



# COMPENDIUM

## OF 75 ENTERPRISE PACKAGES





SUPPORTING RURAL BUSINESSES



Envisioned as 'one-stop shop', the udyame platform caters to the unmet demands of the entrepreneur under one umbrella.

udyame web platform can be accessed on browser (<https://udyame.in/>) as well as on Google Play Store. The platform helps entrepreneurs reduce transaction and search costs by linking to various market players. Entrepreneurs can also access courses, make business plans and track their entrepreneurial journey on the platform.

The udyame kiosk acts as a physical touchpoint for technological, financial, marketing and capacity building services for the entrepreneurs. The kiosks also help in disseminating entrepreneurship-related information for local businesses, along with linking the entrepreneurs to government schemes. These kiosks are situated in the villages itself and cater to needs of the entrepreneurs in vicinity.



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- Courses
- udyame Saathi
- Business Ideas
- Make your B-plan
- udyame Info Centre



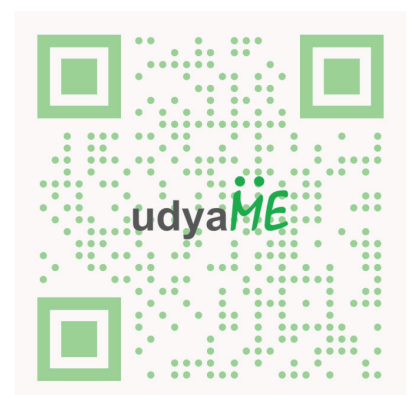
Build new networks through **Chaupal**

- Financial Linkages
- Technology Procurement



Access high value markets through **Bazaar**

- Bazaar







## BACKGROUND

This compendium of enterprise packages is a collection of existing enterprises set up by Development Alternatives (DA). The enterprise packages are co-created with the entrepreneurs. The figures and business analytics used in this compendium are gathered and validated through secondary and primary market research.

This compendium is intended mainly for aspiring entrepreneurs who seek to expand or start a new business and thus require basic information. This compendium mainly includes the brief description of the market potential, fundamental process, and basic financial information like initial investment required, monthly expenditures, and tentative profit.

This information was furnished from existing entrepreneurs and generalized through primary and secondary research. It is advisable to see this compendium as a basic information booklet on enterprises and should be treated as a reference book only. The financial data used are subjected to changes as per time, locations, and product used in the respective enterprise. The Compendium is subject to copyright and may not be disturbed without prior consent from Development alternatives Group.



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All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.



## Introduction

Making sweets is one of the oldest professions in India. Representing both traditional and modern, the Indian sweet market is characterized by an extraordinary array of offerings. The industry currently employs over 10 million people and considering how unorganised the industry is; the numbers are likely to be far higher. It has over 100,000 manufacturers across the country producing over 500 different types of sweets and salty savouries that are distributed and sold across the country. Being in demand throughout the year, such enterprise can provide a profitable business opportunity to aspiring entrepreneurs in rural and urban areas.

## Market Potential

Growing at a CAGR of over 12 per cent for almost a decade, the traditional Indian sweet industry was valued at around INR 450 billion in 2020<sup>1</sup>. Another research estimates that the market for Indian sweets will grow by over 10 per cent between 2020 and 2025<sup>2</sup>. One of the biggest growth factors for this industry is the rise in disposable income. The rise of accessibility and options, along with the increased shelf life of sweets is yet another reason for this growth. Overall, this industry has a consistent demand which increases exponentially during festive seasons.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Micro Finance Institutions and Cluster Level Federations, and have availed government support through National Rural Livelihood Mission (NRLM)**, with an average loan size of INR 30,000.



**Deendayal Kushwaha**  
Age : 36 years

udyaME

Deendayal Kushwaha has been running a popular sweet shop in Orchha, Madhya Pradesh, since 2015. However, he felt that his enterprise had more potential and with necessary marketing and capacity building support, he has been able to:

- Earn a monthly income of INR 100,000
- Create 4 additional jobs in his enterprise
- Open an 8-room hotel

<sup>1</sup>SMB Story: How sweets offered in hygienic packs are revolutionising the packaged food industry, 2021

<sup>2</sup>Indian Retailer: Packaged Sweets: Revolutionizing Packaged Food Industry, 2021



## Business Economics

### Fixed Cost (One-Time Expenditure)

EQUIPMENT & OTHER FIXED COSTS	AMOUNT (in INR)
Fridge	20,000
Counter	5,000
Chair (4 pieces @ INR 500/piece)	2,000
Oven and stove	8,000
Utensils (set of pots and pans)	5,000
Temperature-controlled display cabinets with trays (3 units @ INR 40,000/unit)	1,20,000
Pre-operative expenses (FSSAI Registration)	7,500
<b>TOTAL</b>	<b>1,67,500</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Sugar (72 kg @ INR 45/kg)	3,240
Milk Powder (32 kg @ INR 220/kg)	7,040
Flour (90 kg @ INR 75/kg)	6,750
Dry Fruits (2 kg @ INR 500/kg)	1,000
Cashew Paste (16 kg @ INR 800/kg)	12,800
Coconut Shavings (16 kg @ INR 200/kg)	3,200
Cooking Oil (96 L @ INR 150/L)	14,400
Desi Ghee (48 kg @ INR 350/kg)	16,800
Vegetables for filling and stuffing (16 kg @ INR 40/kg)	640
Sweet box packing material (240 units @ INR 8/unit)	1,920
Paper Plates (1,000 pieces @ INR 3/piece)	3,000
Eco-friendly disposable cutlery (1,000 pieces @ INR 3/piece)	3,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
Two Full-time Workers (@ INR 7,000/month)	28,000
UTILITIES OTHER EXPENSES	AMOUNT (in INR)
Electricity	1,000
Water	2,000
Rent (@ INR 6,000/month)	12,000
Repair and maintenance	1,000
<b>TOTAL</b>	<b>1,37,790</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,67,500
Working Capital (for each cycle of 2 months duration)	1,37,790
Total Enterprise Cost	3,05,290
***	
Annual Revenue	9,63,000
Total Expenditure (annual working capital)	8,26,740
Enterprise Profit	1,36,260
Payback Period (in months)	15

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Loan not taken into account
- Revenue per cycle is as follows

Bakery Items	Qty	Selling Price/Item (in INR)	Amount (in INR)
Desi Ghee Motichur Ladoo (in Kgs)	35	650	22,750
Kaju Katli (in Kgs)	35	950	33,250
Gulab Jamun (in Kgs)	35	500	17,500
Milk Cake (in Kgs)	35	700	24,500
Rasgulla (in Kgs)	35	520	18,200
Coconut Barfi (in Kgs)	35	680	23,800
Dhokla (in Kgs)	35	300	10,500
Samosa (per piece)	1,000	10	10,000

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## 2 ICE CREAM MANUFACTURING



### Introduction

Ice cream is a frozen sweet food typically eaten as a dessert. It is extremely popular all around the world including India. People regardless of age, and seasons, love to take it. Ice cream may be made from milk, water, sugar (or an alternative sweetener) and other ingredients. There are numerous flavours of ice cream such as chocolate, vanilla, strawberries, mango, banana, orange, etc. With the increasing popularity, the demand for ice cream is only increasing, and could be a good profitable business opportunity for aspiring entrepreneurs aiming to cater such demand locally.

### Market Potential

The ice cream industry is one of the fastest-growing segments of the Indian food processing industry. The presence of a robust dairy industry, as well as significant expansion in the food and beverage sector, are major factors contributing to the expansion of the ice cream market. On an average, a person in India consumes around half a litre of ice cream every year<sup>1</sup>. Furthermore, market expansion especially in the rural areas is being fueled by advances in cold chain solutions and associated infrastructure. India's ice cream market is estimated to reach a value of INR 313.5 billion by 2026, growing at a CAGR of 17.3%.<sup>2</sup>

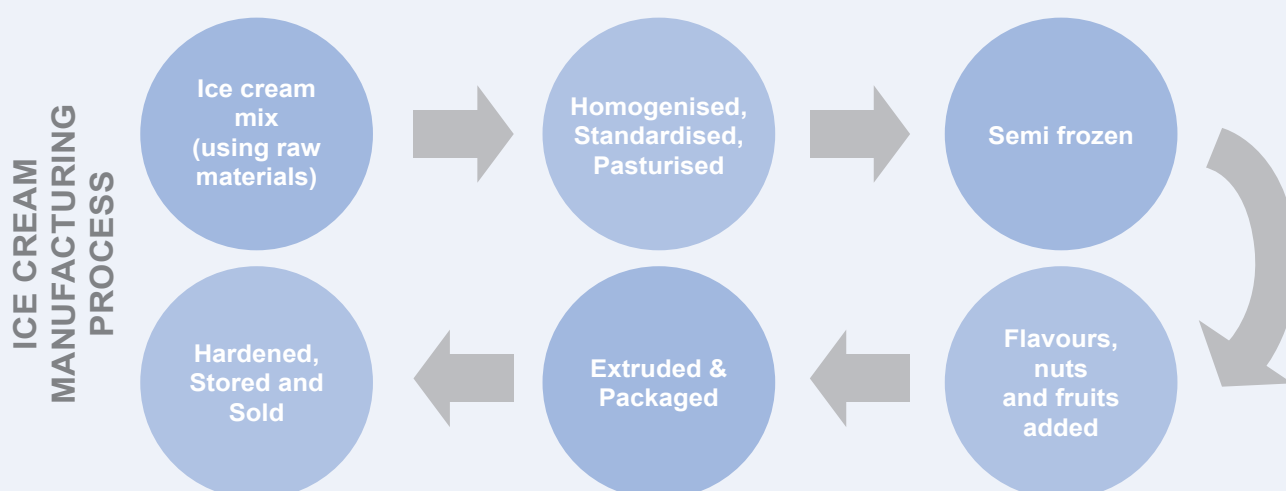
<sup>1</sup>Blendhub: Understanding the 2020 Ice Cream Industry in India, 2020 (Retrieved on 23-12-21)

<sup>2</sup>IMARC: Ice Cream Market in India: Industry Trends, Share, Size, Growth, Opportunity and Forecast 2021-2026, 2020 (Retrieved on 23-12-21)



## Process

The first step in the ice cream manufacturing process is preparation of an ice cream mix which can include different combinations of milk, cream, water, sweetener, colouring and flavouring agents in an unfrozen stage. In modern manufacturing systems, the mix is then homogenized, standardized and pasteurized. If required, small pieces of fruits and nuts are injected, and the mixture is stirred to incorporate air spaces and to prevent detectable ice crystals from forming. The semi frozen ice cream is then extruded from the freezer and filled into different packaging containers. The packed ice cream is then hardened by a blast freezer at a temperature of minus 3 to minus 8 degrees Celsius, and the ice cream freezes in 8-12 hours. After hardening, the ice cream is ready for sale and can be stored in a deep freezer or walk-in freezer at a temperature between minus 23 and minus 29 degrees Celsius.



## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sahiyogini Mahila Mandal (a Cluster Level Federation)** through a micro credit facility, with an average loan size of INR 40,000.



**Mamta**  
Age : 32 years

udyaME

Since its set up in Dhannipatti (Mirzapur, Uttar Pradesh) in 2018, Mamta's ice cream manufacturing enterprise has:

- Enabled 3 fold increase in annual family income
- Grown from 1 to 10 push carts
- Employed 15 residents of her village

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Churner	1,10,000
Brine Tank	1,80,000
Storage Machine (freezer)	1,65,000
Ice Cream Mold (100 pieces @ INR 150/piece)	15,000
Ice Cream Cart (5 carts @ INR 21,830/cart)	1,09,150
<b>TOTAL</b>	<b>5,79,150</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Milk powder (25 kg tin) (1 tin @ INR 4,000/tin)	4,000
Sugar (90 kg @ INR 29/kg)	2,610
Chocolate oil and powder (25kg bag) (1 bag @ INR 4,750/bag)	4,750
Vanilla powder (in kg) (25 kg @ INR 130/kg)	3,250
Stick (950 sticks in 1 packet) (11 packets @ INR 55/packet)	605
Wrapper (10,000 pieces @ INR 0.25/piece)	2,500
Flavouring (500ml bottle) (5 bottles @ INR 120/bottle)	600
Cream (250 litres @ INR 160/litre)	40,000
Salt (180 kg @ INR 25/kg)	4,500
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
Two Full-time Managers (@ INR 7,000/month)	28,000
Five Seasonal Workers (@ INR 5,000/month)	50,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 5,000/month)	10,000
Electricity	3,500
Water	6,000
Maintenance	1,000
<b>TOTAL</b>	<b>1,81,315</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	5,79,150
Working Capital (for each cycle of 2 months duration)	1,81,315
Total Enterprise Cost	7,60,465
***	
Annual Revenue	15,00,000
Total Expenditure (annual working capital)	10,87,890
Enterprise Profit	4,12,110
Payback Period (in months)	17

## Basis & Assumptions

- Working days: 26 days per month (8 hours work shift)
- 100% of the goods produced are sold
- Revenue per cycle is as follows
- Bank loan not taken into accounts

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Ice Cream	10,000	15	1,50,000
Popsicle	10,000	10	1,00,000

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## 3 WELDING

### Introduction

Welding is a cost-effective and efficient method of connecting materials, either thermoplastics or metals, by fusing them together. Welding is used in a variety of industries, including oil and gas, pipelines, manufacturing, and vehicles. Filler metals and electrodes are the most common consumables used in various welding processes. Welding is a costly industry to get into, with heavy start-up costs. Small welding shops can be a popular choice for general maintenance, and they also provide more affordable rates for consumers who either need minor repairs or fabrication work. A home garage can be a great business tool if one's house is in a suitable location.

