



## **MULTI - STOREY COMMERCIAL COMPLEX**

### **Introduction**

A multi-storey building is a three-dimensional or lightweight steel building with several floors that have a vertical rotation through the lift and stairs. A wide range of approaches have been used for these buildings of different heights, depending on preliminary analysis and verification. The multi-story building is typically designed to serve as a hospital, commercial mall or apartment. As the best solution for commercial building, the construction speed of multi storey building is faster than other conventional buildings. Fiction, design accuracy, excellent quality checks and risk-free construction.

### **Classification of multi-storey steel buildings**

Depending on the height, demand and various factors, multi-storey buildings are classified as follows: -

1. Low-rise building: The low-rise multi-storey building has several floors (usually less than four), the use of elevators and stairs for vertical rotation.
2. Mid Rice Building: A Mid Rice building has 4 to 12 floors.
3. Tall building: A tall building has 12 to 40 floors using elevators and stairs.
4. Skyscraper Building: The tallest and most livable steel building with more than 40 floors, but less than 300 meters high Sky Scraper is considered a multi-story building.
5. Super Tall Building: Super Tall Building is a steel building whose super height exceeds 300 m.
6. Mega Tall Building: Super Tall Building is a steel building whose super height exceeds 600 m.

## Market Potential

The value of the residential construction industry had increased to 11.1% CAGR during 2015-2019 in India and is expected to register a 15% CAGR by 2024. However, in terms of value the commercial building, construction market is expected to register a CAGR of 16.1%.

The construction industry in India, especially commercial building construction (office, retail and entertainment) is expected to record a period of negative / low growth in the next 8 quarters driven by the economic downturn triggered by the COVID-19 eruption. While the impact on the building construction sectors varies, the residential and industrial sectors are expected to be worst affected. Business and consumer sentiment is expected to be on a slower path to recovering from the epidemic, resulting in long-term distressed building construction sectors.

## Features

### **The benefits of Multi-Storey buildings are as follows:-**

- **Effective cost:** When the building is under construction, the cost of labor and equipment used will be less than other conventional buildings.
- **Weight Loss:** With the use of lightweight slabs and steel, the floors of a multi-storey steel building are much lighter in weight, making these buildings more impressive and keeping the overall weight lighter than other conventional buildings.
- **Designing Independence:** One of the key features of a multi-storey building is the freedom of its geometry, which makes it more creative than other conventional buildings.
- **Well mechanized construction:** Since steel is not only a building material but also provides technical strength, the steel components used to install multi-storey buildings are made with high precision software to achieve precision in well mechanized procedure and construction.
- **Access to Fire Safety:** These buildings are designed and constructed to ensure that adequate fire protection arrangements are in place to avoid the threat to life.
- **Light Natural light and ventilation:** Exposure to natural light and adequate ventilation improves productivity. The multi-storey building offers a good opportunity for natural light and ventilation.
- **Sturdy structure:** The multi-storey PEB building is designed to complement a sturdy structure, which also exhibits an excellent earthquake resistant behavior.

## Cost of Project

Particulars	Amt. (Rs. in Lakhs)
Land (own) (15000 SQFT )	-
Civil works and Buildings- A. Civil Cost Building consist of G+5 of Total 47500 (9500*5) SQFT (Cost-9500 SQFT @1800/SQFT each floor -including Civil Cost, 4 Lift, Fire Fighting System etc.) for Shops/Super Market/food Court and Banquet Hall of 9500SQFT B. Industrial Kitchen in Roof top of Rs.1500 SQFT @Rs1000/SQFT C.15000 SQFT for Parking, Boundary Wall, Security Enclosure, etc.	915.00
Misc. Fixed Assets	25.00
Contingencies	47.00
Preliminary Expenses & Preoperative Expenses	277.44
<b>Subtotal (A)</b>	1,264.44
Total Project Cost	<b>1,264.44</b>
Total Working Capital Required (No Working Capital Required for this Project)	-
<b>MEANS OF FINANCE</b>	
<b>Total funds required (A+B)</b>	<b>1,264.44</b>
Loan component	
Term loan (60% of A)	758.67
Working capital (60% of B)	-
<b>TOTAL LOAN</b>	<b>758.67</b>
Equity/Own Contribution	505.78
<b>TOTAL</b>	<b>1,264.44</b>

## Detailed Cost Element

SI No.	Particulars	Amt. (Rs. in Lakhs)
1	Computers & CCTV	11.00
2	Furniture & fixtures	1.00
3	DG Sets 250 KVA & Electric Transformer	8.00
4	Electric Equipment	5.00
	<b>Total</b>	<b>25.00</b>

## Contingencies

It has been assumed at approximately 5% of Sum of Total Civil Works and Miscellaneous Fixed Assets.

