

MODEL DPR

CUSTOM HIRING CENTRE (WITHOUT CAPITAL SUBSIDY)

Under Agriculture Infrastructure Fund Scheme

Submitted to



Submitted by



Department of Agriculture,
Cooperation & Farmers Welfare

Knowledge Partner
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Preparation of this document has been possible with broad-based support and co-operation from various stakeholders. NABARD Consultancy Services hereby, sincerely and gratefully acknowledges the support and valuable co-operation extended by them.

Our sincere thanks are also due to all others who directly or indirectly helped NABCONS in preparation of this document.

DPR Template for projects under Agriculture Infrastructure Fund¹

1. Details of the Applicant

To be filled by the applicant

SN	Particulars	Details
i.	Name of the Applicant	
ii.	Constitution Legal Status of Applicant : (i.e. Govt. organization, NGO, Co-operative society, Company, partnership firm, proprietorship firm, Individual, FPO, Self Help Group, etc.)	
iii.	Registration No. of Applicant/CIN	
iv.	GST No. of Applicant	
v.	Date of Establishment/ Incorporation	
vi.	Address of the registered office	
vii.	PAN No. of Applicant	
viii.	Address of the proposed site	
ix.	District	
x.	State	
xi.	Pin Code	
xii.	Whether lead promoter belong to SC/ ST/ Woman/Minority	

*Details of associates/ allied firms, if any may also be provided.

2. Contact details of the Applicant/Promoter(s)/Partner(s)/Directors(s)/ Members including addresses, telephone, mobile, fax, e-mail, website, PAN etc.

SN	Name of Applicant/ Promoter(s)/ Partner(s)/ Director(s)/ Members	Address	Telephone No.	Mobile No.	E-mail Id	Any other details
1			To be filled by the applicant			

¹ This template is prepared keeping in mind the essential information required by the lending institutions to process the loan application. Different formats of table/description can be used for preparation of the DPR but all the required information in template should be included in the DPR.

2								
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3. Details of the Promoter(s)/Partner(s)/Directors(s)/ Members

S N	Name of Promoter(s)/ Partner(s)/ Director(s)/ Members	Aadhaar No.	PAN No.	Academic and technical Qualification	Net Worth	DIN No.	Credit Rating	Date of Share holding	Partner profit sharing ratio
1									
2									

To be filled by the applicant

4. Relative experience of the Applicant/Promoter(s)/Partner(s)/Directors(s)/ Members

S N	Name of lead Applicant/Promoter(s)/Partner(s)/ Members of Applicant Entity	Detail of Experience	Details of Turnover (year-wise)	Supporting Document attached, if any (Yes/No)
1				
2				

To be filled by the applicant

5. Details of Existing Banking and Credit facilities of the Applicant/ Promoter(s)/ Partner(s)/ Directors(s)

S N	Types of Facility	Name of Bank and Branch	Limits	Outstanding as on dd/mm/yyyy	Securities	Rate of interest	Repayment terms	Purpose
1	Cash Credit							



Model DPR for Establishment of Custom Hiring Centre (without Capital Subsidy)

2	Term Loan								
3	Others								

To be filled by the applicant

*Information pertaining to credit rating (internal /external) may also be shared along with the aforementioned information

6. Details of GST Returns submitted, if any or status of registration - The Entity is actively registered under the GST and actively filling its return.

7. Project Details

a. 0
b

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. Thus there is a strong need for taking farm mechanization. CHC aims at such mechanization

f
the proposed project:

b. Category of proposed infrastructure as per the Scheme:

SN	Component	Mark Tick (✓)
1	Supply chain	
2	Warehouses	
3	Silos	
4	Pack Houses	
5	Assaying Unit	
6	Sorting & Grading unit	
7	Cold Chain	
8	Logistics facilities	
9	Primary Processing Centres	
10	Ripening Chambers	
11	Organic input production	
12	Bio stimulant production unit	
13	Infrastructure for Smart and precision agriculture	
14	Projects identified for providing supply chain infrastructure for clusters of crops including export clusters.	
15	Projects promoted by Central/State/Local Governments or their agencies under PPP for building community farming assets or post-harvest management projects.	
16	Any other (please Specify)	Custom Hiring Centre

c. Type of Operating Model (Rental, PPP, captive, Lease, Franchise etc.) and details

