



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

# Full Project Proposal (FPP) (Template)

**Sub-Project Title: *Productive Partnership for Chilly Value  
Chain (Spices (Chilly Powder) Processing Unit)***

**Submitted by**

**Mandhal Agro Product Farmer Producer Company Limited,**

**Community Based Organization (CBO),**

**Block- Mandhal District- Nagpur**

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## Section 1- Preliminary information of CBO

### 1.1 General information

1.	Name of the Community Based Organization (CBO)	Mandhal Agro Product Farmer Producer Company LTD. Mandhal, Kuhi, Nagpur
2.	Address	Village:-Mandhal,Ta:-Kuhi, Dist:-Nagpur-442701
3.	Details of the contact person	Name: Mr. Vrushketu Sadashiv Bhambulkar Designation in CBO: Director Mobile Number: 9422152564 Email: vrushketubhambulkar@gmail.com

### 1.2 About registration of organization

1.	Organization type (please mark (√) on appropriate option)	Farmer Production Company (FPC)
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 year: 01/02/2016 Registration number: U01403MH2016PTC272502
3.	PAN number of the organization	AAKCM2003N
4.	Udyog Aadhar number / Udyam registration No. of the organization	
5.	Authorized Capital of organization (Rs)	15,00,000
6.	Paid up capital of organization (Rs)	12,65,100

### 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	Vrushketu Bhambulkar	Male	SC	1.58	Director	M.A.	AFYPB4724 P	5922929146 02	9422152564
2	Prasad Tidke	Male	OBC	3.01	Director	B.A.	AFHPT9659 Q	5099003312 52	9270288657
3	Tukaram Ghuguskar	Male	OBC	2.58	Director	HSC	ATBG3008L	2416125178 36	9420853532
4	Namdeo Burade	Male	OBC	2.81	Director	B.A.	CFRPB4750 C	5802483830 46	9022623150
5	Gajanan Meshram	Male	OBC	1.04	Director	B.A.	ANYPM4976 G	6345126147 15	9823235119

No.	Name of the BoD	Gender M/F	Social category	Land Holding (Ha)	Designation	Education	PAN No.	Aadhar No.	Contact number (mobile number)
6	Sunanda Golhar	Female	OBC	2.05	Director	HSC	BIZPG3341L	615223890187	9370687610

#### 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	Maintenance of Company	5 Days	ATMA	Maintenance of company	Mr. Vrushketu Bhambulkar
2	How to work at FPO	5 Days	Vanamati	Maintenance and operation of FPO	Mr. Vrushketu Bhambulkar Mr. Tukaram Ghuguskar
3	Trade Management	2 Days	ATMA	Management of buyer	Mr. Vrushketu Bhambulkar Mr. Tukaram Ghuguskar

#### 1.5 Details of shareholders / members of CBOs

Total No. of shareholders	Female	Male	Scheduled Castes	Scheduled Tribes	Marginal Farmers (0-1 ha)	Small farmers (1-2 ha)	Medium farmer (2-5 ha.)	Big farmers (More than 5 ha.)	Tenants	Landless
510	158	352	97	41	51	449	11	-	1	-

#### 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
Not Applicable, as only one promoter agency (CBO)					

### 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.)
<b>A</b>	<b>Immoveable Assets</b>				
1	Building	-	-	-	9,74,813
	<b>Total (A)</b>	-	-	-	9,74,813
<b>B</b>	<b>Moveable asset</b>				
1	Furniture & Fixture	-	-	-	24,180
2	Computers	-	-	-	34,100
3	Cleaning And Grading	-	-	-	2,42,000
4	Weight Machine	-	-	-	8,000
5	Moisture Metter	-	-	-	11,500
6	CCTV Camera	-	-	-	-
	<b>Total (B)</b>	-	-	-	3,19,780
	<b>Gross total (A+B)</b>	-	-	-	12,94,593

**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	Validity1(duration)
1	Udyam	MSME		

### 1.9 Details of ongoing business activity of CBO along with snapshot on farmers participation (year 2019-20 to 2020-21)

Sr. No.	Name of business activity	Number of participated members	
		Members of CBO	Non-member
<b>A</b>	<b>Aggregation and bulk marketing of agri. / Horti commodities</b>		
1	Pulses (Chana, Tur)	400	111
2	Soyabean	300	211
<b>B</b>	<b>Primary processing (+ Secondary Processing) on agricultural commodities (cleaning and grading)</b>		
1	Pulses (Chana, Tur)	402	
2	Soyabean	305	
<b>C</b>	<b>Bulk procurement and selling of agricultural inputs (Fertilizer, seeds etc.)</b>		
1	<i>Not Applicable</i>		
<b>D</b>	<b>Seed production</b>		
1	<i>Not Applicable</i>		
<b>E</b>	<b>Others (e.g. processing, direct marketing, custom hiring center etc.)</b>		
1	<i>Not Applicable</i>		



**1.10 Annual turnover of CBO ( last three years)**

<b>Details</b>	<b>Year- 2018-19</b>	<b>Year- 2019-20</b>	<b>Year- 2020-21</b>
<b>Annual turnover (In Rs.)</b>	2,29,800	6,79,920	9,47,900

**Note:** -Annual turnover is as per the audit reports of the CBO –

## 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 member s Area under particular crop (Ha.)	Average productivity (tons per Ha.)	Total Production (tons)	Marketable surplus (tons)	Quantity of produce Aggregated and sold by CBO (tons)	Quantity of produce sold by member at individual level (tons)
1	Chilly	810	2.2	1782	1604	604*	1000

#### Notes:

1. The above data is **only of members**. The company also has a network of additional 1000 non-members. These farmers support the CBOs plan of implementing the proposed chilly processing unit and have expressed willingness to use Job-work services as well supply raw material for CBO's captive operations.
2. \*Currently, the CBO has been operating a grains cleaning-grading plant. About, 9-10 of its member gaths have been also aggregating and selling green and red chillies to vegetable traders. The above presented quantity (604 MT) is not directly sold by CBO but by its member gaths (FGs).

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

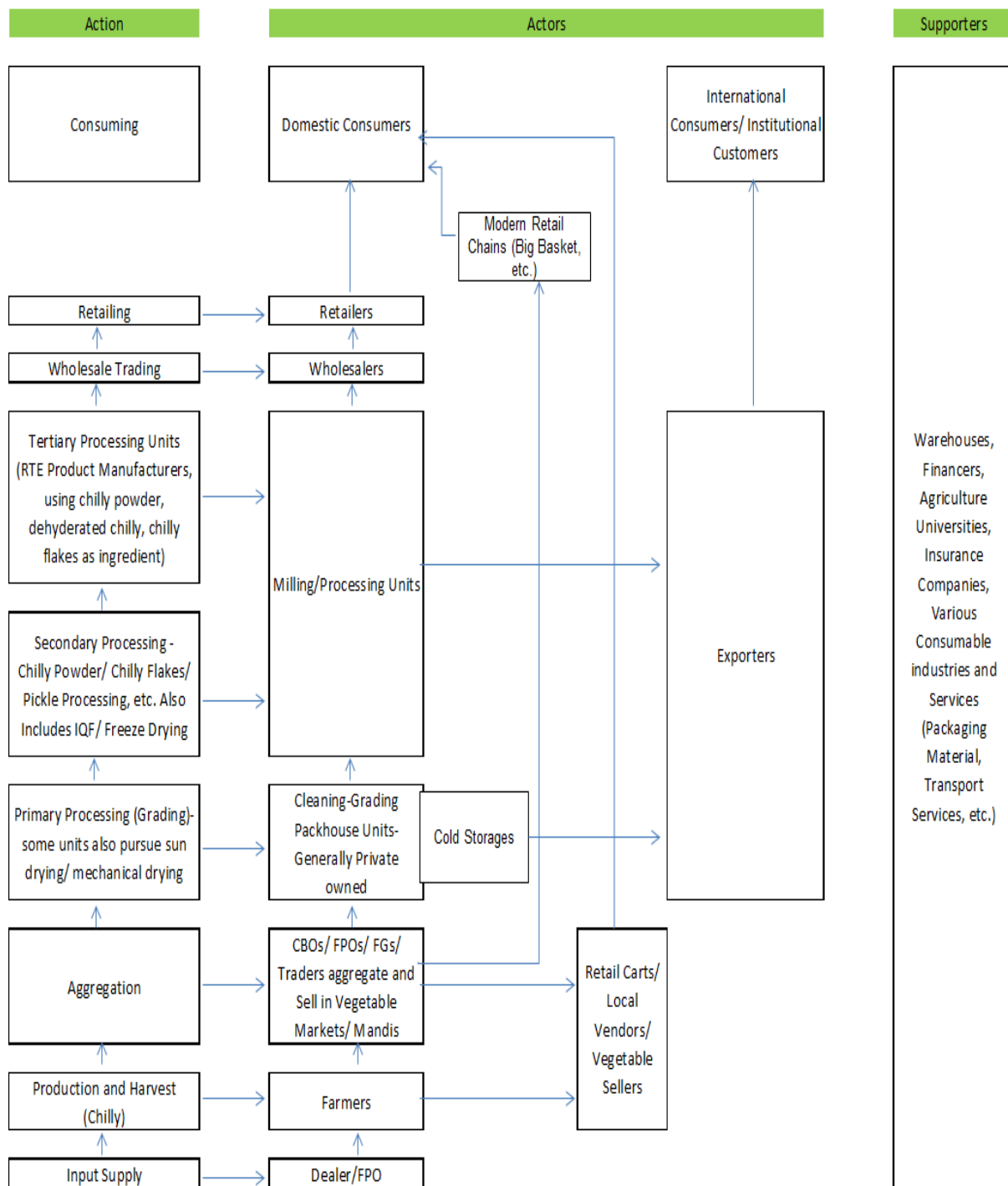
No.	Buyer	Agriculture Commodity ( quantity in MT )
1	Processor	
2	Exporter	
3	Organized Retail Chain	
4	Direct marketing License (DML)holder (Traders)	604
5	Other .....specify	

## 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.)

To understand the current chilly value chain of the project's cluster, it is important to understand the various marketing channels and actors and how chilly (and its value added products) move from the cluster actors to final consumers. The chart below highlights the same:



**Current Value Chain**

In the Current Value Chain, the CBO has been providing several farm inputs to farmers for production of chilly. Post-harvest, the CBO (through member gathings of the CBO) has been aggregating the produce from member and non-member farmers and selling it to larger vegetable traders in the mandi. The (red) chilly is often graded in local pack-houses and sun-dried. The dried red chilly is also stored in cold storages by private trading firms and spices processors. Thereafter, the chilly is processed as per final product requirement- chilly powder being one of the most demanded products. Other value added products include chilly flakes, IQF/ Freeze Dried chilly (fresh), Pickles, and use as ingredient in soups, sauces, other RTE products.