## Preliminary Expenses

Particulars	Amt. (Rs. in Lakhs)
Incorporation Expenses	0.60
Project Report Preparation and Consultation	0.70
Feasibility and Engineer's/Architect's Report and Plans	22.88
Legal Charges - Drafting for agreements, contracts, stamp paper, notary and affidavit cost	0.50
Other recurring expenses of revenue nature up to start of commercial production - Security Guard & Others salary	49.20
Interest Cost for period before commercial production (Interest cost covered of 30 Months Moratorium period)	203.57
<b>Total</b>	<b>277.44</b>

## Salary

Particulars	No. of Employees	Salary	No. of Months	Amount (Rs.)
Manager	1	30,000	12	3,60,000
Accounts Staff	1	15,000	12	1,80,000
Security Guard	12	14,000	12	20,16,000
<b>Total</b>	<b>14</b>			<b>25,56,000</b>

## Profitability Statement

	Amount (Rs. In Lakhs)						
Particulars	Year- 1	Year- 2	Year- 3	Year- 4	Year- 5	Year- 6	Year- 7
<b>A.INCOME</b>							
Total Tenants in the year	19	19	19	19	19	19	19
Revenue from Rent- A. 19 Shops/Super Market/food Court of 2000SQFT @ Rs. 65/SQFT B. Banquet Hall of 9500SQFT each @Rs.200/SQFT C. Basement .Parking area of 15000SQFT @Rs30/SQFT	558.60	586.53	615.86	646.65	678.98	712.93	748.58
<b>Total Income/ annum</b>	<b>558.60</b>	<b>586.53</b>	<b>615.86</b>	<b>646.65</b>	<b>678.98</b>	<b>712.93</b>	<b>748.58</b>
<b>B. Operating Expenses</b>							
Salary- Manager	3.60	3.78	3.97	4.17	4.38	4.59	4.82
- Accounts Staff	1.80	1.89	1.98	2.08	2.19	2.30	2.41
-Security Guard	20.16	21.17	22.23	23.34	24.50	25.73	27.02
Repair & Maintenance	5.00	5.15	5.41	5.68	5.96	6.26	6.57
Depreciation & Amortization	158.28	158.28	155.97	153.66	153.66	98.17	98.17
<b>Total Operating Expenses</b>	<b>188.84</b>	<b>190.26</b>	<b>189.55</b>	<b>188.92</b>	<b>190.69</b>	<b>137.05</b>	<b>138.99</b>
<b>Operating Profit (A-B)</b>	<b>369.76</b>	<b>396.27</b>	<b>426.30</b>	<b>457.73</b>	<b>488.30</b>	<b>575.88</b>	<b>609.58</b>
<b>C.FINANCIAL EXPENSES</b>							
Interest on loan	43.41	75.23	61.66	48.08	34.50	20.93	7.35
<b>D. Other Expenses</b>							
Administrative and general Expenses	5.00	5.10	5.20	5.31	5.41	5.52	5.63
Total Expenses	48.41	80.33	66.86	53.39	39.92	26.45	12.98
<b>Profit before Tax</b>	<b>321.35</b>	<b>315.93</b>	<b>359.45</b>	<b>404.34</b>	<b>448.38</b>	<b>549.43</b>	<b>596.60</b>
Provision for Tax	80.34	78.98	89.86	101.09	112.09	137.36	149.15
<b>Profit after Tax (PAT)</b>	<b>241.01</b>	<b>236.95</b>	<b>269.58</b>	<b>303.26</b>	<b>336.28</b>	<b>412.07</b>	<b>447.45</b>
Dividend Declared	-	-	-	-	-	-	-
<b>Retained Profit</b>	<b>241.01</b>	<b>236.95</b>	<b>269.58</b>	<b>303.26</b>	<b>336.28</b>	<b>412.07</b>	<b>447.45</b>

