

MODEL DPR

ESTABLISHMENT OF MUSTARD OIL PROCESSING UNIT (WITH CAPITAL SUBSIDY)

Under Agriculture Infrastructure Fund Scheme

Submitted to



Department of Agriculture,
Cooperation & Farmers Welfare

Submitted by



Knowledge Partner
NABARD Consultancy Services
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The views expressed and the conclusions arrived at in this document, including financial, are based on the data and information provided by various Government Departments and agencies, overall policy and approach of the State Government, discussions with the stakeholders at various levels as also the observations recorded by NABCONS during the study. Being only advisory in nature, such views and conclusions do not represent or reflect, in any way, the policy or views of NABARD.

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CREDIT CITATION

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									
To be filled by the applicant									
2									

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				
To be filled by the applicant				
2				

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							

2	Term Loan								To be filled by the applicant
3	Others								

*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

Primary Processing plant of Mustard oil.

c
tive of 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)	MUSTARD OIL PROCESSING UNIT

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)		22 MT per day, MUSTARD OIL PRODUCTION	300 days

- II. Details of technologies to be used/ alternative technologies
- III. Flow chart of activity process

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	54,34,000
2	Civil Works	
3	Technical Civil Works/Errection etc.	
4	Plant & Machinery (P&M)	101,50,000
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		155,84,000

b. Means of finance

SN	Items	Amount (₹ in lakhs)
1	*Promoter's Equity	15.58
2	Capital Subsidy/ Benefit from other Central/ State Scheme	
3	Loan (TL + CC) (including back end capital subsidy @ 25% maximum Rs 12.5 lakhs, in instant case Rs. 12.5 lakhs)	140.25 (including back end capital subsidy Rs. 12.5 lakhs)
	Total	155.84

*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	5867.40	6278.12	6717.59	7187.82	7690.96
2	Cost of Operations	5766.87	6177.33	6588.18	6999.46	7556.13
3	Gross Profit	100.53	100.79	129.40	188.35	134.84
4	Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	100.53	100.79	129.40	188.35	134.84
5	Profit before taxation	71.537	75.674	108.010	170.347	119.922
6	Profit after taxation	50.076	52.972	75.607	119.243	83.945

*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]	189.92%	-

2	Avg. Debt Service Coverage Ratio (DSCR)	6.10	-
3	Break Even Point (BEP)	50.16%	-
4	Debt-Equity Ratio (TTL/TNW)	1.247	-
5	Fixed Assets Coverage Ratio	1.062	-

e. Credit Facilities proposed

I. Fund Based

- a) Term Loan 140.25 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.

Raw Material Availability: Xyz is famous for it's indigenous rapeseed produce. So, there will be abundance and quite good quality of produce will be available for further processing.

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.

Labor/Staff : The Plant will require 3 skilled and 4 unskilled labor for plant, 1 accountant & 1 guard. The required labor (skilled/ unskilled) and staff are easily available considering the market.

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).....9.....
- 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: _____

SAMPLE

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	54.34
(a)	Total	54.34
3	Civil Work	
(a)	Civil Work	
	Total	-
4	Plant and Machinery (indegenuous)	
(a)	Plant and Machinery	101.50
	Total	101.50
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	155.84

Annexure 2 - Means of Finance

Sr. No.	Item	Grand Total (in lakhs)
1	Promoter's equity	15.5840350
2	Eligible Assistance	-
3	Term Loan	140.2563150
4	CC Limit	-
	Total	155.84

Annexure 3 - Complete Estimate of Civil and Plant and Machinery

1. Building	Units	Amt
1 Building as per estimate	1	5,434,316
Total Plant and Machinery		5,434,316
2. Plant and machinery	Units	Amt
1 Plant & Machinery	1	2,601,000
2 Machinery Installation Charges	1	200,000
3 Plant & Machinery - Generator	1	1,523,320
4 Storage Tank for Oil	1	640,000
5 P & M - Tractor	1	500,000
6 P & M - Tata Yodha Pickup BS-VI	1	988,900
7 8 P & M - Transformer	1	300,000
8 P & M - Motors and Electrical cable	1	596,499
9 P & M - Machine Fitting Equipment's	1	800,000
10 Electric connection charges	1	2,000,000
Total Plant and Machinery		10,149,719
Total fixed Assets		15,584,035

