
Pre-Feasibility Study

(Strawberry Cultivation)



Small and Medium Enterprises Development Authority

Ministry of Industries & Production

Government of Pakistan

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1 DISCLAIMER

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2 EXECUTIVE SUMMARY

Strawberry is the most widely adapted of the small fruits. According to agricultural experts it has huge dietetic value and one of the potential sources of protein, carbohydrates, fats and vitamins. In Pakistan it is consumed in fresh form as well as in processed form for making jams, jellies, squashes and it is also exported to different countries in frozen condition.

In Pakistan strawberry is being cultivated successfully in plains of Ghotki, Panu Akil, Ranipur, Shaheed Benazirabad, Gilgit Chitral, Kaghan Kohistan, Swat, Mingora, Multan, Narowal, Bhawalpur, Chishtian, Sialkot, Faisalabad and many other areas of Pakistan.

Capacity; Production capacity **18 tons** per **05 Acres** with **100%** capacity utilization.

Total Cost Estimates is **Rs. 1,274,625** with fixed investment **Rs. 230,000** and working capital **Rs. 1,044,625**.

Given the cost assumptions IRR and payback are **41%** and **2.5 years** respectively

The most critical considerations or factors for success of the project are:

- Most significant consideration(s)
 - Fertile land and its maintenance during the period of cultivation.
 - Special attention towards healthy and certified seeds, land preparation, sowing pattern, water management, fertilizer application and marketing is required.
 - Timely control of pests, diseases and implementation of all recommended agronomics measures.
 - Appropriate post-harvest arrangement for washing, grading, packing and transportation of product to the market.

- Equally important factor(s)
 - Proper soil analysis for determining soil nutritional level.
 - Farming should be done scientific grounds, taking care of input requirements and pest management techniques.

3 INTRODUCTION TO SMEDA

The Small and Medium Enterprises Development Authority (SMEDA) was established in October 1998 with an objective to provide fresh impetus to the economy through development of Small and Medium Enterprises (SMEs).

With a mission "to assist in employment generation and value addition to the national income, through development of the SME sector, by helping increase the number, scale and competitiveness of SMEs", SMEDA has carried out 'sectoral research' to identify policy, access to finance, business development services, strategic initiatives and institutional collaboration and networking initiatives.

Preparation and dissemination of prefeasibility studies in key areas of investment has been a successful hallmark of SME facilitation by SMEDA.

Concurrent to the prefeasibility studies, a broad spectrum of business development services is also offered to the SMEs by SMEDA. These services include identification of experts and consultants and delivery of need based capacity building programs of different types in addition to business guidance through help desk services.

4 PURPOSE OF THE DOCUMENT

The objective of the pre-feasibility study is primarily to facilitate potential entrepreneurs in project identification for investment. The project pre-feasibility may form the basis of an important investment decision and in order to serve this objective, the document/study covers various aspects of project concept development, start-up, and production, marketing, finance and business management.

The purpose of this document is to facilitate potential investors in **Strawberry Cultivation** by providing them with a general understanding of the business with the intention of supporting potential investors in crucial investment decisions.

The need to come up with pre-feasibility reports for undocumented or minimally documented sectors attains greater imminence as the research that precedes such reports reveal certain thumb rules; best practices developed by existing enterprises by trial and error, and certain industrial norms that become a guiding source regarding various aspects of business set-up and it's successful management.

Apart from carefully studying the whole document one must consider critical aspects provided later on, which form basis of any Investment Decision.

5 BRIEF DESCRIPTION OF PROJECT & PRODUCT

The proposed project is a medium size strawberry farming unit, over a land area of five acres. The approximate total time from land preparation to harvesting is around 06 months.

