



AMUSEMENT PARK CUM WATER PARK

Introduction

Amusement Parks are recreational facilities that offer a varied range of entertainment features ranging from theme parks to spine chilling roller coaster to the giant wheel, in a cluster format for a large number of people. These parks encompass a geographic collection and provide one-stop leisure and customized recreation solution for the entire family at one place and are a major source of tourist attraction (domestic and foreign) and revenue generation for the State. Unlike temporary and mobile funfairs and carnivals, amusement parks are sustainable and built for long-term functionality. The main difference between the funfairs and the present-day parks is their scale, amusement parks extend over immense spaces. In amusement parks, there are more attractions which are on the whole more exciting and technologically more advanced than in traditional funfairs. Thus it caters to the recreational needs of all age individuals from children to adults.

The biggest network of amusement parks is made up of Disneyland parks designed by the Disney filmmaking company. The main attractions of these parks are the characters from Disney movies, various types of fairy tale buildings and some forms of entertainment, such as for instance the roller coaster. The demand for such entertainment options are significantly increasing across the country. The main demand drivers for the segment are basic upliftment of the middle class, increasing disposable income, changing lifestyles, cultural change and increasing emphasis to lead a holistic life with work and leisure balance. The amusement park with its activities help in positively shaping the economic and social environment of a place and also offer part time job opportunities for the residents and most importantly, it will act as a quality amusement park for the children where special events could also be organized.

Market Potential

The global amusement parks market grew at a CAGR of around 7% during 2014-2019. The amusement industry in India is at a moderately growing stage currently with more and more developments happening in this industry all across the country. The size of the Indian Amusement Park business is estimated to grow by USD 3.28 BILLION and is estimated to record a CAGR of 2.96% during 2021-2025. Factors that negatively affected growth of the global amusement parks market in the year 2020 is the global outbreak of COVID-19. Owing to the coronavirus pandemic (COVID-19), the market growth is expected to stagnate in the short-term. This can be attributed to the social distancing norms established in numerous countries.

For the current population of the country, there are only 120 amusement parks which indicates that the growth potential of Indian amusement park industry is substantial. Global leaders like Universal Studios, Disney, Sony and Ripley Entertainment are mulling over investments of billions of dollars in India considering its vast potential. Private equity funds are also aggressively dedicating resources towards this sector. The success and growth potential of this industry is resulting into the advent of new manufacturers of amusement parks' rides in India. For expanding their reach, park owners are offering numerous adventurous and fascinating experiences through theme-based attractions, such as foods, beverages, clothes and goodies.

Cost of Project

Particulars	Amt. (Rs. In Lakhs)
Own Land (2,00,000 square feet)	-
Civil works and Buildings	1,040.00
Misc. Fixed Assets	175.00
Equipment for games activity	200.00
Water Sports Activity Equipment	300.00
DG SET	10.00
Ground Water System with water treatment plant	25.00
Escalation & Contingencies	87.50
Preliminary & Preoperative Expenses	195.56
Total Project Cost(A)	2,033.06
Loan component(60% of A)	1,219.84
Equity(40% of A)	813.22

Detailed Cost Element

SL	Particulars	Amt. (Rs. in Lakhs)
1	CCTV	20.00
2	Computer including software server	20.00
3	Electric Equipments	25.00
4	Dustbins	20.00
5	Benches	5.00
6	Firefighting equipment	30.00
7	Light , Fans	5.00
8	Food Court Equipment & Furniture	50.00
	Total	175.00

SL	Particulars	Sq.ft	Amt. (Rs.in Lakhs)
1	Platform	2,00,000	200
2	Plantation	1,00,000	10
3	Boundary Wall		100
4	Structure for outdoor ceremonial activity	30,000	100
5	Canal for boating (20x1000) semi circle shape	20,000	150
6	Washroom (12 Block)	12,000	240
7	Eco Friendly Umbrella 20	10,000	80
8	Ticket Booth at entry point	2,000	10
9	Water pool	30,000	150
	Total		10,40

Contingencies and Escalations

It has been assumed at approximately 5% at cost of project.