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	
	Purchase of raw material input	545,160,000	584,100,000	623,040,000	661,980,000	700,920,000	739,860,000	778,800,000	778,800,000	778,800,000	
	Electricity expense	1,660,000	1,735,000	1,813,750	1,896,438	1,983,259	2,074,422	2,170,143	2,170,143	2,170,143	
	Running and Maintenance expense @1.5% of procurement cost	8,177,400	8,761,500	9,345,600	9,929,700	10,513,800	11,097,900	11,682,000	11,682,000	11,682,000	
	Cost of Production	554,997,400	594,596,500	634,199,350	673,806,138	713,417,059	753,032,322	792,652,143	792,652,143	792,652,143	
	Add: Opening stock	-	5,544,000	11,484,000	17,820,000	24,552,000	17,424,000	9,900,000	1,980,000	-	
	Less: Closing stock	5,544,000	11,484,000	17,820,000	24,552,000	17,424,000	9,900,000	1,980,000	-	-	
	Sub Total	549,453,400	588,656,500	627,863,350	667,074,138	720,545,059	760,556,322	800,572,143	794,632,143	792,652,143	
	Administrative salaries and wages	1,978,560	2,097,274	2,223,110	2,356,497	2,497,886	2,647,760	2,806,625	2,975,023	3,153,524	
	Miscellaneous expense - semi fixed	6,867,400	7,278,118	7,717,586	8,187,817	8,690,965	9,429,332	10,005,385	10,621,762	11,281,286	
	Packaging cost @ Rs. 2 per kg	9,240,000	9,900,000	10,560,000	11,220,000	11,880,000	12,540,000	13,200,000	13,200,000	13,200,000	
	Selling expenses @ Rs. 2 per kg	9,147,600	9,801,000	10,454,400	11,107,800	11,998,800	12,665,400	13,332,000	13,233,000	13,200,000	
	Total	27,233,560	29,076,392	30,955,096	32,872,114	35,067,651	37,282,492	39,344,010	40,029,785	40,834,810	
	Cost of Sales	576,686,960	617,732,892	658,818,446	699,946,251	755,612,710	797,838,814	839,916,154	834,661,928	833,486,953	
	Expected sales revenue	586,740,000	627,811,800	671,758,626	718,781,730	769,096,451	822,933,202	880,538,527	942,176,224	1,008,128,559	
	Gross Profit	10,053,040	10,078,908	12,940,180	18,835,478	13,483,741	25,094,389	40,622,373	107,514,295	174,641,606	
	Financial expense										
	Interest on Term Loan	833,453	728,348	598,988	469,628	340,268	210,908	75,694	-	-	
	Interest on WC Loan	-	-	-	-	-	-	-	-	-	
	total	833,453	728,348	598,988	469,628	340,268	210,908	75,694	-	-	
	Operating profits (PBT)	9,219,587	9,350,561	12,341,192	18,365,851	13,143,473	24,883,481	40,546,679	107,514,295	174,641,606	
	Preliminary Expense	-	-	-	-	-	-	-	-	-	
	depreciation	2,065,889	1,783,178	1,540,155	1,331,141	1,151,278	996,414	862,996	747,987	648,785	
	Other income - Subsidy for repayment of loan	-	-	-	-	-	-	1,250,000	-	-	
	Net Profit before Tax	7,153,698	7,567,383	10,801,036	17,034,709	11,992,195	23,887,067	40,933,683	106,766,308	173,992,821	
	Income Tax	2,146,109	2,270,215	3,240,311	5,110,413	3,597,658	7,166,120	11,905,105	32,029,893	52,197,846	
	Profits after Tax	5,007,588	5,297,168	7,560,726	11,924,297	8,394,536	16,720,947	29,028,578	74,736,416	121,794,975	
	Distribution of profits (80%)	4,006,071	4,237,734	6,048,580	9,539,437	6,715,629	13,376,758	23,222,862	59,789,133	97,435,980	
	Profit transfer to balance sheet	1,001,518	1,059,434	1,512,145	2,384,859	1,678,907	3,344,189	5,805,716	14,947,283	24,358,995	