To be filled by the applicant

8. Land Details:

SN	Particulars	Details
1	Land Area	
2	Status of Legal title & Possession	
3	if leased, Period of lease	
4	Coordinates of location	
5	Details of CLU	
6	Connectivity to roads I. State Highway (in Km.) II. National Highway (in Km.)	
7	Availability of Water	
8	Availability of Power	

9. Proposed facilities:

I. Details of proposed facility

S N	Type of facilities proposed to be created	No. of Units	Total Capacity [MT, Ltrs, MT/Hr.	No. of Days of operation
1	Warehouse			
2	Silos			
3	Pack-house			
4	CA Store			
5	Cold store			
6	Frozen store			
7	Pre-cooling Chambers			
8	Assaying, Sorting, Grading, Waxing, Weighing, Packing facility [Modify as per actual]			
9	Ripening Chambers			
10	IQF			
11	Blast Freezing			
12	Refrigerated Vehicles/ Reefer vans			
13	Mobile Pre-coolers			
14	Insulated/ non-insulated distribution vehicle			
15	Irradiation Facility			

16	Organic input production			
17	Bio Stimulant production units			
18	Others (Specify)		45,000 hours	300 days

II. Details of technologies to be used/ alternative technologies

With an objective of strengthening the farm level post-harvest infrastructure availability, the project components wise details of the technology may be provided below:

Under the custom Hiring center where paddy is cultivated predominantly, the CHC may comprise the following machinery:

- i. 35 hp tractor - for tillage operations, traction source and transport
- ii. Power tiller – for tillage operations in small farms, traction source for small equipment and agri input transport for short distance.
- iii. Multi crop Power thresher
- iv. Winnowing:
- v. Self-Propelled Reaper
- vi. Sprayers :
- vii. Repairing tools

10. Detailed timeline for construction of proposed project and proposed date for commencement of operation

- a) Date of disbursement of 1st instalment of term loan
- b) Date of start of construction of building
- c) Date of completion of building
- d) Date of placing order for plant & machinery
- e) Date of installation/erection of P&M
- f) Date of sanction of electricity connection (LT/HT)
- g) Date of release of electricity connection (LT/HT)
- h) Date of trial production/running
- i) Date of commencement of production/running

11. Proposed Project Financials

a. Estimated Project cost details

SN	Items	Amount (₹)
1	Site Development	2,25,000

2	Civil Works	
3	Technical Civil Works/Errection etc.	
4	Plant & Machinery (P&M)	46,35,000
5	Fixed cost on power supply connection or/ and Generator set/solar system etc.	
6	Common Utilities like Water/ETP/ STP, etc.	
7	Pre-operative Expenses	
8	Interest During Construction	
9	Contingencies	
10	Working Capital	
	Total Project Cost	48,60,000

b. Means of finance

SN	Items	Amount (₹ in lakhs)
1	*Promoter's Equity	4.86 (10% of project cost)
2	Capital Subsidy/ Benefit from other Central/ State Scheme	
3	Loan (TL + CC)	43.74
	Total	48.6

*The source of the owned funds and also the capacity of the promoter to support the project in the event of cost escalations due to time overruns should also be mentioned

c. Basic Revenue Projections (₹ in lakh)

SN	Item	Year 2021-22	Year 2022-23	Year 2023-24	Year 2024-25	Year 2025-26
1	Turnover	129.15	131.73	134.37	137.06	139.80
2	Cost of Operations	94.27	100.70	106.53	112.47	118.92
3	Gross Profit	34.89	31.03	27.83	24.58	20.87
4	Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	34.89	31.03	27.83	24.58	20.87
5	Profit before taxation	25.108	22.650	20.761	18.684	16.035
6	Profit after taxation	17.576	15.855	14.532	13.079	11.224

*CMA data to be provided along with projected balance sheet, profit & loss statements, covering entire period of repayment.

d. Financial Parameters

SN	Particulars	Details (Ratio/%)	Ref Page No. in DPR*
1	Internal Rate of Return (IRR) [(a) With and (b) without grant/ subsidy]	189.21%	-
2	Avg. Debt Service Coverage Ratio (DSCR)	3.41	-
3	Break Even Point (BEP)	21.10%	-
4	Debt-Equity Ratio (TTL/TNW)	0.72	-
5	Fixed Assets Coverage Ratio	0.984	-

e. Credit Facilities proposed

I. Fund Based

- a) Term Loan 43.74 lakhs
- b) Working Capital
(Attach Assessment of working capital, if proposed)

II. Non Fund Based

f. Collateral Security proposed to be offered and its approximate value for the applicable cases. (To be furnished only in case of loans above Rs.2 crore)

g. Repayment Schedule (Including moratorium period):

h. Details of Statutory/other approvals/registrations (status):

12. Availability of Raw Materials in the Catchment Area - provide details such as Adequate Volume, Wider Mix of Raw Materials, Days of Operation in a Year along with supporting data. Based on this information feasibility/viability of the project should be justified.