Preoperative Expenses

Particulars	Amt. (Rs. in Lakhs)
Incorporation Expenses	1.00
Project Report Preparation and Consultation	0.35
Feasibility and Engineer's/Architect's Report and Plans	26.00
Legal Charges - Drafting for agreements, contracts, stamp paper, notary and affidavit cost	0.25
Other recurring expenses of revenue nature up to start of commercial operations -salary, etc.	82.50
Interest Cost for period before commercial production	85.46
Total	195.56

Salary

Designation	Manpower	Amt. (Rs. In Lakhs)
Electricians	10	24.00
General Manager	1	12.00
Rides operator	30	72.00
Life Saver -		-
Male	10	24.00
Female	10	24.00
Accounts Staff	10	24.00
Sweeper	70	84.00
Gardener	15	18.00
Security Guard	18	25.92

Profitability Statement

Amount (Rs. In Lakhs)							
Particulars	Year- 1	Year- 2	Year- 3	Year- 4	Year- 5	Year- 6	Year- 7
A.RECEIPTS							
Income from entry including rides	850.00	935.00	1,028.50	1,131.35	1,244.49	1,368.93	1,505.83
Income from canteen	250.00	275.00	302.50	332.75	366.03	402.63	442.89
A.INCOME	1,100.00	1,210.00	1,331.00	1,464.10	1,610.51	1,771.56	1,948.72
B.OPERATING EXPENSES	-	-	-	-	-	-	-
Canteen Expense	180.00	198.00	217.80	239.58	263.54	289.89	318.88
Salary	-	-	-	-	-	-	-
Electricians	24.00	26.40	29.04	31.94	35.14	38.65	42.52
Manager	12.00	13.20	14.52	15.97	17.57	19.33	21.26
Rides operator	72.00	79.20	87.12	95.83	105.42	115.96	127.55
Life Saver							
Male	24.00	26.40	29.04	31.94	35.14	38.65	42.52
Female	24.00	26.40	29.04	31.94	35.14	38.65	42.52
Accounts Staff	24.00	26.40	29.04	31.94	35.14	38.65	42.52
Sweeper	84.00	92.40	101.64	111.80	122.98	135.28	148.81
Gardener	18.00	19.80	21.78	23.96	26.35	28.99	31.89
Security Guard	25.92	28.51	31.36	34.50	37.95	41.74	45.92
Repair and Maintenance	10.00	11.00	12.10	13.31	14.64	16.11	17.72
Power	12.00	13.20	14.52	15.97	17.57	19.33	21.26
Depreciation	202.91	202.91	198.71	194.51	194.51	155.40	144.38
Total Operating Expenses	712.83	763.82	815.72	873.22	941.09	976.63	1,047.73
Operating Profit (A-B)	387.17	446.18	515.28	590.88	669.42	794.93	900.99
C.FINANCIAL EXPENSES							
Interest	109.30	101.26	88.43	75.60	61.70	49.94	37.11
D. Other Expenses							
Administrative and general Expenses	33.00	36.30	39.93	43.92	48.32	53.15	58.46
Total Expenses	142.30	137.56	128.36	119.52	110.02	103.09	95.57
Profit Before Tax	244.87	308.61	386.92	471.36	559.41	691.84	805.42
Provision for Tax	61.22	77.15	96.73	117.84	139.85	172.96	201.35
Profit after Tax (PAT)	183.65	231.46	290.19	353.52	419.56	518.88	604.06
Dividend Declared	-	-	-	-	-	-	-
Profit	183.65	231.46	290.19	353.52	419.56	518.88	604.06

