

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
Corporate Office: 24 Rajendra Place,
7th Floor, NABARD Building, New Delhi
Registered Office: Plot No. C-24, G Block,
3rd Floor, NABARD Building, Bandra Kurla Complex,
Bandra East, Mumbai

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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							

	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)		20 MT per day, MUSTARD OIL PRODUCTION	250 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	16,00,000
2	Civil Works	
3	Technical Civil Works/Errection etc.	
4	Plant & Machinery (P&M)	46,00,000
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	20,00,000
Total Project Cost		82,00,000

b. Means of finance

SN	Items	Amount (₹ in lakhs)
1	*Promoter's Equity	8.20
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)	73.80 (including back end capital subsidy)
	Total	82.00

*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	2893.28	3254.93	3471.93	3688.93	3984.83
2	Cost of Operations	2877.87	3219.51	3430.67	3642.18	3923.71
3	Gross Profit	15.40	35.42	41.26	46.75	61.12
4	Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	15.40	35.42	41.26	46.75	61.12
5	Profit before taxation	1.705	23.324	30.682	37.546	53.166
6	Profit after taxation	1.193	16.327	21.477	26.282	37.216

*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]	89.92%	-

2	Avg. Debt Service Coverage Ratio (DSCR)	1.25	-
3	Break Even Point (BEP)	32.13%	-
4	Debt-Equity Ratio (TTL/TNW)	1.72	-
5	Fixed Assets Coverage Ratio	0.57	-

e. Credit Facilities proposed

I. Fund Based

- a) Term Loan 53.80 lakhs
- b) Working Capital 20.00 lakhs
(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 with 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	16.00
(a)	Total	16.00
3	Civil Work	
(a)	Civil Work	-
	Total	-
4	Plant and Machinery (indegenuous)	
(a)	Plant and Machinery	46.00
	Total	46.00
5	Miscellanoeous Fixed Assets	
(a)	Cost	-
6	Working Capital Margin	20.00
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	82.00

Annexure 2 - Means of Finance

Sr. No.	Item	Grand Total (in lakhs)
1	Promoter's equity	8.20
2	Eligible Assistance	-
3	Term Loan	53.80
4	CC Limit	20.00
	Total	82.00

Annexure 3 - Complete Estimate of Civil and Plant and Machinery

1. Building		Units	Amt	
1	Building as per estimate	1	1,600,000	
Total Plant and Machinery			1,600,000	
2. Plant and machinery		Units	Capacity	Amt
1	Automatic Oil expeller	2		1,000,000
2	Motor	2		400,000
3	Oil filter			50,000
4	Boilers	2		80,000
5	Oil storage tank	3		60,000
6	Shaker with blower	1		30,000
7	Weighing scale	1		50,000
8	Packaging machine			200,000
9	Tractor (for foraying the produce to and from farm)			500,000
10	Electrical expense including generator			1,200,000
11	Bucket elevator	2		300,000
12	seed cleaner			200,000
13	Conveyor belt	1		200,000
14	Oil testing equipment			250,000
15	Miscellaneous			80,000
Total Plant and Machinery				4,600,000
Total fixed Assets				6,200,000