CHCs 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.

Ideally, the CHC shall have to be located 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 CHC is expected to cater to 4/5 villages and therefore a common place equidistant from the villages catered is advisable.

Availability of utilities (Water/Electricity etc.):

Electricity: Yes, Electricity Connection is available at location for electricity consumption.

Water: Facility has fresh water through Water Dept. facility.

Cleaning: The Company is dedicated to follow the best-in-class cleanliness policies. To ensure excellent hygiene, the garbage will be disposed of at a suitable place on a daily basis. Garbage will not be allowed to be stored in the premise.

13. Details of the catchment area of the project

S.N	Location of the Catchment (Primary/Secondary)	Name Village/Dist/APMC	Commodities to be sourced	Quantity to be sourced [MT] (per annum)
1	ABC			
2	XYZ			

*DPR should comprised of detailed chapter on proposed catchment (production and supply statistics).

14. Details of existing demand of the product and marketing arrangements (including e-trading), possibility of for leasing with FCI/CWC/SWC/e-commerce players / retailers for assured cash flows if any.

15. Employment Generation projections

- a. Direct Employment: (Skilled and Semi-skilled).....10.....
- b. Contractual Employment with no. of days:
- c. Indirect Employment (specify):

16. Details of renewable/ alternate energy sources including solar energy, if any, proposed to be used for operating the project including inter alia, details of power generation.

17. Details of pollution issues (if any) and adoption of modern technology for reducing the carbon footprints and increasing operational efficiency:-

SN	Name of technology/item	Basic cost (Excluding taxes etc.)	How the technology will help in reducing carbon footprint and/or increase in operational efficiency
1			
2			

18. List of Manufacturers/ Suppliers of P&M (enclose quotations)

I Certify that the information / contents as above furnished by me / us are true to the best of my / our knowledge and belief and nothing material has been concealed. In case, any information furnished in the application is found false, my / our application may be rejected out at any stage by the Bank and not eligible under Agriculture Infrastructure Fund scheme.

Date: _____

Signature of the Applicant

Place: _____

Annexures

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DPR without subsidy**Annexure 1 - Estimated cost of the project**

Estimated cost of project		
Sr. No.	Particulars	Grand Total (in lakhs)
1	Land and site development	
(a)	Land (Lease in name of company)	-
	Total	-
2	Site Development	2.25
(a)	Total	2.25
3	Civil Work	
(a)	Civil Work	
	Total	-
4	Plant and Machinery (indegenuous)	
(a)	Plant and Machinery	46.35
	Total	46.35
5	Miscellanoeous Fixed Assets	
(a)	Cost	-
6	Working Capital Margin	-
7	Preliminary Expenses	
(a)	Security Deposit	-
	Total	-
8	Pre-Operative Expense (for 6 months upto the date od commencement of commercial production)	
(a)	Establishment and Travelling and Other Expenses	-
(b)	Legal and Misc Expense	-
	Total	-
9	E mandi expense	-
	Total Cost of Project	48.60

Annexure 2 - Means of Finance

Sr. No.	Item	Grand Total (in lakhs)
1	Promoter's equity	4.86
2	Eligible Assistance	-
3	Term Loan	43.74
4	CC Limit	-
	Total	48.60

Annexure 3 - Complete Estimate of Civil and Plant and Machinery

1. Building	Units	Amt
A shed for keeping the tools and 1 machinery - 500 sq. ft. @ Rs. 450 psf	1	225,000
Total Plant and Machinery		225,000
<hr/>		
2. Plant and machinery	Units	Amt
1 Tractor - 35 hp	5	2,450,000
2 Trailer	1	110,000
4 Mould Board Plough	1	26,000
5 Cultivator - 9 tyne	1	30,000
6 Cage Wheel - 18"	1	30,000
7 Disc harrow	1	30,000
8 Seed Drill	1	30,000
9 Accessories	1	12,000
10 Transplanter	1	200,000
11 Power Tiller - 13 HP	10	1,500,000
12 Multi Crop Power thresher with electric motor	1	80,000
13 Winnower	1	8,000
14 Self Propelled Reaper - 3.5 HP	1	90,000
15 Sprayer : Powered - 1 No.	1	8,000
16 Sprayer : Manual - 2 No.	1	5,000
17 Servicing tools	1	4,000
18 Tools for repairing of machines	1	22,000
Total Plant and Machinery		4,635,000
<hr/>		
Total fixed Assets		4,860,000

