BUSINESS PLAN · INDIA

Commercial Fishing-Vessel Operator

move the share onto the net and show him the account

SHIPPING, PORTS AND MARINE SERVICES

AISEVAK.IN · BY ABL DIGITAL TECHNOLOGIES

August 2026

1. Executive Summary

This plan sets out a **Commercial Fishing-Vessel Operator** — four owned coastal trawlers and gillnetters and two chartered deep-sea longliners, with an ice plant and cold store, direct sales to processors and exporters, and open-auction landings. By Year 3 it runs **100 trips**, lands **750 tonnes** and bills **₹18.60 crore**, paying its crew on **net trip result** and financing its own trips.

> This plan is the eighth in vertical 58 and **inherits the ten maritime anchor rules (a)–(j)** set out in §17 of the ship-repair yard plan.

Item	Detail	Year 3
What is sold	Premium species direct to processors and exporters, open-auction landings, ice and cold storage sold to other operators, by-catch and secondary grades, and vessel and gear hire between seasons	**₹18.60cr**
Trips / landings / crew	100 trips of 9 days across six vessels, 750,000 kg landed, 27,900 tonnes of ice	100; 750t; 35
PAT / net margin	Fuel is 21.0% of revenue and the crew's share is the largest cost after it	**₹1.23cr / 6.6%**
ROCE on ₹8.00cr	Four owned vessels, ice plant and cold store, and the working capital to fund our own trips	**22.6%**
Fuel per kilogram landed across comparable skippers	**Same vessels, same grounds, same season**	**₹18.40 to ₹47.60 — 2.6×**
Price recovered by not taking a financier's advance	**20% on premium species and 20% on auction grades**	**₹2.79cr**

> **□□ THE CREW IS PAID A SHARE OF THE CATCH AND BEARS NONE OF THE COST OF GETTING IT. Under the share system the crew take a percentage of gross landings while the owner pays the fuel, the ice, the gear and the repairs — so the skipper who decides how far to steam and how long to tow is paid on what the fuel catches and not on what it costs. THE CHEAPEST WAY FOR A SKIPPER TO RAISE HIS OWN SHARE IS TO SPEND THE OWNER'S DIESEL, AND HE IS NOT BEING GREEDY — HE IS RESPONDING EXACTLY TO THE CONTRACT HE WAS GIVEN.**

> **The spread this produces is enormous and nobody measures it. Across comparable vessels on the same grounds in the same season, fuel per kilogram landed ranged from ₹18.40 to ₹47.60 — a factor of 2.6 — and the skipper with the worst ratio had the highest gross landings and therefore the highest crew share of anybody in the fleet. ON OUR OWN BOATS THE GAP BETWEEN THE INTAKE RATIO AND AN ACHIEVABLE ONE WAS ₹8.80 A KILOGRAM: ₹0.66 CRORE OF DIESEL A YEAR, BURNT BY DECISIONS THAT RAISED SOMEBODY ELSE'S PAY.**

2. Business Description, Vision & Legal Structure

A private limited fishing company operating four owned vessels and two on charter from an Indian fishing harbour, with its own ice plant, cold store and grading floor, selling premium species direct and auction grades at open auction.

Element	Position
Legal form	Private limited company; vessel registration and fishing licences under the state marine fishing regulation Act; Merchant Shipping registration for the deep-sea vessels; letter of permit where applicable; FSSAI and export-establishment approvals for the cold chain; crew certification and safety equipment under rule (d)
Where the money is made	Premium species direct to processors are 50% of revenue at 34%; ice sold to other operators at 42% and gear hire at 48% earn when the fleet is tied up under the monsoon ban
What is different	The crew are paid 55% of net trip result rather than 42% of gross landings, with the trip account published to them before settlement; and no trip is financed by the person who will buy the catch
Vision	A fleet where the man burning the diesel can see what it cost and what it earned

Why this shape	Reasoning
Crew paid on net trip result, not gross landings	**A share of gross rewards steaming and towing regardless of cost. A share of net makes the skipper's interest and the owner's the same quantity, which is the only way the fuel decision gets made by the person who benefits from making it well**
Our own trip finance, never the buyer's	**This is the control on the first remedy: a net share can only be settled against costs and prices the crew can check, and both are currently produced by the commission agent who lends the money and buys the fish**
Ice plant and cold store owned	It protects the price of our own catch, earns 42% selling to other operators, and keeps eight people employed through the sixty-day monsoon ban under rule (b)
Two vessels chartered rather than owned	The fishery is seasonal and stock-dependent; chartering the deep-sea capacity keeps ₹4.16 crore of hulls off the balance sheet and lets the fleet contract without a forced sale

3. Promoter & Ownership

Item	Position
Promoter	Second-generation boat owner, nineteen years in the trade; spent them settling trips against an agent's account he was not shown and paying crew a share of a number that rewarded them for burning his fuel
Promoter equity	**₹3.20cr** of the ₹8.00cr project cost (40%), unsecured and not withdrawable during the loan term
Ownership	Promoter and family 61%; skippers and senior crew under a share-and-equity scheme 19%; a food and cold-chain investor 20%
Governance	**Crew are paid on net trip result and the full trip account — landings by species and grade, price realised, fuel burnt, ice, gear and provisions — is published to the crew before settlement, every trip. No trip is financed by any party that will bid for or buy the catch, and no advance is accepted against a landing. Fuel is metered per trip and the ratio is posted where the crew can see it**

> The second sentence is the one that costs capital rather than margin. **Refusing a financier's advance means funding ₹4.20 lakh of fuel, ice, gear and crew advance per trip out of our own working capital, a hundred times a year** — which is why ₹1.20 crore of the project cost is working capital margin and not a boat. **FOURTEEN TRIPS WORTH ₹1.86 CRORE WERE DECLINED IN YEAR 3 BECAUSE THE ONLY BUYER WILLING TO TAKE THAT LANDING AT THAT HARBOUR WAS ALSO THE ONLY PARTY OFFERING TO FUND IT.**

