<u>MIXED VEGETABLE FARMING</u>

1. Introduction

A product, which is having continuous demand in the market, is vegetable. Due to increase in population, health conscious, the demand for vegetables is growing. Due to retail boom, the farmer has, at present; enter into agreement for fixed quantum of supply of vegetables.

2. Technical details

(a) Farming process

The process of vegetables cultivation starts either with seeds or with seedlings. Seedlings are transplanted in land that is well ploughed, well manured and adequately moistened. The transplantation should be in rows with a distance of at least 1 metre row to row and 0.5 metre between plant to plant. The field is irrigated every day for a week till its roots form a natural grip with the soil. Subsequently irrigation is done every week. In normal condition these plants has a life of 3 months and the plant starts bearing fruit after a period of one/two months after plantation. Fertilizers should be applied every week till the plant bears fruit and fortnightly thereafter. New crops should replace the old ones after some time.

(b) Production target 60 MT pa

The target production is 60,000 kg. of vegetables per annum at 100% capacity utilization.

(c) Utilities

Power:	Not required
Fuel:	500 ltr. diesel
Water:	Rs.1000/-

Water and fuel are required in the unit. Diesel is the main fuel when other methods of irrigation are not in use because of local constraints. Since, diesel engines are effective in almost all the areas it has been considered for the unit. The expense on the fuel has been estimated to be Rs.9000/- per annum. Water is expected to be available otherwise it would not be possible to run the activity as irrigation is one of the principal requirement in this project.

3. Details of plant & machinery

S. No.	Items	Qty.	Rate (Rs.)	Value (Rs.)
1.	Plough, spade, khurpi and baskets etc		LS	3,000.00
2.	Diesel pump, sprayer and sprinkler etc.		LS	37,000.00
			TOTAL	**40,000.00**

4. Cost of project

S. No.	Items	Total cost (In Rs.)
1.	Land a) Land 1 ha b) Land development (leveling)	 self owned 5,000.00
2.	Plant & machinery	40,000.00
3.	Misc. fixture (Tools, Jigs & fixtures)	5,000.00
4.	Contingencies including cost escalation	10,000.00
5.	Working capital	15,000.00
	TOTAL	**75,000.00**

5. Means of finance

S. No.	Particulars	Total cost (in Rs.)	%age
1.	Promoter's contribution	2000.00	2.67
2.	NSTFDC - Term Loan	65000.00	86.67
3.	SCA-Term Loan/subsidy	8000.00	10.66
	TOTAL	**75000.00**	**100.00**

Note: The State Channelising Agencies shall arrange to provide subsidy to beneficiary(ies) as per norms of their Corporation. Further, SCAs may also make efforts to avail incentive/subsidy from other centrally sponsored schemes.

6. Utilities (per annum)

S. No.	Particulars	Amount (in Rs.)
1.	Water	1,000.00
2.	Fuel	9,000.00
	TOTAL	**10,000.00**

8. Manpower requirement

S. No.	Category	Nos.	Salary/person/ month (Rs.)	Total (Rs.)
1.	Unskilled	-	Depends on requirement – 30 mandays for a crop @ Rs.75/day	2,250.00
			TOTAL	**2,250.00**

9. Raw material requirement (including consumables)

S. No.	Items	Quantity	Rate (Rs.)/ per month	Value (Rs.)
1.	Seeds and seedlings		LS	1,000.00
2.	Fertilizers	40 kg	37.50	1,500.00
3.	Pesticides	15 lit	50	750.00
			TOTAL	**3,250.00**
			TOTAL (ANNUAL)	**39,000.00**

10. Working capital (at full capacity utilization)

S. No.	Items	Period (months)	Amount (in Rs.)
1	Raw material	3	9,750.00
2	Utilities	3	2,550.00
3	Manpower	1 crop	2,250.00
4	Misc. expenses	500.00	500.00
		TOTAL	**15,050.00**
		SAY	**15,000.00**

11. Project economics

S. No.	Items	Amount (In Rs.)
A.	**Annual turnover**	100%
	Sales realization: 60000 kg average @ Rs.3/kg. Provision for wastage @ 7%	1,67,400.00
B.	**Cost of production**	
(i)	Raw material	39,000.00
(ii)	Utilities	10,000.00
(iii)	Salaries and wages	27,000.00
(iv)	Insurance	5,000.00
(v)	Repair & maintenance and misc. expenses	6,000.00
(vi)	Interest	4,400.00
(vii)	Sustenance Allowance for the beneficiary	30,000.00
(viii)	Transportation/certifying charges	6,000.00
	Total	**1,27,400.00**
C.	**Cash profit (A-C)**	**40,000.00**
D.	**Depreciation/amortisation of expenses @ 10% p.a.**	**6,000.00**
E.	**Net Profit**	**34,000.00**

12. Viability indicators

S. No.	Particulars	Amount (in Rs.)
1.	Repayment per annum (period - 5 years)	14,600.00
2.	Return on investment	45.33%
3.	Debt service coverage ratio	2.34

13. Interest, moratorium & repayment period for beneficiaries

(a)	Interest	:	6% p.a. on NSTFDC term loan.
(b)	Moratorium period	:	9 months from date of release of funds by SCA.
(c)	Repayment period	:	5 years excluding moratorium period from date of release of final installment by SCA.

14. General remarks

- Project viability is subject to suitable land being available in the family and cost of land is not considered as part of project cost.
- The cost of project may vary in different States & Regions.
- It is assumed that the farming is suitable in the given locality and the beneficiaries have required relevant experience.