

Project Report on Warehouse for storage of Agriculture Produce

Capacity 5048 MT

Under Scheme of Agriculture Infrastructure Fund

Project by -

M/s -----

Proprietor/Company

Details of Proprietor/Partners/Promoters

Warehouse add:- Survey no -----, Village --
-----, Taluk----- Dist. -----

Prepared By-

Name

Address

Contact Details

Email

Index

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Project Highlights

Project On: Construction of Godown for Storage of Foodgrain under New Agriculture Infrastructure Fund (AIF), Supported by GoI

Name of Unit M/s -----

Constitution of unit Proprietorship/Partnership/Company

Proprietor/Promoter Name -----

Warehouse Location Survey no. ----- Village----- Taluk-----, Dist.-----

Manpower Requirement 3 persons
Manager 1 person
Semi Skilled 1 person
Security Guard 1 person

Funds required in

S.No	Particular	Amount (in Lakhs)
1	Site Development	1.00
2	Construction of Godown	149.00
Total Cost		150.00

Means of Finance

S.No	Particular	Amount (in Lakhs)
1	Promoter Contribution	15.00
2	Bank Finance	135.00
Total		150.00

Capacity of Warehouse 5048 MT

Buildup Area 2847.09 Sq Mtr

Moratorium period 2Years

Project Report Compilation by

Name &Address
Signature

Date:-----
Place: -----

Introduction

Warehousing primarily refers to the storage of goods to be transported, whether inbound or outbound. The Warehousing and Storage industry includes establishments operating warehousing and storage facilities for general merchandise, refrigerated goods and other warehouse products. Warehouses are one of the major segments of the rapidly growing logistics industry. Currently the segment has evolved from providing not only custody for goods but also offering value added services such as sorting, packing, blending and processing. With evolution of an organized retail sector modern warehouses for the storage of perishable goods have become indispensable.

Warehouses have become one of the major segments of the rapidly growing Indian logistics industry. Today they do not only provide custody for goods but also offer value added services such as sorting, packing, blending and processing. With evolution of an organized retail sector modern warehouses for the storage of perishable goods have become essential. The government's initiatives to promote the growth of warehouses in the country through measures such as enactment of the Warehousing Act, 2007, investments in the establishment of logistic parks and Free trade warehouse zones (FTWZs) together with the introduction of Goods & Service Tax (GST) regime augurs well for the industry's growth. Sensing the tremendous growth potential of the warehouse sector, the private players (including both domestic & international) have ventured with a view to bridge the gap between cost and efficiency of operations.

Growth Prospects

Growth in warehousing industry will lead GDP growth rate, CARE Ratings estimates that the warehousing industry will grow at a rate of 13-15% in the medium term driven by the growth in manufacturing, retail, FMCG and ecommerce sector. Growth in overall production and consumption, organized retail, logistics outsourcing, and regulatory interventions such as

WRDA Act and GST, private investments in logistics and other infrastructure developments such as Dedicated Freight Corridor (DFC) have also improved prospects of the organized professional warehousing segment. Further the implementation of GST is eliminating inefficiencies arising out of the erstwhile complex tax structure as well as interstate taxes. Additionally, the government's decision to allow FDI in retailing with emphasis on backend infrastructure such as modern warehousing space is also expected to provide further impetus to the sector.

- Industrial warehousing is expected to grow due to various factors including the anticipated increase in global demand, growth in organized retail and increasing manufacturing activities, expansion of e-commerce options and growth in international trade. This segment is expected to witness significant activity as the presence of the unorganized segment which is dominant in the segment is also expected to significantly reduce and the companies would also be rationalizing and consolidating their space requirements based on time to serve the market and not taxation.

- Demand for agriculture warehousing is expected to grow moderately on account of high base and expected normal monsoons.

- Integrated models, diversification across end-user industries are expected to drive growth of cold chain segment. Significant demand is also seen coming from storage of fruits and vegetables, and pharmaceutical segments.

- The container freight station (CFS)/ inland container depot (ICD) industry although on a growth curve is expected to be under pressure due to the growth of Direct Port Delivery (DPD) and profitability is expected to be hampered with the anticipated loss of volumes and consequential lower utilisation.

Warehousing is the most important auxiliary service for development of trade and commerce. India is one of the largest agrarian economies of the world. Its agriculture sector is the core of

the economy's purchasing power. Agriculture continues to be main stay of life of majority of the Indian population. It employs 65% work force of the country. Significant strides have been made in agriculture production during the last 55 years. The agriculture production of food grains increased from mere 51 million tonnes to 212 million tons. The output of oil- seeds and pulses went up to 21 and 17 million tonnes respectively. Similarly, the production of fruits and vegetables also increased to more than 134 million tonnes. India has entered from the era of scarcity to the era of surplus. But the premium of this production has not gone in pocket of the farming community and still there are frequent reports of suicidal death from this community. Our farmers are not getting fair prices of their commodities at the same time the ultimate consumers are paying more. A lion's share of the profit is going to the middle men. Farmers used to sell their produce un-cleaned, Un-graded, un-packed immediately after harvesting at the mercy of traders sometime in the village itself sometime in distantly located (----- (name any current ware house facility) Adequate warehousing infrastructure would resolve such critical matters.

ABOUT THE AIF SCHEME

GOI announced on 15.05.2020 Rs 1 lakh crore Agri Infrastructure Fund for farm gate infrastructure for farmers. Financing facility of Rs. 1,00,000 crore will be provided for funding Agriculture Infrastructure Projects at farm gate & aggregation points. DAC&FW has formulated the Central Sector Scheme to mobilize a medium-long term debt financing facility for investment in viable projects relating to post harvest management Infrastructure and community farming assets through incentives and financial support, For a private sector entity, such as farmer, agri entrepreneur, start-up there will be a limit of maximum of 25 such projects. Limitation of 25 projects will not be applicable to state agencies, national and state federations of cooperatives, federations of FPOs and federation of SHGs. Convergence with all schemes of central or state government. This financing facility will have numerous objective for all the stakeholders in the agriculture eco-system. The National, State and District Level Monitoring Committees to ensure real-time monitoring and effective feed-back about the implementation of the proposed scheme

Eligible Beneficiaries

Agricultural Produce Market Committee/Agri-Entrepreneur/Central sponsored Public-Private Partnership Project/Farmer/Farmer Producers Organization/Federation of Farmer Produce/Organisations/Joint Liability Groups/Local Body sponsored Public-Private Partnership Project/Marketing Cooperative Society/Multipurpose Cooperative Society/National Federations of Cooperatives/Primary Agricultural Credit Society/Self Help Group/Federations of Self Help Groups/Start-Up/State Agencies/State Federations of Cooperatives/State sponsored Public-Private Partnership Project.

Margins and Financial Arrangements

Minimum promoter's contribution should be 10% of the project cost. **Interest subvention** of 3% p.a., limited to ₹ 2 crore per project in one location, though loan amount can be higher. Interest subvention will be available for a maximum period of 7 years. Moratorium for repayment under this financing facility may vary subject to minimum of 6 months and maximum of 2 years.. Operational from 2020-21 to 2032-33, Disbursement will complete in six years from 2020-21 All Scheduled Commercial & Cooperative Banks, Regional Rural Banks (RRBs), Small Finance Banks, Non-Banking Financial Companies (NBFCs), National Cooperative Development Corporation (NCDC), DCCBs with PACS affiliation. **Credit Guarantee** - coverage will be available for eligible borrowers from this financing facility under CGTMSE scheme for loans up to ₹ 2 crore. The fee for CGTMSE coverage will be paid by the Government. In case of FPOs the credit guarantee may be availed from the facility created under FPO promotion scheme of DA&FW. **Gol support in lending process:** Online single window facility in collaboration with participating lending institutions. The fee for this coverage will be paid by the Government. Convergence with all schemes of central or state government. Project Management Unit to provide handholding support for projects including project preparation. Need based refinance support will be made available by NABARD to all eligible lending entities including cooperative banks and RRBs as per its policy.

Subsidy Pattern

Capital cost of the project for the purpose of subsidy will be calculated on the project cost as appraised by financial institution or actual cost of eligible components as certified by a Chartered Accountant, whichever is lower subject to the subsidy ceiling per MT as well as overall ceiling given below:

Category	Rate of Subsidy (on capital Cost)	Subsidy Ceiling		

ABOUT THE FIRM

This Project is set up by M/s -----is a ----- concern under management of -----land required under this project is leased by proprietor, further land for providing storage facility is at situated at Survey no.-----, Village----- Talu-----, Dist.-----.

M/s -----

Village-----Taluk-----, Dist-----

(in Lakhs)

Funds required in following

1	Site Development	1.00
2	Cosntruction of godown	149.00
	Total Project cost	150.00

Means of Finance

1	Promotors Contributions	15.00
2	Bank Finance (TL)	135.00
	Total long term Funds Requirement in Project	150.00

Capital Investment Subsidy (under AIF scheme)

1	Estimated cost of project	149.00
2	Eligible Subsidy Portion	90%
3	Total back Ended Subsidy (1 x 2)	134.10

Key Details

1	Tenure of Term Loan	7.00	Years
2	Rate of interest	9.00%	per annum
3	Service of installment	34.00	Quarters
4	Moratorium period	2.00	Quarters

Sales Projections

S.No	Year	Capacity	Rate per MT (monthly)	Sales (lakhs)
1	2022-23	88%	83.00	44.24
2	2023-24	90%	87.15	47.51
3	2024-25	94%	91.51	52.11
4	2025-26	94%	96.08	54.71
5	2026-27	94%	100.89	57.45
6	2027-28	94%	105.93	60.32
7	2028-29	94%	111.23	63.33
8	2029-30	94%	116.79	66.50
9	2030-31	94%	122.63	69.83

M/s -----
Village, Taluk-----, Dist -----

In Lakh

Particulars	Projected								
	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
<u>A.LAIIBILITIES</u>									
1 <u>EQUITY</u>	50.10	57.26	64.13	75.33	85.08	91.81	93.53	98.47	105.94
Capital	11.16	15.27	20.44	23.61	21.97	18.49	20.94	23.47	26.10
Add : Net Profit	4.00	8.40	9.24	13.86	15.25	16.77	16.00	16.00	17.60
Less : Withdrawl									
2 <u>TERMLIABILITIES</u>	57.26	64.13	75.33	85.08	91.81	93.53	98.47	105.94	114.44
Term Loan From Banks (repayable after 1 year)									
Term Loan From Others	79.33	67.58	55.83	44.07	32.32	20.57	8.81	0.00	0.00
3 <u>CURRENT LIABILITIES</u>	-	-	-	-	-	-	-	-	-
Stort term borrowing from applicant bank	79.33	67.58	55.83	44.07	32.32	20.57	8.81	0.00	0.00
Stort term borrowing from other bank	-	-	-	-	-	-	-	-	-
Stort term borrowing from other	-	-	-	-	-	-	-	-	-
Advance payment by customers/other	-	-	-	-	-	-	-	-	-
Sundry Creditors	-	-	-	-	-	-	-	-	-
Installment of term loans	-	-	-	0.94	-	-	-	-	-
Provisions & other liabilities	0.81	0.85	0.89	11.75	0.98	1.03	1.09	1.14	1.21
	11.75	11.75	11.75	-	11.75	11.75	11.75	8.81	-
	-	-	-	-	-	-	-	-	-
	12.56	12.60	12.65	12.69	12.74	12.79	12.84	9.95	1.21
Total Capital & Laibilities [1+2+3]	149.16	144.31	143.80	141.85	136.87	126.88	120.12	115.89	115.64
<u>B.ASSETS</u>									
1 <u>FIXED ASSETS</u>	150.00	135.00	121.50	109.35	98.42	88.57	79.72	71.74	64.57
Gross Block	-	-	-	-	-	-	-	-	-
Less : Depreciation	15.00	13.50	12.15	10.94	9.84	8.86	7.97	7.17	6.46

M/s -----

Profitability Statement

In Lakh

Storage Level		88%	90%	94%	94%	94%	94%	94%	94%	94%	
S. No	Particulars	Year Sch	Projected 2022-23	Projected 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27	Projected 2027-28	Projected 2028-29	Projected 2029-30	Projected 2030-31
1	Sales (net of taxes)	1	44.24	47.51	52.11	54.71	57.45	60.32	63.33	66.50	69.83
	Other Income						-				-
	<i>total Gross Receipts</i>		44.24	47.51	52.11	54.71	57.45	60.32	63.33	66.50	69.83
2	Primary Cost										
	Cost of Materials	2	1.06	1.11	1.17	1.23	1.29	1.35	1.42	1.49	1.57
	Direct Labour	3	1.08	1.13	1.19	1.25	1.31	1.38	1.45	1.52	1.60
	Direct expenses		-	-	-	-	-	-	-	-	-
	Power & Fuel	4	0.92	0.97	1.02	1.07	1.12	1.18	1.24	1.30	1.36
	Repair & Maintance		-	-	-	-	-	-	-	-	-
			3.06	3.22	3.38	3.54	3.72	3.91	4.10	4.31	4.52
	Add : Opening W.I.P.		-	-	-	-	-	-	-	-	-
	Less : Closing stock & WIP		-	-	-	-	-	-	-	-	-
	<i>(2) Primary cost of production</i>		3.06	3.22	3.38	3.54	3.72	3.91	4.10	4.31	4.52
3	Utilities		-	-	-	-	-	-	-	-	-
	Add :Finshed Goods		-	-	-	-	-	-	-	-	-
	Less : Finished Goods		-	-	-	-	-	-	-	-	-
	<i>Cost of production [(2)+3]</i>		3.06	3.22	3.38	3.54	3.72	3.91	4.10	4.31	4.52
4	Operating Profit [1-2]		41.18	44.30	48.73	51.17	53.72	56.41	59.23	62.19	65.30
			93%	93%	94%	94%	94%	94%	94%	94%	94%
5	Depreciation (SLM)	5	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
6	Administrative Overheads										
	Administrative Expenses	6	6.23	6.23	6.54	6.87	7.21	7.57	7.95	8.35	8.77
			6.23	6.23	6.54	6.87	7.21	7.57	7.95	8.35	8.77
7	Financial Cost										
	Interest on other loan		-	-	-	-	-	-	-	-	-
	Interest on Term Loan	7	8.79	7.80	6.74	5.69	4.63	3.57	2.51	1.45	0.40
	<i>Total Financial Cost</i>		8.79	7.80	6.74	5.69	4.63	3.57	2.51	1.45	0.40

8	TOTAL INDIRECT EXPENSES		30.02	29.03	28.28	27.55	26.84	26.14	25.46	24.80	24.16
	Add: Non operation Income		-	-	-	-	-	-	-	-	-
	Less: Non operation Exp		-	-	-	-	-	-	-	-	-
9	Profit Before Taxes		11.16	15.27	20.44	23.61	26.88	30.27	33.77	37.39	41.14
10	Less : Provision for Taxes	8	-	-	-	-	4.91	11.78	12.83	13.92	15.04
11	Profit After Tax [7-8]		11.16	15.27	20.44	23.61	21.97	18.49	20.94	23.47	26.10
	Profit & Loss C/f		-	-	-	-	-	-	-	-	-
	Net Profit Ratio		25%	32%	39%	43%	38%	31%	33%	35%	37%

M/s-----

Cash Flow Statement

In Lakh

Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
A SOURCES OF FUND									
1 Net Profit	11.16	15.27	20.44	23.61	21.97	18.49	20.94	23.47	26.10
Add : Depreciation	15.00	13.50	12.15	10.94	9.84	8.86	7.97	7.17	6.46
Operating Cash Profit	26.16	28.77	32.59	34.55	31.82	27.35	28.91	30.65	32.55
2 Increase in Equity	50.10	-	-	-	-	-	-	-	-
3 Increase on Term loan from Bank	99.90	-	-	-	-	-	-	-	-
4 Increase on long term borrowing from other	-	-	-	-	-	-	-	-	-
5 Short term borrowing from applicant bank	-	-	-	-	-	-	-	-	-
6 Short term borrowing from other bank	-	-	-	-	-	-	-	-	-
7 Short term borrowing from other	-	-	-	-	-	-	-	-	-
8 Advance Payment by customers	-	-	-	-	-	-	-	-	-
9 Increase in Creditors	0.81	0.04	0.04	0.04	0.05	0.05	0.05	0.05	0.07
# Increase in other creditors	-	-	-	-	-	-	-	-	-
Total Resources	176.97	28.81	32.64	34.59	31.86	27.39	28.96	30.70	32.62
B DISPOSITION OF FUND									
Capital Expenditure									
- Land									
- Fixed Assets (Capital)Expenses	150.00	-	-	-	-	-	-	-	-
Increase in investments	-	-	-	-	-	-	-	-	-
Increase in Inventory Stock in process									
Increase in Inventory Finished Goods	-	-	-	-	-	-	-	-	-
Increase in advance to suppliers	-	-	-	-	-	-	-	-	-
Increase in Sundry Debtors	3.69	0.27	0.38	0.22	0.23	0.24	0.25	0.26	0.28
Increase in other current assets	-	-	-	-	-	-	-	-	-
Repayment of Term loan from other	-	-	-	-	-	-	-	-	-
Repayment of Term loan from Bank	8.81	11.75	11.75	11.75	11.75	11.75	11.75	11.75	8.81
Withdrawal by Promotor	4.00	8.40	9.24	13.86	15.25	16.77	16.00	16.00	17.60
Increase in non current asseets	-	-	-	-	-	-	-	-	-
Total Utilisation	166.50	20.43	21.38	25.83	27.23	28.76	28.00	28.02	26.69
C NET ACCURAL [A-B]	10.47	8.38	11.26	8.76	4.64	(1.37)	0.96	2.68	5.93
D ADD : OPENING BALANCE	-	10.47	18.85	30.11	38.87	43.51	42.14	43.10	45.78
E CLOSING BALANCE [C+D]	10.47	18.85	30.11	38.87	43.51	42.14	43.10	45.78	51.71

M/s _____

		M/s _____									
S Particular	Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	
	Sch.										
1 Sales Realisation	-	44.24	47.51	52.11	54.71	57.45	60.32	63.33	66.50	69.83	
2 Variable Cost	Note	3.06	3.22	3.38	3.54	3.72	3.91	4.10	4.31	4.52	
3 Total Fixed Cost		30.02	29.03	28.28	27.55	26.84	26.14	25.46	24.80	24.16	
4 Contribution [(1)-(2)]		41.18	44.30	48.73	51.17	53.72	56.41	59.23	62.19	65.30	
5 Break Even Point [(3)/(4)]		73%	66%	58%	54%	50%	46%	43%	40%	37%	
6 Break Even Point (At 100 % capacity level)		73%	66%	58%	54%	50%	46%	43%	40%	37%	
7 Break Even Gross Receipts [(1)X(5)]		32%	31%	30%	29%	29%	28%	27%	27%	26%	
8 Average B.E.P.		29%									
Notes :											
1 VARIABLE COST											
Cost of production		3.06	3.22	3.38	3.54	3.72	3.91	4.10	4.31	4.52	
Less : Depreciation		15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	
Less : Fixed element [labour]		1.08	1.13	1.19	1.25	1.31	1.38	1.45	1.52	1.60	
Interest on CC Limit		(13.02)	(12.92)	(12.81)	(12.71)	(12.59)	(12.47)	(12.34)	(12.21)	(12.07)	
Total		-	-	-	-	-	-	-	-	-	
2 FIXED COST											
Administrative Overheads		6.23	6.23	6.54	6.87	7.21	7.57	7.95	8.35	8.77	
Depreciation		15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	
Interest on Term Loan		8.79	7.80	6.74	5.69	4.63	3.57	2.51	1.45	0.40	
Total		30.02	29.03	28.28	27.55	26.84	26.14	25.46	24.80	24.16	

M/s -----

Village-----, Taluk-----, Dist -----

Statement for computation of Storage capacity

S.No	Particular	Value	Units
1	Built up area	2847.09	Sq Mtr
2	Height of the Godown	6.00	Mtr
3	Total Capacity for storage	5048.00	MT

Sch 1

Statement for annual Revenue Computation (at 100% capacity)

S.No	Particular	Value	Units
A	Built up area	2,847.09	Sq Mtr
B	Total Capacity (round off)	5,048.00	MT
C	Storage Income per annum per MT	996.00	Rs.
D	Annual Income (A x B x C)	5,027,808.00	per annum

Sch 2

Statement for cost of materials

S.No	Material	Cost per MT	Storage (MT)	Total Cost	
1	Fumigation charges	12.00	5,048.00	60,576.00	
2	Pesticide Charges	9.00	5,048.00	45,432.00	
				106,008.00	

Sch 3

Statement for Labour cost

S.No	Particular	Man days	Rate per day	Total Salary	
1	Semi Skilled labour	360.00	300.00	108,000.00	

Sch 4

Statement for Electricity or fuel

S.No	Particular	Value	units
1	Power required	5.00	HP
2	Load Factor	0.7457	kw
3	Load per Hour	3.73	kw
4	Power Consumption (3 x 8 hours per day)	29.83	units
5	Annual Power Consumption	10,887.22	units
6	Cost per unit	7.00	Rs.
7	Total Electricity Cost	76,210.54	Rs.
8	Cost of fuel	16,000.00	Rs.
	Total electricity and fuel cost	92,210.54	Rs.

