



## Model Projects

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**Tamil Nadu Technology Development & Promotion Center**

*An autonomous society of Government of Tamil Nadu and Confederation of Indian Industry*

# Model Project

Manufacturing/ Processing  
In Agro Sector

# Step : 1

## ◆ About the Company/Firm

- \* Name
- \* Registered Office with full address
- \* factory location with full address
- \* Give all the details like  
Phone/fax/mobile/email etc

# Step : 2

## ◆ Promoters of the Company/Firm

- \* Managing Director & List of Directors
- \* Managing Partner & List of Partners
- \* Sole proprietor/ trix
- \* Mention their educational qualification, associate concerns, brief their business activities.
- \* Mention their vision & mission
- \* Key person/s behind the project
- \* Indicate any consultant/s and their capabilities and credibility

# Step : 3

- ◆ Management Set up proposed
  - \* List of Promoters, Designation, Share Holding percentages
  - \* Share holding Pattern
  - \* roles and responsibilities of each and their capability

# Step : 4

- ◆ About the Project
  - \* Briefly narrate the project proposed
  - \* Location

# Step : 5

- ◆ Proposed Activity
  - \* Discuss on the plant capacity product range, seasonality, number of days of operation, No of hours per day, packing etc
  - \* marketing plan/ strategy
  - \* machineries and its capabilities
  - \* Process flow
  - \* Buildings and its design

# Step : 6

- ◆ Location of the Proposed Project
  - \* Discuss on the location and its advantages for the project like raw material availability, water, power, communication, markets,
  - \* Special incentives like AEZ

# Step : 7

- ◆ Products and their capacities
- Programme envisaged like production volumes planned, type of products
- Input – output levels of the RM to Finished Goods

# Step : 8

- ◆ Raw material/s for products
  - List them
  - Quantify the requirement at 100% operational level
  - Source of availability
  - Procurement arrangement

# Step : 9

- ◆ Technology proposed for adoption
  - imported/ indigenous
  - Providers
  - Brief on the technology
  - Advantages over the present one
  - User friendly
  - Will meet end user requirement

# Step : 10

- ◆ Machineries and Utilities
  - List them
  - Mention the suppliers of critical machineries
  - Quality Control arrangements/ facilities proposed
  - Plant certification proposed like FPO/HACCP/ISO
  - Logistics for Inputs and Finished goods
  - Speed for deliveries
  - Image of the products in target market
  - After sale / customer care proposed

# Step : 11

- ◆ Target market- Demand & supply potential
  - Product wise
  - Sales prospects- tie up made/ under pipeline
  - Marketing Plan- own marketing or otherwise
  - Marketing strategy – indicate promotional tools planned like website, trade portals, product recipe, trade fairs, agents
  - Competition and arrangements planned
  - Selling price – its reasonableness and basis

# Step : 12

- ◆ Market for the products proposed
  - Global position
  - Special markets- cluster based
  - Indian market
  - Information available from product promotional councils like Apeda

# Step : 13

## ◆ Government Support

- \* Policies
- \* incentives- subsidy/ venture cap
- \* Tax concessions- sales/ income tax
- \* Power concessions

# Step : 14

- ◆ Economic Justification
  - Technical Feasibility
  - Raw materials
  - Packing materials
  - Market
  - Other inputs of production
  - Contract farming
  - Fair prices to farmers
  - Employment generation
  - Benefits to small farmers

# Step : 15

- ◆ Project Cost
  - \* Land/ Land developments
  - \* Buildings
  - \* Machineries
  - \* Utilities
  - \* Other Fixed Assets
  - \* Preliminary & pre operative exp
  - \* Deposits
  - \* Margin on Working Capital

## Means Of Finance

- \* Promoters Contribution/ Margin
- \* Subsidy/venture cap
- \* Bank Loan

# Step : 16

- ◆ Implementation Schedule thro PERT CHART
  - \* Commencement date
  - \* completion date
  - \* month wise progress
  - \* Trial production
  - \* Commercial Production

# Step : 17

- ◆ Financial analysis
  - \* Levels of operation
  - \* Projected Profitability for project life
  - \* Balance sheet Analysis for Year 1 to last year
  - \* Working Capital requirement

# Step : 18

- ◆ Process Flow Chart for all the products
- ◆ Organization chart
- ◆ Marketing team
- ◆ Buying Agents/Indenting Agents
- ◆ Procurement team
- ◆ Customer care

# Financials & CMA

- ◆ Project outlay & Means of Finance
- ◆ Project Cost estimates- outlay, margin, venture cap, bank loan
- ◆ Project Cost estimates include land, Building, M/cs, Utilities, OFAs, lab, Pre operative exp, W/c margin, Office furniture & fittings, deposits, contingencies
- ◆ Quantify and list the workings
- ◆ Rate Sheet for machineries & equipments- Basic price, ED, Tax, Freight, E&C, etc
- ◆ Production Plan for project period
- ◆ Cost of production per unit- RM, Consumables, Packing, Power, fuel, wages, water, supervision, effluent disposal, repairs/maintenance
- ◆ COP exercise for major products
- ◆ Depreciation
- ◆ Selling expenses

# Financials- Contin..

- ◆ Working capital exercise
  - \* Raw material
  - \* Consumables
  - \* Packing materials
  - \* Wages
  - \* Finished goods
  - \* Advances to Inputs
  - \* Sale proceeds realisation period
  - \* LESS Advances received

# Financials Contin..

- ◆ Repayment schedule
- ◆ Projected Profitability
- ◆ Balance Sheets- Projected
- ◆ CMA- Assets, liabilities, Key indicators/ratios
- ◆ Sensitivity Analysis



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