



Hon. Balasaheb Thackeray Agribusiness and Rural
Transformation (SMART) Project

Full Project Proposal (FPP)

Sub-Project Title: 510 MT WAREHOUSE, CLEANING, GRADING AND PACKING PLANT

Submitted by

NAYRA FARMER PRODUCER COMPANY LIMITED

Community Based Organization (CBO),

KALMESHWAR, NAGPUR

Index

Section 1 :- Preliminary information of CBO

Section 2 :- About selected Crops, marketable surplus and its value chain

Section 3 :- About proposed Sub –project

Section 4 :- Sub Project Implementation Plan

Section 5 :- Sub-project Budget and Financial Analysis

Section 6 :- Assumptions

Section 7 :- Social Action Plan

Section 8 :- Environmental Action Plan .

Section 9 :- Procurement Plan

Section 1- Preliminary information of CBO

1.1 General information

1.	Name of the Community Based Organization (CBO)	NAYRA FARMER PRODUCER COMPANY LIMITED
2.	Address	PLOT NO. 65, JAI DURGA LAYOUT NO. 1, NARENDRA NAGAR, NAGPUR, MAHARASHTRA 440015
3.	Details of the contact person	Name: MANOJ PRABHAKAR MAHAJAN Designation in CBO: DIRECTOR Mobile Number: 9673055725 Email: nayrafarmerproducercompany@gmail.com

1.2 About registration of organization

1.	Organization type (please mark (v) on appropriate option)	1. Farmer Production Company (FPC) <input checked="" type="checkbox"/> 2. Cluster Level Federation (CLF) 3. Community Management Resource Center (CMRC) 4. Other
2.	Whether organization is registered?	Yes
2.1	If yes, under which act	COMPANIES ACT 2013
2.2	Year of registration and registration number	Registration date: 05/01/2022 Registration number CIN- U01100MH2022PTC374446
3.	PAN number of the organization	AAICN0114H
4.	Udyog Aadhar number / Udyam registration No. of the organization	UDYAM-MH-20-0094522
5.	Authorized Capital of organization (Rs. In Lakhs)	15,00,000/-
6.	Paid up capital of organization (Rs. In Lakhs)	7,61,000/-

1.3 Details of Board Members

No.	Name of the BoD	Gender M/F	Social category	Land Holding (Ha)	Designation	Education	PAN No.	Aadhar No.	Contact number (mobile number)
1	MANOJ MAHAJAN	M	OBC	1.47	DIRECTOR	BE, MBA	APHPM0760K	616995787695	9673055725
2	SANGITA YUVNATE	F	ST	1.94	DIRECTOR	12th	BKNPY6537J	453940410553	8766784097
3	MANISH BOBDE	M	OBC	2.80	DIRECTOR	BE	DGEPB5113A	486999544007	8888740191
4	NITIN ULMALE	M	OBC	1.07	DIRECTOR	ITI	ADZPU0385Q	281104851431	9665112290
5	SURYAKANT DHOBALE	M	OBC	1.62	DIRECTOR	BA	BLZDP9171N	732428092970	9765597208

Note: Kindly use short form for presenting social category i.e. SC, ST, NT, OBC and General of each BoD

1.4 Details of trainings in which BoD members were participated as trainee

No.	Name of the training	Duration (days)	Name of organizing agency	Topics covered	Name of members participated in training
1.	FPO Compliance	One day	Agriculture Department	Documents and compliances of ROC	Manoj Mahajan
2.	Import and Export	One day	Vidarbha Industries Association	Import and Export process and documents requirement	Manoj Mahajan

1.5 Details of shareholders / members of CBOs

Total No. of shareholders	Female	Male	Scheduled Castes	Schedule d Tribes	Marginal Farmers (0-1 ha)	Small farmers (1-2 ha)	Medium farmer (2-5 ha.)	Big farmers (More than 5 ha.)	Tenants	landless
927	281	646	64	16	94	555	125	65	53	35

1.6 Details of other participating CBOs if any (If there is more than one promoter agency (CBO), then provide details of other agencies in following table)

No.	Name of agency	Address	Name of contact person	Contact no.	Total number of members / shareholders

1.7 Details of movable and immovable property owned by the organization

SN	Types of assets	Unit	Total units	Present market value per unit (Rs.)	Total market value (Rs.)
A	Immoveable Assets				
1	None	----	-----	-----	-----
	Total (A)				
B	Moveable asset	----	-----	-----	-----
1	Office furniture	2	2	25,000	50,000
	Total (B)	2	2	25,000	50,000
	Gross total (A+B)	2	2	25,000	50,000

Note: provide details of assets owned by organisation such as. Land , building , agri. produce collection centre , cleaning and grading machinery , Processing related machineries, other available machinery and equipment if any, warehouse , cold storage, vehicle , furniture , IT related infrastructure such as computer, printer etc.

1.8 Details of licenses obtained by CBO (DML, Udyog Aadhar / Udyam registration , shop act and other licenses)

SN	Name of license	Issuing agency/department	License no and date of issuing	Validity (duration)
1	Shop act License	Maharashtra Government (Apale Sarkar)	112575672203 Date- 21/12/2022	----
2	MSME Udyam registration	Government Of India (MSME)	UDYAM-MH-20-0094522 Date – 08/09/2022	----
3	Startup certificate	Department for promotion of industry and internal trade	DIPP115213 Date- 27/11/2022	04/01/2032
4	GST Certificate	Government Of India	27AAICN0114H1ZS Date – 12/01/2023	----

1.9 Details of ongoing business activity of CBO along with snapshot on farmers participation (year 2022 to 2023)

Sr.No.	Name of business activity	Number of participated members	
		Members of CBO	Non-member
A	Aggregation and bulk marketing of agri. / Horti commodities		
1	Tur Dal	200	100
2	Chana Dal	250	50
3	Wheat	150	40
B	Primary processing on agricultural commodities (cleaning and grading)		
1	---	---	---
2			
C	Bulk procurement and selling of agricultural inputs (Fertilizer, seeds etc.)		
1	---	---	---
D	Seed production		
1	---	---	---
E	Others (e.g. processing, direct marketing, custom hiring center etc.)		
1	---	---	---

1.10 Annual turnover of CBO (last three years)

Details	Year- 2022 to till	Year- 2021 to 2022	Year- 20-- to --
Annual turnover (Rs. Lakh)	12,20,000.00	20,000.00	

Note: -Annual turnover should be given as per the audit report. Definition of turnover is as follows

“Turnover ” means the gross amount of **revenue** recognized in the profit and loss account from the sale, supply, or distribution of goods or on account of services rendered, or both, by a company during a financial year.)

Section 2 – About selected Crops, marketable surplus and its value chain

2.1 Details of major crops selected for sub-project and its marketing status (average of last three years)

No.	Crop	CBO members Area under particular crop (Acres)	Average productivity (Quintal per Acre)	Total Production (Quintal)	Marketable surplus (Quintal)	Quantity of produce Aggregated and sold by CBO (Quintal)	Quantity of produce sold by member at individual level (Quintal)
1	Soybean	1770	9	15930	15930	4779	11151
2	Pigeon Pea (Tur)	1475	6	8850	8408	2500	5885
3	Rice	885	15	13275	10600	3180	7420
4	Wheat	1180	9	10620	8500	2550	5950
5	Chickpea (chana)	590	9	5310	5310	1600	3717
Total Marketable Surplus					48748		

2.1.1 Details of agro produce aggregated and sold by CBO (Average of last three years)

No.	Buyer	Agriculture Commodity (quantity in MT)
1	Processor	Nil
2	Exporter	Nil
3	Organized Retail Chain	Nil
4	Direct marketing License (DML) holder	114
5	Otherspecify	Nil

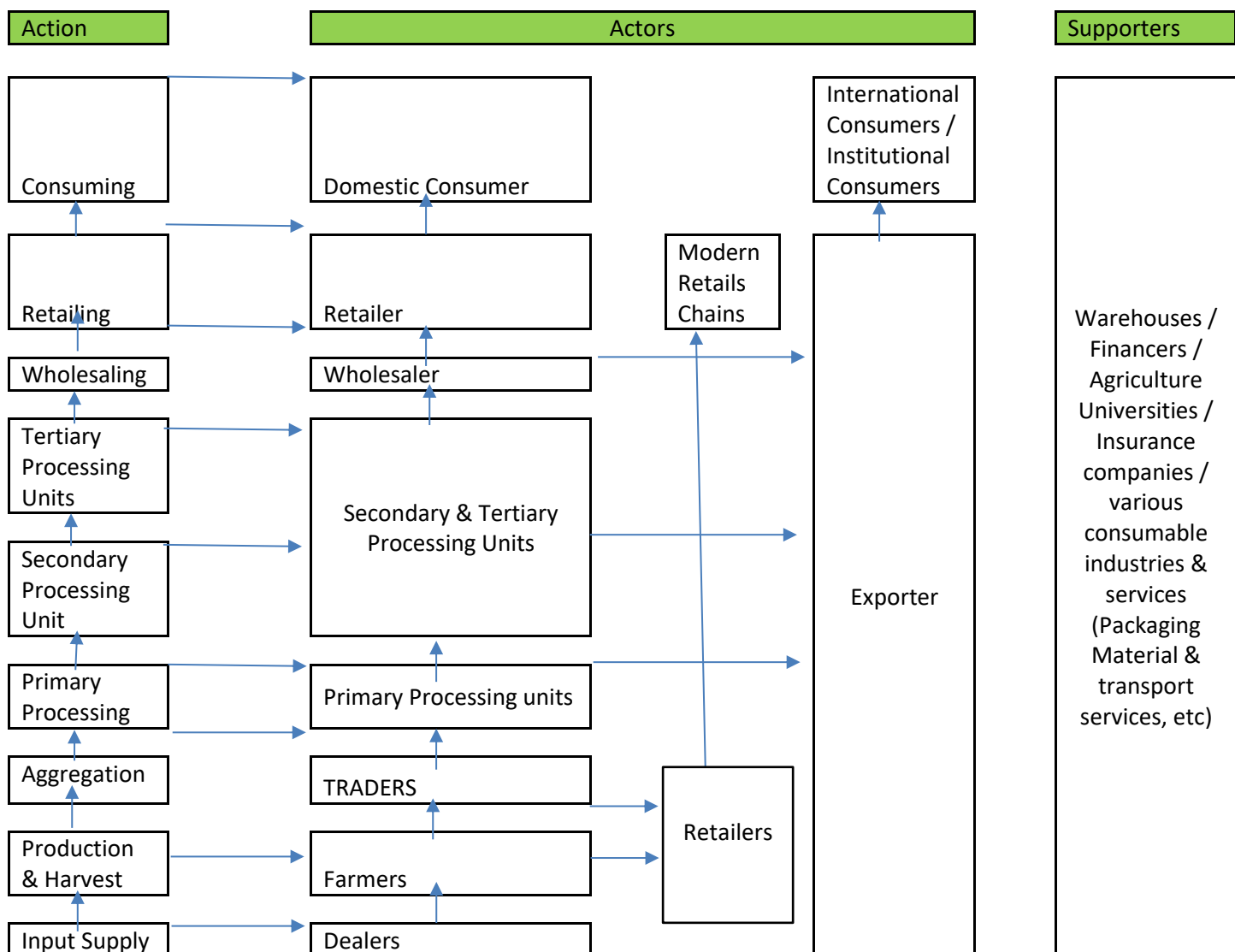
2.2 Existing value chain of key crops

A 'value chain' in agriculture identifies the set of actors and activities that bring a basic agricultural product from production in the field to final consumption, where at each stage value is added to the product.