The gath members of the CBO have been aggregating and selling the produce to larger vegetable traders, who sell the produce (majorly) to large spices processors of the State. The absence of spices processing infrastructure with CBO, despite having quality raw material and large and regular demand for chilly powder, limits the level of profits of both CBO and farmers.

The CBO, through the proposed project, aims to set-up the spices processing unit so it can supply the products to productive partner as well as to other high-end buyers and even target direct consumers (through own brand).

#### **2.2.2 Challenges in existing value chain of selected crops**

- Unavailability of chilly processing unit (to manufacture chilly powder).
- Currently selling chilly as farm fresh produce only (raw state).
- Not able to deliver high quality value added products as required to attract premium market buyers.
- Relatively low experience in marketing higher value added products.

#### **2.2.3 Potential remedies to address above issues in value chain**

- Deploying of chilly (powder) processing unit – leading to CBO chilly products highly marketable to institutional and premium segment buyers.
- Standardized packaging and branding of product will assist in attracting new buyers and even targeting direct consumers.

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

**Yes/No**

Yes. The CBO has conducted extensive research and has also learned several aspects about chilly and its value added product trade (as the CBO gaths have already been pursuing trading and some minimal value addition activities for chilly). The CBO in its research spoke with several stakeholder buyers- which included several premium segment buyers (traders, exporters, processors, wholesalers, large retailers, etc.) who gave inputs regarding the desired quality standards. It was clearly established through this market analysis that while the chilly varieties produced by the cluster farmers is highly desired, it is absolutely important that the end products (chilly powder) meet the specifications such as well pulverized, fine/coarse (as required), well packed, red color powder and SHU value and pungency, etc.

Having understood this and with a plan to counter the technology gaps (i.e. lack of chilly crushing/ spices processing unit) in their existing operations, the CBO undertook the activity of understanding the capital investment and understanding the operational economics of same. They found that there are several national and international machinery suppliers who provide chilly processing unit which have different technologies (2 to 3 stage grinding, normal pulverization vs cryogenic/ cool grinding, PLC based fully automatic plant vs semi-automatic plants, etc).

Interestingly, the CBO also researched how large spice brands sell different coloured red chilly powder. The CBO discovered that an optical sorter is used to separate off coloured chilly from blood red coloured chilly. Thus, the segregated blood red chilly is pulverized

separately to obtain an absolute red coloured chilly powder and then is sold as top grade. This grade not only gives the required pungency to food but also characteristic red colour. The off-colour and red-orange-ish coloured chillies are ground separately to obtain a red-orange-ish coloured powder which is sold as second grade. After in-depth study, the CBO came to conclusion that they require spices processing unit equipped with proper chilly dryer and colour sorter in order to manufacture top products.

Having understood this dynamics, the CBO consulted the productive partners as well and took a call they should target high tech spice grinding to address chilly value chain gaps with financial assistance under SMART.

### 2.3.1 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	Naisargik Agro Farmer Producer Company Ltd	Bhokhara, Nagour	Sandeep Chauhan 9673993446	, naisargikagro@gmail.com	Agriculture

## Section 3: About proposed Sub -project

1. **Name of the proposed sub project:** Mandhal Agro Product Farmer Producer Company Limited

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

2.1 Sub project - Productive Partnership (PP)

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

- a) Production of high & premium quality chilly powder
- b) Gain access to high-end premium spices markets, buyers and consumers – including even export markets
- c) Improving the average income of members of the CBO and its members
- d) Harvesting, procurement, grading, pooling, handling, marketing, selling, export of produce/products of members for their benefit.
- e) Rendering technical services, consultancy services, training, education, research and development and all other activities for the promotion of the interests of its members.

4. **About sub-project location:**

Proposed unit is located adjacent to State highway No. 254 which is connected with motorable operating road Village Mandhal

5. **No. of Villages covered under sub project – 23**

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

No.	Particulars	Details
1	Location of sub-Project	1. Village : Mandhal 2. Grampanchayat :- Kuhi 3. Block : Kuhi 4. District: Nagpur 5. State: Maharashtra
2	Latitude and Longitude of the village	Longitude: 20 57'41.4 "N Latitude: 79 27'27.4 "E
3	Total required land for establishing proposed sub project	0.23 Acre
4	Whether the land owned by organization	No (leased)

5	a. Is the land is on lease basis ; If yes; then its details	Yes Survey no/ Gat No-- 224 Tenure of agreement –29 years Date of agreement : 19/01/2022 Longitude: 20 57'41.4 "N Latitude: 79 27'27.4 "E (Lease Agreement Attached)
	b. Social Category of the land owner	OBC
	c. Whether the land is encroachment free	Yes√ ( Non Encroachment Certificate Attached)
	Proposed land use	Industrial use √
6	Details of facilities available at identified site	
6.1	Whether electricity supply is available	Yes, <b>Name of connection holder –</b> Mandhal Agro Farmer Producer Company Limited (CBO)  Type of power connection: Three phase √  Power Applied – 255 KVA
6.2	Whether water is require for running proposed sub project?	Yes Detail of facilities- Bore-well Water is available for round the year.
6.3	Status of road connectivity at selected plot	Road connectivity - Yes Operating Road (in good motor-able condition) Connected to state highway No. 254

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

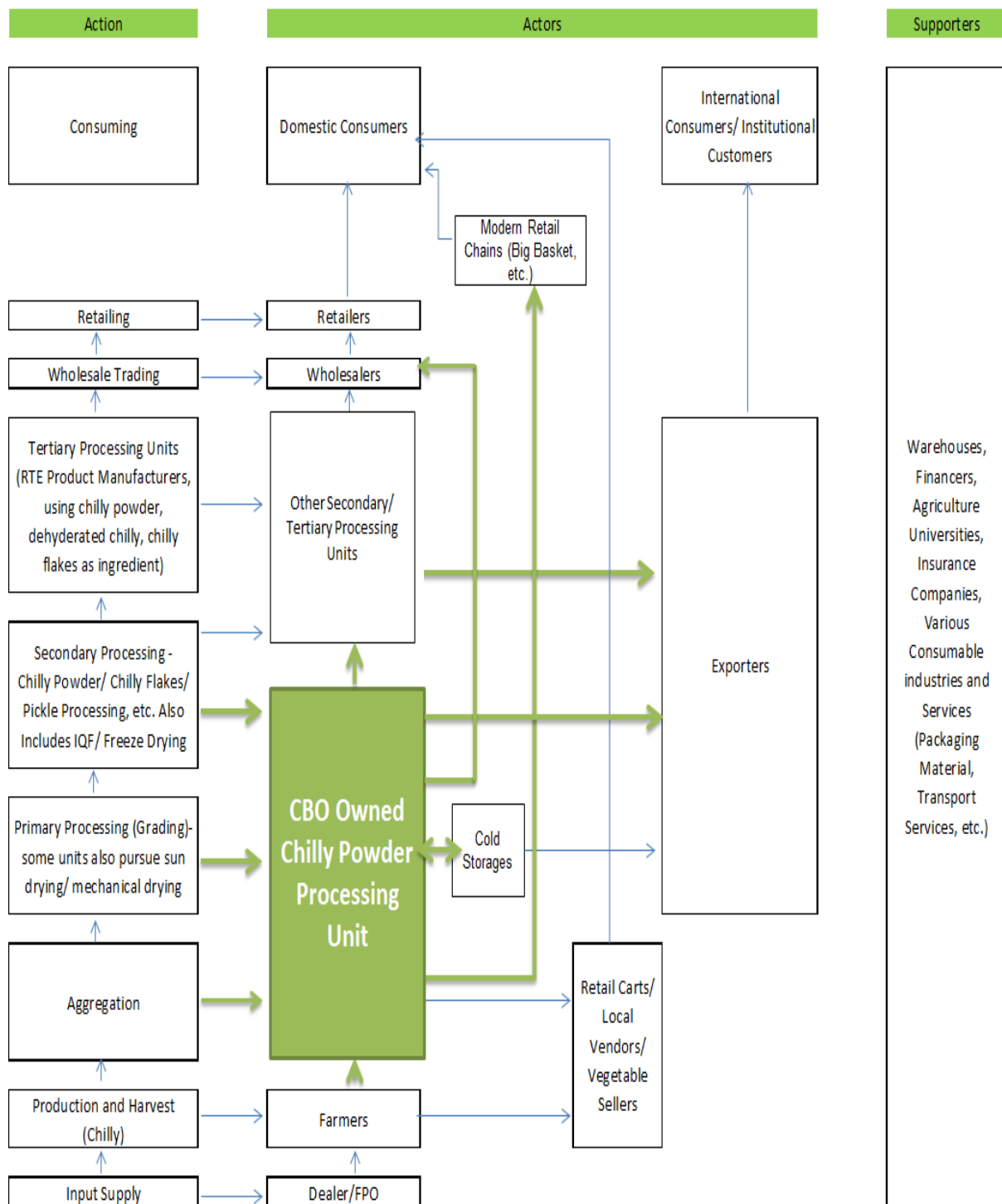
No	Name of commodity	Annual Quantity of produce (MT)									
		2022-23		2023-24		2024-25		2025-26		2026-27	
		Quantity (MT)	%	Quantity (MT)	%	Quantity (MT)	%	Quantity (MT)	%	Quantity (MT)	%
1.	Chilly (Red & Green)	0.0	0%	1140	100%	1254	100%	1368	100%	1482	100%

### Notes:

- The proposed sub-project is expected to be operational from 2023-24 and hence no quantities for chilies are envisaged in 2022-23.

