



**MODEL PROJECT PROFILES
FOR GUIDANCE OF
CHANNELISING AGENCIES OF
NSTFDC AND
SCHEDULED TRIBES**

**NATIONAL SCHEDULED TRIBES
FINANCE AND DEVELOPMENT
CORPORATION**

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1. *DAIRY FARM*

1. Introduction

In India, agriculture is mostly rain fed hence; there is a genuine need to provide employment and to generate additional income throughout the year. Dairying is important source of generating additional income to small farmers as well as landless agricultural labourers. It is also environment friendly; the manure from animals provides a good source of organic matter for improving soil fertility besides the same may also be used as fuel. The surplus fodder and agricultural by products may be successfully utilized by feeding animals.

2. Market potential

Milk is an important household food being consumed by children and elderly people. As per NDDB's Perspective 2010 plan, the liquid milk procurement is to be increased by co-operatives to 33% of the marketable surplus and increase the liquid milk sales by 365 lakhs kg per day i.e. more than 60% of the market shares in metros and on average of close to 50% in class I cities served by co-operatives. Hence there exists great demand for milk and milk products.

3. Technical details

- ❑ The shed may be constructed on dry, raised ground and should be well ventilated.
- ❑ A standing space of 2 x 1.05m for each animal is required.
- ❑ Purchase healthy/freshly calved animals in their second/third lactation. If need be, vaccinate the newly purchased animal against disease.
- ❑ Animals may be purchased in phases. Purchase of animals may be made in such a way that subsequent purchase is made when first two animals purchased are at late stage of lactation.
- ❑ Feed the animals with best feed and fodders and daily feed requirement is about 2.5 to 3% of body weight of animal.

- Before milking, wash the udder and treat with antiseptic lotions/luke warm water and dry before milking.

4. Cost of project

Keeping in view the capital cost involved and also for sufficient income generation, 4 buffalo (graded murrah) per unit has been suggested. Each buffalo should generally yield on an average of 10 (ten) liters of milk per day. Accordingly the suggested cost of project is as under:

S. No.	Particulars	Amount per unit (in Rs.)
1.	Land development (L.S.)	2,500.00
2.	Shed construction using locally available materials (L.S.)	12,000.00
3.	Cost of animals including transportation if any [@ Rs.16000/- each]	64,000.00
4.	Utensils, Milk vessels, hand operated chaff cutter etc.	3,000.00
5.	Insurance/veterinary expenses	3,000.00
6.	Working capital and misc. expenses	3,500.00
	TOTAL	88,000.00

5. Means of finance

S. No.	Items	Amount	%Age
1.	Promoters contribution	2000.00	2.27
2.	NSTFDC - Term Loan	70000.00	79.55
3.	Subsidy/Margin Money Loan from SCA	16000.00	18.18
	TOTAL	88000.00	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. Raw material requirement and assumptions of working capital consideration

The animals shall be fed by locally available green fodder and dry fodder. Further, cattle feed (concentrated feed) may also be provided to animals especially during lactation period. The feed requirement of animal for lactation period and dry period is as under:

S. No.	Particulars	Lactation period (Kg/day)	Dry period (kg/day)	Rate (Rs./kg)
1.	Green fodder	25 kg	25 kg	0.25
2.	Dry fodder	6 kg	6 kg	1.00
3.	Concentrate	4.5 kg	1 kg	7.00
4.	No. of days considered	280 days	85 days	-

Fund requirement for one animal during lactation period: $25 \text{ kg} \times \text{Rs.}0.25/\text{kg} + 6 \text{ kg} \times \text{Rs.}1/\text{kg} + 4.5 \text{ kg} \times \text{Rs.}7.00/\text{kg} = \text{Rs.}43.75$ per day.

During dry period: Rs.19.25 per day/per animal.

7. Working capital requirement

- ☐ The working capital provision has been made for one month.
- ☐ The animals shall be purchased in 2 phases i.e. 2 animals in lactation period shall be purchased during 1st phase and balance 2 animals may be purchased when the first batch of animals are in dry period.
- ☐ Accordingly, working capital requirement has been made for 2 animals only for a period of one month and expenses for 2nd batch of animal shall be met from internal resources.

S. No.	Particulars	Amount (in Rs.)
1.	Cost of fodder for lactation period only	2,625.00
2.	Miscellaneous expenses etc. (Lumpsum)	875.00
	TOTAL	3,500.00

8. Project economics

A.	Sales realization:	Amount (in Rs.)
(i)	From sale of milk: Rs.10 per litre x 4 animals x 10 litres/day x 280 days	1,12,000.00
(ii)	Sale of manure & gunny bags (L.S.)	2,000.00
	Total	1,14,000.00
B.	Cost Feed/fodder:	
(i)	Lactation period: Rs.43.75/day x 4 animals x 280 days Dry period: Rs.19.25/day x 4 animals x 85 days	55,500.00
(ii)	Veterinary expenses [Rs.150 per animal x 4 animal]	600.00
(iii)	Insurance	2,400.00
(iv)	Miscellaneous & marketing expenses	1000.00
(v)	Interest	5,100.00
(vi)	Depreciation /amortisation of expenses @10%	8,450.00
	Total	73,050.00
C.	Net profit [A-B]	40,950.00
D.	Cash profit [C + depreciation]	49,400.00
E.	Tax, if any	Nil

9. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	17,200.00
2.	Debt Service Coverage Ratio	2.44
3.	Return on Investment (ROI)	46.53%

10. Interest, Moratorium & repayment period for beneficiaries.

- (a) Interest : 6% p.a. on NSTFDC Term loan
- (b) Moratorium period : 9 months for beneficiaries from the date of release of funds by SCAs to beneficiaries.
- (c) Repayment period : On quarterly basis. 5 years excluding moratorium period.

11. General remarks

- ☐ The cost of project may vary in different States & Regions.
- ☐ It is assumed that the animal rearing is suitable in the given locality.

2. *FISH FARMING*

1. **Introduction**

Composite Pisciculture is a scientific technology for getting maximum fish production from a pond or a tank through utilisation of available food organisms supplemented by artificial feeding. Normally, the major species selected for composite fish culture are Katla, Rohu, Mrigal, and exotic or common carps. In this project a combination of Katla, Rohu, Mrigal has been considered in the ratio of 4:3:3. This has been done considering the fact that Katla is a Surface Feeder, Rohu Column Feeder and Mrigal Bottom Feeder.

2. **Market potential**

Protein is an essential ingredient of human food. It is also particularly essential for growing children both for their physical and mental growth. Protein deficiency leads to several diseases in human beings particularly children. Among sources of protein, animal meat is a vital source and fish is the cheapest and most easily digestible animal protein. Fish grows naturally in rivers and ponds but can also be produced under artificial conditions. Small entrepreneurs (farmers) can easily take up pisciculture in ponds and take it up as a source of livelihood or to supplement the family income. It also provides employment to skilled and unskilled youth. The total fish production in the country was 56 lakh tons in 1999-2000. However, good demand exists to absorb additional production.

3. **Technical details**

(a) *Requirement for Pond/Tank*

The Pond/Tank should have perennial fresh water source and water level in the pond is to be maintained up to depth of 2m. The water level should not be allowed to go down below 1m. It could be a new pond or existing pond which could be de-silted and deepened.

(b) Pre – Stocking requirement

Liming & Manuring: Liming is to be done @ 2t/ha if the soil pH is 5 and for alkaline soil having higher pH, the lime may be reduced accordingly. Manuring both organic and inorganic is done after liming. Organic manuring is required 3 days after liming while inorganic manuring is done 15 days after organic manuring. Organic manuring in the form of Cow dung is applied @ 5t/ha while urea is applied @ 330 kg/ha and triple super phosphate @ 165/ha. After stocking, supplementary feed in the form of wheat bran and mustard oil cake may be fed @ 2.7 t/ha.

(c) Capacity

2- hectare pond stocking 1000 numbers with annual yield of 8 tons.

4. Cost of project

S.NO.	Items	Total Cost (in Rs.)
1.	Land Cost	Own/leased
2.	Civil Works	
(i)	Excavation and construction of bunds for the pond [excavation of soil: 600m ³ @ Rs.20 per m ³]	1,20,000.00
(ii)	Construction of Inlet & Outlet [water system] (L.S.)	15,000.00
3.	Equipment (L.S.)	5,000.00
4.	Miscellaneous, insurance & interest during implementation period & cost escalation etc.	5,000.00
5.	Working Capital	21,000.00
	TOTAL	1,66,000.00

5. Means of finance

S. No.	Items	Amount (in Rs.)	%age
1.	Promoter's Contribution	4,000.00	2.41
2.	NSTFDC - Term Loan	1,46,000.00	87.95
3.	SCA – Term loan/subsidy	16,000.00	9.64
	TOTAL	1,66,000.00	100.00

Note: State-channelising agencies shall provide subsidy as per norms of their corporation. Further, effort may be made to avail subsidy from other centrally sponsored schemes.

6. Raw material requirement (Per annum)

S. No.	Item	Quantity	Rate (in Rs.)	Annual value (in Rs.)
1.	Lime	1000 Kg	10 per kg	10,000.00
2.	Fingerlings	10000 Nos.	200 per thousand	2,000.00
3.	Organic Manure	30 ton	100 per ton	3,000.00
4.	Urea/Triple Super Phosphate	L.S.		2,000.00
5.	Mustard oil Cake	2700 Kg.	3 per Kg.	8,100.00
6.	Rice bran	2700 Kg.	1.5 per Kg.	4,050.00
			TOTAL	29,150.00
			SAY	29,000.00

7. Working capital

S. No.	Item	Period	Amount (in Rs.)
1.	Raw material viz. lime & fingerlings	Entire cost	12,000.00
2.	Working expenses viz. lime, mustard oil, cake, rice bran etc.	Six months	8,565.00
		TOTAL	20,565.00
		SAY	21,000.00

8. Project economics

A.	Sales Realisation	Amount (in Rs.)
	8 Ton @ Rs.25000 per Ton	2,00,000.00
	TOTAL	2,00,000.00
B.	Cost of Production	
(i)	Raw material	29,000.00
(ii)	Misc. Expenses	5,300.00
(iii)	Wages [part time one person]	18,000.00
(iv)	Repair & Maintenance	3,000.00
(v)	Interest	9,700.00
(vi)	Sustenance allowance @ Rs.2000 per month	24,000.00
	TOTAL	89,000.00
C.	Profit	1,11,000.00
D.	Less depreciation/Amortization of expenses etc.	14,500.00
E.	Net Profit	96,500.00

Note: It is considered that periodic water replacement for ponds would be carried out naturally i.e. by slope/difference in water level between pond and river. In case, such natural way of water re-filling is not possible, then mechanical way need to be employed and relevant cost provision may be made in the project report.

9. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	32,400.00
2.	Return on investment	58.8%
3.	Debt service coverage ratio	2.87

10. Interest, moratorium & repayment period for the beneficiaries

- (a) Interest : 6% p.a. on NSTFDC term loan.
- (b) Moratorium period : 10 months from date of release of funds by the SCA.
- (c) Repayment period : 5 years excluding moratorium period.

11. Points for consideration

(a) Location of pond

Soil should be water retentive, availability of assured water supply and the area, which is not prone to flood, may be identified.

(b) Pond management

- ☐ Before stocking, clear the pond of unwanted weeds and fish either by manual using fishnets or by using Mahua oil cake.
- ☐ Alkaline nature to be maintained by adequately adding lime in the ponds.
- ☐ Fertilize the ponds properly to improve the natural availability of phytoplantation.

(c) Stocking

- ☐ Ponds will be ready for stocking after 15 days of application of fertilizers.
- ☐ Fingerlings of 10 cm size should be used for stocking @ 5000 numbers per hectare.

(d) Post stocking

- ☐ Apart from natural food, fish may be fed by rice bran (or) oil cake.
- ☐ The feed may be placed on bombooy tray or it may be sprayed at corner of the ponds.
- ☐ Organic manuring may be done at monthly intervals @ 1000 kg/ha.



(e) *Harvesting*

- ❑ Generally done at the end of one year, when fish attain a weight of 750 gms to 1.25 kg.
- ❑ A production of 4-5 tons is possible in one-hectare pond.

12. General remarks

- ❑ The cost of project may vary in different States & Regions.
- ❑ It is assumed that the Fish Farming is suitable in the given locality.

3. *GOAT FARMING*

1. Introduction

Goat is usually referred to as the **cow of the poor**. Rearing of goat is easy and can be done by landless labourers, women and children. Goat has the ability to survive on little vegetation and grass. Goat farming suits India's climate and economic situation. This is evident from the fact that every year 1/3rd of goats are slaughtered. But the population has been constantly rising. It was 40.7 million in 1951 and now India has a goat population of 115 million as per the 1992 census. The contribution of goateries to the country can be gauged from the following facts:

Yearly production of goat milk	1.5 million tonnes
Yearly production of meat	0.4 million tonnes
Leather	0.1 million tonnes

The main breeds of goats available in the country are Jamuna Pari, Beetal, Bar Bari, Sirohi, Osmanabadi, Jhakarna and Sangneri.

Different breeds are found in different parts of the country. Depending on the objective, meat or milk, the breeds are selected so as to earn maximum profits. Major breeds of goats, their region and milk yield is given in the table below:

S. No.	Breed	Region	Quantity of milk yield/day (in litres)
1.	Beetle	Punjab	1
2.	Jamuna pari	On the bank of Jamuna and chambal river	1
3.	Jhakarana	Rajasthan, Haryana	2
4.	Barbari	Haryana and Delhi	0.7
5.	Mulabari	Kerala	1
6.	Surati	Maharashtra	1.4

Besides these breeds, there are other breeds as well like Sitren that yield 3.3 litre of milk, Alpine breeds yield 2.5 litres of milk and Taganvery yields 2 litres everyday. These high quality breeds are crossed with indigenous breeds to produce economically more viable breeds. Project start-up recommendations are:

Unit Size	50 does (She goats)
Breeds	2 Bucks (He goats Osmanabadi)
Typical Location	Andhra Pradesh, Karnataka, Maharashtra

2. Market potential

Goat meat has no religious inhibitions and is consumed by all the religions and races in the country. Goat milk is source of cheap protein for the poor people and has medicinal properties. Goats are also major sources of leather and leather products in the country. Goats are simple creature and live in the domestic environment. Goats can be reared commercially and such venture is viable and may form source of livelihood and extra income for poor people in the villages.

Goat farming thus provides a good source of living and has great potential in most part of the country.

3. Technical details

(a) Space requirement

Goats prefer clean, dry and solid floor; wet places affect their milk production. They need cheap shelter to protect them from the vagaries of Nature like rain, winter etc. the requirement of space and its cost is furnished in the table below:

S. No.	Type of goat	Quantity	Space requirement/ animal sq. ft	Total space requirement sq. ft.	Rate/ sq ft.	Total cost (in Rs.)
1.	Does	50	10	500	40	20,000.00
2.	Bulk	2	20	40	40	1,600.00
3.	Kids	68	4	272	40	10,880.00
				TOTAL		32,480.00
				SAY		32,500.00



(b) Cost of animals

S. No.	Goat	Rate	Total cost (in Rs.)
1.	Does	50 @ Rs. 900 each	45,000.00
2	Bucks	2 @ Rs. 1100 each	2,200.00
		TOTAL	47,200.00

(c) Main assumptions made for the project

S. No.	Items	
1.	Kidding interval	8 months
2.	Age at maturity	12 months
3.	Kidding percentage	85
4.	Twinning	60%
5.	No. of Kiddings per year	1.5
6.	Sex ratio (male : female)	1:1

(d) Production target (Annual)

S. No.	Items	
1.	Adult Does	10
2.	Buckling	55
3.	Doeling	42

4. Feed requirement

- ❑ Traditionally goats reared in villages are not given much attention towards their feed and fodder. However, for proper breeding, attention needs to be paid to the feeding requirement, which will be green fodder and concentrate comprising channa (gram) and moong chaff, gur etc. Male goats require maximum feed followed by pregnant goats and kids. The cost of green fodder is estimated as Rs.1000/- per month
- ❑ Once in year, concentrate requirement will be 2 months for does, 2 months for bucks and 1 month for kids at a price of Rs.4 per kg. The calculations are as under:

S.No.	Goat	Requirement per animal (kg.)	Total requirement	Cost per kg (in Rs.)	Total cost (in Rs.)
1.	Does	6.75	6.75kg × 2 months × 50 heads	4	2,700.00
2.	Bucks	7.5	7.5 kg × 2 months × 2 heads	4	120.00
3.	Kids	3.75	3.75 kg × 1 month × 68 heads	4	1,020.00
			TOTAL		3,840.00
			SAY		4,000.00

Total feed requirement Rs.12000 + 4000 = 16000 per annum

5. Working capital requirement

S. No.	Items	Total cost (in Rs.)
1.	Feed cost: concentrate and green fodder for one month	3,440.00
2.	Labour cost – self (15 days)	1,000.00
3.	Others	700.00
	TOTAL	5,140.00
	SAY	5,100.00

6. Cost of project

S. No.	Items	Total cost (in Rs.)
1.	Land developement (L.S.)	10,000.00
2.	Cost of thatched roof shed etc.	32,500.00
3.	Miscellaneous equipment like buckets, tank etc.	1,000.00
4.	Cost of animals including transportation, insurance, etc.	51,000.00
5.	Miscellaneous and contingencies etc.	400.00
6.	Working capital	5,100.00
	TOTAL	1,00,000.00

5. Means of finance

S. No.	Items	Total cost (in Rs.)	%age
1.	Promoter's Contribution	2,000.00	2.00
2.	NSTFDC – Term Loan	80,000.00	80.00
3.	SCA – term loan/subsidy	18,000.00	18.00
	TOTAL	1,00,000.00	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. Project economics

S. No.	From 2nd year of project	Amount (in Rs.)
A.	Sales Realisation	
(i)	Sale of adult does 15 nos @ Rs.800/-	12,000.00
(ii)	Sale of buckling 60 nos @ Rs.900/-	54,000.00
(iii)	Sale of doeling 45 nos @ Rs.800/-	36,000.00
	TOTAL	1,00,000.00



B.	Cost of Production	
(i)	Fodder and feed cost	16,000.00
(ii)	Medicine	1,000.00
(iii)	Insurance	2,000.00
(iv)	Labour Wages	24,000.00
(v)	Interest	5,880.00
(vi)	Misc. (Veterinary services etc.)	1,280.00
	TOTAL	50,160.00
C.	Cash profit	49,840.00
D.	Depreciation/Amortisation of expenses @10%	9,500.00
E.	Net Profit	43,040.00

7. Viability indicators

S. No.	Particulars	Amount (in Rs.)
1.	Repayment per annum (period - 5 years)	19,600.00
2.	Return on investment (ROI)	43%
3.	Debt service coverage ratio	2.19

8. Interest, moratorium & repayment period for beneficiaries

- (a) Interest : 6% p.a. on NSTFDC term loan chargeable from beneficiaries
- (b) Moratorium period : 12 months from date of release of final installment by SCA.
- (c) Repayment period : 5 years excluding moratorium period.