2.2.1 Value chain of the selected crop (key chain) along with percentage of the marketable surplus is sold? (Please refer annex for knowing how to write value chain.)

In the existing scenario of trading, the following value chain is followed. We hereby showing existing value chain of crops sold in the market. In the Process, members of CBO- Farmers used to produce the crops and sell directly to market at manipulated rate as they have to sell at wholesaler dictated price due to which farmers profit become compromised. CBO bought some portion of produce from farmers and sell directly. Therefore CBO is engaged in trading of the crops, as the quantity of the crops is minimal, CBO is not able to generate higher profit

EXISTING VALUE CHAIN FOR ALL TARGETED CROPS



EXISTING VALUE CHAIN FOR ALL TARGETED CROPS

In the current value chain, a number of functionaries/intermediaries such as commission agents, wholesalers, retailers, etc. are involved in the marketing of grains in the district. Because of the lack of proper sorting and grading system, sometimes the purchasing agencies in the market reject (rather offer very low prices) the produce citing poor quality. In such a condition, the farmers incur losses as they get very low prices for their produce.

Moreover, there is a lack of sorting, grading and storage facilities in the project location. The use of storage services by farmers is limited and even if they operate on rental model, the capacities are mostly full as larger traders keep their different commodities and products for longer periods.

As can be seen in the current value chains of each of the project targeted crops, the use of sorting and grading operations and their storage plays an important link in the value chain. Notably, the prices of these crops move drastically annually, based on availability, quality and season. The use of grading and storage services is the perhaps the best option (for farmers) to gain greater prices on top grades and have a more reliable and assured market like processors, exporters and modern retail chains.

In the Current Value Chain, the traders has been aggregating the produce (targeted grains) from member and non-member farmers and assisting in market facilitation. Since, the CBO does not own sorting and grading unit; it only sells the aggregated (farm level graded) produce to mandi traders and charges sales facilitation.

In this context, the CBO has undertaken extensive study and has understood several aspects regarding the sorting, grading and supply chain. The CBO in its study found that proper storage conditions are needed to lengthen storage life and maintain quality once the crop has been harvested.

The CBO thus understood that to grow and move up in the value chain, it needs to first have the right infrastructure in place as the first step. This will allow the CBO to sell graded produce and have direct linkages with exporters, processors and modern retail chains. In this regards, the CBO also spoke with several of these potential buyers and understood the quality required by them.

The CBO, over past several months of research, has gained deeper understanding of supply chain and understands the fact that wastages and leakages in food can only be avoided through scientific storage and efficient supply chain. Good agricultural practices with 'farm to fork' traceability coupled with right preservation are the most essential aspects which can positively turn around income levels of cluster farmers. It will most certainly increase the sales realization to farmers and provide safe and traceable food for consumers, possibly without increasing any cost burden on consumer (as this would also enable direct market access to farmers).

The CBO also researched on the appropriate capacity of storage that should be set-up and should be viable. On interacting with various machine suppliers and existing

operators in the Vidarbha region, it was apparent that a minimum 3 TPH capacity cleaning and grading unit along with 510 MT capacity godown is a suitable option.

Having understood this dynamics, the CBO consulted the productive partner as well and took a call they should target a 3 TPH cleaning and grading unit along with 510 MT warehouse / storage as the logical expansion to their existing aggregation activities.

In lack of the (now proposed) infrastructure, the CBO/even farmers are currently unable to directly market their produce to high-end institutional buyers like exporters, processors premium retail buyers or even undertake direct 'brand' of fresh vegetable products. This, obviously, limits the level of profits of both CBO and farmers.

The CBO, through the proposed project, aims to set-up a 3 TPH **Cleaning and grading unit along with 510 MT warehouse / storage**, so it can supply the products to productive partner as well as to other high-end buyers and even target direct consumers. The CBO also targets direct exports in medium term (4-5 years).

2.2.2 Challenges in existing value chain of selected crops

CBO faces following challenges to operated

1. As the CBO has no storage & sorting, cleaning, grading and packing facility, CBO could not procure crops from farmers thus business activities of CBO is limited to retailing only
2. Farmers are not interested to sell less quantity for trading purpose only as they would trade the same at effective rate without third party intervention.
3. CBO is also not able to sell the produce directly to consumer as the grains are full of impurities & not fit for direct consumption.
4. CBO is also not able to sell its products for international consumers due to lack of international standards.

2.2.3 Potential remedies to address above issues in value chain

With the help of this SMART Project, CBO will be able to address these issues:

1. With the operation of storage & sorting & grading unit, CBO will be able to sell its products directly to wholesaler, retailer & consumers.
2. CBO will directly purchase from Farmers thus Farmers will be benefited with no price manipulation by intermediaries.
3. CBO will directly produce and will able to sell its products to international consumers as with this set up, the Finished products will be of international standards.

2.3 Whether the CBO has conducted market survey for mapping potential buyers / market?

Yes /No

2.3.1 If yes, please provide details

1. NAISARGIKAGRO FARMER PRODUCER COMPANY LTD.

2. GINNI AGRO PRODUCTS PRIVATE LIMITED

3. CHOUDHARY MILLING INDUSTRIES

4. Snera Agrotech private limited

2.3.2 Details of potential buyers/markets identified through survey

No.	Name of buyer/market	Address	Contact person and its No.	E-mail Id	Agri. / Horti. Produce
1	SNERA AGROTECH PVT. LTD	119, RADHANAND NAGAR, MANEWADA BESA ROAD NAGPUR – 440037	DIRECTOR – JITENDRA DHOBLE CELL NO. 9529104530	CONNECT@SNERAAGROTECH.COM	Agri Produce

Section 3: About proposed Sub -project

1. **Name of the proposed sub Project:** 510 MT WAREHOUSE, CLEANING, GRADING AND PACKING PLANT.

2. **Type of sub project** (please mark (√) on appropriate option)

2.1 Sub project - Productive Partnership (PP) √

3. **Proposed objectives of the sub project :**

The commercial proposed facility will have a following objective ·

1. Production of grains / pulses which should be free of husks, stones and other foreign material ·
2. Facilitate agribusiness investments through inclusive business models that provide opportunities to small farmers
3. Support resilience of agriculture production systems to better manage increasing production and commercial risks associated with climate change.
4. Support value addition in the post-harvest segments of agriculture value-chains.
5. Capacity building through skill training, imparting technical knowledge on food safety, standards & hygiene and quality improvement
6. Support to Farmer Producer Organizations (FPOs), Self Help Groups (SHGs), producers cooperatives for capital investment, common infrastructure and support branding and marketing.

4. **About sub-project location:** AT Uparvahi, TA Kalmeshwar, Dist Nagpur.

5. **No. of Villages covered under sub project – 98**

6. **Details of existing infrastructure available for the proposed sub-project**

No.	Particulars	Details
1	Location of sub-Project	1. Village : Uparvahi 2. Grampanchayat : Uparvahi 3. Block : Survey no. 203/2 4. District: Nagpur 5. State: Maharashtra
2	Latitude and Longitude of the village	Longitude – 21.217007 Latitude - 78.869544

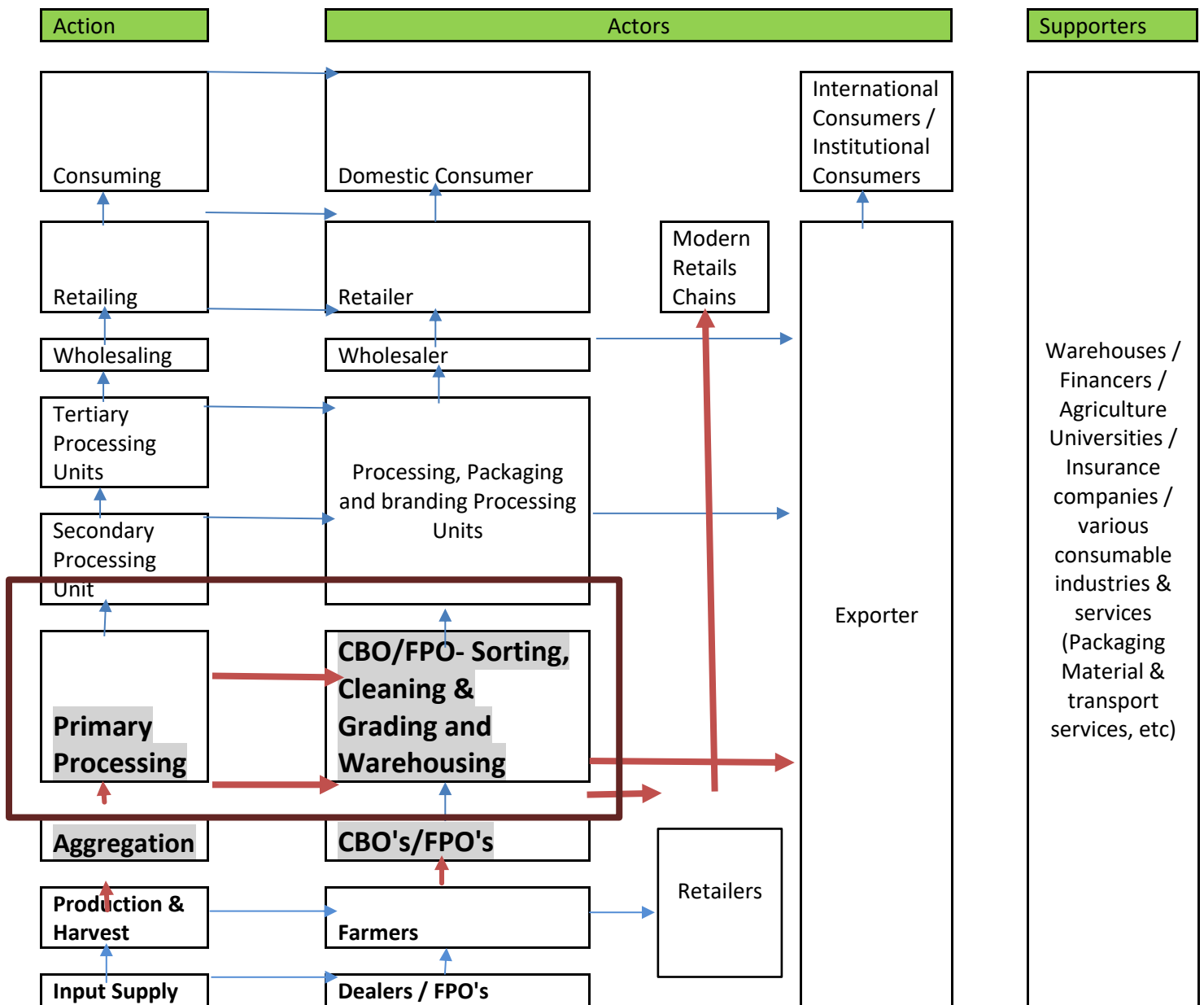
3	Total required land for establishing proposed sub project	10,000 Sq. Ft
4	Whether the land owned by organization	No if yes; provide following details Survey no/ Gat No----- Longitude -----Latitude-----
5	a. Is the land is on lease basis ; If yes; then its details b. Social Category of the land owner c. Whether the land is encroachment free	Yes Survey no/ Gat No-- 203/2 Tenure of agreement 29 year Date of agreement: Longitude - 21.217007 Latitude – 78.869544 OBC No (Certificate of non-encroachment to be attach by relevant authority like DIU Head)
	Proposed land use	Land under cultivation v Fallow land Industrial use
6	Details of facilities available at identified site	
6.1	Whether electricity supply is available	Yes If yes; provide following details Name of connection holder- Subhash Mankar Type of power connection: Single Phase v / Three phase Capacity: 5 HP
6.2	Whether water is require for running proposed sub project?	Yes Detail of facilities- How many months water is available 12 months in a year
6.3	Status of road connectivity at selected plot	Road connectivity – Yes