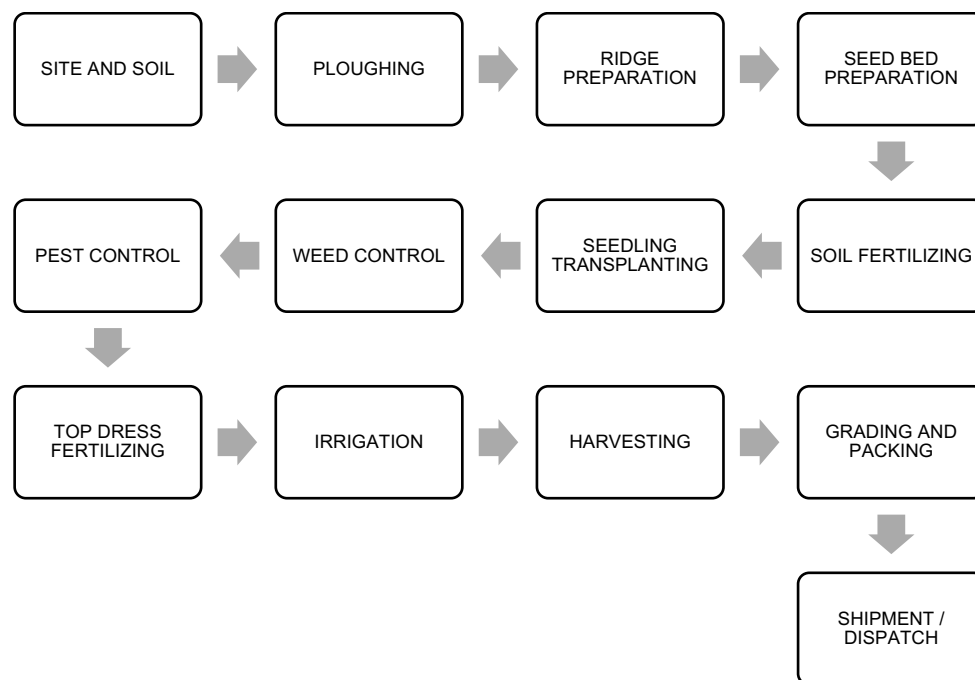
Main varieties of strawberries cultivated in Pakistan are: Chandelier, Corona, Douglas, Tufts, Gorella and Toro. Strawberry requires a well-drained medium loam soil, rich in organic matter. The soil should be slightly acidic with pH from 5.8-6.5. At higher pH root formation is poor. The presence of excessive calcium in the soil causes yellowing of the leaves. Strawberry should not be cultivated in the same land for a number of years. It is preferable to plant it in green manure field. Alkaline soils and soils infected with nematodes should be avoided.

Initial cost for growing strawberry is estimated at Rs. 0.8 million. It is generally cultivated on ridges where 30,000 – 40,000 seedlings are transplanted. Seeds are mainly procured from Swat, Pashin and Mingora and are available at Rs 1.0-1.5 per plant. The estimated yield potential of the farm varies from 3-4 tons per acre.

Following key parameters must be addressed as per pre-feasibility study under preparation

- **Technology:** Generally, strawberry is cultivated on ridges at fertile soil with suitable drainage quality. For this purpose farm land of Indus basin is yielding fruitful results. Seedlings are transplanted on ridges and crop is irrigated on weekly or on need bases.
- **Location:** In Pakistan strawberry is being cultivated successfully in plains of Ghotki, Panu Akil, Ranipur, Shaheed Benazirabad, Gilgit Chitral, Kaghan Kohistan, Swat, Mingora, Multan, Narowal, Bhawalpur, Chishtian, Sialkot, Faisalabad and many other areas of Pakistan.
- **Product:** The proposed project would initially produce 18 tons of strawberry and will be sold to retailer and wholesalers in packed form.
- **Target Market:** The target customers will be wholesalers and retailers catering for household markets in Pakistan including local markets in Sukkur, Karachi, Hyderabad, and other districts of Sindh and Rahim Yar Khan in Punjab, different areas of Baluchistan and Khyber Pakhtunkhwa.
- **Employment Generation:** The proposed project will provide direct employment to 07 people (contractual + salaried). Financial analysis shows the unit shall be profitable from the very first year of operation

