

## KRUSHNARPAN FARMER PRODUCER COMPANY LIMITED

CIN :- U01100MH2021PTC372937

C/O RAHUL VISHWASRAO NIMKAR AMBADA TQ-MORSHI AMRAVATI AMRAVATI Amravati MH 444905

DPR Prepared By :- CA. Deepak Zhawar

Authorised Capital(Rs)

1500000

Paid up Capital(Rs)

1500000

### 1.1 Total Project Cost

Sr. No.	Particular	Amount (Rs.)	Grant (%)	Grant Amount (Rs.)
1	Land and Building	1,33,37,000	60%	80,02,200
2	Machinery and Equipment	1,57,33,571	60%	94,40,143
3	Furniture and Fixture	-	60%	-
4	IT & It Infrastructure	4,18,370	60%	2,51,022
5	Transport vehical (Refer van and other)	-	60%	-
6	Preliminary Expenses	5,00,000	60%	3,00,000
7	Working Capital	7,72,151		
	<b>Total</b>	<b>3,07,61,092</b>		<b>1,79,93,365</b>

### 1.2 Means of Finance

Sr. No.	Particular	Bank Loan (%)	Amount (Rs.)
1	Govt. Grant under SMART Project	60%	1,79,93,365
2	Bank Finance - Long Term Loan	20%	58,97,788
3	Own Contribution	20%	68,69,940
	<b>Total</b>		<b>3,07,61,092</b>

### 1.3 Financial Indicators

Sr. No.	Financial ratio	Estimated	Result	Level
1	Break Even Point (BEP)	40.64%	Project Viable	40-60 %
2	Avg. Return on Capital Employed Average (ROCE)	17.45%	Project Viable	12-18 %
3	Internal Rate of Return (IRR)	10.77%	Project Viable	10-15 %
4	Net present value (at a discount rate of 10 per cent)	9,25,505	NPV is high and positive at a conservative project life of 7 years	POSITIVE
5	Payback period	5.07	Project Viable	5-7 y
6	Debt Service Coverage Ratio (DSCR)	2.06	Project Viable	1.5-2.5



10

Statement of Assets

Particulars	Rs.	Paise
Fixed Assets		
Current Assets		
Total		

11

Statement of Liabilities

Particulars	Rs.	Paise
Capital		
Reserves		
Liabilities		
Total		

12

Statement of Profit and Loss

Particulars	Rs.	Paise
Income		
Expenses		
Profit		

13

Balance Sheet

Particulars	Rs.	Paise
Assets		
Liabilities		
Total		

### 3.1 Schedule of General Admin Expenses

Particulars	Unit	No. of Unit	Unit Cost	100%	105.00%	110.25%	115.76%	121.55%	127.63%	134.01%
				Y1	Y2	Y3	Y4	Y5	Y6	Y7
Manager - CEO	No.	1	25,000	3,00,000	3,15,000	3,30,750	3,47,288	3,64,652	3,82,884	4,02,029
Accountant	No.	1	20,000	2,40,000	2,52,000	2,64,600	2,77,830	2,91,722	3,06,308	3,21,623
Watchmen	No.	4	12,000	5,76,000	6,04,800	6,35,040	6,66,792	7,00,132	7,35,138	7,71,895
Telephone and internet Exp	Months	12	5,000	60,000	63,000	66,150	69,458	72,930	76,577	80,406
Office Electricity Exp	Months	12	-	-	-	-	-	-	-	-
Printing & Stationary	Months	12	10,000	1,20,000	1,26,000	1,32,300	1,38,915	1,45,861	1,53,154	1,60,811
Land Lease	Months	12	5,000	60,000	63,000	66,150	69,458	72,930	76,577	80,406
Misc. expenses	Months	12	20,000	2,40,000	2,52,000	2,64,600	2,77,830	2,91,722	3,06,308	3,21,623
Audit and Legal Compliances expenses	Lumsu m	1	80,000	80,000	84,000	88,200	92,610	97,241	1,02,103	1,07,208
<b>Total Admin Expense</b>				<b>16,76,000</b>	<b>17,59,800</b>	<b>18,47,790</b>	<b>19,40,180</b>	<b>20,37,188</b>	<b>21,39,048</b>	<b>22,46,000</b>