### Market Potential

Because of the continuous advances in technology and the substantial development of the end-use industries, the market for welding consumables in India is expected to increase rapidly. By 2020, India's welding consumables industry reached a value of around INR 46 billion<sup>1</sup>. India's exceptional growth prospects and booming infrastructure including steel and automobiles sectors, welding industries have forecasted a growth rate of around 6-7% in the next 5 years<sup>2</sup>.

### Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **HDFC Bank, and SKS (a Micro Finance Institution)**, with an average loan size of INR 55,000.



**Anil Kumar**  
**Age : 29 years**

udyaME

A resident of Vindhyachal village, Uttar Pradesh, Anil Kumar started his welding enterprise in 2018. Through his enterprise, he could:

- Earn a monthly income of INR 35,000
- Employ 6 residents of his village
- Double his income in 2 years

<sup>1</sup>CWEOOnline: Welding Consumables, 2020

<sup>2</sup>Engineering Review: Welding Industry Fighting Battle To Perform Profitably, 2020 (Retrieved on 28-12-21)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Power Generator	60,000
Welding Machine	20,000
Metal Cutting Machine	5,000
Angle-cutting Machine or Grinder	7,000
Portable Drilling Machine	15,000
Chipping Hammer	400
Pliers	100
Chisel	150
Hydraulic Metal Pressing Machine	3,00,000
<b>TOTAL</b>	<b>4,07,650</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Iron Rods (40 kg @ INR 110/kg)	4,400
Metal sheets (15 sq metre sheet @ INR 410/sq metre)	6,150
Iron Bar (40 kg @ INR 120/kg)	4,800
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
One Full-time Worker (@ INR 6,000/month)	12,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	10,000
Water	2,000
Rent (@ INR 8,000/month)	16,000
Transportation charges	9,000
<b>TOTAL</b>	<b>84,350</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	4,07,650
Working Capital (for each cycle of 2 months duration)	84,350
Total Enterprise Cost	4,92,000
***	
Annual Revenue	6,60,000
Total Expenditure (annual working capital)	5,06,100
Enterprise Profit	1,53,900
Payback Period (in months)	32

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Revenue per cycle

Products	Quantity	Selling Price/Product (in INR)	Amount (in INR)
Repairing & Maintenance Service	100	500	50,000
Custom orders	30	2,000	60,000

- Loan not taken into account

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## Introduction

Vehicle repair has undergone a massive transformation over the years. Such enterprises not only involve necessary repairs but also aesthetic upgrades that the customer might wish for. This can range from custom paint, stylized visors, to music systems, LED lights, etc. The enterprise also has an extensive customer base for general maintenance of vehicles as well. Such enterprise has a high earning potential and attracts a premium on the service being delivered as it requires one to be highly skilled and with necessary expertise.

## Market Potential

Vehicle Repair is a growing industry as the number of people owning cars and motorcycles has expanded in recent years. Overall, domestic automobiles sales increased at 1.29% CAGR between 2016 and 2020 with 21.55 million vehicles being sold in FY2020<sup>1</sup>. Because car servicing and maintenance are required on a regular basis, such businesses provide a consistent stream of income. Quick and easy access to major road networks, and nearby larger markets increases the number of customers that can be serviced. The country's automobile repair market is predicted to expand to INR 1800 billion by 2030, up from INR 600 billion in 2020 (at a CAGR of 12%)<sup>2</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sankalp Swashakti Mahila Mandal and Sakhi Saheli Tejaswini Mahasang (Cluster Level Federations)**, and **SKS (Micro Finance Institution)**, with an average loan size of INR 45,000.



**Santosh Vishwakarma**  
Age : 35 years

udyaME

Santosh Vishwakarma laid his hands on various businesses, but ultimately settled with a repair shop. From repairing watches to TV sets to tractors, he finally found himself passionate towards repairing vehicles. He started his vehicle repair enterprise in 2017 in Niwari, Uttar Pradesh. He attended ILO certified "Start your Business" training to boost his business skills. Through his enterprise he could:

- Make an annual profit of INR 90,000
- Employ 5 residents of his village
- Add a welding enterprise to his business

<sup>1</sup>IBEF: Automobile Industry in India (Retrieved on 28-12-21)

<sup>2</sup> Economic Times: Tech platforms to propel India car services, repair market to \$25 bn by 2030: Report, 2021 (Retrieved on 28-12-21)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Repairing Toolkit	8,000
Compressor Machine	35,000
Power Generator	30,000
Vehicle Toolbox	2,000
Water Drum	700
Hydraulic Jack	2,500
<b>TOTAL</b>	<b>78,200</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Nuts and Bolts (500 pcs @ INR 12/piece)	6,000
Puncture Patch (1 pack includes 20 patches) (10 packs @ INR 50/pack)	500
Car Tyre Tube (24 pcs @ INR 500/piece)	12,000
Motorbike Tyre Tube (24 pcs @ INR 500/piece)	12,000
Truck/lorry Tyre Tube (12 pcs @ INR 750/piece)	9,000
Engine Oil (50 units @ INR 500/unit)	25,000
Coolant (20 units @ INR 300/unit)	6,000
Car Wax (10 units @ INR 250/unit)	2,500
Car Freshener Spray (2 cans @ INR 250/can)	500
Distilled Water for Lead Acid Battery (5L) (40 units @ INR 300/unit)	12,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
One Full-time Worker (@ INR 7,000/month)	14,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Water	4,000
Rent	6,000
Electricity	4,000
Repair and Maintenance	2,000
<b>TOTAL</b>	<b>1,35,500</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	78,200
Working Capital (for each cycle of 2 months duration)	1,35,500
Total Enterprise Cost	2,13,700
***	
Annual Revenue	8,35,800
Total Expenditure (annual working capital)	8,13,000
Enterprise Profit	22,800
Payback Period (in months)	41

## Basis & Assumptions

- Working days: 25 days per month (8 hours shift)
- Enterprise is operational throughout the year
- Loan not taken into account
- Revenue break-up for the cycle as follow

Products	Quantity	Selling Price/Product	Amount (in INR)
(in INR)	Amount	500	50,000
(in INR)	30	2,000	60,000
Car and Tube Tyre Replacement	48	800	38,400
Truck Tube Tyre Replacement	12	1,200	14,400
Puncture patch	200	30	6,000
Car Servicing	40	1,000	40,000
Custom Repair Jobs (consultation and man hours, not including special orders for parts)	80	500	40,000
Air Refilling	100	5	500

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## 5 TENTING SERVICE

### Introduction

Every occasion in India is deemed to be celebrated in a grand style including birthday parties, festivals, especially marriages. These occasions sometimes can last for 2 weeks or even more. To make the arrangements to accommodate the guests invited for these celebrations, tents and decorations material is required. Hence, tent houses in India are very profitable since tents are rented throughout the year to make these celebrations special. Tenting service based enterprises provide a good business opportunity for aspiring entrepreneurs especially in rural areas.

### Market Potential

With the increasing income of the population in India, more people are spending on parties and festivities, particularly weddings, and as a result, the demand for tent houses is growing and will continue to expand in the coming years as the population grows (1.5 billion by 2030). Renting tents for small events have been a popular trend in both urban and rural India, resulting in a favourable environment for tent house enterprises in the country. With a total value of INR 3500 billion, India's wedding decorating business is the world's second largest and is growing at a CAGR of 30%<sup>1</sup>.

### Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **HDFC Bank, Canara Bank, Sankalp Swashakti Mahila Mandal and Sakhi Saheli Tejaswini Mahasang (Cluster Level Federations)**, with an average loan size of INR 90,000.



**Mukesh Kushwaha**  
Age : 20 years

udyaME

Mukesh Kushwaha always wanted to start his own business since he graduated. He attended ILO certified "Start Your Business" training, and set up his tenting service enterprise in 2018. With a micro loan of INR 30,000, he expanded his service portfolio by adding DJ service for marriages and other functions. Through the enterprise, Mukesh:

- Earns a monthly income of INR 28,000
- Employs 6 persons from his village
- Provides tenting services in 5 villages

<sup>1</sup>MICE Industry: The Indian wedding industry, 2020 (Retrieved on 28-12-21)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Tent House	1,20,000
Power Generator	36,000
Plastic chair (50 chairs @ INR 800/chair)	40,000
Lights (30 units @ INR 400/unit)	12,000
Extension board (5 units @ INR 1,400/unit)	7,000
Cushions (60 units @ INR 100/unit)	6,000
8x20 sq ft Carpet (4 units @ INR 5,000/unit)	20,000
5x150 sq ft Green Carpets (5 units @ INR 2,000/unit)	10,000
Fans (10 units @ INR 855/unit)	8,550
<b>TOTAL</b>	<b>2,59,550</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
350m Ropes (45 pieces @ INR 150/unit)	6,750
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	30,000
Five Part-time Workers (@INR 4,000/month)	60,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electric Bill	1,500
Water	600
Fuel	3,000
Repair and maintenance	6,000
<b>TOTAL</b>	<b>1,07,850</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	78,200
Working Capital (for each cycle of 2 months duration)	1,35,500
Total Enterprise Cost	2,13,700
***	
Annual Revenue	8,35,800
Total Expenditure (annual working capital)	8,13,000
Enterprise Profit	22,800
Payback Period (in months)	41

## Basis & Assumptions

- Working days: 25 days per month (8 hours shift)
- Enterprise is operational throughout the year
- Loan not taken into account
- Revenue break-up for the cycle as follow

Products	Quantity	Selling Price/Product	Amount (in INR)
(in INR)	Amount	500	50,000
(in INR)	30	2,000	60,000
Car and Tube Tyre Replacement	48	800	38,400
Truck Tube Tyre Replacement	12	1,200	14,400
Puncture patch	200	30	6,000
Car Servicing	40	1,000	40,000
Custom Repair Jobs (consultation and man hours, not including special orders for parts)	80	500	40,000
Air Refilling	100	5	500

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

A bag is a soft container that can be used to store or transport items. Cloth, leather, plastic, or paper can all be used to make it. Many bags are disposable, while some are designed to be used repeatedly. A bag might have one, two, or three handles, as well as a shoulder strap. It can be closed with a zipper, snap closure, or simply by folding it (e.g. in the case of a paper bag). Bags come in a variety of shapes and sizes, depending on their intended usage. Bags come in a variety of styles, including tote bags, hat bags, bracelet bags, basket bags, and hobo bags.

## Market Potential

In India, rapid urbanisation and rising disposable incomes are driving up demand for bags. Apart from that, the Indian government is focusing on limiting the usage of single-use plastics and focusing more on cloth and jute bags due to mounting environmental concerns. In addition, India's over 300 million school-aged population necessitates the use of school backpacks. The bag market in India is expected to grow by INR 16.2 billion during 2021-2025, progressing at a CAGR of almost 5% during the forecast period .

## Funding Source

Under "Entrepreneurship for Empowerment" programme of the Development Alternatives Group, such enterprises have been financed by Rang De (a fintech startup), with an average loan size of INR 50,000.