1. Electricity are semi-fixed cost. Rs. 1,60,000 pa is fixed, balance is variable at Rs. 12 per unit usage

2. Electricity usage in units is given below

Usage in units	125000	131250	137812.5	144703.125	151938.2813	159535.1953	167511.9551	167511.9551	167511.9551
Variable cost	1500000	1575000	1653750	1736437.5	1823259.375	1914422.344	2010143.461	2010143.461	2010143.461

3. Closing stock is valued at Rs. 120 per kg

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	15,584,035	13,518,145.55	11,734,967.94	10,194,812.54	8,863,671.48	7,712,393.50	6,715,979.93	5,852,983.86	5,104,997.11
	Less- Depreciation	2,065,889	1,783,177.61	1,540,155.39	1,331,141.06	1,151,277.99	996,413.56	862,996.07	747,986.75	648,784.82
	net Block	13,518,146	11,734,967.94	10,194,812.54	8,863,671.48	7,712,393.50	6,715,979.93	5,852,983.86	5,104,997.11	4,456,212.28
2	Closing Stock	5,544,000	11,484,000	17,820,000	24,552,000	17,424,000	9,900,000	1,980,000	-	-
3	Sundry debtors	58,674,000	52,317,650	55,979,886	59,898,477	64,091,371	68,577,767	73,378,211	78,514,685	84,010,713
4	Cash/ bank balance	46,803,407	36,224,368	33,612,433	31,011,842	41,111,134	52,823,341	66,933,977	79,472,772	98,984,524
	Total assets	124,539,553	111,760,986	117,607,131	124,325,991	130,338,898	138,017,087	148,145,171	163,092,455	187,451,450
B	Liabilities									
1	Capital	1,558,404	2,559,921	3,619,355	5,131,500	7,516,359	9,195,266	12,539,456	18,345,171	33,292,455
	Add- Profit	1,001,518	1,059,434	1,512,145	2,384,859	1,678,907	3,344,189	5,805,716	14,947,283	24,358,995
	Less- Drawings	-	-	-	-	-	-	-	-	-
	Closing capital	2,559,921	3,619,355	5,131,500	7,516,359	9,195,266	12,539,456	18,345,171	33,292,455	57,651,450
2	term Loan	12,947,632	10,791,632	8,635,632	6,479,632	4,323,632	2,167,632	-	-	-
3	Working capital	-	-	-	-	-	-	-	-	-
4	Creditors	109,032,000	97,350,000	103,840,000	110,330,000	116,820,000	123,310,000	129,800,000	129,800,000	129,800,000
	Total liabilities	124,539,553	111,760,986	117,607,131	124,325,991	130,338,898	138,017,087	148,145,171	163,092,455	187,451,450
	Current Ratio									
	Current Assets	105,477,407	88,542,018	89,592,319	90,910,319	105,202,504	121,401,107	140,312,188	157,987,458	182,995,237
	Current Liabilities	109,032,000	97,350,000	103,840,000	110,330,000	116,820,000	123,310,000	129,800,000	129,800,000	129,800,000
	Ratio	0.967398627	0.90952253	0.862791976	0.823985491	0.90055217	0.984519564	1.080987578	1.21716069	1.409824632
	Average				1.017415918					
	Debt Equity ratio									
	Debt	12,947,632	10,791,632	8,635,632	6,479,632	4,323,632	2,167,632	-	-	-
	Equity	2,559,921	3,619,355	5,131,500	7,516,359	9,195,266	12,539,456	18,345,171	33,292,455	57,651,450
	Ratio	5.057824295	2.981645117	1.68286694	0.862070495	0.470201871	0.172864878	0	0	0
	Average				1.247497066					
	Fixed asset coverage ratio									
	Fixed assets	13,518,146	11,734,968	10,194,813	8,863,671	7,712,393	6,715,980	5,852,984	5,104,997	4,456,212
	Debt	12,947,632	10,791,632	8,635,632	6,479,632	4,323,632	2,167,632	-	-	-
	ratio	1.044063198	1.0874137	1.180552059	1.367928328	1.783776785	3.098303348	-	-	-
	Average				1.062448602					
	Debt service coverage ratio									
	Interest on loan (TL + WC)	833,453	728,348	598,988	469,628	340,268	210,908	75,694	-	-
	Instalment of loan	1,078,000	2,156,000	2,156,000	2,156,000	2,156,000	2,156,000	917,632	-	-
	Total	1,911,453	2,884,348	2,754,988	2,625,628	2,496,268	2,366,908	993,325	-	-
	Net operating income	10,053,040	10,078,908	12,940,180	18,835,478	13,483,741	25,094,389	40,622,373	107,514,295	174,641,606
	ratio	5.259371054	3.494345614	4.697000582	7.173704422	5.40155993	10.60218212	40.89533088	0	0
	Average				5.205196321					