M/s-----
Village----- Taluk----- District-----

Sch 6

Administrative Expenditure				
S.No	Particular		Value	
1	Salary		2.64	
2	Telephone & Electricity		0.30	
3	Printing & Stationery		0.11	
4	Postage & Courier		0.30	
5	Repair & Maintiance		0.40	
6	Conveyances		0.45	
7	Insurance		1.65	
8	Misc Exp		0.38	
	Total Cost		6.23	

Manpower Requirement				
S.No	Particular		Value	
1	Manager	1	10,000.00	120,000.00
2	Semi Skilled manpower	1	5,000.00	60,000.00
3	Security Guard	1	7,000.00	84,000.00
	Total Salary Exp			264,000.00

M/s -----
Fixed Assets Chart

Particulars	Building	Machine	Computer	Total
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Sch 5

2022-23

Opening Balance	0.00	0.00	0.00	-
Addititon	150.00	0.00	0.00	150.00
Sales	0.00	0.00	0.00	-
Opening WDV	150.00	0.00	0.00	150.00
Deprication	15.00	0.00	0.00	15.00
Closing WDV	135.00	0.00	0.00	135.00

2023-24

Opening Balance	135.00	0.00	0.00	135.00
Addititon			0.00	-
Sales	0.00	0.00	0.00	-
Opening WDV	135.00	0.00	0.00	135.00
Deprication	13.50	0.00	0.00	13.50
Closing WDV	121.50	0.00	0.00	121.50

2024-25

Opening Balance	121.50	0.00	0.00	121.50
Addititon	0.00	0.00	0.00	-
Sales	0.00	0.00	0.00	-
Opening WDV	121.50	0.00	0.00	121.50
Deprication	12.15	0.00	0.00	12.15
Closing WDV	109.35	0.00	0.00	109.35

2025-26

Opening Balance	109.35	0.00	0.00	109.35
Addititon	0.00	0.00	0.00	-
Sales	0.00	0.00	0.00	-
Opening WDV	109.35	0.00	0.00	109.35
Deprication	10.94	0.00	0.00	10.94
Closing WDV	98.42	0.00	0.00	98.42

2026-27

Opening Balance	98.42	0.00	0.00	98.42
Addititon	0.00	0.00	0.00	-
Sales	0.00	0.00	0.00	-
Opening WDV	98.42	0.00	0.00	98.42
Deprication	9.84	0.00	0.00	9.84
Closing WDV	88.57	0.00	0.00	88.57

2027-28

Opening Balance	88.57	0.00	0.00	88.57
Additton	0.00	0.00	0.00	-
Sales	0.00	0.00	0.00	-
Opening WDV	88.57	0.00	0.00	88.57
Deprication	8.86	0.00	0.00	8.86
Closing WDV	79.72	0.00	0.00	79.72

2028-29

Opening Balance	79.72	0.00	0.00	79.72
Additton	0.00	0.00	0.00	-
Sales	0.00	0.00	0.00	-
Opening WDV	79.72	0.00	0.00	79.72
Deprication	7.97	0.00	0.00	7.97
Closing WDV	71.74	0.00	0.00	71.74

2029-30

Opening Balance	71.74	0.00	0.00	71.74
Additton	0.00	0.00	0.00	-
Sales	0.00	0.00	0.00	-
Opening WDV	71.74	0.00	0.00	71.74
Deprication	7.17	0.00	0.00	7.17
Closing WDV	64.57	0.00	0.00	64.57

2030-31

Opening Balance	64.57	0.00	0.00	64.57
Additton	0.00	0.00	0.00	-
Sales	0.00	0.00	0.00	-
Opening WDV	64.57	0.00	0.00	64.57
Deprication	6.46	0.00	0.00	6.46
Closing WDV	58.11	0.00	0.00	58.11

Sch 7

Rate of Interest

9.00%

Installment

2.94

Loan Repayment schedule

Loan Repayment schedule

2021-22					
Month	Op	Disbursemer	Interest	Installment	CI Bal
Q1	0.00	0.00	0.00	0.00	0.00
Q2	0.00	0.00	0.00	0.00	0.00
Q3	0.00	0.00	0.00	0.00	0.00
Q4	0.00	99.90	2.25	0.00	99.90
Total		99.90	2.25	-	

2026-27				
Month	Op	Interest	Installment	CI Bal
Q1	55.83	1.26	2.94	52.89
Q2	52.89	1.19	2.94	49.95
Q3	49.95	1.12	2.94	47.01
Q4	47.01	1.06	2.94	44.07
Total		4.63	11.75	

99.9

2022-23					
Month	Op	Disbursemer	Interest	Installment	CI Bal
Q1	99.90	0.00	2.25	0.00	99.90
Q2	99.90	0.00	2.25	2.94	96.96
Q3	96.96	0.00	2.18	2.94	94.02
Q4	94.02	0.00	2.12	2.94	91.09
Total			8.79	8.81	

2027-28				
Month	Op	Interest	Installment	CI Bal
Q1	44.07	0.99	2.94	41.14
Q2	41.14	0.93	2.94	38.20
Q3	38.20	0.86	2.94	35.26
Q4	35.26	0.79	2.94	32.32
Total		3.57	11.75	

2023-24					
Month	Op	Disbursemer	Interest	Installment	CI Bal
Q1	91.09	0.00	2.05	2.94	88.15
Q2	88.15	0.00	1.98	2.94	85.21
Q3	85.21	0.00	1.92	2.94	82.27
Q4	82.27	0.00	1.85	2.94	79.33
Total			7.80	11.75	

2028-29				
Month	Op	Interest	Installment	CI Bal
Q1	32.32	0.73	2.94	29.38
Q2	29.38	0.66	2.94	26.44
Q3	26.44	0.59	2.94	23.51
Q4	23.51	0.53	2.94	20.57
Total		2.51	11.75	

2024-25					
Month	Op	Disbursemer	Interest	Installment	CI Bal
Q1	79.33	0.00	1.78	2.94	76.39
Q2	76.39	0.00	1.72	2.94	73.46
Q3	73.46	0.00	1.65	2.94	70.52
Q4	70.52	0.00	1.59	2.94	67.58
Total			6.74	11.75	

2029-30				
Month	Op	Interest	Installment	CI Bal
Q1	20.57	0.46	2.94	17.63
Q2	17.63	0.40	2.94	14.69
Q3	14.69	0.33	2.94	11.75
Q4	11.75	0.26	2.94	8.81
Total		1.45	11.75	

2025-26					
Month	Op	Disbursemer	Interest	Installment	CI Bal
Q1	67.58		1.52	2.94	64.64
Q2	64.64		1.45	2.94	61.70
Q3	61.70		1.39	2.94	58.76
Q4	58.76		1.32	2.94	55.83
Total			5.69	11.75	

2030-31				
Month	Op	Interest	Installment	CI Bal
Q1	8.81	0.20	2.94	5.88
Q2	5.88	0.13	2.94	2.94
Q3	2.94	0.07	2.94	0.00
Q4	0.00	0.00	0.00	0.00
Total		0.40	8.81	

M/s -----

Ratio Analysis

Current Ratio

Particular	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Current Assets	14.16	22.81	34.45	43.43	48.30	47.17	48.37	51.32	57.53
Current Liability	12.56	12.60	12.65	12.69	12.74	12.79	12.84	9.95	1.21
Current Ratio	1.13	1.81	2.72	3.42	3.79	3.69	3.77	5.16	47.62
Average Current Ratio	8.12								

Interest coverage Ratio

Particular	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Free Cash Flow									
PAT	11.16	15.27	20.44	23.61	21.97	18.49	20.94	23.47	26.10
Deprication	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Bank Interest	8.79	7.80	6.74	5.69	4.63	3.57	2.51	1.45	0.40
Total	34.95	38.07	42.19	44.30	41.60	37.06	38.45	39.93	41.49
Financl Expenses									
Interest on other loan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest on Term Loan	8.79	7.80	6.74	5.69	4.63	3.57	2.51	1.45	0.40
Total	8.79	7.80	6.74	5.69	4.63	3.57	2.51	1.45	0.40
Total ICR	3.98	4.88	6.26	7.79	8.99	10.38	15.31	27.45	104.61
Average ICR	21.07								

M/s -----

Ratio Analysis

Debt Service Coverage Ratio

Particular	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Financial Coverage									
Net Profit	11.16	15.27	20.44	23.61	21.97	18.49	20.94	23.47	26.10
Interest on TL & CC	8.79	7.80	6.74	5.69	4.63	3.57	2.51	1.45	0.40
Deprecaition & Non Cash Exp.	15.00	13.50	12.15	10.94	9.84	8.86	7.97	7.17	6.46
Total	34.95	36.57	39.34	40.23	36.44	30.91	31.42	32.10	32.95

Financial Service									
Repayment of Secured Term Loan	8.81	11.75	11.75	11.75	11.75	11.75	11.75	11.75	8.81
Interest on TL	8.79	7.80	6.74	5.69	4.63	3.57	2.51	1.45	0.40
Interest on CC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	17.61	19.55	18.50	17.44	16.38	15.32	14.27	13.21	9.21
DSCR	1.99	1.87	2.13	2.31	2.22	2.02	2.20	2.43	3.58
Average DSCR	2.30								

Debt Equity Ratio

Particular	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Long term Debt									
Term Debt	79.33	67.58	55.83	44.07	32.32	20.57	8.81	0.00	0.00
Net Worth									
Capital	57.26	64.13	75.33	85.08	91.81	93.53	98.47	105.94	114.44
Total	57.26	64.13	75.33	85.08	91.81	93.53	98.47	105.94	114.44
Debt Equity Ratio	1.39	1.05	0.74	0.52	0.35	0.22	0.09	0.00	0.00
Avg Debt Equity Ratio	0.48								

M/s -----

Ratio Analysis

Particulars	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
1 Gross Receipts	44.24	47.51	52.11	54.71	57.45	60.32	63.33	66.50	69.83
2 Net Profit	11.16	15.27	20.44	23.61	21.97	18.49	20.94	23.47	26.10
3 Cash Profit	26.16	30.27	35.44	38.61	41.88	45.27	48.77	52.39	50.98
4 Operating Profit [profit before Interest]	41.18	44.30	48.73	51.17	53.72	56.41	59.23	62.19	65.30
5 Net Capital Employed(Net Invetments)	136.59	131.71	131.16	129.16	124.13	114.10	107.28	105.94	114.44
6 Net worth	57.26	64.13	75.33	85.08	91.81	93.53	98.47	105.94	114.44
7 Total Laibilities	91.90	80.18	68.47	56.76	45.06	33.35	21.65	9.95	1.21
8 Long Term Debts	79.33	67.58	55.83	44.07	32.32	20.57	8.81	0.00	0.00
9 Current Assets (Incd. Cash)	14.16	22.81	34.45	43.43	48.30	47.17	48.37	51.32	57.53
10 Current Liabilities	12.56	12.60	12.65	12.69	12.74	12.79	12.84	9.95	1.21
11 Sundry Debtors	3.69	3.96	4.34	4.56	4.79	5.03	5.28	5.54	5.82
12 Sundry Creditors	0.81	0.85	0.89	0.94	0.98	1.03	1.09	1.14	1.21
13 Closing Stock	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14 Sales	44.24	47.51	52.11	54.71	57.45	60.32	63.33	66.50	69.83
15 Net cash inflow	26.16	30.27	35.44	38.61	41.88	45.27	48.77	52.39	50.98
16 Financial Coverage	34.95	36.57	39.34	40.23	36.44	30.91	31.42	32.10	32.95
17 Financial Obligation/Service	17.61	19.55	18.50	17.44	16.38	15.32	14.27	13.21	9.21

RATIO ANALYSIS

Net Profit to Gross Receipts	25.22%	32.13%	39.00%	43.16%	38.25%	30.65%	33.06%	35.30%	37.37%
Cash Profit to Gross Receipts	59.13%	63.70%	68.00%	70.57%	72.91%	75.05%	77.00%	78.78%	73.01%
Opearting Profit to Capital Employed	30%	34%	37%	40%	43%	49%	55%	59%	57%
Net Profit to Net Worth	19%	24%	27%	28%	24%	20%	21%	22%	23%
Break Even Point	73%	66%	58%	54%	50%	46%	43%	40%	37%
Net Current Assets	1.59	10.21	21.81	30.74	35.56	34.38	35.54	41.37	56.32
Current Ratio	1.13	1.81	2.72	3.42	3.79	3.69	3.77	5.16	47.62
Debt Equity Ratio	1.39	1.05	0.74	0.52	0.35	0.22	0.09	0.00	0.00
Net Worth/Total Laibilities	0.62	0.80	1.10	1.50	2.04	2.80	4.55	10.64	94.72
Debt Service Coverage Ratio [DSCR]	1.99	1.87	2.13	2.31	2.22	2.02	2.20	2.43	3.58
AVERAGE Debt Service Coverage Ratio [DSCR]	2.30								

Notes to the Anneture of Ratio Analysis

Note :1										
A Net Capital Employed										
1	Closing Balance of Equity	57.26	64.13	75.33	85.08	91.81	93.53	98.47	105.94	114.44
2	Term Liabilities	79.33	67.58	55.83	44.07	32.32	20.57	8.81	0.00	0.00
3	total Capital Employed [1+2]	136.59	131.71	131.16	129.16	124.13	114.10	107.28	105.94	114.44
4	Less :Pre operative Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<i>Net Capital Employed</i>	136.59	131.71	131.16	129.16	124.13	114.10	107.28	105.94	114.44
B Financial Coverage										
1	Net Profit	11.16	15.27	20.44	23.61	21.97	18.49	20.94	23.47	26.10
2	Interest on TL & CC	8.79	7.80	6.74	5.69	4.63	3.57	2.51	1.45	0.40
3	Deprecaition & Non Cash Exp.	15.00	13.50	12.15	10.94	9.84	8.86	7.97	7.17	6.46
	<i>Total Financial Coverage</i>	34.95	36.57	39.34	40.23	36.44	30.91	31.42	32.10	32.95
C Financial Service										
1	Repayment of Secured Term Loan	8.81	11.75	11.75	11.75	11.75	11.75	11.75	11.75	8.81
2	Interest on TL	8.79	7.80	6.74	5.69	4.63	3.57	2.51	1.45	0.40
3	Interest on CC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<i>Total Financial Service</i>	17.61	19.55	18.50	17.44	16.38	15.32	14.27	13.21	9.21

MODEL DPR FOR
SETTING UP PRIMARY
PROCESSING UNIT AND AGRI
MARKET

NAME OF SERVICE COOPERATIVE BANK

ADDRESS

Email: _____

Phones: _____

**DETAILED PROJECT REPORT FOR ESTABLISHMENT OF MULTI SERVICE CENTRE AND AGRI MARKET
AT----- GRAMA PANCHAYAT BY THE ----- SERVICE CO-OPERATIVE BANK LIMITED No -----**

Project at a glance

Objective	Project Report for establishment of Multi Service Centre and Agri Market at -----grama Panchayat,----- District, Pin-----, Kerala State
Promoters	NAME &ADDRESS OF SERVICE COPERATIVE BANK
Activities	<ul style="list-style-type: none"> i. Agri Processing unit for production of Copra and Coconut Oil ii. Processing Unit for Aval (Rice Flakes) iii. Processing unit for Puttu Podi iv. Processing unit for Rice Powder v. Processing unit for Curry Powder vi. Paddy Harvester vii. Collection and distribution of Milk
Total Capital Cost	Rs.425.13 Lakhs
Means if Finance	<ul style="list-style-type: none"> i. Equity by Promoters Rs.85.03 Lakhs ii. Long Term Loans of Rs.340.10 lakhs from Kerala Bank, refinanced by NABARD under scheme for promotion of PACS as MSCs

1. Background and Objectives

-----village is located in -----Panchayat, near -----District, Kerala. During the past few years, -----has been undergoing transformation as a modern Panchayat with green and eco-friendly projects..-----and its surroundings villages show rich agro diversity in terms of crops raised. Coconut, Rubber, Spices, Paddy, Banana, Tapioca and different types of fruits and vegetables are the crops grown in the area. In recent times agriculture has exhibited an unprecedented dynamics and growth in the state because of several promotional and extension programmes /schemes implemented by the State and Central Governments. It is imperative that this positive tempo of growth is to be sustained. Now a days people are searching for organic food. The demand of organic foods began with fruits and vegetables when there were reports of pesticide residues in them. However, the popularity of organic food now extended to food grains, pulses, tea, spices and even oilseeds.

Organic foods have gained popularity because people have become aware of their benefits. They contain no chemical pesticides and fertilizers and are grown naturally with manure or compost and only natural pesticides and insecticides are used.

This would inevitably require, increased financial allocation to agriculture sector. Primary Agriculture Credit Societies (PACS) can play a vital role in this field by infusing more credit in the rural area and for this purpose PACS should have access to adequate and affordable financial resources to cater to the needs of farmers, especially small and marginal farmers. NABARD's Refinance Scheme for promotion of PACS as Multiservice Centers, will go a long way in assisting the PACS to take up various projects that will broad base their portfolio and outreach to the rural community

1.1 Promoters of the Project: M/s -----Service Cooperative Bank Ltd No.-----

-----Service Co-operative Bank is an ISO 9001: 2015, Class I Super Grade Computerized Primary Cooperative bank operating at-----, in -----Grama Panchayat, near to----- Ernakulam -----Kerala. The bank has about 12300 members and, as on 31—3-2021, around Rs173 crore deposits and Rs.97 crore worth loans. Ever since its founding, the SCB has had excellent performance growth record. Its continuing endeavor to service the society in a more responsible manner, the SCB started a few innovative activities during 2020-2021. The services proposed to be taken up by the -----Service Coop Bank Ltd No.---- aim at providing both backward and forward linkages to the farmers and thereby promote better value realizations and returns from farming activities. The activities proposed will contribute to maximizing profitability per unit area, stepping up productivity of crops, establishing agro processing centers, improving the marketing of the agriculture commodities and processed foods; and providing marketing channels which will result in establishment of sustainable value chain activities in the area, that will directly contribute to creating additional employment and increase in per capita income of families, thus paving the way for overall development of the area.

This is sought to be achieved by implementing projects by establishing specific Service Centers and Agri Market which will act as growth drivers in boosting the socio-economic conditions of the population comprised in the area.

1.2 Project Area

----- village is situated close to many towns in -----(around 3 KM), ----- (around 6 KM), -----7.5 KM), ----- (15 KM). Proximity to these urban centers is one of the plus points for its prosperity. Estimated population of ----- is around 22000 with about 6000 families. Favourable agro climatic conditions conducive for the growth of diverse agricultural crops, criss-crossed by rivers with fertile soil and above all hardworking people with entrepreneurial drive, the -----Village holds out vast scope for development.

1.3 Objective of the Project and Activities Proposed:

The main objective of the project proposal is that the promoters of this project M/s -----Service Co-operative Bank Limited No-----, as part of its initiatives to make it a multiservice institution, proposes to engage with more agri-value chain operations for providing mor direct benefit of farmers in the area and also diversify its business portfolio. With this objective it proposes to set up the following infrastructures and services for processing/Service centers contributing to direct benefit for farming community as well as for the welfare of the people in the area.

- i. Establishment of Agro Processing Centres viz Coconut dryers and Oil extraction unit; (Rice Flakes) production; Roasted Rice Powder production; Rice Puttu podi production; Curry (Chilly/Coriander) powder production
- ii. Milk collection and sales including vending unit.
- iii. Paddy Harvester rental services
- iv. Agri Market (Farmer's Market) for marketing of farmer's produce
- v. Wholesale and Re-tail store of the primary processed goods

2. TOTAL CAPITAL INVESTMENT OF THE PROJECT AND MEANS OF FINANCE

Total capital invest cost of setting up of the above mentioned Multi Service Centers at ----- works out to be 425.13 Lakhs. The ----- Service Co-operative Bank limited. No----- intends to fund the project by availing LT Loan of Rs. 383 Lakhs, from Kerala Bank, under the Agri Infrastructure Fund Scheme. An amount of Rs. 42.13 Lakhs will be raised as equity by the bank. The project cost details are given below:

Project Cost	Amount (In Lakhs)
Land	
Building	
Flour Mill- Building No 1	94.00
Rice Mill - Building No 2	68.00
Boiler Shed - Building No 3	22.00
Effluent Treatment Plant	17.00
Agro farm and Nursery	15.00
Agri Market Building and Structure	105.00
Storage/ Godown	2.60
	323.60
Plant & Machineries including Vehicles	
Rice Washer	0.80
Rice Steamer	1.18
Double Stage Four Head Pulverizer	1.90
Motor 15Hp With Starter	0.57
Electric Roaster	1.80
Counter Shaft Arrangement For Pulverizer	0.35
Rectangle Type Siever	0.70
Solar - Electrical Hybrid Dryer (2 Nos)	8.25
Turmeric /Ginger Unit	3.25

3. DETAILS OF PROMOTERS OF THE PROJECT

- ----- Service Co-Operative Bank Ltd. No.----- is a Class I, Super Grade computerized bank operating in ----- Grama Panchayat, Near to ----- District, Kerala since 1958. Since then, the-----Cooperative Bank Ltd.2181 has been playing a crucial role in the economic prosperity and wellbeing of the people in and around -----village.
- The bank has been functioning in profit for the last 30 years. The bank has more than 12,300 members. It proves that the service rendered by -----Service Cooperative Bank Ltd.2181 is a top-class Service Cooperative Bank in Kerala.
- As on 31-03-2021, the -----Service Cooperative Bank Ltd. has a deposit of Rs.---- Crore and Rs---- crore advances.

Coconut is a major crop grown. Most of the palms are healthy and high yielders. At present there are no organized processing Units for coconut in the ----- area. Two coconut products – copra and coconut oil – determine the competitiveness of the crop and are the backbone of the coconut industry. Copra is the dried form of coconut and is prepared in two ways. One method is Sun drying of coconut to copra and the other method is by using electrically operated dryers. Primary of processing coconut involves drying of coconut to copra. Sun drying is not preferred at present times because of certain serious draw backs (i) it is a highly labour oriented process, (ii) quality copra by sun drying often deteriorates like mold formation and rubbery copra which is quite harmful to human health and (iii) time taken for drying is six to seven days. Sometimes sun dried copra needs treatment with smoke to clean it and for this purpose sulfur di oxide is used and it is a chemical. An alternative method to choose is electrical drying system, by this method, three benefits accrue, first and foremost is that the quality of copra will be superb, and time taken for conversion is usually 24 to 30 hours compared to seven days using the conventional sun drying method. Cost saving is significantly high using drying system because it results in saving lot of labour cost. Primary processing of coconut yields two types of copra (a) Edible copra and (b) Milling copra. Edible copra is nothing, but high-quality copra sorted from the heap of copra and this copra fetches premium of 30% over ordinary copra. Edible copra is in great demand from households in Northern, Eastern and Western India. It is used for edible purposes such as for making sweets, eating, and for making chutneys and curries. Milling copra goes for oil extraction. In coconut processing, ----- adopts (a) Primary Processing using drying system and (b) Secondary Processing for extraction of coconut using modern expellers.

Primary Processing of Coconut

The -----proposes to install two dryers, one for reduction of moisture in copra and the other for conversion of coconuts to copra. The Unit intends to process 320 Kg coconuts per day using drying system. 320 kg coconuts when processed would yield around 160 kg of copra per day. Copra so obtained from the drying system will be of high quality with moisture content less than 6%. This copra is then transferred to milling section for secondary processing for oil extraction.

