



मा.बाळासाहेब ठाकरे कृषि व्यवसाय व ग्रामीण परिवर्तन (स्मार्ट) प्रकल्प,



प्रकल्प अंमलबजावणी कक्ष - महाराष्ट्र सहकार विकास महामंडळ मर्या.

साखर संकुल, शिवाजीनगर, पुणे -411005

दुरध्वनी क्र - 020 - 29809408

ईमेल mcdcpune@gmail.com

जा.क्र./स्मार्ट एमसीडीसी/बा.लेखा.अ./ २२२/2023-2024

दिनांक:- 03/11/2023

प्रति,  
अतिरिक्त प्रकल्प संचालक,  
स्मार्ट प्रकल्प,पुणे.

विषय :- जागतिक बँक अर्थसहाय्यित स्मार्ट प्रकल्पांतर्गतसन 2021-2022 आणि सन 2022-2023 या आर्थिक वर्षातील बाह्यलेखापरीक्षण अहवालाच्या त्रुटीची पूर्तता करण्याबाबत.

संदर्भ :-1) जा.क्र.स्मार्ट/पीसीएमयु/लेखा/FMM/Second Amendment/884/2022 दिनांक 24/09/2022

2) दिनांक 28-10-2023 रोजी मेलद्वारे प्राप्त ऑडीट अहवाल.

मा.बाळासाहेब ठाकरे कृषि व्यवसाय व ग्रामीण परिवर्तन प्रकल्पांतर्गत गोदाम व गोदाम पावती योजना या घटकांतर्गत प्रकल्प अंमलबजावणी कक्ष महाराष्ट्र सहकार विकास महामंडळामार्फत 10 पथदर्शी प्रकल्पांची निवड करण्यात आली आहे. त्या अनुषंगाने 10 उपप्रकल्पास मान्यता देण्यात आली असून 3 प्रकल्प रद्द करण्यात आले आहे.

पहिल्या हप्त्यातील अनुदान वितरण तपशिल									
Sr.No	Name of Beneficiary	Total Cost	Date	Smart Grant 60%	First Tranche	First installment balance	CBO Receiptant's Contribution 40%	First Tranche	First installment balance
1	AHMEDPUR VIVIDH KARYAKARI SEVA SAHAKARI SANSTHA LIMITED	19.04	10-12-2021	11.42	5.76		7.62	3.78	
			24-06-2022		5.66			3.84	
Total				11.42	11.42	0.00	7.62	7.62	0.00
2	KHAROLA SEVA SOCIETY SEVA SOCIETY KHAROLA	68.40	10-12-2021	41.04	4.24		27.36	2.84	
			24-06-2022		10.85			8.82	
Total				41.04	15.09	25.95	27.36	11.66	15.70
3	SMART GODAVARI VIVIDH KARYAKARI SAHKARVIKAS SEVA SANSTHA	54.44	10-12-2021	32.66	1.99		21.78	1.33	
			24-06-2022		16.07			14.30	

State of Maharashtra  
Rural Transport and  
Business and  
Development Project  
Sd/- Ganesh ... 06/11/23



			<b>Total</b>	<b>32.66</b>	<b>18.06</b>	<b>14.60</b>	<b>21.78</b>	<b>15.63</b>	<b>6.15</b>
4	SMART NERPINGLAI VIVID KARYAKARI SANSTHA	56.66	10-12-2021	33.99	4.39		22.67	2.93	
			24-06-2022		12.38			19.74	
			<b>Total</b>	<b>33.99</b>	<b>16.77</b>	<b>17.22</b>	<b>22.67</b>	<b>22.67</b>	<b>0.00</b>
5	SMART VADALA MAHADEO VKSS	63.39	10-12-2021	38.04	6.38		25.36	4.26	
			<b>Total</b>	<b>38.04</b>	<b>6.38</b>	<b>31.66</b>	<b>25.36</b>	<b>4.26</b>	<b>21.10</b>
6	YEDESHWARI AUDYOGIK SAHAKARI SANSTHA	61.13	10-12-2021	36.68	5.66		24.45	3.77	
			24-06-2022		14.00			20.68	
			<b>Total</b>	<b>36.68</b>	<b>19.66</b>	<b>17.02</b>	<b>24.45</b>	<b>24.45</b>	<b>0.00</b>
7	SPR TALUKA PBVS LTD	24.77	31-01-2022	14.86	6.00		9.91	4.02	
			24-06-2022		8.86			5.89	
			<b>Total</b>	<b>14.86</b>	<b>14.86</b>	<b>0.00</b>	<b>9.91</b>	<b>9.91</b>	<b>0.00</b>

वरीलप्रमाणे 7 पथदर्शी उपप्रकल्पांना सन 2021-2022 आणि सन 2022-2023 या आर्थिक वर्षात प्रकल्प राबविण्यासाठी पहिल्या हप्त्याचे अनुदान वितरीत करण्यात आले होते. सदरील अनुदान वितरीत करताना संस्थेने संस्थेचा संपूर्ण स्वहिस्सा 40% उभा करणे अपेक्षित होते. परंतु संस्थेची आर्थिक परिस्थिती कमकुवत असल्यामुळे संस्थेने पहिल्या हप्त्यातील स्वहिस्सा एकत्रितपणे जमा न करता टप्प्या टप्प्याने जमा केल्यामुळे स्मार्ट प्रकल्पाचा संपूर्ण स्वहिस्सा संस्थेस 60% प्रमाणे वितरीत करण्याऐवजी संस्थेने जमा केलेल्या रकमेच्या प्रमाणात वितरीत करण्यात आला आहे. 7 पथदर्शी उपप्रकल्पांना पहिल्या टप्प्यातील अनुदानातील उर्वरित शिल्लक रक्कम वितरीत करून दुसऱ्या अनुदानातील संस्थेचा संपूर्ण स्वहिस्सा financial management manual मधील सूचनांनुसार 40% प्रमाणे पूर्ण जमा करून स्मार्ट प्रकल्पाचा दुसऱ्या अनुदानातील संपूर्ण स्वहिस्सा संस्थेस 60% या प्रमाणे वितरीत करण्यात येईल याची दक्षता घेण्यात येईल.

सन 2021-2022 आणि सन 2022-2023 या आर्थिक वर्षात बाह्य लेखापरीक्षक यांनी उपस्थित केलेल्या पहिल्या अनुदानाच्या हप्त्याचे टप्पे केल्याच्या अनुषंगाने लेखापरीक्षक यांनी अहवालात त्रुटी उपस्थित केली असून सदरील त्रुटी रद्द करण्यात यावी हि विनंती.

प्रमुख  
प्रकल्प अंमलबजावणी कक्ष  
एमसीडीसी स्मार्ट



मा.बाळासाहेब ठाकरे कृषि व्यवसाय व ग्रामीण परिवर्तन (स्मार्ट) प्रकल्प,  
प्रकल्प अंमलबजावणी कक्ष - महाराष्ट्र सहकार विकास महामंडळ मर्या.  
साखर संकुल, शिवाजीनगर, पुणे -411005



94

दुरध्वनी क्र - 020 - 29809408

ईमेल [mcdcpune@gmail.com](mailto:mcdcpune@gmail.com)

जा.क्र./स्मार्ट एमसीडीसी/बा.लेखा.अ.३५१/२०२४-२०२५

दिनांक:- २२/०४/२०२४

प्रति,

मा. वित्त विशेषज्ञ,  
स्मार्ट प्रकल्प, पुणे.

विषय :- जागतिक बँक अर्थसहाय्यित स्मार्ट प्रकल्पांतर्गत सन २०२१-२०२२ आणि सन २०२२-२०२३ या आर्थिक वर्षातील बाह्यलेखापरीक्षण अहवालाच्या त्रुटींची पूर्तता करण्याबाबत.

संदर्भ :- १) जा.क्र.स्मार्ट/पीसीएमयु/लेखा/FMM/Second Amendment/884/2022 दि 24/09/2022

- २) दिनांक २८-१०-२०२३ रोजी मेलद्वारे प्राप्त ऑडीट अहवाल.
- ३) जा.क्र./स्मार्ट एमसीडीसी/बा.लेखा.अ./२२२/२०२३-२०२४ दिनांक ०३/११/२०२३
- ४) जा. क्र पीसीएमयु/स्मार्ट/ लेखाशाखा/६२८/२०२४ दिनांक ०३/०४/२०२४.

मा. बाळासाहेब ठाकरे कृषि व्यवसाय व ग्रामीण परिवर्तन प्रकल्पांतर्गत गोदाम व गोदाम पावती योजना या घटकांतर्गत प्रकल्प अंमलबजावणी कक्ष महाराष्ट्र सहकार विकास महामंडळामार्फत १० पथदर्शी प्रकल्पांची निवड करण्यात आली आहे. त्या अनुषंगाने १० उपप्रकल्पास मान्यता देण्यात आली असून ३ उपप्रकल्प विविध कारणांमुळे रद्द करण्यात आले आहेत.

संदर्भ क्र. ३ अन्वये पीसीएमयु कक्षास लेखापरीक्षणाच्या त्रुटी पूर्ततेबाबतचे दिनांक ०३/११/२०२३ रोजीचे प्रमुख एमसीडीसी यांच्या स्वाक्षरीचे पत्र क्र २२२ सादर करण्यात आले होते. या मागे असलेल्या कारणांपैकी खालील मुद्दा क्र ३ नुसार लेखापरीक्षणाच्या आक्षेपावर खुलासा सादर करण्यात आला होता.

संदर्भ क्र ४. अन्वये बाह्यलेखापरीक्षक यांनी सन २०२१-२०२२ आणि सन २०२२-२०२३ या आर्थिक वर्षात बाह्यलेखापरीक्षणात पहिल्या हप्त्यातील स्मार्ट प्रकल्प हिस्सा आणि संस्थेचा स्वहिस्सा जमा करण्याबाबत त्रुटी उपस्थित केली असल्याने पुनश्च मुद्दा क्र १ ते ४ नुसार लेखापरीक्षणाच्या आक्षेपावर खालील प्रमाणे खुलासा सादर करण्यात येत आहे.

- १) मार्च २०२० मध्ये पथदर्शक उपप्रकल्पांना दिलेल्या मंजुरीनंतर २० महिने वाट पाहूनही पहिल्या हप्त्यातील स्वहिस्सा रक्कम संस्थांकडून संपूर्णपणे उभारण्यात आलेली नव्हती.
- २) पहिल्या हप्त्यातील रक्कम उभी करण्यासाठी व बँकांकडे कर्ज प्रकरणाकरिता पाठपुरावा करणे कोरोना काळात संस्थाना शक्य झाले नाही.
- ३) खालील तक्त्यानुसार पहिल्या हप्त्याचे दोन टप्प्यात अनुदान वितरीत करण्यात आले होते. सदरील अनुदान वितरीत करताना संस्थेने संस्थेचा पहिल्या हप्त्यातील संपूर्ण स्वहिस्सा ५०% प्रमाणे उभा करणे अपेक्षित होते. परंतु संस्थेची आर्थिक परिस्थिती कमकुवत असल्यामुळे सदर संस्थेने स्वहिस्सा एकत्रितपणे जमा न करता टप्प्या टप्प्याने जमा केल्यामुळे स्मार्ट प्रकल्पाचा पहिला संपूर्ण स्वहिस्सा वेळेचा अपव्यय टाळण्यासाठी पथदर्शक उपप्रकल्प असल्याने संस्थेस ५०% वितरीत करण्याऐवजी संस्थेने जमा केलेल्या रकमेच्या प्रमाणात वितरीत करण्यात आला आहे.
- ४) उपरोक्त ३ मुद्द्यांचा विचार करता पथदर्शक उपप्रकल्प अंमलबजावणी करताना आलेल्या



अनुभवानुसार या पुढील संस्थाना प्रकल्पाने दिलेल्या मार्गदर्शक सूचनांनुसार अनुदान वाटप करताना काळजी घेण्यात येईल तसेच पथदर्शक उपप्रकल्पातील पहिल्या हप्त्यातील उर्वरित अनुदान वितरित करूनच दुसरा हप्त्याचे अनुदान संपूर्णपणे वितरित करण्याची दक्षता घेण्यात येईल.

5) उपरोक्त 01 ते 04 मुद्यांचे अवलोकन करून सन 2021-2022 आणि सन 2022-2023 या आर्थिक वर्षात बाह्यलेखापरीक्षणतील आक्षेप रद्द करण्यात यावे.

पहिल्या हप्त्यातील अनुदान वितरण तपशील									
Sr. No	Name of Beneficiary	Total Smart Grant 60%	Date	Smart Grant 50%	First Tranche 50%	First installm ent balance	CBO Receipta nt's Contribu tion 50%	First Tranche 50%	First installm ent balance
1	AHMEDPUR VIVIDH KARYAKARI SEVA SAHAKARI SANSTHA LIMITED	22.84	10-12-2021	11.42	5.76		7.62	3.78	
			24-06-2022		5.66			3.84	
Total				11.42	11.42	0.00	7.62	7.62	0.00
2	KHAROLA SEVA SOCIETY SEVA SOCIETY KHAROLA	82.08	10-12-2021	41.04	4.24		27.36	2.84	
			24-06-2022		10.85			8.82	
Total				41.04	15.09	25.95	27.36	11.66	15.70
3	SMART GODAVARI VIVIDH KARYAKARI SAHKARVIKAS SEVA SANSTHA	65.32	10-12-2021	32.66	1.99		21.78	1.33	
			24-06-2022		16.07			14.30	
Total				32.66	18.06	14.60	21.78	15.63	6.15
4	SMART NERPINGLAI VIVID KARYAKARI SANSTHA	67.98	10-12-2021	33.99	4.39		22.67	2.93	
			24-06-2022		12.38			19.74	
Total				33.99	16.77	17.22	22.67	22.67	0.00
5	SMART VADALA MAHADEO VKSS	76.07	10-12-2021	38.04	6.38		25.36	4.26	
Total				38.04	6.38	31.66	25.36	4.26	21.10
6	YEDESHWARI AUDYOGIK SAHAKARI SANSTHA	73.36	10-12-2021	36.68	5.66		24.45	3.77	
			24-06-2022		14.00			20.26	
Total				36.68	19.66	17.02	24.45	24.03	0.42
7	SPR TALUKA PBVS LTD	29.72	31-01-2022	14.86	6.00		9.91	4.02	
			24-06-2022		8.86			5.89	
Total				14.86	14.86	0.00	9.91	9.91	0.00
Total (1 to 7)				208.69	102.24	106.45	139.15	95.78	43.37

सन 2021-2022 आणि सन 2022-2023 या आर्थिक वर्षात बाह्य लेखापरीक्षक यांनी उपस्थित केलेल्या पहिल्या अनुदानाच्या हप्त्याचे टप्पे केल्याच्या अनुषंगाने बाह्य लेखापरीक्षण अहवालात उपस्थित केलेले आक्षेप उपरोक्त मुद्द्यांचे अवलोकन करून निरंक करण्यात यावे हि विनंती.

मा. प्रमुख प्रकल्प अंमलबजावणी कक्ष एमसीडीसी स्मार्ट यांच्या मान्यतेने.



नोडल अधिकारी  
प्रकल्प अंमलबजावणी कक्ष  
एमसीडीसी स्मार्ट

प्रत : मा अतिरिक्त प्रकल्प संचालक, स्मार्ट पुणे यांना माहितीस्तव सादर.



मा.बाळासाहेब ठाकरे कृषि व्यवसाय व ग्रामीण परिवर्तन (स्मार्ट) प्रकल्प,

प्रकल्प अंमलबजावणी कक्ष -प महाराष्ट्र सहकार विकास महामंडळ मर्या.

साखर संकुल, शिवाजीनगर, पुणे -४११००५



दुरध्वनी क्र - ०२० - २९८०९४०८

ईमेल mcddcpune@gmail.com

जा.क्र./मसविम-स्मार्ट/लेखा. आक्षेप/३७५/२०२४-२५

दिनांक - २१/०५/२०२४

प्रति,

मा.सदस्य सचिव, स्मार्ट सोसायटी तथा  
प्रकल्प संचालक, स्मार्ट

विषय:- स्मार्ट प्रकल्पांतर्गत बाह्य लेखा परिक्षणादरम्यान उपस्थित झालेल्या लेखा  
आक्षेपांच्या कार्यवाहीबाबत....

संदर्भ :- १. मे. कलोटी व लाठीया या बाह्यलेखापरिक्षकांनी दि. २८ ऑक्टोबर २०२३ च्या  
बाह्यलेखापरीक्षण अहवालानुसार उपस्थित केलेले मुद्दे

२. मा. प्रमुख, पीसीएमयु एमसीडीसी स्मार्ट यांचे दि. २८ ऑक्टोबर २०२३ च्या  
बाह्यलेखापरीक्षण अहवाल त्रुटी पूर्तताबाबतचे पत्र क्र.२२२ दि.०३/११/२०२३

३. पीसीएमयु कक्ष स्मार्टचे लेखा आक्षेपांबाबतचे पत्र क्र.६२८ दि. ०३/०४/२०२४

४. नोडल अधिकारी, पीसीएमयु-एमसीडीसीचे लेखा आक्षेपांबाबतचे पत्र क्र.३४१  
दि.२२/०४/२०२४

५. स्मार्ट सोसायटीच्या ८ व्या बैठकीचे सादरीकरण मुद्दा क्र . ऐनवेळेचे विषयातील  
बाह्यलेखापरीक्षणात उपस्थित झालेल्या लेखा आक्षेपांचा कार्यवाहीबाबत.

६. स्मार्ट सोसायटीच्या दि.१५ एप्रिल २०२४ रोजीच्या बैठकीचे इतिवृत्तातील मुद्दा  
क्र.६

महोदय,

उपरोक्त संदर्भिय विषयान्वये प्रकल्प अंमलबजावणी कक्ष एमसीडीसी स्मार्ट अंतर्गत "गोदाम  
पावती बळकटीकरण" या उपघटकाची अंमलबजावणी करण्यात येत आहे. या उपघटकांतर्गत १०  
पथदर्शी उपप्रकल्पांची निवड करण्यात येऊन ३ उपप्रकल्प रद्द करण्यात आले असून उर्वरित ७  
उपप्रकल्पांची अंमलबजावणी करण्यात येत आहे.

खालील प्रमाणे ७ पथदर्शी उपप्रकल्पांना सन २०२१-२२ आणि सन २०२२-२३ या आर्थिक वर्षात  
उपप्रकल्प राबविण्यासाठी पहिल्या हप्त्याचे दोन ते तीन टप्प्यात अनुदान वितरीत करण्यात आले  
होते. प्रकल्पातील Financial Management Manual नुसार अनुदान वितरण चार हप्त्यांमध्ये देणे  
अपेक्षित असताना पहिल्या हप्त्याचे दोन ते तीन टप्पे करण्यात आल्याने बाह्यस्रोत यंत्रणेने  
लेखापरीक्षणात संदर्भ क्र.१ अन्वये आक्षेप नोंदविले आहेत.