### 3.2 Depreciation

Particulars	As per companies Act						
	Y1	Y2	Y3	Y4	Y5	Y6	Y7
<b>Assets</b>							
<b>Building</b>							
Asset Value							
Depreciation	1,33,37,000	1,29,14,217	1,24,91,434	1,20,68,651	1,16,45,868	1,12,23,086	1,08,00,303
Accumulated Depreciation	4,22,783	4,22,783	4,22,783	4,22,783	4,22,783	4,22,783	4,22,783
Net Fixed Assets	4,22,783	8,45,566	12,68,349	16,91,132	21,13,915	25,36,697	29,59,480
	1,29,14,217	1,24,91,434	1,20,68,651	1,16,45,868	1,12,23,086	1,08,00,303	1,03,77,520
<b>Plant and Machinery</b>							
Asset Value							
Depreciation	1,57,33,571	1,47,37,636	1,37,41,701	1,27,45,766	1,17,49,831	1,07,53,896	97,57,961
Accumulated Depreciation	9,95,935	9,95,935	9,95,935	9,95,935	9,95,935	9,95,935	9,95,935
Net Fixed Assets	9,95,935	19,91,870	29,87,805	39,83,740	49,79,675	59,75,610	69,71,545
	1,47,37,636	1,37,41,701	1,27,45,766	1,17,49,831	1,07,53,896	97,57,961	87,62,026
<b>Gross Fixed Asset</b>							
Total Depreciation	2,94,88,941	2,80,28,386	2,65,67,831	2,51,07,276	2,36,46,721	2,21,86,166	2,07,25,611
Accumulated Depreciation	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555
Net Fixed Assets	14,60,555	29,21,110	43,81,665	58,42,220	73,02,775	87,63,330	1,02,23,885
	2,80,28,386	2,65,67,831	2,51,07,276	2,36,46,721	2,21,86,166	2,07,25,611	1,92,65,056

### 3.2 Depreciation

Particulars	As per IT Act						
	Y1	Y2	Y3	Y4	Y5	Y6	Y7
<b>Assets</b>							
<b>Building</b>							
Asset Value	1,33,37,000	1,20,03,300	1,08,02,970	97,22,673	87,50,406	78,75,365	70,87,829
Depreciation	13,33,700	12,00,330	10,80,297	9,72,267	8,75,041	7,87,537	7,08,783
Accumulated Depreciation	13,33,700	25,34,030	36,14,327	45,86,594	54,61,635	62,49,171	69,57,954
Net Fixed Assets	1,20,03,300	1,08,02,970	97,22,673	87,50,406	78,75,365	70,87,829	63,79,046
<b>Plant and Machinery</b>							
Asset Value	1,57,33,571	1,33,73,535	1,13,67,505	96,62,379	82,13,022	69,81,069	59,33,909
Depreciation	23,60,036	20,06,030	17,05,126	14,49,357	12,31,953	10,47,160	8,90,086
Accumulated Depreciation	23,60,036	43,66,066	60,71,192	75,20,549	87,52,502	97,99,662	1,06,89,749
Net Fixed Assets	1,33,73,535	1,13,67,505	96,62,379	82,13,022	69,81,069	59,33,909	50,43,822
<b>Gross Fixed Asset</b>	2,94,88,941	2,56,27,857	2,23,21,088	1,94,75,420	1,70,17,649	1,48,88,967	1,30,41,257
<b>Total Depreciation</b>	38,61,084	33,06,769	28,45,668	24,57,771	21,28,682	18,47,710	16,06,677
<b>Accumulated Depreciation</b>	38,61,084	71,67,853	1,00,13,521	1,24,71,292	1,45,99,974	1,64,47,684	1,80,54,361
<b>Net Fixed Assets</b>	2,56,27,857	2,23,21,088	1,94,75,420	1,70,17,649	1,48,88,967	1,30,41,257	1,14,34,580



### 3.4 Tax Schedule

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7
EBT	21,20,717	44,13,681	63,92,825	82,54,460	1,02,59,222	1,20,49,335	1,38,83,689
Add Depreciation as per companies Act	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555
Less Depreciation as per IT Act	38,61,084	33,06,769	28,45,668	24,57,771	21,28,682	18,47,710	16,06,677
Taxable Income	-2,79,811	25,67,466	50,07,712	72,57,244	95,91,095	1,16,62,180	1,37,37,567
Provision of Taxes	-61,558	5,64,843	11,01,697	15,96,594	21,10,041	25,65,680	30,22,265