**Sunita**  
**Age: 48 years**

udyaME

- Since its set-up in Saroli village in Palwal, Delhi NCR in 2019, Sunita's bag manufacturing enterprise has:
  - Enabled 3-fold increase in her annual family income
  - Grown from 1 to 4 sewing machines
  - Trained 250 women from nearby villages

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Work Area (300 sq. foot @ INR 200)	60,000
Storage Area (100 sq. foot @ INR 200)	20,000
2 Manual Sewing Machine (@ INR 5,000 each)	10,000
2 Automatic Sewing Machine (@ INR 10,000 each)	20,000
Overlock Machine (@INR 8,000)	8,000
3 Scissors (@INR 100 each)	300
2 Rulers (@INR 30 each)	60
2 Pliers (@INR 150)	300
<b>TOTAL</b>	<b>1,18,660</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Jute (150 metre)	12,750
Cloth Piece (200 metre)	12,000
Hanging Strap (14 kg)	2,800
Adjustable Pin (400 units)	1,200
Bottle Holder Net (10 kg)	1,000
Zip (300 units)	1,200
Glue (2 units)	400
Zip Lock (150 units)	600
Thread (500 metre)	500
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary (@INR 10,000/month)	20,000
1 Full-time worker (@INR 3,000/month)	6,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	2,400
Transportation cost	1,000
Marketing cost	400
Repair and maintenance	200
Miscellaneous	200
<b>TOTAL</b>	<b>62,650</b>



## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,18,660
Working Capital (for each cycle of 2 months duration)	62,650
Total Enterprise Set Up Cost	1,81,310
***	
Revenue (per annum)	4,51,500
Total Expenditure (annual working capital)	3,75,900
Enterprise Profit (per annum)	75,600
Payback Period (in month)	18

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 75,250/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
School bag (18 inch)	50	200	10,000
School bag (16 inch)	50	180	9,000
School bag (15 inch)	50	165	8,250
Jute bag	100	300	30,000
Ladies purse	60	150	9,000

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.









## Introduction

Over the years, the printing industry has gradually grown in all parts of the country. A printing press enterprise includes services such as printing books, fliers, envelopes, business cards, stationery, and other reference materials. The industry has made large strides by improving its machinery in terms of technology and speed. Today, it is one of the largest in the world and the country is counted among the top seven publishing nations. Due to the high potential of the printing industry for growth, all international brands and players are present in India either directly or through distributors. Newsprint and publication paper consumption in the world account for 2 million tonnes, of which 1.2 million is manufactured in India.

## Market Potential

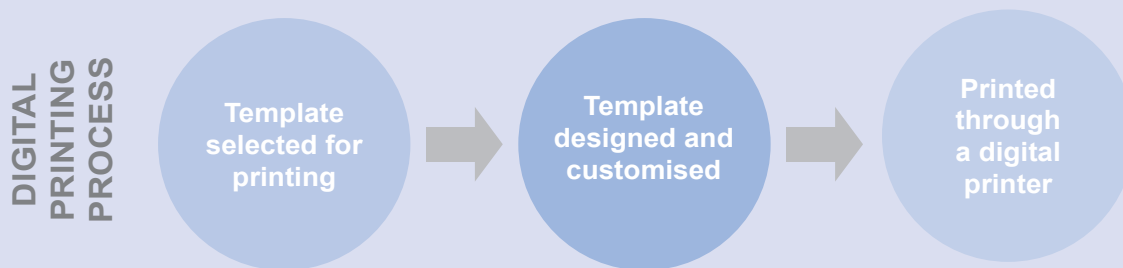
India has over 130,000 types of printing presses all over the country and more than 10 million families involved in the print industry, as per 2020 estimates<sup>1</sup>. The value of the print industry across India was around INR 190 billion in 2020. This is expected to go up to over INR 258 billion by 2023, indicating a compound annual growth of around 11%<sup>2</sup>. Also, the government is encouraging foreign direct investment into this sector. A lot of global companies are expected to invest in this sector due to favourable working conditions.

<sup>1</sup>Indian Mirror: Indian Printing Industry, 2020 <https://www.indianmirror.com/indian-industries/printing.html> (Retrieved on 23-12-21)

<sup>2</sup>Statista: Value of the print industry in India from 2007 to 2020, with estimates until 2023 <https://www.statista.com/statistics/235829/value-of-the-print-industry-in-india/> (Retrieved on 23-12-21)

## Printing Process

The first step in the digital printing process is the selection of a suitable template on designing apps such as Canva, Adobe Spark, Crello, Stencil, Snappa, etc. These apps have pre-designed formats that can be changed and customised as per the requirement. Moreover, the template may differ according to the purpose of the document, such as a banner, flex, invitation card, pamphlet, etc. Once customised and designed, it is printed through a manual or digital printer. Now-a-days, digital printers are increasingly being used for the purpose.



## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Canara Bank, Sakhi Saheli Tejaswini Mahasangh (a Cluster Level Federation) through a micro credit facility, and have availed government support through National Rural Livelihood Mission (NRLM)**, with an average loan size of INR 50,000.



**Chandan Kushwaha**  
Age : 25 years

udyaME

Chandan Kushwaha started a printing press in Orchha, Jhansi in 2018. He initially started with a manual printer and designed each sheet manually. With an eye on expansion and newer technology, he loaned a laptop and purchased a cloud printer. Through expansion, his enterprise has:

- Enabled almost 2-fold increase in profits
- Led to 2 additional job creation

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Card Designing Machine (die frame) (3 units @ INR 1,500/unit)	4,500
Workstation	4,200
Printer	10,000
Board	200
Chair (2 units @ INR 800/unit)	1,600
<b>TOTAL</b>	<b>20,500</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
4 Colour Paints (3 litres each @ 700/litre)	8,400
300 GSM Card Paper (200 in 1 set)	3,000
Printing paper (540 sheets @ INR 3/sheet)	15,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 6,000/month)	12,000
Electricity	2,000
Miscellaneous	1,000
<b>TOTAL</b>	<b>61,400</b>



## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	20,500
Working Capital (for each cycle of 2 months duration)	61,400
Total Enterprise Cost	81,900
***	
Annual Revenue	7,80,000
Total Expenditure (annual working capital)	3,68,400
Enterprise Profit	4,11,600
Payback Period (in months)	1

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Average revenue per cycle as follows

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Pamphlet Printing	5,000	10	50,000
Card Printing	2,000	40	80,000

- Loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Nursery is a place where planting material, such as seedlings, saplings, cuttings, etc., are raised, propagated and multiplied under favourable conditions for transplanting in prepared beds. The availability of quality and true-to-type planting material is the prerequisite of successful and remunerative ornamental crop production. Setting up a nursery is a long-term venture, and requires planning and expertise. Various types of inputs like seeds, fertilisers, pesticides, fungicides, plant growth regulators, poly bags, agricultural implements, etc. must be available in the nearby market. A nursery is a place where all types of young plants which are cultivated locally are available for the customer to purchase. Products from nurseries are in great demand in urban and rural areas, and provides a good earning opportunity with premium for expertise and exotic plant varieties.

## Market Potential

The Indian Floriculture market was worth INR 228 billion in 2020. The Indian floriculture market is expected to reach a value of INR 661 billion by 2026, exhibiting a CAGR of 19.2% during 2021-2026<sup>1</sup>. The nursery should ideally be located near the city or an area from where people can purchase the plants. Alternatively, a mechanism to explore domestic and international markets must also be worked out for the success of the nursery business.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Punjab and Sindh Bank**, with an average loan size of INR 90,000.



**Bhagwan Das**  
Age : 55 years

udyaME

Bhagwan Das set up a nursery in Masari village, Uttar Pradesh in 2002. However, due to low customer base he could earn an average annual income of INR 150,000. In 2019, after getting required market linkages and attending an ILO certified 'Grow Your Business' training, Bhagwan could:

- Increase his annual profits from INR 50,000 to INR 120,000 in 2 years
- Sell his plants in 8 nearby villages
- Employ 3 local residents

<sup>1</sup>IMARC: Indian Floriculture Market Growth, 2020 (Retrieved on 15-01-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Hybrid plantation in the field	18,000
Fencing	65,000
Container for plant	15,000
Motor for irrigation	21,000
Tools used in nursery	5,000
<b>TOTAL</b>	<b>1,24,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Seeds (6 varieties @ INR 1,000/each)	6,000
Fertilizers (40 kgs @ INR 65/kg)	2,600
Pesticides (40 kgs @ INR 50/kg)	2,000
Pots (1,704 units @ INR 20/unit)	34,080
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
One Full-time Worker (@ INR 6,500/month)	13,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	2,000
Water	3,000
Transportation charges	2,400
<b>TOTAL</b>	<b>85,080</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,24,000
Working Capital (for each cycle of 2 months duration)	54,080
Total Enterprise Cost	2,09,080
***	
Annual Revenue	5,62,320
Total Expenditure (annual working capital)	5,10,480
Enterprise Profit	51,840
Payback Period (in months)	29

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- A 2-acre land is owned by the entrepreneur
- Revenue per cycle is as follows

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Sweet Alyssum	284	60	17,040
Lilly Sapling	284	60	17,040
Pansies	284	45	12,780
Golden Thuja Plant Sapling	284	60	17,040
Green Fern Plant Sapling	284	55	15,620
Money Plant Saplings	284	50	14,200

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

To start a mobile shop business in India, it is very important to understand that mobile phones currently exists in almost all households in the country. Mobile phones are used for receiving calls and outgoing calls, it is also used to capture messages, social media platforms, internet surfing, GPS and photographs etc. Due to its regular use in everyday activities, people have become quite dependent on mobile phones. Such situation provides a huge earning opportunity for the mobile shop business in India.

## Market Potential

Currently, there are 1.18 billion mobile connections and 600 million smartphones, which are increasing by 25 million per quarter<sup>1</sup>. However, smartphone penetration is still 47 per cent, considering the total number of mobile handset users, indicating a huge market for mobile phones taking into account the population of 1.3 billion in the country and increasing income in rural areas. It is forecasted that eight out of 10 mobile phones sold in India in the coming years (2021-2025) will be smartphones. In 2019, with a modest 7.0% year-over-year growth, India also became the second-largest smartphone market after China and it is expected that India will have 920 million unique mobile subscribers by 2025<sup>2</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sankalp Swashakti Mahila Mandal (a Cluster Level Federation)**, **SKS (Micro Finance Institution)**, and have also availed government support through **National Rural Livelihood Mission (NRLM)**, with an average loan size of INR 35,000.



**Prabhu**  
**Age : 36 years**

udyaME

Prabhu started selling mobile phones from his home after he completed his high school. Once he was confident enough of starting his own mobile shop enterprise, he rented a shop in the main market of Masari village (Mirzapur) in 2019. Through his enterprise, he could:

- Earn an annual profit of INR 98,000
- Hire 2 full time assistants from his village

<sup>1</sup>Economic Times: India's growing data usage, 2021 (Retrieved on 05-01-22)

<sup>2</sup>Business Standards: India may have 88 million 5G connections, 2021 (Retrieved on 05-01-22)



## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Counter (2 units @ INR 400/unit)	800
Chair (@ INR 250/unit)	250
Rack (@ INR 1,500/unit)	1,500
Electric Fitting (@ INR 1,500/unit)	1,500
Glass Table (2 units @ INR 800/unit)	1,600
<b>TOTAL</b>	

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Mobile Charger (50 units @ INR 100/unit)	5,000
Headphone (50 units @ INR 100/unit)	5,000
Charging Cable (50 units @ INR 50/unit)	2,500
Mobile handset (15 units @ INR 5,000/unit)	75,000
Mobile Cover (50 units @ INR 70/unit)	3,500
Tempered Glass (50 units @ INR 50/unit)	2,500
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 4,000/month)	8,000
Electricity (150 units @ INR 7)	1,050
Phone/Internet Bill	250
Stationery	100
Repair and Maintenance	100
<b>TOTAL</b>	<b>1,23,000</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	
Working Capital (for each cycle of 2 months duration)	1,23,000
Total Enterprise Set Up Cost	1,28,650
***	
Revenue (per annum)	7,53,000
Total Expenditure (annual working capital)	7,38,000
Enterprise Profit (per annum)	15,000
Payback Period (in months)	5

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 1,25,500/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Mobile Charger	50	150	7,500
Headphone	50	150	7,500
Charging Cable	50	100	5,000
Mobile handset	15	6,300	94,500
Mobile Cover	50	120	6,000
Tempered Glass	50	100	5,000

- 100% of the goods procured are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Mobile phones in rural areas have been witnessing an exponential rise with initially only 23% of the population using mobile phones. In villages and smaller cities, phones are commonly used mostly for calling purposes and the service providers are trying to expand their networks so that internet utility can be brought in at a good pace. The rural segment services include selling and procurement information and support for farm commodities, educating the farming community on best practices, delivery of healthcare, and education to remote villages via the mobile broadband network.

