.38	-4.16	-0.64	1.60	3.62	7.24
CAPITAL PURCH	-1.50	-0.50	-1.20	-0.50					
NEW INVESTMENTS	-3.20	-4.80	-6.40	-9.60	-12.20	-14.00	-15.00	-16.00	-12.00
REPAYMENT OF OLD INVEST	0.00	0.00	0.00	0.00	0.00	4.80	8.40	9.60	12.20
IDBI LOAN (INTEREST FREE) 40M									
ENDOWMENT 20									
OWN EQUITY 20									
NET CASH FLOW 80.0	-0.30	-2.53	-10.18	-12.98	-14.16	-9.84	-8.00	-2.78	3.44