पहिल्या हप्त्यातील अनुदान वितरण तपशील

Sr. no	Name of Beneficiary	Total Cost	Date	Smart Grant 60 %	First Tranche	First Instalment Balance	CBO Receipt ant's Contribution 40 %	First Tranche	First Instalment Balance
1.	AHMEDPUR VIVIDH KARYAKARI SEVA SAHAKARI SANSTHA LIMITED	19.04	10-12-2021	11.42	5.76		7.62	3.78	
			24-6-2022		5.66			3.84	
			<b>Total</b>	<b>11.42</b>	<b>11.42</b>	<b>0.00</b>	<b>7.62</b>	<b>7.62</b>	<b>0.00</b>
2.	KHAROLA SEVA SOCIETY SEVA SOCIETY KHAROLA	68.40	10-12-2021	41.04	4.24		27.36	2.84	
			24-6-2022		10.85			8.82	
			<b>Total</b>	<b>41.04</b>	<b>15.09</b>	<b>25.95</b>	<b>27.36</b>	<b>11.66</b>	<b>15.70</b>
3.	SMART GODAVARI VIVIDH KARYAKARI SAHKARI VIKAS SEVA SANSTHA	54.44	10-12-2021	32.66	1.99		21.78	1.33	
			24-6-2022		16.07			14.30	
			<b>Total</b>	<b>32.66</b>	<b>18.06</b>	<b>14.60</b>	<b>21.78</b>	<b>15.63</b>	<b>6.15</b>
4.	SMART NERPINGLAI VIVID KARYAKARI SANSTHA	56.66	10-12-2021	33.99	4.39		22.67	2.93	
			24-6-2022		12.38			19.74	
			<b>Total</b>	<b>33.99</b>	<b>16.77</b>	<b>17.22</b>	<b>22.67</b>	<b>22.67</b>	<b>0.00</b>
5.	SMART VADALA MAHADEO VIVIDH KARYAKARI SAHKARI SANSTHA	63.39	10-12-2021	38.04	6.38		25.36	4.26	
			<b>Total</b>		<b>38.04</b>			<b>6.38</b>	
6.	YEDESHWARI AUDYOGIK SAHAKARI SANSTHA	61.13	10-12-2021	36.68	5.66		24.45	3.77	
			24-6-2022		14.00			20.68	
			<b>Total</b>	<b>36.68</b>	<b>19.66</b>	<b>17.02</b>	<b>24.45</b>	<b>24.45</b>	<b>0.00</b>
7.	SPR TALUKA PBVS LTD	24.77	31-01-2022	14.86	6.00		9.91	4.02	
			24-06-2022		8.86			5.89	
			<b>Total</b>	<b>14.86</b>	<b>14.86</b>	<b>0.00</b>	<b>9.91</b>	<b>9.91</b>	<b>0.00</b>

सदर आक्षेपांचे अवलोकन करून संदर्भ क्र. २ अन्वये लेखापरीक्षणातील आक्षेपांचा अनुपालन अहवाल सविस्तर स्पष्टीकरणासह प्रमुख पीआययु-एमसीडीसी स्मार्ट यांच्या स्वाक्षरीने सादर करण्यात आला होता.

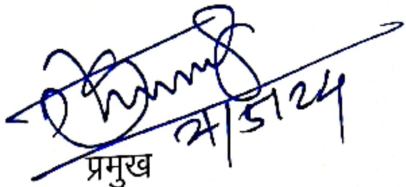
परंतु संदर्भ क्र.३ अन्वये, पीसीएमयु कक्षामार्फत पुनश्च: बाह्यलेखापरीक्षणातील त्या मुद्द्यांबाबत अनुपालन अहवाल सादर करणेबाबत विचारणा करण्यात आली होती. त्याअनुषंगाने संदर्भ क्र.४ अन्वये सदर लेखा आक्षेपाचा अनुपालन अहवाल पुन्हा सादर करण्यात आला होता. परंतु तरीही सदर लेखा आक्षेपांबाबत सन २०२२-२३ नंतर होणाऱ्या लेखापरीक्षणामध्ये मुद्दे उपस्थित करण्यात येत आहे. दि. १५ मे २०२४ रोजी झालेल्या स्मार्ट सोसायटीच्या ८ व्या बैठकीतील चर्चेनुसार ऐनवेळेचे विषय क्र. १ व Financial Management Manual मधील मार्गदर्शक सुचनांनुसार (परिशिष्ट १ अन्वये) २.५० लाख पेक्षा जास्त रक्कमेचे लेखा आक्षेप क्षमापित करण्याचे अधिकार नियामक मंडळास आहेत. उपरोक्त ७ उपप्रकल्पातील बाह्यलेखापरीक्षकाने काढलेले आक्षेप

- २.५० लाखापेक्षा जास्त रक्कमेचे असल्याने
- सदर आक्षेप पथदर्शक प्रकल्पातील असल्याने

- iii. संबंधित संस्थांकडे कोरोना काळात निधीच्या कमतरतेमुळे ४० % संपूर्ण स्वहिस्सा जमा न करता आल्याने, प्रकल्पाचा उर्वरित कालावधी पाहता पहिला हप्त्यांचे संस्थेकडील उपलब्ध रक्कमेनुसार दोन ते तीन टप्पे करण्यात आले.

सदर आक्षेपांचे कायमचे निर्मूलन होण्याच्या अनुषंगाने दि.२८ मे २०२४ रोजीच्या स्मार्ट प्रकल्पाच्या नियामक मंडळाच्या बैठकीत उपरोक्त आक्षेप क्षमापित करणे गरजेचे आहे.

त्याअनुषंगाने सन २०२१-२०२२ आणि २०२२-२०२३ या आर्थिक वर्षात बाह्यलेखापरीक्षक यांनी उपस्थित केलेल्या मुद्द्यांच्या अनुपालन अहवालातील संदर्भ क्र. ४ अन्वये सादर केलेले स्पष्टीकरण गृहीत धरून व स्मार्ट सोसायटीच्या ९ व्या नियामक मंडळाच्या बैठकीत सदर मुद्द्यांचे सादरीकरण करून सदर लेखा आक्षेप क्षमापित करण्यात यावे, ही विनंती.

for   
प्रमुख  
प्रकल्प अंमलबजावणी कक्ष,  
एमसीडीसी-स्मार्ट, पुणे

प्रत :-

१. वित्त विशेषज्ञ, स्मार्ट प्रकल्प पुणे यांना माहितीस्तव सादर.
२. समन्वयक, पीसीएमयु-स्मार्ट यांना माहिती व पुढील कार्यवाहीस्तव सादर.
३. वरिष्ठ कृषि मुल्यसाखळी तज्ञ तथा समन्वयक, महाराष्ट्र सहकार विकास महामंडळ यांना माहिती व पुढील कार्यवाहीस्तव सादर



मा.बाळासाहेब ठाकरे कृषि व्यवसाय व ग्रामीण परिवर्तन (स्मार्ट) प्रकल्प,

प्रकल्प अंमलबजावणी कक्ष - महाराष्ट्र सहकार विकास महामंडळ मर्या.

साखर संकुल, शिवाजीनगर, पुणे - ४११००५



दूरध्वनी क्र - ०२० - २९८०९४०८

ईमेल mcdepune@gmail.com

जा.क्र./स्मार्ट प्र/बाह्य लेखापरीक्षण/ 49/२०२२-२३

दि. ०१/०२/२०२३

प्रति,

मा. अतिरिक्त संचालक,  
स्मार्ट प्रकल्प पुणे.

विषय :- २०२१-२२ च्या बाह्य लेखापरीक्षणाचे अनुपालन अहवाल सादर करणेबाबत...

संदर्भ :- १. जा.क्र.स्मार्ट/पीसीएमयु/लेखा/बाह्य लेखापरीक्षण/१८३९/२०२२ दि.०५/१२/२०२२

रोजी ईमेलद्वारे प्राप्त पत्र

२. जा.क्र. एमसीडीसी/स्मार्ट/उपप्रकल्प रद्द/१३१/२०२२-२३ दि. २१/१०/२०२२ या  
कार्यालयाचे पत्र

महोदय,

उपरोक्त संदर्भीय पत्रान्वये, प्रकल्प अंमलबजावणी कक्ष पुणे यांना संदर्भ १ अन्वये लेखापरीक्षणातील मुद्द्यांच्या अनुपालनासाठी सुधारित अनुदान करार व सुधारित डीपीआर सादर करण्याबाबत कळविले होते. त्याअनुषंगाने अनुपालन अहवाल सादर करण्यात येत आहे.

१. श्रीरामपुर प्रगत बागायतदार विविध कार्यकारी सहकारी संस्था, ता.श्रीरामपुर, जिल्हा अहमदनगर.
२. खारोळा विविध कार्यकारी सहकारी संस्था, ता. जिल्हा लातूर
३. नेरपिंगळाई विविध कार्यकारी सहकारी संस्था, ता.जिल्हा अमरावती.
४. अहमदपुर विविध कार्यकारी सहकारी संस्था, ता. अहमदपुर. जिल्हा लातूर.
५. गोदावरी विविध कार्यकारी सहकारी संस्था, चांदोरी ता.निफाड, जिल्हा नाशिक.
६. वडाळा महादेव विविध कार्यकारी सहकारी संस्था, ता.श्रीरामपुर, जिल्हा अहमदनगर.
७. येडेश्वरी औद्योगिक विविध कार्यकारी सहकारी संस्था, ता. जिल्हा उस्मानाबाद

संदर्भ क्र.२ अन्वये पालखेड विविध कार्यकारी सहकारी संस्था, पालखेड, ता.निफाड, जिल्हा नाशिक या संस्थेचा उपप्रकल्प संस्थेच्या विनंतीवरून रद्द करण्यात आलेला आहे. तसेच दि. १५ ऑक्टोबर २०२२ रोजी संबंधित संस्थेकडून स्मार्ट प्रकल्पामार्फत देण्यात आलेली अनुदानाची रक्कम रु २,७३,०००/- पुन्हा स्मार्ट प्रकल्पाच्या बँक खात्यात वर्ग करण्यात आलेली आहे.

लेखापरीक्षण विभागाने उपस्थित केलेल्या मुद्द्यानुसार वरील नमुद एकूण ७ विविध कार्यकारी सहकारी संस्थांचे डीपीआर सुधारित करण्यात आले असून त्यानुसार अनुदान करार मध्येही सुधारणा करण्यात येऊन सदर अहवाल आपणांस सादर करण्यात येत आहे. सदर अहवालाचे अवलोकन व्हावे. ही विनंती.

  
प्रमुख,

प्रकल्प अंमलबजावणी कक्ष,  
एमसीडीसी स्मार्ट, पुणे.



महाराष्ट्र MAHARASHTRA

2022

BS 079079

29 SEP 2022  
 60106 .....दि.....मु.शु.रकम.....  
 अंशु.क्र.

500/-



दस्तावेजाचा प्रकार: Agreement  
 वस्तु नोंदणी करणार आहेत का? होय/नाही.  
 मिळकतीचे वर्णन: .....

19 SEP 2022

मुद्रांक दिकत घेणाऱ्याचे नांव: PIU MCDC  
 पत्ता: विवाहागार (स)  
 दुसऱ्या पक्षकाराचे नांव: अहमदनगर जिल्हा अधिकारी  
 हस्ते व्यक्तीचे नाव व पत्ता: अहमदनगर जिल्हा अधिकारी

महान मुद्रांक लिपिक  
 अहमदनगर जिल्हा

मुद्रांक विकत घेण्याची गती  
 ज्या कारणास्तो ज्याने मुद्रांक खरेदी केला, त्यांनी त्याच कारणास्तो मुद्रांक  
 खरेदी केलावा लागतो. महिनातून दोनदा असे घेणे आवश्यक आहे.

**SMART Grant Agreement**

This Agreement (hereinafter called "Agreement") is made on the 1st day of the month of October, 2022 between, on the one hand, Project Implementation Unit Maharashtra Cooperative Development Corporation limited (MCDC), of Hon. Balasaheb Thackeray Agribusiness Rural Transformation Project (hereinafter called PIU, SMART) and, on the other hand " Ahmedpur Vividh Karyakari Sahakari Sanstha Maryadit, a Co-operative Society " (hereinafter called Grant Recipient).


*[Signature]*  
 Authorized Signature  
 Nodal Officer  
 SMART PIU MCDC, PUNE


*[Signature]*  
 सचिव  
 अहमदनगर जिल्हा अधिकारी  
 अहमदनगर ता. अहमदनगर जि. लातूर

## I. Definitions:

In this Agreement, the definitions of key terms are the following:


Term	Definition
"Agreement"	This Agreement, including any and all annexes, and any addenda to it agreed by the Nodal Officer, Project Implementation Unit (PIU), SMART.
"Business Day"	Any day of week on which India's banks are open for all business
"Completion Date"	The Completion Date of the Sub Project, as it is specified in the Agreement (The completion date of sub-project should not be later than the closing date for the SMART Project.)
"Confidential Information"	Any information relating to the Sub Project, the existence and contents of this Agreement and any information that arises in relation to this Agreement or the Sub Project
"State Level Project Approval Committee" (SPAC)	The Committee will be chaired by the Project Director and the HoDs of all the PIUs will be members of the said Committee. SPAC will give approval and allocate subproject to one PIU for implementation.
"Amount"	The total amount or amounts of the sub-project, including the Beneficiary's contribution as specified in the Agreement
"Grant"	The money paid to the Grant Recipients under the Grant Agreement relating to the Sub-project


  
Authorized Signature  
Nodal Officer  
SMART PIU MCDC, PUNE

  
सचिव  
अहमदपूर वि.का.से. सह.सं.कार्या.  
अहमदपूर तालु.अहमदपूर जिलातूर

"Payment Schedule"	The Grant tranches set out in the Grant Installment Payment Schedule
"Objectives"	The objectives relating to the sub-project as set out in the sub-project Proposals
"Personnel"	Employees and agents and any other professional, technical, and support services hired by the Project Director to perform the Project
Sub-project	Sub- project entitled, Productive Partnership Project between <b>Star Agri Warehousing &amp; collateral Management Limited</b> & <b>Ahmedpur Vividh Karyakari</b> <b>Sahakari Sanstha Maryadit, Latur</b>
"Reporting Date"	The dates, as they are set out in the Agreement, when the grant recipient must send to the concerned PIU, DIU the Progress Reports having the content and the form as provided by PCMU
"Services"	The services that the concerned PIU and/or the Beneficiary have agreed to undertake as detailed in the Project Agreement
"Implementing Team"	The Agribusiness Value Chain Expert (AVCE), Subproject Manager and specified Personnel in the Project
"Activity Schedule"	The tasks and outputs referred in the Sub Project brief
"Grant Recipient"	The beneficiary CBO, submitting the proposal for funding
"Subproject Manager"	The natural person nominated by SMART Project at regional level with JDA (Agri.) to co-ordinate among DIUs, RIU, PIUs, PCMU and also work with Buyers, CBOs and Regional Technical Support Group (RTSG)
"Regional Technical Support Group (RTSG)"	Regional Technical Support Group (RTSG) is a service provider appointed by SMART project to assist CBOs, Buyers to prepare Project Concept Note (PCN), Full Project Proposal (FPP) and assist in the implementation of the sub-project.
"Partners"	The partners are CBOs, Buyers, Research institutions, Legal and natural persons that assume obligations in the Sub Project's implementation.

  
**Authorized Signature**  
**Nodel Officer**  
**SMART PIU MCDC, PUNE**

  
**सचिव**  
**अहमवपूर वि.का.से.सह.सं.मार्ग,**  
**अहमवपूर ता.अहमवपूर जि.लातूर**

  
**बअरमन**

PIP	Project Implementation Plan, SMART
Manual	Community Operational Manual, Procurement Manual (PM), Financial Manual, Social and Environmental Safeguards documents prepared under SMART Project, including the Environmental and Social Management Framework (ESMF) (which includes the Resettlement Policy Framework, Indigenous Peoples Planning Framework and Pest Management Plan), and any environmental and social management plans, resettlement action plans, indigenous peoples plans and any other plans that may be required and prepared in accordance with the ESMF.
Anti-Corruption Guidelines	World Bank Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016

Sub-project title: Productive Partnership Project between

**Star Agri Warehousing & collateral Management Limited**  
&

**Ahmedpur Vividh Karyakari**

**Sahakari Sanstha Maryadit,**

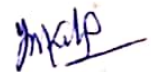
Art. 1. The Full Project Proposal submitted to the PCMU to be considered for funding, approved by the “State Level Project Approval Committee” (SPAC) of SMART and subsequently negotiated and agreed by and between the PIU and the Grant Recipient shall be hereinafter known as “the Sub-Project”.



Authorized Signature  
Nodal Officer  
SMART PIU MCDC, PUNE



सचिव  
अहमदपूर वि.का.से.सह.सं.संस्था  
अहमदपूर ता.अहमदपूर जि.लातूर



घअरमन

Art. 2. The following entities that are bound by this Agreement are hereinafter referred to as "the Parties" and they are:

Parties:-

Grant Provider	Grant Recipient CBO
Project Implementation Unit MCDC of SMART	Beneficiary CBO represented by Authorized signatory Ahmedpur Vividh Karyakari Sahakari Sanstha Maryadit,

Art. 3. The abbreviations and acronyms used in the Project Implementation Plan and Community Operation Manual & Financial Management Manual will be used in this Agreement with the same meanings assigned in there.

## II. Duration of the Sub-project:



Art. 4. The Sub-project financed through this Agreement shall be implemented during the period mentioned below. Under special circumstances, when Parties commonly agree, duration could be prolonged or shortened, in writing, through an addendum to this Agreement. Notwithstanding contained anything elsewhere in this agreement "SMART reserves the right to terminate the Grant Agreement with immediate effect if the sub project is not started within 6 Months or not received the 1st installment within 12 months after signing the agreement or within the agreed delays and SMART establishes that there is no likelihood that the sub project will be completed within a reasonable delay". In case of termination of this agreement under this article, the grant recipient will not be able to make any claim against PIU or Nodal Agency or any officer and staff of SMART project in respect to this agreement.

Agreement Commencement Date: (day/month/year) 01/10/2022	Agreement Completion Date: (day/month/year) Extended up to 30/09/2023 as per SPAC meeting dated 11/08/2021 *Agreement completion date can be extended by PIU with prior permission of PCMU in circumstances which may unavoidable/unforeseen.
---	--

## III. Sub-project Amount

Cost break down of the sub project showing who will finance what, its implementation phases and agreed mile stone for each phase are as under

  
Authorized Signature  
Nodal Officer  
SMART PIU MCDC, PUNE

   
साचिव चअरमन  
अहमबपूर वि.का.से.सह.सं.मर्या,  
अहमबपूर ता.अहमबपूर जि.लातूर

Art. 5. The total Amount of the sub-project is INR 51.00 lakhs revised as per SPAC meeting dated 11/08/2021 and the breakdown of contributions is listed below:

Sr. No.	Sub-project Components	Cost (Rs. Lakh)	SMART Grant (Rs. Lakh)	CBO Equity (Rs. Lakh)
A	<b>Core investment in Sub-project</b>			
1	Collateral Management Agency Cost –Star Agri	5.40	3.24	2.16
2	Renovation of Warehouse	9.60	5.76	3.84
3	Cleaning and Grading Machine	11.52	6.91	4.61
4	IOT-RFID, CCTV, Smoke Detector, IT Equipment, Security Alarm, Invertor, Weighing Scale	6.00	3.60	2.40
5	Stitching Machine, Moisture Meter, Fire Extinguisher	0.55	0.33	0.22
	<b>Sub total</b>	<b>33.07</b>	<b>19.84</b>	<b>13.23</b>
A1	Pre-Operative/ Preliminary Exp.	5.00	3.00	2.00
	<b>Total Cost A</b>	<b>38.07</b>	<b>22.84</b>	<b>15.23</b>
B	<b>Complementary Investment by Buyer</b>	0.00	0.00	0.00
C	Extension activity (Value Chain Development School-VCDS) by DoA*	12.93	12.93	0.00
	<b>Total A+B+C</b>	<b>51.00</b>	<b>35.77</b>	<b>15.23</b>

\*This grant will be released to concern technical department (Agri./AHD)


#### IV. Implementation arrangements


Art. 6. The Grant provided under this Agreement shall be used only in respect of the Sub Project Objectives as per the conditions stipulated in FPP and as per terms laid down in the Project Implementation Plan, Community Operations Manual and Financial Management Manual, Social & Environment safeguard of SMART.

