



## **AMUSEMENT 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)
Land (Own)	-
Development of lawns including grassing	200.00
Civil works and Buildings	1,061.00
Misc. Fixed Assets	141.50
Amusement Ride	200.00
Banquet Hall	25.50
Rooms	30.00
DG SET	10.00
Ground Water System with water treatment plant	15.00
Contingencies	84.15
Preliminary & Preoperative Expenses	206.16
<b>Total Project Cost(A)</b>	<b>1,973.31</b>
Loan component(60% of A)	1,183.99
Equity(40% of A)	789.33

## Detailed Cost Element

SL	Particulars	Amt. (Rs. in Lakhs)
1	CCTV	15.00
2	Computer	4.00
3	Electric Equipments	10.00
4	Water filter	1.50
5	Dustbins	20.00
6	Benches	5.00
7	Firefighting equipment	30.00
8	Light , Fans	5.00
9	Others	1.00
10	Food Court Equipment & Furniture	50.00
	<b>Total</b>	<b>141.50</b>

## Contingencies

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 Reports and Plans	26.53
Legal Charges - Drafting for agreements, contracts, stamp paper, notary and affidavit cost	0.25
Interest from the period between granting of loan up to commercial production	95.54
Other recurring expenses of revenue nature up to start of commercial production - salary, etc	82.50
<b>Total</b>	<b>206.16</b>

## Salary

Designation	Manpower	Amt. (Rs. In Lakhs)
Electricians	10	60.00
Manager	5	45.00
Rides operator	30	72.00
Sweeper	70	84.00
Gardener	15	27.00
Security Guard	10	14.40

## Profitability Statement

Amount (Rs. In Lakhs)							
Particulars	Year- 1	Year- 2	Year- 3	Year- 4	Year- 5	Year- 6	Year- 7
<b>A.RECEIPTS</b>							
Income from entry including rides	600.00	660.00	726.00	798.60	878.46	966.31	1,062.94
Income from canteen	250.00	275.00	302.50	332.75	366.03	402.63	442.89
Income from events	108.00	118.80	130.68	143.75	158.12	173.94	191.33
Income from rooms	180.00	198.00	217.80	239.58	263.54	289.89	318.88
<b>TOTAL RECEIPTS</b>	<b>1,138.00</b>	<b>1,251.80</b>	<b>1,376.98</b>	<b>1,514.68</b>	<b>1,666.15</b>	<b>1,832.76</b>	<b>2,016.04</b>
<b>B. EXPENDITURE</b>							
Canteen Expense	180.00	198.00	217.80	239.58	263.54	289.89	318.88
Salary -							
Electricians	60.00	66.00	72.60	79.86	87.85	96.63	106.29
Manager	45.00	49.50	54.45	59.90	65.88	72.47	79.72
Rides operator	72.00	79.20	87.12	95.83	105.42	115.96	127.55
Sweeper	84.00	92.40	101.64	111.80	122.98	135.28	148.81
Gardener	27.00	29.70	32.67	35.94	39.53	43.48	47.83
Security Guard	14.40	15.84	17.42	19.17	21.08	23.19	25.51
Repair and Maintenance	20.00	22.00	24.20	29.04	34.85	41.82	50.18
Power	24.00	26.40	29.04	31.94	35.14	38.65	42.52
Depreciation	199.20	199.20	198.36	197.52	197.52	156.29	144.51
<b>Total Operating Expenses</b>	<b>725.60</b>	<b>778.24</b>	<b>835.30</b>	<b>900.58</b>	<b>973.79</b>	<b>1,013.66</b>	<b>1,091.81</b>
<b>Operating Profit (A-B)</b>	<b>412.40</b>	<b>473.56</b>	<b>541.68</b>	<b>614.10</b>	<b>692.36</b>	<b>819.10</b>	<b>924.23</b>
<b>C.FINANCIAL EXPENSES</b>							
Interest	111.45	103.15	89.94	76.72	62.41	50.30	37.09
<b>D. Other Expenses</b>							
Administrative and general Expenses	34.14	37.55	41.31	45.44	49.98	54.98	60.48
<b>Total Expenses</b>	<b>145.59</b>	<b>140.70</b>	<b>131.25</b>	<b>122.17</b>	<b>112.40</b>	<b>105.28</b>	<b>97.57</b>
Profit Before Tax	266.81	332.86	410.43	491.94	579.96	713.81	826.66
Provision for Tax	66.70	83.21	102.61	122.98	144.99	178.45	206.66
<b>Profit after Tax (PAT)</b>	<b>200.11</b>	<b>249.64</b>	<b>307.82</b>	<b>368.95</b>	<b>434.97</b>	<b>535.36</b>	<b>619.99</b>
Dividend Declared	-	-	-	-	-	-	-
<b>Profit</b>	<b>200.11</b>	<b>249.64</b>	<b>307.82</b>	<b>368.95</b>	<b>434.97</b>	<b>535.36</b>	<b>619.99</b>