4. Market Analysis — India

Segment	What drives it	Position taken
Premium species direct to processors and exporters	Shrimp, pomfret, seer, tuna and squid for export and organised retail; graded, iced and traceable, and the only segment where quality is actually paid for	232,500 kg at ₹400
Open-auction landings	Mixed demersal and pelagic sold at the harbour auction; price discovery is real but only if the seller is free to walk	387,500 kg at ₹120
Ice, cold storage and handling for other operators	Under rule (b) the monsoon ban is a calendar; the ice plant earns from other people's boats when ours are tied up	27,900 tonnes at ₹1,000
By-catch, fishmeal and secondary grades	Unavoidable and low-value; handled properly it is revenue, handled carelessly it is waste	130,000 kg at ₹100
Vessel and gear hire between seasons	Survey, research and charter work in the closed season	56 vessel-days at ₹1.00 lakh

What a financier's advance actually costs

Measure	Amount
Advance taken before a trip for fuel, ice, gear and crew	**₹4.20 lakh**
Stated interest on it	**Nil**
Premium species: tied price against open price	**₹320 vs ₹400 — 20.0%**
Auction grades: tied price against open price	**₹96 vs ₹120 — 20.0%**
Price forgone per trip / across 100 trips	**₹2.79 lakh — 66% of the advance; ₹2.79cr**

> **Indian marine fishing supports millions of livelihoods and has real depth — a long coastline, a large fleet, genuine export demand and serious investment in harbours and cold chain. IT IS ALSO A TRADE IN WHICH THE MAN WHO DECIDES HOW MUCH FUEL TO BURN IS PAID ON THE CATCH AND NOT ON THE COST, AND THE MAN WHO LENDS THE MONEY FOR THE TRIP IS THE SAME MAN WHO NAMES THE PRICE OF WHAT IT BRINGS BACK.**

5. Competition & Position

Competitor type	What they do well	Where the gap is
Owner-operator single-boat fishermen	Lowest overhead in the trade, deep local knowledge, and a skipper who is also the owner so the incentive problem does not arise	No working capital at all, so the agent's advance is not a choice; the price is set for them every trip
Multi-boat owners on the share system	Scale, harbour standing, and the ability to keep boats fishing through a bad season	Every boat runs on a gross share, and the fuel bill is a mystery the owner absorbs
Commission agents and auction financiers	Genuinely provide the capital nobody else will, at speed, without paperwork	They lend and they buy, and the two are one negotiation the borrower cannot separate
Integrated processors with own fleets	Guaranteed offtake, cold chain, export access and real balance sheets	The fleet exists to feed the plant, so vessel economics are never separately measured

This operator	Net-share crew payment, published trip accounts, own trip finance, direct sales and an ice plant	**Needs ₹1.20cr of working capital that a tied competitor does not**

The competitive difficulty is capital, not economics. Our model earns more per kilogram than the tied one on every measure we can find — but it requires ₹4.20 lakh a trip of our own money, a hundred times a year, before a single fish is sold. THE TIED MODEL DOES NOT PERSIST BECAUSE IT PAYS BETTER. IT PERSISTS BECAUSE AN OWNER WHO CANNOT FUND A TRIP HAS NO ALTERNATIVE, AND THE MAN OFFERING THE MONEY KNOWS IT.

6. The Crew Is Paid a Share of the Catch and Bears None of the Cost

This is the finding, and it concerns two people optimising different quantities on the same boat.

Decision	Made by	Paid for by
How far to steam	**The skipper**	**The owner**
How long to tow	**The skipper**	**The owner**
Whether to shoot again	**The skipper**	**The owner**
What the crew is paid on		**Gross landings**
What the fuel costs		**Nothing, to the person deciding**

The share or lay system is the oldest arrangement in fishing and it is genuinely fair in origin: the crew take a percentage of what the trip lands, so a bad trip costs the owner and the crew together. But the costs of getting there are not shared. The owner pays fuel, ice, gear, provisions and repairs; the crew's share is struck on gross landings value before any of it. SO THE SKIPPER, WHO DECIDES HOW FAR TO STEAM, HOW LONG TO TOW AND WHETHER TO SHOOT ONE MORE TIME, IS PAID ON WHAT THE FUEL CATCHES AND NOT ON WHAT IT COSTS.

Nobody in that arrangement is behaving badly, which is why it has survived for centuries. A skipper steaming four hours further to a marginal ground is doing his job as it has been defined for him — he is trying to fill the hold, and filling the hold is what he is paid for. The extra diesel does not appear in his settlement, is not discussed at the quay, and is not a number anybody shows him. HE IS NOT SPENDING THE OWNER'S MONEY CARELESSLY; HE IS SPENDING A RESOURCE THAT HAS NO PRICE IN THE ONLY ACCOUNT HE IS EVER SHOWN.

The result is a spread that would be impossible in any business where the decision-maker saw the cost. Across comparable vessels on the same grounds in the same season, fuel per kilogram landed ranged from ₹18.40 to ₹47.60 — a factor of 2.6 — and the worst ratio belonged to the skipper with the highest gross landings, and therefore the highest crew share in the fleet. On our own boats at intake the ratio was ₹31.20 a kilogram against an achievable ₹22.40: ₹8.80 A KILOGRAM ON 750,000 KILOGRAMS, ₹0.66 CRORE OF DIESEL A YEAR SPENT TO RAISE SOMEBODY ELSE'S PAY.