Sourcing of Coconuts and sustaining input supply

----- is collecting coconut from its own farmer member groups to ensure that farmers will get good market value. In order to ensure sustained/continuous supply of coconuts (raw materials), apart from the local farming community, it has already made arrangements with local and adjoining coconut growing area suppliers. This will ensure uninterrupted supply and hence production throughout the year.

Coconut Processing for oil extraction

Copra obtained from the drying system will be cut into small pieces using a copra cutter, then the cut pieces are treated with steam in cooker and next stage is that steam treated copra (conditioned copra) will be transferred to expeller by conveyor system. Copra usually contains 72% oil. However, through expeller crushing only 64% of copra weight is extractable and balance residual oil will be in coconut oil cake for which solvent extraction process is necessary which is not included in the project. Hence Coconut oil cake obtained will be sold for cattle feed. After expeller crushing of copra oil so extracted will be collected in a Tank and is filtered for removal of sediments. Filtered oil collected separately in a Tank and is packed in different size packs such as 200 ml, 500 ml, 1 litre, 5 litre and 200 litre drums as the case may by packing system. Coconut Oil cake yield will be around 35% by weight of copra.

The statement showing production capacity, Cost of Raw material and expected revenue are as shown in the table below:

Primary processing of coconut for oil: Cost of Raw material and expected revenue

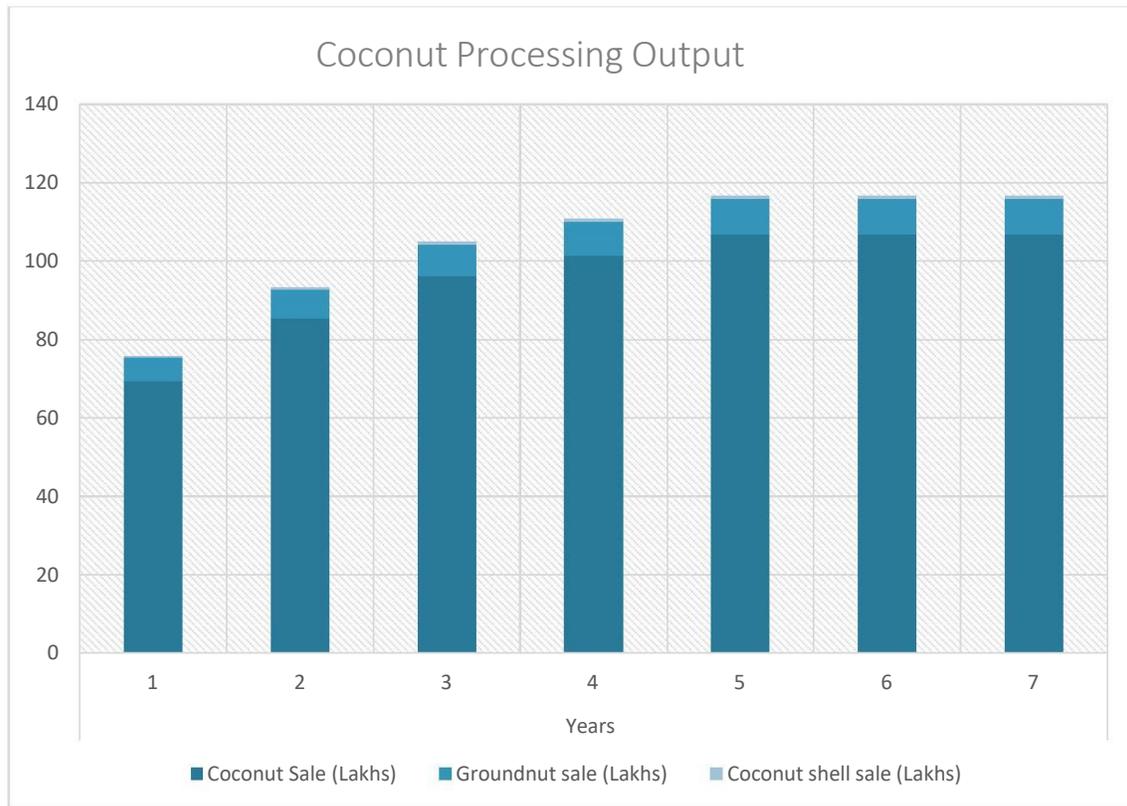
Particulars	Amount (Rs) - Retail	Amount (Rs) - Whole Sale	Avg Price	
MRP	250	250		
<u>Sale Price - Coconut Oil</u>	<u>230</u>	<u>215</u>	<u>222.5</u>	Per Kg
Sale Price - Coconut Cakes			35	Per Kg
<u>Sale Price - Coconut Shell</u>			<u>12</u>	Per Kg
Coconut required for 1 Kg <u>Copra</u>			<u>2</u>	kg
Purchase Price - Coconut			50	Per Kg
Maximum Capacity per day - <u>Coconut Oil</u>			<u>160</u>	Kg
% of coconut shell			8%	
No of Production days in a year			300	

Coconut Oil							
	YEAR						
	1	2	3	4	5	6	7
Capacity utilisation	65%	80%	90%	95%	100%	100%	100%
Maximum Capacity (in Kg)	48000	48000	48000	48000	48000	48000	48000
Utilised Capacity (in Kg)	31200	38400	43200	45600	48000	48000	48000
Sales (in Lakhs)	69.42	85.44	96.12	101.46	106.80	106.80	106.80

Coconut Cakes							
	YEARS						
	1	2	3	4	5	6	7
By production (In Kg)	16,800.0	20,676.9	23,261.5	24,553.8	25,846.2	25,846.2	25,846.2
Sales (in lakhs)	5.88	7.24	8.14	8.59	9.05	9.05	9.05

Coconut Shell							
	YEARS						
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
By production (In Kg)	4992	6144	6912	7296	7680	7680	7680
Sales (in lakhs)	0.60	0.74	0.83	0.88	0.92	0.92	0.92

Total sales (coconut oil + Coconut Cakes + coconut shell) & Purchase							
Total sale (coconut oil + Coconut Cakes + coconut shell) (in Lakhs)	75.90	93.41	105.09	110.93	116.77	116.77	116.77
Purchase Coconut- In Kg	6240	7680	8640	9120	9600	9600	9600
Purchase Price Coconut - In Rs (Lakhs)	31.20	38.40	43.20	45.60	48.00	48.00	48.00
Trading Profit (lakhs)	44.70	55.01	61.89	65.33	68.77	68.77	68.77



Plant and Machinery for Primary Processing and Secondary Processing of coconut consists of Drying system for conversion of Coconuts to copra, drying system for moisture reduction in copra, oil extraction machinery consisting of Expellers, Filter press, Cutter, Cooker Storage, Tanks, Motors, Starters, Installation machinery consisting of Pulley, rails etc., and finally Packing system

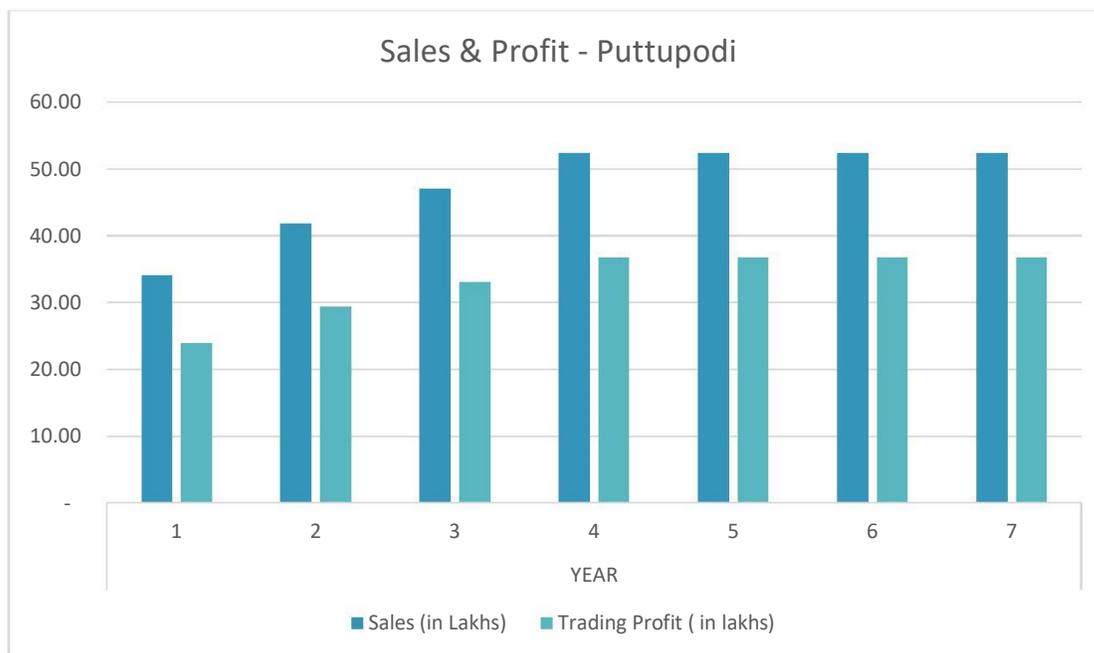
4.2 Creation of Infrastructure facilities for primary agro-processing: Production of Put

SCB Cultivates paddy in 25 acres of land. It will easily generate paddy for the production of puttupodi. Additional rawmaterials, if needed, can be easily sourced from the farmers around the area. The SCB has made arrangements to ensure sustained availability of raw material for carrying out production throughout the year. The brand name of SCB can be easily encashed for sale of this puttu podi produced in the flour mill. People in Okkal and nearby areas have immense trust in SCB with regard to quality and consistency of product. The product will be free from adulteration and will be 100% organic. SCB can supply 100% organic puttupodi in the market. Rice washer, Rice steamer, Double stage Four head pulveriser, electric roaster, etc are the machinery required for production of 'puttu podi'

The statement showing production capacity, Cost of Raw material and expected revenue are as shown in the table below:

Particulars	Amount (Rs) - Retail	Amount (Rs) - Whole sale	Avg Price	
MRP (per Kg)	110	110		
Sale Price	96	84	90	per Kg
Purchase Price - Rice			26	per Kg
Trading Profit			64	per Kg
Maximum Capacity per day			200	Kg
Normal Loss			0.03	
Revised Capacity			194	
No of Production days in a year			300	

	YEAR						
	1	2	3	4	5	6	7
Capacity utilisation	65%	80%	90%	100%	100%	100%	100%
Maximum Capacity (in Kg)	58200	58200	58200	58200	58200	58200	58200
Utilised Capacity (in Kg)	37830	46560	52380	58200	58200	58200	58200
Sales (in Lakhs)	34.05	41.90	47.14	52.38	52.38	52.38	52.38
Purchase - (in Kg)	39000	48000	54000	60000	60000	60000	60000
Purchase price (in Kg)	1014000	1248000	1404000	1560000	1560000	1560000	1560000
Trading Profit (in lakhs)	23.91	29.42	33.10	36.78	36.78	36.78	36.78



4.3 Creation of Infrastructure facilities for primary agro-processing: Production of Rice Powder from Rice/Paddy

----- Cultivates paddy in 25 acres of land. It will easily generate paddy for the production of Rice powder. The brand name of -----can be used for sale of this Rice powder produced in the flour mill. People surrounding in -----has immense trust in SCB that -----product will be free from adulteration and will be 100% organic. SCB can supply 100% organic goods in the market. Rice washer, Rice steamer, Double stage Four head pulveriser, electric roaster, etc are the machinery used for production of 'Rice Powder' The statement showing production capacity, Cost of Raw material and expected revenue are as shown in the table below:

Agro processing – Roasted Rice Powder

Particulars	Amount (Rs) - Retail	Amount (Rs) - Whole Sale	Avg Price	
MRP	105	105		
<u>Sale Price</u>	<u>96</u>	<u>84</u>	<u>90</u>	per Kg
Purchase Price - Rice			26	per Kg
Trading Profit			64	per Kg

Maximum Capacity per day				200	Kg		
Normal Loss				2%			
Revised Capacity				196			
No of Production days in a year				300			
	YEAR						
	1	2	3	4	5	6	7
Capacity utilisation	65%	80%	90%	100%	100%	100%	100%
Maximum Capacity (in Kg)	58800	58800	58800	58800	58800	58800	58800
Utilised Capacity (in Kg)	38220	47040	52920	58800	58800	58800	58800
Sales	34.40	42.34	47.63	52.92	52.92	52.92	52.92
Purchase - (in Kg)	39000	48000	54000	60000	60000	60000	60000
Purchase price (in Kg)	10.14	12.48	14.04	15.6	15.6	15.6	15.6
Trading Profit	24.26	29.86	33.59	37.32	37.32	37.32	37.32



4.4 Creation of Infrastructure facilities for primary agro-processing: Production of Curry (Chilly/Corriander etc) Powder

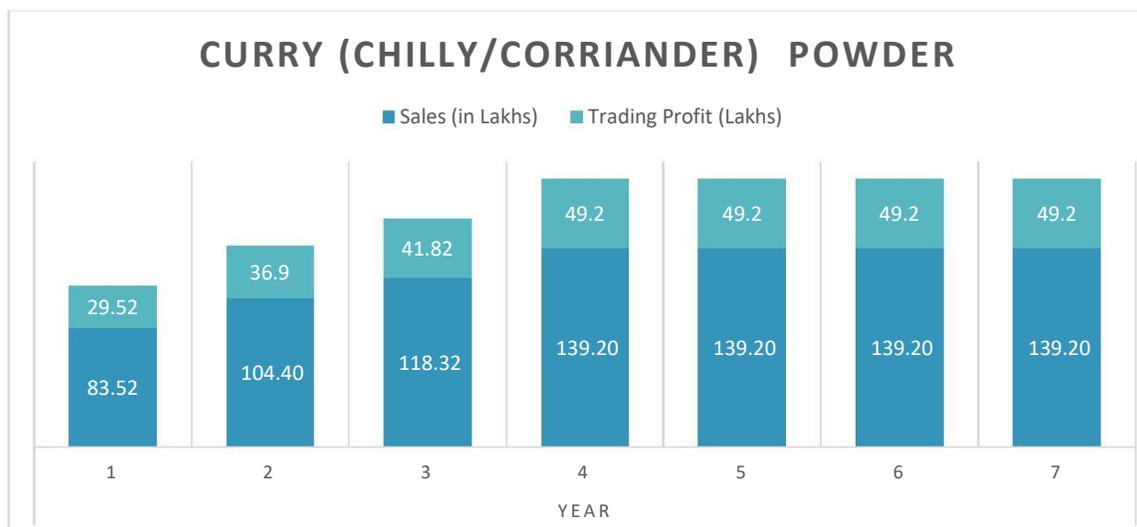
----- Cultivates organic vegetables in 5 acres of land. SCB will collect the red Curry (Chilly/Corriander) required for the production of Curry (Chilly/Corriander) powder from their farmers. The People surrounding in ----- has immense trust in SCB that SCB product will be free from adulteration and will be 100% organic. -----can supply 100% organic goods in the market. Curry (Chilly/Corriander) Washing And Drying Unit, Wet Grinder, etc are the machinery used for production of 'Curry (Chilly/Corriander) Powder'.

The statement showing production capacity, Cost of Raw material and expected revenue are as shown in the table below:

Curry (Chilly/Coriander etc) Powder

Particulars	Amount (Rs) - Retail	Amount (Rs) - Whole Sale	Avg Price	
MRP	350	350		
Sale Price	300	280	290	per Kg
Purchase Price - Red (Chilly/Corriander)			150	per Kg
Trading Profit			140	per Kg
Maximum Capacity per day			200	Kg
Normal Loss			20%	
<u>Revised Capacity</u>			<u>160</u>	
No of Production days in a year			300	

	YEAR						
	1	2	3	4	5	6	7
Capacity utilisation	60%	75%	85%	100%	100%	100%	100%
<u>Maximum Capacity (in Kg)</u>	<u>48000</u>	<u>48000</u>	<u>48000</u>	<u>48000</u>	<u>48000</u>	<u>48000</u>	<u>48000</u>
Utilised Capacity (in Kg)	28800	36000	40800	48000	48000	48000	48000
<u>Sales (in Lakhs)</u>	<u>83.52</u>	<u>104.40</u>	<u>118.32</u>	<u>139.20</u>	<u>139.20</u>	<u>139.20</u>	<u>139.20</u>
Purchase - (in Kg)	36000	45000	51000	60000	60000	60000	60000
<u>Purchase price (in Kg)</u>	<u>54.00</u>	<u>67.50</u>	<u>76.50</u>	<u>90.00</u>	<u>90.00</u>	<u>90.00</u>	<u>90.00</u>
Trading Profit (Lakhs)	29.52	36.9	41.82	49.2	49.2	49.2	49.2



4.5 Creation of Infrastructure facilities for primary agro-processing: Production of Aval (Rice Flakes)

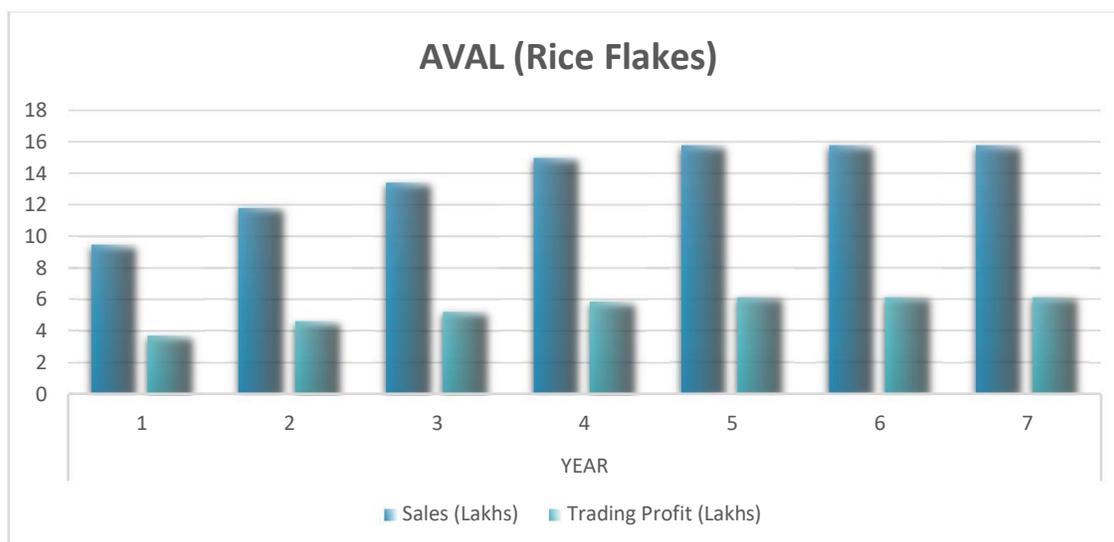
----- Cultivates paddy in 25 acres of land. It will easily generate paddy for the production of Aval (Rice Flakes). The brand name of SCB can be used for sale of this Aval produced. People surrounding in ----- has immense trust in SCB that SCB product will be free from adulteration and will be 100% organic. SCB can supply 100% organic goods in the market. SCB are planning aval making because their aval has a good demand in market now.

The statement showing production capacity, Cost of Raw material and expected revenue are as shown in the table below:

Aval (Rice Flakes)

Particulars	Amount (Rs) - Retail	Amount (Rs) - Whole Sale	Avg Price	
MRP	90	90		
Sale Price	80	70	75	per Kg
<u>Purchase Price - Paddy</u>			<u>32</u>	<u>per Kg</u>
<u>Trading Profit</u>			<u>43</u>	<u>per Kg</u>
Maximum Capacity per day			100	Kg
<u>Normal Loss</u>			<u>30%</u>	
Revised Capacity			70	
No of Production days in a year			300	

	YEAR						
	1	2	3	4	5	6	7
Capacity utilisation	60%	75%	85%	95%	100%	100%	100%
Maximum Capacity (in Kg)	21000	21000	21000	21000	21000	21000	21000
Utilised Capacity (in Kg)	12600	15750	17850	19950	21000	21000	21000
Sales (Lakhs)	9.45	11.8125	13.3875	14.9625	15.75	15.75	15.75
Purchase - (in Kg)	18000	22500	25500	28500	30000	30000	30000
Purchase price (in Kg)	5.76	7.20	8.16	9.12	9.60	9.60	9.60
Trading Profit (Lakhs)	3.69	4.61	5.23	5.84	6.15	6.15	6.15



4.6 Creation of Infrastructure facilities for primary agro-processing: Collection & Sale of Milk home delivery & Vending Machine

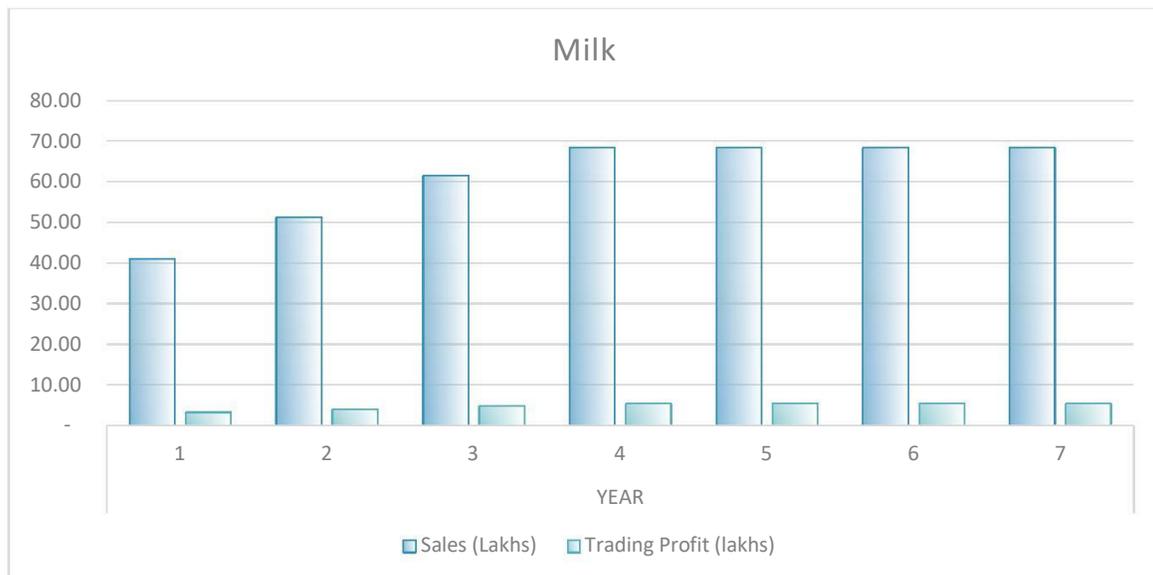
There are many small dairy farmers financed by the-----in the area. They can directly bring the milk to the milk collection centers and after the purity test it will be collected in the collection centers at a higher rate (Rs 10 over and above Milma collection rate per litre) Milk will be collected twice a day., morning and evening. The employee will get bonus and pension in addition to his wages. Cattle feeds will be made available at low cost to the farmers. Interest free loan will be provided for maintenance of cattle and cattle shed on farmers' guarantee. Loan repayment will be linked to milk collection. SCB will ensure the quality of the milk. Milk ATM will be installed in future (its cost not considered in the project report) and Milk will distribute through ATM and home delivery. This activity will boost dairy farming in the area as well as the business of the -----significantly.