Maximum Tax rate

22%

### 9.1 Internal Rate of Return

Particular	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Profit after Tax & Dividend		21,82,276	33,03,269	43,28,919	53,35,084	64,84,715	74,46,360	84,90,511
Add: Depreciation		14,60,555	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555
Add: Preliminary expense written off		1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	0	0
Net Cash Accrual (A)		37,42,831	48,63,824	58,89,474	68,95,639	80,45,270	89,06,915	99,51,066
Initial Investment/ Net Cash Accrual	(3,07,61,092)	37,42,831	48,63,824	58,89,474	68,95,639	80,45,270	89,06,915	99,51,066
IRR	10.77%							
Present Value Equivalent		0.90	0.81	0.74	0.66	0.60	0.54	0.49
Present Value of Future Inflows		33,78,810.18	39,63,738.85	43,32,786.58	45,79,614.22	48,23,458.74	48,20,686.18	48,61,997.59
Operating Net Cash Inflow					3,07,61,092.33			
Present Capital Outflow					3,07,61,092.33			

0.00

The internal rate of return (IRR) is a ratio used in financial analysis to estimate the profitability of potential investments. IRR is a discount rate that makes the net present value (NPV) of all cash flows equal to zero in a discounted cash flow analysis.

### 9.2 Break even Point

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Gross Receipts							
Facility 1 - Cleaning & Grading	3,82,59,314	5,23,29,681	6,60,46,400	8,10,03,967	9,72,92,175	11,50,06,693	13,42,49,433
Facility 2 - Processing Unit-	-	-	-	-	-	-	-
Facility 3 - Warehouse	-	-	-	-	-	-	-
Facility 4 - Custom Hiring	-	-	-	-	-	-	-
Facility 5 - Agri Input Centre	-	-	-	-	-	-	-
Facility 6 - Processing Unit - Horti Comn	1,28,14,124	1,43,77,448	1,59,98,178	1,76,77,987	1,94,18,588	1,98,06,960	2,02,03,099
Total Receipts	5,10,73,439	6,67,07,128	8,20,44,578	9,86,81,954	11,67,10,763	13,48,13,653	15,44,52,533
Total Variable Exp	4,30,74,968	5,64,49,635	6,98,03,948	8,43,08,139	10,00,43,719	11,61,60,059	13,36,49,504
Contribution	79,98,470	1,02,57,493	1,22,40,630	1,43,73,814	1,66,67,044	1,86,53,594	2,08,03,029
Total Fixed exp	49,76,555	51,16,755	52,63,353	54,16,657	55,76,989	56,44,688	58,20,110
BEP	62%	50%	43%	38%	33%	30%	28%

Average BEP

40.64%

Break-even point (BEP) is a term in accounting that refers to the situation where a company's revenues and expenses were equal within a specific period. It means that there were no net profits or no net losses for the company. The main purpose of break-even analysis is to determine the minimum output that must be exceeded for a business to profit.

### 9.3 Net Present Value

Particular	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Profit after Tax & Dividend	21,82,276	33,03,269	43,28,919	53,35,084	64,84,715	74,46,360	84,90,511
Add: Depreciation	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555
Add: Preliminary exp Written off	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	0	0
Net Cash Accrual (A)	37,42,831	48,63,824	58,89,474	68,95,639	80,45,270	89,06,915	99,51,066
PV Factor @ 10 %	0.91	0.83	0.75	0.68	0.62	0.56	0.51
Disc Cash Flow	34,02,574	40,19,689	44,24,849	47,09,814	49,95,479	50,27,721	51,06,470

Total Discounted Cash Flows 3,16,86,597

Present Value of Outflow 3,07,61,092

NPV 9,25,505

Net present value is the present value of the cash flows at the required rate of return of your project compared to your initial investment. If the NPV of a project or investment is positive, it means that the discounted present value of all future cash flows related to that project or investment will be positive.

### 9.4 Return On Investments

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Net Profit	21,82,276	33,03,269	43,28,919	53,35,084	64,84,715	74,46,360	84,90,511
Average net profit	5367304.84						
Total Project cost	30761092.33						
ROI	17.45%						

Return on investment (ROI) is a performance measure used to evaluate the efficiency or profitability of an investment

### 9.5 Payback Period (In years) - Project

Particulars	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Initial Investment	2,99,88,941							
Profit after Tax & Dividend		21,82,276	33,03,269	43,28,919	53,35,084	64,84,715	74,46,360	84,90,511
Add: Depreciation		14,60,555	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555
Add: Preliminary exp Written off		1,00,000	1,00,000	1,00,000	1,00,000	1,00,000		
Net Cash Accrual (A)		37,42,831	48,63,824	58,89,474	68,95,639	80,45,270	89,06,915	99,51,066
Cashflow - Initial Investment		(2,62,46,110)	(2,13,82,286)	(1,54,92,812)	(85,97,173)	(5,51,903)		

5.07

Payback period (In years) - Project

The payback period refers to the amount of time it takes to recover the cost of an investment

