# *Detailed Project Report*

## *on*

## *Agro Service Center (Combine Harvester based)*

**Under MKUY**

**Name of the Entrepreneur/Entity:**

**Address:**

# Contents

## 1. Project Summary

| | | |
|---|---|---|
| 1 | Name of the Enterprise<br>(as per the Illustrative List of Enterprises) | Agro-service Center |
| 2 | Sector<br>(as per the Illustrative List of Enterprises) | Agriculture |
| 3 | Project Capacity[1] | 7 machines/equipment's |
| 4 | Project location<br>(Village/Ward, Gram Pranchayat/Municipality, Block, District | |
| 5 | Key components of the project<br>(Example: Dairy, Vermicomposting, Biogas, Apiary, Solar Lighting) | Machineries, Equipment's, Services |
| 6 | Products/Output from the project | Rental machinery services |
| 7 | Total Project Cost | Rs.52,94,400 |
| 8 | Fixed Capital Cost | Rs.52,38,400 |
| 9 | Working/Recurring capital | Rs. 56,000 |
| 10 | Bank Finance/ Self Finance | Bank |
| 11 | Bank Loan Amount | Rs.42,35,520 |
| 12 | Promoter Contribution (min 10% in case of bank loan) | Rs.10,58,880 |
| 13 | Bank details: Name of the Bank, Branch, IFSC Code | |
| 14 | Assumed Interest Rate of Interest | Under AIF (11-3) % = 8% |
| 15 | Subsidy Eligibility (40%, 50%) | |
| 16 | Repayment Terms<br>(Tenure, Moratorium, Frequency, Mode of Repayment: equal principal/equal instalment) | Monthly equated instalments for 7 years |
| 17 | Key Financial Indicators:<br>1. Average Annual Net Profit<br>2. Debt Service Coverage Ratio (DSCR)<br>3. Internal Rate of Return<br>Break Even Year | <br>Rs. 17,85,822<br>2.51<br>34.15%<br>2 Years and 9 Months |
| 18 | Estimated employment to be generated (nos.) | 4 |

**Note: The price of the machinery / implements / equipment, custom hiring rate, bank interest etc quoted in the DPR is indicative. Final CIS will be calculated as per the laid down principles in the MKUY guideline.**

[1] Capacity can be in terms of area or quantity

## 2. Project Profile

### 2.1 Entrepreneur/EntityProfile

| | | |
|---|---|---|
| 1 | Name of the Entrepreneur/Entity | |
| 2 | Legal status (Individual/ Group/ FPO/ FPC/ Proprietorship/ Partnership firm/ Company/ Cooperative/ Federation/ Society/ Trust) | |
| 3 | Name of Representative[2] in Ease of entity | |
| 4 | Gender (Male/ Female/ Third Gender/ Not Applicable) | |
| 5 | Date of Birth of Individual/Representative of Entity | |
| 6 | Date of Incorporation/Registration of Entity | |
| 7 | Category opted for (Women/ ST/ SC/ Differently Abled/ Third gender/ Agri & Allied Graduate) | |
| 8 | Educational Qualification of Individual/Representative of Entity | |
| 9 | Passport size photograph of the Individual/ Representative of entity | |
| 10 | Local Address for Correspondence of the Individual/ Representative of entity | |
| 11 | Registered Address of Entity | |
| 12 | Main Office/Branch Address of Entity | |
| 13 | Phone no. of Individual/Representative of Entity | |
| 14 | Email Id of Individual/Representative of Entity | |
| 15 | AADHAR No. of Individual/Representative | |
| 16 | PAN of Individual/Representative of Entity, if available | |
| | Farmer Id of Individual, if available | |
| 17 | Registration No./ CIN of the Entity[3] | |
| 20 | PAN/TAN of Entity | |
| 21 | GSTIN of Entity, if available | |
| 22 | Details of experience and exposure relevant to the proposed enterprise/project (family business, work experience, e-learning/certificate courses, trainings undertaken etc.) | |

[2] Representative should be authorized by the board/governing body of the entity.