9. Conclusion

Goatery is techno-economically viable income generating activity and suited for rural entrepreneurs.

Notes:

- The sex ratio of doeling to buckling is 1:1. Therefore, production of each is equal. But sale of doeling indicated is less as some doeling will be kept on the farm for future reproduction.
- Profitability may be improved by sale of goat milk wherever feasible. With each passing year profitability would improve further due to increase in number of animals.



- ❑ The cost of project may vary in different States & Regions.
- ❑ It is assumed that the goat rearing is suitable in the given locality.

4. *MIXED VEGETABLE FARMING*

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.

5. *MUSHROOM CULTIVATION*

1. Introduction

Cultivation of Mushroom has been in vogue for almost 300 years. However, commercial cultivation in India has started only recently. Growing mushroom under controlled condition is of recent origin. Its popularity is growing and it has become a business which is export-oriented. Today mushroom cultivation has been taken up in states like Uttar Pradesh, Haryana, Rajasthan, etc. (during winter months) while earlier it was confined to Himachal Pradesh, J&K and Hilly areas. Mushroom is an excellent source of protein, vitamins, minerals, folic acid and is a good source of iron for anemic patient. Mushrooms are of different types:

- a) Button Mushroom
- b) Dhingri (Oyster)
- c) Paddy Straw Mushroom

Of all the types, button mushroom is the most popular one. Mushroom cultivation can be done at cottage and small-scale levels besides large-scale farming.

2. Market potential

The main consumers of mushrooms are Chinese food restaurant, hotels, clubs and households. In big cities, mushrooms are sold through vegetable shops. The growing domestic and export market as also the delicacy and food value provides extensive and good potential for cultivation of mushroom.

3. Technical details

(a) *Manufacturing process*

- (i) **Preparing spawn (mushroom seeds):** Spawns are readily available in the markets. If desired, the same can be produced and sold commercially.



(ii) **Compost preparation:** There are several mixtures for compost formation and anyone that suits the entrepreneur can be chosen. It is prepared using wheat/paddy straw into which various nutrients are added. In synthetic compost wheat straw is supplemented with nitrogen nutrients, organic and inorganic. In organic compost, horse dung is added. The compost can be prepared by long or short composting method. Only those who have pasteurizing facility can employ short cut method. In long method 7-8 turns at regular intervals are required for a period of 28 days. Good compost is dark-brown, ammonia free, little greasiness and having 65-70% moisture.

(iii) **Spewing (mixing compost with spawns):** For mixing spawn with compost any of the three procedures can be followed:

- ❑ Layer spewing: Compost is divided into equal layers and spawns spread in each layer. Result is spawning in different layers.
- ❑ Surface spewing: 3 to 5 cms of compost is remixed, spawns spread and covered with compost.
- ❑ Through spewing: Spawns are mixed with compost and pressed.

A bottle of spawns is good enough for 35 kg of compost spread over 0.75 sq.mt. area (about 2 trays). That is, spawn to compost ratio is 0.5%.

Trays are then arranged in tiers in the cropping room and covered with newspapers. 2% formalin is sprinkled over them. Desired room temperature is around 18°C with 95% humidity.

- ❑ Casing: spawned compost is covered with sterilized hay, chalk powder etc.
- ❑ Mushroom growth: Besides temperature and humidity mentioned above, proper room ventilation should be ensured.
- ❑ Cropping: Mushrooms prop up in 30-35 days. These fungal fruit bodies appear in flushes and harvested when buttons are tightly closed. In a cropping cycle of 8-10 weeks an average yield of 10 kg mushroom/sq metre is feasible. Cropped mushrooms can be packed for marketing.

- i.) Production target: 8000 kg per annum
- ii.) Utilities: Power: nominal
Water: Abundant supply - required

4. Details of plant & machinery

S. No.	Item	Qty	Rate (Rs.)	Value (Rs.)
1.	Tray or wooden cases	450	150.00	67,500.00
2.	Sprayers with pump	3	1,750.00	5,250.00
3.	Mistomatic automatic humidifier or cooler	1	4,500.00	4,500.00
4.	Room heater/blower	3	2,000.00	6,000.00
5.	Other equipment (thermometers, fans etc.)	-	-	4,000.00
6.	Misc. tools			2,750.00
	TOTAL			90,000.00

5. Utilities (per annum)

S. No.	Particulars	Amount (in Rs.)
1.	Power (5 kw x 6 hrs x 200 days x Rs.3.50/-)	21,000.00
2.	Water	4,000.00
	TOTAL	25,000.00

6. Raw material requirement (including consumables/month)

S. No.	Items	Quantity	Rate (Rs.)	Annual value (Rs.)
1.	Compost including casting soil	3000 kg.	Rs.10/kg	30,000.00
2.	Spawn	400 trays (or 800 bottles)	Rs.16/tray (Rs.8/bottle)	6,400.00
3.	Chemicals (Formaline, pesticide, insecticide etc.)	L.S	-	4,000.00
4.	Packing material	L.S	-	2,000.00
	TOTAL			42,400.00

7. Manpower requirement

S. No.	Category	Nos.	Salary/person/month (Rs.)	Total monthly Salary (in Rs.)
1.	Skilled	01	2,000.00	2,000.00
2.	Unskilled (20 days/month)	02	1,500.00	3,000.00
	TOTAL			5,000.00

8. Working capital (at full capacity utilization)

S. No.	Items	Period	Amount (in Rs.)
1.	Raw material	15 days produce	21,200.00
2.	Recurring expenses (power + wages)	1 month	7,000.00
3.	Other misc. expenses		2,000.00
	TOTAL		30,200.00
	SAY		30,000.00

9. Cost of project

S. No.	Item	Total cost (in Rs.)
1.	Building (1000 sq.ft)	Self/on rent
2.	Plant & machinery (including installation)	90,000.00
3.	Furniture & fixture (including office equipment)	7,000.00
4.	Preliminary & preoperative expenses	3,000.00
5.	Insurance, interest during implementation, contingencies including cost escalation, etc.	10,000.00
6.	Working capital	30,000.00
	TOTAL	1,40,000.00

10. Means of finance

S. No.	Particulars	Total cost (in Rs.)	%age
1.	Promoter's contribution	3,000.00	2.14
2.	Term loan – NSTFDC	1,25,000.00	89.29
3.	SCA – term loan/subsidy	12,000.00	8.57
	TOTAL	1,40,000.00	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.

11. Project economics

S. No.	Items	Amount (in Rs.)
A.	Sales realization: Mushroom 8000 kg x Rs.40/kg. and compost (mushroom bed) [Rs.320000 + Rs.80000 p.a.]	4,00,000
B.	Cost of production	
(i)	Raw material (Rs.42400/produce x 3 produce including packing materials)	1,27,200.00
(ii)	Utilities (power, fuel, water etc.)	25,000.00
(iii)	Salary and wages (Rs.5000 x 12 months)	60,000.00
(iv)	Rent (Rs.2000 x 12 months)	24,000.00
(v)	Transportation/freight	5,000.00
(vi)	Conveyance & Traveling	5,000.00
(vii)	Administrative overheads (Telephone, postage, stationery etc.)	5,000.00
(viii)	Selling expenses (including advertising, distribution cost, commissions & rebates)	10,000.00
(ix)	Insurance & misc.	4,500.00
(x)	Repair & maintenance	5,000.00
(xi)	Interest	8,300.00
(xii)	Sustenance for applicant	30,000.00
	Total (rounded off)	3,09,000.00

C.	Gross profit (A-C)	91,000.00
D.	Depreciation/ @ 10% of fixed assets cost and amortisation of expenses	11,000.00
E.	Net Profit (D-E)	80,000.00

12. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	27,400.00
2.	Return on investment (ROI)	57.14%
3.	Debt service coverage ratio	2.78

13. Interest, moratorium & repayment period for the beneficiaries

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

14. Assumptions/Remarks

- ❑ Income for self owned properties would go up by Rs.24000 p.a. as rental would not be required.
- ❑ In a year, mushroom cultivation will be for 200 days mostly in winter months due to climate parameters and three produce will be taken. In States like Himachal Pradesh, Jammu & Kashmir, it is possible to cultivate throughout the year due to climate conditions.
- ❑ Technical training and assistance can be had from.
 - (a) Rashtrya Anusandhan Evam Prashikshan Kendra, Chambaghat, Solan (H.P.).
 - (b) Regional Research Lab, Jorhat, Assam.
 - (c) Regional Research Lab, Jammu.
 - (d) Central Food Technology Research Institute, Cheluvamba Mansion, Mysore
- ❑ The cost of plant & machinery has been taken on the basis of items manufactured by standard/reputed suppliers having sound service network. The suppliers should be preferably based in local areas or nearby states.



- ❑ Raw materials should be procured preferably from local areas/nearby States.
- ❑ It is assumed that the products/is having good demand in the project area.
- ❑ The cost of project may vary in different States & Regions.

6. *MEDICINAL & AROMATIC PLANTS*

1. **Introduction**

Traditionally, herbs were collected from wild but at present, they are being cultivated for commercial use in Ayurvedic formulations. These plants can be grown in less fertile soils and barren lands.

2. **Market potential**

Herbal and ayurvedic products have been commanding wide acceptance due to no side effects and complete cure is possible for several diseases. Some of the medicinal and aromatic plants which are in demand are Sarpagandha, Ashwagandha, Pudina (Mint), Lemon grass, white musali etc. Ashwagandha is used in preparation of medicine of joint pain, asthma and Arthritis. It is also used to cure general weakness. Sarpagandha is used in controlling blood pressure and intestinal problem. Chiraita is useful in blood purification. Lemon grass and Pudina (Mint) have both medicinal and aromatic properties.

3. **Technical details**

(a) Capacity

The capacity of the project has been assumed as 2500 kg. of Ashwagandha roots per year.

(b) Description of the plant and climatic conditions

Ashwagandha grows up to a height of 1.5 m; the flower is 1 cm long and the fruit 6 cm in diameter. Ashwagandha is cultivated in sandy soil as also in clayey and less fertile soil. It is cultivated in the rainy season.

(c) Process of cultivation

Ashwagandha can be cultivated either by planting saplings or sowing seeds. Saplings can be prepared in nurseries and planted. Sapling grown from seeds can also be planted.

Normally the field is prepared in the month of May. Composite manure and Cow dung is spread in the soil. Saplings are planted during early monsoon. The plants need regular watering of roots after monsoon once they are transplanted.

4. Details of plant & machinery

S. No.	Items	Quantity	Value (Rs.)
1.	Agriculture implements like crow bars, spades, bucket etc.	Lump sum	25,000.00
2.	Water supply arrangement	Lump sum	30,000.00
	TOTAL		55,000.00

5. Power for irrigation

S. No.	Items	Total cost (in Rs.)
1.	Power (5 HP x 0.75 x 8 hrs x 150 days x Rs.3.50/unit)	15,750.00

6. Manpower

S. No.	Category	Nos.	Salary (Rs.)	Total annual salary (in Rs.)
1.	Unskilled (Additional part time)	01	1500	18,000.00
2.	Unskilled (Casual) based on requirement	04	Rs.75/day for 50 days in a year	15,000.00
	TOTAL			33,000.00

7. Raw material requirement (Per annum)

S. No.	Items	Quantity	Rate (Rs.)	Annual value (Rs.)
1.	Seeds	100 kg.	125 per kg.	12,500.00
2.	Fertilizer & other consumables		LS	10,000.00
3.	Pesticides		LS	1,500.00
	TOTAL			24,000.00

8. Working capital (at full capacity utilization)

S. No.	Items	Period	Amount (in Rs.)
1.	Raw material	2 month	4,000.00
2.	Utilities	One month	1,500.00
3.	Manpower	1 month	2,750.00
4.	Rent & misc. expenses	-	1,750.00
	TOTAL		10,000.00

9. Project cost

S. No.	Items	Total cost (in Rs.)
1.	Land	own/on lease
2.	Plant & machinery	55,000.00
3.	Misc. fixed assets	2,500.00
4.	Preliminary and pre operative expenses	2,500.00
5.	Working capital	10,000.00
	TOTAL	70,000.00

10. Means of finance

S. No.	Items	Total cost (in Rs.)	%age
1.	Promoters contribution	2,000.00	2.86
2.	NSTFDC term loan	60,000.00	85.71
3.	SCA – term loan/subsidy	8,000.00	11.43
	TOTAL	70,000.00	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.

11. Project economics (annual)

S. No.	Items	Amount (in Rs.)
A.	Sales realization 2000 kg @ Rs.80 per kg. average	1,60,000.00
B.	Cost of production	
(i)	Raw material	24,000.00
(ii)	Salary and wages	33,000.00
(iii)	Power	15,750.00
(iv)	Repairs and maintenance	3,000.00
(v)	Lease rent	5,000.00
(vi)	Interest	4,080.00
(vii)	Sustenance allowance for the beneficiary	24,000.00
(viii)	Misc. expenses	2,000.00
	TOTAL	1,10,830.00
	SAY	1,11,000.00
C.	Cash profit (A-C)	49,000.00
D.	Depreciation/amortization of expenses	6,000.00
E.	Net Profit	43,000.00

12. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	13,600.00
2.	Debt service coverage ratio	3.00
3.	Return on investment (ROI)	61%

- Notes:** (i) Changes in yield arising out of climatic and soil conditions, and cultivation methods may have impact on the profitability of unit
(ii) Income shall go up further by Rs.5000/- in case of self-owned land units.

13. Interest, moratoriums and repayment period for beneficiaries

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

14. General remarks

- ❑ The cost of plant & machinery has been taken on the basis of items manufactured by standard/reputed suppliers having required service network. The suppliers should be preferably based in local areas or nearby States.
- ❑ The cost of project may vary in different States & Regions.
- ❑ It is assumed that the products/services have good demand, and the beneficiaries have experience in the relevant fields.

7. *PIG REARING*

1. Introduction

Pig Rearing is one of the traditional activity in India carried out by rural folk. Among various live stock activities, piggery is most efficient way of meat production utilizing kitchen waste, vegetable waste etc. Though initially local breeds have been raised, nowadays exotic pig breeding is popular and pork from such animal is having wide acceptance. Further, pig farming requires small investment on building and equipments.

2. Market potential

The pig population of the country is 12.79 million as per 1992 live stock census and 13.291 million as per 1997 provisional result of census from states and constitutes around 1.30% of total world population. Though there is vast export market for piggery products, India's share is at dismal level. As meat is preferred food in Western countries, there exists a strong export market for pig/pork products, provided, it is from well-bred pigs and product in hygienic conditions.

3. Technical details

- ❑ The space requirement for one boar is 70 sq.ft. and for lactating sow with its piglet is 100 sq.ft.
- ❑ A sow of 8-9 months of age can be bred and the number of farrowing per year is 2 and number of piglets per sow per farrowing for working out profitability is taken as 7 after adjusting for mortality.
- ❑ The ratio of Sow and boar need to be maintained at the ratio of 10:1.
- ❑ The pigs may be fed by both kitchen waste and by concentrated feed. The ratio of concentrated feed to total feed may be maintained as 30% and that of kitchen garbage is 70%.
- ❑ Housing Management: Well ventilated, raised ground shall be used.



- ❑ Selection of breeding stock: Cross bred (or) exotic stock, which are ready for breeding may be purchased. Animals which is having pedigree record for producing highest litter may be purchased. The animals are to be vaccinated immediately after the purchase.
- ❑ Feeding management: Utilise non-conventional feed resources viz. waste from kitchen/hotels so as to minimize the cost.
- ❑ Breeding care: Pigs are highly prolific in nature and two furrowings in a year shall be planned.

4. Working capital requirement

- ❑ The animals shall be fed by kitchen waste and concentrated fed in the ratio of 70:30.

S. No.	Particulars	Amount (in Rs.)
(i) (a)	(i) Feed : 3.0 kg per Boar/day [2 boar] and 3.5 kg. per sow/day [for 20 sows] for 150 days = 11400 kg. (ii) Kitchen garbage @ Rs.0.75 kg (70% to total feed) : 7980 kg. (iii) Concentrated feed (30% of total feed) @ Rs.6.00 per kg : 3420 kg.	5 985.00 20 520.00
(b)	Weaner feed 6 kg/day @ 0.2 kg. per piglet/day for 120 piglets for 60 days	8 640.00
(c)	Ist batch of fattener cost 1.5 kg. per fattener pig for 60 piglets for 60 days 5400 kg Total feed: 5400 kg Kitchen garbage @70%: 3780 kg @0.75 kg Concentrated feed @30%: 1620 kg @Rs.6.00 kg	2 835.00 9 720.00
(ii)	Veterinary expense /medicines/supplements etc.	1 500.00
(iii)	Miscellaneous and marketing expenses	2 300.00
	TOTAL	51,500.00

- ❑ The feed requirement for breeding stock is considered for 150 days, 60 days for weaner and fattener stock.
- ❑ The feed for fattener stock for remaining period will be met from internal resources.