7. Agri. / Horti. Produce aggregation plan of CBO for next five years

Annual Quantity of produce (Quintal)

No	Name of commodity	2023 to 24		2024 to 25		2025 to 26		2026 to 27		2027 to 28	
		Quantity (Quintal)	%	Quantity (Quintal)	%	Quantity (Quintal)	%	Quantity (Quintal)	%	Quantity (Quintal)	%
1	soybean	12744	70%	13541	75%	14337	80%	15134	85%	15930	90%
2	Pigeon Pea (Tur)	6000	70%	7000	75%	8000	80%	8444	85%	8889	90%
3	Rice	7420	70%	8000	75%	9000	80%	10000	85%	11000	90%
4	Wheat	6800	70%	7225	75%	7650	80%	8075	85%	8500	90%
5	Chickpea (chana)	4248	70%	4514	75%	4779	80%	5045	85%	5310	90%

8. Proposed value chain of selected crop/ s (crop wise) (Please refer annex for knowing how to write value chain.)



Proposed Value Chain- All Targeted Crops

As can be seen in the above chart, by implementing sorting , grading unit and storage /godown facility the CBO will be eliminating dependence on sale to middlemen and enabling preservation and sales at appropriate time fetching most appropriate rates for different grades of produce. All of this will allow CBO and farmers to directly market their produce to large wholesalers, retailers/ retail chains, exporters. This is expected to increase value accruals to CBO, its farmers as well as to the productive partner.

9. Details of buyers selected for developing value chain: -

(Please provide details of the buyer who signed MoU with CBO)

SN	Details	Description		
1	Name of buyer	SNERA AGROTECH PVT. LTD		
2	Address and contact No.	119, RADHANAND NAGAR, MANEWADA BESA ROAD NAGPUR - 440037 Mob No. 9529104530		
3	Details of authorized person (name, designation, contact no. and E-mail id)	DIRECTOR – JITENDRA DHOBLE NO. 9529104530 Id - connect@sneraagrotech.com	CELL	Email
4	Type of buyer organization	1. Processor 2. Exporter 3. Registered buyers /trader 4. Organized Retailers e.g. D- Mart, Reliance 5. Other -----		
5	Whether the buyer is registered?	Yes If yes, then under which act - Indian Exporter certification		
6	Registration Number/ License Number	IEC NO. ABFCS4718L		
7	PAN number	ABFCS4718L		
8	Buyer total annual average requirement of produce (Quantity in MT)	49600 Quintal		
9	Quantity of produce to be procured by selected buyer – quantity as per MoU (Year 2023 to 2025)	crop	Year	Agro produce (ton)
		soybean / wheat/rice/pulses	2023	49600
		soybean / wheat/rice/pulses	2024	55600
		soybean / wheat/rice/pulses	2025	59600
10	Annual turnover of buyer Rs. lakh (last three years)	2020 to 2021	0	
		2021 to 2022	10	
		2022 to 2023	100	

10. Quality parameters of agri. / horti. produce to be procured

(Provide details of specific quality parameters as suggested by the buyer. Other terms and condition i.e. transportation, packaging material, availability of crates/ gunny bags etc.)

Sr.No.	Commodity	Quality parameter for procurement of produce	Other terms / Conditions for produce handing over / transaction
1	Wheat / soyabin	Foreign matter -1%(Max). Green, immature, shrunken seeds – 4%(max) Broken & splits- 3% (max) Damaged- 4% (max) Weevilled- 1% (max) White egg spot – 1% (max) Moisture- 11% (max) Varietal admixture :4% (max)	Transportation- borne by Buyer. Payment Terms- RTGS/ Cheque Payment same day
2	Rice	Desi unprocessed whole raw chana should be clean, and free from mathara, khesari and live infestation. Foreign matter -1%(Max). Green, immature, shrunken seeds – 4%(max) Broken & splits- 3% (max) Damaged- 4% (max) Weevilled- 1% (max) White egg spot – 1% (max) Moisture- 11% (max) Varietal admixture :4% (max)	Transportation- borne by Buyer. Payment Terms- RTGS/ Cheque Payment same day
3	RED GRAM / CHICKPEA	Desi unprocessed whole raw chana should be clean, and free from mathara, khesari and live infestation. Foreign matter -1%(Max). Green, immature, shrunken seeds – 4%(max) Broken & splits- 3% (max) Damaged- 4% (max) Weevilled- 1% (max) White egg spot – 1% (max) Moisture- 11% (max) Varietal admixture :4% (max)	Transportation- borne by Buyer. Payment Terms- RTGS/ Cheque Payment same day

11. How you decided price of commodity (Method for fixing of prices of commodities)

Pricing Mechanism :- A commodities price is determined primarily by the forces of supply and demand for the commodity in the market, hence the pricing mechanism will be driven by prevailing APMC Kalmeshwar market plus 5% to 10% market plus incidental charges thereof.

12. Responsibilities of CBO and the Buyer for developing value chain of crop commodity

Responsibility of CBO	Responsibility of buyer
<p>Solemnly Agrees to supply commodities in quantities, quality, and pricing mechanism as described here in adjacent box under the head (Buyer Responsibilities) unless for given logical reasons. Provided: 1. If any time during the given pricing mechanism if the prices of the commodities fall below any other alternative market available to CBO then CBO and Buyer will discuss the corrective action to be taken and reach the agreement regarding pricing issues and if both the parties (CBO and Buyer) fails to reach such agreement over pricing then CBO will be free to sale their produce through alternate marketing channels available to them.</p> <p>2. ARBITRATION: Any dispute between CBO and buyer will be resolved through arbitration. The arbitration authority would be head of PMU, Hon. Balasaheb Thackeray Agribusiness and rural transformation (SMART) Project as mutually agreed by CBO and Buyers. IF unsatisfied with arbitration process then CBO and Buyer free to approach court of law, Nagpur.</p>	<p>1. Quantities:-To buy following quantities with given quality parameters at given Pricing valuation:</p> <ul style="list-style-type: none"> • SOYABIN – 16000 (Quintal) • WHEAT – 8600 (Quintal) • RICE – 11000 (Quintal) • TUR – 8500 (Quintal) • CHANA – 5500 (Quintal) <p>2. Quality Parameters :- Following quality check of products are to be matched.</p> <ul style="list-style-type: none"> • RED GRAM – Foreign matter - 1%(Max). Green, immature, shrunken seeds – 4%(max) Broken & splits- 3% (max) Damaged- 4% (max) Weevilled- 1% (max) White egg spot – 1% (max) Moisture- 11% (max) Varietal admixture :4% (max) • CHICKPEA- Desi unprocessed whole raw chana should be clean, and free from mathara, khesari and live infestation. Foreign matter -1%(Max). Green, immature, shrunken seeds – 4%(max) Broken & splits- 3% (max) Damaged- 4% (max) Weevilled- 1% (max) White egg spot – 1% (max) Moisture- 11% (max) Varietal admixture :4% (max) <p>3. Pricing Mechanism :- A commodities price is determined primarily by the forces of supply and demand for the commodity in the market, hence the pricing mechanism will be driven by prevailing APMC Kalmeshwar market plus 5% to 10% market plus incidental charges thereof.</p>

Note: Provide details in bullet points on quality parameter/ quantity / transportation / payments / technology / produce handing over etc.

13. Proposed Business activity/ies

Note: Fill up the relevant activity under each component.

Secondary processing – Grain Cleaning & Grading / Trading / storage (Warehousing) – Mixed Model Business (Job Work & Sales)			
No.	Business/activities	Operational days in a year (Days)	Remark
1	Trading of Grains	365 Days	-
2	Cleaning-Grading of grains	200 Days	
3	storage Operations	365 Days	

14. What is the uniqueness and innovation in proposed sub-project?

As the Agriculture plays a vital role in the economy but the sector faces many challenges as the output has increased steadily but agribusiness and activity and value addition remains relatively low. It promote more resource efficient inclusive and diversified growth in rural sector. The following benefits will occur from the proposed sub-project.

1. Agriculture transformation and doubling of farmers income as direct benefit will transfer to farmers and no mediator or commission agent in between the channel.
2. Agribusiness jobs related to input supply, provision of technical services, and food processing.
3. Farmers will get due value of their product and no manipulation of price will happen.
4. Facilitate agribusiness investments through inclusive business models that provide opportunities to small farmers .Support resilience of agriculture production systems to better manage increasing production and commercial risks associated with climate change.
5. Support value addition in the post-harvest segments of agriculture value-chains.
6. Capacity building through skill training, imparting technical knowledge on food safety, standards & hygiene and quality improvement. 7. Support to Farmer Producer Organizations (FPOs), Self Help Groups (SHGs), producers→ cooperatives for capital investment, common infrastructure and support branding and marketing.