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
	Purchase of raw material input	227,500,000	255,937,500	273,000,000	290,062,500	307,125,000	324,187,500	341,250,000	341,250,000	341,250,000
	Electricity expense	11,800,000	12,340,000	12,907,000	13,502,350	14,127,468	14,783,841	15,473,033	15,473,033	15,473,033
	Running and Manintenance expense @15% of procurement cost	34,125,000	38,390,625	40,950,000	43,509,375	46,068,750	48,628,125	51,187,500	51,187,500	51,187,500
	Fixed running cost	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
	Cost of Production	274,625,000	307,868,125	328,057,000	348,274,225	368,521,218	388,799,466	409,110,533	409,110,533	409,110,533
	Add: Opening stock	-	2,630,250	5,448,375	8,454,375	11,648,250	8,266,500	4,696,875	939,375	-
	Less: Closing stock	2,630,250	5,448,375	8,454,375	11,648,250	8,266,500	4,696,875	939,375	-	-
	Sub Total	271,994,750	305,050,000	325,051,000	345,080,350	371,902,968	392,369,091	412,868,033	410,049,908	409,110,533
	Administrative salaries and wages	1,696,320	1,798,099	1,905,985	2,020,344	2,141,565	2,270,059	2,406,262	2,550,638	2,703,676
	Packaging cost @ Rs. 2 per kg	6,300,000	6,750,000	7,200,000	7,650,000	8,100,000	8,550,000	9,000,000	9,000,000	9,000,000
	Selling expenses @ Rs. 2.5 per kg	7,796,250	8,353,125	8,910,000	9,466,875	10,226,250	10,794,375	11,362,500	11,278,125	11,250,000
	Total	15,792,570	16,901,224	18,015,985	19,137,219	20,467,815	21,614,434	22,768,762	22,828,763	22,953,676
	Cost of Sales	287,787,320	321,951,224	343,066,985	364,217,569	392,370,782	413,983,525	435,636,795	432,878,671	432,064,209
	Expected sales revenue	289,327,500	325,493,438	347,193,000	368,892,563	398,482,875	420,620,813	442,758,750	439,470,938	438,375,000
	Gross Profit	1,540,180	3,542,213	4,126,015	4,674,993	6,112,093	6,637,288	7,121,955	6,592,267	6,310,791
	Financial expense									
	Interest on Term Loan	319,696	279,346	229,685	180,023	130,362	46,558	-	-	-
	Interest on WC Loan	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
	total	519,696	479,346	429,685	380,023	330,362	246,558	200,000	200,000	200,000
	Operating profits (PBT)	1,020,484	3,062,867	3,696,330	4,294,970	5,781,731	6,390,730	6,921,955	6,392,267	6,110,791
	Preliminary Expense	-	-	-	-	-	-	-	-	-
	depreciation	850,000	730,500	628,125	540,386	465,160	400,635	345,264	297,726	256,893
	Other income - Subsidy for repayment of loan	-	-	-	-	-	1,250,000	-	-	-
	Net Profit before Tax	170,484	2,332,367	3,068,205	3,754,584	5,316,571	7,240,095	6,576,691	6,094,541	5,853,897
	Income Tax	51,145	699,710	920,462	1,126,375	1,594,971	1,797,029	1,973,007	1,828,362	1,756,169
	Profits after Tax	119,339	1,632,657	2,147,744	2,628,209	3,721,600	5,443,067	4,603,684	4,266,179	4,097,728
	Distribution of profits (50%)	59,669	816,329	1,073,872	1,314,104	1,860,800	2,721,533	2,301,842	2,133,089	2,048,864
	Profit transfer to balance sheet	59,669	816,329	1,073,872	1,314,104	1,860,800	2,721,533	2,301,842	2,133,089	2,048,864

1. Electricity are semi-fixed cost. Rs. 10,00,000 pa is fixed, balance is variable at Rs. 12 per unit usage

2. Electricity usage in units is given below

Usage in units	900000	945000	992250	1041862.5	1093955.625	1148653.406	1206086.077	1206086.077	1206086.077
Variable cost	10800000	11340000	11907000	12502350	13127467.5	13783840.88	14473032.92	14473032.92	14473032.92