The statement showing production capacity, Cost of Raw material and expected revenue for the above activity are as shown in the table below:

Milik collection&delivery

Particulars	Amount (Rs) - Retail	Amount (Rs) - Whole Sale	Avg Price	
<u>Sale Price</u>	<u>50</u>	<u>46</u>	<u>48</u>	<u>Liter</u>
Purchase Price - Milk			42	Liter
<u>Trading Profit</u>			<u>6</u>	<u>Liter</u>
Maximum Capacity per day			500	Liter
<u>Normal Loss</u>			<u>5%</u>	
Revised Capacity			475	
No of Production days in a year			300	

	YEAR						
	1	2	3	4	5	6	7
Capacity utilisation	60%	75%	90%	100%	100%	100%	100%
<u>Maximum Capacity (in Litr)</u>	<u>142500</u>						
<u>Utilised Caspacity (in Litr)</u>	<u>85500</u>	<u>106875</u>	<u>128250</u>	<u>142500</u>	<u>142500</u>	<u>142500</u>	<u>142500</u>
Sales (Lakhs)	41.04	51.30	61.56	68.40	68.40	68.40	68.40
Purchase - (in Litr)	90000	112500	135000	150000	150000	150000	150000
<u>Purchase price (in Lakhs)</u>	<u>37.80</u>	<u>47.25</u>	<u>56.70</u>	<u>63.00</u>	<u>63.00</u>	<u>63.00</u>	<u>63.00</u>
Trading Profit (lakhs)	3.24	4.05	4.86	5.40	5.40	5.40	5.40



4.6 Agri Market

For long the farmers in the area has been finding it difficult to market their produce in fresh form. Delay in marketing not only leads to quality deterioration, produce loss, and also affects cash flow. In Kerala, the concept of Farmers' Market has become a reality in almost all Panchayats. A common place for farmers to gather by bringing their farm produce fresh and sell them, then and there in bulk or in retail. The wholesale dealers will have the convenience to procure the products in bulk, and many a time price is determined by auction. The SCB has taken the initiative of setting up an Agri Market by organizing the farmers group. All agriculture products fresh from the farm is collected from the farmers and are auctioned. Apart from agricultural products planting materials and other inputs will also be distributed on the auctioned on these days. This will enable of the farmers to obtain remunerative price for their products. SCB expects Rs. 3,00,000 worth auctions in normal days and 7,00,000 in peak season days. On an average per day auction would be 5,00,000. -----will get 5% commission on auction amount.

The statement showing expected revenue for Rural Agri Market are as below:

No of Production days in a year	300
<u>Expected Vegetable Sales in a day - Normal</u>	<u>3,00,000.00</u>
Expected Vegetable Sales in a day - Season	7,00,000.00
Expected Vegetable Sales in a day - Average	5,00,000.00

	YEAR						
	1	2	3	4	5	6	7
Capacity	60%	75%	85%	100%	100%	100%	100%
Sales (Lakhs)	900.00	1,125.00	1,275.00	1,500.00	1,500.00	1,500.00	1,500.00
Commission (Lakhs)	45.00	56.25	63.75	75.00	75.00	75.00	75.00



4.7 Paddy Harvester

There are about 800 acres of agricultural land of paddy field in -----area. A major problem faced by farmers in the area, as well as surrounding areas is shortage of labour especially during harvest season. Delays in harvest results in huge financial loss for farmers as well as loss precious produce for consumption. Presently harvester machines are not available for the farmers in ----- area. Procuring a Paddy harvester will obhelp farmers to harvest their crops on time and earn optimum incomes. The SCB intends to make the harvester available for rental services. At present, Rs.2,600 per hour is the normal rate charged from the farmers. ----- can provide the paddy harvester service at a rate of Rs.2,300/2400 per hour to farmers. ----- can also ensure that at least two members will get employment through this proposal. Through this proposal farmers can avoid to bring the paddy harvesters from distant places and ensure timely harvesting.

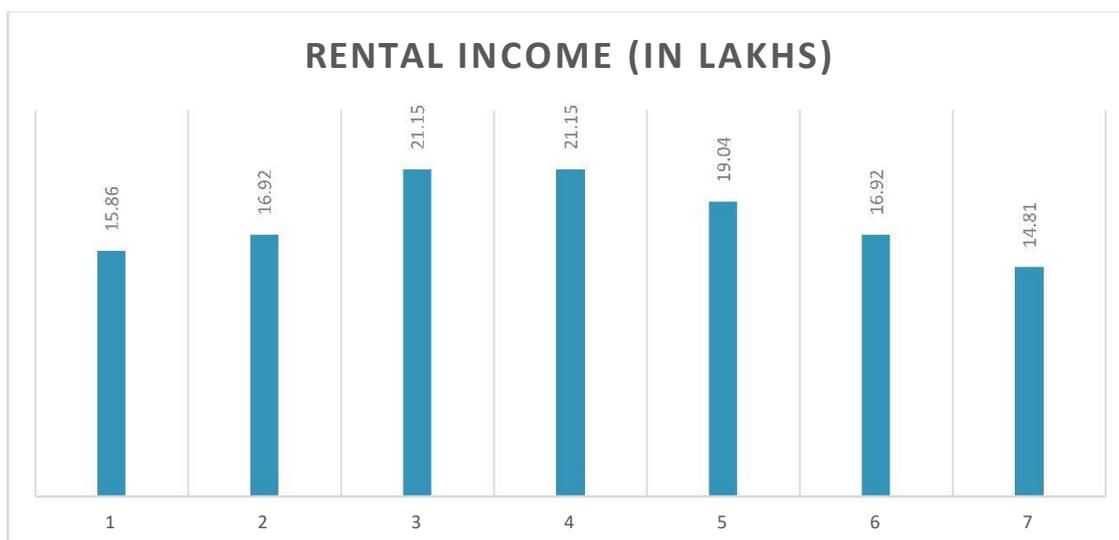
Further, in order to ensure maximum utilization of the harvester, the SCB has made arrangements for long term rental services to the Local Body etc. This not only helps the farmers to avoid unnecessary middlemen charges but also ensures full capacity utilization of the asset purchased.

----- expects a modest average of 6 hours per day rental charges for a total of not less than 150 days in a year.

The statement showing expected revenue are as below: **Paddy Harvester**

	Market Rate	SCB Rate
<u>Hourly Rent</u>	<u>2600</u>	<u>2350</u>
<u>Hours per day</u>		<u>6</u>
<u>No of Days in an Year</u>		<u>150</u>
Rental Amount		21,15,000.00

	YEAR						
	1	2	3	4	5	6	7
Capacity	75%	80%	100%	100%	90%	80%	70%
Rental Income (in lakhs)	15.86	16.92	21.15	21.15	19.04	16.92	14.81



5. WORKING RESULTS OF THE PROJECT

The Agri-Service centres are established for the benefit of people of the -----area as well as the farming community in nearby areas, engaged in agriculture activities. The projected total sales realization from all the activities in the first year comes to around Rs 323.35 lacs. An expected Net Profit after tax of Rs.69.86 lacs will be accrued as a result of the activities. Permanent employment to families in and around the project can be ensured apart from indirect job opportunities created relating to the project.

Project Cost	Amount (In Lakhs)
Land	
Building	
Flour Mill - Building No 1	94.00
Rice Mill - Building No 2	68.00
Boiler Shed - Building No 3	22.00
Effluent Treatment Plant	17.00
Agro farm and Nursery	15.00
Agri Market Building and Structure	105.00
Storage/ Godown	2.60
	323.60
Plant & Machineries including Vehicles	
Rice Washer	0.80

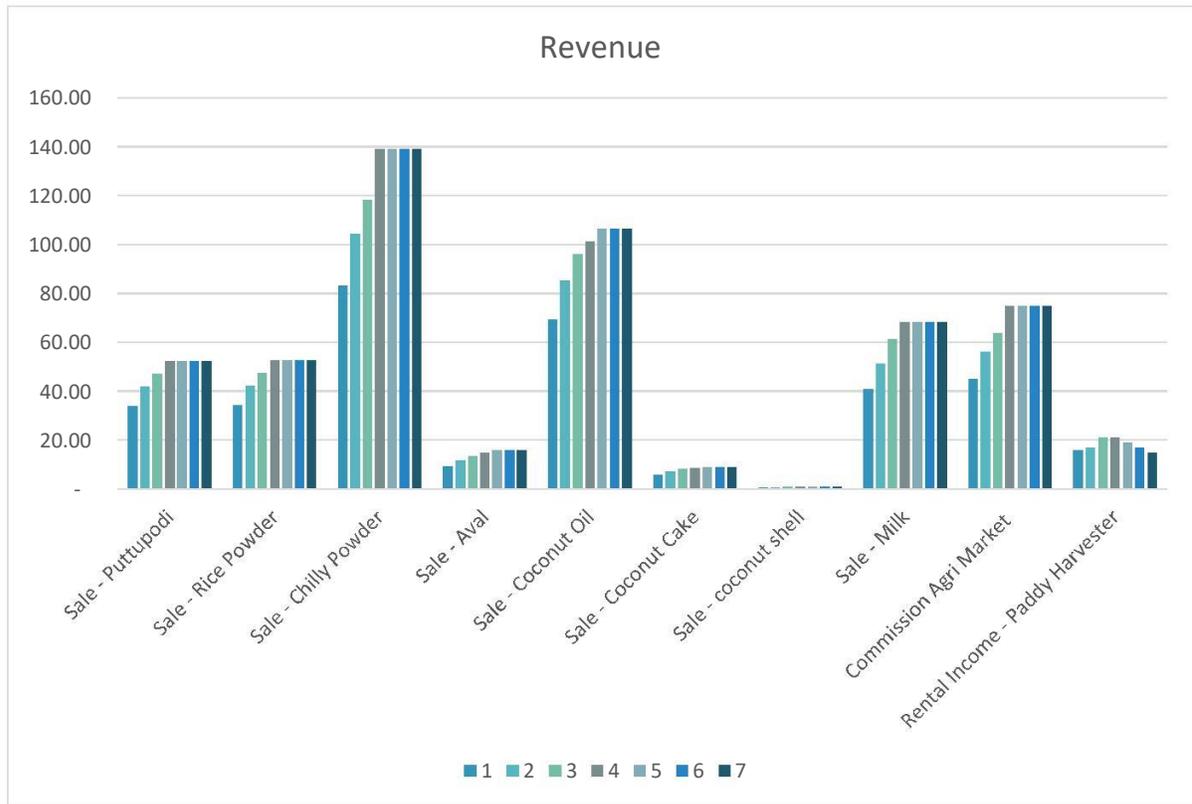
5.3 Return on Capital Employed:

The Project generates positive ROCE right from year 1 and has an AROCE of 35.40%.

PROFITABILITY STATEMENT

							in lakhs
	YEAR						
Particulars	1	2	3	4	5	6	7
Income							
Sale - Puttupodi	34.05	41.90	47.14	52.38	52.38	52.38	52.38
Sale - Rice Powder	34.40	42.34	47.63	52.92	52.92	52.92	52.92
Sale - Curry (Chilly/Corriander) Powder	83.52	104.40	118.32	139.20	139.20	139.20	139.20
Sale - Aval	9.45	11.81	13.39	14.96	15.75	15.75	15.75
Sale - Coconut Oil	69.42	85.44	96.12	101.46	106.80	106.80	106.80
Sale - Coconut Cakes	5.88	7.24	8.14	8.59	9.05	9.05	9.05
Sale - coconut shell	0.60	0.74	0.83	0.88	0.92	0.92	0.92
Sale - Milk	41.04	51.30	61.56	68.40	68.40	68.40	68.40
Commission Agri Market	45.00	56.25	63.75	75.00	75.00	75.00	75.00
Rental Income - Paddy Harvester	15.86	16.92	21.15	21.15	19.04	16.92	14.81
Total Revenue	339.22	418.34	478.03	534.94	539.45	537.34	535.22
Expenses							
Opening Stock	-	55.67	69.03	78.63	87.76	89.08	89.08
Purchase - Puttupodi	10.14	12.48	14.04	15.60	15.60	15.60	15.60
Purchase - Rice Powder	10.14	12.48	14.04	15.60	15.60	15.60	15.60
Purchase - Curry (Chilly/Corriander) Powder	54.00	67.50	76.50	90.00	90.00	90.00	90.00
Purchase - Aval	5.76	7.20	8.16	9.12	9.60	9.60	9.60
Purchase - Coconut	31.20	38.40	43.20	45.60	48.00	48.00	48.00

Purchase - Milk	37.80	47.25	56.70	63.00	63.00	63.00	63.00
Wages	48.00	52.80	58.08	63.89	70.28	77.30	85.03
Power and Fuel	3.60	3.96	4.36	4.79	5.27	5.80	6.38
Advertisement	2.00	1.80	1.62	1.46	1.31	1.18	1.06
Factory overheads	6.78	8.37	9.56	10.70	10.79	10.75	10.70
Other expense	10.18	12.55	14.34	16.05	16.18	16.12	16.06
Finance Cost - NABARD	12.82	11.07	9.25	7.35	5.38	3.33	₹ 1.19
Depreciation	47.59	42.07	37.21	32.94	29.18	25.87	22.94
Less: Closing Stock	55.67	69.03	78.63	87.76	89.08	89.08	89.08
Total Expenses	224.34	304.57	337.47	366.97	378.87	382.14	385.17
EBT	114.87	113.77	140.56	167.97	160.58	155.19	150.05
Tax	34.46	34.13	42.17	50.39	48.17	46.56	45.02
EAT	80.41	79.64	98.39	117.58	112.41	108.64	105.04
NP on sales	23.71%	19.04%	20.58%	21.98%	20.84%	20.22%	19.63%
Average NP on Sales	20.86%						



Break Even Point							
Sales	339.22	418.34	478.03	534.94	539.45	537.34	535.22
Variable Cost	207.42	250.44	284.64	318.30	328.14	335.65	343.92
Contribution	131.79	167.90	193.39	216.64	211.32	201.69	191.31
Fixed Expenses	72.59	67.49	62.43	57.80	52.06	46.49	41.25
PVR	38.85%	40.14%	40.46%	40.50%	39.17%	37.53%	35.74%
Financial BEP in Rs	186.83	168.16	154.30	142.73	132.89	123.87	115.41
% of Sales to reach BEP	55.08%	40.20%	32.28%	26.68%	24.64%	23.05%	21.56%

Return on Capital Employed							
EBIT	127.70	124.84	149.81	175.33	165.96	158.52	151.24
Capital Employed	425.13	425.13	425.13	425.13	425.13	425.13	425.13
ROCE	30.04%	29.37%	35.24%	41.24%	39.04%	37.29%	35.58%
AROCE	35.40%						

5.4 Internal Rate of Return

The IRR of the Project has been worked out and given in the following Table. As can be observed, the project has an IRR of 25% and NPV of Rs.379.63 Lakhs

NPV & IRR								
Initial Investment	-							
	425.13							
	0	1	2	3	4	5	6	7
EAT		80.41	79.64	98.39	117.58	112.41	108.64	105.04
Add: Depreciation		47.59	42.07	37.21	32.94	29.18	25.87	22.94
Net Cash flow	-							
	425.13	128.00	121.71	135.61	150.52	141.59	134.50	127.98
IRR	25%							
NPV	379.63							

5.5 Projected Balance Sheet and Cash flows are as follows

Projected Balance sheet							in lakhs
Capital and Liabilities	YEAR						
	1	2	3	4	5	6	7
Equity by Promoters							
Opening	-						
		155.44	215.08	283.47	361.05	423.46	462.09
Add: Addition during the year							
	85.03						
Add: Profits during the Year							
	80.41	79.64	98.39	117.58	112.41	108.64	105.04
Less: Withdrawal							
	10.00	20.00	30.00	40.00	50.00	70.00	80.00
	155.44	215.08	283.47	361.05	423.46	462.09	487.13
Financial Assistance from NABARD							
	297.14	252.43	205.89	157.46	107.05	54.60	-
Sundry Creditors							
	29.81	37.06	42.53	47.78	48.36	48.36	48.36
Total							
	482.39	504.57	531.89	566.29	578.87	565.05	535.49
Assets							

Fixed Assets	377.54	335.47	298.26	265.31	236.13	210.27	187.33
Sundry Debtors	32.34	40.14	45.69	51.38	52.04	52.04	52.04
Stock	55.67	69.03	78.63	87.76	89.08	89.08	89.08
Cash & Bank	16.84	59.92	109.32	161.84	201.62	213.66	207.04
Total	482.39	504.57	531.89	566.29	578.87	565.05	535.49

Projected Cash Flow							
	1	2	3	4	5	6	7
CASH FLOW FROM OPERATING ACTIVITIES							
EBIT	114.87	113.77	140.56	167.97	160.58	155.19	150.05
Add: Depreciation	47.59	42.07	37.21	32.94	29.18	25.87	22.94
Add: Finance Cost NABARD	12.82	11.07	9.25	7.35	5.38	3.33	1.19
	175.29	166.91	187.02	208.27	195.15	184.39	174.19
Add: Increase in Sundry Creditors	29.81	7.25	5.47	5.26	0.58	-	-
Less: Increase in Debtors	-	-7.81	-5.55	-	-0.66	-	-
	32.34			5.69			
Less: Increase in Stock	-	-13.36	-9.59	-	-1.33	-	-
	55.67			9.13			
Net Cash Flow from Operating Activities	117.09	153.00	177.35	198.70	193.73	184.39	174.19
CASH FLOW FROM INVESTING ACTIVITIES							
Purchase of fixed Assets	-	-	-	-	-	-	-
	425.13						
Net Cash Flow from Investing Activities	-	-	-	-	-	-	-
	425.13						
CASH FLOW FROM FINANCING ACTIVITIES							
Promoter Contribution	85.03						
Financial Assistance from NABARD	340.10						
Less: Withdrawal by Promoters	-	-20.00	-30.00	-	-50.00	-	-
	10.00			40.00		70.00	80.00
Less: Repayment of loan along with interest (EMI)	-	-55.79	-55.79	-	-55.79	-	-
	55.79			55.79		55.79	55.79
Less: Tax	-	-34.13	-42.17	-	-48.17	-	-
	34.46			50.39		46.56	45.02
Net Cash Flow from Financing Activities	324.88	-109.92	-127.95	-	-153.96	-	-
				146.18		172.34	180.80

Net Cash flow	16.84	43.08	49.40	52.52	39.77	12.04	-
Add: Opening Cash & Bank	-	16.84	59.92	109.32	161.84	201.62	213.66
Closing Cash & Bank	16.84	59.92	109.32	161.84	201.62	213.66	207.04

5.6 Working Capital

Working Capital requirement for the project has been calculated and given below. **Entire Working Capital requirement will be met from own funds/resources of the -----Service Cooperative Bank Ltd**

STATEMENT SHOWING WORKING CAPITAL CHANGES							
	YEAR						
	1	2	3	4	5	6	7
CURRENT ASSETS							
Sundry Debtors	32.34	40.14	45.69	51.38	52.04	52.04	52.04
Stock	55.67	69.03	78.63	87.76	89.08	89.08	89.08
Total	88.01	109.18	124.31	139.14	141.13	141.13	141.13
CURRENT LIABILITIES							
Sundry Creditors	29.81	37.06	42.53	47.78	48.36	48.36	48.36
Total	29.81	37.06	42.53	47.78	48.36	48.36	48.36
Working Capital	58.20	72.11	81.79	91.35	92.77	92.77	92.77
Increase in Working Capital	58.20	13.91	9.67	9.57	1.41	-	-

Total working capital requirement for first year of operation is Rs.58.20 lakhs. The entire working capital requirement of project will be met by own funds of promoters.

5.7 Payback Period

The project achieves to fully pay back its fixed capital costs in a short period of **3.3** years

PAYBACK PERIOD			
Total Capital Investment			425.13
Year		Net operating surplus	Cumulative Operating surplus
1		128.00	128.00
2		121.71	249.71
3		135.61	385.32
4		150.52	535.84

	5		141.59	677.43
Payback Period	3.3 Years			

5.8 Debt Service Coverage Ratio

The DSCR has been calculated and given below. As can be observed, the project has an average DSCR of 2.54

DSCR							
	1	2	3	4	5	6	7
EAT	80.41	79.64	98.39	117.58	112.41	108.64	105.04
Add: depreciation	47.59	42.07	37.21	32.94	29.18	25.87	22.94
Add: Finance Cost	12.82	11.07	9.25	7.35	5.38	3.33	1.19
Total	140.82	132.78	144.86	157.88	146.97	137.83	129.17
Annual Repayment	55.79	55.79	55.79	55.79	55.79	55.79	55.79
DSCR	2.52	2.38	2.60	2.83	2.63	2.47	2.32
Average DSCR	2.54						

6. Repayment of Loan

The repayment schedule for the Term Loan of Rs.340.10 Lakhs is given below. As can be observed, the entire Loan amount shall be paid back in 7 years of its operation.