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

The chart below presents the proposed value chain; i.e. after the project is implemented.



As can be seen in the above chart, the capacity of the CBO to directly market its products to large wholesalers, retailers/ retail chains, exporters, and even pursue own spices brand in near future, is enhanced to a great extent owing to incorporating of the proposed machines and equipment. 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	Naisargik Agro Farmer Producer Company Limited						
2	Address and contact No.	c/o Prakash Ganptrao Dhumal H.No. 183 ward no. 2, Smruti nagar BokharaNagpur MH 440016 . Mob. No. 9673993446						
3	Details of authorized person (name, designation, contact no. and E-mail id )	Name : Sandeep Chauhan – Director, Mob No :9673993446 , Email ID: naisargikagro@gmail.com						
4	Type of buyer organization	1. Exporter						
5	Whether the buyer is registered?	Yes Companies Act, 2013						
6	Registration Number/ License Number	U01400MH2019PTC325662						
7	PAN number	AAGCN5384B						
8	Buyer total annual average requirement of produce (Quantity in MT)	1500MT						
9	Quantity of produce to be procured by selected buyer – quantity as per MoU (Year 2021 to 22)	<table border="1"> <thead> <tr> <th>crop</th> <th>Year</th> <th>Agro produce (ton)</th> </tr> </thead> <tbody> <tr> <td>Chilli</td> <td>2022-21</td> <td>1500MT</td> </tr> </tbody> </table>	crop	Year	Agro produce (ton)	Chilli	2022-21	1500MT
crop	Year	Agro produce (ton)						
Chilli	2022-21	1500MT						
10	Annual turnover of buyer Rs.lakh (last three years)	<table border="1"> <tbody> <tr> <td>2017 to 2018-</td> <td>-</td> </tr> <tr> <td>2018 to 2019-</td> <td>71, 24,023</td> </tr> <tr> <td>2019 to 2020-</td> <td>54,85,606</td> </tr> </tbody> </table>	2017 to 2018-	-	2018 to 2019-	71, 24,023	2019 to 2020-	54,85,606
2017 to 2018-	-							
2018 to 2019-	71, 24,023							
2019 to 2020-	54,85,606							

## 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	Chilli (Green & Red)	Chilly Powder (Green /Red)- Class I (Dark Red), Class II (Medium Red), Green (course) chili powder	<b>Transportation-</b> borne by <b>Buyer</b> <b>Packaging Material-</b> borne by <b>CBO</b> <b>Payment Terms-</b> <b>Cheque or Electronic</b>

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

The price of purchase of raw materials from member/ non-member farmers is decided on basis of prevalent mandi rate of the cluster on the date of procurement.

The sale of finished goods to buyer is also market based. For each consignment, price offered is communicated, negotiated and finalized.

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

Responsibility of CBO	Responsibility of buyer
<ul style="list-style-type: none"> <li>• CBO shall be responsible for providing predetermined quantity and quality of products on time to the buyer. The processing of products will be done at the CBO's Processing Center.</li> <li>• CBO shall make use of proposed technologies to avail premium quality products.</li> <li>• CBO shall plan its production and aggregation as per the requirement of buyer</li> <li>• Every Consignment sent by the CBO shall have transit insurance</li> <li>• CBO shall be intimate buyer on change in its production plan due unavoidable circumstances</li> <li>• Compliance of statutory provisions</li> </ul>	<ul style="list-style-type: none"> <li>• Buyer shall purchase the products at predetermined prices.</li> <li>• Buyer shall make timely payment of procured quantity of products.</li> <li>• Buyer shall be responsible for quality inspection of good at the time of accepting delivery.</li> <li>• Buyer shall update the CBO on estimated demand for coming months to help CBO plan their aggregation and processing operations.</li> <li>• Compliance of statutory provisions</li> </ul>

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

## 13. Proposed Business activity/ies

No.	Business/activities	Operational days in a year (Days)	Remark
<b>A</b>	<b>Secondary processing – Spices Processing (Chilly Powder Manufacturing) – Mixed Model Business (Job Work &amp; Sales)</b>		
1	Chilly Processing (Chilly Powder Manufacturing)	218 Days (avg. of 10 years)	-

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

The sub-project involves adoption of most **modern optical sorter** to segregate top red coloured chilly from off coloured chilly. This will enable the project to manufacture top grade 'dark red' chilly powder, which is highly demanded in retail premium segment.

- **Optical Color Sorter:** Optical sorting in spices processing is essentially required for separating off colour material from good material. This is essential, especially if the objective is to pulverize spices like chillies – where there is demand for highly red or dark red chilli powder. In the color sorting process, chillies to be sorted are fed into the



hopper located on a vibrating plate. The plate then spreads the fed product and carries it through slanting sections, where it is further separated. The product then falls through an analysis section where each particle/piece is checked by two optical devices facing each other. The characteristic electrical signal for each color is conveyed to a control unit which converts this signal should non-designated particles be present; these are shut-off to the discard bin by means of an air burst fired by ejectors. Product considered good is instead dropped into the good product hopper. The process of color sorting depends upon the principle of differentiating the color of foreign material/ reject grade from the good one by using advanced CCD or high resolution sensors which use image capturing process to check these unwanted / discolored chillies. The defects are removed at high speeds without any human interface required. Sorters are often controlled by micro-processors and their sophisticated software allows the use of hundred different sorting programs storable on board. The picture below gives a snapshot of how the machine is important in segregating off color chillies from top grade dark red chillies.



In addition to the above, the proposed project shall lead to-

- a. Higher income to CBO and its member farmers
- b. Assurance of good quality products to buyers
- c. Assurance of safe products for consumption of final consumers.

**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 (Rs. Lakh)	Total Unit	Tax	Total amount (Rs. Lakh)
<b>Business/Activity - Spices Processing Unit</b>						
<b>A1</b>	<b>Building and Construction</b>					
1	Machine Shed Capacity	250 SQ MT	-	1	Inc.	54.76

No	Details of proposed business/activities	capacity	Rate /Unit (Rs. Lakh)	Total Unit	Tax	Total amount (Rs. Lakh)
<b>A2</b>	<b>Machinery and equipment</b>	2-4THP				
1	Belt Conveyer		1.55	1	0.28	1.83
2	Impact Pulverizer		4.95	2	1.78	11.68
3	Rotary Valve		0.60	1	0.11	0.71
4	Gyratory Shifter		0.95	1	0.17	1.12
5	Screw Conveyer		1.25	4	0.90	5.90
6	Storage Silo		0.65	1	0.12	0.77
7	Electric Control Panel		1.10	1	0.20	1.30
8	Ribbon Blender		2.75	1	0.50	3.25
9	Integrated Single layer double view belt type sorter		38.80	1	Inc.	38.80
10	Ventilation Type chilli dryer & Biomass Furnace		95.85	1	17.25	113.10
<b>A3</b>	<b>Electrical Fittings</b>	-	-	-	-	-
<b>A4</b>	<b>Preliminary &amp; Pre-operative Exp.</b>	LS	11.66	LS	Inc.	11.66
<b>A5</b>	<b>Working Capital Margin</b>	As Assessed	-	-	-	8.08
	<b>Total (A)</b>					<b>252.96</b>

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



## Section 5 Sub-project Budget and Financial Analysis

### 5.1 Sub project budget and means of finance

#### 5.1.1 Budget

No	Details of proposed business/activities	capacity	Rate /Unit (Rs. Lakh)	Total Unit	Tax	Total amount (Rs. Lakh)
<b>Business/Activity - Spices Processing Unit</b>						
<b>A1</b>	<b>Building and Construction</b>					
1	Machine Shed	250 SQ MT	-	1	Inc.	54.76
<b>A2</b>	<b>Machinery and equipment</b>	2-4THP				
1	Belt Conveyer		1.55	1	0.28	1.83
2	Impact Pulverizer		4.95	2	1.78	11.68
3	Rotary Valve		0.60	1	0.11	0.71
4	Gyratory Shifter		0.95	1	0.17	1.12
5	Screw Conveyer		1.25	4	0.90	5.90
6	Storage Silo		0.65	1	0.12	0.77
7	Electric Control Panel		1.10	1	0.20	1.30
8	Ribbon Blender		2.75	1	0.50	3.25
9	Integrated Single layer double view belt type sorter		38.80	1	Inc.	38.80
10	Ventilation Type chilli dryer & Biomass Furnace		95.85	1	17.25	113.10
<b>A3</b>	<b>Electrical Fittings</b>	-	-	-	-	-
<b>A4</b>	<b>Preliminary &amp; Pre-operative Exp.</b>	LS	11.66	LS	Inc.	11.66
<b>A5</b>	<b>Working Capital Margin</b>	As Assessed	-	-	-	8.08
	<b>Total (A)</b>					<b>252.96</b>

#### 5.1.2 Means of finance

Particulars	Amount (Rs in Lakh)	% of total funding
Promoters' Contribution	106.73	42.19%
Grant	146.23	57.81%
Bank Term Loan	-	-
<b>Total</b>	<b>252.96</b>	<b>100%</b>

### 5.2. Financial Analysis

#### 5.2.1 Project Cost Summary:

Sr. No.	Component	Amount (Rs. Lakh)	*Smart Subsidy %	Smart Subsidy Amount (Rs. Lakh)
1	Land	-	-	-
2	Building & Civil Work	54.76	60%	32.86
3	Machineries & Equipment	178.46	60%	107.08
4	Preliminary and Preoperative Expenses	11.66	60%	7.00
5	WCM	8.08	-	-
	<b>Total</b>	<b>252.96</b>	<b>60%</b>	<b>146.23</b>

**Note:** The applicant understands that the final grant/subsidy from SMART may change as per final decision of the State Proposal Approval Committee. The applicant undertakes that reduction (if an) in subsidy/grant will be financed by additional equity. The applicant also undertakes that any escalation during implementation of the project shall be met by additional equity from promoters and members.

