Big India Farms – Projected Income per Acre of Farm Land

PLAN A: Farm Land Owner and Big India Farms share risks and rewards

Scenarios*	Probability^	Projected Annual Revenue per acre (INR)**	Annual crop expense per acre (INR)***	BIF share (20% of Revenue)	Projected Annual Net Income/acre for Farm Owner (INR)	Probability weighted Annual Net Income/ acre for Farm Owner (INR)^^
Scenario 1	30%	40000	9500	8000	22500	6750
Scenario 2	40%	30000	9500	6000	14500	5800
Scenario 3	20%	20000	9500	4000	6500	1300
Scenario 4	10%	10000	9500	2000	1500	-150
Projected Income per acre						**13400 per year**

PLAN B: Farm Land Owner gets Guaranteed Income while Big India Farms takes the risk

Scenarios	Probability	Annual Revenue per acre (INR)	Annual crop expense per acre (INR)***	BIF share (20% of Revenue)	Fixed Annual Income/acre for Farm Owner (INR)	Annual Net Income/ acre for Farm Owner (INR)
Scenario 1	100%	NA	9500	Remainder after paying agri income to farm owner	19500	10000
Guaranteed Income per acre						**10000 per year**

Notes:

→ **This agricultural income is tax-free.**

* Typical Crop Mix across Big India Farms: Wheat, Daals/ Pulses/ Lentils, Vegetables, Fruits

** Projected Annual Revenue per acre depends of various factors impacting crop yield and prevailing supply-demand situation

*** Annual expense per acre is low and fixed because of large acreage of farm land with BIF – economies of scale – and this amount has to be paid to BIF at the start of the year to use for farming operations.

^ Over time, we expect the probability of higher income (scenario 1-2) to increase because of better farm set-up and inflation.

^^ Probability weighted avg Annual Net Income per acre is arrived at by multiplying Income in each scenario with its probability.

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