ORGANIC FOOD

Organic agriculture is an ecological production management system that promotes and enhances bio-diversity, biological cycles and soil biological activity. It is based on minimum use of off-farm inputs that maintain ecological hormony. Organic food handlers, processors and retailers adhere to standards that maintain the integrity of organic agriculture products. The goal of organic agriculture is to optimize the health & productivity of interdependent communities of soil light, plants, animals & people.

1 Name of the Product : Organic Food

2 Project Cost :
   a Capital Expenditure
      Land : Own
      Building Shed 1000 Sq.ft : Rs. 200000.00
      Equipment : Rs. 250000.00
      (Grader with winnower, cleaner, weighing balance packing m/c etc..)
      Total Capital Expenditure Rs. 450000.00
   b Working Capital Rs. 410000.00

   TOTAL PROJECT COST : Rs. 860000.00

3 Estimated Annual Production of Organic Food : (Value in '000)

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Particulars</th>
<th>Capacity</th>
<th>Rate</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Organic grains</td>
<td>2000.00</td>
<td>2054.00</td>
<td>4108.00</td>
</tr>
<tr>
<td></td>
<td>Quintal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>2000.00</td>
<td>2054.00</td>
<td>4108.00</td>
</tr>
</tbody>
</table>

4 Raw Material : Rs. 3000000.00

5 Lables and Packing Material : Rs. 250000.00
6 Wages (Skilled & Unskilled) : Rs. 100000.00
7 Salaries : Rs. 72000.00
8 Administrative Expenses : Rs. 250000.00
9 Overheads : Rs. 300000.00
10 Miscellaneous Expenses : Rs. 20000.00
11 Depreciation : Rs. 35000.00
12 Insurance : Rs. 4500.00
13 Interest (As per the PLR)
a. C.E.Loan : Rs. 58500.00
b. W.C.Loan : Rs. 53300.00
Total Interest Rs. 111800.00
14 Working Capital Requirement :
Fixed Cost Rs. 405000.00
Variable Cost Rs. 3703300.00
Requirement of WC per Cycle Rs. 410830.00
15 Estimated Cost Analysis

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>Particulars</th>
<th>Capacity Utilization(Rs in '000)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>100%</td>
</tr>
<tr>
<td>1</td>
<td>Fixed Cost</td>
<td>405.00</td>
</tr>
<tr>
<td>2</td>
<td>Variable Cost</td>
<td>3703.00</td>
</tr>
<tr>
<td>3</td>
<td>Cost of Production</td>
<td>4108.00</td>
</tr>
<tr>
<td>4</td>
<td>Projected Sales</td>
<td>4500.00</td>
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<tr>
<td>5</td>
<td>Gross Surplus</td>
<td>392.00</td>
</tr>
<tr>
<td>6</td>
<td>Expected Net Surplus</td>
<td>357.00</td>
</tr>
</tbody>
</table>

Note: 1. All figures mentioned above are only indicative any may vary from place to place.
2. If the investment on Building is replaced by Rental Premises
   a. Total Cost of Project will be reduced.
   b. Profitability will be increased.
   c. Interest on C.E.will be reduced.