### 5.2.2 Depreciation Estimates - SLM

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Building and Civil Works</b>										
Opening Balance	54.76	53.02	51.29	49.55	47.82	46.08	44.34	42.61	40.87	39.14
Depreciation @ 3.17%	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74
Closing balance	53.02	51.29	49.55	47.82	46.08	44.34	42.61	40.87	39.14	37.40
<b>Machinery &amp; equipment</b>										
Opening Bal	178.46	167.16	155.87	144.57	133.27	121.98	110.68	99.38	88.09	76.79
Depreciaton @ 6.33%	11.30	11.30	11.30	11.30	11.30	11.30	11.30	11.30	11.30	11.30
Closing balance	167.16	155.87	144.57	133.27	121.98	110.68	99.38	88.09	76.79	65.49
<b>Total Opening Balance</b>	<b>233.22</b>	<b>220.19</b>	<b>207.16</b>	<b>194.12</b>	<b>181.09</b>	<b>168.06</b>	<b>155.03</b>	<b>141.99</b>	<b>128.96</b>	<b>115.93</b>
<b>Total Depreciation</b>	<b>13.03</b>	<b>13.03</b>	<b>13.03</b>	<b>13.03</b>	<b>13.03</b>	<b>13.03</b>	<b>13.03</b>	<b>13.03</b>	<b>13.03</b>	<b>13.03</b>
<b>Closing balance</b>	<b>220.19</b>	<b>207.16</b>	<b>194.12</b>	<b>181.09</b>	<b>168.06</b>	<b>155.03</b>	<b>141.99</b>	<b>128.96</b>	<b>115.93</b>	<b>102.90</b>

### 5.2.3 Amortization

Particulars		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
		In Rs. Lakh									
<b>Total P&amp;P Exp.</b>	<b>5.00</b>										
Amortization Rate PA	10%										
P&P Exp. W/O		1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17

### 5.2.4 Bank Loan Projection

Not Applicable, as no Term Loan is sought.

## 5.2.5 Revenue and Expenses Assumption

The various supporting schedules and computations, clearly outlining items of revenues and expenditure are presented in tables below:

### 5.2.5.1. Output Schedule

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Chilly Processing</b>										
<b>Plant Capacity</b>	<b>1 TPH</b>									
<b>Total Annual Plant Capacity (MT)</b>	<b>3000</b>	<b>3000</b>	<b>3000</b>	<b>3000</b>	<b>3000</b>	<b>3000</b>	<b>3000</b>	<b>3000</b>	<b>3000</b>	<b>3000</b>
<b>40% reserved for JW Services</b>	<b>1200</b>	<b>1200</b>	<b>1200</b>	<b>1200</b>	<b>1200</b>	<b>1200</b>	<b>1200</b>	<b>1200</b>	<b>1200</b>	<b>1200</b>
<b>60% reserved for Captive operations</b>	<b>1800</b>	<b>1800</b>	<b>1800</b>	<b>1800</b>	<b>1800</b>	<b>1800</b>	<b>1800</b>	<b>1800</b>	<b>1800</b>	<b>1800</b>
<b>Capacity Utilization (JW Services)</b>	<b>50%</b>	<b>55.00%</b>	<b>60.00%</b>	<b>65.00%</b>	<b>70.00%</b>	<b>75.00%</b>	<b>80.00%</b>	<b>85.00%</b>	<b>90.00%</b>	<b>95.00%</b>
<b>Capacity Utilization (Captive Operations)</b>	<b>50%</b>	<b>55.00%</b>	<b>60.00%</b>	<b>65.00%</b>	<b>70.00%</b>	<b>75.00%</b>	<b>80.00%</b>	<b>85.00%</b>	<b>90.00%</b>	<b>95.00%</b>
<b>Job work Services</b>										
Total Input (Chilly) (MT)	600	660	720	780	840	900	960	1020	1080	1140
Job work Charges- Rs/MT	3,000	3,150	3,308	3,473	3,647	3,829	4,020	4,221	4,432	4,654
<b>Total JW Receipts (Rs. Lakh)</b>	<b>18.00</b>	<b>20.79</b>	<b>23.82</b>	<b>27.09</b>	<b>30.63</b>	<b>34.46</b>	<b>38.59</b>	<b>43.05</b>	<b>47.87</b>	<b>53.06</b>
<b>Captive Operations</b>										
Total Input -Wet Chilly (MT)	900	990	1080	1170	1260	1350	1440	1530	1620	1710
<b>Captive Operations Grade Output (MT)</b>										
Grade 1	810	891	972	1053	1134	1215	1296	1377	1458	1539
Grade 2	90	99	108	117	126	135	144	153	162	171

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Dryer &amp; Pulverizer</b>										
Grade 1- Output 40%	324	356	389	421	454	486	518	551	583	616
Grade 2- Output 40%	36	40	43	47	50	54	58	61	65	68
Chilly processed per day (MT)	10	10	10	10	10	10	10	10	10	10
No of days of operation (JW Services)	60	66	72	78	84	90	96	102	108	114
No of days of operation (Captive Operations)	90	99	108	117	126	135	144	153	162	171
<b>Total Working days of the Facility</b>	<b>150</b>	<b>165</b>	<b>180</b>	<b>195</b>	<b>210</b>	<b>225</b>	<b>240</b>	<b>255</b>	<b>270</b>	<b>285</b>

#### 5.2.5.2. Closing Stock of RM- Captive Operations

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Raw Material (MT)</b>										
<b>Chilly</b>										
Opening Stock	0	38	41	45	49	53	56	60	64	68
Purchase	938	993	1084	1174	1264	1353	1444	1534	1624	1713
Consumed	900	990	1080	1170	1260	1350	1440	1530	1620	1710
Closing stock	38	41	45	49	53	56	60	64	68	71
<b>Prices (per MT)</b>										
<b>Mandi Price</b>	38,100	40,010	42,010	44,110	46,320	48,640	51,070	53,620	56,300	59,120
<b>Value of Opening Stock (Rs. Lakh)</b>	-	14.48	16.40	18.90	21.61	24.55	27.24	30.64	34.32	38.28
<b>Value of Closing Stock (Rs. Lakh)</b>	14.48	16.40	18.90	21.61	24.55	27.24	30.64	34.32	38.28	41.98

### 5.2.5.3. Purchase Schedule- Captive Operations

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Chilly	938	993	1084	1174	1264	1353	1444	1534	1624	1713
Rate (Rs. per MT)	38,100.00	40,010.00	42,010.00	44,110.00	46,320.00	48,640.00	51,070.00	53,620.00	56,300.00	59,120.00
<b>Purchases (Rs. In Lakh)</b>	<b>357.38</b>	<b>397.30</b>	<b>455.39</b>	<b>517.85</b>	<b>585.48</b>	<b>658.10</b>	<b>737.45</b>	<b>822.53</b>	<b>914.31</b>	<b>1,012.73</b>

### 5.2.5.4. Closing Stock of FG- Captive Operations

#	Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
	<b>Finished Goods (MT)</b>										
<b>A</b>	<b>Grade 1</b>										
	Opn Stock	0	14	15	17	18	20	21	22	24	25
	Total Production	324	356	389	421	454	486	518	551	583	616
	Sales	310	355	387	420	452	485	517	549	582	614
	Closing Stock	14	15	17	18	20	21	22	24	25	27
<b>B</b>	<b>Grade 2</b>										
	Opn Stock	0	2	2	2	2	2	2	3	3	3
	Total Production	36	40	43	47	50	54	58	61	65	68
	Sales	34	40	43	47	50	54	57	61	65	68
	Closing Stock	2	2	2	2	2	2	3	3	3	3
	<b>Selling Price (Rs/MT)</b>										
A	Grade 1	118,000	123,900	130,100	136,610	143,440	150,610	158,140	166,050	174,350	183,070
B	Grade 2	100,000	105,000	110,250	115,760	121,550	127,630	134,010	140,710	147,750	155,140

#	Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>A</b>	<b>Grade 1</b>										
	Value of Opening Stock (Rs. Lakh)	-	16.52	18.59	22.12	24.59	28.69	31.63	34.79	39.85	43.59
	Value of Closing Stock (Rs. Lakh)	16.52	18.59	22.12	24.59	28.69	31.63	34.79	39.85	43.59	49.43
<b>B</b>	<b>Grade 2</b>										
	Value of Opening Stock (Rs. Lakh)	-	2.00	2.10	2.21	2.32	2.43	2.55	4.02	4.22	4.43
	Value of Closing Stock (Rs. Lakh)	2.00	2.10	2.21	2.32	2.43	2.55	4.02	4.22	4.43	4.65
	<b>All Products</b>										
	Value of Opening Stock (Rs. Lakh)	-	18.52	20.69	24.32	26.91	31.12	34.18	38.81	44.07	48.02
	Value of Closing Stock (Rs. Lakh)	18.52	20.69	24.32	26.91	31.12	34.18	38.81	44.07	48.02	54.08

#### 5.2.5.6. Sales Schedule- Captive Operations

#	Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
	<b>Chilly</b>										
<b>A</b>	<b>Grade 1</b>	310	355	387	420	452	485	517	549	582	614
	Rate (per MT)	118,000.00	123,900.00	130,100.00	136,610.00	143,440.00	150,610.00	158,140.00	166,050.00	174,350.00	183,070.00
	<b>Sales (in Rs. Lakh)</b>	<b>365.80</b>	<b>439.85</b>	<b>503.49</b>	<b>573.76</b>	<b>648.35</b>	<b>730.46</b>	<b>817.58</b>	<b>911.61</b>	<b>1,014.72</b>	<b>1,124.05</b>
<b>B</b>	<b>Grade 2</b>	34	40	43	47	50	54	57	61	65	68
	Rate (per MT)	100,000.00	105,000.00	110,250.00	115,760.00	121,550.00	127,630.00	134,010.00	140,710.00	147,750.00	155,140.00
	<b>Sales (in Rs. Lakh)</b>	<b>34.00</b>	<b>42.00</b>	<b>47.41</b>	<b>54.41</b>	<b>60.78</b>	<b>68.92</b>	<b>76.39</b>	<b>85.83</b>	<b>96.04</b>	<b>105.50</b>