5.1 Production Process Flow



- **Site and Soil:** Strawberries will grow on all kinds of soils, ranging from light sands and gravels to clay, however they do benefit from being grown in raised beds on poor or heavy soils where the addition of organic matter will not only improve the soil but aid drainage.
- **Ploughing:** The first step for Strawberry cultivation is Ploughing. The primary purpose of ploughing is to turn over the upper layer of the soil, bringing fresh nutrients to the surface, while burying weeds and the remains of previous crops and allowing them to break down.
- **Ridge Preparation:** Strawberries can be cultivated on raised beds of 04-05 inch high in the center after firming down and 24 inch wide should be constructed. The ridge should have an even curve and the soil broken down to a fine tilth which have the following advantages over conventional growing:
 - 1) They reduce the risk of waterlogging and soil-borne diseases.
 - 2) They increase the available rooting depth on shallow soils.
 - 3) They warm up quickly and so produce early crops.
 - These advantages in turn lead to higher yields.
- **Seed Bed Preparation:** In next step Seed Bed is prepared. The soil of a seed bed needs to be loose and smoothed, without large lumps and are needed so that seeds can be planted easily, large lumps and uneven surface would tend to make the planting depth random.

- **Soil Fertilizing:** Fertilizers are sprinkled in next step. Plants need to be fertilized because most soil does not provide the essential nutrients required for optimum growth.
- **Seedling Transplanting:** Seeds are grown separately in pots into young plants, so they can then transplant into the cultivation land. The distance between the rows should be 30-36 inches and the distance between the plants should be 12-16 inches.
- **Weed Control:** Weeds are plants that grow where they are not wanted. Weeding keeps weeds from robbing valuable nutrients from the soil and competing with desired flowers, vegetables, herbs and shrubs. Weeds can also shelter harmful insects and diseases.
- **Pest Control:** Insects can be controlled by preventive measures more easily than the use of chemicals, rotation of strawberry with other crops is useful in controlling insects.
- **Top Dress Fertilizing:** In order to get maximum benefit from manures and fertilizers, they should not only be applied in proper time and in right manner but any other aspects should also be given careful consideration. Different soils react differently with fertilizer application, the nutrient requirements are not the same at different stages of growth.
- **Irrigation:** Since strawberry is relatively shallow-rooted, it is susceptible to conditions of drought. It is necessary to ensure that newly planted runners are irrigated frequently after planting, otherwise the mortality of the plants become high.
- **Harvesting:** Strawberries are ready for picking when the fruits develops color to that shade of red which is characteristic of that particular variety. They are best picked at this stage for eating fresh, freezing and making into jam; they will keep very satisfactorily for forty-eight hours in a domestic refrigerator at a temperature of 2°C (35°F).
- **Grading and Packing:** Strawberries are then sorted into grades according to their quality and packed accordingly. They should only be picked into shallow containers, because by using deeper ones, the lower fruits will be bruised by the weight of fruit above pressing down on them.
- **Shipment / Dispatch:** Strawberries are highly perishable and hence a great deal of care in handling and marketing also requires to be organized carefully. Usually the fruit is packed in the early morning and sent to the market in the afternoon of the same day or is picked in the late afternoon, stored overnight in a cool place, and sent to the market the following morning.

5.2 Installed and Operational Capacities

The operational capacity of this farm of 05 acres is 18 tons per year including 10% wastage. The assumed operational capacity during the first year of operations is 100%.

6 CRITICAL FACTORS

The main critical success factors that affect the decision to invest in the proposed business setup are:

- Fertile land and its maintenance during the period of cultivation.
- Special attention towards healthy and certified seeds, land preparation, sowing pattern, water management, fertilizer application and marketing is required.
- Timely control of pests, diseases and implementation of all recommended agronomics measures.
- Appropriate post-harvest arrangement for washing, grading, packing and transportation of product to the market.
- Use of high quality hybrid seeds.
- Proper soil analysis for determining soil nutritional level.
- Farming should be done scientific grounds, taking care of input requirements and pest management techniques.

7 GEOGRAPHICAL POTENTIAL FOR INVESTMENT

In Pakistan strawberry is being cultivated successfully in plains of Ghotki, Panu Akil, Ranipur, Shaheed Benazirabad, Gilgit Chitral, Kaghan Kohistan, Swat, Mingora, Multan, Narowal, Bhawalpur, Chishtian, Sialkot, Faisalabad and many other areas of Pakistan.