5. Cost of project

Maximum unit size is 120 fatteners. Accordingly, the cost of project is prepared as follows:

S. No.	Particulars	Amount (in Rs.)
1.	Land and building	Own
2.	Cost of Animals Male pigs (Boar) - 2 animals @ Rs.2500/- per animal. Female pigs (Sow) 20 animals @ Rs.1800/- per animal.	41,000.00
3.	Miscellaneous fixed assets	2,500.00
4.	Preliminary and pre-operative expenses including insurance, cost escalation, contingencies etc.	5,000.00
5.	Working capital	51,500.00
	TOTAL	1,00,000.00

6. Means of finance

S. No.	Particulars	Amount (in Rs.)	%age
1.	Promoter's contribution	2,000.00	2.00
2.	Margin Money Loan/Subsidy - SCA	18,000.00	18.00
3.	NSTFDC - Term Loan	80,000.00	80.00
	TOTAL	1,00,000.00	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.

7. Project economics and assumptions

A. Sales Realisation

Per annum/unit

Sale of Fatteners: 120 nos x 1200 = 1,44,000.00

Sale of Adult: 120 nos x 800 = 96,000.00

Total = 2,40,000.00

Rs.2,40,000.00



B. Cost of production

S. No.	Particulars	Per annum/unit Amount (in Rs.)
(i) (a)	Feed : 3.0 kg per Boar and 3.5 kg. per sow for 365 days @70% kitchen garbage (@Rs.0.75 per kg) and 30% concentrated feed (@ Rs.6.00 kg.) = Rs.64495.50	65,000.00
(b)	Weaner feed cost 6 kg/day @ 0.2 kg. per piglet/day for 240 piglets for 60 days = Rs.17280.00	17,300.00
(c)	Fattener cost (two batches of piglets) 1.5 kg. per fattener pig for 60 days for 120 piglets: 10800 kgs. (70% kitchen garbage and 30% concentrated)	25,100.00
(ii)	Veterinary expenses	2,500.00
(iii)	Insurance	2,500.00
(iv)	Water, miscellaneous, repairs, and transportation expenses etc. @ Rs.700 p.m.	8,400.00
(v)	Interest	6,000.00
(vi)	Depreciation/amortisation of expenses @10% p.a.	4,900.00
(vii)	Salary & wages 2 nos x Rs.1250/- [part time]	30,000.00
(viii)	Sustenance allowance for beneficiary	24,000.00
	TOTAL	1,85,700.00
C.	Net profit	54,300.00
D.	Cash profit	59,200.00

8. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	19,600.00
2.	Return on investment	54%
3.	Debt service coverage ratio	2.55

9. 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 final installment by SCA.
- (c) Repayment period : In quarterly installments over a period of 5 years after a moratorium period of 9 months.



10. General remarks

- ❑ The cost of project may vary in different states & regions.
- ❑ It is assumed that the products/services have demand, and the beneficiaries are having required experience in the relevant field.

8. *POULTRY (LAYER FARMING)*

1. Introduction

Poultry meat and eggs are important sources of high quality proteins, minerals and vitamins to balance the human diet. Specially bred egg laying chicken are now available which have high growth rate and high feed conversion efficiency. Depending upon the farm size, layer farming can be the main source of family income or source of subsidiary income and employment.

2. Market potential

The country has made tremendous progress in egg production. The number of poultry birds increased to 122 million in 1996 from 35 million in 1961. Between 1961 and 2001, egg production increased from 2340 million numbers to 31500 million numbers. Currently India ranks fifth in the production of eggs in the world but there is still a great scope for increasing the production of eggs. The per capita availability of eggs is 33 whereas it should be 182 eggs per person as per ICMR recommendations. There is a scope for increasing the egg production to about six times of the present level.

3. Technical details

The capacity of the project has been fixed at 1500 layer birds. The brooding cum growing period has been assumed to be 20 weeks, the laying period has been taken as 52 weeks. Three batches of 500 chicks will be reared in a year. The other technical details assumed are as follows:

(a) *Space requirements per bird*

Brooding cum growing period	1 sq.ft.
Laying period	0.8 sq.ft.

Accordingly, total space requirement and cost is as follows:

S. No.	Shed	Nos.	Space requirement	Total space requirement	Rate per sq.ft.	Total cost (in Rs.)
1.	Brooder cum grower shed	01	1 sq.ft. per bird	515 sq.ft (for 515 birds)	Rs.100	51,500.00
2.	Layer shed	03	0.8 sq.ft. per bird	1200 sq.ft (1500 birds)	Rs.100	1,20,000.00
TOTAL						1,71,500.00

(b) Other assumptions

- ❑ Clean food and clear un-contaminated water are essential for healthy birds.
- ❑ The birds have to be vaccinated at proper intervals. There has to be regular culling of uneconomical birds so that egg production is not affected.
- ❑ Rats are carriers of diseases for poultry birds, hence rats around the farm must be killed/eradicated.
- ❑ Chicks should be bought from reputed hatcheries. One day old chicks are bought and 2-3% extra chicken are purchased due to mortality of birds.

4. Manpower requirement

S. No.	Category	No.	Salary/Person (Rs./Month)	Total (in Rs.)
1.	Skilled/Unskilled	2	2,000.00	4,000.00
TOTAL				4,000.00

5. Feed requirements per batch (500 birds)

S. No.	Items	Quantity	Rate	Value (Rs.)
1.	Feed for growers for 20 weeks: 500 birds x 6 kg./bird	3000 kg.	6.0 per kg.	18,000.00
2.	Layers for 52 weeks: 500 birds x 21 kg.	10,500 kg.	6.0 per kg.	63,000.00
TOTAL				81,000.00

6. Working capital requirement

S. No.	Items	Period	Amount (in Rs.)
1.	Raw material	Upto Grower stage for two batches	36,000.00
	Layer feed	Layer feed @ 25% for one batch	15,750.00
2.	Salary & wages	One month	4,000.0
3.	Water, Marketing & Misc. exp.	Per month	2,500.00
TOTAL			58,250.0
SAY			58,000.00

7. Cost of the project

S. No.	Items	Total cost (in Rs.)
1.	Land and site development L.S.	25,000.00
2.	Building	
	a) Brooder cum grower shed (515 sq.ft. x Rs. 100 per sq.ft.)	51,500.00
	b) Layer shed (1200 sq.ft. x Rs. 100 per sq.ft.)	1,20,000.00
	c) Godown for feed (100 sq.ft. x Rs. 200 per sq.ft.)	20,000.00
3.	Water supply (kutchha well, pump set and pipe line) LS	20,000.00
4.	Miscellaneous equipment for	
	(i) Chicks and growers @ 7 per bird for 500 birds	3,500.00
	(ii) Layers @ 20 per bird for 1500 birds	30,000.00
5.	Cost of chicks Rs.15.00 x 1550 birds (3% mortality)	23,250.00
6.	Insurance/veterinary/interest during implementation and cost escalation etc.	28,750.00
7.	Working capital	58,000.00
TOTAL		3,80,000.00

8. Means of finance

S. No.	Particulars	Total cost (in Rs.)	%age
1.	Promoter's contribution	12, 000.00	3.16
2.	NSTFDC - Term Loan	3,30,000.00	86.84
3.	SCA – term loan/subsidy	38,000.00	10.00
TOTAL		3,80,000.00	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.

9. Project economics

A.	Sales realization	Amount (in Rs.)
a)	Sale of eggs 1500 birds x 270 days average/eggs per bird x Rs.1.25	5,06,250.00
b)	Sale of manure and gunny bags	16,000.00
c)	Sale of culled birds 300 birds x Rs.50	15,000.00
	TOTAL	5,37,250.00
B.	Cost of Production	
a)	Cost of chicks	23,250.00
b)	Feed cost	2,43,000.00
c)	Salary & wages	48,000.00
d)	Insurance and veterinary expenses	10,000.00
e)	Interest	22,080.00
f)	Sustenance allowance @ Rs.2000 p.m.	24,000.00
g)	Marketing & Misc. expenses	30,000.00
	TOTAL	4,00,330.00
C.	Cash Profit	1,36,920.00
D.	Depreciation/amortisation of expenses	30,000.00
E.	Net Profit	1,06,920.00

10. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (5 years)	73,600.00
2.	Return on investment (ROI)	28.14%
3.	Debt service coverage ratio	1.66%

Economics are based on full scale of operation starting w.e.f. 2nd year onwards. The project is techno economically viable. Proper care of birds including healthy environment and medical care are the key factors to be taken into account. Poultry has tremendous scope for development in India. The experiment of large scale poultry development has been a great success in countries like Thailand and a similar success is now visible in India.

11. Assumptions made in working out the economics of the Project

1.	Number of eggs per bird per year	270
2.	Number of birds to be culled per year	20%
3.	Price of eggs	1.25 per egg
4.	Price of culled birds	Rs.50 per bird



12. Interest, moratorium & repayment period for beneficiaries

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

13. General remarks

- ☐ The cost of project will vary in different states & regions.
- ☐ It is assumed that the products/services have good demand, and the promoters have relevant experience.

9. *SHEEP FARMING*

1. Introduction

Sheep have a very important place in rural economy as they provide wool, meat, milk and skin. They are reared in all the States of India but are mostly suitable for rearing in the arid, semi-arid and mountainous areas. It is a source of income to low income groups particularly shepherds. Sheep do not require buildings to house them. They eat various kinds of plants and are economical converters of grass into meat. Mutton is a kind of meat which has no religious prejudice. Apart from source of wool and meat, the sheep are also a source of manure.

Amongst the States, Rajasthan has the maximum number of Sheep and Jammu and Kashmir has the highest number of cross bred sheep.

2. Market potential

The country at present has 50 million sheep as per 1992 Census. Wool production in India is 44 million kg and the export earning from woollen products in 1994-95 stood at Rs.2577 crores. Meat export accounts for 8% of agriculture and processed food products export in terms of value. Apart from meat, live sheep and leather and leather products also have export value.

3. Technical details

(a) *Project Capacity*

The project size is 200 ewes and 10 rams.

(b) *Assumptions*

- Lambing interval of 12 months and lambing percentage is 70 during 1st year of operation with sex ratio of 50:50.



- ❑ Total lamb production is considered 140 numbers and with mortality rate of approx. 5% conservatively, total lamb production shall be as 130. Female lambs are retained and male lambs are sold at 8 to 9 months of age.
- ❑ Shearing of wool is done twice a year.
- ❑ Yield of wool is as follows:
Adults 1.2 Kg per animal
Lambs 0.6 Kg per animal

4. Working capital (for 30 days) once a year

S. No.	Items	Details	Total (in Rs.)
1.	Concentrated feed during lactation period	210 x 0.25 Kg./day x 30 days @ Rs.4.00/kg L.S	6,300.00
2.	Misc. expenses		200.00
		TOTAL	6,500.00

Note: The main source of feed is by way of grazing. During lactation period provision is also made for concentrated feed.

5. Cost of project

S. No.	Items	Amount (in Rs.)
1.	Land	own
2.	Site Development fencing, and roofing 500 sq. ft.	12,000.00
3.	Cost of animals	
	(a) 200 ewes × Rs.550/- per ewe.	1,10,000.00
	(b) 10 rams × Rs.650/- per ram.	6,500.00
4.	Equipment and insurance, veterinary expenses, cost escalation and contingencies etc. (LS)	15,000.00
5.	Working Capital	6,500.00
	TOTAL	1,50,000.00

6. Means of finance

S. No.	Particulars	Amount (in Rs.)	%age
1.	Promoters Contribution	3,000.00	2.00
2.	NSTFDC - Term Loan	1,32,000.00	88.00
3.	SCA – Loan/Subsidy	15,000.00	10.00
	TOTAL	1,50,000.00	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.

7. Project economics

A.	Sales Realisation	Per annum/unit Amount (in Rs.)
(i)	From sale of wool	
	Adult sheeps $210 \times 1.2 \text{ Kg} \times 2 \text{ cycles} \times \text{Rs.}60 \text{ per Kg.}$	30,240.00
	Lambs $70 \times 0.6 \text{ kg} \times 2 \text{ cycles} \times \text{Rs.}60 \text{ per Kg.}$	5,040.00
(ii)	Sale of lambs $100 \times \text{Rs.}500 \text{ each}$	50,000.00
(iii)	Penning charges $200 \times 6 \text{ months} \times \text{Rs.}7 \text{ per animal per month}$	8,400.00
	TOTAL	93,680.00
	SAY	94,000.00
B.	Cost of Production	
(i)	Concentrate	6,300.00
(ii)	Veterinary expenses/insurance @ Rs.10 animal	5,600.00
(iii)	Shearing charges	1,100.00
(iv)	Interest charges	9,000.00
(v)	Sustenance allowance	18,000.00
(vi)	Misc. expenses	1,000.00
	TOTAL	41,000.00
C.	Cash profit	53,000.00
D.	Depreciation/amortisation of expenses @ 10%	14,350.00
E.	Net Profit	38,650.00

8. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 6 years)	24,500.00
2.	Debt service coverage ratio	1.85
3.	Return on investment (ROI)	25.77%



9. 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 : 6 years excluding moratorium period.

10. Conclusion

Sheep farming is thus found to be an economically viable proposition. This is particularly helpful for the backward sections of the society. The profitability of the project will improve if income on sale of other incidental items available from the project (like availability of leather and sheep milk) is taken into account.

Note: No manpower on wages is considered since entrepreneur himself & his family members can manage the activity.

11. General remarks

- ❑ The cost of project may vary in different States & Regions.
- ❑ It is assumed that the products/ services have good demand, and the beneficiaries have relevant experience in the relevant fields.

10. *SERICULTURE*

1. Introduction

Silk fibre is protein produced from the silk glands of silkworms. The technique of silk production is known as sericulture. It is an agro industry and is playing an important role in the economic development of silk rearing pockets of rural India providing gainful occupation to 64 lakh persons. One hectare of Mulberry generates employment of about 12 man years and family members ranging in age between 18 to 60 years can engage themselves in various sericulture activities, such as, cultivation of food plants (Mulberry, castor etc., silkworm rearing, egg production, silk reeling, weaving etc. India is the second largest producer of silk in the world after China and has the distinction of producing all the four types of silk i.e. (a) Mulberry silk (91.7%); (b) Tasar silk (1.4%); (c) Eri silk (6.4%); and (d) Muga silk (.5%) which are produced by different species of silkworms.

Mulberry silk is produced extensively in the States of Karnataka, West Bengal and Jammu & Kashmir. Similarly, Tasar silk worms are reared traditionally by the tribes of Madhya Pradesh, Bihar and Orissa; Muga and Eri silk are produced exclusively in Assam. The food plant of silkworms is Mulberry for producing Mulberry silk. Tasar silk producing silkworms feed on *Terminalia tomentosa*, and *Terminalia arjuna*. Similarly, Muga silk producing silkworms feed on scalu or Som; Eri silk producing silkworms feed on castor (*Ricinus communis*).

2. Market potential

The demand for silk has always been high for a variety of fabrics ranging from sarees to shirting etc. Natural silk faces competition from artificial silk which is imported but consumers having set preferences for natural silk are not easily weaned away by artificial silk. Besides indigenous demand, there is a huge export demand and Indian silk is popular all over the world. Silk earns considerable foreign exchange for the country. Total export earnings during 2000-01 was over Rs.1,400 crores. The Silk Board provides assistance for international marketing to those interested in export.

3. Technical details

(a) Soil and climate

Mulberry can be grown on a wide range of soils upto 4,000 ft. above MSL. Flat land or gently sloppy or undulating land gives good crop. The ideal temperature for silkworm rearing are 26⁰ C to 27⁰ C and humidity conditions 70% to 90%.

(b) Land preparation & planting

Land is ploughed to a depth of 35 to 40 cms. The soil is well pulverized and 20 tonnes of compost per hectare is mixed thoroughly well in the soil. Commonly, mulberry is cultivated by propagation by planting 2 budded cuttings of well developed branches from at least 8 months old mulberry plants at the commencement of the rainy season.

(c) Application of fertilisers & interculturing

Scientific cultivation of mulberry is the basic need of sericulture. Timely application of fertilizers, irrigation, weeding, hoeing, irrigation, plant protection measures etc. are very important for better plant growth and leaf yield. Application of fertilizers depends on soil test results and availabilities of irrigation water. However, on an average 250:125:125 kgs. of NPK per hectare is applied per year. First dose is applied 2 to 2^{1/2} months after planting, second dose in the fourth month and subsequent doses immediately after each pruning.

(d) Pruning

Pruning is done to ensure vigorous growth of plants and for production of good quality leaves. Pruning operation is taken up when plants attain a height of about 2 meters and the stems/branches have attained a girth of not less than 2 cms at the bottom.

(e) Harvesting & yield

Usually the first picking of leaves is undertaken six months after planting. After the first picking, subsequent pickings are done at an interval of about 8 weeks depending upon the correct stage of maturity of leaves. As regard yield under rain fed conditions, 10 to 15 tons of mulberry leaves per hectare per year can be expected. But under irrigated condition, the yield may be around 25 to 30 tons of leaves per hectare per year.



(f) Rearing of silkworms

Rearing of silkworms on scientific method is key to bumper cocoon harvest and to have quality silk production. Aspects to be especially taken care of are: Rearing houses and rearing equipments; feed material and feed preservatives; and rearing techniques.