Breakeven Point

Break Even Point (BEP)		Amount (Rs. In Lakhs)						
SL	Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5	Year - 6	Year - 7
A.	Net Sales	1,100.00	1,210.00	1,331.00	1,464.10	1,610.51	1,771.56	1,948.72
B.	Variable Cost							
	Canteen Expense	180.00	198.00	217.80	239.58	263.54	289.89	318.88
	Power and Utility	12.00	13.20	14.52	15.97	17.57	19.33	21.26
	Other Misc. Expenses	33.00	36.30	39.93	43.92	48.32	53.15	58.46
	Total Variable Cost	225.00	247.50	272.25	299.48	329.42	362.36	398.60
	Contribution (A-B)	875.00	962.50	1,058.75	1,164.63	1,281.09	1,409.20	1,550.12
D.	Fixed and Semi-Fixed Cost							
	labour Charges	307.92	338.71	372.58	409.84	450.83	495.91	545.50
	Repair & Maintenance	10.00	11.00	12.10	13.31	14.64	16.11	17.72
	Interest on term Loan	109.30	101.26	88.43	75.60	61.70	49.94	37.11
	Depreciation	202.91	202.91	198.71	194.51	194.51	155.40	144.38
	Total Fixed Cost	630.13	653.89	671.83	693.27	721.68	717.35	744.70
E.	BREAKEVEN POINT	72%	68%	63%	60%	56%	51%	48%
F.	CASH BEP	49%	47%	45%	43%	41%	40%	39%

Debt-Service Coverage Ratio

		Amount (Rs. in lakhs)						
SL	Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5	Year - 6	Year - 7
i	Profit	183.65	231.46	290.19	353.52	419.56	518.88	604.06
ii	Depreciation	202.91	202.91	198.71	194.51	194.51	155.40	144.38
iii	Interest	109.30	101.26	88.43	75.60	61.70	49.94	37.11
A	Total (i + ii + iii)	495.86	535.63	577.34	623.63	675.77	724.22	785.55
i	Interest	109.30	101.26	88.43	75.60	61.70	49.94	37.11
ii	Principal repayment	75.48	150.95	150.95	150.95	150.95	150.95	150.95
B	Total (i + ii)	184.78	252.22	239.39	226.56	212.66	200.89	188.06
	DSCR (A / B)	2.68	2.12	2.41	2.75	3.18	3.61	4.18

Interest on Term Loan and Principal Repayment

Refer Annexure I for Loan Repayment Schedule.

We have assumed the repayment tenure of term loan for a period of 10 years, rate of interest being @8.5% with the moratorium period being 16 months.

Address of Vendors

Name of the vendor	Address and Contact Number
Krishna Amusement Park and Nursery Private Limited	Vavdi,Rajkot, Gujarat Phone No.-08048605900
Full Fun Amusement Games	Deep Vihar, Delhi Phone no.-08048882575
Ankam Play System Private Limited	Virar East , Mumbai Phone no.-08048931348
Fantasy Rides	Mumbai, Maharashtra Phone no.-0804860311