15. Key components of sub-project i.e. construction, machinery and other materials required for proposed business / activities

No	Details of proposed business/activities	capacity	Rate /Unit	Total Unit	Total amount (Rs.)
A	Business/Activity No. 1 Trading of Agri Comodities				
A1	Working Capital		LS		6,45,929
	Total (A)				6,45,929
B	Business/Activity No. 2 Grading & Sorting of grains				
B1	Building and Construction				
1	Shed (Cleaning, grading, packing Unit shed)	2000 sq.ft	1,295	1	2,590,315
B2	Machinery and equipment				
1	VERTICAL BUCKET ELEVATOR (3 SET)	3 TPH	31,88,950	1	31,88,950
2	SEED GRADER (1 SET)	3K			
3	MAGNETIC DESTONNER (1 SET)	3 TPH			
4	SEED GAVITY SEPARATOR (1 SET)	3 TPH			
5	STORAGE BIN (1 SET)	1 TON			
6	WEIGHTING SCALE (1 SET)	10-50 Kg			
7	SEED GRADER SLEVE (5 SET)	3 TPH			
8	SEED GRAVITY SEPARATOR DECK (1 SET)				
9	ELECTRICAL CONTROL PANEL (1 SET)	3 TPH			
10	PLANT INSTALLATION AND TRANSPORTATION				
11	BAG STITCHING MACHINE (1 SET)		10,000	1	10,000
11	MOISTURE METER (1 SET)		30,000	1	30,000
13	TRANSFARMER 50 KVA (1 SET)	50 KVA	1,00,000	1	1,00,000
B3	other				
1	Computer				
2	Printer				
3	Furniture				
	Preparatory work		5,10,000	1	5,10,000
	Total (B)				38,38,950
C	Business/Activity No. 3 Storage / Warehousing of Agri Comodities				
C1	Building and Construction				
1	Warehouse Shed	510 MT	11,608	1	5,920,175
	Total (C)				5,920,175
	Total (A+B+C)				1,29,95,369

Specify the benefits of working together to CBO its members and buyer

Benefits to CBO	Benefits to buyer	Benefits to members
<ul style="list-style-type: none"> • Un-interrupted supply of raw material for grading & Staging Cold storage, owing to better returns to farmers. • Assured sales of minimum fixed volumes to productive partner. • Greater revenue and profits for CBO • Enable sales of premium grades and preserved quality, owing to adoption of proposed technology • Larger share of market, through enhanced market access 	<ul style="list-style-type: none"> • Quality produce at reasonable price, owing to removal of middlemen chain • Un-interrupted and assured supply as per specifications • Streamlining of product supply chain and stronger backward linkages 	<ul style="list-style-type: none"> • Better Price realization for shareholders (Farmers) of their produce- in both instances- whether use job-work services or direct sale to CBO • Don't have to deal with middlemen or any unfair practices. • Assured market for the agricultural produce • Timely realization of sale proceeds.

Section 4 Sub Project Implementation Plan

4.1 Implementation of key activities proposed under sub-project

No.	Particulars of activities	Y1								Total
		M-1	M-2	M-3	M-4	M-5	M-6	M-7	M-8	
A	Construction of building									
a.	Warehouse shed	-	-	-	-	-	-			
i.	Structure	20%	20%	20%	20%	20%				100%
ii.	Wall	-	15%	20%	20%	20%	20%			95%
iii.	Roof	-	5%	20%	25%	25%	25%			100%
iv.	Plaster	-	-	25%	25%	25%	25%			100%
v.	Flooring	-	-	25%	25%	25%	25%			100%
vi.	Doors.	-	-	-	30%	35%	35%			100%
vii.	Ventilators	-	-	-	30%	35%	35%			100%
viii.	Painting	-	-	-	30%	35%	35%			100%
ix	Miscellaneous (Plinth protection, Drainage, Ant termite, Fire Fighting	-	-	-	30%	30%	30%	10%		100%
B	Plant and machineries'									
i.	Bagging and Conveyor	-	-	-	-	-	50%	50%		100%
ii.	Weigh bridge constructin and Weigh bridge installation	-	-	-	-	-	50%	50%		100%
C	Others....specify	-	-	-	-	-	-			
1	Pre-operative Exp	-	30%	35%	35%	-	-			100%

Section 5 Sub-project Budget and Financial Analysis

5.1 Sub project budget and means of finance

5.1.1 Budget

No.	Proposed component	Unit	Capacity	Unit rate	Total unit	Total amount (Rs.)
1	510 MT warehouse shed	LS	510 MT	59,20,175	LS	59,20,175
2	Cleaning, grading, packing Unit machine shed	LS	2000 Sq Ft.	25,90,315	LS	25,90,315
3	Cleaning & Grading Machine	LS	3 TPH	31,88,950	LS	31,88,950
4	Bag Stitching machine	LS		10,000	LS	10,000
5	Moisture meter	LS		30,000	LS	30,000
6	Transformer	LS	50 KVA	1,00,000	LS	1,00,000
7	Furniture and Fixture	LS	----	----	LS	----
8	IT Infrastructure	LS	----	----	LS	----
9	Working Capital	LS	----	6,45,929	LS	6,45,929
10	Preliminary and preoperative	LS	----	5,10,000	LS	5,10,000
Total				1,29,95,369		1,29,95,369

5.1.2 Means of finance

No	Component	Amount (Rs.)	Contribution (%)
1	SMART project support (subsidy)	74,09,664	60%
2	Bank loan	37,04,832	30%
3	CBOs own contribution	18,80,873	10%
	Total	1,29,95,369	100%

** If necessary, the applicant can approach to the bank for obtaining loan. (Borrowing loan from a bank is not mandatory under Smart Project)*

5.2 Financial Analysis

5.2.1 Project Cost Summary:

Sr. No.	Particular	Amount (Rs.)	Grant (%)	Grant Amount (Rs.)
1	510 MT warehouse shed	59,20,175	60%	35,52,105
2	Cleaning, grading, packing Unit machine shed	25,90,315	60%	15,54,189
3	Cleaning & Grading Machine	31,88,950	60%	19,13,370
4	Bag Stitching machine	10,000	60%	6,000
5	Moisture meter	30,000	60%	18,000
6	Transformer	1,00,000	60%	60,000
7	Furniture and Fixture	-	60%	-
8	IT & It Infrastructure	-	60%	-
9	Transport vehicle (Refer van and other)	-	60%	-
10	Preliminary Expenses	5,10,000	60%	3,06,000
11	Working Capital	6,45,929		
Total		1,29,95,369		74,09,664

**The above subsidy percentage is indicative. It may change based on the decision of State Proposal Approval Committee of Smart Project.*

5.2.2 Depreciation Estimates

Particulars	As per companies Act						
	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Assets							
Building							
Asset Value	85,10,490	82,40,707	79,70,925	77,01,142	74,31,360	71,61,577	68,91,795
Depreciation	2,69,783	2,69,783	2,69,783	2,69,783	2,69,783	2,69,783	2,69,783
Accumulated Depreciation	2,69,783	5,39,565	8,09,348	10,79,130	13,48,913	16,18,695	18,88,478
Net Fixed Assets	82,40,707	79,70,925	77,01,142	74,31,360	71,61,577	68,91,795	66,22,012
Plant and Machinery							
Asset Value	33,28,950	31,18,227	29,07,505	26,96,782	24,86,060	22,75,337	20,64,615
Depreciation	2,10,723	2,10,723	2,10,723	2,10,723	2,10,723	2,10,723	2,10,723
Accumulated Depreciation	2,10,723	4,21,445	6,32,168	8,42,890	10,53,613	12,64,335	14,75,058
Net Fixed Assets	31,18,227	29,07,505	26,96,782	24,86,060	22,75,337	20,64,615	18,53,892
Furniture and Electrification							
Asset Value	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-
Net Fixed Assets	-	-	-	-	-	-	-
Gross Fixed Asset	1,18,39,440	1,13,58,935	1,08,78,430	1,03,97,925	99,17,419	94,36,914	89,56,409
Total Depreciation	4,80,505	4,80,505	4,80,505	4,80,505	4,80,505	4,80,505	4,80,505
Accumulated Depreciation	4,80,505	9,61,010	14,41,515	19,22,020	24,02,525	28,83,030	33,63,535
Net Fixed Assets	1,13,58,935	1,08,78,430	1,03,97,925	99,17,419	94,36,914	89,56,409	84,75,904

5.2.2 Depreciation Estimates

Particulars	As per IT Act						
	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Assets							
Building							
Asset Value	85,10,490	76,59,441	68,93,497	62,04,147	55,83,732	50,25,359	45,22,823
Depreciation	8,51,049	7,65,944	6,89,350	6,20,415	5,58,373	5,02,536	4,52,282
Accumulated Depreciation	8,51,049	16,16,993	23,06,343	29,26,757	34,85,131	39,87,667	44,39,949
Net Fixed Assets	76,59,441	68,93,497	62,04,147	55,83,732	50,25,359	45,22,823	40,70,541
Plant and Machinery							
Asset Value	33,28,950	28,29,608	24,05,166	20,44,391	17,37,733	14,77,073	12,55,512
Depreciation	4,99,343	4,24,441	3,60,775	3,06,659	2,60,660	2,21,561	1,88,327
Accumulated Depreciation	4,99,343	9,23,784	12,84,559	15,91,217	18,51,877	20,73,438	22,61,765
Net Fixed Assets	28,29,608	24,05,166	20,44,391	17,37,733	14,77,073	12,55,512	10,67,185
Furniture and Electrification							
Asset Value	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-
Net Fixed Assets	-	-	-	-	-	-	-
Gross Fixed Asset	1,18,39,440	1,04,89,048	92,98,663	82,48,538	73,21,465	65,02,432	57,78,335
Total Depreciation	13,50,391	11,90,385	10,50,125	9,27,073	8,19,033	7,24,097	6,40,609
Accumalated Depreciation	13,50,391	25,40,777	35,90,901	45,17,975	53,37,008	60,61,105	67,01,714
Net Fixed Assets	1,04,89,048	92,98,663	82,48,538	73,21,465	65,02,432	57,78,335	51,37,726

5.2.3 Amortization

Particulars	Years	Y1	Y2	Y3	Y4	Y5
Preliminary Expenses	5	1,02,000	1,02,000	1,02,000	1,02,000	1,02,000
Total Value		1,02,000	1,02,000	1,02,000	1,02,000	1,02,000