4. Details of equipment

S. No.	Items	Quantity	Rate	Value (Rs.)
1.	Farm Implements (Spade, Hoe, Khurpi; Baskets etc.)	LS	LS	5,000.00
2.	Planting	-	-	1,500.00
3.	Misc.	-	-	1,500.00
TOTAL				8,000.00

5. Working capital requirement

S. No.	Items	Amount (in Rs.)
1.	Compost	3,000.00
2.	Fertilisers	1,500.00
3.	Irrigation for 2 crops	2,000.00
4.	Interculturing & plant protection for 2 crop Rs.500x2	1,000.00
5.	Harvesting of leaves and feeding – 2 crops	2,000.00
6.	Cost of laying – 2 crops	4,000.00
7.	Pruning & misc. costs/expenses	1,500.00
TOTAL		15,000.00

6. Cost of project

S. No.	Items	Total cost (in Rs.)
1.	Land (Owned) preparation & cost of plants	2,000.00
2.	Cost of equipments	8,000.00
3.	Contingencies, misc. & insurance etc.	5,000.00
5.	Working capital	15,000.00
TOTAL		30,000.00

7. Means of finance

S. No.	Particulars	Total cost (in Rs.)	%age
1.	Promoter's contribution	-	-
2.	NSTFDC - Term Loan	27,000.00	90.00
3.	SCA – Term Loan/Subsidy	3,000.00	10.00
	TOTAL	30,000.00	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.

8. Project economics

I.	FIRST YEAR	Per annum/unit Amount (in Rs.)
A.	EXPENDITURE	
(I)	Crop Expenses	
(a)	First crop	
(i)	Land preparation	500.00
(ii)	Application of 20 tons of compost @ Rs. 150 per ton	3,000.00
(iii)	Planting	1,500.00
(iv)	Application of fertilizers	1,500.00
(v)	Irrigation (15 irrigations @ Rs. 100/irrigation)	1,500.00
(vi)	Interculturing & Plant protection measures	500.00
(vii)	Harvesting of leaves and feeding	1,500.00
(viii)	Cost of laying @ 1000 layings per crop per hectare @ Rs.2/- laying	2,000.00
	Total (a)	12,000.00
(b)	Second crop	
(i)	Pruning	500.00
(ii)	Application of fertilizers	1,000.00
(iii)	Irrigation (8 irrigations @ Rs. 100/- irrigation)	800.00
(iv)	Interculturing & Plant protection measures	500.00
(v)	Harvesting of leaves and feeding	1,200.00
(vi)	Cost of laying @ 1000 layings @ Rs.2/- laying	2,000.00
	Total (b)	6,000.00
(c)	Third crop (same as second crop)	6,000.00
(d)	Fourth crop (same as second crop)	6,000.00
(e)	Total expenditure for first year (four crops) before interest for the year [a+b+c+d]	30,000.00
(II)	Sustenance for beneficiary/family	24,000.00
(III)	Interest for the year	2,000.00
	Total expenditure	56,000.00

	Sales realisation	
	Value of 1500 kgs of cocoons from four crops (375 kgs per crop) @ Rs.70 per kg	1,05,000.00
	Less expenditure for first year	56,000.00
	Net return for First Year	49,000.00
II.	SECOND YEAR	
A.	EXPENDIRURE	
(i)	First crop (as shown earlier)	12,000.00
(ii)	Second crop (as shown earlier)	6,000.00
(iii)	Third crop (as shown earlier)	6,000.00
(iv)	Fourth crop (as shown earlier)	6,000.00
(v)	Fifth crop (as shown earlier)	6,000.00
(vi)	Interest	2,000.00
(vii)	Sustenance for beneficiary/family	24,000.00
	Total expenditure for the second year for five crops	62,000.00
	Sales realisation	
(i)	Value of 1875 kgs of cocoons from 5 crops (375 kgs per crop) @ Rs.70 per kg	1,31,250.00
(ii)	Less expenditure during 2nd year	62,000.00
	Net return for Second Year onwards	69,250.00

From second year onwards, the farmer is likely to get a net annual return of Rs.69,000/- per hectare upto 12 years. Thereafter, the mulberry plants are replanted. However, part planting is shown every year in the project to provide tender leaves which are largely available from young plants.

9. Interest, moratorium & repayment period for beneficiaries

- (a) Interest : 6% p.a. on NSTFDC term loan.
- (b) Moratorium period : 10 months from date of release of final installment by SCA.
- (c) Repayment period : 5 years excluding moratorium period.



10. Assumptions/parameters

- ❑ If land is uneven or sloppy expense on terracing shall be higher and needs adjustment.
- ❑ Technical and marketing assistance can be had from the Silk Board and Central Silk Research Institute.
- ❑ No extra cost is assigned to land as it is assumed to be available within the family or provided by a welfare organization.
- ❑ Cost of project may vary in different States & Regions.
- ❑ It is assumed that the products/services have demand in the project area and beneficiaries are having the relevant experience.

11. *VERMI COMPOSTING*

1. **Introduction**

Vermi stands for earthworm. The resultant product, when organic matter is subjected to decomposition with the help of earthworm, is called vermi compost. For composting, smaller burrowing and surface feeder kind of earthworms are found to be suitable. The castings by earthworms contain plant nutrients like nitrogen, phosphorus, potassium and magnesium; the casts also contain enzymes. Earthworms also help in churning the soil as they carry down into the soil the fallen leaves, twigs, straw and similar materials.

2. **Market potential**

If India is to continue to increase the productivity in agriculture because of limited availability of arable land, it has to continue use of fertilizers. Chemical fertilizers are going to be costlier because of reduction in subsidies. Also chemical fertilizers in the long run affect soil health leading to acidification, micro nutrient depletion and soil degradation leading to poor crop health and poor yields. Chemical fertilizers also increase ground and air pollution and it results in increased green house effect. Also for small and marginal farmers organic fertilizers is both essential and affordable. This will also bring down cost of crop production. Organic fertilizers will also lead to productive use of wastelands.

Vermi composting offers immense scope to small and marginal farmers in creating their own organic manurial resources and alternative income generation. Organic resources available in the country can produce about 20 million tones of plant nutrients per year.

3. **Technical details**

(a) Protein Content of earthworms

Dried earthworms contain upto two per cent protein by weight.

**(b) Process**

Vermi composting is done in a pit dug in the soil. For greater efficiency, cement brick tanks are used. The tank is constructed on raised land, that is, above ground to avoid water logging. The floor is higher in the center and slopes on sides. Standard tank size is 10' x 6' x 2.5'. Adequate numbers of holes (8 x 5 cm dia) are dug at the bottom for draining of water.

Bed is about 5 to 10 cm thick of broken bricks or saw dust. On the floor 15 to 20 cm thick worm inhabiting soil is spread. A layer of dung or other animal excreta and kitchen waste is spread over the soil layer. 200 to 500 worms selected and stored in earthen vessels is then spread in the tank. Cow dung slurry is spread over and the bed covered with straw or dry leaves. The tank is covered with a fine wire mesh. A thatched roof is provided for cover from above. After two weeks, another layer of 5 to 6 cm thick organic matter is spread. Turning of beds is done twice or thrice a week. The bed should be neither dry nor have excess moisture as tested by a wooden rod. Watering should be done regularly to keep the soil moist.

The temperature should not exceed 45°C and moisture requirement is around 10 to 17 percent. Vermi compost is ready in 90 to 120 days. Before harvesting water is stopped and the compost is allowed to dry and used. The worms are collected and reused.

(c) Output

Output from one cycle in a pit of size 10' x 6' x 2.5' will be 3 tones of manure. There will be 10 pits and 3 cycles per pit per year.

4. Raw material requirement per annum

S. No.	Item	Quantity	Rate (Rs.)	Annul Value (Rs.)
1	Agricultural Waste	100 tonnes	Rs.200/tonnes	20,000.00

5. Working capital (At full capacity utilization)

S. No.	Items	Period	Amount (in Rs.)
1.	Cow dung and Agro-waste	One cycle	6,700.00
2.	Casual labour	One cycle	2,000.00
3.	Receivables	10 days	2,300.00
TOTAL			11,000.00

6. Cost of project

S. No.	Items	Total Cost (in Rs.)
1.	Land	Own
2.	Civil works	
a)	10 pits with 9 inch walls brick work in cement, bottom plain cement concrete (Rs.3500 each)	35,000.00
b)	Light thatched roof	3,000.00
c)	Vermi bed (sand, broken stone)	2,000.00
3.	Soil working implements	1,500.00
4.	Miscellaneous (earthworm etc.)/interest/cost escalation	2,500.00
5.	Working capital	11,000.00
	TOTAL	55,000.00

7. Means of finance

S. No.	Particulars	Total cost (in Rs.)	%age
1.	Promoter's contribution	-	-
2.	NSTFDC-Term loan	45,000.00	81.82
3.	SCA – Term Loan/Subsidy	10,000.00	18.18
	TOTAL	55,000.00	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.

8. Project economics

S. No.	Particulars	Amount (in Rs.)/unit
A.	Sales realization	
	3 Tonnes per pit per cycles x 3 cycles x 10 pits x Rs.900 per tonne	81,000.00
B.	Cost of production	
(i)	Cost of raw material	20,000.00
(ii)	Labour cost (casual labour)	6,000.00
(iii)	Misc. expenses	3,000.00
(iv)	Interest	3,300.00
(v)	Sustenance allowance	24,000.00
	Total cost of production	56,300.00
C.	Cash profit	24,700.00
D.	Depreciation/amortisation @ 10%	4,400.00
E.	Net Profit (C-D)	20,300.00



9. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	11,000.00
2.	Debt service coverage ratio	1.96
3.	Return on investment (ROI)	36.91%

10. 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.

11. Assumptions/remarks

- ❑ The cost of project may vary in different States & Regions.
- ❑ It is assumed that the products have good demand, and the beneficiaries have relevant experience in the relevant fields.



1. ***BAMBOO & CANE FURNITURE MANUFACTURING***

1. Introduction

Furniture items like tables, chairs, stools and small fancy items are made from cane and bamboo. Cane and bamboo furniture's are attractive and elegant.

2. Market potential

Both upper and middle class people, restaurant and guesthouses demand such furniture. The making of furniture from cane and bamboo is regarded as local handicrafts and the State Governments are also promoting these handicrafts. The furniture made from cane are very attractive, it has a great demand in the market

3. Technical details & manufacturing process

The unit is aimed to produce different furnitures like sofa set, chairs and other decorative items by using bamboo & cane materials. With regard to manufacturing process, these materials are cut to the required size and length. Design and carvings are made and these parts are then joined together with the help of nails etc. as deemed fit for the end product. These products are subsequently polished by varnish.

(a) Land & building

A built up area of at least 100 sq.mt. is required for this project. This can be rented easily and the rent amount is likely to be around Rs.2000/- month.

(b) Plant & machinery

S. No.	Particulars	Quantity	Amount (in Rs.)
1.	Portable drilling machine 1/4" cap	5 nos.	25,000.00
2.	Carpentry tools, work benches, clamps, vice etc.	L.S	15,000.00
3.	Painting brush & other accessories	L.S	10,000.00
	TOTAL		50,000.00

(c) Misc. fixed assets

S. No.	Particulars	Amount (in Rs.)
1.	Furniture & fixtures	10,000.00
2.	Electrification	10,000.00
	TOTAL	20,000.00

(d) Preliminary & preoperative expenses

This includes initial travel, legal documentation and interest during implementation, Rs.10,000/- has been considered under this head.

(e) Manpower requirement

S. No.	Particulars	Nos.	Salary /Month	Total (In Rs.)
1.	Skilled labour	2	2,500.00	5,000.00
2.	Semi-skilled labour/helpers	3	1,000.00	3,000.00
	TOTAL			8,000.00

(f) Utilities

This includes expenses incurred for power, water and fuel etc. and Rs.1000/- per month is considered for the scheme.

(g) Other expenses (per month)

S. No.	Particulars	Amount (in Rs.)
1.	Rent	2,000.00
2.	Stores & spares	500.00
3.	Sales & Marketing, transport exp.	1,000.00
4.	Misc. expenditure	1,000.00
	TOTAL	4,500.00

4. Cost of project

S. No.	Items	Total cost (in Rs.)
1.	Building	Rented
2.	Plant & machinery	50,000.00
3.	Misc. Fixed Assets	20,000.00
4.	Preliminary & Pre-operative expenses	10,000.00
5.	Working capital Margin	33,000.00
	TOTAL	1,13,000.00

5. Means of finance

S. No.	Source	Amount (in Rs.)	% age
1.	Promoter's contribution	3000.00	2.65
2.	MML - SCA	12,000.00	10.62
3.	Term loan – NSTFDC	98000.00	86.73
	TOTAL	1,13,000.00	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. Raw material requirement

S. No.	Particulars	Quantity	Unit cost	Total cost (in Rs.)
1.	Cane & bamboo materials	L.S		50,000.00
2.	Nails, screws etc.	20 packets	25.00	500.00
3.	Varnish	20 ltr.	50.00	1,000.00
4.	Painting brush	10 nos.	100.00	1,000.00
	TOTAL			52,500.00

7. Working capital requirement

S. No.	Particulars	Amount (in Rs.)
1.	Raw materials	52,500.00
2.	Salary & wages	8,000.00
3.	Other expenses	4,500.00
4.	Utilities	1,000.00
	TOTAL	66,000.00
		Amount (in lakhs)
5.	Total working capital requirement 2 months x 0.66	1.32
6.	Working capital margin @ 25%	0.33

8. Sales (per month)

S. No.	Particulars	Quantity	Unit cost	Total cost (in Rs.)
1.	Sofaset (big size)	25	1,500.00	37,500.00
2.	Sofaset (medium size)	20	1,000.00	20,000.00
3.	Chairs	20	500.00	10,000.00
4.	Decorative items	20	300.00	6,000.00
	TOTAL			73,500.00

9. Project economics

(Rs.in lakhs)

S. No.	Particulars	From 1st year onwards
A.	No. of working days in a year	300 days
B.	Sales Realisation (Rs. 73,500/ months x 12 months)	8.82
C.	Cost of production	
(i)	Raw materials	6.30
(ii)	Salary & wages	0.96
(iii)	Other expenses	0.54
(iv)	Utilities	0.12
(v)	Sustenance allowance	0.18
	Total cost of production	8.10
D.	Gross profit (A-C)	0.72
E.	Interest (Working capital & term loan)	0.19
F.	Depreciation (20%)	0.08
G.	Profit before tax	0.45
H.	Tax liability	-
I.	Profit after tax	0.45
J.	Cash profit	0.53

10. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	0.22
2.	Return on investment	39.82%
3.	Debt service coverage ratio	1.75

11. Interest, moratorium & repayment period for beneficiaries

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



12. Assumptions/remarks

- ❑ Optimum working capital cycle has been considered for calculating the requirements. Raw materials shall be procured from local areas and quotations, wherever applicable may be obtained.
- ❑ The cost of project will vary in different States & Regions.
- ❑ It is assumed that the products have good demand, and the promoters have sound experience in the relevant fields.

2. *BRICK MANUFACTURING*

1. Introduction

Brick making activity does not require very high quality technical details and materials are available locally. This type of unit can be established in village/rural areas. Since it is labour intensive activity, it generates a lot of employment opportunities for rural folk.

2. Market potential

Due to boom in real estate business and construction activity, there is huge demand for bricks.

3. Technical details

This is small scale activity usually carried out by village people and no need for construction of exclusive brick chamber under this scheme. Bricks are stacked in such a way that, in the gaps fire wood/coal is placed for firing the bricks. The manufacturing process involves mixing the clay with water, sand, lime and ash in proper proportion. This mixture is worked well and brought into semisolid state and is placed in brick moulds. The main requirement of material is clay and coal/fire wood. Wet bricks are allowed to dry openly.

4. Cost of project

S. No.	Items	Total cost (in Rs.)
1.	Land	Own/Lease
2.	Worker shed (thatched roof building)	30,000.00
3.	Brick moulds (100 Nos. @ Rs.100/mould)	10,000.00
4.	Borewell connection & hand pump installation charges	17,000.00
5.	Push carts (hand driven) (10 Nos. @ Rs.2000)	20,000.00
6.	Working Capital	33,000.00
	TOTAL	1,10,000.00

5. Means of finance

S. No.	Source	Amount (in Rs.)	%age
1.	Promoter's contribution	3,000.00	2.73
2.	MML (SCA)	12,000.00	10.91
3.	NSTFDC - Term Loan	95,000.00	86.36
	TOTAL	1,10,000.00	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. Working capital requirement

S. No.	Particulars	Amount (In Rs.)
1.	Royalty charge for clay	5,000.00
2.	Transport charge for clay for 1 lakh bricks @ Rs.250/trip for 60 trips	15,000.00
3.	Sand, lime,	5,000.00
4.	Coal – 2 T @ Rs.8000/ton	16,000.00
5.	Labour expenses for brick making @ Rs.100/1000 bricks for 1 lakh bricks	10,000.00
6.	Stacking expenses	5,000.00
7.	Loading/unloading	5,000.00
8.	Thatches to cover unburnt bricks	4,000.00
	TOTAL	65,000.00
9.	Working capital for 2 months	1,30,000.00
10.	Working capital margin @ 25%	32,500.00
	SAY	Rs.33,000.00

8. Cost of production and profitability statement

S. No.	Particulars	From 1st year onwards
1.	No. of cycle a year	6
2.	Quantity of bricks prepared in one cycle	1 lakh
3.	Quantity of good quality burnt bricks available/cycle	85,000
4.	Cost of brick	Rs.1.00

9. Project economics

S. No.	Particulars	Amount (Rs. in lakhs)
A.	Sales Realisation	5.10
B.	Cost of production	
(i)	Royalty charge for clay	0.30
(ii)	Transport charge	0.90
(iii)	Sand, lime, flinders	0.30
(iv)	Coal	0.96
(v)	Labour expenses	0.60
(vi)	Stacking expenses	0.30
(vii)	Loading/unloading	0.30
(viii)	Thatches	0.24
(ix)	Sustenance allowance	0.24
	TOTAL	4.14
C.	Gross profit	0.96
D.	Interest/working capital/TL	0.18
E.	Depreciation	0.15
F.	Net profit	0.63
G.	Cash profit	0.78

10. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	0.21
2.	Return on investment	57.27%
3.	Debt service coverage ratio	2.46

11. Interest, moratorium & repayment period for beneficiaries

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



12. Assumptions/remarks

- ❑ Optimum working capital cycle has been considered for calculating the requirements. Raw materials shall be procured from local areas and quotations, wherever applicable may be obtained.
- ❑ The cost of project will vary in different States & Regions
- ❑ It is assumed that the products have good demand, and the promoters have sound experience in the relevant fields.