[3] Registration document:
Groups (SHG/PG/: FPO: , Proprietorship firm: Registration Certificate under Shops & Establishment Act, Partnership firm: Registration Certificate from IGR of state, Company (Pvt. Ltd., Public Ltd., LLP, OPC, FPC): Certification of Incorporation, Cooperative/Federation: Certificate of Registration from Registrar of Cooperative Societies, Society/Trust: Darpan Unique Id

## 2.2. Project Consultant Details

DPR prepared by:

Please provide further details of the consultant:

## 2.3.Concept and Scope of the Project

**Background**

Indian agriculture is undergoing a gradual shift from dependence on human power and animal power to mechanical power because increasing cost for upkeep of animal and growing scarcity of human labour. Further, use of mechanical power has a direct bearing on the productivity of crops apart from reducing the drudgery and facilitating timeliness of agricultural operations. Most of the farmers has no plenty of resource to purchase high-cost agricultural machineries/implements. Thus, there is a strong need for taking up Agro-Service Centers (ASC) a custom hiring centre of agricultural machineries/implements. It eventually caters the need of all categories of farmers for need based field operations.

ASCs are basically a unit comprising a set of farm machinery, implements and equipment meant for custom hiring by farmers. Though certain implements and equipment are crop specific, the traction units like tractors, power tillers etc., and self-propelled machinery like combine harvesters etc., are used in common. Therefore, an ideal model envisaged in this project comprise farm machinery that are commonly used for tillage operations for all crops, multi crop equipment and a minimum of crop specific machinery.

**Market Potential**

Mechanical power is largely consumed in big land holdings and is still beyond the reach of small/marginal holdings which constitutes around 70% of the total land holdings. This is due to the fact that the small/marginal farmers, by virtue of their economic condition are unable to own farm machinery on their own or through institutional credit. Therefore, to bring farm machinery facilities available within the reach of small/marginal holdings, collective ownership or Agro-Service Center needs to be promoted in a big way.

**Need for Agro Service Center (ASC)**

- To make available various farm machinery/ implement /equipment's to small and marginal farmers
- To offset the adverse economies of scale due to high cost of individual ownership
- To improve mechanization in places with low farm power availability
- To provide hiring services for various agricultural machinery/ implements applied for different operations.
- To expand mechanized activities during cropping seasons in large areas especially in small and marginal holdings.
- To provide hiring services for various high value crop specific machines applied for different operations.

**Problems to be addressed.**

The latest farm machinery, plant protection equipment's and post-harvest equipment's on custom hiring is being practiced in an unorganized way. This should reach the small and marginal farmers through organized agro service centres which to be established at the block level. Through these centres the small and marginal farmers would utilize farm machinery efficiently and economically to enhance the productivity of crops grown.

**Potential for ASCs**

The farm power availability for small/marginal land holdings is the lowest. As the small/marginal holdings constitutes around 70% of total land holdings, the potential for ASC which will cater to the farm machinery requirement of such a vast area, is quite huge. Subsidy schemes are also being formulated to encourage entrepreneurs and agri-graduates to set up ASC. Therefore, keeping in view the emphasis of agricultural farm machinery and the need for taking the of farm machinery within the reach of small/marginal farmers, institutional credit needs to be made available for ASCs.

**Location of the ASCs**

The ASC can be in a place where by and large small land holdings are located within a radius of 5 to 7 kms. This will reduce the transport cost and time of transport of agricultural machinery. In other terms, one ASC is expected to cater to 4-5 villages and therefore a common place equidistant from the villages catered is advisable.

**Target Customers**

Though institutions like Primary Agricultural Credit Societies, Multipurpose Societies, Marketing societies etc., and line departments have machinery for custom hiring, a vast area remains uncovered. Informal hiring systems are also prevalent in rural areas, however, timely availability is not assured. Therefore, there is a need to encourage individuals like progressive farmers, rural unemployed youth, agri-graduates etc., and village level institutions like SHG Federations, PGs, FPCs etc., to set up ASCs.