**For ease of calculation it is suggested to use SLM (Straight Line Method)*

5.2.4 Bank Loan Projection

Loan Amount : 37,04,832
 Rate of Interest Per Annum : 12%
 Loan Tenure (in Years) : 5 yrs
 Moratorium Period (in Years) : 0.5 yrs

Year	Principal Outstanding	Interest	Principal
1	3,704,832	4,36,663	3,20,380
2	33,29,171	3,68,405	7,01,102
3	26,21,057	2,79,487	7,90,020
4	18,23,137	1,79,293	8,90,214
5	9,24,021	66,392	10,03,115

5.2.5 Revenue and Expenses Assumption

Sr. No.	Proposed Facility/ Activity Name	Capacity	Income @ 100% Capacity	Variable Cost @ 100 % Capacity	Fixed Cost @ 100 % Capacity
Note: kindly refer indicative example presented on next page. Kindly use one row for one business activity.					
1	Trading (Aggregation Centre, Cleaning & Grading Unit and Marketing)	30%	240 Days Operational (8 Hours Per Day) Grain for 240 Days (493 MT Processed) Average grain cost = 50290 per MT Total Income = 493 MT * 50290 = Rs. 2,47,92,970	Raw Material – 493 MT & Avg Grain cost = 48700 Raw material cost = 493 * 48700 = Rs. 2,40,09,100 Labour – (1 Labours X 240 Days X Rs. 400 = Rs. 96,000) Packaging Material – (INR 300 X 493MT = Rs. 1,47,000) Total Expenses = Rs. 2,42,,52,100	Administrative expense – Rs. 2,06,600 Total Expenses = Rs. 2,06,600
2	Grain processing (Aggregation Centre, Cleaning & Grading Unit and Marketing)	100%	200 Days Operational (12 Hours Per Day) Grain for 200 Days (1638 MT Processed) Average process cost = 1000 per MT Total Income = 1638 MT * 1000 = Rs. 16,38,000	Electricity – (20 Units X 200 Days X Rs. 10 = Rs. 40,000) Labour – (1 Labours X 200 Days X Rs. 400 = Rs. 80,000) Packaging Material – (INR 300 X 493MT = Rs. 1,47,000) Total Expenses = Rs. 2,67,000	Support staff salary – (1 X 12 Months X Rs. 20,000 = Rs. 2,40,000) Administrative expense – Rs. 4,13,200 Lease/ Rent – (Rs. 5,000 X 12 Months = Rs. 60,000) Total Expenses = Rs. 7,13,000
3	Warehousing / storage facility	100%	365 Days Operational (24 Hours Per Day) Grain for 365 Days (489.6 MT Processed) Average storage cost = 1000 per MT per year Total Income = 489.6 MT * 100 0= Rs. 4,89,600	Electricity – (20 Units X 365 Days X Rs. 10 = Rs. 73,000) Dunnage – (15 X 510 x 4 = Rs. 30,600) Fumigation - (8 x 510 x 12 = 48,960) Total Expenses = Rs. 1,40,800	Administrative expense – Rs. 4,13,200 Lease/ Rent – (Rs. 5,000 X 12 Months = Rs. 60,000) Total Expenses = Rs. 4,73,000

Example (indicative) :

Sr. No.	Proposed Facility/ Activity Name	Capacity	Income	Variable Cost	Fixed Cost
1	Dal Mill	1 TPH	<p>200 Days Operational (5 Hours Per Day) Tur for 120 Days (600 MT Processed) Tur Dal 70% - (420 MT X Rs. 70,000 = Rs. 2,94,00,000) Other By-products 30% - (180 MT X Rs. 15,000 = Rs. 27,00,000)</p> <p>Channa for 80 Days (400 MT Processed) Channa Dal 75% - (300 MT X Rs. 55,000 = Rs. 1,65,00,000) Other By-products 25% - (100 MT X Rs. 15,000 = Rs. 15,00,000)</p> <p>Total Income = Rs. 5,01,00,000</p>	<p>Raw Material – Tur (600 MT X Rs. 45,000 = Rs. 2,70,00,000) Channa (400 MT X Rs. 35,000 = Rs. 1,40,00,000) Labour – (10 Labours X 200 Days X Rs. 300 = Rs. 6,00,000) Electricity – (100 Units X 200 Days X Rs. 10 = Rs. 2,00,000) Packaging Material – (INR 300 X 1000 MT = Rs. 3,00,000) Total Expenses = Rs. 4,21,00,000</p>	<p>Manager salary - (1 X 12 Months X Rs. 30,000 = Rs. 3,60,000) Support staff salary – (4 X 12 Months X Rs. 15,000 = Rs. 7,20,000) Electricity – (100 kVA X 12 Months X Rs. 150 = Rs. 1,80,000) Lease/ Rent – (Rs. 10,000 X 12 Months = Rs. 1,20,000) Maintenance – (Rs. 10,000 X 12 Months = Rs. 1,20,000) Total Expenses = Rs. 15,00,000</p>
2	Trading (Aggregation Centre, Cleaning & Grading Unit and Marketing)	<p>Cleaning & Grading Unit -1 TPH</p> <p>Aggregation Centre – 20 MT</p>	<p>200 Days Operational (5 Hours Per Day) Wheat for 100 Days (500 MT Processed) Grade 1 - Wheat 70% - (350 MT X Rs. 20,000 = Rs. 70,00,000) Grade 2 - Wheat 30% - (150 MT X Rs. 17,000 = Rs. 25,50,000)</p> <p>Moong for 100 Days (500 MT Processed) Grade 1 - Moong 75% - (375 MT X Rs. 60,000 = Rs. 2,25,00,000) Grade 1 - Moong 25% - (125 MT X Rs. 50,000 = Rs. 62,50,000)</p> <p>Total Income = Rs. 3,83,00,000</p>	<p>Raw Material – Wheat (500 MT X Rs. 16,000 = Rs. 80,00,000) Moong (500 MT X Rs. 53,000 = Rs. 2,65,00,000) Labour – (8 Labours X 200 Days X Rs. 300 = Rs. 4,80,000) Electricity – (50 Units X 200 Days X Rs. 10 = Rs. 1,00,000) Packaging Material – (INR 300 X 1000 MT = Rs. 3,00,000) Total Expenses = Rs. 3,53,80,000</p>	<p>Manager salary - (1 X 12 Months X Rs. 30,000 = Rs. 3,60,000) Support staff salary – (4 X 12 Months X Rs. 15,000 = Rs. 7,20,000) Electricity – (50 kVA X 12 Months X Rs. 150 = Rs. 90,000) Lease/ Rent – (Rs. 5,000 X 12 Months = Rs. 60,000) Maintenance – (Rs. 5,000 X 12 Months = Rs. 60,000) Total Expenses = Rs. 12,90,000</p>

5.2.6 Projected Profit & Loss Statement

5.2.7 Cash Flow Statement Projection

Sr.	Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7
1	Operating Profit							
	Total Revenue	3,69,50,343	4,67,60,327	5,58,76,191	6,57,86,741	7,66,18,547	8,81,65,085	10,07,51,787
2	Equity/ Share capital	18,80,873						
	Reinvestment							
3	Smart Grant -in-Aid	74,09,664						
4	Long Term Loan	37,04,832						
5	Short Term Loan	-	-	-	-	-	-	-
	Sub Total (A)	4,99,45,712	4,67,60,327	5,58,76,191	6,57,86,741	7,66,18,547	8,81,65,085	10,07,51,787
Cash Outflow (Rs.)								
1	Capital Expenditure							
a	Land and Building	85,10,490						
b	Machinery and Equipment	33,28,950						
c	Furniture & Fixture	-						
d	It Infrastructure	-						
e	Vehicle	-						
f	Premilinary Expenses	5,10,000						
2	Operational Expenditure							
a	Variable Cost	3,44,48,088	4,21,11,870	5,04,55,808	5,95,28,584	6,93,82,786	8,00,73,419	9,16,59,658
b	Fixed Cost	17,77,000	18,65,850	19,59,143	20,57,100	21,59,955	22,67,952	23,81,350
3	Loan Repayment							
	LTL - Principal	3,20,380	7,01,102	7,90,020	8,90,214	10,03,115	11,30,336	12,73,690
	LTL - Interest	4,36,663	3,68,405	2,79,487	1,79,293	66,392	(60,828)	(2,04,183)
	STL - Principal	-	-	-	-	-	-	-
	STL - Interest	-	-	-	-	-	-	-
4	Tax	(3,02,588)	2,91,672	5,27,704	7,78,100	10,62,979	13,41,716	16,31,332
	Sub Total (B)	4,90,28,983	4,53,38,900	5,40,12,161	6,34,33,290	7,36,75,227	8,47,52,594	9,67,41,847
	Net Cash Flow (A-B)	9,16,729	14,21,427	18,64,030	23,53,451	29,43,320	34,12,491	40,09,940
	Opening Cash and Bank		9,16,729	23,38,156	42,02,187	65,55,637	94,98,957	1,29,11,448
	Cumulative Cash Balance	9,16,729	23,38,156	42,02,187	65,55,637	94,98,957	1,29,11,448	1,69,21,387

5.2.8 Balance Sheet Statement Projection

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7
ASSETS							
Current Assets							
Cash and Bank Balance	9,16,729	23,38,156	42,02,187	65,55,637	94,98,957	1,29,11,448	1,69,21,387
Accounts Receivables							
Other Current Assets							
Total Current Assets	9,16,729	23,38,156	42,02,187	65,55,637	94,98,957	1,29,11,448	1,69,21,387
Gross Fixed Assets	1,18,39,440	1,13,58,935	1,08,78,430	1,03,97,925	99,17,419	94,36,914	89,56,409
Less: Depreciation	4,80,505	4,80,505	4,80,505	4,80,505	4,80,505	4,80,505	4,80,505
Net Fixed Assets	1,13,58,935	1,08,78,430	1,03,97,925	99,17,419	94,36,914	89,56,409	84,75,904
Preliminary & Pre- operative Expenses	4,08,000	3,06,000	2,04,000	1,02,000	0	0	0
TOTAL ASSETS	1,26,83,664	1,35,22,586	1,48,04,111	1,65,75,057	1,89,35,871	2,18,67,857	2,53,97,291
LIABILITIES & SHAREHOLDERS EQUITY							
CURRENT LIABILITIES							
Short Term Debt (Working capital loan)							
Other Current Liabilities							
Total Curent Liabilities	0	0	0	0	0	0	0
Secured Long Term Debt	33,84,452	26,83,349	18,93,330	10,03,115	0	-11,30,336	0
Differed Tax Liabilities							
TOTAL LIABILITIES	33,84,452	26,83,349	18,93,330	10,03,115	0	-11,30,336	0
Share capital	18,80,873	18,80,873	18,80,873	18,80,873	18,80,873	18,80,873	18,80,873
Smart Grant -in-Aid	74,09,664	74,09,664	74,09,664	74,09,664	74,09,664	74,09,664	74,09,664
Reserves and Surplus							
Add: Opening Balance (P/L Account)	0	8,675	15,48,699	36,20,244	62,81,404	96,45,334	1,37,07,655
Profit & Loss) During the Year	8,675	15,40,024	20,71,545	26,61,160	33,63,930	40,62,321	48,03,125
Appropriation - Dividend							
Total Reserves	8,675	15,48,699	36,20,244	62,81,404	96,45,334	1,37,07,655	1,85,10,781
TOTAL EQUITY	92,99,212	1,08,39,236	1,29,10,782	1,55,71,941	1,89,35,871	2,29,98,193	2,78,01,318
TOTAL LIABILITIES & EQUITY	1,26,83,664	1,35,22,586	1,48,04,111	1,65,75,057	1,89,35,871	2,18,67,857	2,78,01,318
CONTROL TICKER							
(=Liability - Asset)	0.00	0.00	0.00	0.00	0.00	0.00	24,04,026.10