Art. 7. After signing the Grant Agreement, the Grant Recipient should open an account, at Bank or Financial Institution for the Sub-project, with terms and conditions mentioned in the PIP & Financial Management Manual. The account information shall be communicated immediately to the DIU, RIU, PIU & PCMU SMART.

Art. 8. The Grant Recipient is asked to ensure that the Grant will not be subject to confiscation, compensation, allotment or seizure.

  
Authorized Signature  
Nodel Officer  
SMART PIU MCDC, PUNE

  
सचिव  
अहमदपूर वि.का.से.अह.सं.मर्या.  
अहमदपूर ता.अहमदपूर-शि.लातूर

  
चअरमन

Art. 9. All Accounts and Ledgers for the financial operations within the Sub Project, as well as all related documents, will be properly maintained. All payments above Rs.5000/- (Rupees Five thousand only) have to be mandatorily done through RTGS/NEFT/cross cheque (electronic mean). The sub-project proposal related payments are to be recorded in PFMS system. The Grant recipient will be guided by DIU for operation of PFMS system. Whenever required by the World Bank or PIU, the Grant Recipient shall have and make available financial records and accounts audited in accordance with appropriate auditing principles consistently applied by an independent auditor (in agreement with SMART)

Art. 10. The Grant Recipient will be exclusively liable for the proper use of the Grant in accordance with the Agreement, including the PIP. In case the Grant is, totally or partially, improperly used and declared ineligible, the Grant Recipient will be responsible for immediate replenishment of the Grant accounts with the respective Amount.

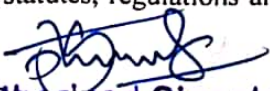
Art.11. Grant Recipient shall implement the Sub-Project in accordance with the terms of the PIP, CoM, FM Manual, Procurement Manual, Social & Environmental safeguards, and Anti-Corruption Guidelines.


Art. 12. Leasing and/or credit is not allowed under project financing. **Procurement of second-hand equipment is not allowed.** All procurements should be done with due prudence and open for verification by project authorities.


Art. 13. The Grant Recipient shall preserve and use the equipment and the goods acquired within the Sub Project with the diligence of a good owner, and shall refrain from any action having as object and/or affect the damage, the value decrease and/or the making of any pledge or guarantee over the equipment's or goods. All or any equipment's and goods procured as part of subproject for which grants are received by the Recipient and having its purchase value more than Rs.50000/- (Fifty thousand) shall be pledged till the sub-project completion date.

#### V. Rights and Responsibilities

Art. 14. In carrying-out/performing the Sub-Project, the Grant Recipient will: Exercise the degree of skill, care, and diligence reasonably expected by the State Project Approval Committee and PIU SMART in similar circumstances, and in accordance with the agreed Schedule, unless this Agreement is terminated earlier as provided for in this Agreement. Comply with all provisions of all statutes, regulations and rules of government, local or public authority and any professional

  
Authorized Signature  
Nodel Officer  
SMART PIU MCDC, PUNE

  
साचिव  
अहमवपूर वि.का.से.सह.सं.मार्ग,  
अहमवपूर ता.अहमवपूर जि.लातूर

  
असरमन  
अहमवपूर वि.का.से.सह.सं.मार्ग,  
अहमवपूर ता.अहमवपूर जि.लातूर

codes of conduct or practice that may be applicable to the Sub Project. Observe the PCMU /PIU/RIU/ DIU directives in relation to the Sub Project. Be reasonably available for consultation with the PCMU / PIU /RIU/ DIU SMART during the term of this Agreement on the conduct and progress of the Sub Project.


Art. 15. **The Grant Recipient will give access to the PCMU/PIU/RIU/DIU SMART, as well as to any monitoring consultants hired by the project, at all reasonable times, to the premises or the sites at which the sub-project is being carried out to inspect the progress of the Sub-Project and the equipment's, services and goods acquired, subject to the following conditions. The PCMU / PIU / RIU / DIU SMART shall have to provide reasonable prior notice to the Grant Recipient before such inspection and/or monitoring. The PCMU / PIU / RIU / DIU SMART will comply the rules of the sub project while entering into its premises. The SMART / World Bank shall have the right to (i) carry out supervision and monitor the implementation of the Grant, including all related social and environmental safeguard obligations; (ii) receive all such information that they shall reasonably request in relation to the Grant; and (iii) conduct random and/or unannounced physical or documentary inspections for the monitoring of, and in relation to, the carrying out of the Sub-Project.**

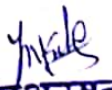
Art. 16. **The Grant Recipient will ensure the implementation of the Sub-project under satisfactory performance conditions and make best efforts to achieve the objectives and fulfill all other obligations as detailed in the Agreement.**

Art. 17. **Grant Recipient is responsible and liable for all acts or omissions in the performance of the Sub Project. S/he will indemnify the PCMU / PIU / RIU / DIU SMART for any loss or damage that the SMART suffer as a consequence of their acts or omissions. Moreover, the grant recipient shall be responsible for the use of the Grant in accordance with the PIP, FMM, PM, CoM, Social and Environmental Safeguards, Anti-Corruption Guidelines and the concluded Agreement and all other legal provisions regarding the Grant. In cases where the Grant has been spent on ineligible items i.e. not in accordance with the agreement, the Grant Recipient will be liable for the re-imbusement of the funds thus spent.**

Art. 18. **The availability of the specified persons and service providers to implement the grant assisted sub-project is an essential term of this Agreement. The Grant Recipient will not change any of**

  
Authorized Signature  
Nodal Officer  
SMART PIU MCDC, PUNE

  
साचिव  
अहमदपूर वि.का.से.रा.जं.मार्ग.  
अहमदपूर ता.अहमदपूर जि.महाराष्ट्र

  
चअरमन  
अहमदपूर ता.अहमदपूर जि.महाराष्ट्र

the persons specified in the Schedule without prior written consent of the Nodal Officer PIU.

- Art. 19. If the Grant Recipient's performance indicates that the Sub-project objectives are not likely to be achieved, are superseded, or may be achieved by another preferred route, the PIU will give the Grant Recipient written instructions recommendations for improvement. The Recommendation for improvement should be addressed by the Grant Recipient in maximum thirty (30) calendar days. In case of disagreement between the grant recipient and the PIU, this should be discussed and agreed upon; if the disagreement could not be solved, such dispute shall be resolved by complying with SMART Grievances Redressal Mechanism as per PIP.
- Art. 20. Before signing of the Agreement the Grant Recipient will have clearly defined an Activity Schedule, budget and time frame for completion of tasks. Evidence of completion of these activities and verification of their satisfactory completion will be provided by the DIU/ Regional team upon certification by the assigned specialists of the Technical Assistance Team of the SMART.
- Art 21. If delays in the activity a payment schedule are likely and cannot be avoided the Grant Recipient may request an extension. This request may be considered by SMART and a no cost extension with justification may be provided.
- Art 22. The Payment Schedule will be as defined in the FMM which given in section XII. The detailed proposed Payment Schedule will be agreed to in the Grant Agreement. Please see Section XII.
- Art. 23. The SMART may terminate this Agreement by giving 30 days' notice in writing to the Grant Recipient, if the Grant Recipient becomes unable to provide the required services and no substitute arrangements satisfactory to the SMART can be made to continue satisfactory implementation of the Sub project.
- Art. 24. The Grant Recipient will ensure that all service providers eventually hired for project implementation respect the conflict of interest rules as per Community Operation Manual.
- Art. 25. The Grant Recipient will provide the SMART with all relevant data and interpretations made in relation to the Sub project. Such data may include survey information, ground

  
Authorized Signature  
Nodal Officer  
SMART PIU MCDC, PUNE

  
साधिव  
अहमवपूर वि.का.से.सह.सं.मर्चा,  
अहमवपूर ता.अहमवपूर जि.लातूर

investigations and other data, calculations, plans, drawings, designs, maps, specifications, reports, instructions and decisions. Requests for these data will be made timely and reasonably.

Art. 26. The Grant Recipient will promptly notify the SMART respective DIU, RIU and PIU of any significant difficulties encountered or foreseen by the Sub-project Manager in carrying out the Sub Project activities.

Art. 27. The SPAC and the PCMU/PIU/RIU/DIU will regularly review the progress for the purposes of running the entire sub-project efficiently and conforming to the budget.

Art. 28. **The Agribusiness Value Chain Expert & Subproject Manager will maintain full and accurate records of performance of the Subproject and will provide reports to the PIU & SMART which includes Activity Schedule, outlining the progress of the Sub-project and highlighting activities undertaken, difficulties encountered, and achievements made.**


Art. 29. It will be a condition of the Agreement that all environmental and social safeguards indicated in the Project Implementation Plan and Community Operation Manual are respected. Grant Recipient will be held accountable for non-compliance with the relevant environmental and social safeguards applicable to this sub-project; and therefore the Grant Recipient is required to implement all mitigation measures identified and costed in the FPP and negotiations, including those on waste water management, if applicable.


Art. 30. The Grant Recipient cannot change the proposed value chain in a joint proposal and the ownership of any partner cannot be transferred to others unless otherwise particularly instructed by concerned PIU & PCMU


#### VI. Conflict of interests

Art. 31. As indicated in the Project Implementation Plan, the **Board of Director or Authorized Representative** and concerned official shall sign a legal declaration that **they will not receive themselves or pay to their own firms from the sub project account.** The legal declaration shall be part of the Agreement.

Art. 32. **Grant Recipient shall have, at least a Manager and an accountant on fulltime/part time basis**

  
**Authorized Signature  
Nodel-Officer  
SMART PIU MCDC, PUNE**

  
**सचिव**  
अहमदपूर वि.का.से.सह.सं.सर्जा.  
अहमदपूर त्.अहमदपूर जि.लाहूर

  
**घअरमन**

**VII. Addresses for communication purposes**

Art. 33. Any communication between the parties is effective only if it is in writing, by fax or e-mail, using the contact details mentioned below:

Contact Details		
	Authorized Representative of Grant Recipient (legally responsible person)	Authorized Representative of Grant Provider (Nodal officer of concerned PIU*)  *If the signatory of this agreement get retired/transferred ensuing officiating officer will be responsible for legal compliances
Name:		
Address:	Tal-Ahmedpur Dist- Latur	Maharashtra Cooperative Development Corporation limited (MCDC), Narveer Tanaji Wadi, Sakhar Sankul, Shivaji Nagar Pune 411005
Phone /Fax /e-mail:	saipetroahm@gmail.com	<u>mcdepune@gmail.com</u> Phone- 020298089

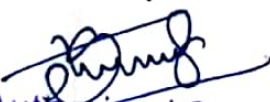
**VIII. Effectiveness, Termination**


Art. 34. This Agreement becomes effective on the day of signing by concerned PIU SMART and respective grant recipient.

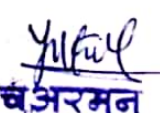
Art. 35. This Agreement will terminate upon completion of the Sub Project in accordance with the Activity Schedule mentioned in Art 4 above unless terminated earlier, or when the SMART officially notifies about termination or cancellation of the Sub Project.

Either of the parties may terminate this Agreement, by written notice to the other, if:

- The Grant Recipient becomes unable to provide the required services and no substitute arrangements satisfactory to the SMART can be made to continue satisfactory implementation of the Sub project.

  
Authorized Signature  
Nodal Officer  
SMART PIU MCDC, PUNE

  
साचिव  
अहमदपूर वि.का.सं.सह.सं.मर्चा  
अहमदपूर ता.अहमदपूर जि.लातूर

  
च.अरमन  
अहमदपूर वि.का.सं.सह.सं.मर्चा  
अहमदपूर ता.अहमदपूर जि.लातूर

- b) One of the parties is in a material breach of any provision of this Agreement and is unable to remedy such breach within 30 days (or a lesser time if a lesser time is specified in this Agreement) of being notified of the breach by the other.
- c) The Grant Recipient commits an act of bankruptcy (or become insolvent);
- d) The World Bank declares the Grant Recipient ineligible under the Anti-Corruption Guidelines;
- e) One of the parties commits an act of serious misconduct which, in the reasonable opinion of the other, may bring either the SPAC and/or the SMART into dispute; or
- f) The Grant Recipient could cancel the contract if the financing is delayed for over six (6) months.

Art. 36. In case of cancellation of the Agreement as a consequence of non-fulfillment, the Grant Recipient shall transfer an amount of Grant not utilized towards meeting the objectives of Sub Project into the accounts indicated by the SMART within five working days from the SMART's notification. The Grant Recipient shall transfer into the accounts indicated by the PIU any Grant amount with respect to which fraud and corruption has occurred, or with which an ineligible expenditure has been paid, within five days of receiving such notice from the PIU.


Art. 37. If this Agreement is terminated for any reason, the Grant Recipient will immediately cease to use Confidential Information and intellectual property.


Art. 38. In case of termination of this Agreement before completion of the Sub-project, due to default by a third party, other than the Partners, the SMART shall pay the Grant Recipient only such Amount that is the value of the Sub Project actually performed and of any materials and services ordered by the Grant Recipient in anticipation of full performance of the Sub Project. All remaining or uncommitted Amounts, other than those above mentioned, will be immediately returned by the Grant Recipient to the account indicated by the SMART.

Art. 39. In case the Grant Recipient does not pay within the terms above mentioned the claimed amounts according to the written notification sent to him/her by the SMART, the respective Amounts would be recovered pursuant to prevailing law.

#### IX. Dispute resolution

Art. 40. If any dispute arises between the Grant Recipient and the SMART in relation to this Agreement, the parties will negotiate promptly in good faith in order to amicably resolve the dispute. If the parties are unable to reach an understanding the dispute will be resolved by

  
**Authorized Signature**  
**Nodel Officer**  
**SMART PIU MCDC, PUNE**

  
**सचिव**  
**अहमदपूर वि.का.से.सह.सं.संस्था.**  
**अहमदपूर ता.अहमदपूर जि.लातूर**

complying the SMART's Grievances Redressal Mechanism as per PIP and as per the applicable Country Laws shall govern this Agreement.

Art. 42. Any failure by SMART to enforce any of the provisions of this Agreement shall not constitute a waiver of any rights to future enforcement.

#### X. Force Majeure

Art. 43. Neither the Grant Recipient nor the SMART will be responsible to the other for delay or failure in performance of any of the obligations imposed by this Agreement **when such failure is occasioned by unintentional fire, flood, explosion, lightening, windstorm, earthquake, subsidence of soil, court order or government interference, civil commotion, riot, war, strikes, labor disturbances, natural genetic variations of any living matter or by clause of like or unlike nature beyond the reasonable control and without the fault or negligence of either of the Grant Recipient or the SMART.**

#### XI. Final dispositions

Art. 44. The SMART have engaged the Grant Recipient to perform the sub project as an independent contractor on a non-exclusive basis. SMART PCMU / PIU / RIU / DIU will not be associates of the Grant Recipient.

Art. 45. This Agreement constitutes the sole and entire Agreement between the Grant Recipient and the SMART. A commitment letter signed by all of the applicants of joint proposal clearly defining their roles in the implementation of integrated value chain functions among them will be a part of agreement. Other than this there will be no oral or written agreements, understandings, representations, or commitments of any kind, express or implied, not expressly set out in this Agreement.

Art. 46. All notices under this Agreement shall be in writing and personally delivered, or sent by prepaid post or by facsimile or e-mail to the address of the party to whom the notice is to be given as specified in the Agreement.



Authorized Signature  
Nodel Officer  
SMART PIU MCDC, PUNE



सचिव चअरमन  
अहमवपूर वि.का.से.सह.सं.मर्या.  
अहमवपूर ता.अहमवपूर जि.लातूर

Art. 47. Variations, waivers, and modifications of this Agreement shall only be valid if in writing and signed by, or on behalf of the Grant Recipient, and SMART.

Art. 48. The provisions of this Agreement relating to responsibility reporting, confidentiality, intellectual property, publication, termination, and governing law shall not expire when this Agreement ends.

Art 49. In case this agreement is more than two parties than by some reason, if a particular Grant Recipient of a joint proposal can no longer continue the implementation of his/her sub project as per the signed agreement and if the other partner(s) of the same joint proposal come up with alternative scheme by bringing in the other eligible partner doing the same business and acceptable to the SMART, then the other partner(s) can continue their implementation. In such case the old partner will not be eligible to receive any grant or financial assistance from the SMART. The legal action shall be taken against the defaulter


Art. 50. If the sub project not completed on time as per its indicated objective and time line except in situation of force majeure the grant amount which is not utilized towards meeting the objectives will be recovered from Grant Recipient (GR) as per the prevailing rules and practices of Government of India/Government of Maharashtra. The Grant Recipient further agrees to continue the sub project for at least three years after the grant closing date.

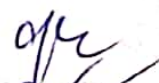
Art. 50A If any savings towards proposal occur, then the proportionate project grants should be transferred back to the respective Project Implementing Unit Account

Art. 51. Grant Recipient do here by declare that the following statements are true, complete and correct to the best of his/her knowledge and belief. Any misrepresentation of facts, information and documents may ipso facto lead to termination of this agreement

1. Grant Recipient is duly registered at the concerned government office
2. Grant Recipient except farmer groups has obtained Permanent Account Number (PAN) from Income Tax department.
3. Grant Recipient has not received any grant for same project from any source of Government of India/ Government of Maharashtra

Art 52. Agreement translated version in Marathi will be available however in case of any controversy provision made in English will prevail

  
Authorized Signature  
Nodal Officer  
SMART PIU MCDC, PUNE

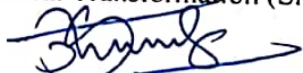
  
सचिव  
अहमदपूर वि.का.से.सह.सं.मार्ग,  
अहमदपूर ता.अहमदपूर जि.मालर

**XII. Proposed Payment Schedule**



Payment/ Tranche (Phase)	Total cost	Grant Receiptant's Contribution		SMART's grant		Milestone and reports
First	19.04		3.78	11.42	5.76	Work plan; milestone achievement including reports as required by FPP, PIP, FMM and CoM
		7.62 <u>12.22</u>	8.44		5.66	
Second	11.42	4.57		6.85		
Third	7.61	3.05		4.57		
Total	38.07	15.23		22.84		

This agreement was executed today 1<sup>st</sup> October 2022 and revised as per SPAC Meeting dated 11/08/2021 in three originals, one for each of the parties mentioned below.