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 8 - Details of Mnpower

Details of Manpower

S. No.	Designation	In no.	Salary per person per month	Annual cost
i.	Machine operators	3	17,000	612,000
ii.	Accountant	1	29,000	348,000
iii.	Labour/ helper	4	12,000	576,000
iv.	Security	1	9,400	112,800
Total				1,648,800
Add: benefits @ 20%				329,760
Total				1,978,560

Total annual wages	1,978,560
Annual increase in wages	6%
Total manpower	9

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	5,434,316	10,149,719	-	155.84035
ii.	Pre operatives	-	-	-	-
iii.	Contingencies	-	-	-	-
	Total				155.84035

	Rates of Depreciation	10%	15%	10%	Total depreciation for the year
Year 1		543,431.60	1,522,457.85	-	2,065,889.45
Year 2		489,088.44	1,294,089.17	-	1,783,177.61
Year 3		440,179.60	1,099,975.80	-	1,540,155.39
Year 4		396,161.64	934,979.43	-	1,331,141.06
Year 5		356,545.47	794,732.51	-	1,151,277.99
Year 6		320,890.93	675,522.64	-	996,413.56
Year 7		288,801.83	574,194.24	-	862,996.07
Year 8		259,921.65	488,065.10	-	747,986.75
Year 9		233,929.48	414,855.34	-	648,784.82

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	9,219,587	9,350,561	12,341,192	18,365,851	13,143,473	24,883,481	40,546,679	107,514,295	174,641,606
Add- dep on SLM	-	-	-	-	-	-	-	-	-
Sub total	9,219,587	9,350,561	12,341,192	18,365,851	13,143,473	24,883,481	40,546,679	107,514,295	174,641,606
Less- Dep on WDV	2,065,889	1,783,178	1,540,155	1,331,141	1,151,278	996,414	862,996	747,987	648,785
Sub total	7,153,698	7,567,383	10,801,036	17,034,709	11,992,195	23,887,067	39,683,683	106,766,308	173,992,821
Less - Deductions	-	-	-	-	-	-	-	-	-
Taxable profits	7,153,698	7,567,383	10,801,036	17,034,709	11,992,195	23,887,067	39,683,683	106,766,308	173,992,821
Income tax @30%	2,146,109	2,270,215	3,240,311	5,110,413	3,597,658	7,166,120	11,905,105	32,029,893	52,197,846