Annexure 4 - Estimated Cost of Production

Sr. No	Description	Year ending March 31st									
		I	II	III	IV	V	VI	VII	VIII	IX	
	No of Working months	12	12	12	12	12	12	12	12	12	
	Electricity expense	390,000	475,000	490,750	507,288	524,652	542,884	562,029	562,029	562,029	
	Fuel expense	5,512,500	5,906,250	6,300,000	6,693,750	7,087,500	7,481,250	7,875,000	7,875,000	7,875,000	
	Insurance cost @ 2% of purchase cost	92,700	94,554	96,445	98,374	100,341	102,348	104,395	106,483	108,613	
	Running and Manintenance expense @5% of sales	645,750	658,665	671,838	685,275	698,981	712,960	727,219	741,764	756,599	
	Cost of Production	6,640,950	7,134,469	7,559,033	7,984,687	8,411,474	8,839,443	9,268,643	9,285,276	9,302,241	
	Sub Total	6,640,950	7,134,469	7,559,033	7,984,687	8,411,474	8,839,443	9,268,643	9,285,276	9,302,241	
	Administrative salaries and wages	2,456,400	2,603,784	2,760,011	2,925,612	3,101,148	3,287,217	3,484,450	3,693,517	3,915,128	
	Miscellaneous expense - semi fixed	329,150	331,733	334,368	337,055	379,796	382,592	385,444	388,353	391,320	
	Total	2,785,550	2,935,517	3,094,379	3,262,667	3,480,945	3,669,809	3,869,894	4,081,870	4,306,448	
	Cost of Sales	9,426,500	10,069,986	10,653,412	11,247,353	11,892,418	12,509,252	13,138,538	13,367,146	13,608,689	
	Expected sales revenue	12,915,000	13,173,300	13,436,766	13,705,501	13,979,611	14,259,204	14,544,388	14,835,275	15,131,981	
	Gross Profit	3,488,500	3,103,314	2,783,354	2,458,148	2,087,193	1,749,951	1,405,850	1,468,130	1,523,292	
	Financial expense										
	Interest on Term Loan	259,917	227,118	186,750	146,382	106,014	65,646	25,278	-	-	
	Interest on WC Loan	-	-	-	-	-	-	-	-	-	
	total	259,917	227,118	186,750	146,382	106,014	65,646	25,278	-	-	
	Operating profits (PBT)	3,228,583	2,876,196	2,596,604	2,311,766	1,981,179	1,684,305	1,380,572	1,468,130	1,523,292	
	Preliminary Expense	-	-	-	-	-	-	-	-	-	
	depreciation	717,750	611,213	520,543	443,373	377,687	321,772	274,171	233,643	199,135	
	Net Profit before Tax	2,510,833	2,264,984	2,076,061	1,868,393	1,603,492	1,362,533	1,106,401	1,234,487	1,324,158	
	Income Tax	753,250	679,495	622,818	560,518	481,048	408,760	331,920	370,346	397,247	
	Profits after Tax	1,757,583	1,585,488	1,453,243	1,307,875	1,122,444	953,773	774,481	864,141	926,910	
	Distribution of profits (50%)	878,792	792,744	726,621	653,938	561,222	476,887	387,241	432,070	463,455	
	Profit transfer to balance sheet	878,792	792,744	726,621	653,938	561,222	476,887	387,241	432,070	463,455	

1. Electricity are semi-fixed cost. Rs. 90,000 pa is fixed, balance is variable at Rs. 12 per unit usage

2. Electricity usage in units is given below

Usage in units	25000	26250	27562.5	28940.625	30387.65625	31907.03906	33502.39102	33502.39102	33502.39102
Variable cost	300000	315000	330750	347287.5	364651.875	382884.4688	402028.6922	402028.6922	402028.6922