## Breakeven Point

Break Even Point (BEP)					Amount (Rs. In Lakhs)			
S	Particulars	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5	Year - 6	Year - 7
A.	Net Sales	1,138.00	1,251.80	1,376.98	1,514.68	1,666.15	1,832.76	2,016.04
B.	Variable Cost							
	Canteen Expense	180.00	198.00	217.80	239.58	263.54	289.89	318.88
	Power and Utility	24.00	26.40	29.04	31.94	35.14	38.65	42.52
	Other Misc.	34.14	37.55	41.31	45.44	49.98	54.98	60.48
C.	Total Variable Cost	238.14	261.95	288.15	316.96	348.66	383.53	421.88
D.	Contribution (A-B)	899.86	989.85	1,088.83	1,197.71	1,317.49	1,449.23	1,594.16
	Fixed and Semi-Fixed Cost							
	Labour Charges	302.40	332.64	365.90	402.49	442.74	487.02	535.72
	Repair &	20.00	22.00	24.20	29.04	34.85	41.82	50.18
	Interest on Loan	111.45	103.15	89.94	76.72	62.41	50.30	37.09
	Depreciation	199.20	199.20	198.36	197.52	197.52	156.29	144.51
E.	Total Fixed Cost	633.05	656.99	678.40	705.78	737.52	735.42	767.50
F.	BREAKEVEN POINT	70%	66%	62%	59%	56%	51%	48%
G	CASH BEP	48%	46%	44%	42%	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	PAT	200.11	249.64	307.82	368.95	434.97	535.36	619.99
ii	Depreciation	199.20	199.20	198.36	197.52	197.52	156.29	144.51
iii	Interest	111.45	103.15	89.94	76.72	62.41	50.30	37.09
A	Total (i + ii + iii)	510.76	551.99	596.12	643.20	694.90	741.94	801.59
i	Interest	111.45	103.15	89.94	76.72	62.41	50.30	37.09
ii	Principal repayment	77.72	155.44	155.44	155.44	155.44	155.44	155.44
B	Total (i + ii)	189.18	258.59	245.38	232.17	217.85	205.74	192.53
	DSCR (A / B)	2.70	2.13	2.43	2.77	3.19	3.61	4.16

## 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 17 months.

## Address of Vendors

Name of the vendor	Address and Contact Number
Swastik Games	Ahemdabad, Gujarat Phone no.-08049440308
Full Fun Amusement Games	Deep Vihar, Delhi Phone no.-08048882575
A.k Enterprise	Memnagar, Ahemdabad, Gujarat Phone no.-07971481939
Fantasy Rides	Mumbai, Maharashtra Phone no.-0804860311