So the crew are paid on net trip result and shown the account it is struck from. 55% of landings value less fuel, ice and gear, in place of 42% of gross — set so that expected crew earnings are unchanged at the target fuel ratio and higher below it — with the full trip account published to the crew before settlement and the fuel

ratio metered and posted. Skipper training and plotter and fuel-monitor fits at ₹0.46 crore, and a transition guarantee underwriting crew earnings for two seasons at ₹0.34 crore, because a crew asked to accept a new formula on the promise of unchanged pay is entitled to have that promise funded. The fleet ratio fell from ₹31.20 to ₹23.60 a kilogram — a 24% reduction and ₹0.57 crore recovered. GENERAL RULE: WHERE ONE PARTY DECIDES AND ANOTHER PAYS, MOVE THE SHARE ONTO THE NET AND SHOW HIM THE ACCOUNT IT IS STRUCK FROM.

7. The Man Who Lends the Money Also Sets the Price

The second thread is the control on the hazard the first one's remedy creates, and it concerns who keeps the books.

In a tied trip	Position
Who advances the money for fuel, ice, gear and crew	**The commission agent**
Who buys the landing	**The same agent**
Who records what was landed and at what price	**The same agent**
Stated interest on the advance	**Nil**
Price forgone per trip	**₹2.79 lakh — 66% of the advance**

Most Indian fishing trips are financed by the commission agent at the harbour, who advances the cost of fuel, ice, gear and crew before departure and takes the catch on landing. The loan and the sale are not two transactions — they are one negotiation with one counterparty, and the borrower is in no position to test the price against anybody else. Against open reference prices, the tied price runs about 20% below on premium species and 20% below on auction grades: ₹2.79 LAKH A TRIP AND ₹2.79 CRORE A YEAR, AGAINST AN ADVANCE OF ₹4.20 LAKH ON WHICH NO INTEREST IS STATED ANYWHERE.

Which is exactly the hazard the §6 remedy creates, and why the two threads are one arrangement. A net share can only be settled against costs and prices the crew are able to check — and in a tied operation the fuel invoice, the ice bill, the landing weights and the price realised are all produced by the same agent. ASKING A CREW TO ACCEPT A SHARE OF NET, COMPUTED FROM NUMBERS KEPT BY THE MAN ON THE OTHER SIDE OF BOTH TRADES, IS NOT A REFORM. IT IS AN INVITATION TO BE SHORT-CHANGED WITH ARITHMETIC INSTEAD OF WITH A PRICE.

So the tie is broken before the share is changed, and in that order. Trips are financed from our own working capital — ₹1.20 crore of the project cost, ₹0.38 crore a year of float and interest — and no advance is accepted from any party that will bid for or buy the catch. Fuel is bought on our own account and metered, ice is our own, landings are weighed on our own certified scale at our own grading floor, and premium species go direct to processors on a written price rather than to an auction the financier controls. Fourteen trips worth ₹1.86 crore were declined because the only available buyer was also the only available lender.

And the sequence is the whole point. Publishing a trip account is worthless if somebody else wrote the numbers in it; paying on net is worse than paying on gross if the net is computed by an interested party. THE COST OF THE FIRST REMEDY IS ₹0.80 CRORE A YEAR IN TRAINING, MONITORING AND A CREW GUARANTEE. THE COST OF MAKING IT HONEST IS A BALANCE SHEET.

8. Operations Plan (fund, fuel, fish, land, settle)

- **Fund.** Each trip financed from our own working capital — ₹4.20 lakh of fuel, ice, gear and crew advance — with no money taken from any party that will buy the catch.
- **Fuel.** Bunkers metered per trip on our own account, with the ratio in rupees per kilogram landed posted where the crew can see it.
- **Fish.** Nine-day trips, 18 a year for each coastal vessel and 14 for each deep-sea longliner, with the skipper working to a stated fuel budget rather than to a full hold.
- **Land.** Weighed on our own certified scale, graded and iced on our own floor; premium species direct to processors on a written price, auction grades to open auction.
- **Settle.** The complete trip account published to the crew before settlement, and 55% of net trip result paid against it.

Step	What is recorded	Why
Fuel per kilogram landed	**Metered per trip, posted to the crew**	**₹31.20 down to ₹23.60**
Trip account published before settlement	**Landings, grades, prices, fuel, ice, gear**	**100 of 100 trips**
Crew share basis	Net trip result, not gross landings	55% of net vs 42% of gross
Trips financed by a party that buys the catch	**Advances taken against a landing**	**nil; 14 trips declined, ₹1.86cr**
Price realised against open reference	**Premium and auction grades**	**₹400 vs ₹320; ₹120 vs ₹96**

> **The operational hinge is a skipper who has fished the same grounds for twenty years and who, in the first season on the new formula, came home two days early with a smaller hold. He had stopped steaming to a marginal ground he had always worked, because for the first time the diesel it took appeared on the sheet he was paid from. His gross landings fell 11% and his own settlement rose 14%, because the trip's net had improved more than its gross had fallen. NOBODY HAD TOLD HIM TO CHANGE ANYTHING. WE HAD SIMPLY STOPPED PAYING HIM FOR A NUMBER THAT DID NOT INCLUDE THE COST OF PRODUCING IT.**

9. Fisheries, Vessel and Food-Safety Framework (India)

Area	Requirement
Licence and registration	**Vessel registration and fishing licence under the state marine fishing regulation Act, Merchant Shipping registration for deep-sea vessels, and letter of permit where applicable. Under anchor rule (b) the sixty-day monsoon ban is a calendar, not a condition — it is known years ahead and cannot be worked around**
Crew and safety	Under rule (d) the vessel is asset, workplace and confined space at once: crew certification, life-saving and fire-fighting equipment, distress alerting and vessel monitoring, and rest provisions on a nine-day trip
Catch and cold chain	**FSSAI registration and export-establishment approval for the grading floor and cold store; catch certification and traceability for export consignments; ice quality and potable water standards**
Conservation	Mesh-size and gear restrictions, closed seasons and areas, juvenile and protected-species rules, and turtle excluder devices where required
Crew payment	**The share system sits largely outside conventional wage law: crew are typically neither employees on a wage nor contractors on a rate, so the basis of the share is a matter of custom and contract rather than statute — which is precisely the space §6 occupies**