3. It is assumed that insurance cost is 2% of purchase price and this will increase 2% annually

Annexure 5- Projected balance sheet

Projected Baalance sheet

Sr. No	Description	Year ending March 31st								
		I	II	III	IV	V	VI	VII	VIII	IX
A	Asset									
1	Fixed Capital expenditure									
	Gross Block	4,860,000	4,142,250.00	3,531,037.50	3,010,494.38	2,567,121.47	2,189,434.37	1,867,662.23	1,593,491.61	1,359,848.71
	Less- Depreciation	717,750	611,212.50	520,543.13	443,372.91	377,687.10	321,772.14	274,170.62	233,642.90	199,134.55
	net Block	4,142,250	3,531,037.50	3,010,494.38	2,567,121.47	2,189,434.37	1,867,662.23	1,593,491.61	1,359,848.71	1,160,714.16
3	Sundry debtors	1,291,500	1,317,330	1,343,677	1,370,550	1,397,961	1,425,920	1,454,439	1,483,528	1,513,198
4	Cash/ bank balance	34,472	740,315	1,288,860	1,687,034	1,934,281	2,032,739	1,992,602	2,629,809	3,263,321
	Total assets	5,468,222	5,588,682	5,643,031	5,624,706	5,521,676	5,326,322	5,040,533	5,473,185	5,937,233
B	Liabilities									
1	Capital	486,000	1,364,792	2,157,536	2,884,157	3,538,095	4,099,317	4,576,203	4,963,444	5,395,514
	Add- Profit	878,792	792,744	726,621	653,938	561,222	476,887	387,241	432,070	463,455
	Less- Drawings	-	-	-	-	-	-	-	-	-
	Closing capital	1,364,792	2,157,536	2,884,157	3,538,095	4,099,317	4,576,203	4,963,444	5,395,514	5,858,969
2	term Loan	4,037,600	3,364,800	2,692,000	2,019,200	1,346,400	673,600	-	-	-
3	Working capital	-	-	-	-	-	-	-	-	-
4	Creditors	65,830	66,347	66,874	67,411	75,959	76,518	77,089	77,671	78,264
	Total liabilities	5,468,222	5,588,682	5,643,031	5,624,706	5,521,676	5,326,322	5,040,533	5,473,185	5,937,233
	Current Ratio									
	Current Assets	1,325,972	2,057,645	2,632,536	3,057,584	3,332,242	3,458,660	3,447,041	4,113,336	4,776,519
	Current Liabilities	65,830	66,347	66,874	67,411	75,959	76,518	77,089	77,671	78,264
	Ratio	20.14235987	31.01356927	39.36589158	45.35734628	43.86882234	45.20036033	44.71521395	52.95876078	61.03088983
	Average				42.62813491					
	Debt Equity ratio									
	Debt	4,037,600	3,364,800	2,692,000	2,019,200	1,346,400	673,600	-	-	-
	Equity	1,364,792	2,157,536	2,884,157	3,538,095	4,099,317	4,576,203	4,963,444	5,395,514	5,858,969
	Ratio	2.958400497	1.55955699	0.933374969	0.570702651	0.328444974	0.147196255	0	0	0
	Average				0.721964037					
	Fixed asset coverage ratio									
	Fixed assets	4,142,250	3,531,038	3,010,494	2,567,121	2,189,434	1,867,662	1,593,492	1,359,849	1,160,714
	Debt	4,037,600	3,364,800	2,692,000	2,019,200	1,346,400	673,600	-	-	-
	ratio	1.025918863	1.049404868	1.118311432	1.271355719	1.626139612	2.772657705	-	-	-
	Average				0.984865355					
	Debt service coverage ratio									
	Interest on loan (TL + WC)	259,917	227,118	186,750	146,382	106,014	65,646	25,278	-	-
	Instalment of loan	336,400	672,800	672,800	672,800	672,800	672,800	673,600	-	-
	Total	596,317	899,918	859,550	819,182	778,814	738,446	698,878	-	-
	Net operating income	3,488,500	3,103,314	2,783,354	2,458,148	2,087,193	1,749,951	1,405,850	1,468,130	1,523,292
	ratio	5.850076386	3.448440858	3.238152429	3.000734949	2.679963284	2.36977557	2.01158155	0	0
	Average				3.643473581					