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

Break even capacity at maximum capacity utilization

Sales		838,200,000
Variable cost		
- Procurement cost of inputs	778,800,000	
- Running and maintenance cost	11,682,000	
- Selling cost	13,200,000	
- Interest on Working capital	-	
- electricity expense	327,512	804,009,512
Contribution		34,190,488
Less: fixed cost		
Wages and salaries		1,978,560
Depreciation		2,065,889
Miscellaneous expense		1,000,000
Interest on TL		833,453
Fixed cost		5,877,902

	Rs. per kg
Sales price per kg	127
Procurement cost of rapeseed	118
Running and maintenance cost	1.905
Interest on Working capital	-
selling expenses	2
Miscellaneous expense	1.27
Packaging cost	2
Electricity charges	0.0496
Contribution per kg	1.775376977
BEP in kgs	3310791.13
Total BEP %	50.16%

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 50.16% 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)	140.26
Amount of subsidy (in lakhs)	12.50
Rate of interest	6.00%
Moratorium period	6 months

Year	Quarter	Balance outstanding	Principal instalment	Interest
1	1	140.26	0	2.1038
	2	140.26	0	2.1038
	3	140.26	5.39	2.1038
	4	134.866315	5.39	2.023
2	1	129.476315	5.39	1.9421
	2	124.086315	5.39	1.8613
	3	118.696315	5.39	1.7804
	4	113.306315	5.39	1.6996
3	1	107.916315	5.39	1.6187
	2	102.526315	5.39	1.5379
	3	97.136315	5.39	1.457
	4	91.746315	5.39	1.3762
4	1	86.356315	5.39	1.2953
	2	80.966315	5.39	1.2145
	3	75.576315	5.39	1.1336
	4	70.186315	5.39	1.0528
5	1	64.796315	5.39	0.9719
	2	59.406315	5.39	0.8911
	3	54.016315	5.39	0.8102
	4	48.626315	5.39	0.7294
6	1	43.236315	5.39	0.6485
	2	37.846315	5.39	0.5677
	3	32.456315	5.39	0.4868
	4	27.066315	5.39	0.406
7	1	21.676315	5.39	0.3251
	2	16.286315	3.786315	0.2443
	3	12.5	0	0.1875
	4	0	0.00	0

Repaid via subsidy

In case of Capital subsidy, the amount vary depending on location of unit and scheme offered by the government at that time. Thus it is assumed here that 25% of loan (maximum Rs. 12.5 lakhs)is sourced through back end subsidy.

The amount Rs. 12.5 lakhs is sourced by Government subsidy. Since this is a back end subsidy, the amount is funded to bank at the end of repayment schedule.

Subsidy is available maximum 25% upto Rs. 12.5 lakhs under Agriculture Marketing Infrastructure Scheme

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	4620000	4950000	5280000	5610000	5940000	6270000	6600000	6600000	6600000
Sales qty	4573800	4900500	5227200	5553900	5999400	6332700	6666000	6616500	6600000
Sales	586740000	627811800	671758626	718781730	769096451	822933202	880538527	942176224	1008128559

Production budget

Production capacity 22000 kg per day
 Production days in a year 300 days
 Production qty in a year 6,600,000 kgs

Products	Production at 100% capacity	sales prices per kg in year I	purchase prices per kg in year I
Output	6,600,000	127.0	59.0

Output stock calculation

	Year ending March 31st								
	I	II	III	IV	V	VI	VII	VIII	IX
Opening Stock	-	46,200	95,700	148,500	204,600	145,200	82,500	16,500	-
Add: Production	4,620,000	4,950,000	5,280,000	5,610,000	5,940,000	6,270,000	6,600,000	6,600,000	6,600,000
Output available for sale	4,620,000	4,996,200	5,375,700	5,758,500	6,144,600	6,415,200	6,682,500	6,616,500	6,600,000
Less: Sales	4,573,800	4,900,500	5,227,200	5,553,900	5,999,400	6,332,700	6,666,000	6,616,500	6,600,000
Closing Stock	46,200	95,700	148,500	204,600	145,200	82,500	16,500	-	-