## 3. Techno-Commercial Assumptions

| Sl. No. | Parameter | Value | Unit |
|---|---|---|---|
| 1 | Increase in Rate of Rent | 5 | % |
| 2 | Increase in fuel price | 3 | % |
| 3 | Collection from Debtors (First Year) | 15 | Days |
| 4 | Collection from Debtors | 15 | Days |
| 5 | Payable to Creditors | 20 | Days |
| 6 | Drawing By Promoter | 10 | % |
| 7 | Increase in Staff Salary | 5 | % |
| 8 | Rate of Interest on TL (11-3)% through AIF | 8 | % |
| 9 | Rate of Interest on WC | 9 | % |
| 10 | Loan Repayment (in year) | 7 | Years |
| 11 | Raw Material in Stock (on sales) | 2 | Days |
| 12 | Finished Goods in stock (on sales) | 0 | Days |
| 13 | Promoter's Contribution (Term Loan) | 20 | % |
| 14 | Promoter's Contribution (Working Capital) | 20 | % |
| 15 | Working Capital Requirement | 10 | Days |
| 17 | Working Capital Utilization | 100 | % |
| 18 | No of hours of Operation | 8 | Hrs |
| 19 | Cost of Operation of Tractor (40-45 PTO hp) hp | 1089 | Rs. |

| Sl. No. | Parameter | Value | Unit |
|---|---|---|---|
| | per Hr | | |
| 20 | Cost of Operation of Combine Harvester per Hr | 2885 | Rs. |
| 21 | Cost of Operation of Tractor with Rotavator per Hr | 1046 | Rs. |
| 22 | Seed Drill | | Rs. |
| 23 | Cost of Operation of Water Pump per Hr. | 142 | Rs. |
| 24 | Cost of Operation of Power Weeder per Hr | 245 | Rs. |
| 25 | Transplanter | | Rs. |
| 26 | Power Tiller - 13 HP | 1500 | Rs. |
| 27 | Cost of Operation of Tractor with axial flow paddy thresher per hr. | 1328 | Rs. |
| 28 | Fuel Consumption per hr. by tractor | 4.5 | Ltrs/hr |
| 29 | Fuel Consumption per hr. combine harvester | 7.5 | Ltrs/hr |
| 30 | Fuel Consumption per hr. by pump | 0.6 | Ltrs/hr |
| 31 | Fuel Consumption per hr. by Power Weeder | 0.7 | Ltrs/hr |
| 32 | Rate of Diesel per lit | 97 | Rs. |
| 33 | Rate of Petrol per lit. | 110 | Rs. |
| 34 | Insurance on machinery | 1 | % |

# 4. Financial Details

## 4.1. Project Fixed Capital

| Sl. No. | Particulars | Unit | Qty. | Cost per unit (Rs) | Total (Rs) |
|---|---|---|---|---|---|
| **A** | **Land** | | | | |
| 1 | Land Development | Sq. ft | 0 | 0 | 0 |
| 2 | Fencing (Barbed wire/Green Fencing) | ft | 0 | 0 | 0 |
| | **Sub Total** | | | | **0** |
| **B** | **Civil Construction** | | | | |
| 1 | A shed for keeping the tools and machinery | Sq. ft | 1200 | 700 | 8,40,000 |
| | **Sub Total** | | | | **8,40,000** |
| **C** | **Water Supply** | | | | |
| 1 | Water Supply with tank, pump, and pipeline | | | | **00.00** |
| **D** | **Electrification** | | | | |
| 1 | Electrical Installation (with transformer and DG Unit as required) | | | | **00.00** |

| **E** | **Plant & Machinery** | | | | |
|---|---|---|---|---|---|
| **Sl. No.** | **Particulars** | **Specification** | **Qty.** | **Unit Price (Rs)** | **Total (Rs)** |
| 1 | Combine Harvester (self propelled) | Crawler type | 1 | 28,00,000 | 28,00,000 |
| 2 | Tractor | 40-50 pto hp | 1 | 9,00,000 | 9,00,000 |
| 3 | Rotavator | 5 to 6ft | 1 | 1,30,000 | 1,30,000 |
| 4 | Tractor trailer | 4-ton capacity | 1 | 1,60,000 | 1,60,000 |
| 5 | Power weeder | 3-8 hp | 1 | 90,000 | 90,000 |
| 6 | Pump set | 3-5 hp | 1 | 25,000 | 25,000 |

| E | Plant & Machinery | | | | |
|---|---|---|---|---|---|
| **Sl. No.** | **Particulars** | **Specification** | **Qty.** | **Unit Price (Rs)** | **Total (Rs)** |
| 7 | Tractor operated axial flow Paddy Thresher | 4-6 aspirator | 1 | 2,35,000 | 2,35,000 |
| | **Total** | | | | **43,40,000** |
| **F** | **Miscellaneous Expenditure** | | | | |
| **Sl. No.** | **Particulars** | **Specification** | **Qty** | **Unit Price** | **Total** |
| 1 | Insurance premium of assets | | | | 43,400 |
| 2 | DPR Cost | | | | 12,495 |
| 3 | Other misc. exp | | | | 2,505 |
| | **Total Misc. Exp** | | | | **58,400** |

