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will be the Managing Director of the Corporation for the time being. During the first year of the project, Officers of the Andaman Forest Department will be drafted for implementation.

Total requirement for investment for the project is Rs.280.00 lakhs which will be met from the following sources:

| | <u>Rs/Lakhs</u> |
|--------------------------------------|---|
| i) Equity | 255.00 (Central Sector Scheme and scheme of |
| ii) Term loan | 15.00 A&N Islands. |
| iii) Short term working capital loan | 10.00 |
| Total | <u>280.00</u> |

On the actual realisation of sales the internal rate of return for the project works out to 17.10%. The IRR is 34% if the benefits are adjusted in the same year. Sensitivity analysis have been carried out on this assumption for following uncertainties. Corresponding IRR is indicated below:

| | <u>IRR</u> |
|------------------------------------|------------|
| i) Capital cost up by 20% | 13.25 |
| ii) Revenue cost up by 20% | 13.70% |
| iii) Sales realisation less by 10% | 13.58% |
| iv) Sales realisation up by 10% | above 50% |
| v) Regeneration of entire area | 31.48% |