5.2.9 Financial Indicators

A. Return on Capital Employed (RoCE) or Return on Equity (RoE)

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Net Profit	8,675	15,40,024	20,71,545	26,61,160	33,63,930	40,62,321	48,03,125
Average net profit	2644397.22						
Total Project cost	12995368.95						
ROI	20.35%						

B. Net Present Value (NPV)

Particular	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Profit after Tax & Dividend	8,675	15,40,024	20,71,545	26,61,160	33,63,930	40,62,321	48,03,125
Add: Depreciation	4,80,505	4,80,505	4,80,505	4,80,505	4,80,505	4,80,505	4,80,505
Add. Preliminary exp Written off	1,02,000	1,02,000	1,02,000	1,02,000	1,02,000	0	0
Net Cash Accrual (A)	5,91,180	21,22,530	26,54,050	32,43,665	39,46,435	45,42,826	52,83,630
PV Factor @ 10 %	0.91	0.83	0.75	0.68	0.62	0.56	0.51
Disc Cash Flow	5,37,436	17,54,157	19,94,027	22,15,467	24,50,426	25,64,307	27,11,338
Total Discounted Cash Flows	1,42,27,157						
Present Value of Outflow	1,29,95,369						
NPV	12,31,788.28						

C. Internal Rate of Return (IRR)

Particular	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Profit after Tax & Dividend		8,675	15,40,024	20,71,545	26,61,160	33,63,930	40,62,321	48,03,125
Add: Depreciation		4,80,505	4,80,505	4,80,505	4,80,505	4,80,505	4,80,505	4,80,505
Add: Preliminary expense written off		1,02,000	1,02,000	1,02,000	1,02,000	1,02,000	0	0
Net Cash Accrual (A)		5,91,180	21,22,530	26,54,050	32,43,665	39,46,435	45,42,826	52,83,630
Initial Investment/ Net Cash Accrual	(1,29,95,369)	5,91,180	21,22,530	26,54,050	32,43,665	39,46,435	45,42,826	52,83,630
IRR	12.20%							

D. Pay Back Period (Project/ Equity)

Particulars	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Initial Investment	1,29,95,369							
Profit after Tax & Dividend		8,675	15,40,024	20,71,545	26,61,160	33,63,930	40,62,321	48,03,125
Add: Depreciation		4,80,505	4,80,505	4,80,505	4,80,505	4,80,505	4,80,505	4,80,505
Add. Preliminary exp Written off		1,02,000	1,02,000	1,02,000	1,02,000	1,02,000	-	-
Net Cash Accrual (A)		5,91,180	21,22,530	26,54,050	32,43,665	39,46,435	45,42,826	52,83,630
Cashflow - Initial Investment		(1,24,04,189)	(1,02,81,659)	(76,27,609)	(43,83,944)	(4,37,509)		

Payback period (in years) - Project	5.11
--	-------------

E. Break Even Point (BEP)

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Gross Receipts							
Facility 1 - Trading	3,38,62,176	4,33,12,130	5,20,20,330	6,14,91,069	7,17,78,832	8,29,41,644	9,50,41,289
Facility 2 - Grain Processing - Cleaning & Grading	19,62,087	21,91,914	24,59,170	27,47,672	31,28,768	34,26,948	38,24,179
Facility 3 - Warehouse	5,63,040	6,28,142	6,98,346	7,74,000	8,55,473	8,98,247	9,43,159
Facility 4 - Custom Hiring	-	-	-	-	-	-	-
Facility 5 - Agri Input Centre	-	-	-	-	-	-	-
Facility 6 - Processing Unit - Horti Commodity	-	-	-	-	-	-	-
Total Receipts	3,63,87,303	4,61,32,186	5,51,77,846	6,50,12,741	7,57,63,073	8,72,66,838	9,98,08,627
Total Variable Exp	3,44,48,088	4,21,11,870	5,04,55,808	5,95,28,584	6,93,82,786	8,00,73,419	9,16,59,658
Contribution	19,39,216	40,20,315	47,22,038	54,84,158	63,80,287	71,93,419	81,48,969
Total Fixed exp	23,59,505	24,48,355	25,41,648	26,39,605	27,42,460	27,48,457	28,61,855
BEP	122%	61%	54%	48%	43%	38%	35%

Average BEP	57.26%
--------------------	---------------

F. Debt Service Coverage Ratio (DSCR)

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Net Operating Income	8,675	15,40,024	20,71,545	26,61,160	33,63,930	40,62,321	48,03,125
Total	8,675	15,40,024	20,71,545	26,61,160	33,63,930	40,62,321	48,03,125
Total Annual EMI	7,57,043	10,69,507	10,69,507	10,69,507	10,69,507	10,69,507	10,69,507
Debt Service Coverage Ratio (DCSR)	0.01	1.44	1.94	2.49	3.15	3.80	4.49

Average DSCR	2.47
---------------------	-------------

G. Sensitivity Analysis

Quantity Variation (+5%)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Facility 1 - Trading	3,55,55,285	4,54,77,736	5,46,21,346	6,45,65,623	7,53,67,774	8,70,88,726	9,97,93,354
Facility 2 - Grain Processing - Cleaning & Grading	20,60,191	23,01,510	25,82,129	28,85,056	32,85,206	35,98,295	40,15,388
Facility 3 - Warehouse	5,91,192	6,59,549	7,33,263	8,12,700	8,98,247	9,43,159	9,90,317
Total Income	3,87,97,860	4,90,98,343	5,86,70,001	6,90,76,078	8,04,49,474	9,25,73,339	10,57,89,376
Expenditure							
Fixed Cost (Excl. of Depreciation, Amortization and Interest)	17,77,000	18,65,850	19,59,143	20,57,100	21,59,955	22,67,952	23,81,350
Variable Cost	3,61,70,492	4,21,11,870	5,04,55,808	5,95,28,584	6,93,82,786	8,00,73,419	9,16,59,658
Total Operational Expenses	3,79,47,492	4,39,77,720	5,24,14,950	6,15,85,683	7,15,42,741	8,23,41,372	9,40,41,008
Net Income	8,50,368	51,20,623	62,55,051	74,90,395	89,06,733	1,02,31,968	1,17,48,368

Cost Variation (+5%)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Facility 1 - Trading	3,38,62,176	4,33,12,130	5,20,20,330	6,14,91,069	7,17,78,832	8,29,41,644	9,50,41,289
Facility 2 - Grain Processing - Cleaning & Grading	19,62,087	21,91,914	24,59,170	27,47,672	31,28,768	34,26,948	38,24,179
Facility 3 - Warehouse	5,63,040	6,28,142	6,98,346	7,74,000	8,55,473	8,98,247	9,43,159
Total Income	3,69,50,343	4,67,60,327	5,58,76,191	6,57,86,741	7,66,18,547	8,81,65,085	10,07,51,787
Expenditure							
Fixed Cost (Excl. of Depreciation, Amortization and Interest)	17,77,000	18,65,850	19,59,143	20,57,100	21,59,955	22,67,952	23,81,350
Variable Cost	3,61,70,492	4,42,17,464	5,29,78,598	6,25,05,013	7,28,51,926	8,40,77,090	9,62,42,641
Total Operational Expenses	3,79,47,492	4,60,83,314	5,49,37,740	6,45,62,112	7,50,11,880	8,63,45,042	9,86,23,991
Net Income	9,97,149	6,77,013	9,38,451	12,24,628	16,06,666	18,20,043	21,27,796

Quantity Variation (-5%)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Facility 1 – Trading	3,21,69,067	4,11,46,523	4,94,19,313	5,84,16,516	6,81,89,891	7,87,94,561	9,02,89,225
Facility 2 - Grain Processing - Cleaning & Grading	18,63,983	20,82,319	23,36,212	26,10,289	29,72,329	32,55,600	36,32,970
Facility 3 - Warehouse	5,34,888	5,96,734	6,63,428	7,35,300	8,12,700	8,53,335	8,96,001
Total Income	3,51,02,826	4,44,22,311	5,30,82,382	6,24,97,404	7,27,87,619	8,37,56,831	9,57,14,197
Expenditure							
Fixed Cost (Excl. of Depreciation, Amortization and Interest)	17,77,000	18,65,850	19,59,143	20,57,100	21,59,955	22,67,952	23,81,350
Variable Cost	3,27,25,683	4,00,06,277	4,79,33,017	5,65,52,154	6,59,13,647	7,60,69,748	8,70,76,675
Total Operational Expenses	3,45,02,683	4,18,72,127	4,98,92,160	5,86,09,254	6,80,73,602	7,83,37,701	8,94,58,025
Net Income	6,00,143	25,50,184	31,90,222	38,88,150	47,14,018	54,19,130	62,56,172

Cost Variation (-5%)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Facility 1 – Trading	3,38,62,176	4,33,12,130	5,20,20,330	6,14,91,069	7,17,78,832	8,29,41,644	9,50,41,289
Facility 2 - Grain Processing - Cleaning & Grading	19,62,087	21,91,914	24,59,170	27,47,672	31,28,768	34,26,948	38,24,179
Facility 3 – Warehouse	5,63,040	6,28,142	6,98,346	7,74,000	8,55,473	8,98,247	9,43,159
Total Income	3,69,50,343	4,67,60,327	5,58,76,191	6,57,86,741	7,66,18,547	8,81,65,085	10,07,51,787
Expenditure							
Fixed Cost (Excl. of Depreciation, Amortization and Interest)	17,77,000	18,65,850	19,59,143	20,57,100	21,59,955	22,67,952	23,81,350
Variable Cost	3,27,25,683	4,00,06,277	4,79,33,017	5,65,52,154	6,59,13,647	7,60,69,748	8,70,76,675
Total Operational Expenses	3,45,02,683	4,18,72,127	4,98,92,160	5,86,09,254	6,80,73,602	7,83,37,701	8,94,58,025
Net Income	24,47,660	48,88,200	59,84,031	71,77,487	85,44,945	98,27,385	1,12,93,761

Key Points for Information

A. Return on Capital Employed (RoCE) or Return on Equity (RoE)

RoCE or Return Equity for the project shall be more than 10% to consider the project is financially viable

B. Net Present Value (NPV)

With a discount rate of 10% and a span of 7 operational years, the NPV should be positive to consider that the project is financially viable.

