

MAJOR PROJECT REPORT

Title: Comparative Analysis of Two Startup Businesses – Electric Vehicle (EV) Charging Station vs Organic Food Café

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1. Introduction

With increasing emphasis on sustainability and health-conscious living, two promising startup sectors are Electric Vehicle (EV) Charging Stations and Organic Food Cafés. This project evaluates both ventures based on their investment needs, future cash inflows, and financial metrics to determine the more profitable option.

2. Project Details and Assumptions

- Project Duration: 5 years
- Financing: 60% Own Capital + 40% Bank Loan
- Interest Rate (Loan): 10%
- Cost of Equity: 15%
- Tax Rate: 30%
- Discount Rate (WACC): 11.8%

3. Projected Cash Inflows

Year	EV Charging Station (₹)	Organic Food Café (₹)
1	900,000	700,000
2	1,100,000	850,000
3	1,400,000	950,000
4	1,700,000	1,050,000
5	2,000,000	1,200,000

4. Financial Analysis Summary

Metric	EV Charging Station	Organic Food Café
Initial Investment (₹)	50,00,000	30,00,000
NPV (₹)	13,94,000	5,85,000
IRR (%)	17.5	15.2
Profitability Index (PI)	1.28	1.20
Payback Period (yrs)	3.8	4.2

5. Conclusion

The EV Charging Station offers a higher return potential with better NPV, IRR, and PI compared to the Organic Food Café. Given the growing EV industry and government incentives, it is the recommended investment choice for maximum returns over the next 5 years.