1. assumed that 60 days of purchases are average creditors maintained

2. assumed that 30 days of sales are average debtors maintained by the business

Annexure 6 - requirement of Power and Fuel

requirement of Fuel

Fuel

- For Tractor

Mileage

5 km per litre

Speed of tractor

30 km per hour

Fuel requirement as per the operative hours

90000 litres

- For Pwer tiller

Mileage

0.5 Litre per hour

Fuel requirement during the year for 30 units

15000 Litres

Total fuel requirement

105000

Fuel cost per litre

75

Total fuel cost at 100% capacity utilization

7,875,000.00

Annexure 8 - Details of Mnpower

Details of Manpower

S. No.	Designation	In no.	Salary per person per month	Annual cost
i.	Machine operators	5	19,000	1,140,000
ii.	Accountant	1	30,000	360,000
iii.	Labour/ helper	3	14,000	504,000
iv.	Security	1	11,000	132,000
Total				2,136,000
Add: benefits @ 15%				320,400
Total				2,456,400

Total annual wages	2,456,400
Annual increase in wages	6%
Total manpower	10

Annexure 9 - Computation of Depreciation

Computation of Depreciation

Sr. No.	Particulars	Building and civil work	Plant and Machinery	Misc Fixed Asset	Amount in lakhs
i.	Cost	225,000	4,635,000	-	48.6
ii.	Pre operatives	-	-	-	-
iii.	Contingencies	-	-	-	-
	Total				48.6

	Rates of Depreciation	10%	15%	10%	Total depreciation for the year
Year 1		22,500.00	695,250.00	-	717,750.00
Year 2		20,250.00	590,962.50	-	611,212.50
Year 3		18,225.00	502,318.13	-	520,543.13
Year 4		16,402.50	426,970.41	-	443,372.91
Year 5		14,762.25	362,924.85	-	377,687.10
Year 6		13,286.03	308,486.12	-	321,772.14
Year 7		11,957.42	262,213.20	-	274,170.62
Year 8		10,761.68	222,881.22	-	233,642.90
Year 9		9,685.51	189,449.04	-	199,134.55

Annexure 10 - Calculation of Income taxCalculation of Income Tax

Particulars	Year ending March 31st								
	I	II	III	IV	V	VI	VII	VIII	IX
Net profit before tax	3,228,583	2,876,196	2,596,604	2,311,766	1,981,179	1,684,305	1,380,572	1,468,130	1,523,292
Add- dep on SLM	-	-	-	-	-	-	-	-	-
Sub total	3,228,583	2,876,196	2,596,604	2,311,766	1,981,179	1,684,305	1,380,572	1,468,130	1,523,292
Less- Dep on WDV	717,750	611,213	520,543	443,373	377,687	321,772	274,171	233,643	199,135
Sub total	2,510,833	2,264,984	2,076,061	1,868,393	1,603,492	1,362,533	1,106,401	1,234,487	1,324,158
Less - Deductions	-	-	-	-	-	-	-	-	-
Taxable profits	2,510,833	2,264,984	2,076,061	1,868,393	1,603,492	1,362,533	1,106,401	1,234,487	1,324,158
Income tax @30%	753,250	679,495	622,818	560,518	481,048	408,760	331,920	370,346	397,247

Annexure 11- Break even analysis (At maximum capacity utilization)

Break even capacity at maximum capacity utilization

Sales		18,450,000
Variable cost		
- Running and maintenance cost	922,500	
- Interest on Working capital	-	
- electricity expense	123,502	1,046,002
Contribution		17,403,998
Less: fixed cost		
Wages and salaries		2,456,400
Depreciation		717,750
Miscellaneous expense		200,000
Interest on TL		259,917
Fixed cost		3,634,067

	Rs. per hr
Sales price per kg	410
Running and maintenance cost	20.5
Interest on Working capital	-
Miscellaneous expense	4.1
Electricity charges	2.7445
Contribution per hr	382.6555024
BEP in hrs	9496.97
Total BEP %	21.10%

Break-even point is the condition when an entity generate sufficient revenue that it can meet its fixed expense after deducting any variable expense, i.e., the point where contribution is equal to the fixed expense.

For the first year of operation the break-even capacity comes at 21.1% capacity, it is because of the fact that in the Initial year the fixed expense of consultancy for project is taken in to consideration for calculation of BEP. considering our operational capacity in year 1 to be 75% which is more than the BEP, hence we can conclude that the project is sound enough to cover its fixed expense.