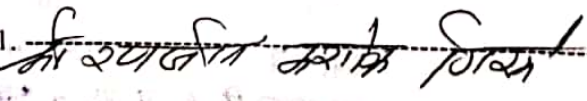

From the side of the State of Maharashtra's Agribusiness Rural Transformation (SMART), Project.

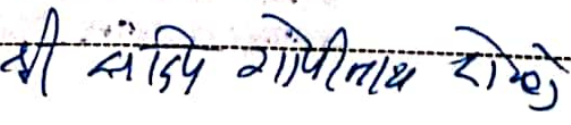

  
Authorized Signature  
Nodal Officer

SMART PIU MCDC, PUNE  
Nodal Officer, PIU-MCDC

   
सचिव चंअरमन  
अहमदपूर वि.का.से.का.सं.सं.सं.सं.  
अहमदपूर ता.अहमदपूर जि.लातूर

Authorized Representative of Grant Recipient

Witness 1.  

Witness 2.  


### List of Appendices to the Grant Agreement

The following documentation is part of the Grant Agreement:

- a. Full Project Proposal (FPP)
- b. Payment Schedule and Milestones
- c. Legal declaration on conflict of interest
- d. Proof of financial co-funding/credit assurance letter from any bank or financial institution
- e. Agreement among the value chain partners (joint proposal applicants)
- f. Authorization letter for authorized representative of beneficiary CBO (Board resolution)
- g. Land Ownership /Land lease (more than 15 Years) Documents
- h. Declaration of Beneficiary Contribution/Bank statement of Beneficiary contribution deposited in sub-project bank account
- i. Documents related CBO selection criteria as per PIP:-
  - i) Legal registration certificate.
  - ii) Membership certificate.
  - iii) Audited books of Accounts (audited by a Chartered Accountant).
  - iv) Turnover certificate of CA
  - v) CBO's undertaking regarding not declared as Non-Performing Asset (NPA) by the Bank/Financial institution due to past loan default.
  - vi) Minutes of at least 2 Annual General Meetings (AGMs) in case of MAP

PIU can add some points to this agreement during negotiations /agreement with grant recipients without altering its original meaning.

  
Authorized Signature  
Nodel Officer  
SMART PIU MCDC, PUNE

  
सचिव  
अहमदपूर वि. का. से. सह. सं. मं. र्जा.  
अहमदपूर त्. अहमदपूर जि. मातूर

## **Full Project Proposal**

**Productive Partnership Project between StarAgri  
Warehousing Collateral Management Ltd.**

**And**

**Ahmedpur VKSS, Taluka – Ahmedpur, District – Latur**

**Submitted to:**

State of Maharashtra Agribusiness and Rural Transformation (SMART)

**Submitted by:**

Jointly by Partners

# Contents

List of Tables	3
List of Figures	4
Chapter 1: Introduction and Background	5
Chapter 2: Introduction of Crop	9
2.1 Crop Profile: Soybean	9
2.2 Production statistic of soybean in India:	10
2.3 Crop Profile: Tur	10
2.4 Production statistics of Tur in India:	11
2.5 Crop Profile: Jowar	11
2.6 Production statistics of Jowar in India:	12
Chapter 3: Introduction to Catchment	14
3.2 Production statistic of selected crops in cluster	15
Chapter 4: Baseline Analysis	16
Chapter 5: Partners' Profile	18
Chapter 6: Project Proposal	21
6.1 Project Summary	21
6.2 Project Background	21
6.3 Key Stakeholders and roles being played by them	22
6.4 Problems to be addressed	22
Chapter 7: Proposed Project Components	24
Chapter 8: Project Implementation	26
Chapter 9: Project Financials	28
9.1 Project Cost	28
9.2 Means of Finance	28
Chapter 10: Business Model	30
10.1 Component wise Means of Finance and Project Cost	<b>Error! Bookmark not defined.</b>
10.2 Profitability Statement	30
10.3 Cash flow Statement	30
10.4 Balance Sheet	31
Cumulative Quantity in MT	34
Other Assumptions	34
Chapter 11: Financial Analysis	36
Chapter 12: Result Framework	39
Chapter 13: Fund Flow	41
Chapter 14: Environmental and Social Impact and Safeguards of the Project	42

# List of Tables

Table 1: Project Summary .....	5
Table 2: Production Stats of Soybean in India.....	10
Table 3: Production statistics of Tur in India.....	11
Table 4: Production statistics of Jowar in India.....	12
Table 5: Production statistic.....	15
Table 6: PACs Profile .....	18
Table 7: PACs Contact Details .....	19
Table 8: CMA Partner Profile.....	19
Table 9: CMA Partner details.....	20
Table 10: Proposed interventions .....	25
Table 11: Project Cost.....	28
Table 12: Means of Finance .....	28
Table 13: Component wise Means of Finance and Project Cost .....	<b>Error! Bookmark not defined.</b>
Table 14: Profitability Statement.....	30
Table 15: Cash Flow Statement .....	30
Table 16: Balance Sheet .....	31
Table 17: Key Financial Ratios .....	31
Table 18: Capacity Utilization - Cleaning & Grading Line .....	32
Table 19: Warehouse 1 - Kharif.....	33
Table 20: Warehouse 1 - Rabi.....	33
Table 21: Cumulative Quantity in MT .....	34
Table 22: Other Assumptions .....	34
Table 23: Details of Benefit to Farmer.....	37

# List of Figures

Figure 1: Soybean .....	9
Figure 2: Tur .....	10
Figure 3: Jowar .....	12
Figure 4: Map of Latur .....	14
Figure 5: Project Background .....	21
Figure 6: Problems to be addressed.....	22
Figure 7: Productive Partnership model .....	26

# Chapter 1: Introduction and Background

Maharashtra is the 3rd largest state of India in terms of total area and largest contributor to the country's GDP. The state's economy is primarily agricultural, and it is a major occupation for a large number of people in Maharashtra. The state is one of the largest in terms of the number of agriculture-based CBOs (Co-operative Based Organizations), who have evolved and grown in the last few years in terms of production and trade. However, the growth of those CBOs and farmers is at sub-optimum level due to the lack of required resources such as technology to improve their yield and product quality, infrastructure (pre and post-harvest) to increase their product marketability.

The state of Maharashtra has envisaged the SMART project with an overall mission to increase farmer's income, increase women employment, and overall contribution to the state's GDP. Under this project, the state government aims to bring together agriculture producers, technology partners and buyers at one place to identify and fill the existing gap in the agribusiness supply chain through a "Productive Partnership Project".

The productive partnership sub-project (PPP) aims at facilitating the farmers to increase their productivity, reduce cost of production, access to new markets and helps them receive higher prices for their produce. The proposed partnership between StarAgri Warehousing Collateral Management Ltd. and CBO will help the member farmers to realize better price for their produce through training on capacity building and guidance on value chain integration and through on-field procurement, warehousing and financial & market linkages. The details of the same are mentioned in this project report.

Table 1: Project Summary

Sr. No.	Criteria	Our Submission
a)	Name of the Project	Ahmedpur VKSS and StarAgri Warehousing Collateral Management Ltd. Productive Partnership Project
b)	Name of the Value Chain Partners	<p><b>CMA Partner:</b></p> <ul style="list-style-type: none"> <li>• StarAgri Warehousing Collateral Management Ltd.</li> </ul> <p><b>CBO:</b></p> <ul style="list-style-type: none"> <li>• Ahmedpur VKSS</li> </ul> <p><b>Funding Partner:</b></p> <ul style="list-style-type: none"> <li>• SMART Project</li> <li>• Banks/ Financial Institutions</li> <li>• PAC</li> </ul>

c)	Contact Details of Key Value Chain Partners	<p><b>CMA Partner:</b></p> <ul style="list-style-type: none"> <li>• <b>Address:</b> 601-604 A Wing, Bonanza Building, Sahara Plaza, J.B. Nagar Metro Station, J.B. Nagar, Andheri (E), Mumbai- 400059, Maharashtra, India</li> <li>• <b>Name of Key Personnel(s):</b> Mr. Suresh Chandra Goyal</li> <li>• <b>Designation of Key Personnel (s):</b> Chairman &amp; Managing Director</li> <li>• <b>Contact details of Key Personnel(s):</b> 9414093765, 9829037135, 9323893407</li> </ul> <p><b>CBO:</b></p> <ul style="list-style-type: none"> <li>• <b>Name –</b> Ahmedpur VKSS</li> <li>• <b>Address –</b> At Post Anandwadi Road Ta. Ahmedpur Dist. Latur</li> <li>• <b>Name of the Key Personnel –</b> Mr. Yatiraj nivarutti kendre</li> <li>• <b>Contact Details –</b> +91 9422472138</li> <li>• <b>Email ID –</b> saipetroasm@gmail.com</li> </ul>
d)	Crops	<ul style="list-style-type: none"> <li>• Tur</li> <li>• Jowar</li> <li>• Soybean</li> </ul>
e)	Catchment/ Location	Taluka – Ahmedpur District – Latur
f)	Sub-Project Objectives	<p>The overall objectives of the sub-project are:</p> <ul style="list-style-type: none"> <li>• To increase the number of small and marginal farmers using warehousing &amp; collateral management services.</li> <li>• To provide cleaning &amp; grading facility to farmers for better price realisation of their produce.</li> <li>• To provide warehousing facilities to farmers</li> <li>• To provide hassle free loan against warehouse receipt</li> <li>• To provide market intelligence &amp; linkages</li> </ul>
g)	Value Propositions	<ol style="list-style-type: none"> <li>1. Farmer deposits his produce at PAC owned warehouse against which StarAgri issues him a warehouse receipt.</li> <li>2. Farmer takes the receipt, which has all the necessary details like quality and quantity of the produce, to the bank.</li> <li>3. Bank offers credit facility against that receipt up to 70 per cent of the value of the collateral with the warehouse.</li> <li>4. StarAgri will help the PAC in market linkages from the existing pool of buyers associated with them at pre-agreed rates which will be higher than the market price. StarAgri will charge a commission of 1% of the transaction value</li> </ol>

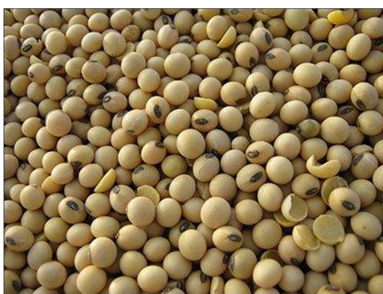
h)	Aggregation Targets	<b>Particulars</b>	<b>Y1</b>	<b>Y2</b>	<b>Y3</b>	<b>Y4</b>	<b>Y5</b>	<b>Y6</b>	<b>Y7</b>	
		Soybean	157	172	188	204	220	235	251	
		Tur	147	162	176	191	206	220	235	
		Jowar	294	323	353	382	412	441	470	
		<b>Total</b>	<b>598</b>	<b>658</b>	<b>717</b>	<b>777</b>	<b>837</b>	<b>897</b>	<b>956</b>	
i)	Project Period	7 years								
j)	Total Project Cost	<b>No.</b>	<b>Sub-project Components</b>				<b>Cost</b>			
		<b>A</b>	<b>Core investment in Sub-project</b>							
		1	Collateral Management Agency Cost – Star-Agri Warehousing				5.40			
		2	Renovation of Warehouse - 500 MT				9.60			
		3	Cleaning and Grading Machine 2 TPH				11.52			
		4	IOT-RFID, CCTV, Smoke Detector, IT Equipment, Security Alarm, Invertor, Weighing Scale				6.00			
		5	Stitching Machine, Moisture Meter, Buckets, Fire Extinguisher				0.55			
			<b>Sub total</b>				33.07			
		6	Pre-Op/ Preliminary Expenses				5.00			
			<b>Total Cost A</b>				<b>38.07</b>			
			<b>B Complementary Investment by Buyer</b>				0.00			
			<b>C Extension activity (VCDS) by DoA @ Rs.12.93 Lakh/CBO</b>				12.93			
			<b>Total A+B+C</b>				<b>51.00</b>			
k)	Means of Finance	<b>No.</b>	<b>Sub-project Components</b>			<b>Cost</b>	<b>SMART Grant</b>	<b>CBO Equity</b>		
		<b>A</b>	<b>Core investment in Sub-project</b>							
		1	Collateral Management Agency Cost – Star-Agri Warehousing			5.40	3.24	2.16		
		2	Renovation of Warehouse - 500 MT			9.60	5.76	3.84		
		3	Cleaning and Grading Machine 2 TPH			11.52	6.91	4.61		
		4	IOT-RFID, CCTV, Smoke Detector, IT Equipment, Security Alarm, Invertor, Weighing Scale			6.00	3.60	2.40		
		5	Stitching Machine, Moisture Meter, Buckets, Fire Extinguisher			0.55	0.33	0.22		
			<b>Sub total</b>			33.07	19.84	13.23		
		6	Pre-Op/ Preliminary Expenses			5.00	3.00	2.00		
			<b>Total Cost A</b>			<b>38.07</b>	<b>20.12</b>	<b>15.23</b>		
			<b>B Complementary Investment by Buyer</b>			0.00	0.00	0.00		
			<b>C Extension activity (VCDS) by DoA @</b>			12.93	12.93	0.00		

			Rs.12.93 Lakh/CBO			
			Total A+B+C	51.00	35.77	15.23

# Chapter 2: Introduction of Crop

## 2.1 Crop Profile: Soybean

Legumes play a vital role in human nutrition since they possess a very high nutritional value and are rich source of protein, calories, certain minerals and vitamins. Among legumes, soybean is probably the largest source of vegetable seed oil (20%) and protein (40%). The USA, Argentina, Brazil and China are the biggest producers. A large number of Indian and western dishes such as bread, 'chapati', milk, sweets, pastries etc., can be prepared with soybean. Soybean builds up the soil fertility by fixing large amounts of atmospheric nitrogen through the root nodules.



*Figure 1: Soybean*

Soybean is reported to be originating from China. It is a very rich source of nutrition. It is also used as a supplement with others such as wheat flour fortified with soybean flour which makes good quality and more nutritious 'chapati'. Soybean is used for making high protein food for children. A large number of Indian and western dishes such as bread, 'chapati', milk, sweets, pastries etc. and soybean oil is used for manufacturing vanaspati ghee and several other industrial products. It is widely used in the industrial production of different antibiotics. Consumption of soybean is gaining popularity and nutritional superiority on account of its protein containing essential amino acids, unsaturated fatty acids, carbohydrates, vitamins and minerals. Further, its use has an important role in preventing and treating chronic diseases such as heart ailments, osteoporosis, cancer, kidney ailments. It is used as raw material for number of processed food products as well as source of animal feed.

USA is the major producer of Soybean and ranks first in production. Its share in the world production is almost 34 percent followed by Brazil (32%), Argentina (15%) and China (4%). India occupies fifth place in production and fourth in area in the world. Total world soybean production is 361 million tons.

India is a fifth largest soybean-producing country in the world and produces 11 million tons according to SOPA. Out of the total production, 51.42 % of soybean is mainly produced in Madhya Pradesh followed by Maharashtra (32.50%) and Rajasthan (11.34%).

Major soybean producing districts in Maharashtra are Latur, Amravati, Nagpur, Buldana and Kolhapur.

Most of the farmers in Maharashtra use hybrid and local varieties of seeds. Approximate 70 % of farmers use their saved seed and 30 % farmers purchase it from retailers and fellow farmers. Jawahar, Indra and Durga are common varieties of soybean grown by most of the farmers in Maharashtra. Other soybean varieties grown in Maharashtra are AKT-64, AKT-101, D-7-11-1, JLT-408, N-58-2, PHULE TIL No1, PHULE- KALYANI (DS-228), MAUS-158, MONETTA (EC-2587), POOJA (MAUS-2), PRASAD (MAUS-32), MAUS-47 (Parbhani Sona), TAM-98-21, TAM-38.

## 2.2 Production statistic of soybean in India:

Table 2: Production Stats of Soybean in India

Name of the state	Area (Lakh Hectares)	Production (Lakh MT)
Madhya Pradesh	62.605	59.475
Maharashtra	10.588	48.565
Rajasthan	2.804	12.176
Andhra Pradesh	2.840	3.479
Karnataka	2.470	3.001
Chhattisgarh	1.560	1.560
Gujarat	0.930	0.977
Rest of India	0.630	0.599
<b>Total</b>	<b>120.327</b>	<b>12.176</b>

## 2.3 Crop Profile: Tur

Pigeon pea or red gram, also known as Arhar and Tur, is mainly cultivated and consumed in developing countries of the world. It is an important pulse crop in India and contributes about 20 % to the total production of pulses. India is a largest producer of pigeon pea in the world and contributes more than 60 % of the total world production. It is the rich source of protein to large population of the country. It enhances the soil fertility through fixing atmospheric nitrogen. Its seeds are round, or lens shaped, the flowers are generally self-pollinated and the fruit is a pod. Numerous species of red gram exist which differ in height, habit, time of maturity, color, size and shape of pods and seeds.



Figure 2: Tur

Red gram is grown throughout the tropical and subtropical countries of the world, especially in South Asia, Eastern and Southern Africa, Latin America, Caribbean countries and Australia. According to FAO statistics, worldwide red gram was grown in about 5.33 million ha and its production was 4.33 million tonnes in 2012. India is the largest producer of red gram accounting 61.21 % of total production and 72.51 % of total area of the world. Other major red gram producing countries are Myanmar (20.79 %), Tanzania (6.93 %), Malawi (5.48 %), Kenya (2.06 %) and Uganda (1.94 %). The productivity is highest in Uganda (1000 kg/ha) followed by Nepal and India.

In India, Maharashtra is the largest producer of red gram, accounting for nearly 28.39 % of the total production followed by Karnataka (22.48 %), Madhya Pradesh (12.78 %), Gujarat (6.43 %), Uttar Pradesh (6.26 %). These top five tur producing states contribute about 76% of the production of the country in 2016-17. Among major red gram growing states, Maharashtra has the largest area under the crop and accounts for about one-third area of the country, followed by Karnataka (18.91 %), Madhya Pradesh (12.58 %), Andhra Pradesh (12.20 %), Uttar Pradesh (8.04 %) and Gujarat (5.90 %). Major red gram producing districts in Maharashtra includes Latur, Osmanabad, Aurangabad, Jalna, Nanded, Parbhani etc.

Major commercial varieties grown in Maharashtra are Parbhat' 'UPAS 120', 'T 21', 'PusaAgeti', 'Pusa 74', 'J 9-19', 'TAT 10', 'Vishaka 1' ('TT 6'), 'Khargone 2', 'T 15-15', 'PT 301', 'JA 3', 'No.84'and 'No.29021'. All these varieties come under three categories which are early, medium and late ones.

## 2.4 Production statistics of Tur in India:

Table 3: Production statistics of Tur in India

State (Year 2017-18)	Area (Lakh Ha.)	Production (Lakh Ton.)
Maharashtra	12.29	10.59
Karnataka	8.85	8.39
Madhya Pradesh	6.47	7.29
Telangana	3.31	3.21
Uttar Pradesh	2.82	3.03
Andhra Pradesh	2.78	2.64
Gujarat	2.71	2.22
Jharkhand	1.38	1.28
Orissa	0.86	1.18
Chhattisgarh	1.19	0.61
Others	1.77	1.36

## 2.5 Crop Profile: Jowar

Sorghum, popularly known as Jowar, is one of the four important food crops of the country as it occupies about one-tenth of the total area of the cereals. Sorghum (*Sorghum bicolor*) is an annual plant belonging to family Gramineae and grows up to over four meters. The inflorescence of sorghum is a panicle or head as grain is usually partially covered by glumes. The colour of the grain is white, pink, yellow or brownish-yellow. It is the most important food and fodder crop of dry land agriculture. It is a staple food for millions of poor rural people

particularly of Asian and African countries and also serves as an important source of fodder, animal feed and industrial raw material for alcohol, spirit, Syrup and starch production.