C. Internal Rate of Return (IRR)

The project internal rate of return **shall be more than 10%** as per the current financial scenario of the country, If the project **IRR is more than 10%** than project is feasible for investment.

D. Pay Back Period (Project/ Equity)

The Pack Back Period (Project/ Equity) shall be less than 5 years to consider that it is financially viable

E. Break Even Point (BEP)

The average breakeven percentage shall be more than 50% to consider that it is financially viable

F. Debt Service Coverage Ratio (DSCR)

DSCR shall be more than 1.5 for better performing project.

G. Sensitivity Analysis

The robustness of the proposal can be been checked through a sensitivity analysis based on unique application of +10% and -10% variations on the costs and quantum assumed for developing the proposal (4 scenarios derived from such analysis shall be represented).

**The above financial viability parameters are indicative and based on the nature of project it may. The final decision to consider the project is viable lies with state level sanction committee*

Section 6 : Assumptions

6.1 Key Assumptions

(Applicant should provide basic information for each business activity / facility covered in sub-project. the information will be used for finalizing assumptions and undertaking financial analysis.)

The following information should be filled separately for each business activity / facility covered under the sub-project. E.g. If an CBO has decided to set up 'dal mill' and 'aggregation cleaning, grading and marketing of agro produce', then details of both the activities / facilities should be provided separately in following table)

1. Basic Information of the business/facility –

A. Grain Trading		
No.	Particulars	Details
1	Business activity/Facility	Grain trading
2	Area Required for establishing facility	5000 (in Sq. Ft):
3.	Capacity of Facility	NA
4	No. of hours, the facility will be operational in a day	8hr per day
5	Capital investment for machinery and equipment's (as per quotation)	NA
6	Investment on civil and construction component (As per estimates):	NA
7	How many days, the facility will be operational in a year	365 days

B. Grain Cleaning & Grading		
No.	Particulars	Details
1	Business activity/Facility	Grain Cleaning & grading
2	Area Required for establishing facility	2000 (in Sq. Ft):
3.	Capacity of Facility	3 MT per Hr
4	No. of hours, the facility will be operational in a day	8hr per day
5	Capital investment for machinery and equipment's (as per quotation)	33,28,950
6	Investment on civil and construction component (As per estimates):	25,90,315
7	How many days, the facility will be operational in a year	200 days

C. Warehousing		
No.	Particulars	Details
1	Business activity/Facility	Warehousing
2	Area Required for establishing facility	20000 (in Sq. Ft):
3.	Capacity of Facility	510 MT
4	No. of hours, the facility will be operational in a day	24hr per day
5	Capital investment for machinery and equipment's (as per quotation)	NA
6	Investment on civil and construction compoent (As per estimates):	59,20,175
7	How many days, the facility will be operational in a year	365 days

2. Details of revenue generated through above facility

Revenue From Trading Facility				
No.	Finished product	Units (Quintals)	Whole price /Rs per unit	Revenue generated
1	Soybean	2318	4,250	93,58,178
2	Red Gram/Tur	1213	8,600	99,06,125
3	Paddy/Rice	1542	4,250	62,27,036
4	Wheat	1237	2,550	29,96,027
5	Bengal Gram/Channa	776	6,300	46,44,360
Revenue From Cleaning & Grading Facility				
No.	Finished product	Units (Quintals)	Whole price /Rs per unit	Revenue generated
1	All grains	17062	1.15	19,62,087
Revenue From Warehouse facility				
No.	Finished product	Units (Quintals)	Whole price /Rs per unit	Revenue generated
1	All grains	4,896	115	5,63,040

3. Expenditure on raw material

Expenditure on Raw Material for Trading Facility				
No.	Finished product	Units (Quintals)	Whole price /Rs per unit	Expenses on RM
1	Soybean	2390	4,000	95,58,000
2	Red Gram/Tur	1250	8,000	1,00,00,000
3	Paddy/Rice	1590	4,000	63,60,000
4	Wheat	1275	2,200	28,05,000
5	Bengal Gram/Channa	800	6,000	48,00,000
Expenditure on Raw Material for Cleaning & Grading Facility				
No.	Finished product	Units (Quintals)	Whole price /Rs per unit	Expenses on RM
1	All grains	17062	0	0
Expenditure on Raw Material for Warehouse Facility				
No.	Finished product	Units (Quintals)	Whole price /Rs per unit	Expenses on RM
1	All grains	4,896	0	0

4. Expenditure on salary of management staff – common for all facility

No.	Designation:	No. of Staff:	Salary Rs....Per Month:	Remark
1	Manager	1	20,000	
2	Accountant	1	15,000	

5. Expenditure on remuneration of labor - Common for all facility

No.	Type of workers	No.	Wages Rs.... / per day	Remark
1	skilled	2	500	
2	Semi skill	1	400	
3	Un skilled	0	0	

6. Expenditure on rent/lease of plot / sub-project site

No	Component	Land lease Rent Rs-----per month	Remark
1	land rent	10,000	
2	other	-----	

7. Expenditure on electricity charges required for facility

No	Cumulative HP for all Machineries and equipment's	No. of Units Consumption Per Hour:	Per Unit Cost Rs.....per unit	Remark
1	50 Hp	48 Kw PER HR.	Rs. 12/-Kwh	

8. Maintenance cost facilities

No	Component	Detail	Remark
1	Maintenance of machinery, building, equipment etc,	Fixed: 1% of machine cost & civil works (Annually) Variable: Rs. 300 per Day	

9. Other consumables required for production - NA

No.	Name of Consumables	Unit	Total Unit	Cost Per Unit (Rs)	Remark
No other consumables separately required					

E.g. edible oil, salt, sugar etc.

10. Expenditure on packaging material - NA

No.	Type of Material	Size of Packaging material	Unit	Total unit	Cost Per Unit (Rs.)	Remark
Not Applicable. Produce will be supplied in returnable bags/ else packaging material will be supplied by user/ buyer						

11. Expenditure on storage/warehouse for product - NA

No.	Crop Name:	Storage Duration (month)	Storage Cost Per Quintal Per Month:	Remark
1	---	---	---	---

12. Other Expenditure - NA

No.	Component	Rs/per month	remark
-----	-----------	--------------	--------

Please refer section “5.2.5.9. Consolidated OPEX Schedule” for details

1. The above information should be filled separately for each business/activity / facility covered under the sub-project. E.g. If an CBO has decided to set up ‘dal mill’ and ‘aggregation cleaning, grading and marketing of agro produce’, then details of both the activities / facilities should be provided separately in following table
2. Please refer necessary quotations, estimates, market survey reports etc. for filling up above information.
3. In case of additional information concerned project officer/staff should consult with the applicant during preparation of DPR.

6.2 Other assumptions

1. Year wise participation of CBO member

Services Users and RM Sellers	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Members	927	1425	1709	2051	2462	2954	3545
Non-Members	700	840	1008	1210	1452	1742	2000

Note: Apart from the CBO members, there are over 700 non-members who have been using the company’s existing plant services. It is expected that over the next 7 years, the CBO membership will increase by 10% annually.

2. Production assumption of various years

Depreciation	Bldg.	P&M and MFA
SLM	3.17%	6.33%
WDV	10%	15%

3. Average depreciation – machinery, building, IT infra.
4. Interest rate on long and short term loans - Term Loan @9% is sought. Working Capital loan (unsecured loan) is envisaged from project promoters @ 9% P.A. post operationalization of the project.
5. Insurance @ 0.5% of the capital cost of Building, Plant and Machinery, Furniture & Fixtures and IT Infrastructure is considered
6. Facilitation charges- bulk marketing The project adopts mixed model currently- Job-work and captive operations. For Job-work model, no separate sales or marketing facilitation is charged as farmers/farmer groups may sell their product directly. In this regards the project will provide them with healthy leads without any brokerage/ commission.
7. Income tax – 30%

Section 7

SOCIAL ACTION PLAN¹

1. Name of Nodal Person of CBO for implementation and reporting of Social Action Plan : Manoj Mahajan

Particulars	Yes/ No	If Yes, Specify
2. Information of Sub-project Implementation Area	No	
Does the subproject area falls under Scheduled V ² (Tribal) Area?	No	
Does the subproject area have Particularly Vulnerable Tribal Groups ³ {PVTGs}?	No	
Does the subproject falls under Left Wing Extremism ⁴ area {LWE}?	No	
Does the subproject districts falls under Aspirational District ⁵ ?	No	
3. Compliance with Negative List		
Does this Subproject involve compulsory acquisition of private land?	No	
Does this Subproject involve purchase of private land?	No	
Does this Subproject involve physical relocation of people, houses, shops, buildings etc.?	No	
Does this Subproject involve closure of access to common routes, facilities and resources?	No	
Does this Subproject involve activities that adversely impact local livelihoods and businesses?	No	
Does this Subproject cover Indigenous Peoples villages/territories' (villages with scheduled tribe population and designated Schedule V areas) where free, prior, and informed consultations have not been done?	No	
Does this Subproject cover Indigenous Peoples villages/territories (Villages with scheduled tribe population and Schedule V areas) where evidence for broad community support has not been obtained or is not available?	No	
Does this Subproject involve any activities that could negatively affect the social, cultural and religious beliefs, practices and livelihoods of indigenous peoples (tribal people)?	No	
Does this Subproject involve activities that could adversely affect cultural property, including archaeological and historical sites?	No	
Does this Subproject involve any activities that could potentially use forced labour ⁶ or child labour ⁷ and other labour-exploitative practices?	No	

¹ Following the Environment and Social Management Framework of the SMART <https://www.smart-mh.org/smart/aboutsmart>

² List of tribal districts & blocks (Scheduled V Area) is available at

<https://cdnbbsr.s3waas.gov.in/s3c8758b517083196f05ac29810b924aca/uploads/2019/11/2019112132.pdf>