8 POTENTIAL TARGET CUSTOMERS / MARKETS

Strawberry is high nutritious fruit and is used in medicines, juices, and various food items. In addition to local markets in Sukkur, Karachi, Hyderabad, and other districts of Sindh and Rahim Yar Khan in Punjab etc.

9 PROJECT COST SUMMARY

A detailed financial model has been developed to analyze the commercial viability of this project. Various costs and revenue related assumptions along with results of the analysis are outlined in this section.

9.1 Project Economics

All the figures in this financial model have been calculated for estimated sales of Rs. 2.4 million in the year one. The capacity utilization during year one is worked out at 100 %.

The following table shows internal rate of return, payback period and net present value of the proposed venture:

Table 9.1: Project Economics

Description	Details
Internal Rate of Return (IRR)	41%
Payback Period (yrs.)	2.5
Net Present Value (Rs.)	1,070,983

9.2 Project Financing

Following table provides details of the equity required and variables related to bank loan:

Table 9.2: Project Financing

Description	Details
Total Equity (100%)	Rs.1,274,625

9.3 Project Cost

Following fixed and working capital requirements have been identified for operations of the proposed business:

Table 9.3: Project Cost

Description	Amount Rs.
Capital Cost	
Farm Utensils	40,000
Furniture & Fixture	45,000
Office Equipment	45,000
Office Renovation	50,000
Pre-operating Cost	50,000
Total Capital Cost	230,000
Working Capital (3 Months)	

Raw Material Inventory	566,125
Land Lease	37,500
Office Rent	60,000
Utilities	96,000
Salaries	195,000
Misc. Expenses	90,000
Total Working Capital	1,044,625
Total Project Cost	1,274,625

9.4 Space Requirement

The space requirement for the proposed Strawberry Cultivation is estimated considering office area and land for cultivation. Details of space requirement and cost related to land & building is given below:

Table 9.4: Space Requirement

Description	Size/Area	Rent Charges	Season Rent
Office & Godown Area (at Farm)	500 sq.ft.	20,000	120,000
Land for Cultivation (Leased for season)	5 acre	30,000	150,000
Total			270,000

9.5 Machinery & Equipment Requirement

Plant, machinery and equipment for the proposed project are stated below:

Table 9.5: Machinery & Equipment

Description	Quantity	Unit Cost (Rs.)	Total Cost (Rs.)
Farm Utensils	01	40,000	40,000
Total			40,000

9.6 Furniture & Fixtures Requirement

Details of the furniture and fixture required for the project are given below:

Table 9.6: Furniture & Fixture

Description	Quantity	Unit Cost (Rs.)	Total Cost (Rs.)
Tables & Chairs for Owner	1	20,000	20,000
Tables & Chairs for Staff	1	15,000	15,000
Waiting Chairs (Plastic)	4	1,250	5,000
Chairs for Worker / Labor	4	1,250	5,000
Total			45,000

9.7 Office Equipment Requirement

Following office equipment will be required for Strawberry Cultivation:

Table 9.7: Office Equipment

Description	Quantity	Unit Cost (Rs.)	Total Cost (Rs.)
Telephone sets	02	2,500	5,000
UPS & Battery	1	40,000	40,000
Total			45,000

9.8 Raw Material Requirement

Following raw material will be required for Strawberry Cultivation for one acre:

Table 9.8: Raw Material Requirement

Description (Requirement / Acre)	Quantity	Unit Cost (Rs.)	Total Cost (Rs.)
Seed	40,000	2.00	80,000
Fertilizer (1 Bag per Acre) 50 Kg bag	6	2,350	14,100
DAP	6	9,000	54,000
Packing Cost (Half Kg Box)	8,000	15	120,000
Pesticide (Spray)	4	1,200	4,800
Labor Cost / Season	5	24,000	120,000

(Daily Wages basis)			
Diesel for Tractor (Hours)	16	3,000	48,000
Total			452,900

For this project raw material cost for 05 acres will be Rs. 2,264,500 to produce 18 tons of strawberry.