Loan					
	340.10				
Term	7	Year			
Rate	4%	pa			
Installment	84	Monthly			
EMI	₹ -4.65				
Installment	Principal	Interest	EMI	Balance	
1	₹ -3.52	₹ -1.13	₹ -4.65	₹ 336.59	Year 1
2	₹ -3.53	₹ -1.12	₹ -4.65	₹ 333.06	
3	₹ -3.54	₹ -1.11	₹ -4.65	₹ 329.52	
4	₹ -3.55	₹ -1.10	₹ -4.65	₹ 325.97	

5	₹ -3.56	₹ -1.09	₹ -4.65	₹ 322.41	
6	₹ -3.57	₹ -1.07	₹ -4.65	₹ 318.84	
7	₹ -3.59	₹ -1.06	₹ -4.65	₹ 315.25	
8	₹ -3.60	₹ -1.05	₹ -4.65	₹ 311.65	
9	₹ -3.61	₹ -1.04	₹ -4.65	₹ 308.04	
10	₹ -3.62	₹ -1.03	₹ -4.65	₹ 304.42	
11	₹ -3.63	₹ -1.01	₹ -4.65	₹ 300.79	
12	₹ -3.65	₹ -1.00	₹ -4.65	₹ 297.14	
13	₹ -3.66	₹ -0.99	₹ -4.65	₹ 293.48	
14	₹ -3.67	₹ -0.98	₹ -4.65	₹ 289.81	
15	₹ -3.68	₹ -0.97	₹ -4.65	₹ 286.13	
16	₹ -3.70	₹ -0.95	₹ -4.65	₹ 282.43	
17	₹ -3.71	₹ -0.94	₹ -4.65	₹ 278.73	Year 2
18	₹ -3.72	₹ -0.93	₹ -4.65	₹ 275.01	
19	₹ -3.73	₹ -0.92	₹ -4.65	₹ 271.27	
20	₹ -3.74	₹ -0.90	₹ -4.65	₹ 267.53	
21	₹ -3.76	₹ -0.89	₹ -4.65	₹ 263.77	
22	₹ -3.77	₹ -0.88	₹ -4.65	₹ 260.00	
23	₹ -3.78	₹ -0.87	₹ -4.65	₹ 256.22	
24	₹ -3.79	₹ -0.85	₹ -4.65	₹ 252.43	
25	₹ -3.81	₹ -0.84	₹ -4.65	₹ 248.62	
26	₹ -3.82	₹ -0.83	₹ -4.65	₹ 244.80	
27	₹ -3.83	₹ -0.82	₹ -4.65	₹ 240.97	
28	₹ -3.85	₹ -0.80	₹ -4.65	₹ 237.12	
29	₹ -3.86	₹ -0.79	₹ -4.65	₹ 233.26	
30	₹ -3.87	₹ -0.78	₹ -4.65	₹ 229.39	
31	₹ -3.88	₹ -0.76	₹ -4.65	₹ 225.51	
32	₹ -3.90	₹ -0.75	₹ -4.65	₹ 221.61	
33	₹ -3.91	₹ -0.74	₹ -4.65	₹ 217.70	
34	₹ -3.92	₹ -0.73	₹ -4.65	₹ 213.78	
35	₹ -3.94	₹ -0.71	₹ -4.65	₹ 209.84	Year 4
36	₹ -3.95	₹ -0.70	₹ -4.65	₹ 205.89	
37	₹ -3.96	₹ -0.69	₹ -4.65	₹ 201.93	
38	₹ -3.98	₹ -0.67	₹ -4.65	₹ 197.95	
39	₹ -3.99	₹ -0.66	₹ -4.65	₹ 193.96	
40	₹ -4.00	₹ -0.65	₹ -4.65	₹ 189.96	
41	₹ -4.02	₹ -0.63	₹ -4.65	₹ 185.95	
42	₹ -4.03	₹ -0.62	₹ -4.65	₹ 181.92	
43	₹ -4.04	₹ -0.61	₹ -4.65	₹ 177.87	
44	₹ -4.06	₹ -0.59	₹ -4.65	₹ 173.82	
45	₹ -4.07	₹ -0.58	₹ -4.65	₹ 169.75	
46	₹ -4.08	₹ -0.57	₹ -4.65	₹ 165.67	
47	₹ -4.10	₹ -0.55	₹ -4.65	₹ 161.57	
48	₹ -4.11	₹ -0.54	₹ -4.65	₹ 157.46	
49	₹ -4.12	₹ -0.52	₹ -4.65	₹ 153.33	
50	₹ -4.14	₹ -0.51	₹ -4.65	₹ 149.20	

51	₹ -4.15	₹ -0.50	₹ -4.65	₹ 145.05	Year 6
52	₹ -4.17	₹ -0.48	₹ -4.65	₹ 140.88	
53	₹ -4.18	₹ -0.47	₹ -4.65	₹ 136.70	
54	₹ -4.19	₹ -0.46	₹ -4.65	₹ 132.51	
55	₹ -4.21	₹ -0.44	₹ -4.65	₹ 128.30	
56	₹ -4.22	₹ -0.43	₹ -4.65	₹ 124.08	
57	₹ -4.24	₹ -0.41	₹ -4.65	₹ 119.84	
58	₹ -4.25	₹ -0.40	₹ -4.65	₹ 115.60	
59	₹ -4.26	₹ -0.39	₹ -4.65	₹ 111.33	
60	₹ -4.28	₹ -0.37	₹ -4.65	₹ 107.05	
61	₹ -4.29	₹ -0.36	₹ -4.65	₹ 102.76	
62	₹ -4.31	₹ -0.34	₹ -4.65	₹ 98.46	
63	₹ -4.32	₹ -0.33	₹ -4.65	₹ 94.14	
64	₹ -4.34	₹ -0.31	₹ -4.65	₹ 89.80	
65	₹ -4.35	₹ -0.30	₹ -4.65	₹ 85.45	
66	₹ -4.36	₹ -0.28	₹ -4.65	₹ 81.09	
67	₹ -4.38	₹ -0.27	₹ -4.65	₹ 76.71	
68	₹ -4.39	₹ -0.26	₹ -4.65	₹ 72.32	
69	₹ -4.41	₹ -0.24	₹ -4.65	₹ 67.91	
70	₹ -4.42	₹ -0.23	₹ -4.65	₹ 63.48	
71	₹ -4.44	₹ -0.21	₹ -4.65	₹ 59.05	
72	₹ -4.45	₹ -0.20	₹ -4.65	₹ 54.60	
73	₹ -4.47	₹ -0.18	₹ -4.65	₹ 50.13	
74	₹ -4.48	₹ -0.17	₹ -4.65	₹ 45.65	
75	₹ -4.50	₹ -0.15	₹ -4.65	₹ 41.15	
76	₹ -4.51	₹ -0.14	₹ -4.65	₹ 36.64	
77	₹ -4.53	₹ -0.12	₹ -4.65	₹ 32.11	
78	₹ -4.54	₹ -0.11	₹ -4.65	₹ 27.57	
79	₹ -4.56	₹ -0.09	₹ -4.65	₹ 23.01	
80	₹ -4.57	₹ -0.08	₹ -4.65	₹ 18.44	
81	₹ -4.59	₹ -0.06	₹ -4.65	₹ 13.85	
82	₹ -4.60	₹ -0.05	₹ -4.65	₹ 9.25	
83	₹ -4.62	₹ -0.03	₹ -4.65	₹ 4.63	
84	₹ -4.63	₹ -0.02	₹ -4.65	₹ 0.00	
					Year 7

7. Summary of Key Financials

Following Table provides a summary of the Key Financials of the Project. The Project is assessed as financially viable, profitable and feasible.

Average Return on Capital Employed	35.40%
Average Profitability	20.86%
Break Even Point in Year 1	186.83
Percentage of Sales to reach BEP IN YEAR 1	55.08%
DSCR	2.54
IRR	25%
Payback period	3.3 Years

PROJECT REPORT FOR
ESTABLISHMENT
OF
BIOFERTILIZER & BIOPESTICIDE PRODUCTION UNIT

Submitted by

Promoted By

-----,

Name &Address

Submitted to

Name of Bank,

Prepared By

Name & Address

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PROJECT AT GLANCE

1	Name of the Project	
2	Name of the promoter	
3	Address of the promoter Correspondence & Processing Unit	
4	Products Proposed	Processing of Vegetables like Tomato, Varieties of Green chilli, Spinach, ladies Finger, Bitter Gourd, Cucumber, Snake gourd, etc
5	Capacity Proposed	750 metric ton per year
6	Total Project Cost	Rs. 140.96 lakhs
	Term Loan-90%	Rs. 126.86 lakhs
	Margin -10%	Rs. 014.10 lakhs
7	Financial Parameters	
	IRR	33%
	B.C.Ratio	1.34
	DSCR	1.73
8	Repayment Period	12 half yearly installment over a period of 7 years with one year repayment holiday

PROPOSAL FOR ESTABLISHING BIOFERTILIZER & BIOPESTICIDE PRODUCTION UNIT

INTRODUCTION

Sustainable crop production depends much on good soil health. Soil health maintenance warrants optimum combination of organic and inorganic components of the soil. Repeated use of chemical fertilizers destroys soil biota. In nature, there are a number of useful soil micro organisms which can help plants to absorb nutrients. Their utility can be enhanced with human intervention by selecting efficient organisms, culturing them and adding them to soils directly or through seeds. The cultured microorganisms packed in some carrier material for easy application in the field are called bio-fertilizers.

Bio-fertilizers are living microorganisms of bacterial, fungal and algal origin. Their mode of action differs and can be applied alone or in combination. By systematic research, efficient strains are identified to suit to given soil and climatic conditions. Such strains have to be mass multiplied in laboratory and distributed to farmers. They are packed in carrier materials like peat, lignite powder in such a way that they will have sufficient shelf life.

Major advantages of Bio fertilizers

Bio fertilizers enhance the nutrient availability to crop plants (by processes like fixing atmosphere N or dissolving P present in the soil) ; and also impart better health to plants and soil thereby enhancing crop yields in a moderate way. It is a natural method without any problems like salinity and alkalinity, soil erosion etc.. In the vast areas of low input agriculture and oil seeds production, as also in crops like sugarcane, etc, these products will be of much use to give sustainability to production. In view of the priority for the promotion of organic farming and reduction of chemical residues in the environment, special focus has to be given for the production of bio fertilizers.

Commercial prospects

The biofertilizers are mainly purchased by State Agriculture Departments and distributed to the farmers at concessional rates. About 200 to 500 grams of carrier material is only needed per acre, costing about Rs.10 /- to 25 /-. In view of the above, if the units are selected carefully, there can be assured business. The benefits usually obtained by the use of biofertilizers will not be as visible as that of chemical fertilizers. As the results are not dramatic, many farmers are not aware of the

significance, excepting in States like Maharashtra, Gujarat, parts of Karnataka and Tamil Nadu, these are more commonly used with Government's support. In the context of increasing awareness about the use of natural products and organic agriculture, these products will have good scope. Further, the organically grown produces fetch higher prices both in domestic and export markets.

It is estimated that the production of biofertilizers in the country by the existing units is about 7500 to 9000 TPA. This is far below the potential requirement of 7.6 lakh TPA by the year 2000 -2001 as estimated by the National Biofertilizer Development Centre (NBDC) Ghaziabad. So far, the Ministry of Agriculture has supported establishment of 67 biofertilizer units in different parts of the country

This estimated demand of NBDC is based on the cultivated area of the country and treatment of the total seed sown at the rate of 200 g biofertilizer per 10 kg of seed. Although this assumption reflects only the macro level requirement, even if 50 % of the cultivated area is to be brought under biofertilizer application, there will be a wide gap between the actual production and the requirements. The current trends indicate that there is a steady increase in the demand in the Southern states except Andhra Pradesh, Western States and Madhya Pradesh and Rajasthan

Biofertiliser Technology

The technology used was indigenous and the scientific aspects of production are standardized by Agricultural Universities and Research Laboratories of GOI. Machineries and laboratory equipments are available from various manufacturers and are of BIS standards

Objective of Biofertiliser Project

The primary objective of biofertilizer projects could be production of various strains of good quality biofertilizers using most modern technology. The infrastructure and laboratory facilities created, however, can be utilised for the production of bio - pesticides and bio control agents. Multi product range will increase the viability.

Schematic diagram showing multiplication stages of biofertilizer/ Biopesticide mother culture

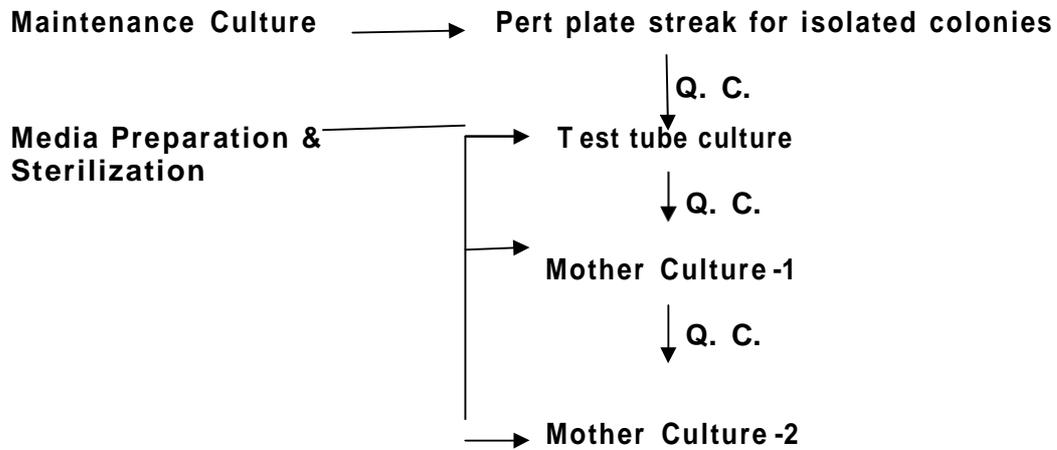
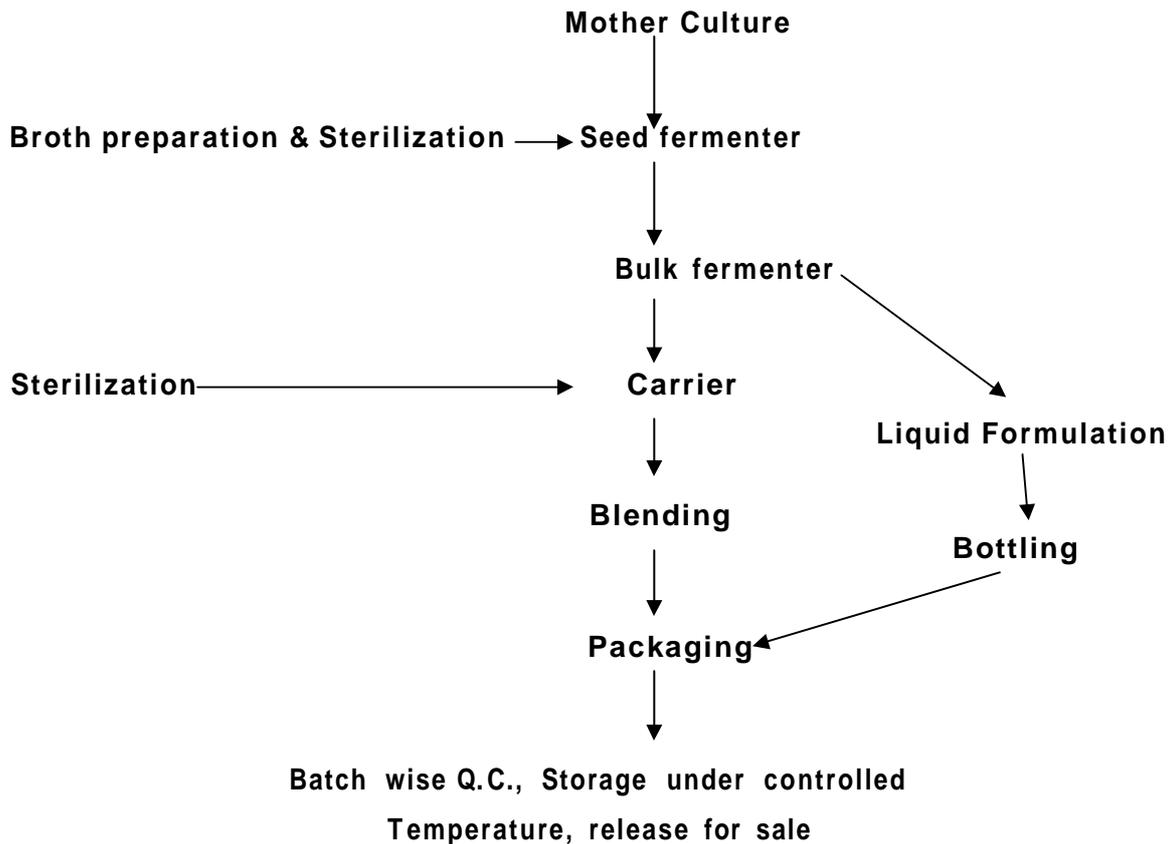
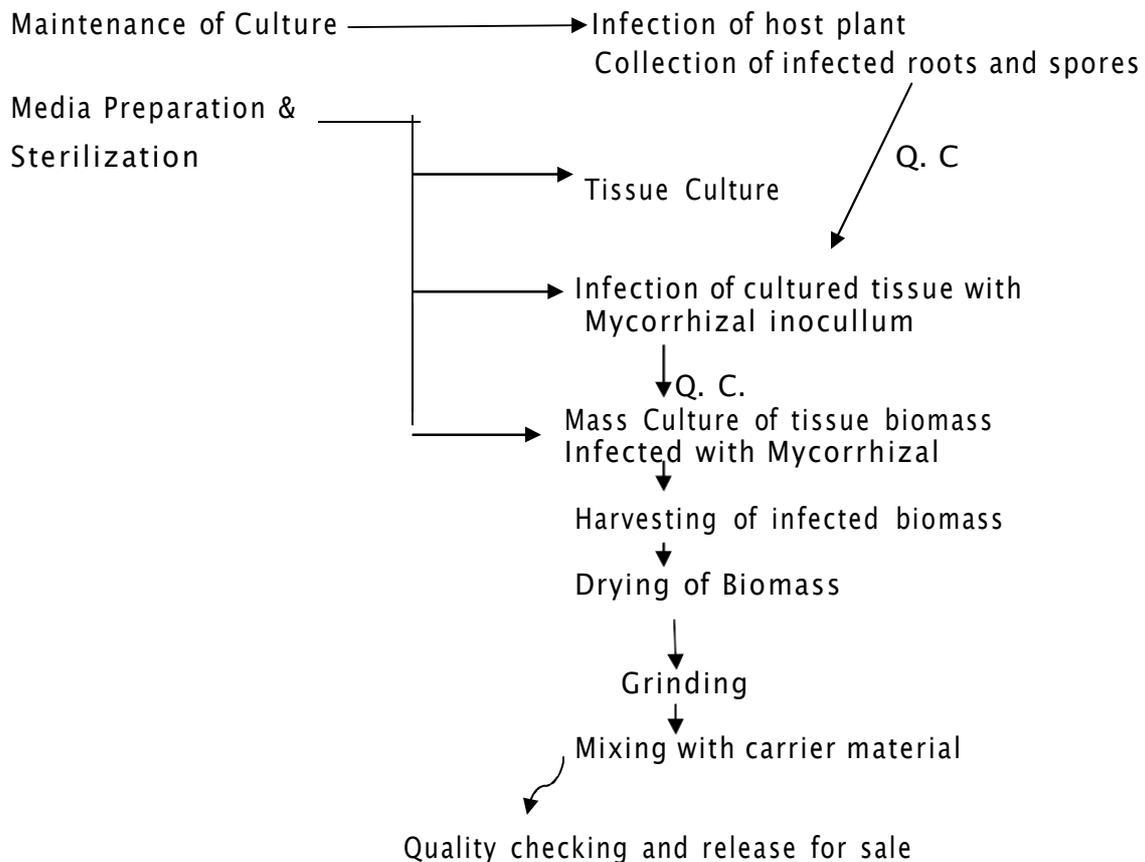


Chart showing steps in production



PRODUCTION FLOW CHART FOR MYCORRHIZAL BIOFERTILIZERS



ENVIRONMENTAL ASPECTS AND POLLUTION CONTROL

No hazardous effluents are generated from biofertilizer and Biopesticide unit. However, in the process the unit will use some of the environment polluting wastes as raw materials.

REQUIREMENT OF REGISTRATION/LICENSE

Biofertilizers are covered under Fertilizer Control Order of Essential Commodities Act. Specifications for Rhizobium, Azotobacter, Azospirillum, PSB and Mycorrhiza have been specified. All production facilities and trading units are required to register and obtain necessary license for production/ sale of biofertilizers from state controlling authorities (Department of Agriculture). Biopesticide are covered under Central Insecticides Act and all manufacturers are required to obtain mandatory license from Central Insecticides Board, Govt of India, Faridabad .

PROMOTERS

The Promoter of the project is "M/s -----". The company is partnership type. The promoter is -----.

Promter profile 1

Promoter profile 2

They are very professional in business. The proposed project is to set up a biofertilizer & Biopesticide unit of 200 MT capacities. Under this project, it is proposed to set up a state of the art Laboratory for culture development and biofertilizer unit 200 MT per year. All these types of products have got a ready market.

MARKETING STRATEGY

The promoters are technical sound in the field of marketing and also have developed a wide network of biofertilizer dealer network across the states of Kerala. Wide publicity will be given through different events and fairs. Pamphlets brochures and banners will be used as prime mode of advertising method for huge publicity.

Tie up will be made with various companies for door-to-door advertising and marketing. In Kerala the business area is mainly concentrated in the district of Ernakulam, Palakkad, Thrissur, Wayanad, Idukki . We are exploring new areas like southwest Kerala also.

LOCATION OF THE PROJECT

The project is located at ----- . All infrastructural facilities such as road, water, transport, communication etc are easily available.

THE PROJECT

The present report is a business plan for setting up of the center and it involves investment in long term assets and working capital requirements for the types of services to be provided.

EMPLOYMENT OPPORTUNITY

Beside direct employment of more than 25 skilled & unskilled employs at laboratory, the industry will give indirect employment to more than 200 dealers and sub dealers in the market chain.

JOB PROFILES OF THE PROPOSED MANPOWER

1. General Manager: GM will be looking after all the activities coming under this project. He will at the management level taking care of Production planning, Drawing marketing strategies, Liaisoning between various agencies, Planning Business strategies, etc.
2. Unit In charge: He is responsible for carrying out day to day activities of the lab, maintaining MIS reports, reporting to the management of the Production process. Will be responsible for preparation of media, monitoring the production activities, Qualification - M. Sc. or B.Sc with Biotechnology background or with min 5 years of experience in handling the unit independently.
3. Media Helper: He will be helping in media preparation, checking the pH, loading and unloading the autoclave cycles.
4. Production Operators: Both Ladies and gents can be suitable with a basic qualification of 10th standard. Ladies are preferred because of their good and delicate handling of cultures.
5. Labor for washing/ Housekeeping: Ladies are preferred without any basic qualification.