## Market Potential

With more mobile phones being used by the rural segment population, mobile repairing stores can provide a one-stop solution to any issue that can persist in any phone or accessories at an effective cost as compared to the urban cities. With more service providers taking interest in this segment, more phones would be brought in hence there exists a potential for this segment to be tapped on. As per 2019 industry reports, the smartphone repair industry in India is worth INR 300 million with over 600 million users across the country where everyone needs a repair service<sup>1</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sankalp Swashakti Mahila Mandal and Sahiyogini Mahila Mandal (Cluster Level Federations)**, with an average loan size of INR 30,000.



**Jitendra**  
Age : 28 years

udyaME

Jitendra a young entrepreneur, aspired to transform his passion for technology to an income generating opportunity. In 2017, he started his mobile repairing shop by investing his savings of INR 150,000 and additionally availing a loan of INR 20,000 under the NRLM scheme. Through his enterprise, Jitendra has been able to:

- Increase annual household income by more than 50%
- Employ 3 youth from his village

<sup>1</sup>Business Standards: Yaantra disrupts on-demand doorstep phone repair services in India, 2019 (Retrieved on 05-01-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Counter (@ INR 400/unit)	400
Chair (@ INR 250/unit)	250
Rack (@ INR 1,500/unit)	1,500
Electric Fitting (@ INR 750/unit)	750
Screwdriver (2 units @ INR 50/unit)	100
Soldering Iron (@ INR 150/unit)	150
Soldering Station (@ INR 1,500/unit)	1500
Tweezers (2 units @ INR 25/unit)	50
<b>TOTAL</b>	<b>4,700</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Solder Wire (50 g) (2 units @ INR 75/unit)	150
Mobile Charger (25 units @ INR 100/unit)	2,500
Headphone (25 units @ INR 100/unit)	2,500
Charging Cable (25 units @ INR 50/unit)	1,250
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 4,000/month)	8,000
Electricity (150 units @ INR 7/unit)	1,050
Phone/Internet Bill	200
Stationery	100
Repair and Maintenance	100
<b>TOTAL</b>	<b>35,800</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	4,700
Working Capital (for each cycle of 2 months duration)	35,850
Total Enterprise Set Up Cost	40,550
***	
Revenue (per annum)	2,28,000
Total Expenditure (annual working capital)	2,15,100
Enterprise Profit (per annum)	12,900
Payback Period (in months)	4

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 38,000/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Mobile Charger	25	150	3,750
Headphone	25	150	3,750
Charging Cable	25	100	2,500
Mobile Repair	280	100	28,000

- 100% of the goods produced are sold
- Bank loan not taken into account.

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## Introduction

Essential oils are botanical extracts of plant materials such as leaves, flowers, roots, and herbs. It is extremely popular all around the world, including in India. People, especially the youth, love to buy these products. There are numerous fragrances of essential oils such as lemongrass, palmarosa, neem, eucalyptus, lavender, rosemary, peppermint, etc. With growing popularity, the demand for essential oils is only increasing, and it could be a profitable business opportunity for aspiring entrepreneurs aiming to cater to such demands locally.

## Market Potential

The essential oil distillation industry is one of the fastest-growing segments of the Indian medicinal and aromatic industry. The presence of the cosmetic industry, as well as significant expansion in the aromatherapy and alternative medicine sector, are major factors contributing to the expansion of the essential oil market. Furthermore, market expansion especially in the rural areas is being fueled by advances in associated infrastructure. The global market size is estimated to reach a value of USD 35.5 billion by 2028 by growing at a CAGR of 7.4%<sup>1</sup>.

## Funding Source

Under the cluster development program of the Development Alternatives Group, such enterprises have been financed **by the Scheme of Fund for Regeneration of Traditional Industries (Ministry of MSME)** through IMEDF, with an average grant size of INR 5 Crores.



udyaME

- Since its set-up in Udala (Mayurbhanj, Odisha) in 2019, Udala Lemongrass and Palmarosa manufacturing enterprise has:
  - Enabled 2-fold increase in annual family income
  - Grown from 1 to 10 distillation units
  - Employed 1236 farmers of the village

<sup>1</sup> Essential Oils Market Size, Share and Trends Analysis Report By Product, By Application, By Sales Channel, By Region and Segment Forecasts 2021-2028

## Business Economics

### Fixed Cost (One-Time Expenditure)

EQUIPMENT & OTHER FIXED ASSETS	AMOUNT (in INR)
Work Area (1,000 Sq Ft @ INR 100/ Sq Ft)	1,00,000
1 100-liter Tank (@ INR 25,000)	25,000
1 Condenser (Diameter 14") & Tube (Diameter 19 mm) (@INR 10,000)	10,000
1 Oil Receiver (35-liter capacity) (@INR 15,000)	15,000
1 Boiler (Capacity 400-litre, cell thickness 8mm) (@INR 18,000)	18,000
<b>TOTAL</b>	<b>1,68,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Lemongrass (400 kg @INR 60 per kg)	24,000
Essential Oil Bottle (200 bottles @INR 5 per bottle)	1,000
Packaging Box (200 boxes @INR 2 per box)	400
STAFF AND LABOUR	AMOUNT (in INR)
2 Assistants (each assistant @INR 8,000 per month)	32,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	2,000
Water	2,000
Maintenance	1,000
Transportation Charges	1,000
<b>TOTAL</b>	<b>63,400</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Capital	1,68,000
Working Capital	63,400
Total Enterprise Set Up Cost	2,31,400
***	
Revenue (per annum)	4,80,000
Total Expenditure (annual working capital)	3,80,400
Enterprise Profit (per annum)	99,600
Payback Period (in months)	20

## Basis & Assumptions

- Working days: 28 production days per month (8-hour shift)
- Each cycle consists of 2 months; 6 cycles in a year
- 1 litre of lemongrass essential oil is extracted from 200 kg of lemongrass
- Average revenue per cycle: INR 80,000/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Essential Oil (10 ml)	200	400	80,000

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Flower farming focuses on growing flowering plants. Floriculture encompasses the farming of flowering as well as ornamental plants that are then sold for ornamental purposes or as raw material for the perfume industry. Flower plants are the most profitable plants and produce one of the highest returns in India. Flowers such as Rose, Tuberose, Glads, Anthurium, Carnations, Marigold, Lilies, etc. are popular choices among the farmers in the industry. Cultivation is undertaken in both open farm conditions as well as state-of-the-art poly and greenhouses. Flower farming is now commercially cultivated in India with Tamil Nadu (20%), Karnataka (13.5%) and West Bengal (12.2%) being the hubs of this farming.

## Market Potential

The demand for both cut and loose flowers has increased dramatically. Flowers in India are cultivated for aesthetic, social, religious purposes and have industrial applications. In 2020, the Indian floriculture market was worth INR 216 billion. Indian flowering plants and their derived products, such as bouquets, garlands, and dry flowers, are in high demand both internationally and domestically. The yearly domestic demand for flowers from both rural and urban areas is increasing at a rate of more than 25%, and the Indian floriculture market is expected to reach INR 661 billion by 2026<sup>1</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Micro Finance Institutions and Cluster Level Federations, and have availed government support through National Rural Livelihood Mission (NRLM)**, with an average loan size of INR 40,000.



**Jeet Lal**  
**Age : 47 years**

udyaME

Jeet Lal started his flower farming enterprise in September 2017 in Mirzapur, Uttar Pradesh. After necessary market linkages and capacity building support, through his enterprise he has:

- Witnessed a 2-fold increase in his monthly income, from INR 12,500 to INR 25,000
- Employed 2 other individuals from his village

<sup>1</sup>IMARC: Indian Floriculture Market: Industry Trends, Share, Size, Growth, Opportunity and Forecast 2021-2026, 2020 (Retrieved on 27-12-21)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Shovels, spades, crowbars, iron baskets, dung fork, buckets, bamboo baskets	3,000
<b>TOTAL</b>	<b>3,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
African Marigold nursery Saplings (number)	3,000
Cow dung (kg)	3,200
Micronutrients (kg)	500
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	3000
Land Preparation (Ploughing in tractor) - 2 Hr per acre @ 1000/hr	2,000
Marketing cost	2,000
Making Garlands	2000
Stationery	200
Phone/Internet Bill	200
Miscellaneous	200
<b>TOTAL</b>	<b>34,300</b>



## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	3,000
Working Capital (for each cycle of 4 months duration)	34,300
Total Enterprise Set-Up Cost	37,300
***	
Revenue (per annum)	1,68,750
Total Expenditure (annual working capital)	1,02,900
Enterprise Profit (per annum)	65,850
Payback Period (in months)	0.5

## Basis & Assumptions

- Entrepreneur has her/his own required land of around 2 acres
- Considering a 4-month cycle for marigold crop i.e 120 days
- 6000 nursery saplings of marigolds will be required including 10% mortality during transportation
- Number of garland made from marigold is 3750 with the sale of garland Rs 15/ garland
- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

With increasing per capita disposable income and private consumption, India has emerged as one of the largest markets for electronic products in the world. The electronics market valued at INR 8,500 billion in 2019-20 is segmented as Mobile Phones (24%), Consumer Electronics (22%), Strategic Electronics (12%), Computer Hardware (7%), LEDs (2%) and Industrial Electronics (34%) comprising of Auto, Medical and other industrial electronic products. With markets being flooded with a wide variety of electronic products, there is a huge need for servicing and maintenance of these products, thereby creating a robust market for the electronic repair industry in India.

## Market Potential

Electronic equipment repair services, a fast-growing business globally, can generate revenues of INR 74 billion annually in India, and has the potential to create one million direct jobs in the next five years (2021-2026)<sup>1</sup>. Electronic Repair Service is set to gain momentum in coming years, given the rising demand for electronic products like laptops, mobile phones, television sets, etc. in rural areas. The domestic electronic devices market in India is estimated to reach INR 30,000 billion by 2025<sup>2</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **SKS Microfinance (a Micro Finance Institution)** and **Sankalp Swashakti Mahila Mandal (a Cluster Level Federation)** through a micro-credit facility, with an average loan size of INR 45,000.



**Navlesh Kushwaha**  
Age : 38 years

udyaME

Navlesh Kushwaha from Orchha, Madhya Pradesh, received ILO certified business training “Start and Improve Your Business”, and set up his electronics repair shop in 2019. Through his enterprise, he could:

- Earn a monthly income of INR 15,000
- Train 5 other potential entrepreneurs
- Set up another shop with his son

<sup>1</sup>Financial Express; Electronics repair services can create 1 million direct jobs in 5 years: MAITs, 2019 (Retrieved on 27-12-21)

<sup>2</sup>Invest India; Electronics Market, 2020 (Retrieved on 03-01-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

EQUIPMENT	AMOUNT (in INR)
Work Station & Storage Rack/Shelf	9,200
Motor Binding Machine	25,000
Fan	1,500
Motor Stand & Repairing Kit	6,000
Stabilizer	5,000
<b>TOTAL</b>	<b>46,700</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Wire & Cables	15,000
Plug Holder	1,000
Regulator	1,000
Battery	3,000
Cooler & Condenser	9,000
Other raw material	4,000
MANPOWER REQUIRED	AMOUNT (in INR)
Assistant – 1@INR4,000	4,000
UTILITIES REQUIRED	AMOUNT (in INR)
Electricity & Water@INR2,000 each	4,000
<b>TOTAL</b>	<b>41,000</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	46,700
Working Capital (for each cycle of 3-month duration)	41,000
Total Enterprise Set-Up Cost	87,700
***	
Revenue (per annum)	6,00,000
Total Expenditure (annual working capital)	4,92,000
Enterprise Profit (per annum)	1,08,000
Payback Period (in months)	6

## Basis & Assumptions

- No. of days operational: 25 days per month (8 hours shift)
- Business space rental not taken into account
- Loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.







## Introduction

Eggs are known as the healthiest food in the world as they are one of the best sources of protein and nutrients. They also reduce many health risks and is useful for the growth and development of young children. Eggs help in improving eyesight and contain chlorine which is important in the development of brain tissue. The demand for eggs in the market is currently very high and is steadily increasing due to its wide variety of uses in products such as cakes and meat-pie, cosmetics like shampoo, conditioners, soaps, cholesterol, face masks and is also used in the textile industry for glue and a cleaning agent for leather surfaces.