Commercial	Hull, machinery and P&I cover priced under rule (d) on our own record; under rule (h) engines, nets and electronics are import-priced and long-lead; GST on services and cold storage; Companies Act, EPF, ESI and TDS on shore staff

The framework does its job: it licenses the vessel, certifies the crew, protects the stock through closed seasons and gear rules, and enforces a real cold chain for export. NEITHER PROBLEM IN THIS PLAN IS A REGULATORY FAILURE. The first sits inside a customary payment arrangement that no statute defines and none should — the share system is the crew's protection as much as the owner's; the second is that lending against a catch and buying that catch are each perfectly lawful, and it is only their combination in one counterparty that is the problem. In both, the rule is sound and the arrangement underneath it was made between people who did not have equal information.

10. Organisation & Manpower Plan

Function	Yr 1	Yr 3	Note
Sea-going crew (skippers, engineers, deckhands)	18	**35**	**Derived: 7,308 crew-days ÷ 210 = 34.8**
Landing, grading, packing and despatch	5	11	750 tonnes graded on our own floor
Ice plant and cold-store operators	4	8	27,900 tonnes of ice at 42%
Fleet maintenance and gear	3	6	Six vessels under rule (h)
Sales, direct-to-processor and auction	3	5	The whole of §7 in five people
Finance, administration and compliance	3	5	₹4.20L a trip of our own money
Trip accounting and crew settlement	2	**4**	**100 published trip accounts**
Managing director	1	1	Cannot accept a buyer's advance
Total	**39**	**75**	**₹4.47L average CTC; ₹3.35cr payroll**

Crew headcount is derived, not chosen	Working	Crew-days
Coastal trawlers and gillnetters	**4 vessels × 18 trips × 9 days × 7 crew**	**4,536**
Deep-sea longliners	2 vessels × 14 trips × 9 days × 11 crew	2,772
Total crew-days required	**100 trips across six vessels**	**7,308**
Crew required	**7,308 ÷ 210 sea-days per crew-year**	**34.8, staffed at 35**

The 210 sea-days are 269 available days (365 less a 60-day monsoon ban, 24 days ashore between trips and 12 festival days) times a 78% deployable factor — the 22% being weather days that stop a boat sailing, engine and gear breakdowns, and the days a crew member is simply not fit to sail. **THE MONSOON BAN IS THE SINGLE LARGEST ITEM AND IT IS RULE (b) IN ITS PUREST FORM: SIXTY DAYS A YEAR ARE REMOVED FROM THIS BUSINESS BY A CALENDAR PUBLISHED YEARS IN ADVANCE, WHICH IS WHY THE ICE PLANT AND THE GEAR HIRE EXIST AT ALL.** Landings run at **103 kg a crew-day** and payroll at **18.0% of revenue**, against fuel at **21.0%**.

11. Implementation Timeline & Milestones

Phase	Months	Milestone
Vessels, funding and licences	0–10	Four owned vessels, two charters, registrations and licences, 39 staff
Own trip finance in place before the first trip	0–6	**The working capital line drawn before any advance is ever accepted, so no landing has been sold to a lender**
Fuel metering and trip accounting from trip one	0–5	**Because the net-share formula cannot be introduced without a baseline the crew can see**
Ice plant and grading floor	6–16	Our own scale, our own ice, 27,900 tonnes a year
Net-share transition with guarantee	12–24	Two seasons of underwritten crew earnings before the formula stands alone
Direct processor contracts	14–28	50% of revenue at a written price rather than an agent's

Milestone that must not slip	Why
Own finance before the first trip	**An operator who has once sold a landing to his lender has established the relationship, and the price he is offered afterwards reflects the debt he has already taken rather than the fish he has brought in**
The tie broken before the share is changed	**Paying on net computed from an interested party's numbers is worse than paying on gross; the order of these two reforms is not a preference, it is a condition**
Fuel metering before the formula changes	A net share introduced without a measured baseline is a pay cut the crew cannot audit, and it will be resisted correctly
The transition guarantee funded, not promised	A crew asked to accept a new formula on the promise of unchanged pay is entitled to have that promise sitting in a bank rather than in a conversation

12. Financial Plan (Illustrative)

All figures are illustrative model assumptions in Indian rupees, not forecasts or guarantees. Drivers are shown so every number can be changed.

12.1 Revenue build (₹ lakh)

Stream	Yr 1	Yr 2	Yr 3	Share	GM
Direct-to-processor premium species	480	740	930	50.0%	34.0%
Open-auction landings	250	370	465	25.0%	26.0%
Ice, cold storage and handling for other operators	120	205	279	15.0%	42.0%
By-catch, fishmeal and secondary grades	68	95	130	7.0%	22.0%
Vessel and gear hire between seasons	22	30	56	3.0%	48.0%
Total	**940**	**1,440**	**1,860**	**100%**	**32.8%**

The ice plant and the gear hire are 18% of revenue and they exist because of rule (b). A sixty-day monsoon ban removes a sixth of the fishing year on a date known in advance, and a fleet with no shore earnings simply stops. SELLING ICE TO THE BOATS WE COMPETE WITH IS NOT A DIVERSIFICATION, IT IS WHAT KEEPS NINETEEN SHORE STAFF EMPLOYED THROUGH THE TWO MONTHS OUR OWN VESSELS ARE NOT ALLOWED TO SAIL.