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

Annexure 5- Projected balance sheet

Projected Balance 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	6,200,000	5,350,000.00	4,619,500.00	3,991,375.00	3,450,988.75	2,985,828.44	2,585,193.37	2,239,929.65	1,942,203.95
	Less- Depreciation	850,000	730,500.00	628,125.00	540,386.25	465,160.31	400,635.07	345,263.73	297,725.69	256,893.22
	net Block	5,350,000	4,619,500.00	3,991,375.00	3,450,988.75	2,985,828.44	2,585,193.37	2,239,929.65	1,942,203.95	1,685,310.74
2	Closing Stock	2,630,250	5,448,375	8,454,375	11,648,250	8,266,500	4,696,875	939,375	-	-
3	Sundry debtors	28,932,750	27,124,453	28,932,750	30,741,047	33,206,906	35,051,734	36,896,563	36,622,578	36,531,250
4	Cash/ bank balance	16,432,823	13,298,381	12,202,139	11,070,515	16,328,424	22,363,754	29,767,282	33,411,456	35,808,542
	Total assets	53,345,823	50,490,709	53,580,639	56,910,801	60,787,658	64,697,557	69,843,149	71,976,238	74,025,102
B	Liabilities									
1	Capital	820,000	879,669	1,695,998	2,769,870	4,083,974	5,944,774	8,666,307	10,968,149	13,101,238
	Add- Profit	59,669	816,329	1,073,872	1,314,104	1,860,800	2,721,533	2,301,842	2,133,089	2,048,864
	Less- Drawings	-	-	-	-	-	-	-	-	-
	Closing capital	879,669	1,695,998	2,769,870	4,083,974	5,944,774	8,666,307	10,968,149	13,101,238	15,150,102
2	term Loan	4,966,154	4,138,462	3,310,769	2,483,077	1,655,385	-	-	-	-
3	Working capital	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
4	Creditors	45,500,000	42,656,250	45,500,000	48,343,750	51,187,500	54,031,250	56,875,000	56,875,000	56,875,000
	Total liabilities	53,345,823	50,490,709	53,580,639	56,910,801	60,787,658	64,697,557	69,843,149	71,976,238	74,025,102
	Current Ratio									
	Current Assets	45,365,573	40,422,834	41,134,889	41,811,562	49,535,330	57,415,489	66,663,844	70,034,034	72,339,792
	Current Liabilities	45,500,000	42,656,250	45,500,000	48,343,750	51,187,500	54,031,250	56,875,000	56,875,000	56,875,000
	Ratio	0.997045565	0.947641539	0.904063493	0.864880408	0.967723174	1.06263484	1.172111548	1.231367635	1.271908424
	Average				1.046597403					
	Debt Equity ratio									
	Debt	6,966,154	6,138,462	5,310,769	4,483,077	3,655,385	2,000,000	2,000,000	2,000,000	2,000,000
	Equity	879,669	1,695,998	2,769,870	4,083,974	5,944,774	8,666,307	10,968,149	13,101,238	15,150,102
	Ratio	7.919059447	3.619380501	1.917335415	1.097724146	0.614890446	0.230778806	0.182346175	0.152657327	0.13201231
	Average				1.762909397					
	Fixed asset coverage ratio									
	Fixed assets	5,350,000	4,619,500	3,991,375	3,450,989	2,985,828	2,585,193	2,239,930	1,942,204	1,685,311
	Debt	6,966,154	6,138,462	5,310,769	4,483,077	3,655,385	2,000,000	2,000,000	2,000,000	2,000,000
	ratio	0.767999117	0.752550125	0.7515625	0.769781293	0.81683017	1.292596686	-	-	-
	Average				0.572368877					
	Debt service coverage ratio									
	Interest on loan (TL + WC)	519,696	479,346	429,685	380,023	330,362	246,558	200,000	200,000	200,000
	Instalment of loan	2,413,846	2,827,692	2,827,692	2,827,692	2,827,692	2,405,385	2,000,000	2,000,000	2,000,000
	Total	2,933,542	3,307,038	3,257,377	3,207,715	3,158,054	2,651,942	2,200,000	2,200,000	2,200,000
	Net operating income	1,540,180	3,542,213	4,126,015	4,674,993	6,112,093	6,637,288	7,121,955	6,592,267	6,310,791
	ratio	0.52502396	1.071113427	1.266667919	1.45742146	1.93539847	2.502802491	3.237252155	0	0
	Average				1.251125047					

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 Manpower

Details of Manpower

S. No.	Designation	In no.	Salary per person per month	Annual cost
i.	Machine operators	2	17,000	408,000
ii.	Accountant	1	29,000	348,000
iii.	Labour/ helper	3	12,000	432,000
iv.	Security	2	9,400	225,600
Total				1,413,600
Add: benefits @ 20%				282,720
Total				1,696,320

Total annual wages	1,696,320
Annual increase in wages	6%
Total manpower	8

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	1,600,000	4,600,000	-	62
ii.	Pre operatives	-	-	-	-
iii.	Contingencies	-	-	-	-
	Total				62

	Rates of Depreciation	10%	15%	10%	Total depreciation for the year
Year 1		160,000.00	690,000.00	-	850,000.00
Year 2		144,000.00	586,500.00	-	730,500.00
Year 3		129,600.00	498,525.00	-	628,125.00
Year 4		116,640.00	423,746.25	-	540,386.25
Year 5		104,976.00	360,184.31	-	465,160.31
Year 6		94,478.40	306,156.67	-	400,635.07
Year 7		85,030.56	260,233.17	-	345,263.73
Year 8		76,527.50	221,198.19	-	297,725.69
Year 9		68,874.75	188,018.46	-	256,893.22