## Market Potential

Within a span of 25 years, egg production has gone up from 16 billion in 1986 to 114 billion in 2020<sup>1</sup>. The market size is estimated to be around INR 340 billion in 2021 and is expected to grow annually by 9.10% (CAGR 2021-2026)<sup>2</sup>. India is the third-largest egg producer after China and the USA. Additionally, human nutritionists recommend 180 eggs per year, and with growing demand requires more production of eggs and suppliers to distribute the eggs.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by National Rural Livelihoods Mission (NRLM) with an average loan size of INR 5000.



**Abhishek**  
**Age : 27 years**

udyaME

Abhishek, from Bhadohi, Uttar Pradesh, started with a small food stall in 2017. But, due to low margins in the business, he started looking for other profitable alternatives and set up an egg wholesale unit in his village. His enterprise made him:

- Earn a daily income of INR 1,500
- Hire one of his family members
- Become a distributor for 6 other micro entrepreneurs in his village

<sup>1</sup>Statista: No. of eggs produced in India, 2021 (Retrieved on 03-01-22)

<sup>2</sup>Statista: Eggs, 2021(Retrieved on 03-01-22)



## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Rack (2 units @ INR 2,000)	4,000
Table (@ INR 1,000)	1,000
Chair (@ INR 300)	300
Egg Covering Cloth (@ INR 500)	500
<b>TOTAL</b>	<b>5,800</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Egg Crate (30 eggs in 1 crate)	66,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity (50 units @ INR 7)	350
Rent (500 units @ INR 3500/month)	7,000
Transportation Cost	8,000
<b>TOTAL</b>	<b>1,01,350</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	5,800
Working Capital (for each cycle of 2 months duration)	1,01,350
Total Enterprise Set Up Cost	1,07,150
***	
Revenue (per annum)	6,48,000
Total Expenditure (annual working capital)	6,08,100
Enterprise Profit (per annum)	39,900
Payback Period (in months)	2

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 1,08,000/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Egg	12000	9	1,08,000

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Services such as laundry and dry cleaning have witnessed an increasing demand in recent years, due to erratic routines of individuals. This business includes a variety of services such as washing of curtains, quilts, bed sheets, sarees, stain removal and dry cleaning. The market penetration of the unorganised sector is significant, and the organized sector accounted for only 4.23% in FY2020.

## Market Potential

This is an attractive sector as there are no organised competitors involved. Business entry is easy due to low fixed costs. Its profitability also accrues to the diverse nature of its services. The number of persons using laundry services is increasing at the rate of about 3.5% annually in India, reflecting its high market potential. Recent estimates suggest that there are about 30 lakhs households who require laundry services weekly or daily, and the figure is expected to increase rapidly in future. The Indian dry cleaning and laundry service market was valued at USD 35.83 billion in FY2020 and is expected to increase at a CAGR of 4.96 percent through FY2026, owing to rising disposable income and a growing working class population<sup>1</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Canara Bank** under the MUDRA Yojana, with an average loan size of INR 50,000.



**Monu Rajak**  
Age : 28 years

udyaME

Inspired by an entrepreneur friend, Monu Rajak, from Orchha, Niwari, modernised his father's laundry business to capture newer markets in 2019. Since then:

- Availed a loan of INR 50,000 under MUDRA Scheme after a local bank manager was impressed by his enterprise
- Inspired 2 other entrepreneurs to start their ventures
- Monthly revenue of INR 40,000

<sup>1</sup>PR Newswire: India Laundry Service Market Report 2020: The \$35.83 Billion Market is Forecast to Grow at a CAGR of 4.96% - Increasing Working Class Population and Rising Disposable Income, 2021 (Retrieved on 27-12-21)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
2 Washing Machine (@ INR 12,000)	24,000
2 Steam Press (@ INR 4,000 each)	8,000
2 Iron Press (@ INR 2,000)	4,000
Display Counter	5,000
50 Hangers (@ INR 10 each)	500
4 Brush (@ INR 200 each)	800
2 Rack (@ INR 5,000 each)	10,000
2 Sorting Bin (@ INR 1,000 each)	2,000
<b>TOTAL</b>	<b>54,300</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
Detergent (12 kg)	720
Starch (6 litre)	4,800
Stain Remover (6 litre)	1,500
Fabric Conditioner (18 litre)	3,600
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 12,000/month)	36,000
1 Full-time Worker (@ INR 8,000/month)	24,000
UTILITIES & OTHER CHARGES	AMOUNT (in INR)
Rent	4,500
Water	7,500
Electricity	7,500
Phone/Internet Bill	1,500
Transportation Cost	3,750
<b>TOTAL</b>	<b>95,370</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	54,300
Working Capital (for each cycle of 3-month duration)	95,370
Total Enterprise Set-Up Cost	1,49,670
***	
Annual Revenue	4,30,560
Total Expenditure (annual working capital)	3,81,480
Enterprise Profit (per annum)	49,080
Payback Period (in months)	14

## Basis & Assumptions

- Working days: 25 days per month (8 hours work shift)
- Business operates throughout the year
- Cycle consists of 3 months; 4 cycles in a year
- Daily 60 clothes are dry cleaned
- Average price for dry cleaned clothes: INR 23/cloth.
- Business loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Devotional offerings consist of products such as coconut, candles, incense cones and sticks, vermilion etc. Religious and devotional ceremonies are widespread across the country, so the products used in religious offerings are required in almost every household, throughout the year. The average selling price for these products ranges from INR 5 to INR 35. Religious products are seen as a necessity in Indian households, particularly in the rural areas, which contribute towards its constant demand. Therefore, the business continues to be profitable as its growing market is ensured by its large customer base and stable demand, irrespective of price margins.

## Market Potential

The Indian market for religion and spirituality is extremely large, with a value of about INR 23,279 billion at present. With rising disposable incomes, increasing population, expanding online distribution channels, and the rising pilgrimage tourism in India, the market for devotional offering products has expanded significantly. The market is expected to grow at a CAGR of 10% from 2022 to 2027<sup>1</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have **availed government support through National Rural Livelihood Mission (NRLM)**, with an average loan size of INR 60,000.



**Chandravati Devi**  
Age : 30 years

udyaME

Chandravati Devi set up her devotional offering enterprise in 2018 in Mirzapur, Uttar Pradesh. Using her personal savings and a micro credit loan, she rented a shop in the main market and bought raw materials. Through her enterprise, she could:

- Increase her monthly profit from INR 5,000 to INR 12,000 (over a 2-fold increase)
- Create 3 jobs locally

<sup>1</sup>Expert Market Research: Indian religious and spiritual market, 2021 (Retrieved on 05-01-22)



## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Table (@ INR 1,000)	1,000
Chair (@ INR 500)	500
Decorative Items (@ INR 1,000)	1,000
Covering Clothes (@ INR 500)	500
Shelf (@ INR 2,000)	2,000
<b>TOTAL</b>	<b>5,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Garland (1000 units @ INR 5)	5,000
Incense Stick (kg) (2 units @ INR 40)	80
Coconut (600 units @ INR 10)	6,000
Matchbox (700 units @ INR 0.5)	350
Ganga Jal (L) (5 units @ INR 40)	200
Kumkum (500 units @ INR 10)	5,000
Sindoor (500 units @ INR 10)	5,000
Raksha Sutra (50 units @ INR 30)	1,500
Prasad (300 units @ INR 30)	9,000
Lal Kapda (500 units @ INR 15)	7,500
Camphor (200 units @ INR 10)	2,000
Tray (500 units @ INR 10)	5,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 4000/month)	8,000
Electricity (50 units @ INR 7)	350
Stationery	100
Repair and maintenance	100
Miscellaneous	100
<b>TOTAL</b>	<b>75,280</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	5,000
Working Capital (for each cycle of 2 months duration)	75,280
Total Enterprise Set-Up Cost	80,280
***	
Revenue (per annum)	4,81,260
Total Expenditure (annual working capital)	4,51,680
Enterprise Profit (per annum)	29,580
Payback Period (in months)	2

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 75,250/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Garland	500	10	5,000
Coconut	300	25	7,500
Ganga Jal (L)	3	70	210
Kumkum	250	10	2,500
Sindoor	250	10	2,500
Puja thali (small)	250	80	20,000
Puja thali (medium)	150	150	22,500
Puja thali (large)	100	200	20,000

- 100% of the goods produced are sold
- Bank loan not taken into account.

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## 17 COACHING CENTRE

### Introduction

The Indian education system, although growing fast, still has a lot of gaps and is inequitable especially in rural areas. With the increasing aspirations of rural people to provide good education to their children, the need for coaching centres has increased. These centres provide tuition to students beyond school hours and often provide support in specific subjects or specific entrance tests. With the increasing demand for specialised skills, coaching centres also provide classes on computer literacy, personality development, spoken English, etc. This is a service-based enterprise that can start with investment as low as INR 75,000 and generate jobs for at least 3 skilled workers.

### Market Potential

The private coaching industry in India earned revenue of over INR 20 billion in 2020<sup>1</sup>. Its decentralised nature facilitates access to learning facilities for students in semi-urban and rural areas. India has the highest number of school-going students in the world 250 million (2020) and 55% of them have a private tutor outside the school. With the booming Indian education-tech industry and shift to technology-enabled education post-COVID 19 pandemic, the coaching centres are expected to transform into IT-enabled hubs for quality education and learning. The market size of the coaching industry in India is expected to reach INR 40 billion by 2022<sup>2</sup>, growing at a CAGR of 35%.

### Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sahiyogini Mahila Mandal (a Cluster Level Federation)**, with an average loan size of INR 40,000.



**Pushendra Vanskar**  
Age : 28 years

udyaME

Pushendra Vanskar from Niwari, Madhya Pradesh, had always felt the need of a local coaching center to provide quality education to students in his village. Having realised the business opportunity and with encouragement from his friends and family, he opened a Maths and Science coaching centre in 2016. Through his service-based enterprise, he has been able to:

- Increase his monthly income from INR 6,000 to INR 18,000 (3-fold increase)
- Create 2 jobs locally
- Provide quality education to 40 students from 3 villages

<sup>1</sup>TOI: How National Education Policy Will Impact India's Private Coaching Industry, 2020 (Retrieved on 27-12-21)

<sup>2</sup>Infinium: Coaching Classes Market in India, 2017 (Retrieved on 27-12-21)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Student Chair (30 units @ INR 300)	9,000
Tutor Chair (@ INR 300)	300
Tutor Table (@ INR 2,000)	2,000
Whiteboard (@ INR 1,000)	1,000
Printer (@ INR 9,000)	9,000
Laptop (@ INR 30,000)	30,000
<b>TOTAL</b>	<b>51,300</b>

### Working Capital (for a 2-month cycle)

STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 12,000/month)	24,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@INR 7500/month)	15,000
Electricity (1000 units @INR 7)	7,000
Phone/Internet Bill	1,000
Stationery (10 units @ INR 100)	1,000
Marker (10 units @ INR 25)	250
White Paper Bundle (3 units @ INR 150)	450
Duster (2 units @ INR 30)	60
Marketing Cost	5000
Repair and Maintenance	500
Miscellaneous	500
<b>TOTAL</b>	<b>54,760</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	51,300
Working Capital (for each cycle of 2 months duration)	54,760
Total Enterprise Set Up Cost	1,06,060
***	
Revenue (per annum)	3,60,000
Total Expenditure (annual working capital)	3,38,560
Enterprise Profit (per annum)	31,440
Payback Period (in month)	20

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 60,000/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Students Attending Coaching	30	2000	60,000

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.





## Introduction

Cattle feed is a mixture of various concentrated feed ingredients in accordance with the animal type, season, region, etc. These different feed ingredients are mixed in suitable proportion and fed to the animals along with the basal diet. Compound cattle feed can be in the form of mash, pellets, crumbles, cubes, etc. Cattle feed is a palatable and a good source of nutrients for growing animals, adult animals, dry animals, milk-producing and pregnant animals. Through regular use of compound cattle feed in prescribed quantity along with basal diet, cost of milk production from dairy animals can be optimized and net profitability can be increased.