PROJECT INVESTMENTS

Capital cost of the project

Broadly, the capital cost includes the plant building, office, godown, plant and machinery, preliminary and preoperative expenses etc, Capital cost of biofertiliser/Biopesticide unit with a capacity of 200 TPA will be Rs. 140.96 lakhs. The proposed investments pattern are explained in *annexure no 1*. Summary of the investment and sources of investments as follows:

(Rupees In lakhs)

Sl. No.	Items	Cost	Bank loan@90%	Margin@10%
1	Basic Infrastructure development	4.00	3.60	0.40
2	Buildings and structures	44.70	40.23	4.47
3	Machinery and equipment	10.00	9.00	1.00
4	Laboratory equipments	57.74	51.97	5.77
5	IIHR Royalty Fee	20.00	18.00	2.00
Total		136.44	122.80	13.64
Working Capital- Capitalised		4.52	4.06	0.46
		140.96	126.86	14.10

The total capital requirement consists of fixed capital. The fixed cost involves buildings, plant and machineries, furniture, Electrification, pre operative expenses. As shown in annexure total requirement of capital investment is Rs.140.96 lakhs.

Out of this Rs. 126 .86 lakhs will be brought in from bank as term loan and rest Rs.14.10 lakhs will be invested by the promoter as margin.

SUBSIDY FROM GOVT OF INDIA

Ministry of Agriculture, Department of Agriculture and Cooperation, Government of India is implementing a National Project on Organic Farming (NPOF) for the production, promotion & market development of organic farming in the country through National Centre of Organic Farming (NCOF), Ghaziabad and its six Regional Centre of Organic Farming (RCOF) located at Bangalore, Bhubaneswar, Hissar, Imphal, Jabalpur & Nagpur. One of the important components of the project includes financial assistance for setting up of commercial biofertilizer/ Biopesticide production units. Under the project subsidy is being provided through NABARD / NCDC @ 25 % of total financial out lay (TFO) or Rs. 40 lakh per unit whichever is less for establishment of biofertilizer/ Biopesticide production units with installed production capacity of 200 MT per year. Assistance is also available to the existing units for technological up-gradation, strengthening and capacity addition on similar terms and conditions restricted to 25 % of financial out lay for additional cost, restricted to Rs. 40 lakh whichever is less. Subsidy assistance is available through commercial banks as credit linked back-ended subsidy.

PROJECT INVESTMENT PATTERN:

1 . **Basic Infrastructures** : The project to be implemented on 4000 sq. ft of area. The construction cost for the area is **Rs. 40 .20 lakhs** @ Rs. 1005 per sq. ft. The project also needs a cold storage to store the inoculums. It is proposed to have about 100 sq. ft of cold storage @ Rs.1500 per sq. ft including the needed refrigeration machines. Total cost for civil works is Rs.44.70 lakhs.

2 . Some plumbing pipeline needed for water supply and electrical work is needed to run the industry. The cost involved is **Rs. 3.50 lakhs**.

3 . Machineries & Equipment's :

The machineries include solar power generation unit, a transport vehicle, computer & its accessories, for office and office furniture's etc. Total cost estimated at **Rs.10.00 lakhs**.

4 . **Biofertilizer & Biopesticide Laboratory equipment's:** A detailed list for the Biofertilizer and Biopesticide production unit is given in **annexure-1**. Total cost will be approximately Rs.57.74 lakhs.

FINANCIAL ANALYSIS :

The costs of production and profitability estimates have been made on a realistic but conservative basis. The assumptions underlying the preparation of statements are outlined in the succeeding paragraphs.

- 1 . **Project Cost** : The detail of project cost is as given **Annexure -1 and 2** . The implementation period of the project is about 12 months.
- 2 . **Sales Revenue**: The estimated capacity of the industry is 200 MT at 100 % efficiency; the capacity utilization is estimated to be 50% in the first year, 90 % in the 2nd year in subsequent years. The selling price of Biofertilizer and Biopesticide per ton is taken @Rs. 25000 /-. Thus the sale value is Rs.25 .00 lakhs in the first year and Rs.45.00 lakhs in the subsequent years.
- 3 . **Cost of Media and Consumables**: The cost of media and consumables is calculated on the actual basis and proportionately 5 % Increase in expenditure is considered for subsequent years. Approximately media and the consumables cost estimated at Rs.2.50 lakhs per year.
- 4 . **Power charges** : Rs 2.00 lakh in the first year and proportionately increased 5 % for subsequent years.
- 5 . **Selling expenses** include sales commission etc, which is considered as Rs. 1.25 (5% of the sales value).
- 6 . **Other Administrative Expenses**: The Administrative expenses such as Printing & Stationary, Postage, Telephones, Staff welfare, Traveling Expenses et c are assumed to be Rs. 1.85 , 000 / - per year and an increment of 5% per annum has been provided from 2nd year onwards. **Annexure- 2**
- 7 . **Transportation expenses**: Rs.0 .50 per kg taken for Transportation expenses per plant.
- 8 . **Considering the Installed capacity** , for first three years salaries and wages taken as Rs. 7.92 lakh per year and raised for subsequent years at 5 % . (Labor: The labor requirement is given in **Annexure-3**).
- 9 . **Packing cost**: Taken as Rs.0.50 per kg.
- 10 . **Repair and Maintenance** : will be 5% of sale value.

Economics

1. RETURNS

The gross return from project as stated above is estimated at Rs. 40 lakhs in the first year, Rs. 72 lakhs in the second year, and Rs. 72 lakhs in the third year. The gross returns on the business plan average out to Rs. 72 lakhs after the fourth year as per the summary given under **annexure-5**

2. EXPENSES

A detailed working of recurring expenditure for the activity given under annexure-4 to the statement of expenses. The annual recurring expenses for all the operations are estimated to be in the range of Rs. 12.59 lakhs to 31.11 lakhs. The average recurring cost over 8 year is Rs. 26.14 lakhs.

3. CASH FLOW

A statement of cash flow is enclosed to this plan under **annexure-7**. The repayment of principal amount and the interest is accounted in the priority outflow of cash. A cash surplus of Rs. 26.46 lakhs in the first year, Rs. 44.91 lakhs in the second year and Rs. 43.97 lakhs in the third year. Then on the surplus averages out to Rs. 39.90 lakhs during the currency of term loan after priority outflows allocation to principal liability and interest on term loan.

4. DISCOUNTED CASH FLOW

Internal rate of return has been calculated subjecting the cash flow to discounting techniques. An IRR of 33% is quite healthy and makes the business proposal a financially sound one. BC ratio of 1.34:1.00 is obtained by said cash flow. (**Annexure-8, 9**).

5. DEBT SERVICE COVERAGE RATIO (DSCR)

Annexure- 10 presents DSCR calculation. A sound **DSCR of 1.73** is a good proof of debt servicing by the business plan.

6. REPAYMENT PLAN

The term loan will be repaid in 14 half yearly installments over a period of 8 years with one year repayment holiday as proposed in the repayment plan annexed to the plan under **annexure-11**.

7. . **Projected profitability statement & Balance sheet enclosed as Annexure -16 & 17**

SUMMARY OF FINANCIALS AS FOLLOWS:

Sl. No	Parameters	
1	Total project cost	Rs. 140.96 Lakhs
2	Bank Term Loan	Rs.126.56 Lakhs
3	Promoter's Margin	Rs. 014.10 Lakhs
4	Average recurring cost	Rs 26.14 Lakhs
5	Average income	Rs.68.00 Lakhs
6	Average net income	Rs.41.86 Lakhs
7	Net Present Worth (NPW)	Rs.189.10 Lakhs
8	Maximum Permissible Investment	Rs.141.83 lakhs
9	Maximum Permissible Loan	Rs.106.37 Lakhs
10	Internal Rate Of Returns (IRR)	33%
11	Benefit to Cost Ratio	1.34:1.00
12	Break Even Point (BEP) %	34.80% or
13	Break Even Point (BEP) Sale value of	Rs.25.06 lakhs
14	Debt To Equity Ratio (DER)	3.00:1.00
15	Debt Service Coverage Ratio	1.73
16	Repayment period	7 years

8. SWOT ANALYSIS

Strengths:

- The awareness towards use of biofertilizer & Biopesticide in cultivation is increased due to the increased health conscious food intake.
- Availability of abundant and cheap manpower

Weaknesses :

- Poor marketing linkage and poor market infrastructure.
- Aspect of updating knowledge and skill of staff regarding recent advancements in the field of bio products is highly neglected
- Poor economic condition of the farmers

Opportunities:

- There is tremendous demand for organically grown commodities, tendency is for Bio products.

- To use existing marketing net work to sell the products
- Availability of abundant suitable skilled manpower nearby.
- Scope to generate marketable surplus and also surplus for export.

Threats:

- Many existing Biofertilizer & Biopesticide producing Units
- Uncertainty in weather conditions and frequent occurrence of natural calamities like flood, cyclone and drought. Lead to decreased demand

9. . PROPOSAL TO BANK

The business plan and financial analysis of the planned investments, and taking in to account the promoter's experience in the field and also capabilities in business, it is proved beyond doubt that the business plan is a technically feasible one. From commercial angle also, the plan is feasible one as the products chosen are of "**Zero Risk**" in nature. Financial viability of the project is also proven beyond doubt with a good internal rate of return of 33 %, BC ratio of 1 : 1 .34 and DSCR of 1 .73 . The plan has medium levels of risk as presented in the payback period.

Hence the undersigned seeks a term loan of Rs. 126 .56 lakhs from the bank for the proposed business plan, keeping a margin contribution of Rs. 14 .10 lakhs. Interest rate as stipulated by the bank will be accepted.

10. . SUBMISSION

The business plan is submitted herewith for appraisal and sanctions of term loan of Rs.126.56 lakhs as proposed above.

LIST OF ANNEXURES

Sl. No.	Particulars	Annexure No.
1	Item wise cost of investment	1
2	Administrative & Miscellaneous Expenses	2
3	Salaries & Wages	3
4	Statement of Recurring Cost	4
5	Statement of Returns/Income	5
6	Cash Flow Statement	6
7	Maximum permissible Investment & Loan	7
8	Discounted Cash Flow	8
9	DSCR Statement	9
10	Repayment Chart	10
11	Repayment Schedule	11

ITEMWISE COST OF INVEST

Annexure-1 (Rs. in lakhs)

1.1 Power Supply System	LS	LS	LS	2.00
1.2 Water Supply	LS	LS	LS	2.00
SUB TOTAL				4.00
2.1 Laboratory Building	Per sq.ft.	4,000	1,005	40.20
2.2 Cold Storage	Per sq.ft.	300	1,500	4.50
SUB TOTAL				44.70
3.1 Computer & its accessories	Per unit	3	50,000	1.50
3.2 Office equipments, Furnitures & CCTV cameras	LS	LS	500,000	5.00
3.3 Generator-20 KVA	Per unit	1	350,000	3.50
SUB TOTAL				10.00
4.1 Air Conditioners	Per unit	2	50,000	1.00
4.2 Ai Compressor	Per unit	1	50,000	0.50
4.3 Autoclave Machine	Per Unit	3	150,000	4.50
4.4 Roarary Shakers	Per Unit	2	125,000	2.50
4.5 Digital Ph	Per Unit	1	30,000	0.30
4.6 Electric Balance	Per Unit	3	32,000	0.96
4.7 Research Microscope	Per unit	2	10,000	0.20
4.8 Incubators	Per unit	2	120,000	2.40
4.9 Hot Air Oven	Per Unit	1	30,000	0.30
4.1 Centrifuge	Per unit	1	35,000	0.35
4.11 Laminar Air Flows	Per Unit	2	150,000	3.00
4.12 Deep Freezer	per unit	2	40,000.00	0.80
4.13 Plastic and other Glass wares	Per unit	Lum Sum	120,000	1.20
4.14 R.O. Unit	Per Unit	1	74,000	0.74
4.15 Refrigerator	Per Unit	2	30,000	0.60
4.16 Mother Culture glass vessels fermenter- 2 Liter	Per unit	30	5,000	1.50
4.17 Stian less steel seed fermenter 50 lter	Per Unit	2	400,000	8.00
4.18 Automatic stainless steel fermenter-750 lter	Per Unit	2	900,000	18.00
4.19 Automatic bottle filling machine	Per unit	1	450,000	4.50
4.20 Capping & labelling machines	Per unit	1	150,000	1.50
4.21 Pouch Packing Machine	Per unit	1	250,000	2.50
4.22 Miscelaneous Equipments	LS	LS	LS	2.39
SUB TOTAL				57.74
5.0 CAPITALIZED WORKING CAPITAL FOR FIRST YEAR- Annexure-2				4.52
6.0 IIHR Collaboration Fee	LS	LS	LS	20.00
SUB TOTAL				20.00



Administrative and Misceleneous Expences

Particulars	Year							
Telephone / Wireless	0.25	0.26	0.28	0.29	0.30	0.32	0.34	0.35
Office Maintenance	0.30	0.32	0.33	0.35	0.36	0.38	0.40	0.42
Printing & Stationery	0.20	0.21	0.22	0.23	0.24	0.26	0.27	0.28
Post & Telegraph	0.10	0.11	0.11	0.12	0.12	0.13	0.13	0.14
Technical consultancy & Other Services	1.00	1.05	1.10	1.16	1.22	1.28	1.34	1.41
Total	1.85	1.94	2.04	2.14	2.25	2.36	2.48	2.60

Annexure-3

Particulars	No. of Staff	Salary (Rs. P.M.)	Annual Out go (Rs. in
Salaries & Wages			
Chief Microbiologist	1	20000	2.40
Media Preparation Helper	1	9000	1.08
Production Operators	4	9000	4.32
Marketing Manager	1	10000	1.20
Security	2	3500	0.84
Subtotal			9.84
Total			9.84

CASH FLOW STATEMENT

PARTICULARS	YEARS							
	1	2	3	4	5	6	7	8
INFLOW								
BANK LOAN	126.86	-	-	-	-	-	-	-
MARGIN	14.10	-	-	-	-	-	-	-
INCOME	40.00	72.00	72.00	72.00	72.00	72.00	72.00	72.00
TOTAL INFLOW	180.96	72.00	72.00	72.00	72.00	72.00	72.00	72.00
OUTFLOW								
CAPITAL COST	140.96	-	-	-	-	-	-	-
RECURRING COST	13.55	27.09	28.03	29.03	30.08	31.18	32.33	33.54
TOTAL COSTS	154.50	27.09	28.03	29.03	30.08	31.18	32.33	33.54
TOTAL OUTFLOW	154.50	27.09	28.03	29.03	30.08	31.18	32.33	33.54
SURPLUS	26.46	44.91	43.97	42.97	41.92	40.82	39.67	38.46

MAXIMUM PERMISSIBLE INVESTMENT AND MAXMUM PERMISSIBLE FINANCE

PARTICULARS	YEARS							
	1	2	3	4	5	6	7	8
DEVELOPMENT COST	140.96	-	-	-	-	-	-	-
RECURRING COST	13.55	27.09	28.03	29.03	30.08	31.18	32.33	33.54
TOTAL COST	154.50	27.09	28.03	29.03	30.08	31.18	32.33	33.54
RETURNS	40.00	72.00	72.00	72.00	72.00	72.00	72.00	72.00
OPERATIONAL CASHFLOW								
OPERATIONAL CASHFLOW	26.46	44.91	43.97	42.97	41.92	40.82	39.67	38.46
DISCOUNT FACTOR AT 13.0%	0.8850	0.7831	0.6931	0.6133	0.5428	0.4803	0.4251	0.3762
P.W. OF OPERATION @ 13%	23.41	35.17	30.47	26.35	22.75	19.61	16.86	14.47
CUMULATIVE NETWORKH	23.41	58.59	89.06	115.41	138.16	157.77	174.63	189.10
PRESENT OPERATIONAL NETWORKH AT 12.50%				Rs. 189.10				
PERMISSIBLE INVESTMENT @ 75% OF ABOVE				Rs. 141.83				
PERMISSIBLE LOAN 75% OF MAX. INVESTMENT				Rs. 106.37				
LOAN AMOUNT SOUGHT				Rs. 126.86				
LOAN AS A PERCENTAGE OF OPERATIONAL NETWORKH				67%				
Benefit to Cost Ratio				1.34				

DISCOUNTED CASH FLOW STATEMENT

PARTICULARS	YEARS								
	1	2	3	4	5	6	7	8	
DEVELOPMENT COST	140.96	-	-	-	-	-	-	-	
RECURRING COST	13.55	27.09	28.03	29.03	30.08	31.18	32.33	33.54	
TOTAL COST	154.50	27.09	28.03	29.03	30.08	31.18	32.33	33.54	
RETURNS	40.00	72.00	72.00	72.00	72.00	72.00	72.00	72.00	
NET TERMINAL CASHFLOW	(114.50)	44.91	43.97	42.97	41.92	40.82	39.67	38.46	
DISCOUNT FACTOR	25%	0.8000	0.6400	0.5120	0.4096	0.3277	0.2621	0.2097	0.1678
PRESENT WORTH	(91.60)	28.75	22.51	17.60	13.74	10.70	8.32	6.45	
NPW	16.47								
DISCOUNT FACTOR	35%	0.7407	0.5487	0.4064	0.3011	0.2230	0.1652	0.1224	0.0906
PRESENT WORTH	(84.81)	24.64	17.87	12.94	9.35	6.74	4.85	3.49	
NPW	(4.93)								
IRR	33%								

DSCR CALCULATIONS

PARTICULARS	YEARS							
	1	2	3	4	5	6	7	8
Net Cashflow	26.46	44.91	43.97	42.97	41.92	40.82	39.67	38.46
Interest + Principal Repay	0.00	31.58	26.84	25.35	23.85	22.36	21.61	19.62
Annual DSCR		1.42	1.64	1.70	1.76	1.83	1.84	1.96
Average DSCR		1.73						

REPAYMENTS

PARTICULARS	YEARS							
	1	2	3	4	5	6	7	8
Net Cash Accruals	26.46	44.91	43.97	42.97	41.92	40.82	39.67	38.46
Loan Amount - Opening Balance	-	140.81	122.69	104.57	86.45	68.32	50.20	32.08
Interest @ 11%	13.95	13.46	8.72	7.23	5.73	4.24	3.49	
Add: Disbursements	126.86	-	-	-	-	-	-	
Repayment of Interest	-	13.46	8.72	7.23	5.73	4.24	3.49	1.50
Subsidies if Any	-	-						
Repayment of Principal	-	18.12	18.12	18.12	18.12	18.12	18.12	18.12
Total Repayments	-	31.58	26.84	25.35	23.85	22.36	21.61	19.62
Loan Amount - Closing Balance	140.81	122.69	104.57	86.45	68.32	50.20	32.08	12.46

INTEREST CALCULATION CHART @11%

(Rs.in lakhs)

YEAR	Quarter	DEBIT INTEREST	REPAY INTEREST	REPAY PRINCIPLE	BALANCE OUTSTANDING
1ST YEAR					126.86
	1		-	-	126.86
	2	13.95	13.95	-	126.86
	TOTAL	13.95	13.95	-	
2ND YEAR	1	6.98	6.98	9.06	117.80
	2	6.48	6.48	9.06	108.74
	TOTAL	13.46	13.46	18.12	
3RD YEAR	1	5.98	5.98	9.06	99.68
	2	2.74	2.74	9.06	90.61
	TOTAL	8.72	8.72	18.12	
4TH YEAR	1	4.98	4.98	9.06	81.55
	2	2.24	2.24	9.06	72.49
	TOTAL	7.23	7.23	18.12	
5TH YEAR	1	3.99	3.99	9.06	63.43
	2	1.74	1.74	9.06	54.37
	TOTAL	5.73	5.73	18.12	
6TH YEAR	1	2.99	2.99	9.06	45.31
	2	1.25	1.25	9.06	36.25
	TOTAL	4.24	4.24	18.12	
7TH YEAR	1	1.99	1.99	9.06	27.18
	2	1.50	1.50	9.06	18.12
	TOTAL	3.49	3.49	18.12	
8TH YEAR	1	1.00	1.00	9.06	9.06
	2	0.50	0.50	9.06	(0.00)
	TOTAL	1.50	1.50	18.12	
TOTAL		30.90	30.90	126.86	

PROJECT REPORT ON PACK HOUSE & GRADING UNIT

Submitted By

Name

Address

Contact Details

PROJECT AT A GLANCE

▶	Name of the Promoters		-----	
▶	Nature/Constitution		Individual	
▶	Promoter's address		-----	
▶	Contact Number/s	Phone	-----	
▶	Farm Address / Project Location		-----	
	Project Site Sy.nos.	Survey No.	98 (Measuring 4 Acres 30 cents)	
▶	Existing activity		Agriculture	
▶	Proposed project		Construction of Grading & Pack House	
▶	Total cost of the Project	Rs.	5.35	Lakhs
▶	Promoter's Margin (10%)	Rs.	0.535	Lakhs
▶	Bank Loan (90%)	Rs.	481.5	Lakhs
▶	Repayment Period	7 Years with 9 months repayment holiday		
▶	Key Financial Indicators	DSCR	(Debt Service Coverage Ratio)	1.63
		BCR	(Benefit : Cost ratio)	1.07
		IRR %	(Internal Rate of Returns)	19.84
		PBP	Payback Period	6.70

PROJECT FOR GRADING AND PACKHOUSE

PROMOTER'S PROFILE:

The Project is proposed by -----aged ----- years is post graduate in MCA presently residing at -----Taluk of ----- District. She hails from agriculture family and owns around 4 acres 30 Cents of Agriculture land and have valuable experience in Agriculture and aware cultivation aspects of various vegetable crops such as Tomato, Potato, Beans, Carrot etc. With her Agriculture background and experience in Vegetable cultivation, now the promoter wants to go for cultivation of Banana in protected condition by establishment of Polyhouse in her available land at -----Village to encash the better opportunities in Banana production. For this purpose, the promoter has visited good number of polyhouses in and around ,Tamil Nadu areas wherein the farmers arecultivating various varieties of Banana . and also gathered good amount of information about Banana cultivation in Polyhouse, its marketing etc.