The origin of sorghum is generally believed to be Ethiopia or East Central Africa and it was taken from East Africa to India during the first millennium. Sorghum is an important crop providing food, feed and fodder in the arid and semi-arid tropics of the world. It is a staple food for the rural poor in the country and African countries. It is primarily used as livestock feed and as industrial use in USA and other developed countries. Sorghum is often referred to as “coarse grain”.



Figure 3: Jowar

Though, it is a traditional subsistence crop but now changes its role to commercial/semi-commercial crop. The demand for sorghum for feed purpose is the main driving force in rising the global production and international trade. It has also been used in the production of alcohol. Sorghum grain contains about 10-12 % protein, 3 % fat and 70 % carbohydrates. In India, sorghum grain is eaten by human either by breaking the grain and cooking it or by grinding it into flour and preparing ‘chapatis’. It is also fed to cattle, poultry and swine.

The total production of sorghum in the world has been reported at 63.36 million tonnes with cultivated area of 44.27 million ha during the year 2016-17. USA is the largest producer of sorghum, followed by Nigeria, Sudan, Mexico and India. India produced about 4.41 million tonnes of sorghum in 2015-16. Maharashtra has the highest share i.e. 29.71% with production of 1.31 million tonnes of production followed by Karnataka (26.08%), Tamil Nadu (12.47%), Madhya Pradesh (9.30%). Maharashtra is the leading producer of sorghum in the country. Sorghum occupies about one-third of the total cropped area in the state. The crop is mainly grown in Jalgaon, Buldhana, Akola, Amravati, Yavatmal, Aurangabad, Ahmednagar, Beed, Osmanabad, Nanded, Solapur, Nagpur and Sangli districts. The major sorghum varieties grown in Kharif are CSH-5, CSH-9, CSH-13, CSH-15(R), CSH-16, CSH-14 CSV-12, SPV-475, SPV-946, SPV-504 and M-35-1 (Maldandi) and Phule Yahsoda are cultivated in the Rabi season.

## 2.6 Production statistics of Jowar in India:

Table 4: Production statistics of Jowar in India

State	Production ('000 Tons)	% Share
Maharashtra	1310	29.71
Karnataka	1150	26.08
Tamil Nadu	550	12.47
Madhya Pradesh	410	9.30

State	Production ('000 Tons)	% Share
Rajasthan	340	7.71
Andhra Pradesh	290	6.58
Gujarat	140	3.17
Uttar Pradesh	110	2.49
Telangana	70	1.59
Haryana	30	0.68
Others	10	0.23

# Chapter 3: Introduction to Catchment

## 3.1. District Profile: Latur



Figure 4: Map of Latur

Latur is well-connected to major markets like Hyderabad, Pune & Mumbai. However, access to irrigation is weak (17per cent). Irrigation is evenly split between ground water (52per cent) and surface (48per cent) sources. In terms of soil composition, the district is mixed with 56per cent of soil medium to deep black and 24per cent light and shallow soil.

Latur is a pulses hub and famous for its high-quality Red gram. Today it is also a major Sugarcane and Soybean production center. This shift has been for greater profitability, lower costs of cultivation and less risk in Soybean. Vegetables constitute 67per cent of horticulture area. Notably, Latur is part of the Agri-Export zone for 'Kesar' mangoes and there is a Mango Export facilitation center set up by MSAMB. Sugarcane is an important crop.

APMCs, though the largest trading source, are losing appeal as trading destinations. Processors and DMIs are large purchasers of Soybean, Red Gram and Jowar and directly buy from farmers. Local oil mills as well as traders from other districts and Madhya Pradesh are large purchasers of Soybean. Latur has a number of Dal Mills, who directly purchase from farmers. Jowar on the other hand is mostly (40 percent) consumed by farmers themselves, and the rest sold to distilleries.

Latur has a number of seeds, pesticides and fertilizer retailers. DMI license holders and processors are also helping farmers for technical advice. They have set up village level Agricultural Service Centre to help farmers through the cropping cycle, soil testing, seed supply, land preparation and general best package of practices.

With the district headquarters 300 km away from both Hyderabad & Pune it is well connected to markets. It is also 470 km away from Mumbai. Latur has a GDP of Rs 9,053 Crore and a per capita income of Rs 59,496. Around 75per cent of Latur's 430,188 farmers own small or marginal landholdings (less than 2 Ha of land); the average

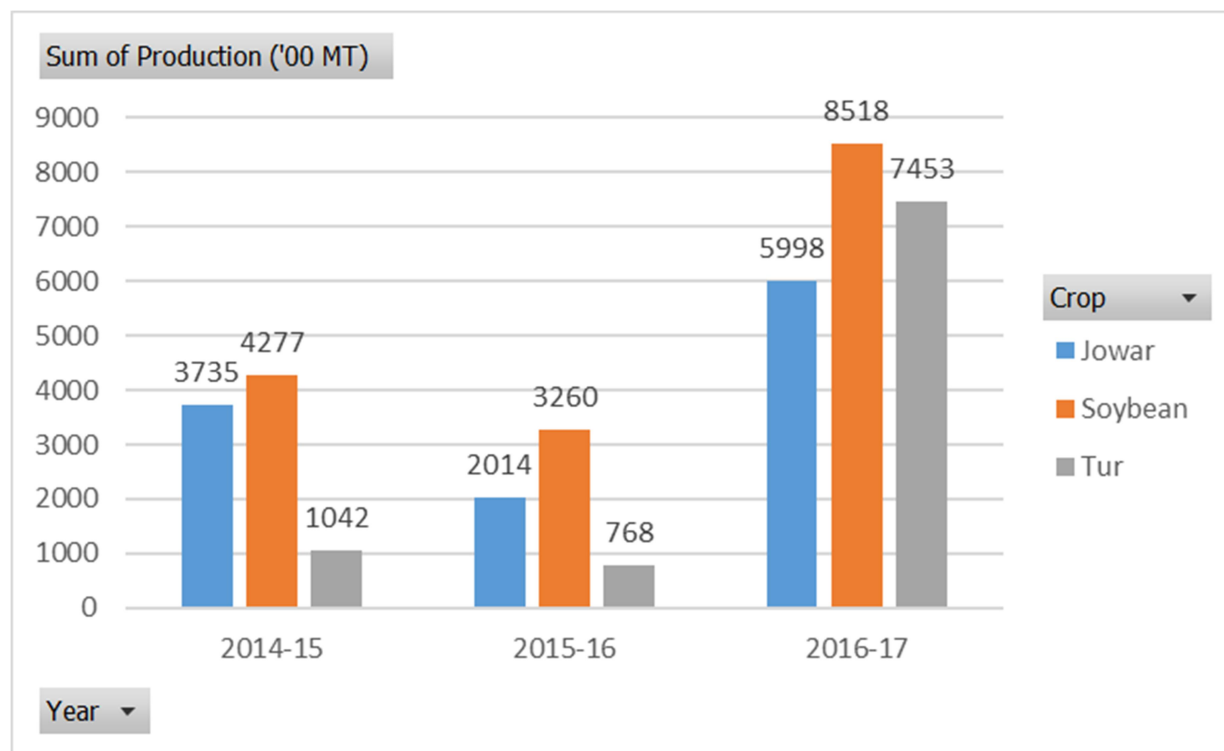
farmer in Latur owns 1.65Ha of land, higher than the state average of 1.44 Ha and the Marathwada average of 1.50Ha.

Overall, access to irrigation is weak with only around 17per cent of net sown area irrigated. Irrigation is almost evenly split between ground water (52per cent) and surface (48 percent). The district experiences rainfall in the range of 700-800 mm. Potato, onion and tomato are the most important vegetables grown. In fruits, the largest area is for mango. Though grapes and lemon are also grown. The district is also part of the Agri-Export zone for pomegranates; though pomegranate production is limited to only 300 ha. Green Chilli and Onions are fast emerging crops. Mushroom cultivation also has scope.

Latur has a total of 11 APMC markets with 12 sub yards and 50rural haats/ mandis for local level trading and these markets are the most important marketing channel for farmers. DMI's is another major channel. Rural haats form a minor marketing channel and cater mostly to vegetable farmers. The major private DMI license holders operating in Latur are ADM Agro Industries, Kisan mitra Warehousing, Indo Distillation Company, Latur Solvent Extraction, Alco plus Producer, Kirti Gold and Tata Rallis (under their i-shakti brand).

### 3.2 Production statistic of selected crops in cluster

Table 5: Production statistic



# Chapter 4: Baseline Analysis

To understand the current scenario of the cluster, a baseline survey has been conducted adopting two approach:

1. MCDC officials conducted meetings with the stakeholders of the PAC. Information was collected from farmers engaged in Soybean, Tur & Jowar farming of different groups to understand the existing practice of cultivation, existing supply chain and value chain mechanism and the hurdles faced by the farmers.
2. Officials of StarAgri visited the cluster and surveyed existing infrastructure and identified gaps which need to be address through various interventions

This baseline survey provides rich insights into storing conditions of the produce available across the cluster districts. This baseline survey has gathered detailed information on conditions and challenges faced by the farmers due to unavailability of appropriate storing facility which leads to distress selling of the produce amongst farmers. The goal of the survey was to measure infrastructural gaps in terms of warehouse and collateral management in the cluster before the implementation of various interventions proposed in project

## **The major key findings of this survey are as below:**

- ✓ It was found that the experience in farming of the farmers ranged from 1 year to as high as 60 years.
- ✓ There are total 6500 farmers in 5 villages of this cluster.
- ✓ Total 4190 farmers are associated with this PAC, out of which member and non-member farmers are 1850 and 2340 respectively.
- ✓ Total area under cultivation is 8808 acres, out of which Soybean, Tur & Jowar are cultivated in 6128 acres, 1929 acres and 751 acres respectively.
- ✓ Average landholding of farmers is 2 hectares
- ✓ Total production of selected crop is 17483 MT.
- ✓ APMC Mandi and other market is at the distance of 1 km from the PAC.
- ✓ There is one government owned warehouse of 2000 MT storage capacity.
- ✓ It has been found that only 500 farmers in the cluster store their produce in warehouse and avails warehouse receipt
- ✓ Most farmers use to sell all marketable surplus of their produce either in mandis or to village level aggregators as usually traders fill warehouse with their produce and farmer hardly gets any storage space.
- ✓ CBO has one warehouse of 500 MT storage capacity but it's nonfunctional due to the lack of awareness
- ✓ CBO doesn't have cleaning & grading facility therefore farmers have no other option but to sell their entire produce as a whole lot and in process they realize average price in Mandi

- ✓ It has also been found that CBO farmers have poor knowledge of post-harvest management as well as benefits of value addition such as better price realization against clean & graded produce & better packaging.
- ✓ PAC doesn't have any existing market linkages which can give assurance to its farmer of bulk buying of agricultural commodities.

#### **Conclusion –**

- ✓ PAC needs to make its existing warehouse operational and should also increase its storing capacity.
- ✓ PAC needs to set up a cleaning & grading unit so that farmers get better realization of their finished produce
- ✓ PAC should provide warehouse receipt in order to maximize the number of farmers storing their produce.
- ✓ PAC needs to tap bulk buyers to avoid farmer's over dependency on mandis to sell their produce. Also, it will increase their bargaining power with the existing small local buyers.

#### **Key challenges being faced by the surveyed farmers and CBO:**

- **Scarcity of Capital:** - Post harvest, due to lack of liquidity, a farmer is compelled to sell his produce immediately, sometimes within days of harvest. Due to a supply glut in the market, the farmer is not able to realize the best price for his produce.
- **Lack of storage facility:** Farmers are not able to store their produce as traders of this cluster occupy almost entire warehouse space. As farmers don't have storage facility, farmers are forced to go for distress sale of the produce immediately after harvesting at lower price or they store the produce in open place which damages commodity.
- **Lack of cleaning & Grading Facility:** Farmers do not clean & grade their commodity and they sell it at lower price, as they don't have cleaning and grading facility.
- **Lack of market intelligence & linkages:** Farmers don't have easy and accurate access to market information and due to this they sell their produce without any sales plan and lose market opportunity. Lack of market linkages forces farmer to keep selling their produce to village level aggregator or Artias at lower price.

# Chapter 5: Partners' Profile

## 5.1 PACs profile

Ahmedpur VKSS is a Primary Agricultural Credit Society (PACS) Registered under Co-operative Society Act. Primary Agricultural Credit Societies (PACS) occupies a predominant position in the co-operative credit structure and form its base. A PAC is organized at the grass roots level of a village or a group of small villages. It is this basic unit which deals directly with the rural (agricultural) borrowers, gives those loans and collects repayments of loans given. It serves as the final link between the ultimate borrowers on the one hand and the higher financing agencies, namely the SCBS and the RBI/NABARD on the other hand.

The brief detail of applicant, Ahmedpur VKSS is provided in the table below: below:

Table 6: PACs Profile

Sr. No.	Particulars	PAC Details
a)	Name of PAC	Ahmedpur Vividh Karyakari Sanstha
b)	Registration No.	NA
c)	PAN No.	AAEAAA4907B
d)	Number of Member Farmers	1850
e)	Number of Non-Member Farmers	2340
f)	Total Farm Area (Acres)	8808 Acres
g)	Average Farm Area (Acre Per Farmer)	2 Hectares
h)	Crop/ (s) Grown and Variety	Soybean, Tur, Jowar
i)	Shortlisted Crop for the project	Soybean, Tur, Jowar
j)	Area in Acre - Shortlisted Crops	8808 Hectares
k)	Production Data (MT) – Shortlisted Crop	17483 MT

## 5.2 Contact Details

Table 7: PACs Contact Details

Sr. No	Name of the Promoter(s)/Partner(s)	Address	Mobile No.	E-mail Id	PAN No
i	Yatiraj Nivarutti Kendre (Chairman)	Ahmedpur	9422472138	saipetroasm@gmail.com	AAEAA4907B
ii	Pandurang Gopal Ghanale (Vice Chairman)	Ahmedpur	9834645033	saipetroasm@gmail.com	AAEAA4907B
iii	Ramesh P. Kamble (Secretary)	Ahmedpur	7262833102	saipetroasm@gmail.com	AAEAA4907B

## 5.3 CMA Partner: StarAgri Warehousing Collateral Management Ltd.

Founded in 2006, StarAgri is one of Asia's leading post-harvest solutions company with global ambitions. With an integrated agri-solutions strategy across the post-harvest needs of both producers and buyers, they leverage tie-ups with some of India's leading financial institutions to hold commodities worth INR 75 billion across over 200 collateral management locations.

StarAgri is focused on empowering farmers – both small and large - so that they gain more from their harvests. It helps farming communities protect their produce and reduce post-harvest losses to increase food availability without placing additional burden on the environment. As agriculture moves up the global growth agenda, StarAgri is addressing one of the most pressing challenges today - food security with depleting resources.

## 5.4 CMA Partner Profile:

Table 8: CMA Partner Profile

a.	<b>Name of the Applicant</b>	StarAgri Warehousing & Collateral Management Limited
b.	<b>Registration No.</b>	U51219MH2006PLC305651
c.	<b>PAN No.</b>	AALCS0367G
d.	<b>Name of Partner(s)/ Promoter(s)</b>	Mr. Amit Goyal, Mr. Amit Khandelwal , Mr. Amith Agarwal and Mr. Suresh Chandra Goyal
e.	<b>Constitution of the Applicant</b>	Private Limited
f.	<b>Registered Address of the Applicant</b>	601-604 A Wing, Bonanza Building, Sahara Plaza, J.B. Nagar Metro Station, J.B. Nagar, Andheri (E), Mumbai- 400059, Maharashtra, India

## 5.5 CMA Partner details

Table 9: CMA Partner details

Sr. No.	Name	Mobile No.	Email ID
1	Mr. Amit Goyal	9414093765	amit.mundawala@StarAgri.com
2	Mr. Amit Khandelwal	9829037135	Amit.k@StarAgri.com
3	Mr. Amith Agrawal	9323893407	amith@StarAgri.com
4	Suresh Chandra Goyal	NA	suresh.goyal@StarAgri.com

# Chapter 6: Project Proposal

## 6.1 Project Summary

The proposed project was initiated post signing of a 'memorandum of understanding' between StarAgri Warehousing Collateral Management Ltd and Ahmedpur VKSS. The PAC was formed under the project of Maharashtra State Rural Livelihood Mission. The majority of the farmers who are members of this PAC are working in an organized manner and are able to reap the benefits of collective marketing.

## 6.2 Project Background

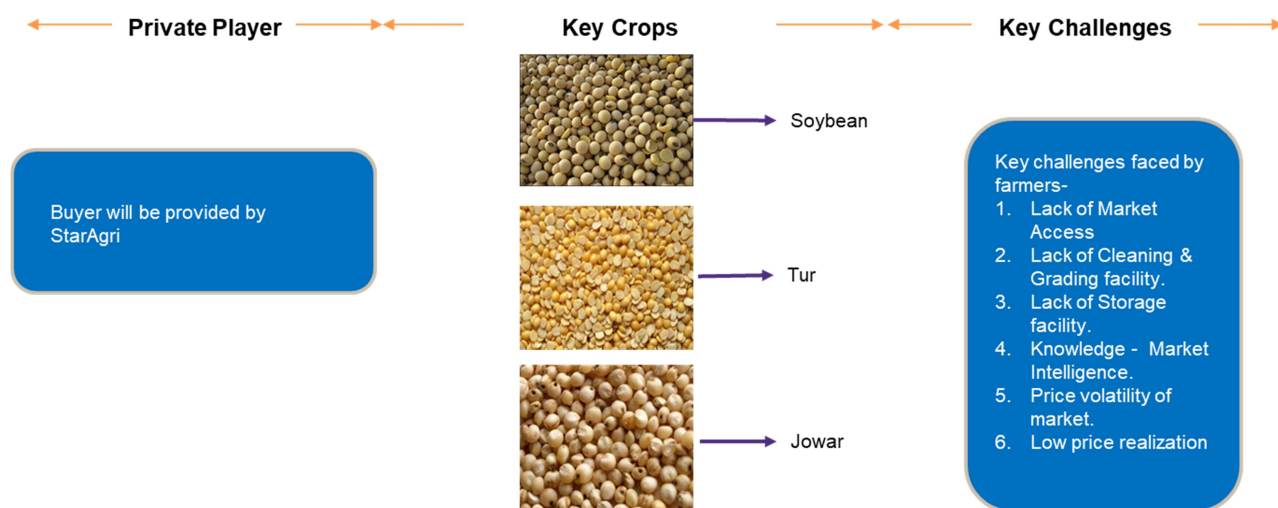


Figure 5: Project Background

In these clusters, due to non-availability of proper warehousing facility in nearby village, majority of farmers prefer to sell their produce to either Artias or village level aggregators. From the baseline survey it's has been found that none of the farmers of this cluster are able to store their produce in a warehouse and reap benefit of it such as – credit loan against warehouse receipt, better price realization in the market.