## Breakeven Point

Amount (Rs. in Lakhs)								
S	Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5	Year - 6	Year - 7
A.	Annual Turnover	558.60	586.53	615.86	646.65	678.98	712.93	748.58
B.	<b>Variable Cost</b>							
	Administrative and general Expenses	5.00	5.10	5.20	5.31	5.41	5.52	5.63
	<b>Total Variable Cost</b>	<b>5.00</b>	<b>5.10</b>	<b>5.20</b>	<b>5.31</b>	<b>5.41</b>	<b>5.52</b>	<b>5.63</b>
C	<b>Contribution (A-</b>	<b>553.60</b>	<b>581.43</b>	<b>610.65</b>	<b>641.34</b>	<b>673.57</b>	<b>707.41</b>	<b>742.95</b>
D	<b>Fixed and Semi-Fixed Cost</b>							
	Salary	3.60	3.78	3.97	4.17	4.38	4.59	4.82
	Repair & Maintenance	5.00	5.15	5.41	5.68	5.96	6.26	6.57
	Depreciation and Amortization	158.28	158.28	155.97	153.66	153.66	98.17	98.17
	Interest on loan	43.41	75.23	61.66	48.08	34.50	20.93	7.35
	<b>Total Fixed Cost</b>	<b>210.29</b>	<b>242.44</b>	<b>227.00</b>	<b>211.58</b>	<b>198.50</b>	<b>129.95</b>	<b>116.92</b>
E.	<b>Breakeven Point</b>	<b>38%</b>	<b>42%</b>	<b>37%</b>	<b>33%</b>	<b>29%</b>	<b>18%</b>	<b>16%</b>
F.	<b>Cash BEP</b>	<b>9%</b>	<b>14%</b>	<b>12%</b>	<b>9%</b>	<b>7%</b>	<b>4%</b>	<b>3%</b>

## 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	PAT	241.01	236.95	269.58	303.26	336.28	412.07	447.45
ii	Depreciation	158.28	158.28	155.97	153.66	153.66	98.17	98.17
iii	Interest	43.41	75.23	61.66	48.08	34.50	20.93	7.35
<b>A</b>	<b>Total (i + ii + iii)</b>	<b>442.70</b>	<b>470.46</b>	<b>487.21</b>	<b>504.99</b>	<b>524.44</b>	<b>531.17</b>	<b>552.97</b>
i	Interest	43.41	75.23	61.66	48.08	34.50	20.93	7.35
ii	Principal repayment	71.45	142.90	142.90	142.90	142.90	142.90	142.90
<b>B</b>	<b>Total (i + ii)</b>	<b>114.86</b>	<b>218.13</b>	<b>204.56</b>	<b>190.98</b>	<b>177.40</b>	<b>163.83</b>	<b>150.25</b>
	<b>DSCR (A/B)</b>	<b>3.85</b>	<b>2.16</b>	<b>2.38</b>	<b>2.64</b>	<b>2.96</b>	<b>3.24</b>	<b>3.68</b>
	<b>Avg DSCR</b>	<b>2.99</b>						

(Note: DSCR in First Year is high because Interest has been charged for 6 months and remaining 6 Months is Moratorium period.)

## Interest on Term Loan and Principal Repayment

Refer **ANNEXURE – I** for Loan repayment Schedule.

We have assumed the repayment tenure of loan for a period of 7 years, rate of interest being @9.5% with the moratorium period being 30 months.

## Address of Vendors

Name of the vendor	Address & Contact No.
Hilite Greens	<b>Address:</b> Maharishi Path, Behind Raddison Blu Hotel, Near Akansha Hospital, near Maharishi Vidya Mandir School, Guwahati, Assam 781033  <b>Phone:</b> 069012 99902
Infinity Infotech Parks Limited	<b>Address:</b> Infinity, Tower II Plot A3, Block GP, Sector V Salt Lake Electronics Complex Kolkata – 700091, West Bengal, India.  <b>Phone:</b> +91 76040 92334
Gajpati Homes	<b>Address:</b> Sheehan's Enclave , 5th Floor, GMCH Road, Near IGNOU, Guwahati 781005  <b>Phone:</b> 09875633759