### 9.6 Debt Service Coverage Ratio (DSCR)

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Net Operating Income	45,82,470	67,01,293	85,37,832	1,05,17,713	1,26,50,610	1,44,69,461	1,64,43,474
Add: Depreciation	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555	14,60,555
Add: Amortization	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	-	-
Interest on TL	6,23,224	2,51,612	-	-	-	-	-
<b>Total</b>	<b>67,66,249</b>	<b>85,13,460</b>	<b>1,00,98,387</b>	<b>1,20,78,268</b>	<b>1,42,11,165</b>	<b>1,59,30,016</b>	<b>1,79,04,029</b>
Total Annual EMI	24,79,691	42,92,933	-	-	-	-	-
<b>Debt Service Coverage Ratio (DSCR)</b>	<b>2.13</b>	<b>1.98</b>					

Average DSCR

2.06

the debt-service coverage ratio (DSCR) is a measurement of a firm's available cash flow to pay current debt obligations. The DSCR shows investors whether a company has enough income to pay its debts.

### 9.7 Sensitivity Analysis

	Y1	Y2	Y3	Y4	Y5	Y6	Y7
<b>Quantity Variation (+5%)</b>							
Facility 1 - Cleaning & Grading	4,01,72,280	5,49,46,165	6,93,48,720	8,50,54,165	10,21,56,793	12,07,57,028	14,09,61,905
Facility 2 - Processing Unit-	-	-	-	-	-	-	-
Facility 3 - Warehouse	-	-	-	-	-	-	-
Facility 4 - Custom Hiring	-	-	-	-	-	-	-
Facility 5 - Agri Input Centre	-	-	-	-	2,03,89,518	2,07,97,308	2,12,13,254
Facility 6 - Processing Unit - Horti Comn	1,34,54,831	1,50,96,320	1,67,98,087	1,85,61,886	-	-	-
0	-	-	-	-	-	-	-
<b>Total Income</b>	<b>5,36,27,111</b>	<b>7,00,42,485</b>	<b>8,61,46,807</b>	<b>10,36,16,051</b>	<b>12,25,46,301</b>	<b>14,15,54,336</b>	<b>16,21,75,159</b>
<b>Expenditure</b>							
Fixed Cost (Excl. of Depreciation, Amor)	34,16,000	35,56,200	37,02,798	38,56,102	40,16,434	41,84,133	43,59,555
Variable Cost	4,52,28,717	5,64,49,635	6,98,03,948	8,43,08,139	10,30,43,719	11,61,60,059	13,36,49,504
<b>Total Operational Expenses</b>	<b>4,86,44,717</b>	<b>6,00,05,835</b>	<b>7,35,06,746</b>	<b>8,81,64,241</b>	<b>10,40,60,153</b>	<b>12,03,44,192</b>	<b>13,80,09,059</b>
<b>Net Income</b>	<b>49,82,394</b>	<b>1,00,36,649</b>	<b>1,26,40,061</b>	<b>1,54,51,810</b>	<b>1,84,86,148</b>	<b>2,12,10,144</b>	<b>2,41,66,100</b>
<b>Cost Variation (+5%)</b>							
Facility 1 - Cleaning & Grading	3,82,59,314	5,23,29,681	6,60,46,400	8,10,03,967	9,72,92,175	11,50,06,693	13,42,49,433
Facility 2 - Processing Unit-	-	-	-	-	-	-	-
Facility 3 - Warehouse	-	-	-	-	-	-	-
Facility 4 - Custom Hiring	-	-	-	-	-	-	-
Facility 5 - Agri Input Centre	-	-	-	-	1,94,18,588	1,98,06,960	2,02,03,099
Facility 6 - Processing Unit - Horti Comn	1,28,14,124	1,43,77,448	1,59,98,178	1,76,77,987	-	-	-
0	-	-	-	-	-	-	-
<b>Total Income</b>	<b>5,10,73,439</b>	<b>6,67,07,128</b>	<b>8,20,44,578</b>	<b>9,86,81,954</b>	<b>11,67,10,763</b>	<b>13,48,13,653</b>	<b>15,44,52,533</b>
<b>Expenditure</b>							
Fixed Cost (Excl. of Depreciation, Amor)	34,16,000.00	35,56,200.00	37,02,798.00	38,56,101.66	40,16,433.78	41,84,133.04	43,59,554.82
Variable Cost	4,52,28,716.62	5,92,72,117.05	7,32,94,144.97	8,85,23,546.29	10,50,45,905.07	12,19,68,062.12	14,03,31,979.10
<b>Total Operational Expenses</b>	<b>4,86,44,716.62</b>	<b>6,28,28,317.05</b>	<b>7,69,96,942.97</b>	<b>9,23,79,647.95</b>	<b>10,90,62,338.85</b>	<b>12,61,52,195.17</b>	<b>14,46,91,533.92</b>
<b>Net Income</b>	<b>24,28,722.06</b>	<b>38,78,811.05</b>	<b>50,47,634.87</b>	<b>63,02,305.60</b>	<b>76,48,424.18</b>	<b>86,61,458.21</b>	<b>97,60,998.45</b>