Assumptions:

1. Sales price per kg of output is 127, expected to increase 7% per annum
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
input output ratio is 50%, i.e., 1 kg of rapeseed would produce 0.5 kg/ litre of oil

Cash flow statement

Particulars	0	I	II	III	IV	V	VI	VII	VIII	IX
opening balance	-	-	46,803,407	36,224,368	33,612,433	31,011,842	41,111,134	52,823,341	66,933,977	79,472,772
Add: Capital	1,558,404	-	-	-	-	-	-	-	-	-
Add: Loan disbursement	14,025,632	-	-	-	-	-	-	-	-	-
Less: Purchase of asset	15,584,035	-	-	-	-	-	-	-	-	-
Add: Sales realizations	-	528,066,000	575,494,150	615,778,741	658,883,252	705,005,080	754,355,436	807,160,316	863,661,538	924,117,846
Less: Payment made to creditors of previos year	-	-	109,032,000	97,350,000	103,840,000	110,330,000	116,820,000	123,310,000	129,800,000	129,800,000
Add: Receipts from debtors of previos year	-	-	58,674,000	52,317,650	55,979,886	59,898,477	64,091,371	68,577,767	73,378,211	78,514,685
Less: Payments made for current year purchase	-	473,198,960	526,322,892	561,314,446	596,348,251	631,664,710	667,004,814	702,196,154	702,881,928	703,686,953
Less: Interest payments	-	833,453	728,348	598,988	469,628	340,268	210,908	75,694	-	-
	-	54,033,587	44,888,318	45,057,325	47,817,692	53,580,421	75,522,218	102,979,576	171,291,797	248,618,350
Less: Income tax	-	2,146,109	2,270,215	3,240,311	5,110,413	3,597,658	7,166,120	11,905,105	32,029,893	52,197,846
	-	51,887,478	42,618,103	41,817,014	42,707,279	49,982,763	68,356,098	91,074,471	139,261,905	196,420,504
Less: Distrubutions made from profits	-	4,006,071	4,237,734	6,048,580	9,539,437	6,715,629	13,376,758	23,222,862	59,789,133	97,435,980
	-	47,881,407	38,380,368	35,768,433	33,167,842	43,267,134	54,979,341	67,851,609	79,472,772	98,984,524
Less: Principal repayment of loan	-	1,078,000	2,156,000	2,156,000	2,156,000	2,156,000	2,156,000	917,632	-	-
Closing cash balance	-	46,803,407	36,224,368	33,612,433	31,011,842	41,111,134	52,823,341	66,933,977	79,472,772	98,984,524

S. no. Assumptions

- 1 Electricity are semi-fixed cost. Rs. 1,60,000 pa is fixed, balance is variable at Rs. 12 per unit usage
 2 Electricity usage in units is given below

Usage in units	125000	131250	137812.5	144703.125	151938.2813	159535.1953	167511.9551	167511.9551	167511.9551
Variable cost	1500000	1575000	1653750	1736437.5	1823259.375	1914422.344	2010143.461	2010143.461	2010143.461

- 3 Closing stock is valued at Rs. 120 per kg
 4 Assumed that 60 days of purchases are average creditors maintained
 5 Assumed that 30 days of sales are average debtors maintained by the business
 6 It is assumed that input output ratio of mustard oil production is 50%, i.e., to produce output of 1 litre of oil- 2 kg of rapeseed is required to be processed
 7 The selling expense per kg is takes to be variable @ Rs. 2 per kg of output sold
 8 Packing expense is variable at Rs 2 per kg
 There are some miscellaneous expenses assumed for managing office and employees expense. This is semi fixed cost, fixed to the extent of Rs 10 lakhs per annum and variable @ 1% of sales. The fixed
 9 expense would increase after 5 years by 20%



(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.