3. *MUSTARD OIL EXPELLER*

1. Introduction

While mustard seeds are abundantly produced in most parts of India, its milling/grinding is mostly done by the large centralized plants, which have the advantage of high efficiency and reduced costs due to economies of scale. Despite the clear advantage of large plants, the importance of tiny decentralized oil extraction units cannot be discounted as they also prove to be economic and present opportunities for self-employment in situations: where oil produced by large plants do not find its way to remote and distant places because of high transportation costs involved in wider distribution and in places where there is no oil expeller in the area and the farmers sell oil seeds to large refineries which they then buy back at high cost in the form of cooking oil but without the valuable high protein oil cake. Therefore, in recognition of the existing opportunities of setting-up mustard oil expeller units in such situations, tiny units are suggested for the first generation Tribal entrepreneurs - the investment for which is modest and the operation is simple.

The unit is required to maintain a minimum stock of seed and enough to continue operations throughout the year. Hence, the location of the unit has to be essentially in those areas where the raw material is locally available in abundance.

In general, more profit could be made if the cooking oil is packed into retail size bottles. However, considering the difficulty in obtaining glass or plastic bottles in large quantities in remote areas and blocking thereby substantial capital, the possibility of using second-hand bottles may be utilised. Alternatively, oil could be sold in drums to the provision stores in neighboring towns/cities.

The viability of any oil extraction unit considerably depends on the sale of the oil cake, which is extensively used as animal feed and other sub-products.

2. Market potential

Mustard oil is widely used edible oil especially in rural North and Eastern India. Its consumption is ever increasing with the growth of rural population. The tiny units are aimed to cater to local market and there is abundant potential to meet local requirement.

3. Technical details

In India, in particular, a wide range of efficient small or "Baby" oil expellers are available in the market. A typical example is an oil expeller of as low a capacity of up to 100 Kg/hr. Such machine has a central cylinder or cage fitted with eight separate sections called "worms". This flexible system allows the use of single or double reverses and spreads the wear & tear more evenly along the screw. In the event of the screw getting worn out- only that particular unit / section is required to be repaired/changed thus reducing maintenance cost. As the material passes through the expeller, oil is squeezed out and flows through the perforated cage into a trough under the machine. The solid residue i.e., the oil cake is expelled from the back end of the expeller shaft where it is separately bagged.

4. Cost of project

S. No.	Particulars	Amount (in Rs.)
1.	Land	Own
2.	Factory Shed & Godown (50 Sq.mt. @ Rs.200/- Sq.mt.)	10,000.00
3.	Machineries & Equipment	
a)	2 Nos. of Baby oil expeller complete with motor (5 H.P.) @ Rs. 25,000.00 each	50,000.00
b)	Tools and Accessories	2,000.00
4.	Electrification & Installation	8000.00
5.	Misc. Fixed Assets	2,000.00
6.	Preliminary & Pre-operative Expense.	2,000.00
7.	Provision for Contingencies	2,000.00
8.	Margin for working capital	32000.00
	TOTAL	1,08,000.00

5. Means of finance

S. No.	Particulars	Amount (in Rs.)	%age
1.	Promoter's Contribution.	3000.00	2.78
2.	M.M.L.- SCA.	12000.00	11.11
3.	Term Loan- NSTFDC	93000.00	86.11
	TOTAL	1,08,000.00	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. Working capital requirements

S. No.	Particulars	Amount (in Rs.)
1.	Stock of 75 Quintals of Mustard Oil seeds @ Rs.1600.00 per Quintal	1,20,000.00
2.	Bottles & Packaging Materials	4,000.00
3.	Salary & Wages (1 month)	4,000.00
4.	Goods in Process	10,000.00
5.	Finished Goods	20,000.00
	TOTAL	1,58,000.00
6.	Margin for Working Capital @ 20%	31,600.00
	SAY	32,000.00
7.	Loan from bank/financial institution	1,26,000.00

7. Salary & wages per annum

S. No.	Particulars	Nos.	Salary (Rs) p.m.	Salary (Rs) p.a.
1.	Manager	Self		
2.	Skilled Worker	1	2,500.00	30,000.00
3.	Helper	1	1,500.00	18,000.00
	TOTAL		4,000.00	48,000.00

8. Overhead expenses per annum

S. No.	Particulars	Amount (in Rs.)
1.	Printing & Stationery	2,000.00
2.	Repair & Maintenance	2,000.00
3.	Traveling & Conveyance	1,500.00
4.	Electricity	18,000.00
5.	Misc. Expenses	1,000.00
	TOTAL	24,500.00

9. Raw material requirement

S. No.	Year	Qty. of Mustard oil Seeds	Rate per Qtl.(Rs)	Amount (in Rs.)
1.	1st. Year	300 Qtls.	1,600.00	4,80,000.00
2.	2nd Year	330 Qtls.	1,600.00	5,28,000.00
3.	3rd Year onwards	360 Qtls.	1,600.00	5,76,000.00



10. Depreciation on SLM

S. No.	Assets	Amount (Rs.)	Rate of Dep.	Amount (in Rs.)
1.	Machineries	52,000	10%	5,200.00
2.	Misc. Fixed Assets & Electrical	9,500	10%	950.00
3.	Building/ Shed	10,000	5%	500.00
	TOTAL			6,650.00

11. Sale proceeds per annum (At 80% utilization)

S. No.	Particulars	Amount (in Rs.)
1.	Extraction and sale of 10,500 lt. of Mustard Oil (@ Rs.60/- per Kg.) out of 30,000 Kg of Mustard Seeds.	6,30,000.00
2.	Mustard Oil Cake (Residue) 18,000 Kg. @ Rs.5/- per Kg.	90,000.00
	TOTAL	7,20,000.00

12. Project economic

S. No.	Particulars	Amount (in Rs.)
A.	No. of working days	300.00
B.	Capacity Utilisation (%)	80.00
C.	Sales Realisation	7,20,000.00
D.	Cost of Production	
(i)	Raw materials	4,80,000.00
(ii)	Bottles & Packaging	48,000.00
(iii)	Salary / Wages & S.A.	96,000.00
(iv)	Overhead Exp.	24,500.00
	TOTAL	6,48,500.00
E.	Gross Profit	71,500.00
F.	Interest on loan and working capital	21,400.00
G.	Depreciation	6,650.00
H.	Net Profit	43,450.00
I.	Cash Profit	50,100.00

13. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	21,000.00
2.	Return on investment	40.23%
3.	Debt service coverage ratio	1.69

14. Interest, moratorium & repayment period for beneficiaries

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

15. Assumptions/remarks

- ❑ Optimum working capital cycle has been considered for calculating the requirements. Raw materials shall be procured from local areas and quotations, wherever applicable may be obtained.
- ❑ The cost of project will vary in different States & Regions.
- ❑ It is assumed that the products have good demand, and the promoters have sound experience in the relevant fields.

4. *SPICES GRINDING*

1. Introduction

Spices are essential primary ingredients used by both rich and poor from time immemorial to enhance the aroma, flavour and colour of dishes. Hence, people have developed strong liking for spicy food preparations down the ages. Some of these spices have medicinal uses also because of their carminative stimulating and digestive properties. In Orissa, Andhra Pradesh, Gujarat and Rajasthan spices are available at cheaper rate and can be processed very easily.

2. Market potential

With the rapid growth of population and the varied tastes and habits of the people, the domestic demand for spices is steadily on the rise. Even there is a good scope for exporting spices to other countries. In order to cater to the rising demand of spices, irrespective of the seasons, some of the unscrupulous spice producers are manufacturing adulterated spices to earn fast money. The consumption of such spurious spices poses serious health hazards. Accordingly, there is a growing demand of pure/unadulterated grounded spices from the customers who are increasingly informed these days. Therefore, it is imperative that the producers ethically cater to the requirements of the customers and in doing so, obtain quality standard certification such as "Agmark" for these products which would in turn help them in marketing.

Raw materials are easily available from the local market anywhere in India. Marketing of spices is not complicated. Umpteen number of retail shops in and around the unit would be the prospective buyers of spices in bulk.

3. Technical details

The spice grinding process is a very simple process of pouring dried whole spice into the mouth of the Chakki and getting the grounded spice as per specification. The powdered spice is then immediately packed into the plastic pouches of different sizes bearing manufacturers name, address, quantity, price, quality certification marks/registration number etc. so that it retains its freshness and aroma.

4. Cost of project

S. No.	Particulars	Amount (in Rs.)
1.	Land	Own
2.	Factory Shed & Godown (40 Sq.m. @ Rs. 200/- Sq.m.).	8,000.00
3.	Machineries & Equipment	
	a) 2 Nos. of Chakki of size 14"-30 Kg Capacity complete with 2 H.P. 220 V motor of 1440 rpm, Starter, Main switch, Pulley & Belt @ Rs.13,500.00 each	27,000.00
	b) Hand tools and accessories	750.00
	c) Electrification & Installation	4,250.00
4.	Misc. Fixed Assets	1,000.00
5.	Preliminary & Pre-operative Expense	1,000.00
6.	Provision for Contingencies	1,000.00
7.	Working Capital	57,000.00
	TOTAL	1,00,000.00

5. Means of finance

S. No.	Source	Amount (in Rs.)	%age
1.	Promoter's contribution	Nil	-
2.	MML (SCA)	10,000.00	10.00
3.	Term loan – NSTFDC	90,000.00	90.00
	TOTAL	1,00,000.00	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. Working capital requirement

S. No.	Particulars	Amount (in Rs.)
1.	Red Chilli 1.5 qtls. p.m. @ Rs 5000/- per qtl	7,500.00
2.	Zeera 1.5 qtls. p.m.@ Rs 12000/- per qtl.	18,000.00
3.	Dhania 1.5 qtls. p.m. @ Rs 5,500/- per qtl.	8,250.00
4.	Haldi 1.5 qtls. p.m. @ Rs 4,000/- per qtl.	6,000.00
5.	Packing pouches & printing	3,000.00
6.	Salary & wages	5,500.00
7.	Goods in process	3,000.00
8.	Finished goods	6,000.00
	TOTAL	57,250.00



7. Salary & wages per annum

S. No.	Designation	Numbers	Salary/p.m. (in Rs.)	Salary/p.a. (in Rs.)
1.	Manager	Self		
2.	Skilled worker	1	2,500.00	30,000.00
3.	Helper	2	3,000.00	36,000.00
	TOTAL		5,500.00	66,000.00

8. Overhead expenses per annum

S. No.	Particulars	Amount (in Rs.)
1.	Printing & stationery	2,000.00
2.	Repair & maintenance	2,000.00
3.	Traveling & conveyance	2,000.00
4.	Electricity	18,000.00
5.	Misc. expenses	1,000.00
	TOTAL	25,000.00

9. Sales proceeds per annum

S. No.	Particulars	Amount (in Rs.)
1.	Sale of Chilli Powder- 1,745 Kg. @ Rs.60 /- Kg.	1,04,700.00
2.	Sale of Jeera Powder- 1,745 Kg. @ Rs.165 /- Kg.	2,87,925.00
3.	Sale of Dhania Powder- 1,745 Kg. @ Rs.100 /- Kg.	1,74,500.00
4.	Sale of Haldi Powder- 1,745 Kg. @ Rs.80 /- Kg.	1,39,600.00
	TOTAL	7,06,725.00

10. Depreciation on SLM

S. No.	Assets	Amount (in Rs.)	Rate of depreciation	Amount (in Rs.)
1.	Machineries & tools	27,750.00	10%	2,775.00
2.	Misc. fixed assets & electrical	5,250.00	10%	525.00
3.	Building/shed	8,000.00	5%	400.00
	TOTAL			3,700.00

11. Project economics

S. No.	Particulars	Amount (in Rs.) 1st Year onwards
A.	No. of working days	300
B.	Capacity utilisation (%)	100
C.	Sales Realisation	7,06,725.00
D.	Cost of Production	
(i)	Raw materials	4,77,000.00
(ii)	Packing Materials	36,000.00
(iii)	Salary/wages & S.A	1,14,000.00
(iv)	Overhead expenses	25,000.00
	TOTAL	6,52,000.00
E.	Gross Profit	54,725.00
F.	Interest on loan (@ 6% p.a.)	6,000.00
G.	Depreciation	3,700.00
H.	Net profit	45,025.00
I.	Cash profit	48,725.00

12. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	20,000.00
2.	Return on investment	45%
3.	Debt service coverage ratio	2.10

13. Interest, moratorium & repayment period for beneficiaries

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

14. Assumptions/remarks

- ❑ Optimum working capital cycle has been considered for calculating the requirements. Raw materials shall be procured from local areas and quotations, wherever applicable may be obtained.
- ❑ The cost of project will vary in different States & Regions.
- ❑ It is assumed that the products have good demand, and the promoters have sound experience in the relevant fields.

5. *UMBRELLA MANUFACTURING*

1. Introduction

Umbrella is required to protect people from heat and rains during summer and rainy seasons respectively. Summer months in India are harsh, due to this elder and women are using umbrella to protect themselves.

The umbrellas are generally manufactured manually by assembling various items such as cloth, using needle and threads etc. and by stitching final shapes are made.

2. Market potential

There exists demand for umbrellas in almost all parts of the country. Various types and colours of umbrellas are available to cater to all sections of people

3. Technical details

Umbrellas are used during summer as well as rainy season. Since both the seasons together cover almost half of year, people from all the societies entirely depend on umbrella. In view of this, market potential of the umbrella is very high. With regard to manufacturing process, the cloth is cut into required size and stitched on sewing machines. All parts like ribs, handles, brass ring, M.S. pipes etc. can easily be purchased from local market.

4. Cost of project

S. No.	Items	Total Cost (Rs. in lakhs)
1.	Building	Rented
2.	Plant & machinery	0.37
3.	Preliminary & pre-operative expenses including interest during implementation period	0.10
4.	Working capital	0.21
	TOTAL	0.68



5. Means of finance

S. No.	Source	Amount (in Rs.)	% age
1.	Promoter's contribution	-	-
2.	MML - SCA	8,000.00	11.76
3.	Term loan – NSTFDC	60,000.00	88.24
	Total	68,000.00	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. Raw material requirement

S. No.	Particulars	Quantity	Unit rate	Amount (in Rs.)
1.	Cloth	1800 m.	12.50	22,500.00
2.	Umbrella ribs	9600 m.	1.50	14,400.00
3.	Brass ring	1200 no.	1.50	1,800.00
4.	M.S. Pipe	3200 m.	1.50	4,800.00
5.	Plastic handles	1200 no.	2.50	3,000.00
6.	Spring & clips	1200 no.	0.50	600.00
7.	Slotted cap pipe	1200 no.	0.50	600.00
8.	Thread	1200 no.	0.50	600.00
9.	Elastic tapes	200 m.	10.00	2,000.00
10.	Runners	1200 no.	1.25	1,500.00
	TOTAL			51,800.00
	SAY			52,000.00

7. Manpower requirement

S. No.	Particulars	No.	Salary/Month	Total (in Rs.)
1.	Manager	Self	-	
2.	Skilled worker	3	2,500.00	7,500.00
3.	Unskilled worker	2	2,000.00	4,000.00
	TOTAL			11,500.00

8. Other expenses (per month)

S. No.	Particulars	Amount (in Rs.)
1.	Rent	1,500.00
2.	Power & water	1,000.00
3.	Stationery	300.00
4.	Telephone & postage	500.00
5.	Travel expenses	600.00
6.	Consumable stores	1,000.00
7.	Advertisement	500.00
8.	Miscellaneous	1,000.00
	TOTAL	6,400.00

9. Working capital requirement

S. No.	Particulars	Amount (in Rs.)
1.	Raw materials	52,000.00
2.	Salary & wages	11,500.00
3.	Other expenses	6400.00
	TOTAL	69,900.00
	SAY	70,000.00

10. Sales at 100% capacity utilization: (1100 nos.), Working capital margin @30%=Rs.21,000/-

S. No.	Particular	Quantity	Unit price	Total (in Rs.)
1.	Umbrellas	880 (80%)	90.00	79,200.00
	For 12 months			9,50,400.00

11. Project economics

		(Rs. in lakhs)
S. No.	Particulars	From 1st year Onwards
A.	No. of working days in a year	300 days
B.	Sales Realisation	9.50
C.	Cost of production	
(i)	Raw materials	6.24
(ii)	Salary & wages	1.38
(iii)	Other expenses	0.77
(iv)	Sustenance allowance	0.48
	TOTAL	8.87
D.	Gross profit (A-C)	0.63
E.	Interest	0.04
F.	Depreciation (20%)	0.07
G.	Profit before tax	0.52
H.	Tax liability	-
I.	Profit after tax	0.52
J.	Cash profit	0.59

12. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	0.14
2.	Return on investment	76.47%
3.	Debt service coverage ratio	3.50

13. Interest, moratorium & repayment period for beneficiaries

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

14. Assumptions/remarks

- ☐ Optimum working capital cycle has been considered for calculating the requirements. Raw materials shall be procured from local areas and quotations, wherever applicable may be obtained.
- ☐ The cost of project will vary in different States & Regions.
- ☐ It is assumed that the products have good demand, and the promoters have sound experience in the relevant fields



1. *AUTORICKSHAW*

1. Introduction

Autorickshaw is, today, an important and regular mode of travel in Villages and big cities. It is cheap and convenient compared to other modes of transport. All types of people, middle or low-income, rely on autorickshaw for their day-to-day journey.

2. Market potential

The scope of Autorickshaw reminds us especially for commuting between village and town. Today the vehicle is easily available and there are three popular manufacturers with their own models. The project report relies on Bajaj, Mahindra and Piaggio.