There are good number labours available in and around -----Village to carry out the daily farming operations, along with regular labours, promoter ----- will help her managing day to day activity. The inputs such as raw materials, labors, water source, power supply and technical guidance are readily available for the promoter and the prevailing soil and environmental conditions are also favorable for taking up of the proposed project.

The net worth of the promoters is considerably good. The total land holding of the promoters is 4 acres 30 cents and approximate value of the agricultural land is around Rs.15 lakhs per acre in that locality. Apart from agriculture land, they also own a residential house at -----village, worth around Rs.40.00 lakhs.

PROJECT DETAIL

ABOUT THE PROJECT:

The proposed project envisages construction of grading and packhouse for fruits and vegetables used in agricultural practices for production of Banana and vegetables. The total area of Polyhouse proposed is 700 Sq.ft.

PROJECT LOCATION:

The proposed project will be taken up at the survey number 98 (totally measuring 4 acres 30 cents) of agriculture land situated at -----Village -----Taluk of ----- District. Out of 4 acres 30 cents, **1000 Sft** will be allocated for establishment of polyhouse and the remaining land area for establishment of other infrastructures. The land is ----- km away from ----- and ----- km away -----District.

PROJECT COST & MEANS OF FINANCE:

The project cost involves the following Capital Costs, Investment costs & Crop cultivation expenses.

The capital & Investment costs for providing basic infrastructure facilities Power Supply & Electrification works, water supply system and Construction of one 700 square feet grading cum Packing house, purchase of equipment.

Rs.in Lakhs							
SL. No.	PARTICULARS/COMPONENTS				Total Cost	Margin 10%	Loan 90%
V	POST HARVEST INFRASTRUCTURE						
1	Grading cum Packing house	Sft.	700	700	4.90	0.49	4.41
	Sub total				4.90	0.49	4.41
VI	MACHINERY & EQUIPMENTS						
1	Grading/Packing hall equipments	LS		45000	0.45	0.045	0.405
	Sub total				0.45	0.045	0.405
	GRAND TOTAL				5.35	0.535	4.815

MEANS OF FINANCE:

The total cost of the project works out to Rs. 5.35 Lakhs and the promoter should bring in the margin of Rs. 0.535 Lakhs at not less than 10% of the total project cost. The term loan proposed from the Bank is **Rs. 4.815** Lakhs.

ITEMWISE DESCRIPTION:

I. POST HARVEST INFRASTRUCTURE:

Packing cum Grading House:

The promoter has proposed one packing cum grading house in an area of 700 Sft which is used for the grading of the harvested produce and packing the same for safe transportation, the construction cost of packing cum grading house works out to Rs. 4.90 lakhs at a unit cost of Rs.700/Sft.

II. MACHINERY & EQUIPMENTS:

The grading & packhouse activities require grading cum pack hall equipments, the total cost for Power sprayer and other farm equipments is estimated at Rs.0.45 lakhs.

FINANCIALS AND ECONOMIC VIABILITY:

The financials of the Project are shown in detail in the Annexure. The important physical and financial indicators are shown below:

Profitability details:

Rs.in Lakhs

Particulars	Years						
	I	II	III	IV	V	VI	VII
Gross revenue	1.08	2.27	2.38	2.50	2.63	2.76	2.89
Gross expenses	0.50	1.00	1.05	1.08	1.24	1.14	1.01
PB – IDT	0.58	1.27	1.33	1.42	1.38	1.62	1.88
Depreciation	0.29	0.27	0.27	0.26	0.24	0.23	0.22
PAT	-0.13	0.56	0.70	0.90	0.94	1.26	1.60
Net Cash Accruals	0.16	0.83	0.98	1.16	1.18	1.49	1.81
Total cash inflow	6.43	2.27	2.38	2.50	2.63	2.76	2.89
Total cash outflow	6.10	2.27	2.24	1.97	2.06	1.89	1.74
Net Surplus	0.33	0.00	0.14	0.54	0.56	0.87	1.15

The gross revenue and gross expenses for the first year are Rs. 1.08 Lakhs and Rs.0.58 lakhs respectively. However, the gross revenue and the recurring costs for ensuing years will vary as per above table. The profit after tax for the first year is loss of Rs.0.13 lakhs.. The cash inflow and outflow for the first year are Rs. 6.43 lakhs and Rs. 6.10 lakhs respectively with a net surplus of Rs. 0.33 lakhs. The depreciation has been worked out based on WDV method. Since the activity is agriculture, the provision for tax has not been considered.

The financial indicators of the proposed project are also found favorable. The Key financial indicators of the project are furnished here below:

DSCR	(Debt Service Coverage Ratio)	1.63
BCR	(Benefit : Cost ratio)	1.07
IRR %	(Internal Rate of Returns)	19.84
PBP	Payback Period	6.70

LOAN REPAYMENT SCHEDULE:

The loan repayment schedule is detailed in the Annexure – 11 and it shows that the loan can be cleared within 7 years with initial repayment holiday of 6 months given for completion of Polyhouse erection, civil construction, planting and cultivation of crop. The rate of interest assumed is 9% per annum. The repayment details are summarized below:

Rs.in Lakhs

Particulars	Years						
	I	II	III	IV	V	VI	VII
Principal	0.25	0.62	0.62	0.62	0.62	0.62	0.66
Interest	0.00	0.65	0.56	0.26	0.20	0.13	0.07
Total Interest	0.00	0.65	0.56	0.26	0.20	0.13	0.07
Total repayment	0.25	1.27	1.18	0.88	0.82	0.75	0.73
Year end liability	4.18	3.35	2.52	1.90	1.28	0.66	0.00

CONCLUSION:

The promoter has proposed one packing cum grading house in an area of 700 Sft which is used for the grading of the harvested produce and packing the same for safe transportation, the construction cost of packing cum grading house works.

The promoters are progressive, innovative and hard workers. They are confident of managing the proposed project efficiently and profitably. The flowers have got very good market demand especially during marriage and festival seasons for floral decorations in different parts of India

The total cost of the project works out to Rs. 5.35 Lakhs and the promoter should bring in the margin of Rs 0.535 .Lakhs at not less than 10% of the total project cost. The term loan proposed from the Bank is **Rs. 4.815** Lakhs. In view of the foregoing favorable conditions and financial indications the project is technically feasible, economically viable and financially bankable.

SL.No.	LIST OF ANNEXURE
1	PROJECT OUTLAY
2	RECURRING COSTS DURING CROP CULTIVATION
3	YIELD AND INCOME CALCULATION
4	SUMMARY OF GROSS EXPENSES
5	DEPRECIATION CALCULATION
6	COST OF INSURANCE
7	COST OF REPAIRS AND MAINTENANCE
8	PROFITABILITY / P & L ACCOUNT
9	YEARLY LOAN REPAYMENT SCHEDULE
10	CASH FLOW STATEMENT
11	DSCR STATEMENT
12	BCR AND IRR STATEMENT
13	PAYBACK PERIOD
14	PROJECTED BALANCE SHEET

PHYSICAL & FINANCIAL OUTLAY OF THE PROJECT

Rs.in Lakhs							
SL.	PARTICULARS/COMPONENTS				Total	Margin	Loan
No.					Cost	10%	90%
V	POST HARVEST INFRASTRUCTURE						
1	Grading cum Packing house	Sft.	700	700	4.90	0.49	4.41
	Sub total				4.90	0.49	4.41
VI	MACHINERY & EQUIPMENTS						
1	Grading/Packing hall equipments	LS		45000	0.45	0.045	0.405
	Sub total				0.45	0.045	0.405
	GRAND TOTAL				5.35	0.535	4.815

GRADING & PACKING HOUSE EXPENSES

Rs.in Lakhs

	Particulars	Years							
		I	II	III	IV	V	VI	VII	VIII
1	Cost of Labour	0.24	0.48	0.49	0.51	0.52	0.54	0.56	0.57
2	Cost of Power & Fuel	0.12	0.24	0.25	0.25	0.26	0.27	0.28	0.29
3	Traveling & Conveyance	0.12	0.24	0.25	0.25	0.26	0.27	0.28	0.29
	TOTAL	0.48	0.96	0.99	1.02	1.05	1.08	1.11	1.15

Note: Every year, 3% rise in expenses have been assumed.

Unit Costs assumed:

Particulars	Unit	Rate/Unit
		Rs.
Power & Fuel Cost	Rs./month	2000
Ac & Cooling Expenses	Rs./month	4000
Traveling & Conveyance	Rs./month	2000

SUMMARY OF GROSS EXPENSES

Rs.in Lakhs

Particulars	Years						
	I	II	III	IV	V	VI	VII
Recurring Costs	0.48	0.96	0.99	1.02	1.05	1.08	0.96
Cost of Insurance	0.02	0.01	0.01	0.01	0.01	0.01	0.01
Cost of repairs and Maintenance	0.00	0.03	0.05	0.05	0.18	0.04	0.04
Gross Expenses	0.50	1.00	1.05	1.08	1.24	1.14	1.01

YIELD AND INCOME CALCULATION**Assumed Unit rates**

BANANA		
Particulars		
Grading & Packouse In Sft	700	
Rent Per Month	18000	

Rs.in Lakhs

Sl.No.	Particulars	Years						
		I	II	III	IV	V	VI	VII
	Rent per Month	18000	18900	19845	20837	21879	22973	24122
	Income from Rent	1.08	2.27	2.38	2.50	2.63	2.76	2.89
	Gross Income	1.08	2.27	2.38	2.50	2.63	2.76	2.89

DEPRECIATION : W.D.V. METHOD

	Total	
Particulars	Value	Deprn.
Polyhouse & Civil structures	4.90	5%
Machinery & Equipments	0.45	10%

Depreciation Calculation

Rs.in lakhs

Particulars	Years						
	I	II	III	IV	V	VI	VII
Depn. For Polyhouse & Civil structures	0.25	0.23	0.23	0.22	0.21	0.20	0.19
Value after depreciation (WDV)	4.66	4.67	4.43	4.21	4.00	3.80	3.61
Depn. - Machinery & Equip.	0.05	0.04	0.04	0.04	0.03	0.03	0.03
Value after depreciation (WDV)	0.41	0.41	0.37	0.33	0.30	0.27	0.24
Total of Depreciation	0.29	0.27	0.27	0.26	0.24	0.23	0.22

COST OF INSURANCE

Annexure - 6

Particulars	Premium
Polyhouse & Civil structures	0.25%
Machinery & Equipments	0.75%

Rs.in lakhs

Particulars	Years						
	I	II	III	IV	V	VI	VII
Value of assets after Deprn.							
(Value at the beginning of year)							
Polyhouse & Civil structures	4.90	4.66	4.67	4.43	4.21	4.00	3.80
Insurance	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Machinery & Equipments	0.45	0.41	0.41	0.37	0.33	0.30	0.27
Insurance	0.00	0.003	0.003	0.003	0.002	0.002	0.002
Total Insurance	0.02	0.01	0.01	0.01	0.01	0.01	0.01

Annexure - 7

COST OF REPAIRS AND MAINTENANCE

Rs.in lakhs

Particulars	Years						
	I	II	III	IV	V	VI	VII
Value of assets							
Polyhouse & Civil structures	4.90	4.66	4.67	4.43	4.21	4.00	3.80
Machinery & Equipments	0.45	0.41	0.41	0.37	0.33	0.30	0.27
Total Value	5.35	5.06	5.08	4.80	4.54	4.30	4.07
Repairs & Maint.%	0.00%	0.50%	1.00%	1.00%	4.00%	1.00%	1.00%
Cost of Repairs & Maint.	0.00	0.03	0.05	0.05	0.18	0.04	0.04

Note: After 4th year, the cost of polyfilm replacement is also considered

PROFIT AND LOSS ACCOUNT - PROFITABILITY DETAILS

Rs.in Lakhs

Particulars	For the Year ending March						
	I	II	III	IV	V	VI	VII
Gross revenue	1.08	2.27	2.38	2.50	2.63	2.76	2.89
Gross expenses	0.50	1.00	1.05	1.08	1.24	1.14	1.01
PB - IDT	0.58	1.27	1.33	1.42	1.38	1.62	1.88
Depreciation	0.29	0.27	0.27	0.26	0.24	0.23	0.22
Interest Debit							
Term Loan Interest	0.42	0.44	0.35	0.26	0.20	0.13	0.07
WC Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Interest	0.42	0.44	0.35	0.26	0.20	0.13	0.07
Total (Int + Deprn.)	0.71	0.71	0.63	0.52	0.44	0.36	0.29
PBT	-0.13	0.56	0.70	0.90	0.94	1.26	1.60
Provision for Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PAT	-0.13	0.56	0.70	0.90	0.94	1.26	1.60
Net Cash Accruals	0.16	0.83	0.98	1.16	1.18	1.49	1.81

P & L Appropriation account

Opening Balance	0.00	-0.13	0.43	1.13	2.03	2.96	4.22
Profit / Loss	-0.13	0.56	0.70	0.90	0.94	1.26	1.60
Closing Balance	-0.13	0.43	1.13	2.03	2.96	4.22	5.82

YEARLY REPAYMENT SCHEDULE

Annexure 9

Rate of Interest for Term Loan assumed:	9%	P.A.
Total repayment period considered	7.00	Years
Initial Repayment Holiday Period	6	Months

Rs.in Lakhs

Particulars	Years						
	I	II	III	IV	V	VI	VII
Term Loan disbursement	4.01						
Opening balance	4.01	4.18	3.35	2.52	1.90	1.28	0.66
TL Interest debit	0.42	0.44	0.35	0.26	0.20	0.13	0.07
Total Balance	4.43	4.62	3.71	2.79	2.10	1.42	0.73
Surplus available for repayment	0.58	1.27	1.33	1.42	1.38	1.62	1.88
Repayment							
Principle - TL	0.25	0.62	0.62	0.62	0.62	0.62	0.66
Payment of Interest debit	0.00	0.44	0.35	0.26	0.20	0.13	0.07
Interest Deffered	0.42						
Deffered Interest Payment	0.00	0.21	0.21				
Total Interest payment	0.00	0.65	0.56	0.26	0.20	0.13	0.07
Total repayment (P + Int.)	0.25	1.27	1.18	0.88	0.82	0.75	0.73
Surplus after loan repayment	0.33	0.00	0.14	0.54	0.56	0.87	1.15
Year end liability	4.18	3.35	2.52	1.90	1.28	0.66	0.00

**Total
4.01**

PROJECTED CASH FLOW STATEMENT

Rs.in Lakhs

Particulars	Years						
	I	II	III	IV	V	VI	VII
<u>Cash Inflow</u>							
Bank Loan - TL	4.01						
Promoter's Contribution	1.34						
Revenue	1.08	2.27	2.38	2.50	2.63	2.76	2.89
Total Inflow	6.43	2.27	2.38	2.50	2.63	2.76	2.89
<u>Cash Outflow</u>							
Capital Cost investment	5.35						
Recurring Cost	0.50	1.00	1.05	1.08	1.24	1.14	1.01
<u>Loan Repayment</u>							
Term Loan (int.+ installment)	0.25	1.27	1.18	0.88	0.82	0.75	0.73
WC interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Outflow	6.10	2.27	2.24	1.97	2.06	1.89	1.74
SURPLUS	0.33	0.00	0.14	0.54	0.56	0.87	1.15

DSCR CALCULATION

Rs.in Lakhs

Particulars	Years						
	I	II	III	IV	V	VI	VII
Profit After Tax	-0.13	0.56	0.70	0.90	0.94	1.26	1.60
Interest on term loan	0.42	0.44	0.35	0.26	0.20	0.13	0.07
Depreciation	0.29	0.27	0.27	0.26	0.24	0.23	0.22
Total	0.58	1.27	1.33	1.42	1.38	1.62	1.88
Interest on Term loan	0.42	0.44	0.35	0.26	0.20	0.13	0.07
TL Installments	0.25	0.62	0.62	0.62	0.62	0.62	0.66
Total repayment	0.67	1.06	0.97	0.88	0.82	0.75	0.73
D.S.C.R	0.87	1.20	1.37	1.60	1.69	2.15	2.57
Average DSCR	1.63						

INTERNAL RATE OF RETURN (IRR)

Rs.in Lakhs

Particulars	Years						
	I	II	III	IV	V	VI	VII
Development cost	5.35						
Production cost	0.50	1.00	1.05	1.08	1.24	1.14	1.01
Total cost	5.85	1.00	1.05	1.08	1.24	1.14	1.01
Total Benefit	1.08	2.27	2.38	2.50	2.63	2.76	2.89
Net Benefit	-4.77	1.27	1.33	1.42	1.38	1.62	1.88
DF @ 15%	0.87	0.76	0.66	0.57	0.50	0.43	0.38
Discounted Cost	5.08	0.76	0.69	0.62	0.62	0.49	0.38
Discounted benefit	0.94	1.71	1.57	1.43	1.31	1.19	1.09
PWC	8.64						
PWB	9.23						
NPW @ 15%	0.59						
BCR	1.07						
DF @ 20%	0.83	0.69	0.58	0.48	0.40	0.33	0.28
Present Worth	-3.97	0.88	0.77	0.68	0.56	0.54	0.53
<u>NPW@20%</u>	-0.01						
DF @ 25%	0.80	0.64	0.51	0.41	0.33	0.26	0.21
Present Worth	-3.81	0.81	0.68	0.58	0.45	0.42	0.39
<u>NPW@25%</u>	-0.47						
IRR (%)	19.84						

PAY BACK PERIOD

Rs.in Lakhs

Particulars	Years						
	I	II	III	IV	V	VI	VII
Capital Investment	5.35					5.35	
Net Surplus	0.16	0.83	0.98	1.16	1.18	1.49	1.81
Cumulative Surplus	0.16	0.99	1.97	3.12	4.30	5.79	7.60
Payback Period	6.70						
D.F @ 15%	0.87	0.76	0.66	0.57	0.50	0.43	0.38
Net surplus @ 15% D.F.	0.14	0.63	0.64	0.66	0.59	0.64	0.68
							5.35
Cumulative Surplus @ 15% D.F.	0.14	0.77	1.41	2.07	2.66	3.30	3.98
Payback Period @ 15% D.F.	7.51						

PROJECTED BALANCE SHEET

Rs.in Lakhs

	Particulars	For the Year ending March						
		I	II	III	IV	V	VI	VII
I	Liabilities and Equity							
1	Capital (Promoters share)	1.34	1.34	1.34	1.34	1.34	1.34	1.34
2	Reserves & Surplus	-0.13	0.43	1.13	2.03	2.96	4.22	5.82
3	Non - Current Liabilities							
	Long term borrowings:							
a	Term Loan Liability	4.18	3.35	2.52	1.90	1.28	0.66	0.00
b	Other long term borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Current Liabilities							
a	Working Capital Liability	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B	TL installments repayable	0.25	0.62	0.62	0.62	0.62	0.62	0.66
	within one year							
C	Other short term borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	5.64	5.74	5.61	5.89	6.20	6.84	7.82
II	Assets							
1	Fixed Assets							
a	Civil structures & Buildings	4.90	4.66	4.67	4.43	4.21	4.00	3.80
b	Machinery & Equipments	0.45	0.41	0.41	0.37	0.33	0.30	0.27
2	Gross Block	5.35	5.06	4.79	4.51	4.25	4.01	3.78
3	Less Depreciation	0.29	0.27	0.27	0.26	0.24	0.23	0.22
4	Net Block	5.06	4.79	4.51	4.25	4.01	3.78	3.56
5	Current assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	P & L A/c deficit, if any	-0.13	0.00	0.00	0.00	0.00	0.00	0.00
7	Cash & Bank Balance	0.71	0.95	1.10	1.63	2.19	3.06	4.25
	Total	5.64	5.74	5.61	5.89	6.20	6.84	7.82

PROJECT REPORT Of *RICE MILL*



Address :
Contact Person :

PROJECT IN BRIEF

Name of the Company	:																					
Factory Address	:																					
Registered Address	:																					
Constitution	:																					
Partners	:	<table border="1"> <thead> <tr> <th>Name Of Partners</th> <th>Relationship</th> <th>% Holding</th> <th>Net Worth in Lac</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Name Of Partners	Relationship	% Holding	Net Worth in Lac													Total			
Name Of Partners	Relationship	% Holding	Net Worth in Lac																			
Total																						
Date of incorporation	:																					
Capacity	:	5 MT / hrs																				
Proposed Activity	:	Applicant firm is engaged in processing of raw paddy into final paddy.																				
Present Proposal	:	<ul style="list-style-type: none"> • Term Loan of Rs. 80.00 lacs for set up of Manufacturing Plant & Purchase of P&M. • Cash Credit of Rs19.00 lacs for working capital 																				
Security Offered Primary	:	<ul style="list-style-type: none"> • Term Loan: Charge on entire machineries and equipment's to be purchased out of bank term loan. • Cash Credit: Charge on entire current assets of the Company 																				
Collateral security	:	N.A. Factory land and building located at----- -----having market value of land Rs 150 lacs.																				

PROFILE OF THE COMPANY

M/s -----Rice Mill is been promoted by -----has been established since -----having its registered office & factory at------(Address). The company proposes to manufacture & processing of raw paddy in final rice.

Factory shed is built with 3000 sq.ft. area and is ready to install machineries.

PROPOSED ACTIVITY IN DETAIL

The company proposes to manufacture & Processing of Rice and other allied and by products.

Allied products details are as under:

1) RICE HUSK :-

Rice husk constitutes the largest by-product of rice milling and one fifth of the paddy by weight consists of rice husk. Rice husk has a considerable fuel value for a variety of possible industrial uses. Hence, the major use of husk at the moment is as boiler fuel, wherever parboiling is practiced. Rice husk is tough because of its silica-cellulose content. The silica content in husk is the highest among plant offal. It contains 15 to 18 percent silica, therefore, it is a potent source of silica for the manufacture of silicates or in glass manufacture. Also pulverized husk is available wherever paddy is parboiled and it is mixed with other mill fractions as cattle feed. Pulverized husk has a low feed value and it has a low protein content. It contains more than 30% crude fiber. If nitrogen content in pulverized husk is increased by blending with other nitrogen rich feeds and fiber content is brought down to around 10 per cent, pulverized husk can be used as cattle feed on large scale.

2) RICE BRAN :-

Rice bran is the most valuable by-product of the rice milling industry. It is obtained from the outer layers of the brown rice during milling. Rice bran consists of pericarp, aleuronic layer, germ and a part of endosperm. Rice bran obtained during milling amounts to 4 to 9 per cent of the weight of paddy milled. True bran amounts to 4 to 5 per cent only and rest is polishing of inner bran layers and portion of the starchy endosperm.