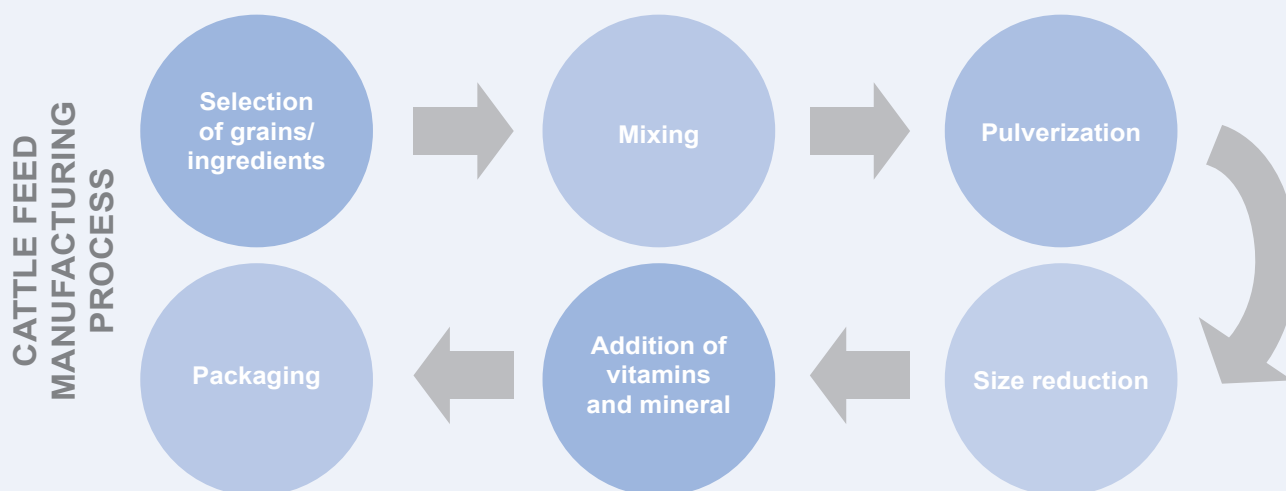
## Market Potential

The global cattle feed market size is expected to have grown from USD 63.15 billion to USD 72.13 billion by 2020, at a CAGR of 2.7%<sup>1</sup>. Cattle feed commercially produced by compound feed manufacturers is directly fed or mixed with feed concentrates or roughages before feeding the animals. The demand of cattle feed has increased rapidly due to shrinkage of open land for cattle grazing as a result of large scale urbanization and introduction of high yielding cattle that requires specialized feeds.

<sup>1</sup>marketsandmarkets: Cattle Feed & Feed Additives Market, 2020

## Process

The process of manufacturing cattle feed is relatively simple and consists of reduction of size and blending of the various ingredients. The selected ingredients are passed through a disintegrator or pulverized to reduce the size of the particles to the required mesh size. The different powdered raw materials are taken by night in a ribbon blender for uniform mixing. The vitamins, minerals, mixer and molasses are added at this stage and when uniformly mixed, it is extruded to get in pellet form or to finished product. The product is then packed in gunny bags.



## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Bandhan Bank**, **SKS Microfinance**, and have availed government support through **National Rural Livelihood Mission (NRLM)**, with an average loan size of INR 40,000.



**Dulari Devi**  
Age : 43 years

udyaME

Dulari Devi started her cattle feed retail enterprise in 2018 in the Lachchhapatti village of Mirzapur, Uttar Pradesh. She invested INR 15,000 from her savings and availed a loan of INR 5,000 from SKS Microfinance. Through her enterprise:

- Enabled 5-fold increase in her household income
- Employed another woman from her village

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Shed (500 sq. foot @ INR 210)	1,05,000
Grinder machine (semi-automatic) (@ INR 60,000)	60,000
Electrical wiring	15,000
Packaging Material (100 units @ INR 60,000)	2,000
<b>TOTAL</b>	<b>1,82,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Sorghum (20 units @ INR 25)	500
Jaggery (5 units @ INR 40)	200
Maize (20 units @ INR 30)	600
Rice (20 units @ INR 20)	400
Wheat (10 units @ INR 20)	200
Cotton Seed (20 units @ INR 25)	500
Mustard Cake (20 units @ INR 20)	400
Baking Soda (5 units @ INR 20)	100
Salt (5 units @ INR 20)	100
Mineral Mixture (20 units @ INR 25)	500
Molasses (10 units @ INR 15)	150
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary (@INR 10,000/month)	20,000
2 Full-time worker (@INR 3,000/month)	12,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity (300 units @ INR 7)	2100
Water (12 units @ INR 50)	600
Maintenance	1,000
Transportation charges	4,500
<b>TOTAL</b>	<b>43,850</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,82,000
Working Capital (for each cycle of 2 months duration)	43,850
Total Enterprise Set Up Cost	2,25,850
***	
Revenue (per annum)	6,04,920
Total Expenditure (annual working capital)	2,63,100
Enterprise Profit (per annum)	3,41,820
Payback Period (in month)	7

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 1,00,820/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Cattle feeds (50 kg bag)	100	1000	1,00,000
Mineral Mixture (25 kg bag)	10	27	270
Cotton Seed Cake (50 kg bag)	10	30	300
Mustard Seed Cake (50 kg bag)	10	25	250

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.



## 19 CARPET WEAVING



### Introduction

The Indian districts of Bhadohi and Mirzapur in Uttar Pradesh state are famous for their carpet industry. These carpets are often exported to many European, American and Middle East Asian countries where they are used for various purposes including insulation, flooring, utility etc. These carpets are often woven in small factories with over 5 artisans by hand or hand held machines. Time taken to finish a carpet is approximately 10-15 hours. The costs and prices of these carpets depend on the design and intricacy of the work.

### Market Potential

India, as the world's largest producer of handmade carpets in terms of both volume and value, employs over 2 million people, primarily women in rural areas. The majority of the artisans/weavers employed are from the poorer sections of society, and this profession offers them an alternate source of employment. With the advent of globalisation, new prospects for the Indian carpet business have arisen: 90% of Indian carpets are exported to more than 70 countries<sup>1</sup>. The Indian carpet market is currently worth EUR 54 million and is expected to grow to EUR 65 million by 2026, progressing at a CAGR of 4.6% from 2021-2026<sup>2</sup>.

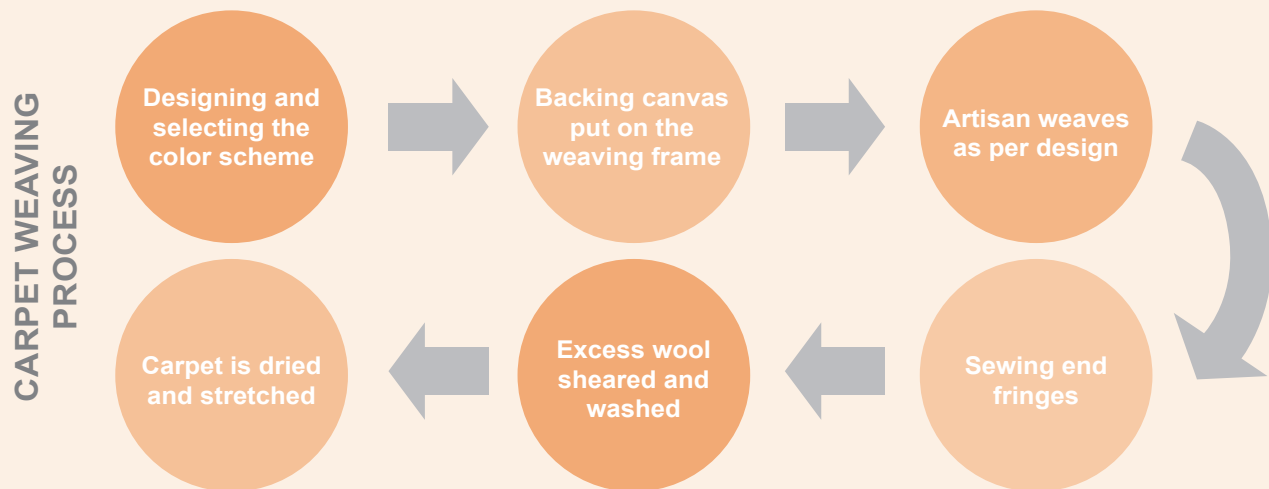
<sup>1</sup>Mordor Intelligence: Indian Carpets and Rugs Market, 2020 (Retrieved on 27-12-21)

<sup>2</sup>Market Data Forecast: Carpet Market, 2021 (Retrieved on 27-12-21)



## Process

Carpet weaving begins first with selecting the design along with the colour scheme according to which the raw materials like yarn are procured. On the weaving frame the backing canvas which will be the base of the carpet is fixed. Using the hand tufting machine, the artisan weaves the carpet as per the design. The fringes are then sown at either ends of the carpet. Once the weave is finished, the carpet is sheared to remove excess yarn and washed to clean it. After washing, it is then dried and stretched to improve its elasticity, and the final product is packed for selling in the market.



## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Canara Bank** under the **MUDRA Yojana**, with an average loan size of INR 50,000.\*



**Roshani Begum**  
Age : 32 years

udyaME

Roshani Begum a carpet weaving entrepreneur from Bhadohi, Uttar Pradesh, transformed her family business by bringing in new techniques and creating a network of local women for marketing. Through her enterprise, she has:

- Enabled 2-fold increase in annual family income
- Trained and supported 9 other women micro entrepreneurs
- Employed 3 artisans from her village

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
10 Electric Tufting (@ INR 10,000)	1,00,000
Hand Tufting (@ INR 4,500)	4,500
3 Khaddees (Frames) (@INR 22,400)	67,200
Digital Weighing Machine (@ INR 6,000)	6,000
Wiring & Cables (@ INR 4,000)	4,000
Fan (@ INR 2,600)	2,600
Inverter & Battery (@ INR 41,500)	41,500
<b>TOTAL</b>	<b>2,25,800</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Raw material for carpets (supplied by contractor)	4,050
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	30,000
10 Full-time Workers (@ INR 7,000/month)	2,10,000
UTILITIES	AMOUNT (in INR)
Electricity	3,000
Water	3,000
OTHER EXPENSES	AMOUNT (in INR)
Internet, mobile, stationery, transportation, etc.	9,600
<b>TOTAL</b>	<b>2,59,650</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	2,25,800
Working Capital (for each cycle of 3 months duration)	2,59,650
Total Enterprise Set-Up Cost	4,85,450
***	
Annual Revenue	14,40,000
Total Expenditure (annual working capital)	10,38,600
Enterprise Profit (per annum)	4,01,400
Payback Period (in months)	7

## Basis & Assumptions

- Production capacity: 3 carpets per month
- Working days: 25 days per month (8 hours work shift)
- 100% of the goods produced are sold
- Carpet selling price is INR 40,000
- Bank loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Weaving is an ancient Indian tradition tracing back its origin from the 16th-century. The Indian weaving industry is a rural-based, labour-intensive handicraft industry. It has conventionally been one of the most promising sectors of huge employment. The buyers highly prefer handmade weaved products because of their originality, colour, quality, design, and durability. With the Indian doormat industry majorly based in rural areas, the rural producers of doormats have a competitive edge due to the availability of cheap labour. The manufacturing of the weaving products makes a remarkable contribution to the national GDP and even in the exports revenue. For generations, various forms of textile waste such as torn strips of cloth, has been repurposed as colorful twine for tapestry or household craft projects, or hand-loom woven into floor mats and wall hangings.