# ANNEXURE - I

Year	April	May	June	July	August	September	October	November	December	January	February	March	Annually
O .1													
Principal													
Opening	768.70	774.78	780.92	787.10	793.33	799.61	805.94	812.32	818.75	825.23	831.77	838.35	
Repaid													
Closing	774.78	780.92	787.10	793.33	799.61	805.94	812.32	818.75	825.23	831.77	838.35	844.99	
Interest	6.09	6.13	6.18	6.23	6.28	6.33	6.38	6.43	6.48	6.53	6.58	6.64	76.29
O.2													
Principal													
Opening	844.99	851.68	858.42	865.22	872.07	878.97	885.93	892.94	900.01	907.14	914.32	921.56	
Repaid	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing	851.68	858.42	865.22	872.07	878.97	885.93	892.94	900.01	907.14	914.32	921.56	928.85	
Interest	6.69	6.74	6.80	6.85	6.90	6.96	7.01	7.07	7.13	7.18	7.24	7.30	83.86
I								93.00					
Principal													
Opening	928.85	928.85	928.85	928.85	928.85	928.85	928.85	916.94	905.04	893.13	881.22	869.31	
Repaid	-	-	-	-	-	-	-	11.91	11.91	11.91	11.91	11.91	71.45
Closing	928.85	928.85	928.85	928.85	928.85	928.85	928.85	916.94	905.04	893.13	881.22	869.31	857.40
Interest	7.35	7.35	7.35	7.35	7.35	7.35	7.35	7.35	7.26	7.16	7.07	6.98	86.83
II													
Principal													
Opening	857.40	845.49	833.59	821.68	809.77	797.86	785.95	774.04	762.14	750.23	738.32	726.41	
Repaid	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	142.90
Closing	845.49	833.59	821.68	809.77	797.86	785.95	774.04	762.14	750.23	738.32	726.41	714.50	
Interest	6.79	6.69	6.60	6.50	6.41	6.32	6.22	6.13	6.03	5.94	5.85	5.75	75.23
III													
Principal													
Opening	714.50	702.59	690.69	678.78	666.87	654.96	643.05	631.14	619.24	607.33	595.42	583.51	
Repaid	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	142.90
Closing	702.59	690.69	678.78	666.87	654.96	643.05	631.14	619.24	607.33	595.42	583.51	571.60	
Interest	5.66	5.56	5.47	5.37	5.28	5.19	5.09	5.00	4.90	4.81	4.71	4.62	61.66
IV													
Principal													
Opening	571.60	559.69	547.79	535.88	523.97	512.06	500.15	488.24	476.33	464.43	452.52	440.61	
Repaid	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	142.90
Closing	559.69	547.79	535.88	523.97	512.06	500.15	488.24	476.33	464.43	452.52	440.61	428.70	
Interest	4.53	4.43	4.34	4.24	4.15	4.05	3.96	3.87	3.77	3.68	3.58	3.49	48.08
V													
Principal													
Opening	428.70	416.79	404.88	392.98	381.07	369.16	357.25	345.34	333.43	321.53	309.62	297.71	
Repaid	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	142.90
Closing	416.79	404.88	392.98	381.07	369.16	357.25	345.34	333.43	321.53	309.62	297.71	285.80	
Interest	3.39	3.30	3.21	3.11	3.02	2.92	2.83	2.73	2.64	2.55	2.45	2.36	34.50
VI													
Principal													
Opening	285.80	273.89	261.98	250.08	238.17	226.26	214.35	202.44	190.53	178.63	166.72	154.81	
Repaid	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	142.90
Closing	273.89	261.98	250.08	238.17	226.26	214.35	202.44	190.53	178.63	166.72	154.81	142.90	
Interest	2.26	2.17	2.07	1.98	1.89	1.79	1.70	1.60	1.51	1.41	1.32	1.23	20.93
VII													
Principal			-	-	-	-	-	-	-	-	-	-	-
Opening	142.90	130.99	119.08	107.18	95.27	83.36	71.45	59.54	47.63	35.73	23.82	11.91	
Repaid	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	11.91	142.90
Closing	130.99	119.08	107.18	95.27	83.36	71.45	59.54	47.63	35.73	23.82	11.91	0.00	-
Interest	1.13	1.04	0.94	0.85	0.75	0.66	0.57	0.47	0.38	0.28	0.19	0.09	7.35