Rice bran can be classified into three groups -

1. Full fatted raw bran (i.e. raw bran) obtained from milling of raw paddy
2. Full fatted parboiled bran (i.e., parboiled bran) obtained from milling of parboiled paddy

3. De-fatted/De-Oiled bran obtained after extraction of oil from either raw or parboiled bran.

Rice bran can be utilized in various ways. It is a potential source of vegetable oil. Refined oil can be a supplementary source of edible oil. Raw rice bran contains 12-18% oil, whereas parboiled bran contains 20-28% oil. The de-oiled bran contains about 1 to 3 percent oil only. Rice bran also contains high fat and protein. It also contains vitamins, minerals and many other useful chemicals. Because of its nutritional value, it is being used as feed for poultry and livestock. Defatted/de-oiled bran contains higher percentage of protein (17-20%) vitamins (A and E) and minerals than full fatted bran obtained from raw and parboiled paddy. In fact, full fatted bran is an excellent ingredient for both food and feed.

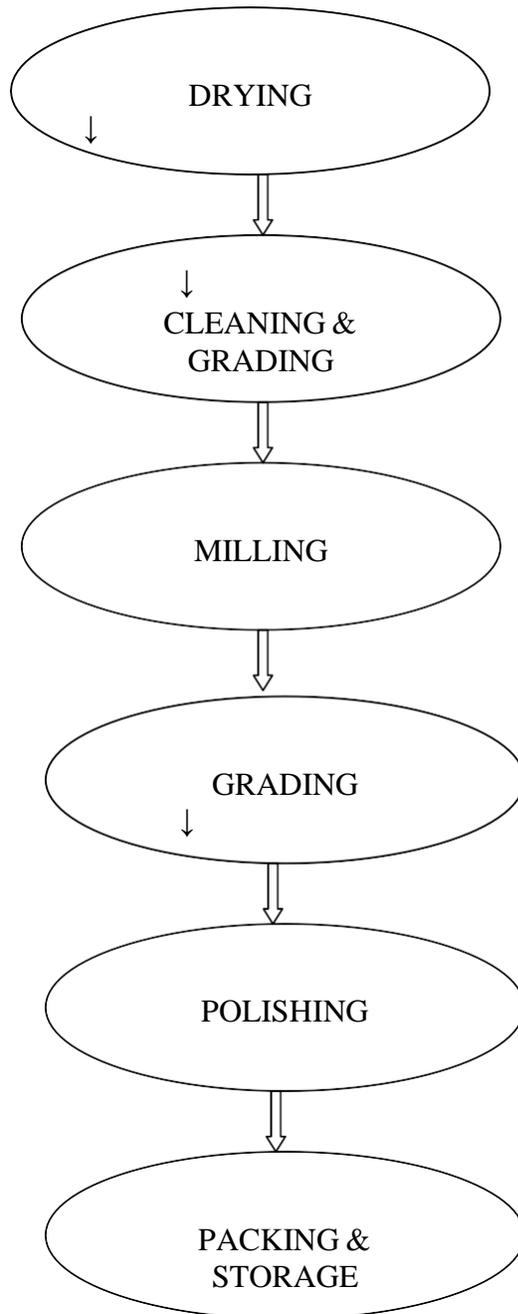
Crude bran oil contains high free fatty acids (FFA) and is used for manufacture of soap and fatty acids. Crude oil of high FFA is refined and produced of low FFA content (about 5%) for edible purpose. Tocopherol and waxes of high melting points are the by-products of the bran oil refining industry, which are suitable for various industrial uses.

3) BROKEN RICE :-

Broken rice is another by-product of rice milling industry. From the nutritional point of view, broken rice is as good as whole rice itself. Broken rice has low economic value as compared to whole rice. Generally, broken rice is of poor quality due to admixture with grit, stones and clay particles. Therefore, broken rice is used either as a part of animal feed or partially in the diet of poor people. If the quality of broken rice is improved by cleaning the paddy properly before milling, it can be utilized and marketed straightway for preparation of Idli, Dosa and other such preparation in which rice flour or wet-ground rice paste is needed.

Manufacturing process:

The following is the flow chart for processing of paddy :-



1) DRYING :-

After harvest, the paddy is dried to reduce its moisture content up to 14 percent. Drying can be done either in the shade or by means of mechanical drier in which forcing heated or unheated air through the paddy in a bin or a thin moving stream is used.

2) CLEANING :-

The impurities remaining in the grains like pieces of stones, dust, lumps of mud are removed by winnowing.

3) PARBOILING :-

Parboiling means soaking paddy in water for a short time followed by heating once or twice in steam and drying before milling. It reduces breakage in milling, improves storage life and helps in the preservation of protein and vitamins in the rice.

4) MILLING :-

Milling means removal of husk from the rice grain. Milling is done to remove the husk and retain a specified percent of bran from the seeds. Rice milling includes i) Handpounding, ii) Raw milling and iii) Parboiled rice milling. Handpounding involves pounding of paddy with hand stone or poles or pestle and mortar whereas other milling is performed through huller mills, Sheller mills, rubber roller mills etc.

5) POLISHING :-

The rice is polished to remove the bran from the rice. It is also called as 'whitening' or 'pearling' or 'scouring'.

6) SORTING :-

It means separation of rice kernels according to size i.e. head rice, broken rice, etc. For sorting, photo electric censor/camera help in colour sorting of rice kernels. It was introduced in Indian rice mills during 1994-95 in the Basmati segment. The combination of electronic and pneumatic function –a system developed; to sort out the black, brown and yellow rice from white (good) rice. This sorting process is carried out in rice mills for almost all types of rice.

ABOUT FIRM AND CURRENT STATUS

The rice processing unit is being installed by M/s. ----- Rice Mill, a Partnership Firm, is located at-----.

Currently factory construction is completed. P&M is been procured and installed in the factory. Actual production is commenced from ----- . All expenses is been made through own sourced and credit availed from vendors.

Photographs of the factory and ongoing productions are as under:



ABOUT PROMOTERS

Brief details about the Partners are as under :-

Name & details

----- is ----- by qualification & having the wide experience in this line of business from ancient business of his father. He is having social contacts which will have an additional edge over the others & will be helpful for the project to get the required raw material from around the area. He is managing said business and holding 30% shareholding.

Name & details

----- graduate in Art & having the wide social contacts which will have an additional edge over the others & will be helpful for the project to get the required raw material from around the area. She is 70% shareholder in the said partnership firm. She is also Teacher by profession.

AVAIABILITY OF RAW MATERIAL

Rice business in ----- is developing as the ----- district and nearby area of Tamil Nadu & Andrapradesh area is mainly rice growing area. It has distinct advantage if availability of raw material throughout the year. Further the place has all infrastructural facilities such as man power, transport and market, electricity etc. Therefore, it is successful business activity.

The economics of rice milling industries is largely dependent on the useful commercial utilization of its by-products. **Husk, Bran** and **Broken Rice** are the by-products of the rice milling industries. These by-products can be used in better and profitable manner both for industrial and feed purposes.

MANPOWER ARRANGEMENTS

The said activity does not require highly skilled labor. The total required no of personnel is maximum 21, i.e. 4 managerial staff, 1 Plant Manager, 15 skilled workers & unskilled labours.

The labour is easily available from surrounding area, due to village side location of the project. The labour is available here is on day basis and per day cost is Rs. 500 per labour. So the cost of labour will be minimum.

PROJECT IMPLEMENTATION

Sr. No	Particulars	Present Status
1	Legal Formalities	Completed
2	Site Selection & Procurement	Completed
3	Civil Work	December 2020
4	Machineries Installation	February 2021
5	Trial Production	February 2021
6	Commercial Production	March 2021

Other Costs assumptions:

The expenses like electricity expenses, salary, insurance, other general overheads etc, are assumed on monthly basis.

The rent for office is taken on basis of suitable premises as regards area & location, available in the market.

The marketing and brand building is assumed on business plan forested.

Cost of utilities:

Costs of utilities are considered as per prevailing market trends. Rate of power and fuel, Lubricants, water etc have been considered on per cent basis of sales.

Depreciation:

Depreciation has been calculated on WDV method and standard rates have been considered for the purpose of projections.

REQUIREMENTS TO COMMENCE BUSINESS

Firm has obtained all necessary permission from competitive authority such as -----,----- permission for plot and other amenities etc.

APPROVALS & LICENSES

No.	Approvals required	Authority to accord approval	Present status
1			
2			

Other necessary approval is under process and shall be obtained before commencement of production.

EXISTING BANKING ARRANGEMENTS

The company has not approached any bank or investor till date for the financing purpose.

PRESENT PROPOSAL

The company proposes to following facilities for their upcoming manufacturing Plant.

Term Loan : Rs. 80.00 Lacs
Tenure of term loan proposed : 7 years
Cash Credit : Rs 19 lacs

MARKET SCENARIO**Processing:-**

Rice Milling is an important activity in rural areas both for self-sustenance as well as source of subsidiary income to small farmers & agricultural laborers. The bye product i.e. rice-husk can be also used for producing rice-bran oil if the volume is large as well as for domestic fuel. Rice Milling can be also undertaken on commercial basis for producing rice from paddy & sell it on a profit.

Market Potential:-

Eastern Region rural side is dependent on agriculture to a large extent and paddy crop is one of the chief farm produce in this area. The number of marginal, small farmers & agricultural laborers is very large in the area, and their quantity of production is very small. Therefore, most of them are dependent on small millers in the neighborhood for converting their paddy into rice. Apart from this, the miller can also procure paddy from, the market & sell the rice at a profit on commercial basis.

SWOT ANALYSIS**STRENGTHS**

- Existing business experience
- Availability of raw materials at local level at cheaper prices this will help the unit in many aspects
- Availability of labour at cheaper rate is strength of the unit
- High IRR & NPV
- Goods net worth
- Security offered is more than 2x

WEAKNESSES

- *Capital intensive business*
- Power supply problems through state board
- Price Competition amongst retail players

OPPORTUNITIES

- A) As already discussed in strength there is huge opportunities to develop as raw material and labor, electricity are available cheaply.
- B) Govt. subsidy - Now-a-days Govt. of India & Govt. of Maharashtra are encouraging Industries (Small & medium scale) by way of giving huge amount of subsidy to the Industries which can be utilized for expansion and development of Industry.
- C) Fortunately the land of the partner is situated in the Rice growing belt so they need not put in procuring land this is also an opportunity.
- D) Present scenario is tailor made situation for setting up an industry.

THREAT

- Major threats forth Rice Industries is competition.
- Second main threats to the Industry is paddy growing is totally depend on monsoon, there will be shortage of rain fall once in every 4-5 years this may affect the profitability of the industry.
- Last and most important threat to the industry is availability of liquid funds. As everybody knows Rice is seasonal product so one has to procure paddy in the season itself otherwise they will have to face shortage of raw material as we as rate factor also.

FINANCIALS OF PROJECT

PRESENT PROJECT

The promoters have already identified place for commencing business activity. Land has been procured & plot development work has been done. Also all vendors have selected for purchase of machineries, electrical works, building construction etc. Till date they have incurred amount of Rs 27.60 lacs as against their total own contribution of Rs. 48.55 lacs.

Currently factory construction is completed. P&M is been procured and installed in the factory. Actual production is commenced from January 2020. All expenses is been made through own sourced and credit availed from vendors.

Current status of factory shed is as under:



The following cost has been incurred till date towards the project.

S.No.	Details	Amount
1	Land and Land Developments	0.00
2	Factory Civil Work	38.09
3	Plant & Machinery-Mill	71.06
4	Electrical Installation	15.66
5	Preliminary expenses/ Pre operative	3.74
6	Working capital Margin	10.00
	Total	138.55

MEANS OF FINANCE

The means of finance is as per following table

Details	Amount
Share capital/Own Contribution	58.55
Term Loan	80.00
Total	138.55

Detailed Financials are as per CMA enclosed.

SECURITY OFFERED

Primary Security: -

For Term Loan:

Charge on entire machineries and equipment's to be purchased out of bank term loan having value worth Rs. 116.03 lacs.

For CC/OD:

Charge on entire current assets of the company by way of hypothecation, having value worth Rs. 72 lacs.

Collateral securities:

N.A. Factory land and building located at S. No. 199, Sakhar , AL. Vella, Dist. Pune 412213 having market value of land Rs 150 lacs.

DEBT SERVICE COVERAGE RATIO

The DSCR for the proposed project is calculated by following manner

DETAILS	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Net Profit	0.82	8.41	11.12	13.31	17.28	20.99
(+) Interest	0.83	9.13	7.72	6.31	4.89	3.48
(+) Depreciation	2.04	15.79	13.68	11.87	10.30	8.95
TOTAL A	3.68	33.33	32.52	31.48	32.47	33.41
Interest	0.83	9.13	7.72	6.31	4.89	3.48
(+) Principal Repayments	0.00	12.86	12.86	12.86	12.86	12.86
TOTAL B	0.83	21.99	20.58	19.16	17.75	16.33
DSCR (A/B)	4.46	1.52	1.58	1.64	1.83	2.05
AVERAGE DSCR	2.23					

The DSCR works out to be 2.23x which is sufficient to take care of proposed debts.

The ISCR for the proposed project is calculated by following manner

INTEREST SERVICE COVERAGE RATIO						
DETAILS	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Net Profit	0.82	8.41	11.12	13.31	17.28	20.99
(+) Interest	2.81	13.09	11.68	10.27	8.85	7.44
TOTAL A	3.62	21.51	22.80	23.58	26.13	28.42
Interest	2.81	13.09	11.68	10.27	8.85	7.44
TOTAL B	2.81	13.09	11.68	10.27	8.85	7.44
ISCR (A/B)	1.29	1.64	1.95	2.30	2.95	3.82
AVERAGE ISCR	2.71					

Average ISCR is 2.71x which is comfortable and reflect high interest repaying capacity. For the purpose of calculation of ISCR Interest on Term Loan have been considered.

Break Even point:

Break Even Analysis						Rs in lacs	
Break Even Point		20-21	21-22	22-23	23-24	24-25	25-26
Net Income (A)		10.95	215.43	240.29	264.32	290.75	319.83
Variable Costs	-						
Raw material consumed		1.95	26.06	28.69	29.84	31.04	32.28
Changes in Inventory		0.00	0.00	0.00	0.00	0.00	0.00
Other manufacturing expenses	-						
Consumables	75%	0.00	0.00	0.00	0.00	0.00	0.00
Repairs & maintenance	0%	0.00	0.00	0.00	0.00	0.00	0.00
Power and Fuel Charges	75%	0.34	1.35	1.49	1.63	1.88	2.07
Direct labour (Factory Wages & Salary)	75%	0.89	30.64	33.65	36.97	40.61	44.62
Other manufacturing exps. (carriage inward, octroi insurance, packing expenses etc)	60%	0.44	55.29	56.40	64.86	72.64	81.35
Admn. & Selling Exp.	75%	0.79	19.13	21.99	25.29	29.09	33.45
Interest on WC	100%	1.98	3.96	3.96	3.96	3.96	3.96
Total variable costs (B)	-	6.39	136.42	146.18	162.55	179.21	197.73
Contribution (A - B)	-	4.56	79.02	94.11	101.77	111.54	122.10
Profit Volume Ratio (PVR)	-	41.67%	36.68%	39.16%	38.50%	38.36%	38.18%
Fixed Costs	-						
Consumables	25%	0.00	0.00	0.00	0.00	0.00	0.00
Repairs & maintenance	100%	0.46	3.69	3.87	4.07	4.27	4.48
Power and Fuel Charges	25%	0.11	0.45	0.50	0.54	0.63	0.69
Direct labour (Factory Wages & Salary)	25%	0.30	10.21	11.22	12.32	13.54	14.87
Other manufacturing exps.	40%	0.30	36.86	37.60	43.24	48.43	54.24
25% of Admn. & Selling Exp.	25%	0.26	6.38	7.33	8.43	9.70	11.15
Interest on term loan		0.83	9.13	7.72	6.31	4.89	3.48
Interest on WC	0%	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation and other non cash items		2.04	15.79	13.68	11.87	10.30	8.95
Total fixed costs (c)	-	4.29	82.51	81.92	86.77	91.75	97.86
Sales Break Even (Rs. In Lacs)		10.95	215.43	240.29	264.32	290.75	319.83
Sales Break Even Point		39.19%	38.30%	34.09%	32.83%	31.55%	30.60%

The proposed breakeven point works out at 39.19%, the company will not face cash crunch due to cash profits and heavy equity invested till date and low debt levels for projected years. From the inception of the operation the company will enjoy profits due to low debt burden.

Financial Snapshots:**Profit & Loss statement:****Rs in lacs**

Operating Year	20-21	21-22	22-23	23-24	24-25	25-26
Sales	10.95	215.43	240.29	264.32	290.75	319.83
- Sale of goods	10.95	51.18	59.62	65.58	72.13	79.35
Other Sales	0.00	164.25	180.68	198.74	218.62	240.48
Changes in Inventory	0.75	14.01	1.70	1.65	1.81	1.99
Raw materials & consumables	1.95	26.06	28.69	29.84	31.04	32.28
Other manufacturing expenses	2.84	138.49	144.72	163.63	181.99	202.32
Selling & Admin expenses	1.05	25.50	29.33	33.72	38.78	44.60
EBITDA	5.86	39.40	39.26	38.77	40.75	42.62
Depreciation	2.04	15.79	13.68	11.87	10.30	8.95
EBIT	3.83	23.61	25.58	26.90	30.45	33.67
Interest on term loan	2.81	13.09	11.68	10.27	8.85	7.44
PBT	1.02	10.52	13.90	16.64	21.60	26.23
(-) Provision for tax	0.20	2.10	2.78	3.33	4.32	5.25
PAT	0.82	8.41	11.12	13.31	17.28	20.99

The above table reflects projected financial health of the company. The company will enjoy profit first year of operation. EBDITDA of the company is as per industry whereas PAT margins are high due to substantially low debts.

Balance Sheet:**Rs in lacs**

Operating Year	20-21	21-22	22-23	23-24	24-25	25-26
Liabilities						
Net Worth						
Share Capital	48.55	49.37	53.58	64.69	78.01	95.29
Surplus (+) OR Deficit (-) in P & L A/C	0.82	4.21	11.12	13.31	17.28	20.99
Net Worth	49.37	53.58	64.69	78.01	95.29	116.28
Term Liabilities						
Term loan	90.00	77.14	64.29	51.43	38.57	25.71
Unsecured loan	0.00	0.00	0.00	0.00	0.00	0.00
Working Capital	40.00	40.00	40.00	40.00	40.00	40.00
Current Liabilities						
Sundry Creditors	0.16	2.17	2.39	2.49	2.59	2.69
Other current Liabilities and Provisions	0.20	14.96	15.64	16.19	17.18	18.10
Total Liabilities	179.74	187.85	187.01	188.11	193.62	202.78
Assets						
Net Block	122.77	106.99	93.31	81.44	71.14	62.20
Noncurrent Assets	0.00	0.00	10.00	10.00	15.00	20.00
Investments	0.00	0.00	0.00	0.00	0.00	0.00
Current Assets						
Debtors	0.90	17.71	19.75	21.72	23.90	26.29
Inventories	0.75	14.76	16.46	18.10	19.91	21.91
Other current assets	54.78	47.87	46.96	56.30	63.14	71.86
Intangible assets	0.53	0.53	0.53	0.53	0.53	0.53
Total Assets	179.74	187.85	187.01	188.11	193.62	202.78

The net worth of the firm is showing increasing trend. The equity invested in the firm is substantially high. Paid up capital would increase upto authorized capital on account of margin money contribution for set up of rice processing unit.

Key Ratios:

KEY RATIOS	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Tangible Net Worth	48.84	53.04	64.16	77.47	94.75	115.74
% age Increase	0.00	8.61	20.96	20.75	22.31	22.15
GP Margin	44.54%	22.80%	22.85%	22.94%	23.81%	24.47%
PAT Margin	7.47%	3.91%	4.63%	5.04%	5.94%	6.56%
D:E Ratio	1.82	1.44	0.99	0.66	0.40	0.22
Net Working Capital	16.06	23.20	25.14	37.46	47.18	59.26
Current Ratio	1.40	1.41	1.43	1.64	1.79	1.97
TOL/TNW (Including Quasi Equity)	2.67	2.53	1.91	1.42	1.04	0.75
Asset Coverage Ratio	1.36	1.38	1.44	1.57	1.83	2.40
Asset Turnover Ratio	0.09	0.48	0.64	0.81	1.01	1.28
Stock velocity in days	25	25	25	25	25	25
Debtors velocity in days	30	30	30	30	30	30
Creditor velocity in days	30	30	30	30	30	30
WACC	9.43%					
NAV	46.09					

The above table shows important ratios such as Debt Equity, Current Ratio, TOL/TNW, Asset Coverage, Asset Turnover etc. all the ratios are satisfactory and above desired level.

NPV Calculation:

NPV	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Outflow						
Inc/Dec in Gross block	124.81					
Inc/dec in NWC	16.06	7.14	1.94	12.32	9.72	12.08
Total	140.87	7.14	1.94	12.32	9.72	12.08
Inflow						
PAT	0.82	8.41	11.12	13.31	17.28	20.99
Int. on TL	0.83	9.13	7.72	6.31	4.89	3.48
Depreciation	2.04	15.79	13.68	11.87	10.30	8.95
WC devolvement						
Residual Value of FA						
Total	3.68	33.33	32.52	31.48	32.47	33.41
Net Inflow	-137.19	26.20	30.58	19.16	22.75	21.33
WACC	17.14%					
NPV	124.81					

IRR Calculation:

IRR						
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Outflow						
Inc/Dec in Gross block	124.81					
Inc/dec in NWC	16.06	7.14	1.94	12.32	9.72	12.08
Total	140.87	7.14	1.94	12.32	9.72	12.08
Inflow						
PAT	0.82	8.41	11.12	13.31	17.28	20.99
Int. on TL	0.83	9.13	7.72	6.31	4.89	3.48
Depreciation	2.04	15.79	13.68	11.87	10.30	8.95
WC devolvement						
Residual Value of FA						
Total	3.68	33.33	32.52	31.48	32.47	33.41
Net Inflow	-137.19	26.20	30.58	19.16	22.75	21.33
IRR	9.43%					