Particulars	Basis	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Repairs	1% of machine cost & civil works	2.33	2.45	2.57	2.70	2.83	2.98	3.13	3.28	3.45	3.62
Insurance	0.5% of the Capital Investment	1.17	1.22	1.29	1.35	1.42	1.49	1.56	1.64	1.72	1.81
Factory Staff Salary	Factory Staff Manpower Chart	12.60	13.23	13.89	14.59	15.32	16.08	16.89	17.73	18.62	19.55
Electricity	60 KVA (Power chart)	6.00	6.30	6.62	6.95	7.29	7.66	8.04	8.44	8.86	9.31
<b>Total (Fixed Factory Exp)</b>		<b>22.10</b>	<b>23.20</b>	<b>24.36</b>	<b>25.58</b>	<b>26.86</b>	<b>28.20</b>	<b>29.61</b>	<b>31.09</b>	<b>32.65</b>	<b>34.28</b>
<b>Variable Exp</b>											
Labour	Variable Manpower Chart	2.70	3.47	4.32	5.27	6.30	7.43	8.64	9.18	9.72	10.26
Electricity	65 KVA (Power chart)	24.48	26.93	29.38	31.82	34.27	36.72	39.17	41.62	44.06	46.51
Water	50 Rs. Per day	0.08	0.08	0.09	0.10	0.11	0.11	0.12	0.13	0.14	0.14
Wax and Other consumables	Nil										
Packaging Material	400/ton	3.60	3.96	4.32	4.68	5.04	5.40	5.76	6.12	6.48	6.84
Stocks of Safety Gear (gloves, shoes, disinfectants, etc)	800/labour	0.05	0.06	0.06	0.07	0.08	0.09	0.10	0.10	0.10	0.10
Transportation Expenses	500/ton	4.50	4.95	5.40	5.85	6.30	6.75	7.20	7.65	8.10	8.55
Repairs & Maintenance	300/day	0.45	0.50	0.54	0.59	0.63	0.68	0.72	0.77	0.81	0.86
Selling & Dist Exp	500/ton	1.72	1.98	2.15	2.34	2.51	2.70	2.87	3.05	3.24	3.41
Misc Exp	500/day	0.75	0.83	0.90	0.98	1.05	1.13	1.20	1.28	1.35	1.43
<b>Total Variable Exp</b>		<b>38.32</b>	<b>42.74</b>	<b>47.16</b>	<b>51.68</b>	<b>56.29</b>	<b>60.99</b>	<b>65.77</b>	<b>69.88</b>	<b>73.99</b>	<b>78.09</b>



Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Taxable profit	-12.07	2.06	15.52	29.47	44.15	59.65	76.05	94.77	114.72	136.33
Loss b/f	0.00	-12.07	-10.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
loss c/f	-12.07	-10.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net taxable profit	0.00	0.00	5.51	29.47	44.15	59.65	76.05	94.77	114.72	136.33
<b>Income Tax 30%</b>	<b>0.00</b>	<b>0.00</b>	<b>1.65</b>	<b>8.84</b>	<b>13.25</b>	<b>17.89</b>	<b>22.82</b>	<b>28.43</b>	<b>34.42</b>	<b>40.90</b>

## 5.2.6 Projected Profit & Loss Statement

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Revenue from Sale	399.80	481.85	550.89	628.17	709.12	799.38	893.97	997.45	1,110.75	1,229.55
Revenue- Service Charges - Rice Milling	18.00	20.79	23.82	27.09	30.63	34.46	38.59	43.05	47.87	53.06
Revenue from Weigh Bridge operation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Revenue</b>	<b>417.80</b>	<b>502.64</b>	<b>574.71</b>	<b>655.26</b>	<b>739.76</b>	<b>833.84</b>	<b>932.56</b>	<b>1040.50</b>	<b>1158.62</b>	<b>1282.60</b>
Less:- Opening Stock of F.G.	-	18.52	20.69	24.32	26.91	31.12	34.18	38.81	44.07	48.02
Add:-Closing Stock of F. G.	18.52	20.69	24.32	26.91	31.12	34.18	38.81	44.07	48.02	54.08
<b>Cost of Finish Goods</b>	<b>436.32</b>	<b>504.80</b>	<b>578.35</b>	<b>657.84</b>	<b>743.97</b>	<b>836.90</b>	<b>937.19</b>	<b>1045.76</b>	<b>1162.57</b>	<b>1288.66</b>
Raw Material Purchased	357.38	397.30	455.39	517.85	585.48	658.10	737.45	822.53	914.31	1012.73
Add:- Opening Stock of R.M	-	14.48	16.40	18.90	21.61	24.55	27.24	30.64	34.32	38.28
Less:-Closing Stock of R.M.	14.48	16.40	18.90	21.61	24.55	27.24	30.64	34.32	38.28	41.98
<b>Cost of Material Consumed</b>	<b>342.90</b>	<b>395.37</b>	<b>452.89</b>	<b>515.14</b>	<b>582.55</b>	<b>655.41</b>	<b>734.05</b>	<b>818.86</b>	<b>910.34</b>	<b>1009.03</b>

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Total Fixed exp</b>	<b>30.41</b>	<b>31.94</b>	<b>33.54</b>	<b>35.22</b>	<b>36.98</b>	<b>38.84</b>	<b>40.79</b>	<b>42.84</b>	<b>45.00</b>	<b>47.25</b>
<b>Total Variable exp</b>	<b>38.32</b>	<b>42.74</b>	<b>47.16</b>	<b>51.68</b>	<b>56.29</b>	<b>60.99</b>	<b>65.77</b>	<b>69.88</b>	<b>73.99</b>	<b>78.09</b>
Preliminary exp written off	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17
Profit Before Interest and Depn	23.52	33.59	43.60	54.63	66.99	80.50	95.41	113.02	132.07	153.12
Term loan interest	-	-	-	-	-	-	-	-	-	-
Interest on WC	2.18	2.68	3.14	3.56	4.10	4.57	5.19	5.88	6.53	7.30
Depreciation (SLM)	13.03	13.03	13.03	13.03	13.03	13.03	13.03	13.03	13.03	13.03
Profit Before Tax	8.31	17.88	27.43	38.04	49.85	62.89	77.19	94.10	112.51	132.79
Less. Tax	0.00	0.00	1.65	8.84	13.25	17.89	22.82	28.43	34.42	40.90
<b>Profit After Tax</b>	<b>8.31</b>	<b>17.88</b>	<b>25.78</b>	<b>29.20</b>	<b>36.61</b>	<b>45.00</b>	<b>54.38</b>	<b>65.67</b>	<b>78.09</b>	<b>91.89</b>

### 5.2.7 Cash Flow Statement Projection

	Particulars	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>1</b>	<b>Revenue</b>											
	<b>Total Revenue</b>	-	417.80	502.64	574.71	655.26	739.76	833.84	932.56	1,040.50	1,158.62	1,282.60
<b>2</b>	<b>Term Loan</b>	<b>0.00</b>		-	-	-	-	-	-	-	-	-
<b>3</b>	<b>Promoters' Capital</b>	<b>106.73</b>		-	-	-	-	-	-	-	-	-
<b>4</b>	<b>W.Capital loan</b>		24.23	5.50	5.10	4.71	6.02	5.24	6.82	7.75	7.19	8.52
<b>5</b>	<b>Grant</b>	<b>146.23</b>	-	-	-	-	-	-	-	-	-	-
<b>6</b>	<b>Increase in Current Liabilities</b>		35.51	3.82	5.34	5.72	6.17	6.60	7.17	7.60	8.17	8.73

	Particulars	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
	<b>Sub Total (A)</b>	<b>252.96</b>	<b>477.54</b>	<b>511.96</b>	<b>585.16</b>	<b>665.69</b>	<b>751.94</b>	<b>845.68</b>	<b>946.55</b>	<b>1,055.85</b>	<b>1,173.98</b>	<b>1,299.85</b>
<b>Cash Outflow (Rs.)</b>												
<b>1</b>	<b>Capital Expenditure</b>											
a	Civil Works and P&M	233.22	-	-	-	-	-	-	-	-	-	-
b	Pre-operative exp.	11.66	-	-	-	-	-	-	-	-	-	-
c	Contingencies	0.00	-	-	-	-	-	-	-	-	-	-
d	MFA	0.00	-	-	-	-	-	-	-	-	-	-
<b>2</b>	<b>Operational Expenditure</b>											
a	Fixed Cost (Excl. Of Interest)		30.41	31.94	33.54	35.22	36.98	38.84	40.79	42.84	45.00	47.25
b	Variable Cost		38.32	42.74	47.16	51.68	56.29	60.99	65.77	69.88	73.99	78.09
c	Cost of Material Purchased		357.38	397.30	455.39	517.85	585.48	658.10	737.45	822.53	914.31	1,012.73
<b>3</b>	<b>Loan Repayment</b>		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a	Interest: TL		-	-	-	-	-	-	-	-	-	-
b	Interest WC		2.18	2.68	3.14	3.56	4.10	4.57	5.19	5.88	6.53	7.30
<b>4</b>	<b>Increase in Current Assets</b>		34.82	7.07	6.01	6.71	7.04	7.84	8.23	9.00	9.84	10.33
<b>5</b>	<b>Tax</b>		-	-	1.65	8.84	13.25	17.89	22.82	28.43	34.42	40.90
<b>6</b>	<b>Differential tax liabilities</b>											
	<b>Sub Total (B)</b>	<b>244.88</b>	<b>463.11</b>	<b>481.72</b>	<b>546.88</b>	<b>623.87</b>	<b>703.14</b>	<b>788.23</b>	<b>880.25</b>	<b>978.56</b>	<b>1,084.09</b>	<b>1,196.60</b>
	<b>Net Cash Flow (A-B)</b>	<b>8.08</b>	<b>14.43</b>	<b>30.24</b>	<b>38.27</b>	<b>41.82</b>	<b>48.80</b>	<b>57.45</b>	<b>66.31</b>	<b>77.29</b>	<b>89.89</b>	<b>103.25</b>
	Opening Cash and Bank		8.08	22.50	52.75	91.02	132.84	181.64	239.09	305.40	382.69	472.58
	<b>Cumulative Cash Balance</b>	<b>8.08</b>	<b>22.50</b>	<b>52.75</b>	<b>91.02</b>	<b>132.84</b>	<b>181.64</b>	<b>239.09</b>	<b>305.40</b>	<b>382.69</b>	<b>472.58</b>	<b>575.83</b>