9.9 Human Resource Requirement

In order to run operations of Strawberry Cultivation smoothly, details of human resources required along with number of employees and monthly salary are recommended as under:

Table 9.9: Human Resource Requirement

Description	No. of Employees	Monthly Salary per person (Rs)	Annual Salary (Rs)
Owner / Manager	01	35,000	420,000
Helper	01	25,000	300,000
Total	02		720,000

9.10 Revenue Generation

Based on the capacity utilization of 100 % for cultivation of Strawberry at 05 acres, average sales revenue during the first year of operations is estimated as under:

Table 9.10: Revenue Generation – Year 1

Description	No. of Units Produced (Tons.)	Sale Price / Ton (Rs.)	Sale Revenue (Rs.)
Strawberry	18	210,000	3,780,000
Total	18	210,000	3,780,000

9.11 Utilities and other costs

An essential cost to be borne by the project is the cost of electricity and water. The electricity expenses are estimated to be around Rs. 10,000 per month, whereas, water expenses are estimated to be Rs. 15,000 per month. Furthermore, selling and

distribution expense being essential for Strawberry Cultivation is estimated as 3% of Net Sales.

10 CONTACT DETAILS

In order to facilitate potential investors, contact details of private sector Service Providers relevant to the proposed project be given.

10.1 Machinery Suppliers

Machinery Supplier - 1

Name of Supplier	New Chaudhary Agricultural Mechanical Engineers		
Address	Chowk A.T.M. Vehari Road, Multan		
Phone	+92-61-36527607		

Machinery Supplier - 2

Name of Supplier	Agrotractors (PVT) LTD		
Address	38-A, MAIN GULBERG, Lahore		
Phone	+92-42-35871746		

10.2 Raw Material Suppliers

Raw Material Supplier - 1

Name of Supplier	Mr Sidique		
Address	Akber Village Chikri, Tehsil Khuwaza Khela, Swaat		
Phone	03464606053		

Raw Material Supplier - 2

Name of Supplier	Mr Farman Ali		
Address	Fatehpur Choki, Tehsil Khuwaza, Swat		

Phone	03459534261		
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10.3 Technical Experts / Consultants

Technical Experts / Consultants - 1

Name of Expert /Organization	Altaf Ahmed / Strawberry Farmer		
Address	Village Raza Ghoth, Taluka Pano Akil, District Sukkur		
Phone	0300-3261039		

Technical Experts / Consultants - 2

Name of Expert /Organization	Saeed Ahmed		
Address	Agriculture Officer, Sukkur		
Phone	0300-3150358		

Technical Experts / Consultants - 3

Name of Expert /Organization	Dr. M. Aslam Parvez		
Address	Institute of Horticultural Sciences, Faculty of Agriculture, University of Agriculture, Faisalabad.		
Phone	+92-41-9201281		

11 USEFUL WEB LINKS

Small & Medium Enterprises Development Authority (SMEDA)	www.smeda.org.pk
Government of Pakistan	www.pakistan.gov.pk
Ministry of Industries & Production	www.moip.gov.pk
Ministry of Education, Training & Standards in Higher Education	http://moptt.gov.pk
Government of Punjab	www.punjab.gov.pk
Government of Sindh	www.sindh.gov.pk
Government of Khyber Pakhtunkhwa	www.khyberpakhtunkhwa.gov.pk
Government of Balochistan	www.balochistan.gov.pk
Government of Gilgit Baltistan	www.gilgitbaltistan.gov.pk
Government of Azad Jamu Kashmir	www.ajk.gov.pk
Trade Development Authority of Pakistan (TDAP)	www.tdap.gov.pk
Security Commission of Pakistan (SECP)	www.secp.gov.pk
Federation of Pakistan Chambers of Commerce and Industry (FPCCI)	www.fpcci.com.pk
State Bank of Pakistan (SBP)	www.sbp.org.pk
Punjab Small Industries Corporation	www.psic.gop.pk
Sindh Small Industries Corporation	www.ssic.gos.pk
Pakistan Horticulture Development and Export Company (PHDEC)	www.phdec.org.pk
Punjab Vocational Training Council (PVTC)	www.pvtc.gop.pk
Technical Education and Vocational Training Authority (TEVTA)	www.tevta.org
Pakistan Readymade Garment Technical Training Institute	www.prgmea.org/prgtti/
Livestock & Dairy Development Department, Government of Punjab.	www.livestockpunjab.gov.pk
Punjab Industrial Estates (PIE)	www.pie.com.pk
Faisalabad Industrial Estate Development and Management Company (FIEDMC)	www.fiedmc.com.pk