Project aims to increase the participation of small and marginal farmers of the cluster in warehousing and collateral management as well as utilize the cleaning & grading facility in order to realize the premium of their finished produce. PAC in consultation with StarAgri Warehousing Collateral Management Ltd have come up a joint proposal for assistance under SMART to build interventions, that will help them increase PAC capabilities in warehousing and collateral management. Primary chosen commodities are Soybean, Tur and Jowar which are cultivated by farmers in the cluster.

### 6.3 Key Stakeholders and roles being played by them

- **Farmers:** Farmers/Members of this PAC are the target group of this PP, who will be the raw material supplier. Their problems will be addressed with the soft interventions provided by StarAgri. Hard interventions will be provided by PAC through installation of cleaning and grading machine as well as erection of warehouse proposed in this report.
- **PAC:** PAC will provide hard interventions by making functional of its existing warehouse of 500 MT capacity as well as they will set up a cleaning & grading facility in the cluster. PAC will also aim to scale up its operation by attracting a greater number of members/farmers. In second year, PAC will erect a new warehouse of 1000 MT storage capacity. It is important to note that PAC has required land i.e. 20,000 sq. feet to erect proposed warehouse. PAC will also provide market linkages to its members through its CMA partner i.e. StarAgri Warehousing Services (P) Limited. PAC will charge its members around 2% of value of commodity as sales facilitation charges.
- **StarAgri Warehousing Services Private Limited:** StarAgri Warehousing Services (P) Limited will provide soft interventions through managing warehousing management of PAC's owned warehouses, quality testing of the commodities and providing warehousing receipt to PAC's farmers against the commodities stored. StarAgri has proposed to manage maximum 3 warehouses situated in 4 km radius and will charge INR 45000/- p.m. against it. 60% of the warehouse management charges to StarAgri will be provided by SMART and rest 40% will be borne by PAC for one year. Second year onwards StarAgri will charge that amount to PAC. Apart from issuing warehouse receipt, StarAgri will provide market intelligence like supply demand situation, price trend and market linkages to farmers/PAC through its existing customer base.

### 6.4 Problems to be addressed



Figure 6: Problems to be addressed

#### The Problems that will be addressed by the project are:

1. **Scarcity of Capital:** - Agriculture is an important industry and like all other industries it also requires capital. The role of capital input is becoming more and more important with the advancement of farm technology. Since the agriculturists' capital is locked up in his lands and stocks. Farmer face difficulty for getting crop loan for next sowing.
2. **Lack of storage facility:** Spoilage and wastage have become the hallmark of Indian agriculture. Also, lack of storing facility minimizes the chance of selling produce at higher price after harvesting season when the glut like situation is over. Also, farmers having small quantity of produce small quantity find warehousing a difficult option as taking produce to a faraway warehouse facility doesn't turnout a feasible option and they prefer selling to Artias or village level aggregator.

- 3. Lack of cleaning & Grading Facility:** Farmer do not clean & grade their commodity and they sale it at lower price, as they either don't understand the importance of cleaning & grading or they don't have facility to do so.
- 4. Lack of Market intelligence & linkages:** Farmers don't have easy or adequate access to market information and neither they have a pool of buyers to strategies their sales plan. They get over dependent on single established sales channel.

# Chapter 7: Proposed Project Components

## 7.1 Proposed Intervention

### 1. Capacity Building of PAC/Farmers

- a. PAC will learn about warehouse and collateral management practices, while working in tandem with StarAgri. They will learn about documentations process such as issuing warehouse receipt etc.
- b. StarAgri will provide market information and linkages to farmer in order to help them strategies their sales plan
- c. StarAgri will issue warehouse receipt so that farmer avail loan against the commodities stored

### 2. Capital Expenditure Requirement

#### a. Machinery-

PAC has proposed cleaning & grading and stitching machine for the field crop. The PACs shall provide cleaning and grading facility at a highly competitive rate to their farmer members. The proposed cleaning & grading unit will be installed in the premises of warehouse.

#### b. Infrastructure

PAC has warehouses as an infrastructure but one warehouse needs to be renovated in order to achieve maximum potential, functioning and also for storing of the produced goods. Further it's required to set up a greater number of warehouses to cater maximum farmers in the cluster. Also, it is important to note that PAC has required land i.e. 20,000 sq. feet to erect a new warehouse of 1000 MT capacity.

### 3. Expected Outcome:

- **Capacity building of PAC:** PAC will become more capable in terms of handling procurement, managing warehouse operations, issuing warehouse receipt, documentation etc.
- **Storage facility:** Increase in number of farmers involved in warehousing and collateral management, resulting to reduced post-harvest loss. Farmers store their commodity in warehouse on rent till they get better market price.

- **Easy Availability of credit:** Farmer deposits his produce in a warehouse, warehousing & Collateral management agency issues him a warehouse receipt. Farmer takes the receipt, which has all the necessary details like quality and quantity of the produce, to the bank. Bank offers credit facility against that receipt up to 70 per cent of the value of the collateral with the warehouse. The farmer can use the fund for his consumption needs and inputs for the next season. Meanwhile farmer keeps an eye on the price and sells the produce at better price after paying loan amount to bank.
- **Cleaning & Grading:** Farmer gets his produce cleaned & graded from PAC at less market price. This increases the acceptability of farmer's produce amongst buyers by reducing the rejection percentage which results in better price realization by Rs 200/- to 300/- per quintal.
- **Market intelligence & linkages:** Farmers have better access to market information, which helps them to plan their future action in much better way. Market linkages reduces farmer's dependency on Mandi/Artias and has larger pool of assured buyers.

#### Proposed interventions:

Table 10: Proposed interventions

Sr. No.	Particulars	Outcome
1	Training Workshops	<ol style="list-style-type: none"> <li>1. Better understanding of post-harvest management</li> <li>2. Better understanding of usages of warehouse receipt</li> <li>3. Improvement in documentation</li> </ol>
2	Erection of new warehouse	<ol style="list-style-type: none"> <li>1. Better post-harvest management</li> <li>2. Credit facility through warehouse receipt</li> <li>3. Better price realization post harvesting season</li> </ol>
3	Cleaning & grading unit	<ol style="list-style-type: none"> <li>1. Better quality (Less foreign material, immature grains)</li> <li>2. Improved acceptance of produce among buyers</li> </ol>
4	Market intelligence & linkages	<ol style="list-style-type: none"> <li>1. Better sales planning</li> <li>2. Large pool of buyers</li> <li>3. Better price realization</li> </ol>

# Chapter 8: Project Implementation

Below is the representation of the project implementation:

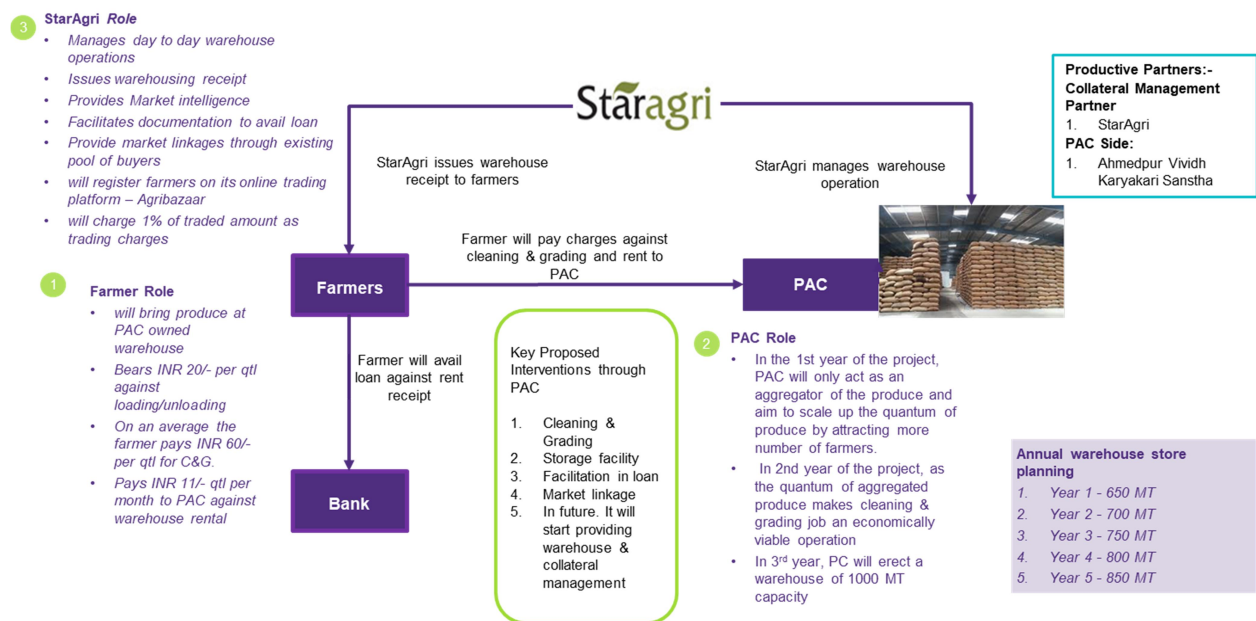


Figure 7: Productive Partnership model

The entire implementation plan comprises activities of different steps such as: -

- PAC will invest 40% of the project cost and rest 60% of the project cost will come from SMART to upgrade the existing cleaning, grading and storing facility.
- PAC will get connected with farmers for the aggregation of the commodities and renovate one existing warehouse in the cluster in order to make it operational.
- In the first year of the project, PAC will only act as an aggregator of the produce and aim to scale up the quantum of produce by attracting a greater number of farmers.
- PAC will store the aggregated produce at its warehouse and charge farmers Rs 11/- per quintal per month against rent.
- In second year of the project, as the quantum of aggregated produce makes cleaning & grading job an economically viable operation, PAC will establish cleaning & grading facility at its Lehgaon warehouse.

- In the third year, PAC will erect an additional warehouse of 1000 MT capacity to cater maximum number of farmers. PAC has required land i.e. 20,000 sq. feet of land to erect proposed warehouse. Both warehouses will be in 4 km of radius, which will be managed by StarAgri.
- StarAgri will manage the PAC owned warehouse and look after day to day operation, cost of which i.e. INR 45000/- per month, 60 of this amount will be covered under grant and rest 40% will be borne by PAC in first year and from 2<sup>nd</sup> year onwards PAC will pay that amount to StarAgri
- StarAgri will issue warehouse receipt to the farmers against stored commodities at PAC warehouse, which further can be used by farmers to avail loan from the bank.
- StarAgri will provide market intelligence such as price trend, supply demand situation in the market and will not charge any amount against this service
- StarAgri will provide market linkages to farmers through its existing pool of buyers and will not charge any amount to farmers against this service
- StarAgri has its own online platform- "AgriBazaar", where farmers will get registered free of cost. However, StarAgri will charge 1% of the traded amount as trading charge.

# Chapter 9: Project Financials

## 9.1 Project Cost

Table 11: Project Cost

No.	Sub-project Components	Cost
<b>A</b>	<b>Core investment in Sub-project</b>	
1	Collateral Management Agency Cost – Star-Agri Warehousing	5.40
2	Renovation of Warehouse - 500 MT	9.60
3	Cleaning and Grading Machine 2 TPH	11.52
4	IOT-RFID, CCTV, Smoke Detector, IT Equipment, Security Alarm, Invertor, Weighing Scale	6.00
5	Stitching Machine, Moisture Meter, Buckets, Fire Extinguisher	0.55
	<b>Sub total</b>	<b>33.07</b>
6	Pre-Op/ Preliminary Expenses	5.00
	<b>Total Cost A</b>	<b>38.07</b>
<b>B</b>	<b>Complementary Investment by Buyer</b>	<b>0.00</b>
<b>C</b>	<b>Extension activity (VCDS) by DoA @ Rs.12.93 Lakh/CBO</b>	<b>12.93</b>
	<b>Total A+B+C</b>	<b>51.00</b>

Preliminary and Pre-operative expenses taken to be 5% of the total cost of components A.

## 9.2 Means of Finance

Table 12: Means of Finance

No.	Sub-project Components	Cost	SMART Grant	CBO Equity
<b>A</b>	<b>Core investment in Sub-project</b>			
1	Collateral Management Agency Cost – Star-	5.40	3.24	2.16

No.	Sub-project Components	Cost	SMART Grant	CBO Equity
	Agri Warehousing			
2	Renovation of Warehouse - 500 MT	9.60	5.76	3.84
3	Cleaning and Grading Machine 2 TPH	11.52	6.91	4.61
4	IOT-RFID, CCTV, Smoke Detector, IT Equipment, Security Alarm, Invertor, Weighing Scale	6.00	3.60	2.40
5	Stitching Machine, Moisture Meter, Buckets, Fire Extinguisher	0.55	0.33	0.22
	<b>Sub total</b>	<b>33.07</b>	<b>19.84</b>	<b>13.23</b>
6	Pre-Op/ Preliminary Expenses	5.00	3.00	2.00
	<b>Total Cost A</b>	<b>38.07</b>	<b>22.84</b>	<b>15.23</b>
<b>B</b>	<b>Complementary Investment by Buyer</b>	0.00	0.00	0.00
<b>C</b>	<b>Extension activity (VCDS) by DoA @ Rs.12.93 Lakh/CBO</b>	12.93	12.93	0.00
	<b>Total A+B+C</b>	<b>51.00</b>	<b>35.77</b>	<b>15.23</b>

Preliminary and Pre-operative expenses taken to be 5% of the total cost of components A.

# Chapter 10: Business Model

## 10.1 Profitability Statement

Table 13: Profitability Statement

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
<b>Revenue</b>							
Cleaning & Grading Service Charges	6.72	7.56	8.47	9.45	10.50	11.03	11.58
Warehousing Charges	3.95	4.56	5.22	5.94	6.71	7.55	8.46
Sale Facilitation Charges	4.62	5.34	6.12	6.96	7.87	8.85	9.91
Grant from SMART - CMA	3.24	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Revenue</b>	<b>18.53</b>	<b>17.46</b>	<b>19.80</b>	<b>22.34</b>	<b>25.08</b>	<b>27.43</b>	<b>29.95</b>
<b>Expenses</b>							
Fixed Cost	5.86	6.28	6.59	6.92	7.27	7.63	8.01
Variable Expense	5.30	6.05	6.86	7.73	8.68	9.49	10.37
<b>Total Expenses</b>	<b>11.16</b>	<b>12.33</b>	<b>13.45</b>	<b>14.66</b>	<b>15.95</b>	<b>17.13</b>	<b>18.38</b>
<b>Earnings Before Interest, Depreciation, Taxes and Amortization (EBITDA)</b>	<b>7.36</b>	<b>5.13</b>	<b>6.35</b>	<b>7.68</b>	<b>9.13</b>	<b>10.30</b>	<b>11.57</b>
Depreciation	2.93	2.93	2.93	1.32	1.03	1.03	1.03
Amortization	0.08	0.08	0.08	0.08	0.08	0.00	0.00
<b>Earnings Before Interest and Taxes (EBIT)</b>	<b>4.36</b>	<b>2.12</b>	<b>3.35</b>	<b>6.28</b>	<b>8.03</b>	<b>9.28</b>	<b>10.54</b>
Interest Expense	0.58	0.47	0.34	0.20	0.07	0.00	0.00
<b>Earnings Before Tax (EBT)</b>	<b>3.78</b>	<b>1.65</b>	<b>3.01</b>	<b>6.08</b>	<b>7.96</b>	<b>9.28</b>	<b>10.54</b>
Tax	0.00	0.00	0.08	0.23	0.63	0.96	1.39
<b>Earnings After Taxes (EAT)</b>	<b>3.78</b>	<b>1.65</b>	<b>2.93</b>	<b>5.85</b>	<b>7.33</b>	<b>8.32</b>	<b>9.15</b>
<b>Profit</b>	<b>3.78</b>	<b>1.65</b>	<b>2.93</b>	<b>5.85</b>	<b>7.33</b>	<b>8.32</b>	<b>9.15</b>

## 10.2 Cash flow Statement

Table 14: Cash Flow Statement

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
<b>Cash-Inflow</b>							
Revenue	18.53	17.46	19.80	22.34	25.08	27.43	29.95
Equity/ Share capital	8.23	-	-	-	-	-	-
Grant	14.68	-	-	-	-	-	-
Long Term Loan	5.97	-	-	-	-	-	-
Short Term Loan	-	-	-	-	-	-	-
Increase in Current liability	0.93	0.10	0.09	0.10	0.11	0.10	0.10
Amortization	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
<b>Sub Total (A)</b>	<b>48.33</b>	<b>17.55</b>	<b>19.90</b>	<b>22.44</b>	<b>25.19</b>	<b>27.53</b>	<b>30.06</b>
<b>Cash-Outflow</b>							
<b>1. Capital Expenditure</b>							

Furniture and Fixtures	-	-	-	-	-	-	-
IT and Infrastructure	6.00	-	-	-	-	-	-
Land and Building	8.25	-	-	-	-	-	-
Plant and Machinery	12.07	-	-	-	-	-	-
Preliminary Expenses	0.40	-	-	-	-	-	-
<b>2. Operational Expenditure</b>							
Fixed Cost	5.86	6.28	6.59	6.92	7.27	7.63	8.01
Variable Cost	5.30	6.05	6.86	7.73	8.68	9.49	10.37
<b>3. Loan</b>							
LTL - Principal	0.66	1.33	1.33	1.33	1.33	-	-
LTL - Interest	0.58	0.47	0.34	0.20	0.07	-	-
Dividend	-	-	-	-	-	-	-
Tax	-	-	0.08	0.23	0.63	0.96	1.39
Increase in sundry debtors	1.85	-0.11	0.23	0.25	0.27	0.23	0.25
<b>Sub Total (B)</b>	<b>40.97</b>	<b>14.02</b>	<b>15.43</b>	<b>16.67</b>	<b>18.25</b>	<b>18.32</b>	<b>20.03</b>
<b>Net Cashflow</b>	<b>7.36</b>	<b>3.54</b>	<b>4.46</b>	<b>5.78</b>	<b>6.94</b>	<b>9.21</b>	<b>10.03</b>
<b>Opening Cash and Bank</b>	<b>-</b>	<b>7.36</b>	<b>10.89</b>	<b>15.36</b>	<b>21.13</b>	<b>28.07</b>	<b>37.28</b>
<b>Cumulative Cash Balance</b>	<b>7.36</b>	<b>10.89</b>	<b>15.36</b>	<b>21.13</b>	<b>28.07</b>	<b>37.28</b>	<b>47.31</b>