12.2 What is committed, and what it is measured on

Commitment	Yr 1	Yr 3
Crew paid on net trip result rather than gross landings	42% of gross at intake	**55% of net; 100 of 100 trips**
Full trip account published to the crew before settlement	100%	**100%, 100 of 100**
Fuel per kilogram landed, metered and posted	₹31.20 at intake	**₹23.60 — a 24% reduction**
Trips financed by a party that will buy the catch	nil	**nil; 14 declined, ₹1.86cr**
Landings weighed on our own certified scale	100%	**100%; 750,000 kg**
Crew earnings underwritten through the transition	two seasons	**₹0.34cr provisioned**

Row three is the only number in this plan that proves the first two were real. A trip account can be published and ignored, and a formula can be changed on paper. A FUEL RATIO THAT FALLS FROM ₹31.20 TO ₹23.60 A KILOGRAM WITHOUT ANY INSTRUCTION TO ANY SKIPPER IS THE ONLY EVIDENCE THAT SOMEBODY ACTUALLY STARTED SEEING THE COST.

12.3 Profit & loss (₹ lakh)

Line	Yr 1	Yr 2	Yr 3
Revenue	940	1,440	1,860
Direct cost (crew share, fuel, ice, gear, provisions, harbour dues, quayside payroll)	(636)	(971)	(1,250)
Gross profit	**304**	**469**	**610**
Published trip account, fuel monitoring and skipper training	(24)	(36)	(46)
Own trip finance in place of agent advances (float and interest)	(20)	(30)	(38)
Net-share transition guarantee to crew	(22)	(30)	(34)
Sales, direct-to-processor and auction operations	(28)	(40)	(52)
Trip accounting, crew settlement and grievance process	(14)	(21)	(27)
Licences, registration, insurance and safety equipment	(30)	(37)	(44)
Harbour dues, berthing, landing fees and shore facilities	(22)	(29)	(36)
Administration, finance, compliance and management	(44)	(56)	(68)
EBITDA	**100**	**190**	**265**
Depreciation and amortisation	(63)	(73)	(84)
Finance cost	(26)	(36)	(44)
Other income (insurance recovery, scrap, misc)	16	20	28

PBT	**27**	**101**	**165**
Tax (fully taxable business income, ~25%)	(7)	(25)	(42)
PAT	**20**	**76**	**123**
Net margin	2.1%	5.3%	**6.6%**
ROCE on ₹8.00cr	4.6%	14.6%	**22.6%**

12.4 Project cost & funding (₹ lakh)

Use of funds	₹L	%	Source of funds	₹L
Four owned vessels (hull, engine, gear, electronics)	416	52%	Promoter equity	320
Ice plant and cold store	120	15%	Term loan	288
Working capital margin (own trip finance in place of agent advances)	120	15%	Working capital limit	144
Charter deposits and gear for two chartered vessels	64	8%	Unsecured promoter loan	48
Landing, grading and packing facility	48	6%	—	—
Licences, registration, safety equipment and preliminary	32	4%	—	—
Total	**800**	**100%**	**Total**	**800**

12.5 Sensitivities (₹ crore PAT, Year 3)

Scenario	What changes	PAT
Base case as planned	As above	**₹1.23cr**
Trade-standard practice instead — and it earns LESS	**This is the one plan in this library where the trade-standard row is below the base case.** Take the 14 declined trips (+₹1.86cr revenue, +₹0.61cr), drop the trip account and fuel monitoring (+₹0.46cr), the own-finance cost (+₹0.38cr), the transition guarantee (+₹0.34cr), settlement depth (+₹0.18cr) and safety above statutory (+₹0.18cr), run gear and provisions to the minimum (+₹0.32cr) and ice less of the catch (+₹0.19cr) — but pay crew on gross and burn ₹0.66cr more diesel, and take the agent's advance and lose ₹2.79cr of price: **revenue ₹17.67cr at 21.3% gross margin, PAT ₹0.64cr, and ROCE of 15.0% even on the smaller ₹6.80cr base a tied operator needs**	**₹0.64cr**
Diesel up 32%	**Fuel is ₹3.90cr, 21.0% of revenue: ₹1.25cr straight off gross profit. This is the exposure the net-share formula is designed to make somebody watch**	**₹0.30cr**
Premium export prices down 16%	**Half the book is premium species at ₹400: ₹1.49cr off revenue and gross profit together, and there is no second buyer at that grade**	**₹0.12cr**
A vessel lost or laid up for a season	Hull cover replaces the asset but not the season's earnings: ₹0.88cr pre-tax	₹0.58cr
Catch down 20%	Stock, weather or a longer ban: ₹3.05cr of landings revenue at the 32.8% blend: revenue ₹15.55cr	₹0.49cr

The trade-standard row is ₹0.64 crore against our ₹1.23 crore, and it is the only such row in this library that comes out lower. The reason is structural: in most trades the disciplined operator is protecting somebody else at his own expense, so the trade-standard firm pockets the difference. HERE BOTH TIES ARE LEAKS — THE CREW'S FUEL DECISIONS AND THE AGENT'S PRICE SEND VALUE OUT OF THE BUSINESS ENTIRELY — SO BREAKING THEM RECOVERS ₹3.36 CRORE AGAINST ₹2.24 CRORE OF COMMITMENTS. The tied model does not survive because it pays better. It survives because it needs no working capital, and an owner who cannot fund a trip has no choice at all.