3. Technical details

(a) Operations

The vehicle will be plied from one point to another in big cities and towns carrying passengers and may be goods if deemed necessary. The vehicle can even ply on point-to-point basis between one town/village and another town/village. Certain special occasions like melas (fairs), processions etc. will be opportunities when extra income can be earned normally.

(b) *Running Target* **150 kms/day**

(c) Details of vehicle

S. No.	Items	Qty.	Rate (Rs.)	Value (Rs.)
1.	Bajaj Auto-Rickshaw Auto-Rickshaw –RE Stroke	1	90,600.00	90,600.00
2.	Insurance, Registration, Number plates etc.	-	-	6,000.00
	TOTAL			96,600.00

4. Cost of project

S. No.	Items	Amount (in Rs.)
1.	Cost of vehicle	96,600.00
2.	Preliminary & preoperative expenses	1,000.00
3.	Working capital	1,000.00
	TOTAL	98,600.00

5. Means of finance

S. No.	Items	Amount (in Rs.)	% age
1.	Promoter's Contribution	-	
2.	NSTFDC – Term Loan	86,000.00	87.22
3.	M.M.L. - SCA	12,600.00	12.78
	TOTAL	98,600.00	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. Manpower requirement

S. No.	Category	No.	Salary/Person/ month	Total (in Rs.) For a year
1.	Self (Driver)	1	2,500.00	30,000.00
	TOTAL			30,000.00

7. Fuel requirement (including consumables/year)

S. No.	Items	Qty.	Rate (Rs.)	Value (Rs.)
1.	Petrol	1800 Ltr.	55.00	99,000.00
2.	Engine oil and other consumables			10,000.00
	TOTAL			1,09,000.00

8. Working capital

S. No.	Items	Period	Amount (in Rs.)
1.	Fuel	1 day	330.00
2.	Spare parts, consumables	1 week	300.00
3.	Cash in hand		370.00
	TOTAL		1,000.00

9. Project economics

S. No.	Items	Amount (in Rs.)
A.	Operational Income: Rs. 5/-/km x 150 km/day x 300 days	2,25,000.00
B.	Cost of Production	
(i)	Fuel	1,09,000.00
(ii)	Insurance	3,000.00
(iii)	Repair & Maintenance	6,000.00
(iv)	Interest	5,916.00
(v)	Salary & Wages	30,000.00
(vi)	Misc.	5,000.00
	TOTAL	1,58,916.00
C.	Cash Profit (A-C)	66,084.00
D.	Depreciation @ 15% of Fixed Assets Cost	14,000.00
E.	Profit Before Tax (D-E)	52,084.00
F.	Taxes	-
G.	Profit after Tax	52,084.00

10. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	19,720.00
2.	Return on investment	52.82%
3.	Debt Service Coverage Ratio	2.81

Notes :

- Economic viability depends heavily on mileage from fuel. Therefore, upkeep of vehicle in good condition is absolutely necessary.
- Maintenance of vehicle should be on preventive and not on breakdown basis.
- Vehicle has to be run by owner, and, the owner should be familiar with elementary repairs/main tenance.

11. Interest, moratorium & repayment period for beneficiaries

- Interest : 6% p.a. on NSTFDC term loan
- Moratorium period : 3 months from date of release of funds by SCA.
- Repayment period : 5 years excluding moratorium period.



12. General remarks

- ❑ The cost of vehicle has been taken on the basis of items manufactured by Standard/reputed suppliers having sound service network. The suppliers should be preferably based in local areas or nearby States.
- ❑ The cost of project will vary in different States & Regions.
- ❑ It is assumed that the services have good demand, and the promoters have sound experience in the relevant fields.

2. *BEAUTY PARLOUR SHOP*

1. Introduction

Beauty is the gift of God and transmitted from one to the other generation. The beauty parlour shop is the need of every age group, of men, women and children. Keats defines the word beauty as "A thing of Beauty is joy for ever". Beauty parlour is a very important shop to make the people good looking by application of cosmetics, treatment of hair and nourishment of skin by various methods.

2. Market potential

From the ages past, people have used sandal wood oil, turmeric powder and milk etc. for the treatment of skin, but now people have become more educated, they need proper and professional treatment of skin, hairs, nails and teeth. Every man, woman and child wants to be beautiful. A good beauty parlour is required in every city, town and other places. The work of beauty parlour is a specific job for the beautification of men, women and children, setting of hairs, hair dye and removal of unwanted hair. Skin treatment is also a very important feature. Everybody wants glowing and wrinkle free and spotless skin. Due to this application, the job of beauticians has become very profit making.

3. Technical details

The job of a beauty parlour is a specialized one. It needs proper training and practice.

4. Cost of project

S. No.	Items	Total cost (in Rs.)
1.	Building: 10x15 sq ft	On Rent
2.	Plant & Machinery (including installation)	27,000.00
3.	Misc. fixed assets	2,000.00
4.	Furniture & Fixture	10,000.00
5.	Preliminary & Preoperative expenses	500.00
6.	Contingencies including cost escalation	4,280.00
7.	Working capital	46,600.00
	TOTAL	90,380.00
	SAY	90,000.00



5. Means of finance

S. No.	Items	Total cost (in Rs.)	%age
1.	Promoter's contribution	-	-
2.	M.M.L. - SCA	12,000.00	13.00
3.	NSTFDC – Term Loan	78,000.00	86.67
	TOTAL	90,000.00	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

S. No.	Items	Total cost (in Rs.)
1.	Power (1KW)	1,000.00
2.	Water	200.00
	TOTAL	1,200.00

7. Manpower requirement

S. No.	Category	No.	Salary/Person/ Month (Rs.)	Total (Rs./Month)
1.	Manager/ Supervisor	1	4,000.00	4,000.00
2.	Skilled worker	2	2,500.00	5,000.00
3.	Unskilled worker	1	1,500.00	1,500.00
	Perquisites		@ 15%	1,575.00
	TOTAL			12,075.00



8. Raw material requirement (per month)

S. No.	Items	Quantity	Unit Rate (in Rs.)	Value (in Rs.)
1.	Hair Shampoo	5 litres	75	375.00
2.	Hair dye	-	-	1,000.00
3.	Face cream and lotion	-	-	2,000.00
4.	Hydrogen per oxide	2 litres	35	70.00
5.	Aceton	2 litres	40	80.00
6.	Hair removing wax	5 kg	90	450.00
7.	Hair spray	2 sets	75	150.00
8.	Hair gel	2 pack	200	400.00
9.	Perming lotion	2 pack	250	500.00
10.	Sponge cotton	-	-	500.00
11.	Towels assorted	5 Nos	25	125.00
12.	Surgical gloves	2 pairs	25	50.00
13.	Misc. Items	-	-	500.00
			TOTAL	6,200.00

9. Working capital requirement

S. No.	Items	Period (month)	Amount (in Rs.)
1.	Raw materials	1	6,200.00
2.	Stores and spare	1	100.00
3.	Stock in use	3	19,000.00
4.	Receivables/ debtors	3	19,700.00
5.	Other current assets	-	1,600.00
		TOTAL	46,600.00

10. Project economics (Annual)

A. Sales realization

S. No.	Items	Quantity	Rate (in Rs.)	Value (in Rs.)
1.	Hair setting/ cutting	1800	25	45,000.00
2.	Removing of hair	1900	25	47,500.00
3.	Hair Dye	650	75	48,750.00
4.	Facial	1200	100	1,20,000.00
5.	Cleaning	1200	30	36,000.00
6.	Manicure and Pedicure	1200	50	60,000.00
			TOTAL	3,57,250.00



B. Cost of operation

S. No.	Particulars	Amount (in Rs.)
(i)	Raw material	74,400.00
(ii)	Stores & spares	1,200.00
(iii)	Utilities	14,400.00
(iv)	Salaries & wages	1,44,900.00
(v)	Rent	30,000.00
(vi)	Transportation/ Freight	3,000.00
(vii)	Conveyance & Traveling	2,400.00
(viii)	Administrative overheads (telephone, postage & stationery etc.)	5,000.00
(ix)	Selling expenses (including advertisement, commission and rebates)	2,400.00
(x)	Repair & maintenance	2,000.00
(xi)	Interest	5,400.00
(xii)	Miscellaneous	4,000.00
	Total cost of production	2,89,100.00
C.	Cash profit (A-C)	68,150.00
D.	Depreciation (@ 15% of fixed assets)	5,850.00
E.	Net Profit	62,300.00

11. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	18,000.00
2.	Return on investment	69.22%
3.	Debt Service Coverage Ratio	3.14

Note:

- ❑ Raw material for Beauty Parlour is locally available from wholesaler.
- ❑ Undertaking credit can reduce working capital component of the project.
- ❑ More profit can be earned by increasing percentage of cost of raw materials purchased from the local market.

12. Interest, moratorium & repayment period for beneficiaries

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

13. General remarks

- ❑ The cost of plant & machinery has been taken on the basis of items manufactured by standard/ reputed suppliers having sound service network. The suppliers shall be preferably based in local areas or nearby states.
- ❑ Optimum working capital cycle has been taken for calculating the requirements. Raw material shall be procured from local areas.
- ❑ The cost of project will vary in different states and regions.
- ❑ It is assumed that the services have good demand, and the promoters have sound experience in the relevant fields.

3. *CYCLE SALE & REPAIR SHOP*

1. Introduction

The project is to set up a cycle repair shop primarily for the purpose of sale of new cycles repair and maintenance, servicing old cycles, sale and fitment of spare parts in cycles as per customer demand. As such, while selecting the site, it is to be seen that the shop is large enough, located on the roadside and at a place where there is maximum movement of cycles on road. Since technicalities involved in repair of cycles do not require much of skill, anybody can enter into this activity with some on-the-job training in similar shop and subsequently, refining knowledge through day-to-day experience. Selection of site, completing setting-up formalities, arranging necessary infrastructure, gathering initial market recognition etc. will take about five months time to start full fledged activities.

2. Market potential

With the increase in population, there is continuous demand for arrangement of easy means of personal transport for commuters. Out of all the means presently available, bicycle is considered to be the cheapest and most convenient. Due to high prices of automobiles and fuel scarcity, problems of environmental pollution etc. people in rural as well as urban areas are taking to bicycles for their daily travel. The prospect of cycle repair shop is, therefore, very bright.

Repair/maintenance of cycles, and their spare parts in the same shop selling/ hiring cycles helps attracting maximum number of customers in cycle related services. The shop owner should have the foresight of market trend and adjust the rates / range of cycles etc. as per market trend.

3. Technical details

(a) *Shop activities*

The activity involves repair and maintenance of cycles, sale of new cycles and spare parts. Therefore, the practical works involved in this activity need some knowledge and experience of assembling and dismantling of cycles for the workers handling the jobs in the shop. The workers should also be capable of repair of leaks/ punctures of the tubes and know the

method of repair/ salvaging of tyres and other items. The name, brand, sizes and prices etc. of each of the spare parts should also be known to all associated in the shop.

The shop owner should be in a position to suggest better options to customers regarding repair, maintenance and replacement of parts in okaying the old cycles. He may help the customers in taking buying decisions by providing information about the prices, incentive schemes etc of different brand of cycles and also the present trend of choices of customers.

(b) Turnover (per annum)

S. No.	Items	Amount (in Rs.)
1.	Sale of 300 new cycles @ Rs.2,000/- per cycle on an average	6,00,000.00
2.	Sale of spare parts and accessories (assorted items and quantity)	80,000.00
3.	Repair work	70,000.00
	TOTAL	7,50,000.00

(c) Utilities (per month)

1.	Power	1KW
2.	Water	200 liters

4. Details of new bicycles:

S. No.	Item	Qty. (Nos.)	Rate (Rs.)	Value (Rs.)
1.	New Cycles	25	1,700.00	42,500.00
	TOTAL			42,500.00

5. Cost of project

S. No.	Items	Total cost (in Rs.)
1.	Building/ Shop	On Rent
2.	Cost of new bicycles	42,500.00
3.	Misc. fixed assets (hand tools, fixtures etc.)	10,000.00
4.	Furniture & fixtures	10,000.00
5.	Preliminary & pre-operative expenses	5,000.00
6.	Contingencies including cost escalation	5,000.00
7.	Working capital	22,500.00
	TOTAL	95,000.00

6. Means of finance

S. No.	Particulars	Total cost (in Rs.)	%age
1.	Promoter's contribution	-	-
2.	M.M.L. - SCA	11,000.00	11.58
3.	NSTFDC – Term Loan	84,000.00	88.42
	TOTAL	95,000.00	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.

7. Utilities

S. No.	Particulars	Amount (in Rs.)
1.	Power Electricity (1KW X 8 hrs X 25 days X 12 Mox Rs.4 per KWH)	9,600.00
2.	Water (200 litres X 12 Mox Re. 1 per litre)	2,400.00
	TOTAL	12,000.00

8. Raw material requirements (including consumables/ month)

S. No.	Items	Qty.	Rate (Rs.)	Value (Rs.)
1.	Cycle Spare parts	LS	LS	8,000.00
2.	Consumables (Kerosene oil, lubricating oil, Grease, rubber solution, cloth waste, cotton waste, emery paper etc.)	LS	LS	2,000.00
	TOTAL			10,000.00

9. Manpower requirement

S. No.	Category	No.	Salary/Person/ Month (Rs.)	Total (Rs./Month)
1.	Manager (owner himself)	1	4,000.00	4,000.00
2.	Skilled worker	1	3,000.00	3,000.00
3.	Semi-skilled workers	1	2,000.00	2,000.00
	TOTAL			9,000.00

10. Working capital requirement (at full capacity utilization)

S. No.	Items	Period (Month)	Amount (in Rs.)
1.	Stores & spares (including consumables)	1/2	1,000.00
2.	Finished goods (spare parts for sale)	1/2	4,500.00
3.	Receivable/debtors	1	6,500.00
4.	Other current assets	-	10,500.00
	TOTAL		22,500.00

11. Project economics (Annual)

S. No.	Items	Amount (in Rs.)
A.	Sales realization	
(i)	Sale of 300 new cycles @ Rs.2000/- per cycle (avg.)	6,00,000.00
(ii)	Sale of spare parts and accessories (Assorted items)	80,000.00
(iii)	Repair and maintenance of cycle air filling etc.	70,000.00
	TOTAL	7,50,000.00
B.	Cost of operation	
(i)	Purchase of new (new cycles, spare parts etc.)	5,10,000.00
(ii)	Stores and spares (including consumables)	12,000.00
(iii)	Utilities (electricity & water)	12,000.00
(iv)	Salaries & Wages	1,08,000.00
(v)	Rent @Rs.2000/- pm	24,000.00
(vi)	Transportation/ Freight	10,000.00
(vii)	Conveyance & Traveling	6,000.00
(viii)	Administrative overheads (telephone, postage, stationery etc.)	3,000.00
(ix)	Selling expenses	3,000.00
(x)	Repair & Maintenance	3,000.00
(xi)	Interest	5,700.00
	TOTAL	6,96,700.00
C.	Cash profit (A-C)	53,300.00
D	Depreciation @ 15% on fixed assets	9400.00
E.	Profit before tax (D-E)	43,900.00
F.	Taxes (Income Tax)	-
G	Profit after tax	43,900.00

12. Viability indicators

S. No.	Particulars	Amount
1.	Repayment (5 years)	19,000.00
2.	Return on investment	46.21%
3.	Debt Service Coverage Ratio	2.38



13. Interest, moratorium & repayment period for beneficiaries

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

14. General remarks

- ❑ The cost of plant & machinery has been taken on the basis of items manufactured by standard/ reputed suppliers having sound service network. The suppliers shall be based in local areas.
- ❑ Optimum working capital cycle has been taken for calculating the requirements.
- ❑ The cost of project will vary in different states & regions.
- ❑ It is assumed that the services have good demand, and the promoters have sound experience in the relevant fields

4. *FURNITURE SHOP*

1. Introduction

The project is for setting up a shop for sale of furniture. Depending upon the taste and purchasing power of the local people, the unit will select the type and quality of furniture to be sold from the sales unit. Attempt should be made to locate the unit in the market place, so that it attracts maximum number of people.

The proposed unit will sell furniture of moderate quality at affordable price for middle class people. The unit will keep, on an average, one item each on display in the showroom and shall prepare comprehensive catalogues with specifications, price lists etc. so that buyers can take on the spot decisions. The unit will have necessary tie-up with nearby reliable SSI manufactures of furniture. The unit will supply the products to the customers from the showroom.

The unit has to take the shop premises in a commercial area and get license from local Municipality/Corporation to run the shop. Provision for electricity, infrastructure arrangements etc. may take about two months before regular sales of furniture from the shop start.

2. Market potential

The sales turnover will largely depend on the advertisement and publicity drive. Offering cash discount/ incentive schemes, hire purchase schemes, distributing leaflets to houses through newspapers with the help of newspaper vendors, pasting poster in public places, showing slides in local cinema houses, introducing incentives for salesman etc. are some of the sales techniques proposed. The word of mouth of customers plays a vital role in publicity and, therefore, the shop owner should pay major attention to satisfy customers. Bulk demand is expected from offices, hotel/ restaurants, hospitals and other places while retail sales are expected from individual customers visiting the sales counter. With, all round economic growth, demand for furniture is increasing and a good market potential exists.

3. Technical details

(a) Shop activities

The activities involved are arranging the showroom for optimum utilization of space available, proper illumination and display of items so as to attract customer attention. The unit will keep the items according to the expected needs of the customers and will have the tie-up with nearby SSI manufactures to supply the items shown in their catalogue as quickly as possible. The unit will make necessary arrangement with local transporters for carrying furniture as and when needed, at reasonable rates. The unit will remain open during general shop hours (10.00 A.M. to 7.00 P.M., with ½ hour lunch break from 2.00 P.M. to 2.30 P.M.). The unit will make visiting cards with phone number etc. so that the customers can contact telephonically at any time.