### 10.3 Balance Sheet

Table 15: Balance Sheet

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
<b>Assets</b>							
<b>Current Assets</b>							
Cash and Bank Balance	7.36	10.89	15.36	21.13	28.07	37.28	47.31
Sundry Debtors	1.85	1.75	1.98	2.23	2.51	2.74	3.00
Other Current Assets	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>9.21</b>	<b>12.64</b>	<b>17.34</b>	<b>23.37</b>	<b>30.58</b>	<b>40.02</b>	<b>50.30</b>
Gross Fixed Assets	26.31	23.39	20.46	17.54	16.21	15.19	14.16
Add: Additions during the year	-	-	-	-	-	-	-
Less: Depreciation	2.93	2.93	2.93	1.32	1.03	1.03	1.03
<b>Net Fixed Assets</b>	<b>23.39</b>	<b>20.46</b>	<b>17.54</b>	<b>16.21</b>	<b>15.19</b>	<b>14.16</b>	<b>13.14</b>
<b>Preliminary Expenses</b>	<b>0.32</b>	<b>0.24</b>	<b>0.16</b>	<b>0.08</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>	<b>32.92</b>	<b>33.34</b>	<b>35.03</b>	<b>39.66</b>	<b>45.76</b>	<b>54.18</b>	<b>63.44</b>
<b>Liabilities</b>							
Partners Capital	8.23	8.23	8.23	8.23	8.23	8.23	8.23
<b>Total Capital</b>	<b>8.23</b>	<b>8.23</b>	<b>8.23</b>	<b>8.23</b>	<b>8.23</b>	<b>8.23</b>	<b>8.23</b>
<b>Grant from SMART</b>	<b>14.68</b>	<b>14.68</b>	<b>14.68</b>	<b>14.68</b>	<b>14.68</b>	<b>14.68</b>	<b>14.68</b>
<b>Reserve &amp; Surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit &amp; Loss</b>							
Opening Balance	-	3.78	5.43	8.35	14.20	21.53	29.85
Add: Profit after tax	3.78	1.65	2.93	5.85	7.33	8.32	9.15
<b>Total</b>	<b>3.78</b>	<b>5.43</b>	<b>8.35</b>	<b>14.20</b>	<b>21.53</b>	<b>29.85</b>	<b>39.00</b>
<b>Secured Loan from bank</b>	<b>5.30</b>	<b>3.98</b>	<b>2.65</b>	<b>1.33</b>	<b>-0.00</b>	<b>-</b>	<b>-</b>
<b>Current Liability</b>	<b>0.93</b>	<b>1.03</b>	<b>1.12</b>	<b>1.22</b>	<b>1.33</b>	<b>1.43</b>	<b>1.53</b>
<b>Total Liabilities</b>	<b>32.92</b>	<b>33.34</b>	<b>35.03</b>	<b>39.66</b>	<b>45.76</b>	<b>54.18</b>	<b>63.44</b>

### 10.4 Key Financial Ratios

Table 16: Key Financial Ratios

Project IRR	15.67%
NPV (Rs. Lakhs)	5.13
Payback Period	5 year 12 months
DSCR (Average)	4.65
DSCR (Minimum)	2.81

## Key Assumptions

### Capacity Utilisation:

#### 1. Cleaning & Grading Line

Table 17: Capacity Utilization - Cleaning & Grading Line

	70%	75%	80%	85%	90%	90%	90%
Capacity Utilisation	Y1	Y2	Y3	Y4	Y5	Y6	Y7
No. of Operation Days	168	180	192	204	216	216	216
Total Commodity Clean & Grade (in MT)	1344	1440	1536	1632	1728	1728	1728

## 2. Warehouse 1 - Kharif

Capacity – 500 MT

No. of Months – 12

Table 18: Warehouse 1 - Kharif

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Capacity Utilisation	61%	67%	73%	79%	85%	91%	97%
Capacity Utilised (In MT)	304	334	365	395	425	456	486
<b>Storage (Percentage)</b>							
Soybean	52%	52%	52%	52%	52%	52%	52%
Tur	48%	48%	48%	48%	48%	48%	48%
<b>Storage (Quantity in MT)</b>							
Soybean	157	172	188	204	220	235	251
Tur	147	162	176	191	206	220	235
<b>Total</b>	<b>304</b>	<b>334</b>	<b>365</b>	<b>395</b>	<b>425</b>	<b>456</b>	<b>486</b>

## Warehouse 1 – Rabi

Capacity – 500 MT

No. of Months – 12

Table 19: Warehouse 1 - Rabi

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Capacity Utilisation	59%	65%	71%	76%	82%	88%	94%
Capacity Utilised (In MT)	294	323	353	382	412	441	470
<b>Storage (Percentage)</b>							
Jowar	100%	100%	100%	100%	100%	100%	100%
<b>Storage (Quantity in MT)</b>							
Jowar	294	323	353	382	412	441	470
<b>Total</b>	<b>294</b>	<b>323</b>	<b>353</b>	<b>382</b>	<b>412</b>	<b>441</b>	<b>470</b>

## Cumulative Quantity in MT

Table 20: Cumulative Quantity in MT

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Soybean	157	172	188	204	220	235	251
Tur	147	162	176	191	206	220	235
Jowar	294	323	353	382	412	441	470
<b>Total</b>	<b>598</b>	<b>658</b>	<b>717</b>	<b>777</b>	<b>837</b>	<b>897</b>	<b>956</b>

## Other Assumptions

Table 21: Other Assumptions

Sr. No.	Particulars	Rate/Details	Rate/Details
1	Revenue		
a	Cleaning & Grading Service Charges	Rs/per MT	600
b	Warehousing Charges	per MT per Month	110
c	Facilitated Service Charge	of sale value	1%
2	Dunnage	per sq. feet per quarter	1.5
3	Insurance	Value of commodity	0.10%
4	Fumigation	per MT per Month	14
5	Warehouse Cleaning Charges	Monthly	500
6	After 3 years, PACs will manage Collateral Management Service on its own		
7	No. of Labour for cleaning & Grading	No.	4
8	Daily labour Charges	per day	240
9	Average Market Price Before Intervention		
	Soybean	per MT	30000
	Tur	per MT	45000
	Jowar	per MT	32000
10	Average Market Price After Intervention		
	Soybean	per MT	34000
	Tur	per MT	49000
	Jowar	per MT	36000
11	Cleaning & Grading		

	No. of Working Days	days	240
	No. of Hours in day	hours	8
	Capacity MT/hour	MT per Hour	0.7
12	Holding period	months	6

- Rate of depreciation for Plant & machinery, building and IT Infrastructure are 6.33%, 3.17% and 31.67% respectively as per company's act. Rate of depreciation is calculated using straight line method.
- Rate of depreciation for plant & machinery, building and IT Infrastructure are 15%, 10%, 60% resp., as per IT Act. Rate of depreciation is calculated using written down value method.

# Chapter 11: Financial Analysis

## 11.1 Project Impact

Once we implement the project activities project shall have the following economic impact

- **Adequate Credit Available:** As against traditional loans by banks, loans against warehouse receipt are quick. Warehouse Financial Receipt brings about better price realization for farmers, especially small and marginal farmers thereby reducing poverty.
- **Premium against clean & graded produce:** Clean & graded produce usually fetches premium price in the market and buyers are willing to buy properly graded commodity as per the accepted quality parameter.
- **Encourage scientific storage:** Spoilage and wastage have become the hallmark of Indian agriculture. It is estimated that 25-30 per cent of agricultural produce every year is lost due to poor storage and frail handling post-harvest. Increased usages of Warehouse Financial Receipts will kick-start a circle of investments in warehousing infrastructure.
- **Increase Farmers Earning:** As farmer able to realize best price for their commodity because of collateral management system, farmer's income will increase by Rs 23,680 per farmer per year.
- **Employment Creation:** As PACs providing cleaning & grading service to farmers, PACS will have to employ some workforce to run day to day operation, which will create some employment opportunity in the community. Over a period, number of people associated in this operation will increase as the quantum of produce increases.
- **Better Market Intelligence & Linkages:** StarAgri will provide current prices of the stored commodities to the farmers as well as forecast data about price fluctuation. This information will help farmers to decide their selling strategy in much better way rather than just selling their produce in the mandis. It will lead to better price realization for the farmer. Also, market linkages will provide farmers flexibility to sell their produce instead of depending on just nearby mandis. In a long run, these linkages will be helpful for the farmers to get into larger deals, better price realization and to mitigate their risk.

## 11.2 Details of Benefit to Farmer

Below are the charts depicting the earning of the farmers in the current situation and the expected benefit after the intervention of PACs and StarAgri.

Table 22: Details of Benefit to Farmer

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Number of farmers using the service	200	220	240	260	280	300	320
Number of farmers benefitted	200	220	240	260	280	300	320
Average land available for Soybean per farmer (In acre)	1	1	1	1	1	1	1
Total Land available for Soybean with benefitted farmers (In acre)	200	220	240	260	280	300	320
Average land available for Tur per farmer (In acre)	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Total Land available for Tur with benefitted farmers (In acre)	300	330	360	390	420	450	480
Average land available for Jowar per farmer (In acre)	1	1	1	1	1	1	1
Total Land available for Jowar with benefitted farmers (In acre)	200	220	240	260	280	300	320
<b>Current Scenario</b>							
Average current productivity per acre of Soybean (in Qtl)	8	8	8	8	8	8	8
Total Production of Soybean (in Qtl)	1600	1760	1920	2080	2240	2400	2560
Rate of Soybean (per Qtl)	3000	3150	3308	3473	3647	3829	4020
Average current productivity per acre of Tur (in Qtl)	5	5	5	5	5	5	5
Total Production of Tur (in Qtl)	1500	1650	1800	1950	2100	2250	2400
Rate of Tur (per Qtl)	4500	4725	4961	5209	5470	5743	6030
Average current productivity per acre of Jowar (in Qtl)	15	15	15	15	15	15	15
Total Production in Jowar (in Qtl)	3000	3300	3600	3900	4200	4500	4800
Rate of Jowar (per Qtl)	3200	3360	3528	3704	3890	4084	4288
<b>Total Revenue (in Lakh)</b>	<b>211.48</b>	<b>244.26</b>	<b>279.79</b>	<b>318.27</b>	<b>359.88</b>	<b>404.87</b>	<b>453.46</b>
<b>Scenario post introduction of StarAgri in the system</b>							
Normal Loss percentage in Cleaning & Grading Level	2%	2%	2%	2%	2%	2%	2%
Total Production of Soybean (in Qtl)	1568	1725	1882	2038	2195	2352	2509
Rate of Soybean per Qtl	3400	3570	3749	3936	4133	4339	4556
Total Production of Tur (in Qtl)	1470	1617	1764	1911	2058	2205	2352
Rate of Tur per Qtl	4900	5145	5402	5672	5956	6254	6566
Total Production of Jowar (in Qtl)	2940	3234	3528	3822	4116	4410	4704
Rate of Jowar per Qtl	3600	3780	3969	4167	4376	4595	4824
<b>Total Revenue (Rs. In lakhs)</b>	<b>231.17</b>	<b>267</b>	<b>305.83</b>	<b>347.88</b>	<b>393.38</b>	<b>442.55</b>	<b>495.65</b>
<b>Gross Benefit (Rs. In Lakhs)</b>	<b>19.68</b>	<b>22.73</b>	<b>26.04</b>	<b>29.62</b>	<b>33.49</b>	<b>37.68</b>	<b>42.2</b>
Revenue retained by CBO (%)	2%	2%	2%	2%	2%	2%	2%
Revenue retained by CBO (Amount in Rs. Lakhs)	4.62	5.34	6.12	6.96	7.87	8.85	9.91
Net Benefit to farmers collectively	15.06	17.39	19.92	22.66	25.62	28.83	32.29
Revenue from Normal loss of cleaning & Grading	1.54	1.78	2.04	2.32	2.62	2.95	3.3
Gross Benefit to Farmer Collectively	16.6	19.17	21.96	24.98	28.25	31.78	35.59
Gross Benefit per farmer (Rs. In lakhs)	0.08	0.09	0.09	0.1	0.1	0.11	0.11
Gross benefit per farmer (Rs. In 000)	8.3	8.71	9.15	9.61	10.09	10.59	11.12
Cost per Farmer (Rs. In 000)	3.5	3.67	3.86	4.05	4.25	4.46	4.69
<b>Net Benefit per Farmers (In Rs.000)</b>	<b>4.8</b>	<b>5.04</b>	<b>5.29</b>	<b>5.56</b>	<b>5.84</b>	<b>6.13</b>	<b>6.43</b>

Income of producer will increase by nearly 7% after the intervention by StarAgri. This intervention will also help to increase in quality of the produce due to proper guidance on cleaning and grading activities carried out by the farmers with the help of PACs. PACs is also assuring a market for the produce and StarAgri will provide future trends to farmers that help realize better price for their produce. Hence it is expected that the farmers will get more realization for their produce. As per detailed analysis presented in the above table, it is expected that the producer will approximately earn Rs. 23,680/- per year.

# Chapter 12: Result Framework

## Results Framework Indicators for Productive Partnerships

The Development Objective specific to the subcomponent of Productive Partnerships is to “develop a long-term, voluntary and commercial relationship that will help the participating partners to improve their competitiveness in terms of price, cost, productivity, quality, and sales volume.” Monitoring and Evaluation (M&E) of relevant processes and interventions will help in achieving the said sub-component level development objective. Specific Results Framework Indicators will be tracked by the M&E team at pre-decided intervals for this purpose.

There are three entity level stakeholders in the Productive Partnerships sub-component. These are i) Buyer firm, ii) CBO(s), and iii) Farmers within the CBOs. Clearly, the outcome indicators will have to be defined vis-a-vis all three entities so that competitiveness of each of the stakeholders can be assessed correctly.

Below table gives the names of Indicators and connects the indicator to the exact outcome it will be able to track. Definitions of the indicators have been clearly delineated. The data sources from which the M&E team will collect the requisite information have also been quoted.

### Indicator, Definition, Related Outcome and Source

S No.	Indicator	Definition of Indicator	Outcome to be assessed through the Indicator	Source of Data
<b>CBO level Indicators</b>				
1	No. of farmer members in the CBO	No. of members in the CBO – 1041	Financial Sustainability/ Spillover of the intervention/ Tech adoption by non-project farmers	CBO
2	% membership of women farmers within total membership in the CBO	(No. of women members/ No. of total members) * 100 =100%	Gender mainstreaming	CBO
3	% Volume of Commodities sold by CBO to Buyer through CMA	(Procurement Volume by Buyer/ Total Volume sold by CBO through CMA)*100=100%	Whether the supply chain has become more voluntary	MIS and/or CBO



# Chapter 13: Fund Flow

- The Project will support developing Collateral Management Proposals (CMP), between CBOs and Collateral Management Agencies (CMA) & will partially finance such proposals.
- The grant agreement between the Beneficiary CBO, Collateral Management Agency and SMART project will govern the funding ratio and release of tranches for execution of CMPs.
- If the managerial grants incurred by CMAs are to be 100% financed by the Project, then the balance Project grants to be released to CBOs will be adjusted accordingly.
- The collateral management proposal approved by the competent authority at PCMU will be assigned to a particular Project Implementing Unit (PIU). After assigning the proposal to the PIU, the fund flow will be on the same lines as that of productive partnership.
- Managerial grants of CMAs will be released at the level of CBO.

# Chapter 14: Environmental and Social Impact and Safeguards of the Project

## Environment and Social Safeguards assessment

As per the ESA/ESMF Report of the SMART project and the activities/interventions of the “**Star Agri Ahmedpur**” subproject proposal, Operational policies of the World Bank related to the Environmental Safeguards, i.e., Environment Assessment (OP/BP 4.01) and Pest Management (OP 4.09) are triggered. All activities under all the component and subcomponents of the subproject shall be implemented in accordance with the provisions and mitigation measures given in the ESA/ESMF document and implementation guidelines for environmental safeguards mentioned in the SMART PIP.

The key Environmental and Climate Co-benefit Considerations of the given subproject proposal and that derived from the ESA/ESMF findings which needs to be addressed through “Environment Management Framework” of the ESMF Report are enlisted below:

1. Need to promote IPM strategies, to check incidences of attack of Pigeon Pea (Tur) crop by Gram Pod Borer (*Helicoverpa armigera*), Legume Pod Borer (*Maruca Vitrata*), Pod fly (*Melanagromyza obtuse*), Plume Moth (*Exelastis atomsa*), Blue butterfly (*Lampides boeticus*) and Blister Beetles (*Mylabris spp.*). Key IPM strategies preferably should involve deep ploughing during summer to expose the hibernating pupae to adverse weather conditions and natural enemies, use of pheromone traps (05/ha), hand picking of grown up larvae & blister beetles, use of neem oil (12.5 lit./ha), erection of bird perches (50-70/ha), etc. (ICAR, 2019) with judicious use of permitted pesticides in the sustainable crop production.
2. IPM strategies should be promoted, to check incidences of attack of Jowar (Sorghum) crop by Fall armyworm (*Spodoptera frugiperda*), Pyrilla (*Pyrilla perpurilla*), Shoot bug (*Peregrinus maidisand*) Earhead caterpillars (*Helicoverpa armigera*) and other pests. Key IPM strategies preferably should involve use of pheromone traps (12/ha), erection of bird perches (50/ha), hand picking of grown up larvae, use of neem cake (200 kgs/ha), etc. (TNAU, 2019). Growing of tall sorghum to serve as biological bird perches.
3. IPM strategies should be promoted, to check incidences of attack of soybean crop by Tobacco caterpillar (*Spodoptera litura*), Pod borer (*Helicoverpa armigera*), Leaf miner (*Aproaerema modicella*) and other leaf eating pests. Key IPM strategies preferably should involve use of deep summer ploughing to expose soil-borne pathogens, nematodes and insect-pests, rhizomes and bulbs of perennial weeds, erection of bird perches @ 10-12/ha, pheromone traps (10/ha), exploitation of maximum potential of bio-control fauna, viz., spiders, coccinellid beetles, tachinid fly, praying mantids, etc., (National Centre for Integrated Pest Management, 2014).
4. Deep summer ploughing, removal and productive utilization of the crop residues by its conversion into compost and maintaining field sanitation to avoid carry over of the pest to the next season.
5. Judicious water management for the crop to prevent excessive vegetative growth and larval harbourage.

6. Optimizing the use of nitrogenous fertilizers which will not favour the multiplication of the pest.
7. Promotion of food safety for agrochemical residue level compliance through the MRL testing of the agricultural produce samples. The production system needs to be brought under Good Agricultural Practice (GAP).
8. Energy efficiency should be promoted in the warehouses, processing units through the use of LED bulbs, solar energy, energy efficiency improvement technologies and use of humidifiers and dehumidifiers for the temperature and humidity regulations.
9. Training and capacity building of farmers on safe disposal of the pesticide containers and bags through awareness generation on methods such as crushing and deep underground burying, away from water sources and/or transfer of the same to suppliers for its scientific disposal.