12.6 Volumes and unit economics (Year 3)

Physical driver	Volume	Realisation	Revenue
Premium species landed	**232,500 kg**	**₹400/kg**	**₹930L**
Auction-grade landings	387,500 kg	₹120/kg	₹465L
By-catch and secondary grades	130,000 kg	₹100/kg	₹130L
Ice sold to other operators	27,900 t	₹1,000/t	₹279L
Vessel and gear hire	56 days	₹1.00L	₹56L
Total landed across 100 trips	**750,000 kg**	**7,500 kg a trip**	**₹1,860L**

Derived figure	Working	Result
Fuel per kilogram landed across comparable skippers	**Same class, same grounds, same season**	**₹18.40 to ₹47.60 — 2.6×**
Our own ratio: intake, achievable, achieved	**₹8.80/kg gap on 750,000 kg**	**₹31.20 / ₹22.40 / ₹23.60**
Diesel recovered by the net-share change	₹7.60/kg on 750,000 kg	₹0.57cr
Price recovered by refusing a buyer's advance	**₹80/kg on premium, ₹24/kg on auction grades**	**₹1.86cr + ₹0.93cr = ₹2.79cr**
Cost of a ₹4.20 lakh interest-free advance	**₹2.79 lakh of price on a nine-day trip**	**66% of the advance**
Crew / landings per crew-day	7,308 crew-days ÷ 210; 750,000 kg ÷ 7,308	34.8 at 35; 103 kg

The advance is the most expensive money in Indian fishing and it is advertised as free. ₹4.20 lakh is handed over before a trip with no interest named, no security taken and no paperwork, and it is repaid in a price that is 20% below what the same fish fetches from somebody who did not lend anything. ₹2.79 LAKH ON A NINE-DAY TRIP IS 66% OF THE PRINCIPAL, AND IT DOES NOT APPEAR IN ANY ACCOUNT, ANY CONTRACT OR ANY STATISTIC — BECAUSE IT WAS NEVER CALLED INTEREST.

13. Funding Requirement & Bankability

Item	Position
Requirement	**₹8.00cr**: ₹3.20cr promoter equity, ₹2.88cr term loan, ₹1.44cr working capital limit, ₹0.48cr unsecured promoter loan

Security	Hypothecation of four owned vessels, the ice plant and cold store; assignment of processor receivables; personal guarantee of the promoter
Debt service	Year 3 EBITDA ₹2.65cr against interest ₹0.44cr and scheduled repayment ₹0.48cr; DSCR 2.88x from Year 3
The working capital IS the business model	**₹1.20cr of the project cost exists solely so that no trip is funded by the party who will buy the catch. A lender treating it as ordinary working capital has missed that it is the asset generating ₹2.79cr a year of price — the single largest return in this file, and the one that disappears the moment the line is withdrawn**
Seasonality	Under rule (b) a sixty-day ban removes a sixth of the year on a known date; the ice plant, cold store and gear hire carry the shore payroll through it
What a lender should test	**Not the tonnage — the fuel ratio in rupees per kilogram and the count of trips financed by a buyer. The first is the only proof the crew formula is working, and the second should be nil in every month of the file**

Year	EBITDA	Interest	Repayment	DSCR
Year 1	₹1.00cr	₹0.26cr	Moratorium	—
Year 2	₹1.90cr	₹0.36cr	₹0.34cr	2.71x
Year 3	**₹2.65cr**	**₹0.44cr**	**₹0.48cr**	**2.88x**

14. Risk Analysis & Mitigation

Risk	Impact	Mitigation
The crew is paid a share of the catch and bears none of the cost	The share system is fair in origin — a bad trip costs owner and crew together — **but the costs of getting there are not shared: the owner pays fuel, ice, gear and repairs while the crew's share is struck on GROSS landings before any of it. SO THE SKIPPER, WHO DECIDES HOW FAR TO STEAM, HOW LONG TO TOW AND WHETHER TO SHOOT AGAIN, IS PAID ON WHAT THE FUEL CATCHES AND NOT ON WHAT IT COSTS.** Nobody behaves badly: **a skipper steaming four hours further is doing the job as defined for him, and the diesel does not appear in his settlement, is not discussed at the quay and is not a number anybody shows him. HE IS SPENDING A RESOURCE THAT HAS NO PRICE IN THE ONLY ACCOUNT HE IS EVER SHOWN. Across comparable vessels, fuel per kg landed ranged ₹18.40 to ₹47.60 — 2.6× — and the WORST ratio belonged to the skipper with the HIGHEST gross landings and therefore the highest crew share. Our own intake ratio was ₹31.20/kg against an achievable ₹22.40: ₹0.66cr of diesel a year**	**MOVE THE SHARE ONTO THE NET AND SHOW HIM THE ACCOUNT. 55% of landings value LESS fuel, ice and gear in place of 42% of gross — set so expected crew earnings are UNCHANGED at the target ratio and HIGHER below it — with the full trip account (landings by species and grade, price realised, fuel, ice, gear, provisions) published to the crew BEFORE settlement, 100 of 100 trips, and the fuel ratio metered per trip and posted where the crew can see it. Skipper training and plotter and fuel-monitor fits at ₹0.46cr, and a transition guarantee underwriting crew earnings for two seasons at ₹0.34cr, because a crew asked to accept a new formula on a promise of unchanged pay is entitled to have that promise FUNDED. Fleet ratio fell ₹31.20 → ₹23.60/kg, a 24% reduction and ₹0.57cr recovered. GENERAL RULE: WHERE ONE PARTY DECIDES AND ANOTHER PAYS, MOVE THE SHARE ONTO THE NET AND SHOW HIM THE ACCOUNT IT IS STRUCK FROM**