## 4.2. Project Variable Expenses

| **Details of Recurring Expenditure** | | | | | | |
|---|---|---|---|---|---|---|
| **Details of raw material** | | | | | | |
| **Sl. No.** | **Items** | **Description** | **Operating Hrs** | **No of working days per year** | **Qty of fuel per annum (lit)** | **Amount (Rs)** |
| 1 | Combine Harvester | Self-propelled (Diesel) | 8 | 90 | 5,400 | 5,23,800 |
| 2 | Tractor with Trailer | tractor drawn (Diesel) | 8 | 120 | 4,320 | 4,19,040 |
| 3 | Rotavator with tractor | Tractor drawn (Diesel) | 8 | 90 | 3,240 | 3,14,280 |
| 4 | Power weeder | Self-propelled (Diesel) | 8 | 120 | 672 | 65,184 |
| 5 | Pump set | Self-propelled (Diesel) | 8 | 120 | 576 | 55,872 |
| 6 | Tractor operated axial flow Paddy Thresher | Tractor propelled (Diesel) | 8 | 60 | 2,160 | 2,09,520 |
| | **Total** | | **48** | **600** | **13,632** | **13,78,176** |

| **Details of salary and other benefits** | | | | |
|---|---|---|---|---|
| **Sl. No.** | **Type of workers** | **No. of Worker** | **Salary Per Month/head (Rs)** | **Total Salary per annum (Rs)** |
| 1 | Machine operators | 2 | 15,000 | 3,60,000 |
| 2 | Labour/ helper | 2 | 10,000 | 2,40,000 |
| | **Grand Total** | **4** | **25,000** | **6,00,000** |

## 4.2. Details of Sales

| **Details of Income** |
|---|

| Details of Income | | | | | | |
|---|---|---|---|---|---|---|
| **Sl. No.** | **Particulars** | **Description** | **Operating Hrs per day** | **No of working days per year** | **Total working hours per year** | **Total (Rs)** |
| 1 | Combine Harvester | Self-propelled (Diesel) | 8 | 90 | 720 | 20,77,200 |
| 2 | Trailer (Tractor + Trailer) | tractor drawn (Diesel) | 8 | 120 | 960 | 10,45,440 |
| 3 | Rotavator with tractor | Tractor drawn (Diesel) | 8 | 90 | 720 | 7,53,120 |
| 4 | Power weeder | Self-propelled (Diesel) | 8 | 120 | 600 | 1,47,000 |
| 5 | Pump set | Self-propelled (Diesel) | 8 | 120 | 960 | 1,36,320 |
| 6 | Tractor operated axial flow Paddy Thresher | Tractor drawn (Diesel) | 8 | 60 | 480 | 6,37,440 |
| | **Total** | | **48** | **600** | **4,440** | **47,96,520** |