Annexure 10 - Calculation of Income tax

Calculation of Income Tax

Particulars	Year ending March 31st								
	I	II	III	IV	V	VI	VII	VIII	IX
Net profit before tax	1,020,484	3,062,867	3,696,330	4,294,970	5,781,731	6,390,730	6,921,955	6,392,267	6,110,791
Add- dep on SLM	-	-	-	-	-	-	-	-	-
Sub total	1,020,484	3,062,867	3,696,330	4,294,970	5,781,731	6,390,730	6,921,955	6,392,267	6,110,791
Less- Dep on WDV	850,000	730,500	628,125	540,386	465,160	400,635	345,264	297,726	256,893
Sub total	170,484	2,332,367	3,068,205	3,754,584	5,316,571	5,990,095	6,576,691	6,094,541	5,853,897
Less - Deductions	-	-	-	-	-	-	-	-	-
Taxable profits	170,484	2,332,367	3,068,205	3,754,584	5,316,571	5,990,095	6,576,691	6,094,541	5,853,897
Income tax @30%	51,145	699,710	920,462	1,126,375	1,594,971	1,797,029	1,973,007	1,828,362	1,756,169

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

Break even capacity at maximum capacity utilization

Sales		413,325,000
Variable cost		
- Procurement cost of inputs	325,000,000	
- Running and maintenance cost	4,875,000	
- Interest on Working capital	200,000	
- electricity expense	1,456,086	331,531,086
Contribution		81,793,914
Less: fixed cost		
Wages and salaries		1,696,320
Depreciation		850,000
Electricity		1,000,000
Fixed running expense		1,200,000
Interest on TL		319,696
Fixed cost		5,066,016

Particulars	Oil	Cake	
Sales price per kg	160	39	
Procurement cost of rapeseed	36.11111111	26	
Running and maintenance cost	3.611111111	3.9	
Interest on Working capital	0.0400	0.0400	
selling expenses	2.5	2.5	
Packaging cost	2	2	
Electricity charges	0.2912	0.29122	
Contribution per kg	115.4465606	4.268782785	
Contribution margin	72.154%	10.946%	
Sales mix	44.44%	55.56%	
Proportionate contribution	32.07%	6.08%	38.15%

BEP total in Rs. 13,279,420.68

BEP 32.13%

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 32.13% 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)	53.80
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	53.80	0	0.807
	2	53.80	0	0.807
	3	53.80	2.069230769	0.807
	4	51.73076923	2.069230769	0.77596
2	1	49.66153846	2.069230769	0.74492
	2	47.59230769	2.069230769	0.71388
	3	45.52307692	2.069230769	0.68285
	4	43.45384615	2.069230769	0.65181
3	1	41.38461538	2.069230769	0.62077
	2	39.31538462	2.069230769	0.58973
	3	37.24615385	2.069230769	0.55869
	4	35.17692308	2.069230769	0.52765
4	1	33.10769231	2.069230769	0.49662
	2	31.03846154	2.069230769	0.46558
	3	28.96923077	2.069230769	0.43454
	4	26.9	2.069230769	0.4035
5	1	24.83076923	2.069230769	0.37246
	2	22.76153846	2.069230769	0.34142
	3	20.69230769	2.069230769	0.31038
	4	18.62307692	2.069230769	0.27935
6	1	16.55384615	2.069230769	0.24831
	2	14.48461538	1.984615385	0.21727
	3	12.5	0	0
	4	0	0	0
7	1	0	0	0
	2	0	0	0
	3	0	0	0
	4	0	0.00	0

Annexure 14 - Cash flow statement

Particulars	0	I	II	III	IV	V	VI	VII	VIII	IX
opening balance	2,000,000	2,000,000	16,432,823	13,298,381	12,202,139	11,070,515	16,328,424	22,363,754	29,767,282	33,411,456
Add: Capital	820,000	-	-	-	-	-	-	-	-	-
Add: Loan disbursement	5,380,000	-	-	-	-	-	-	-	-	-
Less: Purchase of asset	6,200,000	-	-	-	-	-	-	-	-	-
Add: Sales realizations	-	260,394,750	298,368,984	318,260,250	338,151,516	365,275,969	385,569,078	405,862,188	402,848,359	401,843,750
Less: Payment made to creditors of previous year	-	-	45,500,000	42,656,250	45,500,000	48,343,750	51,187,500	54,031,250	56,875,000	56,875,000
Add: Receipts from debtors of previous year	-	-	28,932,750	27,124,453	28,932,750	30,741,047	33,206,906	35,051,734	36,896,563	36,622,578
Less: Payments made for current year purchase	-	244,917,570	282,113,099	300,572,985	319,067,694	337,801,532	356,382,650	375,004,295	375,064,296	375,189,209
Less: Interest payments	-	519,696	479,346	429,685	380,023	330,362	246,558	200,000	200,000	200,000
	-	16,957,484	15,642,112	15,024,165	14,338,687	20,611,887	27,287,701	34,042,131	37,372,908	39,613,575
Less: Income tax	-	51,145	699,710	920,462	1,126,375	1,594,971	1,797,029	1,973,007	1,828,362	1,756,169
	-	16,906,339	14,942,402	14,103,703	13,212,312	19,016,916	25,490,672	32,069,124	35,544,545	37,857,406
Less: Distributions made from profits	-	59,669	816,329	1,073,872	1,314,104	1,860,800	2,721,533	2,301,842	2,133,089	2,048,864
	-	16,846,669	14,126,074	13,029,831	11,898,208	17,156,116	22,769,139	29,767,282	33,411,456	35,808,542
Less: Principal repayment of loan	-	413,846	827,692	827,692	827,692	827,692	405,385	-	-	-
Closing cash balance	2,000,000	16,432,823	13,298,381	12,202,139	11,070,515	16,328,424	22,363,754	29,767,282	33,411,456	35,808,542