The man who lends the money also sets the price	**Most Indian trips are financed by the harbour commission agent, who advances fuel, ice, gear and crew money before departure and takes the catch on landing. The loan and the sale are ONE NEGOTIATION WITH ONE COUNTERPARTY, and the borrower cannot test the price against anybody else. Against open reference prices the tied price runs about 20% below on premium species and 20% below on auction grades: ₹2.79 LAKH A TRIP, ₹2.79cr A YEAR, AGAINST A ₹4.20 LAKH ADVANCE ON WHICH NO INTEREST IS STATED ANYWHERE — 66% OF THE PRINCIPAL ON A NINE-DAY TRIP. And it is exactly the hazard §6 creates: a NET share can only be settled against costs and prices the crew can CHECK, and in a tied operation the fuel invoice, the ice bill, the landing weights and the price are ALL produced by the same agent. ASKING A CREW TO ACCEPT A SHARE OF NET COMPUTED BY THE MAN ON THE OTHER SIDE OF BOTH TRADES IS AN INVITATION TO BE SHORT-CHANGED WITH ARITHMETIC INSTEAD OF WITH A PRICE**	**BREAK THE TIE BEFORE CHANGING THE SHARE, AND IN THAT ORDER. Trips financed from our own working capital — ₹1.20cr of project cost, ₹0.38cr a year of float and interest — and NO advance accepted from any party that will bid for or buy the catch. Fuel bought on our own account and metered; ice our own; landings weighed on OUR OWN CERTIFIED SCALE at our own grading floor; premium species direct to processors on a WRITTEN price rather than into an auction the financier controls. 14 trips worth ₹1.86cr declined because the only available buyer was the only available lender. THE COST OF THE FIRST REMEDY IS ₹0.80cr A YEAR IN TRAINING, MONITORING AND A CREW GUARANTEE; THE COST OF MAKING IT HONEST IS A BALANCE SHEET**
Diesel price	**Fuel is ₹3.90cr and 21.0% of revenue; a 32% rise is ₹1.25cr and takes PAT to ₹0.30cr. It is the largest single exposure in the business**	The net-share formula is itself the primary mitigation, because it puts the person burning it in front of the number; bulk bunkering against the trip plan; hull cleaning and engine tuning on schedule; fishing plans built to a fuel budget rather than to a full hold
Catch, stock and season	**Under rule (b) a 60-day ban is fixed and a poor season is not; catch down 20% is ₹1.00cr of gross profit and ₹0.49cr of PAT**	Five streams with different drivers; ice, cold storage and gear hire at 18% of revenue earn off the water; two vessels chartered rather than owned so the fleet can contract without a forced sale
Premium price and export demand	Half the book is premium species at ₹400/kg; a 16% fall is ₹1.49cr and ₹0.12cr of PAT	Direct processor contracts on written prices rather than spot; grading and cold chain to export standard so the fish qualifies for the best available buyer; auction grades and by-catch are domestically priced
Vessel loss and crew safety	**Under rule (d) the vessel is asset, workplace and confined space at once; a loss or lay-up is ₹0.88cr, and hull cover replaces the boat but not the season**	Hull, machinery and P&I cover under rule (d); life-saving and fire-fighting equipment and distress alerting above statutory at ₹0.18cr; vessel monitoring and weather routeing; no sailing against a warning whatever the market price
Working capital withdrawal	The ₹1.44cr limit is what keeps the business untied; without it the agent's advance returns and ₹2.79cr of price goes with it	Processor receivables assigned and settled at 21 days; ice and cold-store cash flow is counter-seasonal; the fuel and price ledgers are the lender's evidence that the limit is earning its return

15. SWOT Analysis

Strengths	Weaknesses

The only net-share crew formula at the harbour with a published trip account; fuel ratio down from ₹31.20 to ₹23.60 a kilogram; no trip financed by a buyer; own scale, ice and grading floor; ₹2.79cr a year of price recovered	6.6% net margin; ₹1.20cr of working capital a tied competitor does not need; 14 trips a year declined; fuel is 21.0% of revenue; a 60-day ban removes a sixth of the year; stock and weather are outside all control
Opportunities	**Threats**
Skippers who have seen a settlement rise while landings fell; processors who will pay for graded, traceable, iced fish; other operators buying our ice; crews who can read their own trip account	Diesel; a poor season or a longer ban; export price cycles; vessel loss; and the structural fact that a competitor with no capital will always be able to sail when we are still arranging finance

> **The honest summary is that this operator funds his own trips so that nobody else prices his fish, and pays his crew on a number that includes the cost of producing it. Both changes make money rather than cost it — which is unusual — and both require capital that most of the fleet does not have. THE BET IS THAT A SKIPPER WHO HAS ONCE COME HOME EARLY WITH A SMALLER HOLD AND A BIGGER SETTLEMENT WILL NEVER WORK ON A GROSS SHARE AGAIN — AND THAT HE WILL BRING THE REST OF THE HARBOUR'S BEST CREWS WITH HIM.**

16. Recommended AiSevak Tools for This Business

- **Business plan and project report generator** — for vessel finance and, critically, a working capital limit whose purpose is to replace an agent's advance.
- **Compliance calendar** — vessel registration and fishing licence renewal, Merchant Shipping survey, FSSAI and export-establishment approval, crew certification and the monsoon ban dates under rule (b).
- **Cost and pricing calculator** — cost per trip and per kilogram landed, the fuel ratio, and a net-share settlement that reconciles to the published trip account.
- **GST and invoicing helper** — fresh fish and processed supplies at differing treatment, cold storage and ice services, and export documentation.
- **Labour and payroll toolkit** — crew headcount derived from trips, days and crew size, the share-versus-wage question, and EPF and ESI on shore staff.
- **Contract and terms drafting helper** — the net-share crew agreement and transition guarantee, processor supply contracts on written prices, and charter terms for the deep-sea vessels.
- **Loan and subsidy application helper** — fisheries development schemes, vessel and cold-chain subsidies, and a limit sized to a nine-day trip cycle.

> Every tool above is **free to use on AiSevak and needs no signup to explore.** The toolkit link at the end of this plan opens the whole maritime set.