## 4.3. Project Balance Sheet

| **Liabilities** | I | II | III | IV | V | VI | VII |
|---|---|---|---|---|---|---|---|
| Opening Capital | **-** | **18,33,245** | **29,31,860** | **41,03,981** | **53,44,095** | **66,45,134** | **80,04,237** |
| Add: Introduced | 10,58,880 | | | | | | |
| Add: Profit | 8,61,365 | 14,24,615 | 16,29,120 | 18,34,114 | 20,40,039 | 22,49,104 | 24,62,397 |
| Less: Drawing | 87,000 | 3,26,000 | 4,57,000 | 5,94,000 | 7,39,000 | 8,90,000 | 10,47,000 |
| Closing Capital | **18,33,245** | **29,31,860** | **41,03,981** | **53,44,095** | **66,45,134** | **80,04,237** | **94,19,634** |
| Term Loan from Bank | 37,25,350 | 32,21,355 | 26,75,528 | 20,84,398 | 14,44,205 | 7,50,875 | - |
| Current Liabilities | | | | | | | |
| Cash Credit from Bank | 44,800 | 44,800 | 44,800 | 44,800 | 44,800 | 44,800 | 44,800 |
| Sundry Creditors | 73,503 | 89,933 | 92,667 | 95,467 | 98,333 | 1,01,333 | 1,04,400 |
| Expenses Payable | 59,800 | 63,200 | 66,300 | 69,700 | 73,200 | 76,800 | 80,700 |
| Current Provisions | 1,05,966 | 3,42,692 | 4,30,337 | 5,18,192 | 6,06,445 | 6,96,044 | 7,87,456 |
| Total Current Liabilities | **2,84,069** | **5,40,626** | **6,34,104** | **7,28,158** | **8,22,779** | **9,18,978** | **10,17,356** |
| Total Liabilities | **58,42,664** | **66,93,841** | **74,13,613** | **81,56,651** | **89,12,117** | **96,74,090** | **1,04,36,990** |
| **Assets** | | | | | | | |
| Fixed Assets | 52,38,400 | 52,38,400 | 52,38,400 | 52,38,400 | 52,38,400 | 52,38,400 | 52,38,400 |
| Less Depreciation | 7,35,000 | 13,63,950 | 19,02,338 | 23,63,369 | 27,58,307 | 30,96,761 | 33,86,926 |
| Net Fixed Assets | **45,03,400** | **38,74,450** | **33,36,063** | **28,75,031** | **24,80,093** | **21,41,639** | **18,51,474** |
| Current Assets | | | | | | | |
| Sundry Debtors | 1,91,900 | 2,39,300 | 2,51,300 | 2,63,900 | 2,77,100 | 2,91,000 | 3,05,500 |
| Inventories | 7,400 | 9,000 | 9,300 | 9,600 | 9,900 | 10,200 | 10,500 |
| Cash and Bank Balance | 38,400 | 47,900 | 50,300 | 52,800 | 55,500 | 58,200 | 61,100 |
| Other Current Assets | 11,01,564 | 25,23,191 | 37,66,650 | 49,55,320 | 60,89,524 | 71,73,051 | 82,08,416 |
| Total Current Assets | **13,39,264** | **28,19,391** | **40,77,550** | **52,81,620** | **64,32,024** | **75,32,451** | **85,85,516** |
| Total Assets | **58,42,664** | **66,93,841** | **74,13,613** | **81,56,651** | **89,12,117** | **96,74,090** | **1,04,36,990** |

## 4.4. Calculation of Depreciation

| Rates of Depreciation | | 10% | 15% | Total depreciation for the year |
|---|---|---|---|---|
| Year | 1 | 84,000.00 | 6,51,000 | 7,35,000 |
| | 2 | 75,600.00 | 5,53,350 | 6,28,950 |
| | 3 | 68,040.00 | 4,70,348 | 5,38,388 |
| | 4 | 61,236.00 | 3,99,795 | 4,61,031 |
| | 5 | 55,112.40 | 3,39,826 | 3,94,938 |
| | 6 | 49,601.16 | 2,88,852 | 3,38,453 |
| | 7 | 44,641.04 | 2,45,524 | 2,90,165 |