# ANNEXURE - I

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
<b>Principal</b>													
Opening	1,183.35	1,191.74	1,200.18	1,208.68	1,217.24	1,225.86	1,234.55	1,243.29	1,252.10	1,260.97	1,269.90	-	-
Repaid	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing	1,191.74	1,200.18	1,208.68	1,217.24	1,225.86	1,234.55	1,243.29	1,252.10	1,260.97	1,269.90	1,278.89	-	-
<b>Interest</b>	8.38	8.44	8.50	8.56	8.62	8.68	8.74	8.81	8.87	8.93	9.00	-	95.54
I	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Principal</b>													
Opening	1,278.89	1,287.95	1,297.08	1,306.26	1,315.52	1,324.83	1,334.22	1,330.71	1,327.19	1,323.63	1,310.68	1,297.73	-
Repaid	-	-	-	-	-	-	12.95	12.95	12.95	12.95	12.95	12.95	77.72
Closing	1,287.95	1,297.08	1,306.26	1,315.52	1,324.83	1,334.22	1,330.71	1,327.19	1,323.63	1,310.68	1,297.73	1,284.77	-
<b>Interest</b>	9.06	9.12	9.19	9.25	9.32	9.38	9.45	9.43	9.40	9.38	9.28	9.19	111.45
II	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Principal</b>													
Opening	1,284.77	1,271.82	1,258.87	1,245.91	1,232.96	1,220.01	1,207.05	1,194.10	1,181.15	1,168.19	1,155.24	1,142.28	-
Repaid	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	155.44
Closing	1,271.82	1,258.87	1,245.91	1,232.96	1,220.01	1,207.05	1,194.10	1,181.15	1,168.19	1,155.24	1,142.28	1,129.33	-
<b>Interest</b>	9.10	9.01	8.92	8.83	8.73	8.64	8.55	8.46	8.37	8.27	8.18	8.09	103.15
III	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Principal</b>													
Opening	1,129.33	1,116.38	1,103.42	1,090.47	1,077.52	1,064.56	1,051.61	1,038.66	1,025.70	1,012.75	999.80	986.84	-
Repaid	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	155.44
Closing	1,116.38	1,103.42	1,090.47	1,077.52	1,064.56	1,051.61	1,038.66	1,025.70	1,012.75	999.80	986.84	973.89	-
<b>Interest</b>	8.00	7.91	7.82	7.72	7.63	7.54	7.45	7.36	7.27	7.17	7.08	6.99	89.94
IV	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Principal</b>													
Opening	973.89	960.93	947.98	935.03	922.07	909.12	896.17	883.21	870.26	857.31	844.35	831.40	-
Repaid	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	155.44
Closing	960.93	947.98	935.03	922.07	909.12	896.17	883.21	870.26	857.31	844.35	831.40	818.45	-
<b>Interest</b>	6.90	6.81	6.71	6.62	6.53	6.44	6.35	6.26	6.16	6.07	5.98	5.89	76.72
V	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Principal</b>													
Opening	818.45	805.49	792.54	779.58	766.63	753.68	740.72	727.77	714.82	701.86	688.91	675.96	-
Repaid	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	155.44
Closing	805.49	792.54	779.58	766.63	753.68	740.72	727.77	714.82	701.86	688.91	675.96	663.00	-
<b>Interest</b>	5.71	5.61	5.52	5.43	5.34	5.25	5.16	5.06	4.97	4.88	4.79	4.70	62.41
VI	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Principal</b>													
Opening	663.00	650.05	637.10	624.14	611.19	598.23	585.28	572.33	559.37	546.42	533.47	520.51	-
Repaid	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	155.44
Closing	650.05	637.10	624.14	611.19	598.23	585.28	572.33	559.37	546.42	533.47	520.51	507.56	-
<b>Interest</b>	4.70	4.60	4.51	4.42	4.33	4.24	4.15	4.05	3.96	3.87	3.78	3.69	50.30
VII	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Principal</b>													
Opening	507.56	494.61	481.65	468.70	455.75	442.79	429.84	416.88	403.93	390.98	378.02	365.07	-
Repaid	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	155.44
Closing	494.61	481.65	468.70	455.75	442.79	429.84	416.88	403.93	390.98	378.02	365.07	352.12	-
<b>Interest</b>	3.60	3.50	3.41	3.32	3.23	3.14	3.04	2.95	2.86	2.77	2.68	2.59	37.09
VIII	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Principal</b>													
Opening	352.12	339.16	326.21	313.26	300.30	287.35	274.40	261.44	248.49	235.53	222.58	209.63	-
Repaid	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	155.44
Closing	339.16	326.21	313.26	300.30	287.35	274.40	261.44	248.49	235.53	222.58	209.63	196.67	-
<b>Interest</b>	2.49	2.40	2.31	2.22	2.13	2.04	1.94	1.85	1.76	1.67	1.58	1.48	23.87
IX	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Principal</b>													
Opening	196.67	183.72	170.77	157.81	144.86	131.91	118.95	106.00	93.05	80.09	67.14	54.18	-
Repaid	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	12.95	155.44
Closing	183.72	170.77	157.81	144.86	131.91	118.95	106.00	93.05	80.09	67.14	54.18	41.23	-
<b>Interest</b>	1.39	1.30	1.21	1.12	1.03	0.93	0.84	0.75	0.66	0.57	0.48	0.38	10.66
X	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Principal</b>													
Opening	41.23	28.28	15.32	2.37	-	-	-	-	-	-	-	-	-
Repaid	12.95	12.95	12.95	2.37	-	-	-	-	-	-	-	-	41.23
Closing	28.28	15.32	-	-	-	-	-	-	-	-	-	-	-
<b>Interest</b>	0.29	0.20	0.11	0.02	-	-	-	-	-	-	-	-	0.62