**Environmental Baseline Database for the “Star Agri Ahmedpur” CMA Proposal sourced from the Farmer Producers and the related Enterprises is given below:**

### **A. Production Stage**

#### **A.1. Basic Production Related Information for the Given Agri- Commodity (ies)**

Sr No.	Enlist Name of the Agri-Commodity (ies)	Production Through-Agrochemicals or Organic Method	Total Area under Production in Ha.	Quantity Produced in Tons/Ha. /Yr	Irrigation Type-Rain fed/Canal/ Drip/Sprinkler	Water Requirement for Irrigation in (Litres/Ha. or m <sup>3</sup> /Ha. Per Yr.
1.	Tur	Agrochemical	13368	1	Rain fed	800 Litres/Ha. /Yr
2.	Jowar	Agrochemical	3060	1.5	Rain fed	550 mm of rainfall
3.	Soybean	Agrochemical	39613	2	Rain fed	45 Lakh Litres/Ha. rainwater is required for soybean from cultivation to harvesting

#### **A.2. Maximum Residue Limit (MRL) Compliance for Export and Local Markets**

##### **For Agro-Chemicals Usage- Pesticides/Insecticides/Weedicides**

Sr. No.	Name of the Agro-Chemical's Used	Name of the Target Pest(s) and Frequency of Attack (Frequent-Annual/biennial or Rare)	Type-Pesticide/Insecticide/Weedicide	Quantity Applied Solid-(kg/ha/yr) Liquid (ml/ha/yr)	Price (INR/Kg) or (INR/Litre)	MRL (Mg/Kg) Prescribed by FSSAI Regulation 2011	Actual
<b>Tur</b>							
1.	Chlorpyrifos	Frequently	Pesticide	1 Lit/Ha	560/Lit	2 mg/kg	Below MRL

Sr. No.	Name of the Agro-Chemical's Used	Name of the Target Pest(s) and Frequency of Attack (Frequent-Annual/biennial or Rare)	Type-Pesticide/Insecticide/Weedicide	Quantity Applied Solid-(kg/ha/yr.) Liquid (ml/ha/yr.)	Price (INR/Kg) or (INR/Litre)	MRL (Mg/Kg) Prescribed by FSSAI Regulation 2011	Actual Above MRL Below MRL
2.	Profex Super	Frequently	Insecticide	1 Lit/Ha	533/Lit	0.03 mg/kg	Below MRL
3.	Coragen	Frequently	Insecticide	90 MI/Ha	350/100 MI	0.03 mg/kg	Below MRL
<b>Jowar</b>							
1.	Chlorpyrifos	Frequently	Pesticide	1 Lit/Ha	560/Lit	2 mg/kg	Below MRL
2.	2-4-D	Annual	Weedicide	250Kg/ha	500/kg	2 mg/kg	Below MRL
<b>Soybean</b>							
1.	Profenofos	Frequently	Insecticide	150 gm/ha	2300/kg	0.75mg/kg	Below MRL
2.	Coragen	Frequently	Insecticide	90 MI/Ha	350/100 MI	0.03 mg/kg	Below MRL

### 3. For Fertilizers- Synthetic, Organic Fertilizer or Both (Represent Separately)

Sr. No.	Name of the Synthetic Agro /Organic Fertilizer	Type- Synthetic or Organic Fertilizer	Quantity Applied (Solid- kg/ha/yr.) Liquid (ml/ha/yr.)	Price (INR/Kg) or (INR/Litre)	Whether Soil Health Card (SHC)– Issued/Not-Issued	Whether Fertigation done as per SHC
<b>Tur</b>						
1.	12:32:16	Synthetic	100kg/ha/yr.	1290/100kg	Issued	Yes
2.	D.A.P	Synthetic	100kg/ha/yr.	1460/100kg	Issued	Yes
3.	10:26:26	Synthetic	100kg/ha/yr.	1280/100kg	Issued	Yes
4.	Neem Cake	Organic	50kg/ha/yr.	1000/100kg	Issued	No
5.	Farmyard Manure	Organic	10 Tons/ha/yr.	2000/ton	Not Issued	No
<b>Total</b>						
<b>Jowar</b>						
1.	12:32:16	Synthetic	100kg/ha/yr.	1290/100kg	Issued	Yes
2.	D.A.P	Synthetic	100kg/ha/yr.	1460/100kg	Issued	Yes
3.	10:26:26	Synthetic	100kg/ha/yr.	1280/100kg	Issued	Yes
<b>Soybean</b>						
1.	12:32:16	Synthetic	100kg/ha/yr.	1290/100kg	Issued	Yes

Sr. No.	Name of the Synthetic Agro /Organic Fertilizer	Type- Synthetic or Organic Fertilizer	Quantity Applied (Solid- kg/ha/yr.)	Price (INR/Kg) or (INR/Litre)	Whether Soil Health Card (SHC)– Issued/Not-Issued	Whether Fertigation done as per SHC
			Liquid (ml/ha/yr.)			
2.	D.A.P.	Synthetic	100kg/ha/yr.	1460/100kg	Issued	Yes
<b>Total</b>						

#### A.4 For Pest Management and Training Need Assessment

Sr. No.	Name of the Agri-Commodity (ies)	Number of IPM Demonstrations Done (if any)	Area in Ha. Brought under IPM	Number of INM Demonstrations Done (if any)	Area in Ha. Brought under INM
1.	<b>Soybean</b>	-	900 ha	-	900 ha
2.	<b>Jowar</b>	-	400 ha	-	400 ha
3.	<b>Tur</b>	-	200 ha	-	200 ha

#### A.5. Waste Production

Sr. No.	Type of Waste Generated	Quantity Produced (tons/ha/yr.)	Is it Reused on Field? (Yes/No)	Purpose of Reuse		Disposal Method	
				Storage and Cleaning	Field Application	Open Dumping/ Underground Burial	Collection by Supplier/ CBOs
<b>Tur</b>							
1.	Biodegradable Waste – Plant Residue (stalks, bagasse, drops and pruning's)	--	Yes	Yes	Yes	--	--
2.	Non-Biodegradable Waste (Pesticide/Fertilizer Plastic Containers, Plastic Bags, Sheets)	--	Yes	Yes	Yes	--	--
<b>Total</b>							
<b>Jowar</b>							
1.	Biodegradable Waste – Plant Residue (stalks, bagasse, drops and pruning's)	<b>10 Ton</b>	Yes	Yes	Yes	--	--
2.	Non-Biodegradable Waste (Pesticide/Fertilizer Plastic Containers, Plastic Bags, Sheets)	--	Yes	Yes	Yes	--	--
<b>Total</b>							

Sr. No.	Type of Waste Generated	Quantity Produced (tons/ha/yr.)	Is it Reused on Field? (Yes/No)	Purpose of Reuse		Disposal Method	
				Storage and Cleaning	Field Application	Open Dumping/ Underground Burial	Collection by Supplier/ CBOs
<b>Soybean</b>							
1.	Biodegradable Waste – Plant Residue (stalks, bagasse, drops and pruning's)	11 Ton	Yes	Yes	Yes	Yes	--
2.	Non-Biodegradable Waste (Pesticide/Fertilizer Plastic Containers, Plastic Bags, Sheets)	--	Yes	Yes	Yes	Yes	--
<b>Total</b>							

**A. 6. Area brought under GLOBAL G.A.P. (Good Agricultural Practices) or INDGAP Certification whichever is applicable: 0 (Ha.)**

**B. Harvesting and Storage Stage- SMART Support for Equipment's and Technologies**

Sr. No	Name of the Harvesting, Storage Activity and/or Operation Machinery	Name of the Machinery Used Ex: Thresher/Combined Harvester/DG Set/Cold Storage	Diesel/Petrol Consumed in Litres / ton of agri-produce)	Electricity Consumed in (kWh / ton of agri-produce)	Source of Electricity- Grid Supply/Solar/Co-generation (Within Unit)
<b>Tur</b>					
1.	By Labour cutting	Thresher	7 Lit/ton	--	--
2.					
<b>Jowar</b>					
1.	By Labour cutting	Thresher	6 Lit/ton	--	--
2.					
<b>Soybean</b>					

### C. Transportation Stage

Sr. No.	Purpose of Transportation		Mode of Transportation used- Truck/Van/ Tempo/Bullock Cart/Others	Average Distance Travelled in Kms per Trip	Type of Fuel- Diesel/Petrol	Quantity of Fuel Used in Litres/Km	Average price of the Fuel in INR/Litre
	From	To					
<b>Tur</b>							
1.	Field Production	Aggregation Point	Tempo /Bullock cart	7.40 kms	7.20 Ltr	7.20 Ltr	70
2.	Aggregation	Processing					
3.	Processing	Trader/ Retailer					
<b>Jowar</b>							
1.	Field Production	Aggregation Point	Tempo /Bullock cart	7.40 kms	7.20 Ltr	7.20 Ltr	70
2.	Aggregation	Processing					
3.	Processing	Trader/ Retailer					
<b>Soybean</b>							
1.	Field Production	Aggregation Point	<b>Tempo /Bullock cart</b>	<b>7.40 kms</b>	<b>7.20 Ltr</b>	<b>7.20 Ltr</b>	<b>70</b>
2.	Aggregation	Processing					
3.	Processing	Trader/ Retailer					

### D. Processing Stage

Sr. No.	Name of the Processing Activity- Ex: Cleaning/Boiling/Drying Grading/Sorting or any Other (Pls name it)	Name of the Machinery Used	Diesel/Petrol/ furnace oil Consumed in Litres / ton of agri-produce)	Electricity Consumed in (kWh / ton of agri-produce)	Source of Electricity- Grid Supply/Solar/Co-generation (Within Unit)	Quantity of Waste Produced in tons for Processing one tonne of Agri-produce	Quantity of Wastewater Produced in Litres for Processing one tonne of agri-produce
<b>Tur</b>							
1.	NA	NA	NA	NA	NA	NA	NA
<b>Jowar</b>							

Sr. No	Name of the Processing Activity- Ex: Cleaning/Boiling/Drying Grading/Sorting or any Other (Pls name it)	Name of the Machinery Used	Diesel/Petrol/ furnace oil Consumed in Litres / ton of agri-produce)	Electricity Consumed in (kWh / ton of agri-produce)	Source of Electricity- Grid Supply/Solar/Co-generation (Within Unit)	Quantity of Waste Produced in tons for Processing one tonne of Agri-produce	Quantity of Wastewater Produced in Litres for Processing one tonne of agri-produce
1.	NA	NA	NA	NA	NA	NA	NA
<b>Soybean</b>							
1.	NA	NA	NA	NA	NA	NA	NA

**“Star Agri Ahmedpur” subproject proposal Component Specific Environmental Safeguards Requirements and related Environmental Inclusion Targets Proposed are mentioned below:**

Project Components	Component Interventions as per FPP	Environmental Safeguards Suggestions	Environmental Inclusion Targets and its Timeline
Cleaning & Grading	For aggregation of the produce in the warehouse, cleaning and grading for better price realization	<p>Cleaning &amp; Grading Units should be BEE star rated and fuel efficient (use of low Sulphur diesel) in machinery and DG Sets.</p> <p>The Crates to be procured should be of food quality and made up of ecofriendly plastic material.</p> <p>The collection and disposal of the Cleaning &amp; Grading Units waste should be as per Solid Waste Management Rules (SWM), 2016.</p>	<p>The average electricity consumption in a grading machine is 10.50 kWh/ton.</p> <p>With the use of energy efficient grading machine, electricity consumption would be targeted to be reduced by 10 % during the project period.</p>
Warehouse storage	For minimization of the post-harvest losses	<p>Erection of Warehouse storage structure should be as per Construction Management Guideline’s detailed out in the SMART’s ESMF report.</p> <p>Green infrastructure should be supported: LED based lighting, switch from traditional packing materials (plastic, thermocol) to products that are biodegradable (fiber cloth, ecofriendly material, etc.).</p> <p>The fuel (diesel) to be used in the DG Sets should preferably be of low Sulphur content 50 ppm (BS IV; Nationwide) and above standards.</p>	<p>With the promotion of Green Warehouse Infrastructure, kWh of coal-based electricity consumed shall be replaced by renewable energy sources (solar) by 50 % in the new warehouses and 25 % replacement in existing warehouses. For the same, electric meter reading would be referred during the project period.</p>
Warehouse receipt	To avail hassle free loan from the banks against the	To support the sustainable business, electronic Warehouse	Trainings would be provided to the stakeholders on

	warehouse receipt	receipt may be issued to the CBOs.	sustainable agricultural business practices within 01 <sup>st</sup> year of the project initiation.
Market intelligence & linkages	To overcome producer's dependency on Market Middleman's and to have larger pool of assured buyers	Facilitate inter-sectoral information-sharing on GAP practices through trade forums and consultation meetings.	The awareness on GAP for all the CBOs (100 %) to be completed within initial 02 years of the project initiation through the Farmer Field School (FFS).

Aligned with the recommendations of the ESMF, Overall; "Star Agri Ahmedpur" subproject stakeholders are required to follow the principles of environment & biodiversity protection, facilitate adoption of GAP, IPM and INM practices amongst its producers, foster aspects of food safety (MRL compliance), promote resource use efficiency, greenhouse gases emission reduction, reduce production and processing level solid and liquid waste discharges, foster sustainability, and promote climate smart agricultural value chain development.

## Social Safeguards

### CBO Information:

#### 1: Social Inclusion:

In the Collateral Management Plan, Ahmedpur Vikas Seva sahakari society ltd. Ahmedpur Dist. Latur is involved. Currently the CBO is working in 6 villages of Ahmedpur Block of Latur district.

a. Land holding & Sex disaggregated details: The membership details of the CBO with respect to land holding and sex disaggregation at present are given in Table No 1 as below;

Table 1- Current status of CBO farmers on land holding and social category													
Small & Marginal Farmers							Others (Big & Medium Farmers)						
Total No. of Farmers	Male	Female	SC	ST	NT	Others	Total No of farmers	Male	Female	SC	ST	NT	Others
1490	1290	200	40	0	522	928	360	360	0	0	0	78	282

Source: Information from CBOs

From the table 1, it is observed that currently CBOs has 1850 producer members out of which 80 percent (1490) falls in small and marginal category. Out of total members, 11 percent (200) are female members and belongs to small and marginal category. Out of total female members 55 percent have the land title on their name. The membership of SC is 2 percent and belongs to small and marginal category whereas NT representation is 32 percent (600). Out of total NT producers, 87 percent falls in small and marginal category.

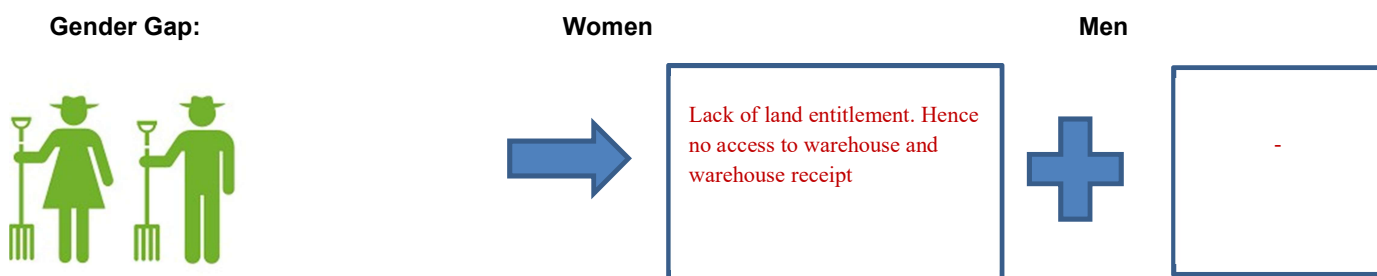
#### b. Details of Board of Director

Table No.2: Details of Board of Directors									
Name of CBO	Total No of Directors			Women on signatory positions	Social Category				
	M	F	Total		SC	ST	NT	OBC	Other
Ahmedpur Vikas Seva sahakari society ltd. Ahmedpur	4	1	5	-	1	-	1	2	1

Source: Information from CBO

As indicated above, out of total BoDs, 20 percent are women BoD. As signatories, no women representation is observed. 10 percent representation in BoD is from Scheduled Caste and 10 percent from Nomadic tribes.

**Gender Analysis:**



Based on the baseline and in adherence with the Social Management Framework, the Safeguard Plan is as below:

**Social Safeguard:**

**I. World Bank Operational Policy:**

Activity	Description	Targets for CBOs
1. OP 4.10 Indigenous people	The operational district i.e. Latur is not a part of Schedule V districts	-
2. OP 4.12 Involuntary resettlement	As per the ESMF, compliance will be ensured in case of civil works, which may lead to temporary / permanent loss of asset / shelter/ livelihood	Renovation of existing warehouse. Hence there will not be involuntary resettlement. For grading and cleaning machine, the land is required. The rent/lease agreement of the land will be attached by the CBO in the FPP.

**II. Other Social issues:**

Issue	Description	Risk Mitigation
1.Women's Land entitlement	Lack of land ownership restricts women's access to warehouse and warehouse receipt	Special campaign/program/sensitization for land entitlement of women
2.Labour Management	Civil works are envisioned for renovation.	Compliance with Labour Management Framework

**III. Social Inclusion Plan: Targets**

Small & Marginal		Women		ST		NT		SC	
Current CBO baseline	Target	Current CBO Baseline	Target	Current CBO baseline	Target	Current CBO baseline	Target	Current CBO baseline	Target
80%	Increase by 5% against baseline	11%	Increase by 19% against baseline	0%	Increase by 5% against baseline if population exists	32%	-	2%	Increase by 5% against baseline

#### IV. Gender Integration: Targets

Activity	Sub-activity	Target for CBOs	Indicator	Outcome
<b>Trainings/Workshop</b>	Identification of farmer	30%	% of women covered	Increased knowledge of women
<b>Promoting women in BoD</b>	Inclusion of women in BoD of CBO	30% women BoD At least one women signatory	% of women member in BoD of FPO  % of women as signatory authority in BoD of FPO	Increased participation of women in decision making
<b>Labour Management Framework</b>	Facilities to be provided at Labour camp	-Crèche -Mechanism to address the gender-based violence	No of facilities provided	Enabling Environment created for women





### UTILIZATION CERTIFICATE

**Name of The CBO AHMEDPUR VKSS, AHMEDPUR**

**District: LATUR**

**Sub - Project Proposal Productive Partnership Amount approved**

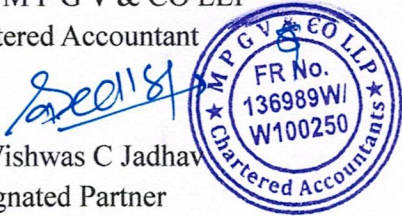
**Audit Utilization Certificate Format (to be issued at the time of completion of sub-project activity as per grant agreement)**

Receipts	Grant	Own Contribution	Payment And Nature of Expenses	Grant	Own Contribution	Over and above sub-project Proposal cost
			<b>Management organization service charge (amt in Rs. 1.54)</b>	<b>0</b>	<b>0</b>	
1 <sup>st</sup> Tranch	11,41,814.00	13,64,423.00	Renovation of Warehouse (Amount in Rs. 9,60,000)	5,76,000.00	3,84,000.00	0
			Cleaning and Greeding Machine (Amount in Rs.9,38,400.00)	563040.00	375360.00	0
			Stitching Machine (Amount in Rs. 14200) Amrata Cable (in Rs. 73,500)	2774.00	84,926.00	0
			IOT-RFID, CCTV, Smoke Detector, IT Equipment, Security Alarm, Investor, Weight Scale (Amount in Rs, 2,10,080)	0	2,48,580.00	0
			Pre-operative Expenses (amount Rs. 2,06,528.00)	0	2,06,528.00	0



			Operator Salary	0	65,029.00	0
Total	11,41,814.00	13,64,423.00		11,41,814.00	13,64,423.00	

FOR M P G V & CO LLP  
Chartered Accountant



CA Vishwas C Jadhav  
Designated Partner  
MRN -138686  
FRN – 136989W/W100250  
UDIN - 25138686BMGYBP3273  
Date – 10.06.2025