## 4.5. Projected P&L

| Description | Year ending March 31st | | | | | | |
|---|---|---|---|---|---|---|---|
| | I | II | III | IV | V | VI | VII |
| Capacity Utilisation | **80** | **95** | **95** | **95** | **95** | **95** | **95** |
| **Revenue** | | | | | | | |
| Sales | 38,37,216 | 47,85,000 | 50,25,000 | 52,77,000 | 55,41,000 | 58,19,000 | 61,10,000 |
| **Total Income (A)** | **38,37,216** | **47,85,000** | **50,25,000** | **52,77,000** | **55,41,000** | **58,19,000** | **61,10,000** |
| **Expenditure** | | | | | | | |
| Opening stock of Raw Material | **-** | **7,400** | **9,000** | **9,300** | **9,600** | **9,900** | **10,200** |
| Purchase (Net) of Material | 11,02,541 | 13,49,000 | 13,90,000 | 14,32,000 | 14,75,000 | 15,20,000 | 15,66,000 |
| Closing Stock of Raw material | **7,400** | **9,000** | **9,300** | **9,600** | **9,900** | **10,200** | **10,500** |
| **Raw Material Consumption** | **10,95,141** | **13,47,400** | **13,89,700** | **14,31,700** | **14,74,700** | **15,19,700** | **15,65,700** |
| Repair & Maintenance- Machinery (@5% of Cost) | 52,384 | 55,100 | 57,900 | 60,800 | 63,900 | 67,100 | 70,500 |
| Electricity expense | 2,302 | 2,871 | 3,015 | 3,166 | 3,325 | 3,491 | 3,666 |
| Insurance cost | 43,400 | 45,600 | 47,900 | 50,300 | 52,900 | 55,600 | 58,400 |
| Administrative salaries and wages | 6,00,000 | 6,30,000 | 6,61,500 | 6,94,600 | 7,29,400 | 7,65,900 | 8,04,200 |
| Other Misc Expenses [@1% of sales] | 19,186 | 23,925 | 25,125 | 26,385 | 27,705 | 29,095 | 30,550 |
| **Total Cost** | **18,12,413** | **21,04,896** | **21,85,140** | **22,66,951** | **23,51,930** | **24,40,886** | **25,33,016** |
| **Profit Before Depreciation, Interest and Tax** | **20,24,803** | **26,80,104** | **28,39,860** | **30,10,049** | **31,89,070** | **33,78,114** | **35,76,984** |
| Depreciation | 7,35,000 | 6,28,950 | 5,38,388 | 4,61,031 | 3,94,938 | 3,38,453 | 2,90,165 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Profit Before Interest and Tax** | **12,89,803** | **20,51,154** | **23,01,473** | **25,49,017** | **27,94,132** | **30,39,660** | **32,86,819** |
| Interest on Term Loan | 3,18,440 | 2,79,814 | 2,37,983 | 1,92,679 | 1,43,616 | 90,480 | 32,934 |
| Interest on Working Capital Loan | 4,032 | 4,032 | 4,032 | 4,032 | 4,032 | 4,032 | 4,032 |
| **Total Interest Paid** | **3,22,472** | **2,83,846** | **2,42,015** | **1,96,711** | **1,47,648** | **94,512** | **36,966** |
| **Profit Before Tax** | **9,67,331** | **17,67,308** | **20,59,458** | **23,52,306** | **26,46,484** | **29,45,148** | **32,49,852** |
| Income Tax | 1,05,966 | 3,42,692 | 4,30,337 | 5,18,192 | 6,06,445 | 6,96,044 | 7,87,456 |
| **Profit after Tax** | **8,61,365** | **14,24,615** | **16,29,120** | **18,34,114** | **20,40,039** | **22,49,104** | **24,62,397** |

## 4.6. Projected Cash Flow

| **Period Ending** | **I** | **II** | **III** | **IV** | **V** | **VI** | **VII** |
|---|---|---|---|---|---|---|---|
| Cash & Bank Balance at Beginning | - | 38,400 | 47,900 | 50,300 | 52,800 | 55,500 | 58,200 |
| **Cash Inflow during the Period** | 65,77,664 | 23,10,122 | 22,60,986 | 23,89,200 | 25,29,597 | 26,83,756 | 28,50,940 |
| **Cash Outflow during the Period** | 65,39,264 | 23,00,622 | 22,58,586 | 23,86,700 | 25,26,897 | 26,81,056 | 28,48,040 |
| **Closing Cash & Bank Balance** | **38,400** | **47,900** | **50,300** | **52,800** | **55,500** | **58,200** | **61,100** |

## 4.7. Projected Loan Repayment

| Year | Interest | EMI | Principal |
|---|---|---|---|
| 1 | 3,18,439.67 | 7,83,809.53 | 4,65,369.86 |
| 2 | 2,79,814.20 | 7,83,809.53 | 5,03,995.33 |
| 3 | 2,37,982.84 | 7,83,809.53 | 5,45,826.69 |
| 4 | 1,92,679.49 | 7,83,809.53 | 5,91,130.04 |
| 5 | 1,43,615.99 | 7,83,809.53 | 6,40,193.54 |
| 6 | 90,480.24 | 7,83,809.53 | 6,93,329.28 |
| 7 | 32,934.25 | 7,83,809.53 | 7,50,875.27 |
| **Total** | **12,95,946.68** | **54,86,666.68** | **41,90,720.00** |