ANNEXURE - I

Year O	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Annually
Principal													
Opening	1,168.56	1,176.84	1,185.17	1,193.57	1,202.02	1,210.54	1,219.11	1,227.75	1,236.44	1,245.20	-	-	-
Repaid	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing	1,176.84	1,185.17	1,193.57	1,202.02	1,210.54	1,219.11	1,227.75	1,236.44	1,245.20	1,254.02	-	-	-
Interest	8.28	8.34	8.39	8.45	8.51	8.57	8.64	8.70	8.76	8.82	-	-	85.46
I													
Principal													
Opening	1,254.02	1,262.90	1,271.85	1,280.86	1,289.93	1,299.07	1,308.27	1,304.96	1,301.62	1,298.26	1,285.68	1,273.10	-
Repaid	-	-	-	-	-	-	12.58	12.58	12.58	12.58	12.58	12.58	75.48
Closing	1,262.90	1,271.85	1,280.86	1,289.93	1,299.07	1,308.27	1,304.96	1,301.62	1,298.26	1,285.68	1,273.10	1,260.52	-
Interest	8.88	8.95	9.01	9.07	9.14	9.20	9.27	9.24	9.22	9.20	9.11	9.02	109.30
II													
Principal													
Opening	1,260.52	1,247.94	1,235.36	1,222.78	1,210.21	1,197.63	1,185.05	1,172.47	1,159.89	1,147.31	1,134.73	1,122.15	-
Repaid	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	150.95
Closing	1,247.94	1,235.36	1,222.78	1,210.21	1,197.63	1,185.05	1,172.47	1,159.89	1,147.31	1,134.73	1,122.15	1,109.57	-
Interest	8.93	8.84	8.75	8.66	8.57	8.48	8.39	8.30	8.22	8.13	8.04	7.95	101.26
III													
Principal													
Opening	1,109.57	1,096.99	1,084.41	1,071.83	1,059.25	1,046.67	1,034.09	1,021.51	1,008.93	996.35	983.77	971.19	-
Repaid	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	150.95
Closing	1,096.99	1,084.41	1,071.83	1,059.25	1,046.67	1,034.09	1,021.51	1,008.93	996.35	983.77	971.19	958.61	-
Interest	7.86	7.77	7.68	7.59	7.50	7.41	7.32	7.24	7.15	7.06	6.97	6.88	88.43
IV													
Principal													
Opening	958.61	946.04	933.46	920.88	908.30	895.72	883.14	870.56	857.98	845.40	832.82	820.24	-
Repaid	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	150.95
Closing	946.04	933.46	920.88	908.30	895.72	883.14	870.56	857.98	845.40	832.82	820.24	807.66	-
Interest	6.79	6.70	6.61	6.52	6.43	6.34	6.26	6.17	6.08	5.99	5.90	5.81	75.60
V													
Principal													
Opening	807.66	795.08	782.50	769.92	757.34	744.76	732.18	719.60	707.02	694.44	681.87	669.29	-
Repaid	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	150.95
Closing	795.08	782.50	769.92	757.34	744.76	732.18	719.60	707.02	694.44	681.87	669.29	656.71	-
Interest	5.63	5.54	5.45	5.36	5.28	5.19	5.10	5.01	4.92	4.83	4.74	4.65	61.70
VI													
Principal													
Opening	656.71	644.13	631.55	618.97	606.39	593.81	581.23	568.65	556.07	543.49	530.91	518.33	-
Repaid	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	150.95
Closing	644.13	631.55	618.97	606.39	593.81	581.23	568.65	556.07	543.49	530.91	518.33	505.75	-
Interest	4.65	4.56	4.47	4.38	4.30	4.21	4.12	4.03	3.94	3.85	3.76	3.67	49.94
VII													
Principal													
Opening	505.75	493.17	480.59	468.01	455.43	442.85	430.27	417.70	405.12	392.54	379.96	367.38	-
Repaid	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	150.95
Closing	493.17	480.59	468.01	455.43	442.85	430.27	417.70	405.12	392.54	379.96	367.38	354.80	-
Interest	3.58	3.49	3.40	3.32	3.23	3.14	3.05	2.96	2.87	2.78	2.69	2.60	37.11
VIII													
Principal													
Opening	354.80	342.22	329.64	317.06	304.48	291.90	279.32	266.74	254.16	241.58	229.00	216.42	-
Repaid	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	150.95
Closing	342.22	329.64	317.06	304.48	291.90	279.32	266.74	254.16	241.58	229.00	216.42	203.84	-
Interest	2.51	2.42	2.33	2.25	2.16	2.07	1.98	1.89	1.80	1.71	1.62	1.53	24.28
IX													
Principal													
Opening	203.84	191.26	178.68	166.10	153.53	140.95	128.37	115.79	103.21	90.63	78.05	65.47	-
Repaid	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	150.95
Closing	191.26	178.68	166.10	153.53	140.95	128.37	115.79	103.21	90.63	78.05	65.47	52.89	-
Interest	1.44	1.35	1.27	1.18	1.09	1.00	0.91	0.82	0.73	0.64	0.55	0.46	11.45
X													
Principal													
Opening	52.89	40.31	27.73	15.15	2.57	-	-	-	-	-	-	-	-
Repaid	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	12.58	52.89
Closing	40.31	27.73	15.15	2.57	-	-	-	-	-	-	-	-	-
Interest	0.37	0.29	0.20	0.11	0.02	-	-	-	-	-	-	-	0.98