12 ANNEXURES

12.1 Income Statement

FODDER Production & Trading Business										
Projected Income Statement (Rs.)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net (Adjusted Sales)	3,780,000	4,082,400	4,408,992	4,761,711	5,142,648	5,554,060	5,998,385	6,478,256	6,996,516	7,556,237
Cost of Sales	2,696,500	2,884,115	3,085,031	3,300,210	3,530,685	3,777,566	4,042,045	4,325,402	4,629,013	4,954,358
Cultivation Cost	2,264,500	2,423,015	2,592,626	2,774,110	2,968,298	3,176,078	3,398,404	3,636,292	3,890,833	4,163,191
Cultivation Land Rent	150,000	165,000	181,500	199,650	219,615	241,577	265,734	292,308	321,538	353,692
Direct Utility Expense	282,000	296,100	310,905	326,450	342,773	359,911	377,907	396,802	416,642	437,475
Gross Profit	1,083,500	1,198,285	1,323,961	1,461,501	1,611,963	1,776,494	1,956,340	2,152,854	2,367,503	2,601,880
Gross Profit Margin	29%	29%	30%	31%	31%	32%	33%	33%	34%	34%
General Administrative & Selling Expenses										
Salaries	390,000	429,000	471,900	519,090	570,999	628,099	690,909	760,000	836,000	919,600
Office Rent	120,000	132,000	145,200	159,720	175,692	193,261	212,587	233,846	257,231	282,954
Amortization of Preliminary Expenses	10,000	10,000	10,000	10,000	10,000	-	-	-	-	-
Depreciation Expense	18,000	16,200	14,580	13,122	11,810	10,629	9,566	8,609	7,748	6,974
Maintenance Expense	400	440	484	532	586	644	709	779	857	943
Selling & Distribution	113,400	122,472	132,270	142,851	154,279	166,622	179,952	194,348	209,895	226,687
Subtotal	651,800	710,112	774,434	845,316	923,366	999,255	1,093,722	1,197,582	1,311,732	1,437,157
Operating Income	431,700	488,173	549,527	616,185	688,597	777,239	862,618	955,271	1,055,771	1,164,723
Financial Charges	-	-	-	-	-	-	-	-	-	-
Earnings Before Taxes	431,700	488,173	549,527	616,185	688,597	777,239	862,618	955,271	1,055,771	1,164,723
Tax	43,170	48,817	54,953	61,619	68,860	39,086	51,893	65,791	80,866	97,208
Net Profit	388,530	439,356	494,574	554,567	619,737	738,153	810,725	889,481	974,906	1,067,514
Monthly Profit After Tax	32,378	36,613	41,215	46,214	51,645	61,513	67,560	74,123	81,242	88,960

12.2 Balance Sheet

FODDER Production & Trading Business											
Projected Balance Sheet (Rs.)	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Assets											
Current Assets											
Cash & Bank Balance	478,500	1,272,447	1,724,793	2,229,813	2,792,378	3,417,743	4,149,210	4,950,974	5,829,240	6,790,682	7,842,473
Raw Material Inventory	566,125	188,708	201,918	216,052	231,176	247,358	264,673	283,200	303,024	324,236	346,933
Finished Goods		0	0	0	0	0	0	0	0	0	0
Accounts Receivable	0	0	0	0	0	0	0	0	0	0	0
Total Current Assets	1,044,625	1,461,155	1,926,711	2,445,865	3,023,554	3,665,101	4,413,883	5,234,174	6,132,264	7,114,918	8,189,406
Fixed Assets											
Plant Machinery & Facility	40,000	36,000	32,400	29,160	26,244	23,620	21,258	19,132	17,219	15,497	13,947
Factory Construction	50,000	45,000	40,500	36,450	32,805	29,525	26,572	23,915	21,523	19,371	17,434
Furniture & Fixtures	90,000	81,000	72,900	65,610	59,049	53,144	47,830	43,047	38,742	34,868	31,381
Total Fixed Assets	180,000	162,000	145,800	131,220	118,098	106,288	95,659	86,093	77,484	69,736	62,762
Intangible Assets											
Preliminary Expenses	50,000	40,000	30,000	20,000	10,000	-	-	-	-	-	-
Total Assets	1,274,625	1,663,155	2,102,511	2,597,085	3,151,652	3,771,389	4,509,543	5,320,268	6,209,748	7,184,654	8,252,168
Owner's Equity	1,274,625	1,663,155	2,102,511	2,597,085	3,151,652	3,771,389	4,509,543	5,320,268	6,209,748	7,184,654	8,252,168
Long Term Liability	0	0	0	0	0	0	0	0	0	0	0
Total Equity & Liabilities	1,274,625	1,663,155	2,102,511	2,597,085	3,151,652	3,771,389	4,509,543	5,320,268	6,209,748	7,184,654	8,252,168