## 4.8. Calculation of DSCR, IRR and BEP

| Calculation of DSCR | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Year** | **I** | **II** | **III** | **IV** | **V** | **VI** | **VII** |
| Net Sales | 38,37,216 | 47,85,000 | 50,25,000 | 52,77,000 | 55,41,000 | 58,19,000 | 61,10,000 |
| Net Profit | 8,61,365 | 14,24,615 | 16,29,120 | 18,34,114 | 20,40,039 | 22,49,104 | 24,62,397 |
| Interest Paid | 3,22,472 | 2,83,846 | 2,42,015 | 1,96,711 | 1,47,648 | 94,512 | 36,966 |
| **Cash Accruals (a)** | **11,83,837** | **17,08,462** | **18,71,135** | **20,30,826** | **21,87,687** | **23,43,616** | **24,99,363** |
| Principal | 4,65,370 | 5,03,995 | 5,45,827 | 5,91,130 | 6,40,194 | 6,93,329 | 7,50,875 |
| Interest | 3,22,472 | 2,83,846 | 2,42,015 | 1,96,711 | 1,47,648 | 94,512 | 36,966 |
| **Total (b)** | **7,87,842** | **7,87,842** | **7,87,842** | **7,87,842** | **7,87,842** | **7,87,842** | **7,87,842** |
| DSCR | 1.50 | 2.17 | 2.38 | 2.58 | 2.78 | 2.97 | 3.17 |
| **Average DSCR** | **2.51** | | | | | | |

| Calculation of Break-Even Point (BEP) | | | | | | | |
|---|---|---|---|---|---|---|---|
| Sales | **38,37,216** | **47,85,000** | **50,25,000** | **52,77,000** | **55,41,000** | **58,19,000** | **61,10,000** |
| Variable Cost | 11,14,327 | 13,71,325 | 14,14,825 | 14,58,085 | 15,02,405 | 15,48,795 | 15,96,250 |
| **Contribution** | **27,22,889** | **34,13,675** | **36,10,175** | **38,18,915** | **40,38,595** | **42,70,205** | **45,13,750** |
| Fixed Cost | 17,55,558 | 16,46,367 | 15,50,717 | 14,66,609 | 13,92,111 | 13,25,057 | 12,63,898 |
| **BEP Sales** | **24,74,010** | **23,07,738** | **21,58,442** | **20,26,569** | **19,09,993** | **18,05,653** | **17,10,864** |
| **Average BEP sales** | **20,56,181** | | | | | | |

| Calculation of Internal Rate of Return (IRR) | | | | |
|---|---|---|---|---|
| **Sl. No.** | **Year** | **PAT** | **Depreciation** | **Cash Accrual** |
| | Cash outflow at beginning | | | -52,94,400 |
| 1 | 31-03-2023 | 8,61,365 | 7,35,000 | 15,96,365 |
| 2 | 31-03-2024 | 14,24,615 | 6,28,950 | 20,53,565 |
| 3 | 31-03-2025 | 16,29,120 | 5,38,388 | 21,67,508 |
| 4 | 31-03-2026 | 18,34,114 | 4,61,031 | 22,95,146 |
| 5 | 31-03-2027 | 20,40,039 | 3,94,938 | 24,34,977 |
| 6 | 31-03-2028 | 22,49,104 | 3,38,453 | 25,87,557 |
| 7 | 31-03-2029 | 24,62,397 | 2,90,165 | 27,52,562 |
| **IRR** | **34.15%** | | | |
| **Payback Period** | **2 Years 9 Months** | | | |

## 4.9. Summary of Project Cost

| Sl. No. | Name of Assets | Amount (INR) |
|---|---|---|
| 1 | Land Development | - |
| 2 | Civil Construction | 8,40,000 |
| 3 | Irrigation/Water Supply | - |
| 4 | Electrification | - |
| 5 | Plant & Machinery | 43,40,000 |
| 6 | Livestock | - |
| 7 | Insurance | 43,400 |
| 8 | DPR Cost | 12,495 |
| 9 | Other misc. exp | 2,505 |
| | **Total Fixed Cost** | **52,38,400** |
| | **Recurring** | **56,000** |
| | **Cost of Project** | **52,94,400** |