Sales Budget

Particulars	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 for oil	1400000	1500000	1600000	1700000	1800000	1900000	2000000	2000000	2000000
Production qty for cake	1750000	1875000	2000000	2125000	2250000	2375000	2500000	2500000	2500000
Sale qty for oil	1386000	1485000	1584000	1683000	1818000	1919000	2020000	2005000	2000000
Sale qty for cake	1732500	1856250	1980000	2103750	2272500	2398750	2525000	2506250	2500000
Sales for Oil	221,760,000	249,480,000	266,112,000	282,744,000	305,424,000	322,392,000	339,360,000	336,840,000	336,000,000
Sales for Cake	67,567,500	76,013,438	81,081,000	86,148,563	93,058,875	98,228,813	103,398,750	102,630,938	102,375,000
Total Sales	289327500	325493438	347193000	368892563	398482875	420620813	442758750	439470938	438375000

Production budget

Production capacity 20000 kg per day
 Production days in a year 250 days
 Production qty in a year 5,000,000 kgs

Products	Production at 100% capacity	sales prices for oil per kg in year I	purchase prices per kg in year I	sales prices for cake per kg in year I
Output	5,000,000	160.0	65.0	39

Output stock calculation - For oil

Particulars	Year ending March 31st								
	I	II	III	IV	V	VI	VII	VIII	IX
Opening Stock	-	14,000	29,000	45,000	62,000	44,000	25,000	5,000	-
Add: Production	1,400,000	1,500,000	1,600,000	1,700,000	1,800,000	1,900,000	2,000,000	2,000,000	2,000,000
Output available for sale	1,400,000	1,514,000	1,629,000	1,745,000	1,862,000	1,944,000	2,025,000	2,005,000	2,000,000
Less: Sales	1,386,000	1,485,000	1,584,000	1,683,000	1,818,000	1,919,000	2,020,000	2,005,000	2,000,000
Closing Stock	14,000	29,000	45,000	62,000	44,000	25,000	5,000	-	-
Value for closing stock	2,016,000	4,176,000	6,480,000	8,928,000	6,336,000	3,600,000	720,000	-	-

Particulars	Year ending March 31st								
	I	II	III	IV	V	VI	VII	VIII	IX
Opening Stock	-	17,500	36,250	56,250	77,500	55,000	31,250	6,250	-
Add: Production	1,750,000	1,875,000	2,000,000	2,125,000	2,250,000	2,375,000	2,500,000	2,500,000	2,500,000
Output available for sale	1,750,000	1,892,500	2,036,250	2,181,250	2,327,500	2,430,000	2,531,250	2,506,250	2,500,000
Less: Sales	1,732,500	1,856,250	1,980,000	2,103,750	2,272,500	2,398,750	2,525,000	2,506,250	2,500,000
Closing Stock	17,500	36,250	56,250	77,500	55,000	31,250	6,250	-	-
Value for closing stock	614,250	1,272,375	1,974,375	2,720,250	1,930,500	1,096,875	219,375	-	-

Assumptions:

1. 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

	Proportion
Wastage	10%
oil	40%
Cake	50%

S. no. Assumptions

- 1 Electricity are semi-fixed cost. Rs. 10,00,000 pa is fixed, balance is variable at Rs. 12 per unit usage
 2 Electricity usage in units is given below

Usage in units	900000	945000	992250	1041862.5	1093955.625	1148653.406	1206086.077	1206086.077	1206086.077
Variable cost	10800000	11340000	11907000	12502350	13127467.5	13783840.88	14473032.92	14473032.92	14473032.92

- 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. 2.5 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 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.