³ Particularly Vulnerable Tribal Groups - Katkaria (Kathodia), Kolam, Maria Gond

⁴ Left Wing Extremism districts Chandrapur, Gadchiroli, Gondia

⁵ Aspirational Districts - Nandurbar, Washim, Gadchiroli, Osmanabad

⁶ Forced labor means all work or services not voluntarily performed, that is, extracted from individuals under threat of force or penalty

⁷ A child under the age of 14 will be considered as child labor. A child over the minimum age of 14 and under the minimum age of 18 may be employed or engaged in connection with the Project only under the following specific conditions: The work is not hazardous in nature and is likely to jeopardize the child's health, safety, or morals. An appropriate risk assessment is conducted prior to work

Does this Subproject involve deep excavation works, hazardous chemicals, explosives, submergence, dangerous sites which threaten the health and safety of workers and local communities?	No	
Does the subproject involves any hazardous work for labours during construction work?	No	
Does this Subproject involve any activities that could harm the health, safety and wellbeing of women, girls and children?	No	
4. Sub Project Implementation		
4.1 Measures for Social Inclusion		
Whether CBO will take measures for the inclusion of vulnerable households, including SC, ST, Women Headed household, tenant farmers, returnee migrants and other vulnerable workers in Subproject activities?	Yes	Improve their capacity building
4.2 Tribal Development Plan (For the Subprojects from Schedule V Area)		
Whether free, prior and informed consultations with Tribal community has been conducted?	NA	
Whether the consent of Tribal Community for Project Implementation has been obtained?	NA	
Whether the access and benefits of project activities/facilities to Tribes will be ensured?	NA	
4.3 Land		
Whether own 7/12 extract or registered Lease Agreement for rent/lease of private land for 29 years has been attached?	Yes	Lease Agreement Attached
Whether non encroachment certificate of land has been attached ? (by relevant authority like DIU Head/Grampanchayat/Talathi etc.)	Yes	Non-Encroachment certificate attached
4.4 Labour mitigation measures during civil & Implementation work		
Whether CBO will take measures for safeguarding health and safety facilities for workers (when camps are set up)? (e.g. enough space for living, hygiene facility, drinking water. Separate washroom for male & female, crèche/shed for children, training/awareness on The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, mechanism to address sexual violence etc.)	Yes	Drinking water, first aid facility, Labour quarter & other facilities available
Whether CBO will take measures to address risks related with influx of migrant labour from outside? (e.g. measures to prevent crime, communicable diseases, gender base violence, child labour, accidents, etc.)	Yes	We are not hiring child labour for our project
Whether CBO will take measures to record and address incidents of gender-based violence and sexual harassment?	Yes	CBO will form internal committee
4.5 Measures of Health and Safety		

commencing. The Borrower conducts regular monitoring of health, working conditions, hours of work, and the likely likelihood of potential threat to the child's overall development.

Whether CBO will take measures on Community Health and Safety? (e.g. measures to prevent accident, physical injury, sexual exploitation of community member, etc.)	Yes	. Measures to prevent accident & physical injury
Whether CBO will take measures on Occupational Health and Workers Safety? (e.g. measures to prevent on site accident, physical injury, sexual exploitation of workers, etc.)	Yes	Measures to prevent on-site accident, physical injury
Whether CBO will take Safety measures on COVID-19. (Social distancing, use of Mask, etc.)	Yes	Social distancing & Proper sanitization facility available

5. Social Sub-project Targets :

Sr. No.	Particulars	Current Status (Baseline of CBO)	Proposed target in the Sub-project
	Social Inclusion & Gender Integration targets⁸ (%)		
A	Total No. of Farmers/Members	927	1425 (at the end of 2nd Year)
B	No. of Small and marginal Beneficiaries (& their %)	555 & 60%	926 & 65%.
C	No. of Women Shareholders (& their %)	281 & 30.35%	499 & 35%
D	No. of Women Board of Directors (& their %)	1 & 20%	2 & 40%
E	No. of Schedule Tribes (& their %)	16 & 2%	100 & 7%.
F	No. of Schedule Caste (& their %)	64 & 7%	120 & 8%.
G	No. of Tenants (& their %)	53 & 6%	100 & 7%
H	No. of Landless (& their %)	35 & 4%	75 & 5%
I	No. of Women having land title (7/12) (& their %)	281 & 30.35%	499 & 35%

⁸ As per the Social Inclusion & Gender Strategy of the Project, out of total beneficiary of the project, 80% will be small & marginal farmers, minimum 30% will be Women beneficiary, minimum 6% will be Schedule Tribes, minimum 7% will be Schedule Caste beneficiary. Also CBO should have minimum 20% Women Board of Directors.

Section 9 : Procurement Plan

CBO level Procurement plan with Method & Time Schedule for Works, Goods & Consultancy Services

Ref No.	Contract (Description)	Stage : Planned / Actual / Revised	Estimated Cost (Rs. In. Lakh)			Procurement Method	Review by PCMU/ PIUs (Prior/ Post)	Expected Bid-Opening Date)	Actual Contract Date (format) (i.e.1-Dec-14)	Actual Contract Amount (Rs.Lakh)	Comments
			No of Contracts	Unit Cost	Total Cost						
1	2	3	4	5	6	7	8	9	10	11	12
Works											
1	Civil & fabrication work for warehouse shed	Planned	1	59.20	59.20	Cost Norms	Post - Apr -23 & Prior-Jan 2024	Apr-23	Jun-23	59.20	-----
1	Civil & fabrication work for machine shed	Planned	2	25.90	25.90	Cost Norms	Post - Apr -23 & Prior-Jan 2024	Apr-23	Jun-23	25.90	-----
Goods & Equipment											
2	Plant & Machinery	Planned	1 Set	33.28	33.28	Cost Norms	Post - Apr -23 & Prior-Jan 2024	Apr-23	Jun-23	33.28	-----

List of documents to be presented along with FPP

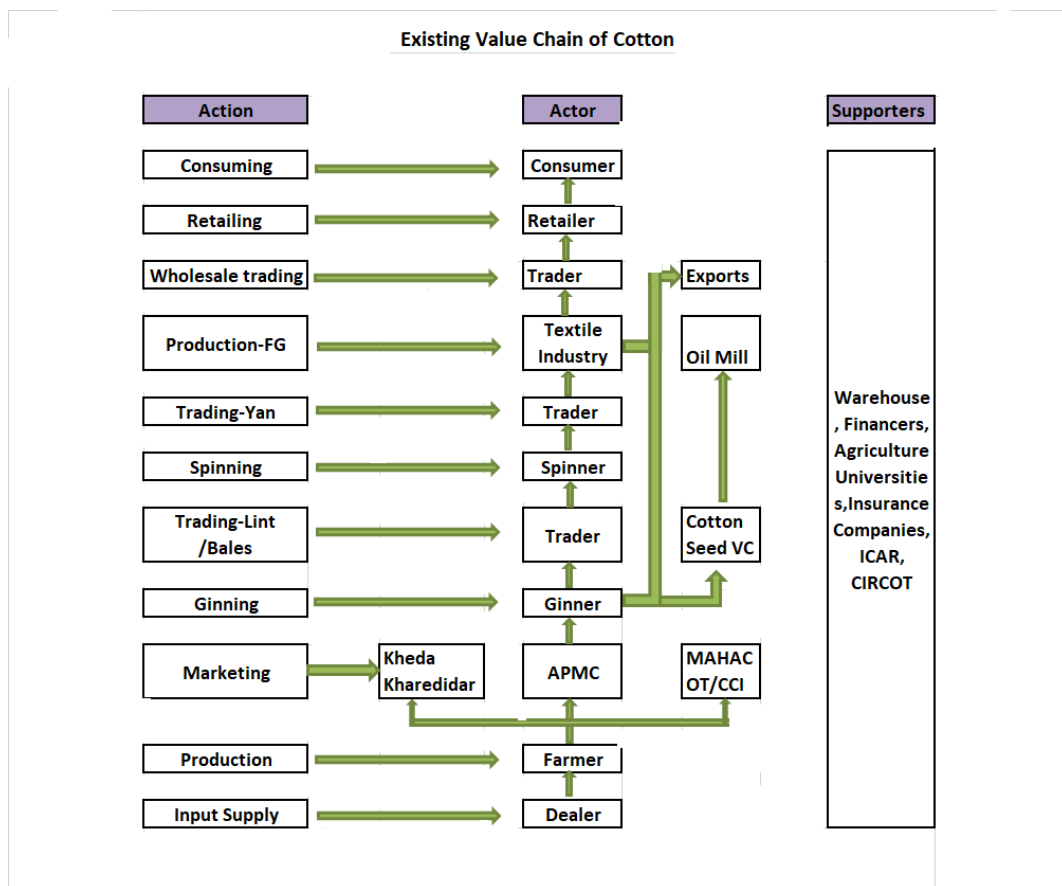
1. Registration certificate of organization
2. List of members/shareholder of the organization (As per the record from the Registrar of Companies office or the certificate of competent authority)
3. Audit report
4. CBO Bank statement
5. KYC of Applicant Firm (PAN and GST Certificate Copy)
6. Resolution of board of directors - Approval to DPR
7. Land ownership document / land lease agreement
8. Propose site map presenting road access and surrounding
9. No Objection Certificate of Panchyat for setting up of business activities
10. Forward linkages - MoUs with Buyers
11. Backward linkages – MoUs for produce aggregation - MoUs with farmers groups/ SHGs/ federations/FPC/other CBOs etc.
12. Please attach authorized quotations- machineries & equipment's /estimate- construction of building / pack house
13. Water/ electricity connection (proof)
14. Letter of intent from bank/financial institution for financing the project
15. License/other

Annexure

Example of how to write Value Chain

- 1) Firstly list out all relevant stakeholders involved in the value chain of selected commodity. These stakeholders are Farmers, Input dealers, Traders, Processors, Exporters, Transporters, Banks etc.
- 2) Divide these stakeholder in three parts as mentioned in the diagram i.e. a) Actors b) Actions c) Supporters
- 3) List out all the actors on the left side of the diagram. List out the actions of the actor in the middle part of the diagram. Connect the actors & respective actions by arrow.
- 4) At the right side of the diagram. List out the names of all supporters eg Banks, Universities, Transporters, Insurance agencies etc.

The example of existing value chain of Cotton is mentioned in below diagram



How to present proposed value chain is given below :-

1. Study carefully the existing value chain diagram prepared by you. Study the various actions presented in the middle part of the diagram & select the actions which could be done by CBO and gain benefits.
2. In the actor side of the diagram put the name of CBO for which action can be done by CBO, then connect the actors & respective actions by arrow.
3. Check the list of supporters mentioned at the right side of diagram and add or delete the supporters
4. Recheck the presented proposed value chain and finalise it after your insuring all aspects.

The example of proposed value chain of Cotton is mentioned in below diagram