Quantity Variance  
Cost Variance

Quantity Variation (-5%)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Facility 1 - Cleaning & Grading	3,63,46,349	4,97,13,196	6,27,44,080	7,69,53,768	9,24,27,566	10,92,56,358	12,75,36,961
Facility 2 - Processing Unit-	-	-	-	-	-	-	-
Facility 3 - Warehouse	-	-	-	-	-	-	-
Facility 4 - Custom Hiring	-	-	-	-	-	-	-
Facility 5 - Agri Input Centre	-	-	-	-	-	-	-
Facility 6 - Processing Unit - Horti Comr	1,21,73,418	1,36,58,575	1,51,98,269	1,67,94,087	1,84,47,659	1,88,16,612	1,91,92,944
0	-	-	-	-	-	-	-
<b>Total Income</b>	<b>4,85,19,767</b>	<b>6,33,71,772</b>	<b>7,79,42,349</b>	<b>9,37,47,856</b>	<b>11,08,75,225</b>	<b>12,80,72,971</b>	<b>14,67,29,906</b>
<b>Expenditure</b>							
Fixed Cost (Excl. of Depreciation, Amor)	34,16,000	35,56,200	37,02,798	38,56,102	40,16,434	41,84,133	43,59,555
Variable Cost	4,09,21,220	5,36,27,154	6,63,13,750	8,00,92,732	9,50,41,533	11,03,52,056	12,69,67,029
<b>Total Operational Expenses</b>	<b>4,43,37,220</b>	<b>5,71,83,354</b>	<b>7,00,16,548</b>	<b>8,39,48,834</b>	<b>9,90,57,967</b>	<b>11,45,36,189</b>	<b>13,13,26,584</b>
<b>Net Income</b>	<b>41,82,547</b>	<b>61,88,418</b>	<b>79,25,801</b>	<b>97,99,022</b>	<b>1,18,17,258</b>	<b>1,35,36,781</b>	<b>1,54,03,322</b>

Cost Variation (-5%)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Facility 1 - Cleaning & Grading	3,82,59,314	5,23,29,681	6,60,46,400	8,10,03,967	9,72,92,175	11,50,06,693	13,42,49,433
Facility 2 - Processing Unit-	-	-	-	-	-	-	-
Facility 3 - Warehouse	-	-	-	-	-	-	-
Facility 4 - Custom Hiring	-	-	-	-	-	-	-
Facility 5 - Agri Input Centre	-	-	-	-	-	-	-
Facility 6 - Processing Unit - Horti Comr	1,28,14,124	1,43,77,448	1,59,98,178	1,76,77,987	1,94,18,588	1,98,06,960	2,02,03,099
0	-	-	-	-	-	-	-
<b>Total Income</b>	<b>5,10,73,439</b>	<b>6,67,07,128</b>	<b>8,20,44,578</b>	<b>9,86,81,954</b>	<b>11,67,10,763</b>	<b>13,48,13,653</b>	<b>15,44,52,533</b>
<b>Expenditure</b>							
Fixed Cost (Excl. of Depreciation, Amor)	34,16,000	35,56,200	37,02,798	38,56,102	40,16,434	41,84,133	43,59,555
Variable Cost	4,09,21,220	5,36,27,154	6,63,13,750	8,00,92,732	9,50,41,533	11,03,52,056	12,69,67,029
<b>Total Operational Expenses</b>	<b>4,43,37,220</b>	<b>5,71,83,354</b>	<b>7,00,16,548</b>	<b>8,39,48,834</b>	<b>9,90,57,967</b>	<b>11,45,36,189</b>	<b>13,13,26,584</b>
<b>Net Income</b>	<b>67,36,219</b>	<b>95,23,775</b>	<b>1,20,28,030</b>	<b>1,47,33,120</b>	<b>1,76,52,796</b>	<b>2,02,77,464</b>	<b>2,31,25,949</b>

Sensitivity analysis is a financial model that determines how target variables are affected based on changes in Quantity or cost variance known as input variables. Here it is assume 5% (+,-) while calculating sensitivity analysis