(b) Project/business target (per annum)

S. No.	Particular	Amount (in Rs.)
1.	Sale of furniture of assorted type & sizes	12,00,000.00

4. Cost of project

S. No.	Particulars	Amount (in Rs.)
1.	Land & Building (shop size 70 sq. mt)	On rent
2.	Furniture and fixture (including office equipments, sales counter, show cases, light fittings etc.)	10,000.00
3.	Preliminary & pre-operative expenses	10,000.00
4.	Contingencies including cost escalation	10,000.00
5.	Working Capital	70,000.00
	TOTAL	1,00,000.00

5. Means of finance

S. No.	Particulars	Amount (in Rs.)	%age
1.	Promoter's contribution	2,000.00	2.00
2.	M.M.L. - SCA	8,000.00	8.00
3.	NSTFDC – Term Loan	90,000.00	90.00
	TOTAL	1,00,000.00	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.	Particular	Amount (in Rs.)
1.	Power (2KWx9 Hrs.x25 Daysx12 Monthsx4 per KWH)	21,600.00
	TOTAL	21,600.00

7. Manpower requirement

S. No.	Category	No.	Salary/ person/ month (Rs.)	Total Cost (In Rs.)
1.	Manager cum Accountant (Self)	1	5,000	5,000
2.	Sales man	1	3,000	3,000
3.	Helper	2	2,000	4,000
	TOTAL			12,000

8. Raw material requirement

Different furniture items out of the list in the printed catalogue and according to the expected/ actual demand of the customers worth Rs.70, 000 on an average (Ex-show room cost as procured from the manufactures).

9. Working capital requirement

S. No.	Items	Period (Months)	Amount (in Rs.)
1.	Furniture for sale (Assorted types, sizes etc.)	1	70,000.00
	TOTAL		70,000.00

10. Project economics (Annual)

A. Sales realization

S. No.	Particular	Amount (in Rs.)
1.	Sale of furniture of assorted type & sizes (Refer list at the end of the report)	12,00,000.00
	TOTAL	12,00,000.00

B. Cost of production

S. No.	Particular	Amount (in Rs.)
(i)	Finished saleable goods (Different types of steel furniture items) (Refer list at the end of the report)	8,40,000.00
(ii)	Utilities	21,600.00
(iii)	Salaries & wages	1,44,000.00
(iv)	Rent (Rs. 2,500/ month x 12 months)	30,000.00
(v)	Transportation/ Freight	30,000.00
(vi)	Conveyance & Travelling	6,000.00
(vii)	Administrative overheads (Telephone, postage, stationery etc)	6,000.00
(viii)	Selling expenses	4,500.00
(ix)	Insurance	6,000.00
(x)	Interest	5,880.00
(xi)	Miscellaneous	6,000.00
	TOTAL	10,99,980.00
C.	Cash profit (A-C)	1,00,020.00
D.	Depreciation @ 15% on fixed assets	1,500.00
E	Profit before tax (D-E)	98,520.00
F.	Taxes	10,000.00
G.	Profit after tax	88,520.00

11. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	19,600.00
2.	Return on investment	88.52%
3.	Debt Service Coverage Ratio	3.76

12. Interest, moratorium & repayment period for beneficiaries

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

13. General remarks

- ❑ The cost of plant & machinery has been taken on the basis of items manufactured by Standard/ reputed suppliers having sound service network. The suppliers shall preferably be based in local areas or nearby States.
- ❑ Optimum working capital cycle has been taken for calculating the requirements.
- ❑ The cost of project will vary in different States & Regions .
- ❑ It is assumed that the services have good demand, and the promoters have sound experience in the relevant fields

14. List of furniture to the stocked for sale (Quantity to stocked = Preferably 1 No. each)

S. No.	Items	Tentative cost price (Rs.)/ price (as offered by manufacturer)
1.	Steel Almirah (Size – 1980x910x485 mm)	5,000.00
	(special type) (Size – 1980x910x485 mm)	4,500.00
	(ordinary type) (Size – 1280x765x430 mm)	3,000.00
2.	Wardrobes (Size – 1980x910x560 mm)	5,300.00
	(Size – 1980x965x560 mm)	5,700.00
	(Size – 1980x1070x610 mm)	6,800.00
3.	Industrial locker (Size – 910x305x430 mm)	5,500.00
	(Size – 450x450x430 mm)	5,700.00
	(Size – 450x305x430 mm)	6,000.00
4.	Book case (Size – 1675x840x305 mm)	3,200.00
	(Size – 840x840x305 mm)	2,000.00
5.	Racks (Size – 2285x980x550 mm)	6,500.00
	(Size – 2285x885x550 mm)	3,500.00
6.	Clerk's table (Size – 910x610x750 mm)	2,000.00
	(Size – 1220x610x750 mm)	2,500.00
	(Size – 1220x750x750 mm)	2,800.00

5. *GROCERY SHOP*

1. **Introduction**

Grocery shops are very common and are required in every locality. These shops store items such as pulses, flour, rice, ghee, oils, soaps and detergents, toiletries and various other items of daily use. The proposed project is to set up a shop for sale of grocery items at intermediate wholesale rates to small retailers as well as retail sale of commodities to direct users of the locality. The shop will buy the items from dealers/ distributors at wholesale rates and sell at intermediate rates.

2. **Market potential**

People of all sections of the society require grocery items. The marketing/ sales avenue may be enhanced by locating the shop in such a place where concentration of inhabitants are more and/ or in a market place where the people usually go to procure their daily needs. A common man and small retailers cannot afford to buy these items of daily use in bulk from wholesale market where it is available at comparatively cheaper rates. On the other hand, these items are easily available through retail grocery shops in required quantities everywhere and in close proximity.

With all round development of cities and towns and increase in population, there appears to be a good scope for general merchandise stores in rural as well as urban areas of the country.

3. **Technical details**

(a) *Shop activities*

The activity involves arranging the shop to enable optimum use of the space available, sufficient illumination and placement of the items easily accessible for the workers/ salesmen at the time of need. The weighing machine etc. should be conveniently placed for frequent use. A rate list should be hung in front of the shop so that the same is easily readable by the customers. The shop should be kept open during normal working hours and the closing day should be clearly written at a place, which can be seen by the visitors. The salesman and the helpers will deliver the duly weighed materials to the customers against pre-paid slips to be prepared by the accountant/ manager at the counter. The packaging should be proper so that

the buyers do not find any difficulty in carrying the articles. Regular stock taking and accounting of cash will provide a clear picture about the trend in the business.

(b) Sales target

Sales target (per annum)	(Rupees)
Sale of rice, pulses, wheat, flour, ghee, oils, soaps and detergents, toiletries and other miscellaneous items.	10,92,000.00

(c) Utilities

Power	1KW
Water	75 liter pm

4. Details of equipment

S. No.	Items	Qty. (Nos.)	Rate (Rs.)	Value (Rs.)
1.	Weighing Scale – 5 kg cap with weights	2 sets	500.00	1000.00
2.	Counters, racks, etc.			4000.00
			TOTAL	5000.00

5. Cost of project

S. No.	Items	Total cost (in Rs.)
1.	Building/Shop	On Rent
2.	Misc. fixed assets	10,000.00
3.	Preliminary & pre-operative expenses	5,000.00
4.	Contingencies including cost escalation	5,000.00
5.	Working capital	80,000.00
	TOTAL	1,00,000.00

6. Means of finance

S. No.	Items	Total cost (in Rs.)	%age
1.	Promoter's contribution	-	-
2.	NSTFDC - Term Loan	87,000.00	87.00
3.	M.M.L. - SCA	13,000.00	13.00
	TOTAL	1,00,000.00	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.

7. Utilities

S. No.	Items	Total (in Rs.)
1.	Power (1KW)	8,400.00
2.	Water	1,600.00
	TOTAL	10,000.00

8. Raw material requirement

Different grocery items having value of Rs.0.70 lakhs is considered for running economical unit.

9. Manpower requirement

S. No.	Category	No.	Salary/Person/ Month (Rs.)	Total (Rs./Month)
1.	Manager-cum-Accountant	1 (self)	4,000.00	4,000.00
2.	Salesman	1	3,500.00	3,500.00
3.	Helper	1	2,500.00	2,500.00
	TOTAL			10,000.00

10. Working capital requirement

S. No.	Items	Period (Month)	Amount (Rs./Month)
1.	Assorted grocery items as named earlier	1	70,000.00
2.	Receivables/ debtors	1	5,000.00
3.	Other current assets	1	5,000.00
	TOTAL		80,000.00

11. Project economics (Annual)

S. No.	Items	Amount (in Rs.)
A.	Sales realization (130% of raw material purchase)	10,92,000.00
B.	Cost of Operation	
(i)	Assorted type and quantity of grocery	8,40,000.00
(ii)	Utilities	10,000.00
(iii)	Salaries & Wages	1,20,000.00
(iv)	Rent	24,000.00
(v)	Transportation/freight	18,000.00
(vi)	Conveyance & traveling	4,000.00
(vii)	Selling expenses	5,000.00
(viii)	Interest	6,000.00
	TOTAL	10,27,000.00

C.	Cash profit (A-C)	65,000.00
D.	Depreciation	1,500.00
E.	Profit before tax	63,500.00
F.	Taxes	-
G.	Profit after tax	63,500.00

12. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	20,000.00
2.	Return on investment	63.50%
3.	Debt Service Coverage Ratio	2.73

Note:

- ❑ Rent of the shop may vary from place to place and according to the size of the shop hired.
- ❑ The profit can be increased by addition of separate outlet for stationery items/PCO booth.
- ❑ The gross profit on sale of goods is estimated to be around 30%.

13. Interest, moratorium & repayment period for beneficiaries

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

14. General remarks

- ❑ Optimum working capital cycle has been taken for calculating the requirements. Raw material shall be procured from local areas or nearby states.
- ❑ The cost of project will vary in different states & regions.
- ❑ It is assumed that the services have good demand, and the promoters have sound experience in the relevant fields.

6. ***HIRING OF CONCRETE MIXERS***

1. **Introduction**

This business plan proposes to provide building construction equipments namely Concrete Mixer on hire basis which is essentially required in construction of houses and small buildings in rural as well as urban areas. The unit will be equipped with two sets of concrete mixers which the entrepreneur can provide on hire. The unit will expand gradually as the network of entrepreneur grows and he gets additional work of arranging labour and gets opportunity of taking work contracts. The business is well suited for person with some basic mechanical work skills and leadership qualities.

2. **Market potential**

As construction and development work activities are at peak now a days be it in organized and unorganized sector, the business has demand in urban as well as rural areas of the country and is increasing day by day. All over the country sufficient indigenous local market demand exists. Since housing is preferred activity, potential will continue to stay.

3. **Technical details**

(a) **Production Target** – Hiring of cement concrete mixer and vibrator with annual rent. Rs.1,28,000

(b) **Utilities** - 0.6 KW domestic power load is required.

4. **Details of plant and machinery**

S. No.	Items	Qty (No.)	Rate (Rs.)	Value (Rs.)
1.	Concrete mixer manual feeding 1.5 Bag capacity	1	45000.00	45000.00
2.	Concrete Mixer Hopper Type 1 Bag capacity	1	65000.00	65000.00
3.	Vibrator- Petrol with Shaft 50mm	1	12000.00	12000.00
4.	Other spare parts	L.S.		5000.00
5.	Furniture	L.S.		3000.00
	TOTAL			130000.00

5. Total cost of project

S. No.	Items	Amount (in Rs.)
1.	Shed/ Building	Rented
2.	Plant & Machinery (including installation etc.)	1,30,000.00
3.	Working capital	7,000.00
4.	Contingencies, cost escalation and interest during implementation period etc.	13,000.00
	TOTAL	1,50,000.00

6. Means of finance

S. No.	Items	Amount (in Rs.)	%age
1.	Promoter's Contribution	3,000.00	2.00
2.	NSTFDC – Term Loan	1,28,000.00	85.33
3.	M.M.L. - SCA	19,000.00	12.67
	TOTAL	1,50,000.00	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.

7. Utilities (Per annum)

S. No.	Item	Amount (in Rs.)
1.	Power (0.6 KW × 8 hrs. × 250 days × Rs.4)	4800.00
	TOTAL	4800.00

8. Manpower requirement (Per month)

S. No.	Category	No.	Salary/ Person/ month	Annual (Rs.)
1.	Manager/ proprietor(self)	1	2500.00	30,000.00
2.	Skilled worker	2	2,000.00	48,000.00
	TOTAL			78,000.00

9. Raw material requirement

S. No.	Item	Qty	Rate (Rs.)	Value (Rs.)
1.	Spare Parts @ Rs. 600/- pm.	L.S.	L.S.	7,200.00
	TOTAL			7,200.00

10. Project economics

A. Sales Realisation

S. No.	Item	Qty	Rate (Rs.)	Value (Rs.)
1.	Rent of concrete mixer	1	@ 250/- per day for 300 days	75,000.00
2.	Rent of concrete mixer Hopper feeding per piece	1	@ 350/- per day for 300 days	1,05,000.00
3.	Rent of Vibrator with Shaft per piece	1	@ 50/- per day for 300 days	15,000.00
			TOTAL	1,95,000.00

B. Cost of production

S. No.	Items	Amount (in Rs.)
(i)	Raw Materials	Nil
(ii)	Stores and Spares	7,200.00
(iii)	Utilities	4800.00
(iv)	Rent	18,000.00
(v)	Salaries & Wages	78,000.00
(vi)	Telephone, postage, stationery	6,000.00
(vii)	Selling Expenses	Nil
(viii)	Insurance	2,000.00
(ix)	Repair & Maintenance	4,000.00
(x)	Interest	8,820.00
(xi)	Transport/ Freight	2,780.00
	TOTAL	1,31,600.00
C.	Cash Profit (A-C)	63,400.00
D.	Depreciation @ 15% of Fixed Assets	19,500.00
E.	Profit before Tax (D-E)	43,900.00
F.	Taxes	0.00
G.	Profit after Taxes	43,900.00

11. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	29,400.00
2.	Return on Investment	29.27%
3.	Debt service coverage ratio	1.89

12. Interest, moratorium & repayment period for beneficiaries

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

13. General remarks

- ❑ The cost of plant & machinery has been taken on the basis of items manufactured by Standard/ reputed suppliers having sound service network. The suppliers should be preferably based in local areas or nearby States.
- ❑ Optimum working capital cycle has been taken for calculating the requirements.
- ❑ The cost of project will vary in different States & Regions
- ❑ It is assumed that the services have good demand, and the promoters have sound experience in the relevant fields.

7. *READYMADE GARMENTS*

1. Introduction

This project profile is based on manufacture of readymade garments such as shirts, trousers tops, ladies suits (Salwar kameez and nighties). The demand of readymade garments is increasing day by day due to urbanization of the cities. The garments are very simple to manufacture and easily marketable both in urban and rural areas.

2. Market potential

The market for readymade garments is increasing in India and abroad and has a good scope, especially for ladies and children garments. The marketing of garments will not be a problem provided the users are made aware of the cost benefit. All over the country significant local market is available for different types of products in garments.

3. Technical details

(a) *Manufacturing process*

In woven fabrics, different types of colour and design are available in the open market. After checking unevenness of fabric and defects before cutting of the clothes, the fabric is then marked by coloured chalk of shape different parts as per design and size of the garments and cut over the marking manually by using scissors. The stitching of different parts of the garments is carried out in sewing machine and overlock machine. The garments are labeled, pressed and then packed in polythene packets, followed by carton boxes for dispatch.

(b) *Production targets* 4,800 Nos.

(c) *Utilities (power water fuel etc. per month)* 2 KW

4. Details of plant and machinery

S. No.	Items	Qty.	Rate (Rs.)	Value (Rs.)
1.	Foot operated sewing machine	3 Nos.	3,000.00	9,000.00
2.	Over Lock Stitching Machine with 0.5 HP Motors and stand fitted on table	1 No.	5,000.00	5,000.00
	TOTAL			14,000.00

5. Cost of the project

S. No.	Items	Total cost (in Rs.)
1.	Building (200 sq ft rented)	Rented
2.	Plant and machinery (Including installation)	14,000.00
3.	Misc. Fixed Assets (Dummies, Scissors, Presses, Scales etc.)	10,000.00
4.	Furniture and fixtures (including office equipments)	10,000.00
5.	Preliminary and pre-operative expenses	4,000.00
6.	Contingencies (including cost escalation)	2,000.00
7.	Working capital	60,000.00
	TOTAL	1,00,000.00

6. Means of finance

S. No.	Items	Total cost (in Rs.)	%age
1.	Promoters' Contribution	-	-
2.	NSTFDC - Term Loan	87,000.00	87.00
3.	M.M.L. - SCA	13,000.00	13.00
	TOTAL	1,00,000.00	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.