17. Key Assumptions & Notes

- **All financials are illustrative model assumptions, not forecasts, projections or guarantees.** Revenue, trip counts, landings, prices, fuel ratios and share percentages are editable inputs; outcomes depend on stock, weather, diesel, export demand and the ban calendar. Figures are in Indian rupees. **This plan is the eighth in vertical 58 and inherits the ten maritime anchor rules (a)–(j) from §17 of the ship-repair yard plan — in particular (b) the calendar governs, since a sixty-day monsoon ban removes a sixth of the year on a date known in advance; (c) a ship earns only at sea, which is why a fuel-driven decision to steam further is never obviously wrong;**

(d) the vessel is asset, workplace and confined space at once; and (h) engines, nets and electronics are import-priced and long-lead.

- **The central finding is that the crew is paid a share of the catch and bears none of the cost of getting it.** The share system is fair in origin, but the costs are not shared: the owner pays fuel, ice, gear and repairs while the crew's share is struck on gross landings before any of it. **So the skipper — who decides how far to steam, how long to tow and whether to shoot again — is paid on what the fuel catches and not on what it costs.**
- **And nobody is behaving badly, which is why it has survived for centuries.** A skipper steaming four hours further to a marginal ground is doing the job as it has been defined for him. **The extra diesel does not appear in his settlement, is not discussed at the quay and is not a number anybody shows him — he is spending a resource that has no price in the only account he is ever shown.** Across comparable vessels, **fuel per kilogram landed ranged from ₹18.40 to ₹47.60 (2.6×), and the worst ratio belonged to the skipper with the highest gross landings and therefore the highest crew share. GENERAL RULE: WHERE ONE PARTY DECIDES AND ANOTHER PAYS, MOVE THE SHARE ONTO THE NET AND SHOW HIM THE ACCOUNT IT IS STRUCK FROM.**
- **The remedy is a net share and a published account.** 55% of landings value less fuel, ice and gear in place of 42% of gross, set so expected crew earnings are unchanged at the target ratio; the full trip account published before settlement on all 100 trips; the fuel ratio metered and posted. **₹0.46 crore of training and monitoring, ₹0.34 crore of transition guarantee, and the fleet ratio down from ₹31.20 to ₹23.60 a kilogram — a 24% reduction and ₹0.57 crore recovered.**
- **The second thread is that the man who lends the money also sets the price, and it is the control on the hazard the first remedy creates.** The harbour commission agent advances the trip cost and takes the catch, so the loan and the sale are one negotiation. **The tied price runs about 20% below open reference on both premium and auction grades: ₹2.79 lakh a trip against a ₹4.20 lakh interest-free advance — 66% of the principal on a nine-day trip, never called interest and appearing in no account.**
- **And a net share cannot be settled against numbers the crew cannot check.** In a tied operation the fuel invoice, the ice bill, the landing weights and the price realised are all produced by the same agent. **Asking a crew to accept a share of net computed by the man on the other side of both trades is an invitation to be short-changed with arithmetic instead of with a price — so the tie is broken first, and in that order.** Own trip finance at ₹1.20 crore of project cost and ₹0.38 crore a year, our own certified scale and ice, direct processor contracts on written prices, and **14 trips worth ₹1.86 crore declined because the only available buyer was the only available lender.**
- **This is the one plan in this library whose trade-standard row comes out lower than the base case.** In most trades the disciplined operator protects a third party at his own expense, so the trade-standard firm pockets the difference. **Here both ties are leaks — the crew's fuel decisions and the agent's price send value out of the business entirely — so breaking them recovers ₹3.36 crore against ₹2.24 crore of commitments, and the tied operator earns ₹0.64 crore against our ₹1.23 crore on a larger base. The tied model does not survive because it pays better; it survives because it needs no working capital, and an owner who cannot fund a trip has no choice at all.**
- **Volumes, headcount and compliance.** 232,500 kg of premium species at ₹400, 387,500 kg of auction grades at ₹120, 130,000 kg of by-catch at ₹100, 27,900 tonnes of ice at ₹1,000 and 56 vessel-days of hire — 750 tonnes across 100 trips and ₹18.60 crore. **Crew headcount is derived, not chosen: 4 vessels × 18 trips × 9 days × 7 crew plus 2 × 14 × 9 × 11 = 7,308 crew-days ÷ 210 sea-days per crew-year = 34.8, staffed at 35**, where 210 is 269 available days (365 less a 60-day monsoon ban, 24 ashore and 12 festival) × 78% deployable — the 22% being weather, breakdowns and unfitness. **The ban alone is rule (b) in its purest form, which is why the ice plant and gear hire exist at all.** 103 kg landed a crew-day; 75 staff at ₹4.47 lakh average CTC; fuel 21.0% of revenue against payroll at 18.0%. Compliance covers vessel registration and fishing licences, Merchant Shipping registration, crew certification and safety equipment under rule (d), FSSAI and export-establishment approval, catch certification and traceability, mesh-size, closed-season and protected-species rules, hull and P&I cover, GST, Companies Act, EPF and ESI. **Neither**

problem here is a regulatory failure: the first sits inside a customary payment arrangement no statute defines and none should, since the share system is the crew's protection as much as the owner's; and the second is that lending against a catch and buying that catch are each lawful, and only their combination in one counterparty is the problem. Professional advice should be taken on the net-share crew agreement, processor supply terms, charter terms and working capital structure.

▶ Use these tools now — free on AiSevak

Every tool referenced in this plan is available on **aisevak.in**. Open the **Shipping, Ports and Marine Services toolkit** to browse and use them all at **https://aisevak.in/verticals/maritime** — or go straight to any specific tool at **https://aisevak.in/service/<tool-name>**. No signup needed to explore; each tool guides you step by step.