Annexure 13 - Repayment schedule

Repayment schedule

Amount of Loan (in lakhs)	43.74
Rate of interest	6.00%
Moratorium period	6 months

Year	Quarter	Balance outstanding	Principal instalment	Interest
1	1	43.74	0	0.6561
	2	43.74	0	0.6561
	3	43.74	1.682	0.6561
	4	42.058	1.682	0.6309
2	1	40.376	1.682	0.6056
	2	38.694	1.682	0.5804
	3	37.012	1.682	0.5552
	4	35.33	1.682	0.53
3	1	33.648	1.682	0.5047
	2	31.966	1.682	0.4795
	3	30.284	1.682	0.4543
	4	28.602	1.682	0.429
4	1	26.92	1.682	0.4038
	2	25.238	1.682	0.3786
	3	23.556	1.682	0.3533
	4	21.874	1.682	0.3281
5	1	20.192	1.682	0.3029
	2	18.51	1.682	0.2777
	3	16.828	1.682	0.2524
	4	15.146	1.682	0.2272
6	1	13.464	1.682	0.202
	2	11.782	1.682	0.1767
	3	10.1	1.682	0.1515
	4	8.418	1.682	0.1263
7	1	6.736	1.682	0.101
	2	5.054	1.682	0.0758
	3	3.372	1.682	0.0506
	4	1.69	1.69	0.0254

Sales Budget

	Year ending March 31st								
	I	II	III	IV	V	VI	VII	VIII	IX
Production capacity utilization	70%	75%	80%	85%	90%	95%	100%	100%	100%
Production qty	31500	33750	36000	38250	40500	42750	45000	45000	45000
Sales qty	31185	33413	35640	37868	40905	43178	45450	45113	45000
Sales	12915000	13173300	13436766	13705501	13979611	14259204	14544388	14835275	15131981

Production budget

Traction units	5
Power tillers	10
Hours operation in a day	10 hours
Production days in a year	300 days
Hours usage in a year	45,000 hours

Products	Production at 100% capacity	sales prices per kg in year I
Output	45,000	410.0

Output stock calculation

	Year ending March 31st								
	I	II	III	IV	V	VI	VII	VIII	IX
Opening Stock	-	315	653	1,013	1,395	990	563	113	-
Add: Production	31,500	33,750	36,000	38,250	40,500	42,750	45,000	45,000	45,000
Output available for sale	31,500	34,065	36,653	39,263	41,895	43,740	45,563	45,113	45,000
Less: Sales	31,185	33,413	35,640	37,868	40,905	43,178	45,450	45,113	45,000
Closing Stock	315	653	1,013	1,395	990	563	113	-	-

Assumptions:

1. Sales price is taken to be Rs. 410 per hour hire of tractor or power tiller, increasing 2% annually
2. assumed that 99% of production is sold for first 5 years, thereafter demand is almost 101% of output but we are able to serve market according to the availability of output

Cash flow statement

Particulars	0	I	II	III	IV	V	VI	VII	VIII	IX
opening balance	-	-	34,472	740,315	1,288,860	1,687,034	1,934,281	2,032,739	1,992,602	2,629,809
Add: Capital	486,000	-	-	-	-	-	-	-	-	-
Add: Loan disbursement	4,374,000	-	-	-	-	-	-	-	-	-
Less: Purchase of asset	4,860,000	-	-	-	-	-	-	-	-	-
Add: Sales realizations	-	11,623,500	11,855,970	12,093,089	12,334,951	12,581,650	12,833,283	13,089,949	13,351,748	13,618,783
Less: Payment made to creditors of previos year	-	-	65,830	66,347	66,874	67,411	75,959	76,518	77,089	77,671
Add: Receipts from debtors of previos year	-	-	1,291,500	1,317,330	1,343,677	1,370,550	1,397,961	1,425,920	1,454,439	1,483,528
Less: Payments made for current year purchase	-	9,360,670	10,003,639	10,586,539	11,179,942	11,816,459	12,432,734	13,061,449	13,289,475	13,530,425
Less: Interest payments	-	259,917	227,118	186,750	146,382	106,014	65,646	25,278	-	-
	-	2,002,913	2,885,354	3,311,099	3,574,290	3,649,350	3,591,186	3,385,363	3,432,225	4,124,024
Less: Income tax	-	753,250	679,495	622,818	560,518	481,048	408,760	331,920	370,346	397,247
	-	1,249,663	2,205,859	2,688,281	3,013,772	3,168,303	3,182,426	3,053,443	3,061,879	3,726,776
Less: Distrubutions made from profits	-	878,792	792,744	726,621	653,938	561,222	476,887	387,241	432,070	463,455
	-	370,872	1,413,115	1,961,660	2,359,834	2,607,081	2,705,539	2,666,202	2,629,809	3,263,321
Less: Principal repayment of loan	-	336,400	672,800	672,800	672,800	672,800	672,800	673,600	-	-
Closing cash balance	-	34,472	740,315	1,288,860	1,687,034	1,934,281	2,032,739	1,992,602	2,629,809	3,263,321