7. Utilities (per annum)

S. No.	Items	Total cost (in Rs.)
1.	Power	12,000.00
2.	Water	3,600.00
	TOTAL	15,600.00

8. Manpower requirement (per month)

S. No.	Category	No.	Salary/Person (Rs.)	Total (in Rs.)
1.	Managerial	Self	4000.00	4000.00
2.	Supervisor Cutter	1	3500.00	3500.00
3.	Skilled	2	3,000.00	6,000.00
4.	Unskilled	1	2,500.00	2,000.00
	TOTAL			15,500.00

9. Raw material requirement

S. No.	Items	Qty. (mtr)	Rates (Rs.)	Value (Rs.)
1.	Cotton/synthetic plain & printed fabric of various colours and shades.	500	40 per mtr.	20,000.00
2.	Cotton printed fabric in different colours and shades	500	30 per mtr.	15,000.00
3.	Terry cot fabric in different colours and Shades	50	60 per mtr.	3,000.00
4.	Misc. items like sewing threads cotton yarn button, hook, laces, packing material etc.	LS		12,000.00
	TOTAL			50,000.00

10. Working capital requirement

S. No.	Items	Period (Month)	Amount (in Rs.)
1.	Raw Material	1/2	25,000.00
2.	Stores & spares	1/4	500.00
3.	Stock in process	1/2	12,000.00
4.	Finished Goods	1/2	15,000.00
5.	Receivable/debtors	1	5,500.00
6.	Other Current assets	1	2,000.00
	TOTAL		60,000.00

11. Project economics (Annual)

A. Sales realisation

S. No.	Item	Qty. (Nos.)	Rate (Rs.)	Value (Rs.)
(i)	Shirt/tops	1000	150	1,50,000
(ii)	Trousers	900	300	2,70,000
(iii)	Ladies Suit	1,900	200	3,80,000
(iv)	Nighty	1,000	100	1,00,000
	TOTAL	4,800		9,00,000

B. Cost of production (Per annum)

S. No.	Items	Amount (in Rs.)
(i)	Raw material (including Packing material)	6,00,000.00
(ii)	Stores & Spares	6,000.00
(iii)	Utilities (power, fuel, water etc.	15,600.00
(iv)	Salaries and wages	1,86,000.00
(v)	Rent	24,000.00
(vi)	Transportation/Freight	6,000.00
(vii)	Selling expenses (including advertising distribution cost, commission and rebates)	4,000.00
(viii)	Repair and Maintenance	2,000.00
(ix)	Interest	6,000.00
	TOTAL	8,49,600.00
C.	Cash Profit (A-C)	50,400.00
D.	Depreciation @ 15% of fixed assets costs	5,100.00
E	Profit before tax (D-E)	45,300.00
F.	Taxes	-
G.	Profit after tax	45,300.00

12. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	20,000.00
2.	Return on Investment	45.30%
3.	Debt Service Coverage Ratio	2.17%

13. Interest, moratorium & repayment period for beneficiaries

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

14. General remarks

- ❑ The Cost of Plant and Machinery has been taken on the basis of items manufactured by standard/reputed suppliers having sound service network. The suppliers shall preferably be based in local areas or nearby States.
- ❑ Optimum working capital cycle has been taken for calculating the requirements.
- ❑ The cost of project will vary in different States & region

It is assumed that the products/services have good demand and the promoters have sound experience in the relevant fields.

8. *ROADSIDE DHABA*

1. Introduction

This project is for setting up Dhabas on the Highways. With more and more communication and transport, passenger traffic on the highways is increasing and need for foodstalls, restaurants, hotels and dhabas are on the rise. Modest overnight stay facilities are also envisaged for comfort of passenger-customers.

2. Market potential

The highways are already cluttered with dhabas and their popularity is evident from the hordes of customers ranging from truck drivers to motorists that abound such dhabas. However, there are many points on such highways where no eating establishment exists for kilometers besides newer highways that are coming up hence need establishment of dhabas.

3. Technical details

(a) *Business activities*

A variety of food items ranging from local dishes to dishes preferred by customers are prepared for being served through out the day, from breakfast to dinner. Bed facilities are also provided for overnight rest or for resting before food to ward off travel fatigue.

(b) *Production target (per day)*

Meals (Veg.)	25
Meals (Non-Veg.)	15
Tea	75
Snacks/Mixture/Bisleri	25
Omlettes with Slice	20

(c) *Utilities*

Power	2 kw
Water	Adequate supply

4. Details of equipment

S. No.	Items	Qty.	Rate (Rs.)	Value (Rs.)
1.	Tandoor	1	800	800.00
2.	Kitchen Utensils	LS	LS	3,000.00
3.	Crockery & Cutlery	LS	LS	5,000.00
4.	Mattresses	4	1,500	6,000.00
5.	Gas Light (Emergency)	2	300	600.00
6.	Blankets	4	300	1,200.00
7.	Towels, Bed Sheets, Pillows, Pillow Covers etc.	4 sets	1,000	4,000.00
			TOTAL	20,600.00

5. Cost of project

S. No.	Particulars	Total cost (in Rs.)
1.	Building	Rented
2.	Equipment (including installation)	20,600.00
3.	Furniture & Fixtures (including 4 beds, reception counter, chairs, dinning tables etc.)	15,000.00
4.	Preliminary & Preoperative Expenses	5,400.00
5.	Contingencies including cost escalation	9,000.00
6.	Working Capital	20,000.00
	TOTAL	70,000.00

6. Means of finance

S. No.	Particulars	Total cost (in Rs.)	%age
1.	Promoter's Contribution	-	-
2.	NSTFDC – Term Loan	60,000.00	85.71%
3.	M.M.L. - SCA	10,000.00	14.29%
	TOTAL	70,000.00	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.

7. Utilities (Per annum)

S. No.	Particulars	Total Cost (in Rs.)
1.	Power	24,000.00
2.	Water	2,000.00
3.	Fuel (Gas/Coal)	14,400.00
	TOTAL	40,400.00

8. Manpower requirement

S. No.	Category	No.	Salary/Person/ Month	Total (in Rs.)
1.	Supervisor	Self	3000.00	3000.00
2.	Skilled (Cook/Asstt. Cook)	2	2500.00	5000.00
3.	Unskilled	2	2,000.00	4,000.00
			TOTAL	12,000.00
			ANNUAL	1,44,000.00

9. Raw material requirement (including consumables/month)

S. No.	Items	Qty.	Rate (Rs.)	Value (Rs.)
1.	Grocery Items (Spices, Oil, Rice, Atta, Eggs, Butter, Tea, Milk, Soft/cold Drinks etc.)	LS	LS	8,000.00
2.	Pulses, Paneer etc.	LS	LS	7,000.00
3.	Vegetables (Seasonal)			3,000.00
4.	Non-Veg.	LS		2,000.00
			TOTAL	20,000.00

10. Working capital requirement

S. No.	Items	Period	Amount (in Rs.)
1.	Raw Material	2 weeks	10,000
2.	Receivables/Debtors	4 days	8,000
3.	Other Current Assets	-	2,000
		Total	20,000

11. Project economics (Annual)

A. Sales realisation (Annual)

S. No.	Items	Rate (Rs.)	Nos./day	Total (in Rs.)
1.	Meal (Veg.)	25/meal	24	600.00
2.	Meal (Non-veg.)	35/meal	15	525.00
3.	Tea	2/cup	50	100.00
4.	Snacks	10/plate	20	200.00
5.	Omlette with slice	10/plate	20	200.00
			TOTAL	1,625.00
	Annual Sales Rs. 1625 x 300 days = 4,87,500/-			

B. Cost of production

S. No.	Particulars	Amount (in Rs.)
(i)	Raw Material Rs.20,000x12 (including Packing Materials)	2,40,000.00
(ii)	Utilities (Power, Fuel, Water etc.)	40,400.00
(iii)	Salaries & Wages	1,44,000.00
(iv)	Transportation/Freight/Conveyance	10,000.00
(v)	Selling Expenses (including advertising, distribution cost, commissions & rebates)	4,000.00
(vi)	Repair & Maintenance	6,000.00
(vii)	Interest	4,200.00
	TOTAL	4,48,600.00
C.	Cash Profit (A-C)	38,900.00
D.	Depreciation 15% on other FA	5,340.00
E	Profit Before Tax (D-E)	33,560.00
F.	Taxes	-
G.	Profit after Tax	33,560.00

12. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	14,000.00
2.	Return on Investment	47.94%
3.	Debt Service Coverage Ratio	2.37%

Notes :

- ❑ Project success is location specific. Special care needs to be taken for suitable and convenient location on the highway with sufficient parking space.
- ❑ Additional income can be generated by providing beds for overnight stay /offering STD phone service. This income has not been considered.
- ❑ Project economics can be improved further (almost doubled) by employing family members rather than hiring outsiders.

13. Interest, moratorium & repayment period for beneficiaries

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

14. General remarks

- ❑ The cost of equipments and furniture has been taken on the basis of items manufactured by Standard/reputed suppliers having sound service network. The suppliers shall preferably be based in local areas or nearby States.
- ❑ Optimum working capital cycle has been taken for calculating the requirements.
- ❑ The cost of project will vary in different States & Regions.
- ❑ It is assumed that the services have good demand, and the promoters have sound experience in the relevant fields.

9. *SERVICING & REPAIRING OF TWO WHEELER*

1. **Introduction**

India is the largest manufacturer of two wheelers in the world. Many operators such as Hero Honda, TVS-Suzuki, Bajaj, Majestic Auto etc. manufacture items like scooters, mopeds and motorcycles. It is the style statement of present day youth besides a convenient mode of transport on cheaper rates. A machine can fail anytime anywhere. So, repair of two wheelers/vehicles is incumbent and is a big business having available demand in every nook and corner of any locale.

2. **Market potential**

Servicing & repairing of scooters, mopeds and motor cycles have a great potential. In developed countries, repairing of two wheelers/vehicles is not on priority basis. Their main effort is to buy a new vehicle instead of repairing them. But in India, people with their limited income, always go for repairing of two wheelers/vehicles. This provides a great market potential for two wheeler repair & service units.

3. **Technical details**

(a) Process

This project report is for repairing and servicing of two wheelers. Repairing of different parts like engine, wheels, clutch, brake, ignition coil etc., will entail different processes. Servicing is a process that keeps fit two wheelers by applying grease coatings to bearings and other rolling parts of the vehicles after cleaning with kerosene oil and water shower. Then arrangement should be made for cleaning of carburetors, tuning and brake adjustments. Necessary repair would also be done by replacing defective auto parts with new ones.



(b) Repairing and servicing target

- ❑ 1200 Nos. two wheelers for servicing.
- ❑ 1200 Nos. of two wheelers for repair.
- ❑ Sale of spare parts of two wheelers.

(c) Utilities

Power 10 KW Single Phase

4. Cost of project

S. No.	Particulars	Total cost (in Rs.)
1.	Building (400 sq. ft.)	On rent
2.	Misc. Fixed Assets	20,000.00
3.	Furniture & Fixtures (including office equipments)	25,000.00
4.	Preliminary & Preoperative Expenses	4,900.00
5.	Contingencies including cost escalation	8,100.00
6.	Working Capital	42,000.00
	TOTAL	1,00,000.00

5. Means of finance

S. No.	Particulars	Total cost (in Rs.)	%age
1.	Promoter's Contribution	-	-
2.	NSTFDC – Term Loan	87,000.00	87.00
3.	M.M.L. - SCA	13,000.00	13.00
	TOTAL	1,00,000.00	100.00

6. Utilities (per annum)

S. No.	Particulars	Total cost (in Rs.)
1.	Power (2 KWx8 hrs. x 300 days x Rs. 4)	19,200.00
2.	Water (Rs. 100 per month x 12 months)	1,200.00
	TOTAL	20,400.00

7. Manpower requirement (per month)

S. No.	Category	No.	Salary/Person (Rs.)	Total (in Rs.)
1.	Manager	1	4000.00	4000.00
2.	Supervisor	1	3,500.00	3,500.00
3.	Skilled Operators	1	3,000.00	3,000.00
4.	Unskilled	1	2,500.00	2,500.00
	TOTAL			13,000.00

8. Raw material requirement

S. No.	Items	Value (Rs.)
1.	Spare parts used in Automobile workshop like carburetors, clutch wires, crank shafts, pistons, piston rings, brake-linings & silencers etc.	40,000.00
2.	Lubricants like petrol, mobile oil, gear oil and kerosene oils etc.	2,000.00
	TOTAL	42,000.00

9. Working capital (at full capacity utilisation)

S. No.	Items	Period (month)	Amount (in Rs.)
1.	Raw Material like spare parts used in automobile workshop	1/2	20,000.00
2.	Stores & spares (Petrol, Mobile Oil, Gear Oil & Kerosene Oil etc.)	1/2	1,000.00
3.	Stock in Process	-	-
4.	Finished Goods	-	-
5.	Receivables/Debtors	3 days	9,000.00
6.	Other Current Assets	-	12,000.00
	TOTAL		42,000.00

10. Project economics (Annual)

A. Sales Realisation

S. No.	Particulars	Amount (in Rs.)
1.	Servicing of 1200 Nos. of two wheelers @ Rs.300 per vehicle	3,60,000.00
2.	Repairing of 1200 Nos. of two wheelers @ Rs.100 per vehicle	1,20,000.00
3.	Sale of spare parts	3,76,000.00
	TOTAL	8,56,000.00

B. Cost of production

S. No.	Particulars	Total cost (in Rs.)
1.	Raw Material like spare parts (including packing material)	5,04,000.00
2.	Stores, Spares like oils (including Consumables)	24,000.00
3.	Utilities (Power, Water etc.)	20,400.00
4.	Salaries & Wages	1,56,000.00
5.	Rent Rs.4,000/mo x 12 mo	48,000.00
6.	Transportation/Freight/Conveyance	10,000.00
7.	Selling Expenses (including advertising, distribution cost, commissions & rebates)	6,000.00
8.	Repair & Maintenance	6,000.00
9.	Interest	6,000.00
10.	Misc.	8,900.00
	TOTAL	7,89,300.00
C.	Total Cost of Production	66,700.00
D.	Cash Profit (A-C)	66,700.00
E.	Depreciation @ 15% of Fixed Assets Cost	6,750.00
F.	Profit Before Tax (D-E)	59,950.00
G.	Taxes	-
H.	Profit after Tax	59,950.00

12. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	20,000.00
2.	Return on Investment	59.95%
3.	Debt Service Coverage Ratio	2.79%

13. Interest, moratorium & repayment period for beneficiaries

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

14. General remarks

- ❑ The cost of plant and machinery has been taken on the basis of items manufactured by Standard/reputed suppliers having sound service network. The suppliers shall preferably be based in local areas or nearby States.
- ❑ Optimum working capital cycle has been taken for calculating the requirements
- ❑ The cost of project will vary in different States & Regions.
- ❑ It is assumed that the services have good demand, and the promoters have sound experience in the relevant fields.

10. *TRAX CRUISER*

1. Introduction

This project is for a taxi using Jeep Cruiser TD-2650 F (11 EG) Model.

2. Market potential

The plying of Jeep Taxi is a big business in Rural and urban areas and metros. There are times when taxis are not available in these big centres. The position is still worse in smaller towns and villages. In the rural areas, it is a rare scene to find a taxi plying from one village to another. If at all seen, the capacity is extremely over-loaded. There is an immense opportunity for plying of taxis from one point to another be it a city or a village.

3. Technical details

Jeep Taxi are available in different type. The prices vary from State to State.

(a) Specifications

Engine Type	:	4 Cylinder 4 Stroke
Fuel	:	Diesel
Capacity	:	2596 cc
No. of Gears	:	5 forward, 1 reverse
Drive	:	Rear
Suspension	:	Solid Tarsion bars with Hydraulic telescopic Double acting shock absorbers
Doors	:	5
Seating Capacity	:	13 + Driver
Fuel Capacity	:	63 Litres

(b) Details of vehicle

S. No.	Item	Qty.	Rate (Rs.)	Value (Rs.)
1.	Trax Cruiser (Including ST, Regtn. Charges, No. plate etc.)	1	5,06,400	5,06,400.00
	TOTAL			5,06,400.00

5. Cost of project

S. No.	Particulars	Total cost (in Rs.)
1.	Vehicle Cost	5,06,000.00
2.	Preliminary & Preoperative Expenses	1,000.00
3.	Contingencies including cost escalation	1,000.00
4.	Margin on Working Capital	3,000.00
	TOTAL	5,11,000.00

6. Means of finance

S. No.	Particulars	Total cost (in Rs.)	%age
1.	Promoter's Contribution	25,000.00	4.89
2.	NSTFDC – Term Loan	4,35,000.00	85.13
3.	M.M.L. - SCA	51,000.00	9.98
	TOTAL	5,11,000.00	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.

7. Salary & wages

S. No.	Category	No.	Salary/Person Month	Total cost (in Rs.)
1.	Driver/Self	1	4,000.00	4,000.00
2.	Helper	1	2,000.00	2,000.00
	TOTAL			6,000.00

8. Fuel (Per annum)

S. No.	Particulars	Total cost (in Rs.)
1.	17 Ltr per day (300 day x 36)	1,83,600.00
	TOTAL	1,83,600.00

9. Working capital requirement

S. No.	Items	Period	Amount (in Rs.)
1.	Spares Parts	1 month	1,000.00
2.	Receivables/Debtors	5 days	8,000.00
3.	Other Current Assets	-	1,000.00
	TOTAL		10,000.00

10. Project economics (Annual)

S. No.	Items	Amount (in Rs.)
A.	Income Generation : 200 km/day x Rs.9/-/km/300 days	5,40,000.00
B.	Cost of Production	
(i)	Fuel	1,83,600.00
(ii)	Salaries & Wages	72,000.00
(iii)	Insurance	15,000.00
(iv)	Repair & Maintenance others	15,000.00
(v)	Interest	29,200.00
	TOTAL	3,14,800.00
C.	Cash Profit (A-C)	2,25,200.00
D.	Depreciation @ 15% of Fixed Assets Cost	76,000.00
E.	Profit Before Tax (D-E)	1,49,200.00
F.	Taxes	10,000.00
G.	Profit after Tax	1,39,200.00

12. Viability indicators

S. No.	Particulars	Amount
1.	Repayment per annum (period - 5 years)	97,200.00
2.	Return on Investment	27.24%
3.	Debt Service Coverage Ratio	1.93%

Notes :

- ❑ Wherever available, tax benefits on use of Jeep as taxi granted by State Governments should be availed.
- ❑ Profitability over the years should improve with lower interest charges (after repayment) and higher per kilometer rates.
- ❑ Vehicle has to be run by Owner and the Owner should be familiar with elementary repairs.

13. Interest, moratorium & repayment period for beneficiaries

- (a) Interest : 6% p.a. on NSTFDC term loan
- (b) Moratorium period : 3 months from date of release of funds by SCA.
- (c) Repayment period : 5 years for beneficiaries excluding moratorium period.

13. General remarks

- ❑ The cost of Jeep has been taken on the basis of items manufactured by Standard/reputed suppliers having sound service network. The suppliers should be preferably based in local areas.
- ❑ Optimum working capital cycle has been taken for calculating the requirements.
- ❑ The cost of project will vary in different States & Regions.
- ❑ It is assumed that the services have good demand, and the promoters have sound experience in the relevant fields.