## Market Potential

There are approximately 5 million looms in the country. India has 1.8 million shuttle looms which are 45 percent of world capacity, and 3.90 million handlooms which is 85 percent of world capacity. The constant inclination of households towards modifying and beautifying their homes is leading to a growing demand for doormats. The doormat and carpet industry is predicted to grow at a CAGR of over 5% between 2021-2026. During April-November 2019, exports of weaved products from India stood at INR 645 billion<sup>1</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **HDFC Bank**, with an average loan size of INR 35,000.\*



**Najjo**  
Age : 26 years

**udyaME**

Najjo started her doormat weaving enterprise in 2017 in Bhadohi, Uttar Pradesh. She availed a loan from HDFC bank worth INR 40,000 through which she bought a mat weaving machine. Through her enterprise, she could:

- Increase her annual income by 90% in 1 year from INR 60,000 to INR 114,000
- Hire 1 full time assistant

<sup>1</sup>Mordor Intelligence: India Carpets and Rugs Markey - Growth, Trends, Covid-19 Impact, and Forecasts 2021 - 2026 (Retrieved on 06-01-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

EQUIPMENT	AMOUNT (in INR)
Interlocking Machine	15,000
Frame, Scissors and other equipment	25,000
<b>TOTAL</b>	<b>40,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Cloth	16,000
Other raw material and consumables	16,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity Bill @ INR7 per unit	1000
Water	1000
<b>TOTAL</b>	<b>54,000</b>



## Financial Summary (Annual)

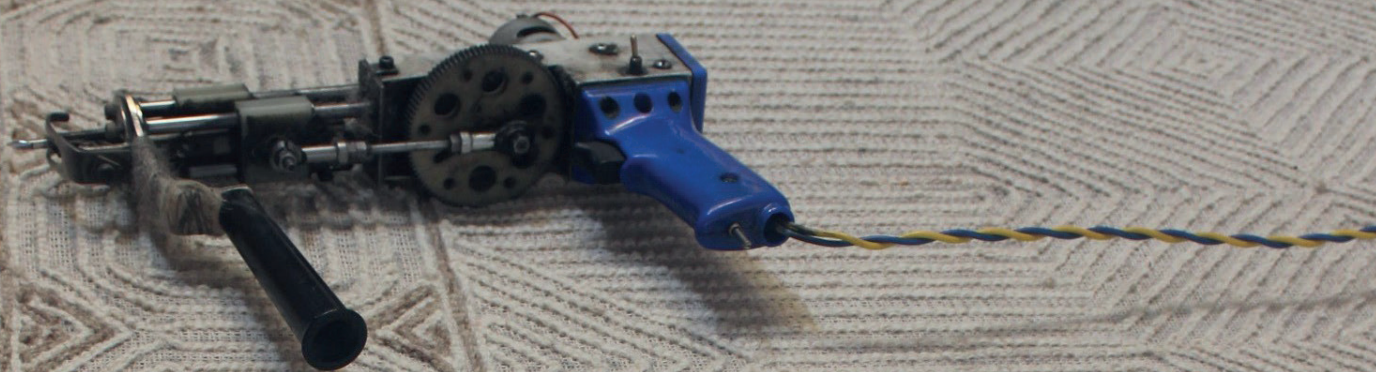
FINANCIALS	AMOUNT (in INR)
Fixed Cost	40,000
Working Capital (for each cycle of 2 months duration)	54,000
Total Enterprise Set-Up Cost	84,000
***	
Revenue (per annum)	6,00,000
Total Expenditure (annual working capital)	3,24,000
Enterprise Profit (per annum)	2,76,000
Payback Period (in months)	2

## Basis & Assumptions

- Production capacity: 50 kg per day
- Working days: 25 days per month (8 hours shift)
- The business operates throughout the year
- 100% of the goods produced are sold
- Loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.







## Introduction

Fertilizers improve crop yield, allowing farmers to grow more food in restricted arable land and providing an impressive rate of profitability. Utilization of fertilizers improves the efficiency of yields and thereby supports farmers to generate higher income through effective cultivation. Urea is cheaper than the rest of the fertilizers and is the most used fertilizer. However, excessive use of urea causes the soil levels to deteriorate; resulting in better sales of DAP and other complex fertilizers.

## Market Potential

Increasing global demand for food owing to growing population along with climate changes and ineffective farming techniques has increased the need for yield efficiency worldwide. As per estimates, the India population in 2020 was around 1.3 billion and is expected to reach over 1.5 billion by 2030. This trend features higher prerequisites for food that will drive the fertilizer market. This increases pressure on the current arable land to yield more harvests using progressive fertilizers economically. The Indian fertilizer market reached a value of INR 887 billion in 2020. Looking forward, the market is expected to grow at a CAGR of 5.5% during 2021-2026<sup>1</sup>. The Make in India initiative is encouraging the production of fertilizers within the country. Huge government subsidies, growing investments, increasing demand for food grain production, increasing demand for organic fertilizers drive India's fertilizer market.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sankalp Swashakti Mahila Mandal (a Cluster Level Federation)**, with an average loan size of INR 40,000.



**Ashish Dubey**  
Age : 26 years

udyaME

Ashish Dubey in 2019 rented a shop in Badagaon, Jhansi, and started a fertilizer retail enterprise. A loan of INR 40,000 helped him increase varieties of fertilizer to cater the needs of majority of customers in his village. Through his enterprise, he has been able to:

- Employ one local resident
- Increase his annual income from INR 65,000 to INR 2,74,000 (a 4-fold Increase)

<sup>1</sup>IMARC: Indian fertilisers Market, 2021 (Retrieved on 05-01-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Table (@ INR 500)	500
Chair (@ INR 250)	250
Fertilizer License (valid for 3 years)	1,300
Pesticide License (valid for 2 years)	1,500
Weighing Machine (@INR 5,000)	5,000
<b>TOTAL</b>	<b>8,550</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
Zinc Sulphate (45 bags of each 50 kg @ 550 INR per bag)	24,750
DAP (45 bags of each 50 kg @ 1,100 INR per bag)	49,500
Urea (45 bags of each 50 kg @ 250 INR per bag)	11,250
Herbicides (50 packs @ 200 INR)	10,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary (@INR 10,000/month)	20,000
1 Full-time worker (@INR 3,000/month)	6,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@INR 4,000/month)	8,000
Electricity (50 units @ INR 7)	350
Transportation Cost (@INR 2000 x 2)	4,000
Repair and Maintenance	400
<b>TOTAL</b>	<b>1,34,250</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	8,550
Working Capital (for each cycle of 2 months duration)	1,34,250
Total Enterprise Set Up Cost	1,42,800
***	
Revenue (per annum)	8,34,000
Total Expenditure (annual working capital)	8,05,500
Enterprise Profit (per annum)	28,500
Payback Period (in month)	4

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 1,39,000/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Zinc Sulphate (50 kg)	45	850	38,250
DAP (50 kg)	45	1,500	67,500
Urea (50 kg)	45	350	15,750
Herbicides (L)	50	350	17,500

- 100% of the goods produced are sold
- Bank loan not taken into account.

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## 22 FOOD STALL

### Introduction

A food stall is one of the most convenient and cost-effective ways to enter the food industry. Because of the lower risks and investment, the business is one of the most popular high-profit food business alternatives among the various restaurant formats for starting a food business. To ensure long-term viability of a food stall in the market, it is important to choose products that is in demand as well as a favourable location. In recent years, the food stall industry has thrived, with street food enthusiasts flocking from far and wide. A food stall business is a manageable way to get started in retail without committing a large sum of money to the establishment of the restaurant.

### Market Potential

The food industry in India is one of the vibrantly growing markets that has seen exceptional growth over the last decade. It is forecasted to reach nearly INR 7,000 billion by 2025, registering a CAGR of 10.3% during the forecast period<sup>1</sup>. It is also supported by the government through a scheme PM Street Vendor's Atma Nirbhar Nidhi to empower such roadside establishments and street vendors. The scheme intends to facilitate collateral free working capital loans of up to INR 10,000 of one-year tenure, to help resume their businesses in the urban areas, including surrounding peri-urban/rural areas<sup>2</sup>. The street vendors also stand a chance to avail a loan of INR 20,000 and INR 50,000 in the second and third tranches respectively on timely repayment of the loan. To encourage digital transaction, cash back up to INR 1,200 on digital transactions at INR 100 per month is provided.

### Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Utkarsh Microfinance**, and have availed **government support through National Rural Livelihood Mission (NRLM)**, with an average loan size of INR 40,000.



**Ramkumar Pal**  
Age : 32 years

udyaME

Ramkumar Pal, a resident of Orchha village, Uttar Pradesh used to work as a chief cook in the Army canteen till 2018. He always had an innate desire to open a food stall of his own. He discussed his business plan with the experts, whom he met in one of the training sessions conducted in his village. In 2019, he left his permanent salaried job, and rented a shop along the main road of the village. Through his enterprise, Ramkumar Pal could:

- Employ one local resident
- Increase his monthly income from INR 12,000 to INR 23,000

<sup>1</sup>Mordor Intelligence, India Foodservice Market, 2022 (Retrieved on 29-01-2022)

<sup>2</sup>PIB, Ministry of Housing & Urban Affairs, 'Main Bhi Digital 3.0' - A special Campaign for Digital Onboarding and Training for street vendors launched, 2021 (Retrieved on 06-01-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

BUILDINGS, MACHINERY AND EQUIPMENT	AMOUNT (in INR)
Counter	25,000
Gas Stove	2,500
Utensils	15,000
Freezer	20,000
Table, Chair and Other Furniture	7,500
<b>TOTAL</b>	<b>70,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
Vegetables	32,000
Oil and Spices	30,000
Grocery items like Sugar, Flour, Bread, etc.	16,000
Retail items like Cold Drinks, Packaged Snacks, etc.	20,000
Any Other Materials	4,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@INR 10,000 per month)	20,000
Full Time Worker – 1 No. (@INR 5,000 per month)	10,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (225 sq. foot @ INR 5,000 per month)	10,000
Water	2,000
Electricity	2,000
Phone/Internet Bill	1,000
Transportation Cost	8,000
Miscellaneous	1,500
<b>TOTAL</b>	<b>1,56,500</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Capital	70,000
Working Capital (for each cycle of 2 months duration)	1,56,500
Total Enterprise Set Up Cost	2,26,500
***	
Revenue (per annum)	10,50,000
Total Expenditure (annual working capital)	9,39,000
Enterprise Profit (per annum)	1,11,000
Payback Period (in months)	8

## Basis & Assumptions

- Working days: 25 days per month (8 hours shift)
- 100% of the goods produced are sold
- Revenue generated per month is INR 87,500:
  - o Fast Food (INR 2000/day)
  - o Beverages – Tea, Coffee etc. (INR 500/day)
  - o Packaged Food (INR 1000/day)
- Bank loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

# FLAVOURED DRINK MANUFACTURING

## Introduction

Owing to the long summer season in India, cold drinks are an increasingly popular way to cool yourself off after a day in the sweltering heat. Flavoured drinks are one of the most popular forms of beverages sold all over the world. Flavoured cold drinks come in two major varieties: aerated and non-aerated (or carbonated and non-carbonated). The market for non-aerated drinks is still quite nascent but the market has seen a gradual shift towards non-aerated cold drinks for their nutritional benefits over aerated drinks. They offer a range of benefits such as they can be easily fortified with vitamins, minerals and proteins.

## Market Potential

In recent years, the retail industry has grown phenomenally especially in rural and semi-urban areas. This has further led to changing lifestyle habits and increased consumer spending with the foods and beverages sector being the major benefactor of this growth. The market for packaged non-carbonated cold drinks has been growing exponentially for quite some time and shows no signs of slowing down. The industry was valued at INR 700 billion in 2021 and is expected to grow to INR 1000 billion by 2027 at a compound annual growth rate of 8.1%<sup>1</sup>.

## Funding Source

Under the programme supported by development alternatives group, such enterprises have been financed through peer-to-peer lending, and have availed an average loan size of INR 45,000.

<sup>1</sup><https://www.techsciresearch.com/report/india-non-alcoholic-beverages-market/9430.html>

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
RO Water Filtration Unit	2,50,000
Water Tank - 2500 Litre Capacity	12,000
Cold Drink Mixing and Packing Machine	2,50,000
<b>TOTAL</b>	<b>5,12,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Orange Flavour Mix (250 kg @ INR 300/kg)	75,000
Mango Flavour Mix (250 kg @ INR 300/kg)	75,000
Strawberry Flavour Mix (250 kg @ INR 300/kg)	75,000
75000 Pouches (@INR 0.50/pouch)	37,500
75000 Labels (@INR 1/label)	75,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary	30,000
Assistant	15,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent	15,000
Water	300
Electricity	1,200
Transportation cost	1,000
Marketing cost	10,000
Repair and maintenance	5,000
<b>TOTAL</b>	<b>4,15,000</b>



## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	5,12,000
Working Capital (for each cycle of 3 months duration)	4,15,000
Total Enterprise Cost	9,27,000
***	
Annual Revenue	11,25,000
Total Expenditure (annual working capital)	4,15,000
Enterprise Profit	7,10,000
Payback Period (in month)	9

## Basis & Assumptions

- Working days: 25 days per month (8 hours shift)
- 100% of goods produced are sold
- Average daily production: 1,000 pouches of 100 ml each
- 1 cycle in a year consisting of 3 months
- Average monthly revenue: INR 3,75,000 (one 100 ml pouch at INR 15)
- Entrepreneur's salary @INR 10,000/month; Assistant's salary @INR 5000/month
- Loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.







