

## Section 5 Sub-project Budget and Financial Analysis

### 5.1 Sub project budget and means of finance

#### 5.1.1 Budget

No.	Proposed component	Unit	Unit rate	Total unit	Total amount (Rs.)
1	Building and civil work	1	22,008,880	1	22,008,880
2	Machineries and Equipment	1	11,448,770	1	11,448,770
3	Furniture and Fixture	1	1,53,175	1	1,53,175
4	IT Infrastructure	1	1,60,175	1	1,60,175
5	Transport Vehicle (Refer Van and other)	1	9,74,000	1	9,74,000
5	(preliminary and preoperative)		3,80,000		3,80,000
<b>Total</b>			<b>35,125,000</b>		<b>35,125,000</b>

#### 5.1.2 Means of finance

No	Component	Amount (Rs.)	Contribution (%)
1	Government Grant under SMART Project (Maximum Grant-2 Cr.)	2,00,00,000	60% (56.94% of project cost)
2	CBO's Own contribution	75,62,500	20% (21.53% of project cost)
3	Bank loan	75,62,500	20% (21.53% of project cost)
4	Other	0	0
5	<b>Total</b>	<b>35,125,000</b>	<b>100%</b>

### 5.2 Financial Analysis

#### 5.2.1 Project Cost Summary:

Sr. No.	Component	Amount	*Smart Subsidy %	Smart Subsidy Amount(Rs.)
1	Land, Building & Civil Work	22,008,880	60%	1,32,05,328
2	Machineries & Equipment	11,448,770	60%	67,94,672
3	Furniture & Fixture	1,53,175	- -	- -
4	IT & IT Infrastructure	1,60,175		- -
5	Transport Vehicle (Refer van and other)	9,74,000	- -	- -
6	Preliminary and Preoperative Expenses	3,80,000	- -	- -
	<b>Total</b>	<b>35,125,000</b>		<b>2,00,00,000</b>

## Total Project Cost

Sr. No.	Particular	Amount (Rs.)	Grant (%)	Grant Amount (Rs.)
1	Land and Building	20,912,000	60%	12,547,200
2	Machinery and Equipment	12,545,650	59%	7,452,116
3	Furniture and Fixture	153,175	0%	-
4	IT & It Infrastructure	160,175	0%	-
5	Transport vehical (Refer van and other)	974,000	0%	-
6	Preliminary Expenses	380,000	0%	-
7	Working Capital	-		
	<b>Total</b>	<b>35,125,000</b>		<b>19,999,316</b>
				<b>20,000,000</b>

Total Project Costs means the costs incurred or to be incurred by a FPC in connection with or incidental to the Construction and acquisition of assets including preoprtalve expenditure , design, construction and Working Capital

## Means of Finance

Sr. No.	Particular	Bank Loan (%)	Amount (Rs.)
1	Govt. Grant under SMART Project		20,000,000
2	Bank Finance - Long Term Loan	22%	7,562,413
3	Own Contribution	21.53%	7,562,588
	<b>Total</b>		<b>35,125,000</b>

} Cost SD as per }  
project cost }

This sheet provide details of how total project cost will raised

## Financial Indicators

Sr. No.	Financial ratio	Estimated	Result	Permissible limit
1	Break Even Point (BEP)	18.74%	Project Viable	BEP shall be less than 60%
2	Avg. Return on Capital Employed Average (ROCE)	21.50%	Project Viable	RoCE for the project shall be more than 20%
3	Internal Rate of Return (IRR)	14.93%	Project Viable	The project internal rate of return shall be more than 12%

4	Net present value (at a discount rate of 10 per cent)	7,079,484	NPV is high and positive at a conservative project life of 7 years	With a discount rate of 10% and a span of 7 operational years, the NPV should be positive	Positive
5	Payback period	4.63	Project Viable	The Pack Back Period (Project/ Equity) shall be less than 7 years	<7 years
6	Debt Service Coverage Ratio (DSCR)	11.51	Project Viable	DSCR shall be more than 2 for better performing project.	>2