12.3 Cash Flow Statement

FODDER Production & Trading Business											
Projected Statement of Cash Flows (Rs.)	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash Flow From Operating Activities											
Net Profit	0	388,530	439,356	494,574	554,567	619,737	738,153	810,725	889,481	974,906	1,067,514
Add: Depreciation Expense	0	18,000	16,200	14,580	13,122	11,810	10,629	9,566	8,609	7,748	6,974
Amortization Expense	0	10,000	10,000	10,000	10,000	10,000	-	-	-	-	-
(Increase) / decrease in RM		377,417	-13,210	-14,134	-15,124	-16,182	-17,315	-18,527	-19,824	-21,212	-22,697
(Increase) / decrease in FG Inventory		0	0	0	0	0	0	0	0	0	0
(Increase) / decrease in Receivables	-	0	0	0	0	0	0	0	0	0	0
Net Cash Flow From Operations	0	793,947	452,346	505,020	562,565	625,365	731,467	801,764	878,266	961,442	1,051,791
Cash Flow From Financing Activities											
Receipt of Long Term Debt	0										
Repayment of Long Term Debt		0	0	0	0	0	0	0		-	-
Owner's Equity	1,274,625										
Net Cash Flow From Financing Activities	1,274,625	0	0	0	0	0	0	0	0	0	0
Cash Flow From Investing Activities											
Capital Expenditure	(40,000)					0					0
Factory/Office Furniture	(90,000)										
Preliminary Operating Expenses	(50,000)										
Office Renovation Cost	(50,000)										
Purchase of RM	(566,125)										
Net Cash Flow From Investing Activities	(796,125)	0	0	0	0	0	0	0	0	0	0
NET CASH FLOW	478,500	793,947	452,346	505,020	562,565	625,365	731,467	801,764	878,266	961,442	1,051,791
Cash at the Beginning of the Period	0	478,500	1,272,447	1,724,793	2,229,813	2,792,378	3,417,743	4,149,210	4,950,974	5,829,240	6,790,682
Cash at the End of the Period	478,500	1,272,447	1,724,793	2,229,813	2,792,378	3,417,743	4,149,210	4,950,974	5,829,240	6,790,682	7,842,473

13 KEY ASSUMPTIONS

13.1 Factory Operations and Capacity Utilization Assumptions

Description	Details
Increase in Production (Annual)	0%
Annual sales price increase	8%
Operational Hrs./day	12 Hrs
Operational Days / Month	26 Days
Operational Months	6 Months
Annual Operational Days	156 Days

13.2 Economy Related Assumptions

Description	Details
Utilities growth rate Charges	10%
Increase in Salaries	10%
Increase in Office Rent	10%
Income Tax Rate	10%

13.3 Cash Flow Assumptions

Description	Details
Sales on Credit - as %age of total	0%
Sales on Cash - as %age of total	100%

13.4 Production Assumptions

Description	Details
Ready Crop	04 Ton / Acre
Wastage	10%

Cultivation Land	5 Acre
Sale	100%
Crop in a Year	1 Crop

13.5 Other Assumptions

Description	Details
Depreciation	10%
Machinery Annual Repair & Maintenance (as percentage of total cost of Machinery)	01%
Selling & Distribution Expenses	03%
Increase in Cost Price	07%