### 5.2.8 Balance Sheet Statement Projection

Particulars	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>LIABILITIES</b>											
<b>Promoters' Capital</b>	<b>106.73</b>	106.73	106.73	106.73	106.73	106.73	106.73	106.73	106.73	106.73	106.73
<b>Total Capital</b>	<b>106.73</b>	<b>106.73</b>	<b>106.73</b>	<b>106.73</b>	<b>106.73</b>	<b>106.73</b>	<b>106.73</b>	<b>106.73</b>	<b>106.73</b>	<b>106.73</b>	<b>106.73</b>
<u>Reserves &amp; Surplus</u>											
-											
Grant	<b>146.23</b>	146.23	146.23	146.23	146.23	146.23	146.23	146.23	146.23	146.23	146.23
-											
<u>Profit &amp; Loss</u>											
Opening Balance	-	-	8.31	26.18	51.96	81.16	117.76	162.76	217.14	282.81	360.90
Add: Profit after tax	-	8.31	17.88	25.78	29.20	36.61	45.00	54.38	65.67	78.09	91.89
Total	-	8.31	26.18	51.96	81.16	117.76	162.76	217.14	282.81	360.90	452.79
Secured Loan From Bank	0.00	-	-	-	-	-	-	-	-	-	-
W. Capital Loan	-	24.23	29.73	34.83	39.55	45.56	50.81	57.62	65.37	72.56	81.08
Current Liability	-	35.51	39.33	44.67	50.40	56.56	63.16	70.33	77.94	86.11	94.84
<b>Total ( A )</b>	<b>252.96</b>	<b>321.00</b>	<b>348.21</b>	<b>384.42</b>	<b>424.05</b>	<b>472.85</b>	<b>529.69</b>	<b>598.05</b>	<b>679.08</b>	<b>772.53</b>	<b>881.67</b>
<b>ASSETS</b>											
<b>Fixed Assets</b>											
Gross Block	233.22	233.22	220.19	207.16	194.12	181.09	168.06	155.03	141.99	128.96	115.93
Less : Depreciation	-	13.03	13.03	13.03	13.03	13.03	13.03	13.03	13.03	13.03	13.03
Net Block	233.22	220.19	207.16	194.12	181.09	168.06	155.03	141.99	128.96	115.93	102.90

Particulars	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
P&P	11.66	10.49	9.33	8.16	7.00	5.83	4.66	3.50	2.33	1.17	-
Contingencies	0.00	-	-	-	-	-	-	-	-	-	-
<b>Current Assets</b>											
Sundry Debtor	-	34.82	41.89	47.89	54.60	61.65	69.49	77.71	86.71	96.55	106.88
<b><i>Closing Stock</i></b>											
Closing Stock FG	-	18.52	20.69	24.32	26.91	31.12	34.18	38.81	44.07	48.02	54.08
Closing Stock RM	-	14.48	16.40	18.90	21.61	24.55	27.24	30.64	34.32	38.28	41.98
		33.00	37.09	43.23	48.52	55.67	61.42	69.45	78.39	86.30	96.06
Cash & Bank Balance	8.08	22.50	52.75	91.02	132.84	181.64	239.09	305.40	382.69	472.58	575.83
(Including Cash Credit Limit)											
<b>Total ( B )</b>	<b>252.96</b>	<b>321.00</b>	<b>348.21</b>	<b>384.42</b>	<b>424.05</b>	<b>472.85</b>	<b>529.69</b>	<b>598.05</b>	<b>679.08</b>	<b>772.53</b>	<b>881.67</b>

## 5.2.9 Financial Indicators

### A. Return on Capital Employed (RoCE) or Return on Equity (RoE) and Payback Period

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Net Profit	8.31	17.88	25.78	29.20	36.61	45.00	54.38	65.67	78.09	91.89
Average net profit	45.28									
Total Project cost	252.96									
<b>ROCE (without grant)</b>	<b>17.90</b>									
<b>Payback Period (without Grant)</b>	<b>7 Yrs 7 months</b>									
<b>Payback Period (with Grant)</b>	<b>4 Years 8 months</b>									

### B. Net Present Value (NPV)

Particular	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Profit after Tax & Dividend	8.31	17.88	25.78	29.20	36.61	45.00	54.38	65.67	78.09	91.89
Add: Depreciation	13.03	13.03	13.03	13.03	13.03	13.03	13.03	13.03	13.03	13.03
Add: Preliminary exp Written off	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17
Net Cash Accrual (A)	22.50	32.08	39.97	43.39	50.81	59.20	68.58	79.87	92.29	106.09



**D. Break Even Point (BEP)**

Particulars	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Net Profit	8.31	17.88	25.78	29.20	36.61	45.00	54.38	65.67	78.09	91.89
Fixed Cost	46.79	48.81	50.87	52.98	55.28	57.61	60.18	62.92	65.72	68.75
Contribution	55.10	66.69	76.65	82.17	91.89	102.61	114.55	128.60	143.82	160.64
<b>Fixed Cost</b>										
Fixed Expenses	30.41	31.94	33.54	35.22	36.98	38.84	40.79	42.84	45.00	47.25
TL Interest	-	-	-	-	-	-	-	-	-	-
WC Interest	2.18	2.68	3.14	3.56	4.10	4.57	5.19	5.88	6.53	7.30
Depreciation	13.03	13.03	13.03	13.03	13.03	13.03	13.03	13.03	13.03	13.03
P&P exp	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17
BEP	85%	73%	66%	64%	60%	56%	53%	49%	46%	43%
<b>Avg BEP</b>	<b>59.52%</b>									

**E. Debt Service Coverage Ratio (DSCR) – Not Applicable, as no Term Loan is sought by project**

## F. Sensitivity Analysis

**Analysis Note:** The project is seen to be highly resilient in all scenarios.

**All Figures in Rs. Lakh**

Quantity Variation (+10%)	Year-1	Year-2	Year-3	Year-4	Year-5	Year-6	Year-7	Year-8	Year-9	Year-10
Revenue from Sale	440	530	606	691	780	879	983	1097	1222	1352
Revenue- Service Charges - Rice Milling	20	21	24	27	31	34	39	43	48	58
Change in Closing Stock of FG	19	2	4	3	4	3	5	5	4	6
<b>Total Income</b>	<b>478</b>	<b>553</b>	<b>633</b>	<b>721</b>	<b>815</b>	<b>917</b>	<b>1,027</b>	<b>1,146</b>	<b>1,274</b>	<b>1,417</b>
<b>Expenditure</b>										
Cost of Material consumed	377	435	498	567	641	721	807	901	1,001	1,110
Fixed Cost (Excl. of Depreciation, Amortization and Interest)	30	32	34	35	37	39	41	43	45	47
Variable Cost	38	43	47	52	56	61	66	70	74	78
<b>Total Operational Expenses</b>	<b>446</b>	<b>510</b>	<b>579</b>	<b>654</b>	<b>734</b>	<b>821</b>	<b>914</b>	<b>1,013</b>	<b>1,120</b>	<b>1,235</b>
<b>Net Income</b>	<b>32</b>	<b>43</b>	<b>55</b>	<b>67</b>	<b>81</b>	<b>96</b>	<b>113</b>	<b>132</b>	<b>153</b>	<b>182</b>

Cost Variation (+10%)	Year-1	Year-2	Year-3	Year-4	Year-5	Year-6	Year-7	Year-8	Year-9	Year-10
Revenue from Sale	400	482	551	628	709	799	894	997	1,111	1,230
Revenue- Service Charges - Rice Milling	18	21	24	27	31	34	39	43	48	53
Change in Closing Stock of FG	19	2	4	3	4	3	5	5	4	6
<b>Total Income</b>	<b>436</b>	<b>505</b>	<b>578</b>	<b>658</b>	<b>744</b>	<b>837</b>	<b>937</b>	<b>1,046</b>	<b>1,163</b>	<b>1,289</b>
<b>Expenditure</b>										
Cost of Material consumed	377	435	498	567	641	721	807	901	1,001	1,110
Fixed Cost (Excl. of Depreciation, Amortization and Interest)	33	35	37	39	41	43	45	47	49	52
Variable Cost	42	47	52	57	62	67	72	77	81	86
<b>Total Operational Expenses</b>	<b>453</b>	<b>517</b>	<b>587</b>	<b>662</b>	<b>743</b>	<b>831</b>	<b>925</b>	<b>1,025</b>	<b>1,132</b>	<b>1,248</b>

<b>Net Income</b>	<b>-16</b>	<b>-12</b>	<b>-9</b>	<b>-4</b>	<b>1</b>	<b>6</b>	<b>13</b>	<b>21</b>	<b>30</b>	<b>41</b>
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Quantity Variation (-10%)	Year-1	Year-2	Year-3	Year-4	Year-5	Year-6	Year-7	Year-8	Year-9	Year-10
Revenue from Sale	360	434	496	565	638	719	805	898	1,000	1,107
Revenue- Service Charges - Rice Milling	16	19	21	24	28	31	35	39	43	48
Change in Closing Stock of FG	19	2	4	3	4	3	5	5	4	6
<b>Total Income</b>	<b>395</b>	<b>455</b>	<b>521</b>	<b>592</b>	<b>670</b>	<b>754</b>	<b>844</b>	<b>942</b>	<b>1,047</b>	<b>1,160</b>
<b>Expenditure</b>										
Cost of Material consumed	309	356	408	464	524	590	661	737	819	908
Fixed Cost (Excl. of Depreciation, Amortization and Interest)	30	32	34	35	37	39	41	43	45	47
Variable Cost	38	43	47	52	56	61	66	70	74	78
<b>Total Operational Expenses</b>	<b>377</b>	<b>431</b>	<b>488</b>	<b>551</b>	<b>618</b>	<b>690</b>	<b>767</b>	<b>850</b>	<b>938</b>	<b>1,033</b>
<b>Net Income</b>	<b>17</b>	<b>24</b>	<b>33</b>	<b>42</b>	<b>52</b>	<b>64</b>	<b>77</b>	<b>92</b>	<b>108</b>	<b>127</b>