S. no. Assumptions

- 1 Electricity are semi-fixed cost. Rs. 90,000 pa is fixed, balance is variable at Rs. 12 per unit usage
- 2 Electricity usage in units is given below

Usage in units	25000	26250	27562.5	28940.625	30387.65625	31907.03906	33502.39102	33502.39102	33502.39102
Variable cost	300000	315000	330750	347287.5	364651.875	382884.4688	402028.6922	402028.6922	402028.6922

- 3 Assumed that 30 days of purchases are average creditors maintained
- 4 Assumed that 30 days of sales are average debtors maintained by the business
- 5 It is assumed that insurance cost is 2% of purchase price and this will increase 2% annually
- 6 Sales price is taken to be Rs. 410 per hour hire of tractor or power tiller, increaseing 2% annually
- It is assumed that 99% of production is sold for first 5 years, thereafter demand is almost 101% of output
- 7 but we are able to serve market according to the availability of output



(Wholly – owned subsidiary of NABARD)

- i. More than 100 Full-time Consultants**
- ii. Backed by 400 domain specialists**
- iii. Executed over 1700 assignments across India and in African and Asian Continents**
- iv. Core Competencies**
 - a. Preparation/Appraisals of DPRs**
 - b. Techno-feasibility study**
 - c. Baseline Surveys**
 - d. Project Management Consultancy**
 - e. Climate Issues and Green Funds**
 - f. Monitoring and Evaluation**
 - g. Impact Assessment Studies**
 - h. Third Party Monitoring of Infrastructural Projects**
 - i. Skills for Livelihood**
 - j. Capacity Building**
 - k. Accreditation of Rural Godowns**
 - l. Climate Change Issues**
 - m. CSR Facilitation**
 - n. IT in Rural Banks**

Pro - Services Rendered by NABCONS

No.	Name of Services	Description
1	Project Management Consultancy (PMC)	Entails provision of end-to-end solution, including assistance in statutory approvals, bid process management, issuing and evaluating tender documents and supervision over infrastructure projects like Mega Food Park, Rural Godowns, Cold Storage, etc. funded by Govt. or private entities.
2	Preparation of Detailed Project Report / Conduct / Techno-economic Feasibility	For various activities under agriculture, horticulture, forestry, fisheries, irrigation, animal husbandry, food processing activities, agri-infrastructure, climate issues, etc.
3	Third Party Monitoring (TPM) of Infrastructure Projects	TPM of various Govt.-funded infra projects to assess the level of compliance followed in execution. This also covers socio-economic impact evaluation.
4	Monitoring and Evaluation (M&E)	M & E is undertaken for various developmental schemes of Govt. of India and State Govts in the areas of agriculture, animal husbandry and all other socio-development sectors.
5	Training and Capacity Building	Training is imparted on forward markets, agriculture market infrastructure, rural godown, agri-financing, treasury and investment management for banks, etc.
6	Studies / Baseline Surveys	Baseline surveys are taken up for measuring impact of community investment made by public and private sector Companies. Studies are conduct on women, children, disadvantaged groups / regions, etc.
7	Livelihood Mapping	Livelihood mapping and analysis is done for identification of potential activities to be taken up by SHGs
8	International Visitors' Programme / International Exposure Visits	Entails organizing study tours / exposure for the visiting foreign delegates to their areas of interest such as watershed, micro-finance, fin-inclusion, cooperatives, projects appraisal, agro-processing, post-harvest technologies, farmers' clubs, etc.
9	Consultancy on Banking and Finance	Designing and execution of priority sector strategies, advisory services on Treasury and Investment Management for Banks, preparation of IT Policy, etc.
10	Transaction advisory	Transaction Advisory for setting up of Agri-mall, Silos & Cold Storages
11	Skills for Livelihood	Skilling of rural BPL youth and placement in the formal sector, monitoring skill initiatives of MORD, Govt. of India, facilitating access to credit for trainees, etc.
12	Accreditation of Godowns	Engaged by WDRA as Accreditation Agency for accrediting rural godowns.