Cost Variation (-10%)	Year-1	Year-2	Year-3	Year-4	Year-5	Year-6	Year-7	Year-8	Year-9	Year-10
Revenue from Sale	400	482	551	628	709	799	894	997	1,111	1,230
Revenue- Service Charges - Rice Milling	18	21	24	27	31	34	39	43	48	53
Change in Closing Stock of FG	19	2	4	3	4	3	5	5	4	6
<b>Total Income</b>	<b>436</b>	<b>505</b>	<b>578</b>	<b>658</b>	<b>744</b>	<b>837</b>	<b>937</b>	<b>1,046</b>	<b>1,163</b>	<b>1,289</b>
<b>Expenditure</b>										
Cost of Material consumed	309	356	408	464	524	590	661	737	819	908
Fixed Cost (Excl. of Depreciation, Amortization and Interest)	27	29	30	32	33	35	37	39	40	43
Variable Cost	34	38	42	47	51	55	59	63	67	70
<b>Total Operational Expenses</b>	<b>370</b>	<b>423</b>	<b>480</b>	<b>542</b>	<b>608</b>	<b>680</b>	<b>757</b>	<b>838</b>	<b>926</b>	<b>1,021</b>
<b>Net Income</b>	<b>66</b>	<b>82</b>	<b>98</b>	<b>116</b>	<b>136</b>	<b>157</b>	<b>181</b>	<b>207</b>	<b>236</b>	<b>268</b>



## Key Points for Information

S. No.	Financial Indicator	SMART's Benchmark	Project's Financial Analysis (with grant)
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>ROCE: 17.90%</b>
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.	<b>Rs. 71.14 Lakh</b>
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.	<b>14.77 %</b>
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	<b>4 Yrs 8 Months</b>
E	Break Even Point (BEP)	The average breakeven percentage shall be more than 50% to consider that it is financially viable	<b>59.52 %</b>
F	Debt Service Coverage Ratio (DSCR)	DSCR shall be more than 1.5 for better performing project.	<b>NA</b> No TL sought
G	Sensitivity Analysis	The robustness of the proposal can be 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).	<b>Project shows strong resilience in all cases.</b>

## Section 6 : Assumptions

### 6.1 Key Assumptions

#### 1. Basic Information of the business/facility

No.	Particulars	details
1.	Business activity/Facility	Spices Processing
2.	Area Required for establishing facility	930 SQM
3.	Capacity of Facility	1 TPH
4.	No. of hours, the facility will be operational in a day	10 Hours per Day
5.	Capital investment for machinery and equipment's (as per quotation)	Rs. 178.46 Lakh (inc. cost of transport vehicle)
6.	Investment on civil and construction component (As per estimates):	Rs. 54.76 Lakh
I	How many days, the facility will be operational in a year	Avg. 218 Days

#### 2. Details of revenue generated through above facility

No.	Finished product	Unit	Whole price /Rs. per MT (Y1)	Retail price /- Rs.....per Unit
1	Chilly Powder – Grade I	MT	118,000.00	-
2	Chilly Powder – Grade II	MT	100,000.00	-
3	JW Services Charges	MT	3,000.00	-

**Note:** Currently, the business model considers only Wholesale Price in its trade operations. The Retail Price, in general, may be considered as 20-25% higher.

#### 3. Expenditure on raw material

No.	Commodity	Procurement Price Rs. Per MT	Remark
1	Chilly	38,100.00/ MT	-

#### 4. Expenditure on salary of management staff

No.	Designation:	No. of Staff:	Salary Rs. Per Month:	Remark
1	Accountant	1	Rs. 8000/- Per Month	-
2	Security Staff	1	Rs. 6000/- Per Month	-
3	Market BD Executives	2	Rs. 10,000/-Month	-
4	Admin Staff	1	Rs. 8000/- Per Month	-

## 5. Expenditure on remuneration of labor

No.	Type of workers	No.	Wages Rs per day/ Month	Remark																					
1	Skilled	7	Rs. 8,000/- To Rs. 18,000/- Per Month	<table border="1"> <thead> <tr> <th>Designation</th> <th>Nos.</th> <th>Salary (In Rs. Per Month)</th> </tr> </thead> <tbody> <tr> <td>Factory Head</td> <td>1</td> <td>18,000.00</td> </tr> <tr> <td>Product and Quality Assurance Manager</td> <td>1</td> <td>15,000.00</td> </tr> <tr> <td>Plant Operators</td> <td>3</td> <td>12,000.00</td> </tr> <tr> <td>Driver &amp; Helper</td> <td>2</td> <td>10,000.00</td> </tr> <tr> <td>Maintenance Engineer</td> <td>1</td> <td>8,000.00</td> </tr> <tr> <td>Storekeeper</td> <td>1</td> <td>8,000.00</td> </tr> </tbody> </table>	Designation	Nos.	Salary (In Rs. Per Month)	Factory Head	1	18,000.00	Product and Quality Assurance Manager	1	15,000.00	Plant Operators	3	12,000.00	Driver & Helper	2	10,000.00	Maintenance Engineer	1	8,000.00	Storekeeper	1	8,000.00
				Designation	Nos.	Salary (In Rs. Per Month)																			
				Factory Head	1	18,000.00																			
				Product and Quality Assurance Manager	1	15,000.00																			
				Plant Operators	3	12,000.00																			
				Driver & Helper	2	10,000.00																			
				Maintenance Engineer	1	8,000.00																			
				Storekeeper	1	8,000.00																			
<b>The above are 'salaried' skilled employees.</b>																									
2	Semi skill	-	-																						
3	Un-skilled	6	Rs. 300 per Day	Unskilled labour required in First year is 6 persons. This is variable and increases in following year as capacity utilization increases. The chart below gives details of Year-wise unskilled labour strength of proposed plant.																					

Unskilled Labour- Polishing Plant	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
	6	7	8	9	10	11	12	12	12	12

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

No	Component	Land lease Rent Rs----- per month	Remark
1	land rent	Rs.12,000/Year	-

## 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	255 KVA	163.2 Kw PER HR.	Rs. 10/-Kwh	-

## 8. Maintenance cost facilities

No	Component	Detail	Remark
1	Maintenance of machinery, building, equipment etc,	1. Fixed: 1% of P&M and Civil 2. Variable: Rs. 300 per Day	-

## 9. Other consumables required for production

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

## 10. Expenditure on packaging material

No.	Type of Material	Size of Packaging material	Unit	Total unit	Cost Per Unit (Rs.)	Remark
1	Plain Laminate Pouch Packing	1 KG (1 bag)	KG	360,000 KG (360,000 bags) 'In Y1'	1 Rs. Per Bag	

## 11. Expenditure on storage/warehouse for product

No.	Crop Name:	Storage Duration (month)	Storage Cost Per Quintal Per Month:	remark
Storage area in the Project building is used only as intermediate storage till products are ready to be delivered. No separate warehousing is considered for short/long term warehousing. Warehouse may be rented by user farmers and buyers directly and hence is not considered under the project				

## 12. Other Expenditure

No.	Component	Rs/per month	remark
Please refer section "5.2.5.6. Consolidated OPEX Schedule" for details			

## 6.2 Other assumptions

1. Year wise participation of CBO member and Non Members

Services Users and RM Sellers	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Members	511	613	736	883	1060	1272	1526	1831	2197	2636
Non-Members	1000	898	775	628	451	239	0	0	0	0

**Note:** Apart from the CBO members, there are over 1000 non-members who have been using the company's existing plant services. It is expected that over the next 10 years, the CBO membership will increase by 20% annually.

3. Production assumption of various years

Services Users and RM Sellers	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Members	511	613	736	883	1060	1272	1526	1831	2197	2636
Non-Members	1000	898	775	628	451	239	0	0	0	0
Production-Chilly(MT)	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Members	1782	2006	2277	2600	2990	3456	3982	3982	3982	3982
Non-Members	2200	1976	1705	1382	992	526	0	0	0	0
Total Production Chilly(MT)	3982	3982	3982	3982	3982	3982	3982	3982	3982	3982
Marketable Surplus - Chilly(MT)	3584	3584	3584	3584	3584	3584	3584	3584	3584	3584
Requirement of Project (MT)	1500	1650	1800	1950	2100	2250	2400	2550	2700	2850

4. Average depreciation – machinery, building, IT infra.

Depreciation	Bldg.	P&M and MFA	Vehicle
SLM	3.17%	6.33%	7.88%
WDV	10%	15%	30%

5. **Interest rate on long and short term loans** - No Term Loan is sought. Working Capital loan (unsecured loan) is envisaged from project promoters @ 9% P.A. post operationalization of the project.
6. **Insurance** – Insurance @ 0.5% of the capital cost of Building, Plant and Machinery, Furniture & Fixtures and IT Infrastructure is considered.
7. **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.
8. **Income tax:** 30%
9. **Other key assumptions**

9.1. **Capacity of Plant: 1 TPH**

9.2. **Working Model:**

Job Work Services	40% capacity reserved
Captive Operations	60% capacity reserved

9.3. **Capacity Utilization**

Capacity Utilization	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
JW Services	50%	55%	60%	65%	70%	75%	80%	85%	90%	95%
Captive Operations	50%	55%	60%	65%	70%	75%	80%	85%	90%	95%

9.4. **Grade Output**

Grade Output	Percentage
Grade I Chilly Powder	40% of Grade I Chilly
Grade II Chilly Powder	40% of Grade II Chilly
<b>Note on Grading of Chilly:</b>	
Chilly Grading	
Grade 1: 90%	
Grade 2: 10%	
<b>Note:</b> This Chilly after grading is pulverized and sold as Chilly Powder	

9.5. **Working Days**

Working Days	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
No of days of operation (JW Services)	60	66	72	78	84	90	96	102	108	114
No of days of operation (Captive Operations)	90	99	108	117	126	135	144	153	162	171

**9.6. Stock**

Closing Stock- Raw Material	15 days
Closing Stock- Finished Goods	15 days

**9.7. Inflation : 5% annum**

**9.8. Current Liability: 1 Month**

**9.9. Sundry Debtors: 1 Month**

# Section 7

## SOCIAL ACTION PLAN<sup>1</sup>

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

Particulars	Yes/ No	If Yes, Specify
<b>1. Information of Sub-project Implementation Area</b>		
Does the subproject area falls under Scheduled V <sup>2</sup> (Tribal) Area?	No	
Does the subproject area have Particularly Vulnerable Tribal Groups <sup>3</sup> {PVTGs}?	No	
Does the subproject falls under Left Wing Extremism <sup>4</sup> area {LWE}?	No	
Does the subproject districts falls under Aspirational District <sup>5</sup> ?	No	
<b>2. Compliance with Negative List</b>		
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 <sup>6</sup> or child labour <sup>7</sup> and other labour-exploitative practices?	No	
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	
<b>3. Sub Project Implementation</b>		

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

<sup>2</sup> List of tribal districts & blocks (Scheduled V Area) is available at

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

<sup>3</sup> Particularly Vulnerable Tribal Groups - Kataria (Kathodia), Kolam, Maria Gond

<sup>4</sup> Left Wing Extremism districts Chandrapur, Gadchiroli, Gondia

<sup>5</sup> Aspirational Districts - Nandurbar, Washim, Gadchiroli, Osmanabad

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

<sup>7</sup> 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 commencing. The Borrower conducts regular monitoring of health, working conditions, hours of work, and the likelihood of potential threat to the child's overall development.

<b>3.1 Measures for Social Inclusion</b>		
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
<b>3.2 Tribal Development Plan (For the Subprojects from Schedule V Area)</b>		
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	
<b>3.3 Land</b>		
Whether own 7/12 extract or registered Lease Agreement for rent/lease of private land for 29 years has been attached?	Yes	Lease rent 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
<b>3.4 Labour mitigation measures during civil &amp; Implementation work</b>		
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
<b>3.5 Measures of Health and Safety</b>		
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

#### 4. Social Sub-project Targets :

Sr. No.	Particulars	Current Status (Baseline of CBO)	Proposed target in the Sub-project
<b>Social Inclusion &amp; Gender Integration targets<sup>8</sup> (%)</b>			
A	Total No. of Farmers/Members	510	613 by 2 <sup>nd</sup> Year of the

*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.*

Sr. No.	Particulars	Current Status (Baseline of CBO)	Proposed target in the Sub-project	
			project	
B	No. of Small and marginal Beneficiaries (& their %)	500 & 98%	913	98%
C	No. of Women Shareholders (& their %)	138 & 31%	245	40%
D	No. of Women Board of Directors (& their %)	1 & 20%	3	60%
E	No. of Schedule Tribes (& their %)	41 & 8%	62	10%
F	No. of Schedule Caste (& their %)	97 & 19%	123	20%
G	No. of Tenants (& their %)	1 & 0.02%	6	1%
H	No. of Landless (& their %)	-	-	-
I	No. of Women having land title (7/12) (& their %)	26 & 19%	75	30%

## Section 8

### Environmental Action Plan

The Environmental Action Plan (EAP) will provide guidance to the CBOs in minimization/mitigation of potential environmental risks/impacts of the agricultural and animal husbandry value chain development activities of the subproject. The environmental baseline information for providing suggestions to CBOs for bringing out performance improvements in the activities of the sub project are collected as per the below-mentioned table-

Sr No.	Agricultural Practices followed in the Subproject	Unit	Current/Baseline Condition in the Subproject	Target to be Achieved by the end of the Subproject
<b>A. For Agriculture Value chain Development Subprojects</b>				
1.	Average use of fertilizer-NPK	Kg/ha	204kg/ha	189.78kg/ha
2.	Area in which recommended dose of fertilizers is used	ha.	228.96	212.98
3.	Area in which fertilizers used is less than recommended dose	ha.	152.64	141.95
4.	Area in which fertilizers used is above the recommended dose	ha.	381.60	354.88
5.	Area in which Integrated Nutrient Management (INM) is practiced	ha.	534.24	496.84
6.	Average use of Pesticides, Fungicides and Herbicides	L/ha.	4.5	4.1
7.	Area in which recommended dose of pesticides is used	ha.	259.48	241.31
8.	Area in which pesticides used is less than recommended dose	ha.	137.37	128.15
9.	Area in which pesticides used is above the recommended dose	ha.	366.66	340.99
10.	Area in which Integrated Pest Management (IPM) is practiced	ha.	139.41	129.65
11.	Area in which crop residues are burnt	ha.	228.96	212.93
12.	Area in which crop residue is recycled for preparing Compost, Farm Yard Manure (FYM), etc.	ha.	473.18	440.10
13.	Area under Organic farming	ha.	206.10	191.63
14.	Area under GLOBAL Good Agricultural Practice (G.A.P.)	ha.	77.00	88.50
<b>B. For Animal Husbandry Value chain Development Subprojects</b>				
15.	Feeding practice- Open Grazing/Semi stall Feeding	-	N/A	
16.	Area in which animal manure is used as fertilizer	Kg/ha	N/A	
17.	Animals are Vaccinated/ Non-Vaccinated	-	N/A	
<b>C. Valid PUC Certificate for transportation Vehicle-Available/Not-Available</b>				
		-	N/A	

### 3. Environmental Safeguards Inclusion Targets for the Subproject

Sr No.	Particulars of the Target	Current/Baseline Condition in the Subproject	Target to be Achieved in the Subproject
1.	No. of farmers of CBOs trained in IPM and INM practices (and their %) <sup>7</sup>	50 (9.27%)	200 (40%)
2.	No. of IPM and INM demonstrations at the field level given to the	75	300

	CBO members for the subproject related agri-commodities (and their %) <sup>8</sup>	(14.59%)	(58%)
3.	% of the area of CBOs brought under IPM in the subproject <sup>9</sup>	10%	20%
4.	% of the area of CBOs brought under INM in the subproject <sup>9</sup>	12%	20%
5.	No. of farmers of the CBOs trained in the Climate SMART Technologies/Practices (CSTs) <sup>10</sup> best suited to the given subproject	10%	100
6.	Number of CSTs Adopted in the Subproject <sup>11</sup>	200 (40%)	400 (80%)
7.	Land area (ha.) brought under CSTs in the Subproject <sup>12</sup>	49%	80%

#### 4. Guidelines for Achievement of the Environmental Safeguards Targets

1) As per the SMART project's Environmental and Social Management Framework (ESMF) report commendations, none of the subproject activities should fall under Negative (non-eligible) list of the project activities given in the point no. 3.9, pg no. 48 of the ESMF report. All the subproject activities should be implemented in accordance with the provisions and mitigation measures given in the ESMF report.

2) For requirement of Organic (NPOP- National Programme for Organic Production) and/or GLOBAL Good Agricultural Practice (G.A.P.) group certification, project's financial support of up to 60 % can be availed by the subproject CBOs. The remaining 40 % of certification cost will be required to be raised by the CBOs themselves.

3) All the new machineries to be purchased using project's resources should be energy efficient, vehicles should be Bharat State VI complaint and fuel use efficient, tractors should be Bharat Stage (CEV/TREM) IV – V and above, and hold valid PUC certificate.

## 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
<b>Works</b>											
1	Civil Works for Chilly Processing (Chilly Grinding) unit	Actual	1	54.76	54.76	Tender/ Other Approved Public Procurement Method (like RFQ)	Prior- Feb 2022 Post- Mar 2022	Mar 2022	Feb 2022	54.76	
<b>Goods &amp; Equipment</b>											
2	P&M for for Chilly Processing (Chilly	Actual	1 Set	183.66	183.66	Tender/ Other Approved Public Procurement Method (like RFQ)	Prior- Jul 2022 Post- Aug 2022	Aug 2022	Jul 2022	183.66	
3	Transport Vehicle	Actual	1 Set	9.73	9.73	Approved Public Procurement Method (like RFQ)	Prior- Jul 2022 Post- Aug 2022	Aug 2022	Jul 2022	9.73	
4	Furniture Fixtures	Actual	1 Set	0.30	0.30	Approved Public Procurement Method (like RFQ)	Prior- Jul 2022 Post- Aug 2022	Aug 2022	Jul 2022	0.30	

**List of documents to be presented along with FPP**

Sr. No.	Document	Attached (Yes/No)	Remarks, if not attached
1	Registration certificate of organization	Yes	
2	List of members/shareholder of the organization (As per the record from the Registrar of Companies office or the certificate of competent authority)	Yes	
3	Audit report	Yes	
4	CBO Bank statement	Yes	
5	KYC of Applicant Firm (PAN and GST Certificate Copy)	Yes	
6	Resolution of board of directors - Approval to DPR	Yes	
7	Land ownership document / land lease agreement	Yes	
8	Propose site map presenting road access and surrounding	Yes	
9	No Objection Certificate of Panchyat for setting up of business activities	No	Applied
10	Forward linkages - MoUs with Buyers	Yes	
11	Backward linkages – MoUs for produce aggregation - MoUs with farmers groups/ SHGs/ federations/FPC/other CBOs etc.	NA	
12	Please attach authorized quotations- machineries & equipment's /estimate- construction of building / pack house	Yes	
13	Water/ electricity connection (proof)	No	Applied
14	Letter of intent from bank/financial institution for financing the project	NA	
15	License/other	Yes	