## Introduction

A pharmacy (also known as a chemist) is a retail store that sells medicinal drugs and other items. A pharmacist supervises the filling of medical prescriptions and provides advice to patients on prescription and over-the-counter drugs, as well as healthcare and wellness issues. A typical pharmacy would be located in a community's commercial district.

## Market Potential

The pharmacy retail market was valued at INR 3,130 billion in 2021 and is expected to reach INR 4,844 billion by 2024 and further expand to reach around INR 9,000 billion by 2030<sup>1</sup>. The industry is expected to grow at a CAGR of 15% during the 2021-24 period. The reason behind this growth can be attributed to increased affordability, improved accessibility and epidemiological transition. With the increase in per capita income and public health care expenditure, pharmaceuticals have become more accessible and hence fueling the retail market in rural areas.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by Sahiyogini Mahila Mandal (a Cluster Level Federation), with an average loan size of INR 25,000.



**Balchandra**  
**Age : 36 years**

udyaME

Balchandra rented a shop in Badagaon, Jhansi in 2019 and started a pharmacy unit. Initially, he struggled getting customers and could only make a monthly revenue of INR 8,000. He received the ILO certified training 'Grow Your Business' wherein he learned marketing techniques. He soon worked on enhancing the quality of his enterprise, maintaining accounts, placing banners, etc. His enterprise made him:

- Triple his monthly revenue to INR 25,000
- Hire 2 assistants
- Serve the medical needs of 15 customers daily

<sup>1</sup>IBEF: Indian Pharmaceuticals Industry, 2021 (Retrieved on 04-01-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

EQUIPMENT & OTHER FIXED ASSETS	AMOUNT (in INR)
Counter (@ INR 400)	400
Chair (@ INR 250)	250
Rack (@ INR 1,500)	1,500
Glass Table (2 units @ INR 800)	1,600
Registration and License Fee	3,000
<b>TOTAL</b>	

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
Medicine (300 units @ INR 100)	30,000
Syrup (ml) (50 units @ INR 100)	5,000
Mask (50 units @ INR 5)	250
Band Aid (5 strip) (100 units @ INR 5)	500
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 4,000/month)	8,000
Electricity (50 units @ INR 7)	350
Phone/Internet Bill	200
Stationery	100
Repair and Maintenance	100
<b>TOTAL</b>	<b>64,500</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	6,750
Working Capital (for each cycle of 2 months duration)	64,500
Total Enterprise Set Up Cost	71,250
***	
Revenue (per annum)	4,14,000
Total Expenditure (annual working capital)	3,87,000
Enterprise Profit (per annum)	27,000
Payback Period (in month)	3

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 69,000 /cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Medicine	300	200	60,000
Syrup (ml)	50	150	7,500
Mask	50	10	500
Band Aid (5 strip)	100	10	1,000

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.



## Introduction

With increased consciousness and awareness about appearances and presentations, haircutting, grooming and dressing has become a necessary requirement for most people, especially the younger generation. As a livelihood option, this business requires skills that can be learnt easily for a paltry sum. This provides a good opportunity for the less educated rural person to convert themselves from job seeker to self-employed professional.

## Market Potential

The rise in income across all sections of society has resulted in the escalating demand for hair salon and spa services. In India, people nowadays have become conscious about their appearance and are constantly spending money to enhance the way they look. This has allowed for the significant growth of such enterprises, with consumers paying frequent visits to salons. The hair salon market in India was valued at INR 901 billion in 2018, and is forecast to reach INR 2,465 billion by 2024, expanding at a compound annual growth rate of 18.40% during the 2019-2024 period<sup>1</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by HDFC Bank, with an average loan size of INR 70,000.



**Pramod Kumar**  
Age : 34 years

udyaME

Pramod Kumar resident of Mirzapur started his hair salon enterprise from his home in 2020. Having attended focus group discussion with the DA team, he was assisted in preparing his business plan. The team further helped him provide market linkages. Through his enterprise, he could:

- Rent a shop in the main market
- Witness a 50% increase in his monthly revenue from INR 9,000 to INR 14,000
- Hire 3 assistants in his shop

<sup>1</sup>Business Wire: Indian Beauty and Wellness Market, 2020 (Retrieved on 06-01-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Mirror (Big Size) (2 pieces @ INR 1,500/piece)	3,000
Sitting Chair (2 pieces @ INR 7,000/piece)	14,000
Wash basin with fittings (2 pieces @ INR 1,500/piece)	3,000
Bowls (5 pieces @ INR 400/piece)	2,000
Cotton towels (5 pieces @ INR 240/piece)	1,200
Scissors, hair clippers and trimmers set (3 pieces @ INR 1,900/piece)	5,700
Sitting benches and other fixtures (2 pieces @ INR 5,000/piece)	10,000
Equipment and tools (miscellaneous)	2,000
<b>TOTAL</b>	<b>40,900</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
Shaving Cream (3 pieces @ INR 210/piece)	630
Blades (15 pieces @ INR 120/piece)	1,800
Artificial colour (2 pieces @ INR 300/piece)	600
Hair oil (for head massaging) (4 pieces @ INR 60/piece)	240
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
One Full-time Worker (@ INR 6,000/month)	12,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 5,000/month)	10,000
Electricity	1,750
Water	2,000
<b>TOTAL</b>	<b>49,020</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	40,900
Working Capital (for each cycle of 2 months duration)	49,020
Total Enterprise Cost	89,920
***	
Annual Revenue	3,11,700
Total Expenditure (annual working capital)	2,94,120
Enterprise Profit (per annum)	17,580
Payback Period (in months)	28

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Following services are given in each cycle:

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Haircut (Adult)	80	100	8,000
Haircut (Child)	65	80	5,200
Shaving	70	120	8,400
Hair rounding & moustache trimming	45	80	3,600
Hair colouring	55	200	11,000
Head massage	60	150	9,000
Basic facial (men only)	45	150	6,750

- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Sound system enterprises are multipurpose entertainment or public announcement services. They are an integral part of any social event. Be it birthday parties, weddings, or religious functions, there are events throughout the year in which loudspeakers or music is needed. In rural India, they come in many sizes, some cater to parties and functions, while others ferry their speakers on their vehicles during parades and marches.

## Market Potential

Social functions happen all-round the year and a considerable amount is spent by people on such events. While birthdays and religious functions happen throughout the year, political events and marriages see an uptake in some months and seasons of the year. The sound system services is projected to reach INR 630 billion by 2024, from INR 540 billion in 2019; it is expected to grow at a CAGR of 3.2% from 2019 to 2024<sup>1</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sankalp Swashakti Mahila Mandal (Cluster Level Federation)** and have also availed **government support through National Rural Livelihood Mission (NLRM)**, with an average loan size of INR 40,000\*



**Hari Shankar**  
Age : 33 years

udyaME

Hari Shankar from Aurai, Bhadohi set up a sounds system service enterprise in 2016. He diversified his services by including banner designing, flex printing, etc. Through his enterprise, he has been able to:

- Earn a monthly income of INR 18,000
- Employ 2 people in his village
- Extend his services to 7 villages

<sup>1</sup>Markets and Markets: Sound Reinforcement Market by Product Types, 2020

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Vehicle	4,00,000
Sound System 5.1	32,000
Trolley Lights (4 @ INR 10,000/unit)	40,000
Mobile (media device)	11,000
Generator (2 @ INR 15,000/unit)	30,000
<b>TOTAL</b>	<b>5,13,000</b>

### Working Capital (for a 2-month cycle)

STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	30,000
1 Driver (@ INR 6,000/month)	18,000
4 Part-time workers (@ INR 1,000/month).	12,000
UTILITIES	AMOUNT (in INR)
Rent (@ INR 5,000/month)	15,000
Electricity (@ INR 500/month)	1,500
Phone/Internet Bill (@ INR 1,500/month)	4,500
Transportation cost (54 litre diesel @ INR 90/L)	4,860
<b>TOTAL</b>	<b>85,860</b>



## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	5,13,000
Working Capital (for each cycle of 2 months duration)	85,860
Total Enterprise Set Up Cost	5,98,860
***	
Annual Revenue	13,68,000
Total Expenditure (annual working capital)	3,43,440
Enterprise Profit (per annum)	10,24,560
Payback Period (in months)	6

## Basis & Assumptions

- There are two types of functions that the enterprise caters
  - o Stationary functions such as marriage, birthdays, pandals, etc. which have a specified venue
  - o Mobile processions where speakers are mounted on a vehicle and go about a specified path such as political campaigns, religious processions, etc.
- Business loan not taken into account
- Average revenue per cycle is as follows

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Outdoor Stationary Events (like marriages, birthdays, etc)	12	15,000	1,80,000
Outdoor Processions (like campaigns, religious yatra, etc)	9	18,000	1,62,000

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Panipuri consists of a round or ball-shaped, hollow puri (a deep-fried crisp flatbread), filled with a mixture of flavoured water (known as imli pani), tamarind chutney, chilli powder, chaat masala, potato mash, onion or chickpeas. It is one of the country's most well-known snacks. In different geographies across India, it is known by different names such as Golgappa, Phuchka, Phulki, etc. It's particularly popular among people in north India as well as East India.

## Market Potential

Panipuri fulki trading can be started with small investments and profit can be made quickly. If an entrepreneur doesn't want to put up a stall and just wants to work as a whole-seller, they can easily exchange it in this type of market. To maximise revenues, one can set up a stall near bus stops, outside railway stations, outside schools or universities, movie theatres, temples, and so on. In addition, weddings and other events provide the opportunity to earn additional money. During the last 5 years, the fast-food manufacturing industry increased by 17.27% and is expected to reach INR 827.63 billion by FY 2025, registering a CAGR of 10.3%<sup>1</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by National Rural Livelihoods Mission (NRLM) with an average loan size of INR 30,000.



**Santoshi Devi**  
Age : 27 years

udyaME

Supported by her family, Santoshi Devi restarted her enterprise that she had to previously close due to insufficient funds. Now she too provides for the family income. Since then:

- Availed a loan of INR 20,000 from the local SHG
- Engaged 3 more women in the enterprise
- Monthly revenue of INR 10,000

<sup>1</sup>Business Wire: QSR Market Report 2021 <https://www.businesswire.com/news/home/20210907005564/en/India-Quick-Service-Restaurant-QSR-Market-Report-2021---ResearchAndMarkets.com> (Retrieved on 03-01-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Gas Stove Burner	2,500
Fulki Container Plates (2 packets @ INR 150 per packet)	300
Airtight Container (2 units @ INR 500 per unit)	1,000
Rolling Board and Pin (2 units @ INR 250 per unit)	500
Frying Pan (4 units @ INR 400 per unit)	1,600
Spatula (5 units @ INR 50 per unit)	250
<b>TOTAL</b>	<b>6,150</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Rawa (20kg @ INR 20 per kg)	400
Wheat Flour (20kg @ INR 20 per kg)	400
Salt (3kg @ INR 15 per kg)	45
Oil (7kg @ INR 100 per kg)	700
Gas Cylinder (2 units of 14kg @ INR 1000 per unit)	2,000
Plastic Bag (750 @ INR 12)	9,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent	8000
Electricity (50 units @ INR 7 per unit)	350
Phone/Internet Bill	200
Transportation Cost	500
Marketing Cost	500
Miscellaneous	200
<b>TOTAL</b>	<b>42,295</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	6,150
Working Capital (for each cycle of 2 months duration)	42,295
Total Enterprise Cost	48,445
***	
Annual Revenue	2,70,000
Total Expenditure (annual working capital)	2,53,770
Enterprise Profit	16,230
Payback Period (in months)	5

## Basis & Assumptions

- Working days: 25 days per month
- Average number of fulkis made in a day are 3000
- 1 fulki is sold for INR 0.50 each

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

The extraction of vegetable oil is a profitable venture that in most cases rewards manufacturers with profitable returns. Vegetable oil is extracted from various oil seeds such as mustard, coconut, soybean, peanut, rapeseed, cottonseed, sesame, etc through a pressing process. People use cooking oils for various purposes, including cooking, and the production of plastic and soap. In fact, the waste products of cooking oil production are now used to fuel the diesel engine.

## Market Potential

The India edible oil market was valued at US\$ 30.2 Billion in 2020 and is expected to exhibit a CAGR of 4.10% during 2021-2026. Based on the product type, the India edible oil market can be divided into palm oil, soybean oil, mustard oil, sunflower oil, and others. Currently, soybean oil holds the majority of the total market share. Based on the application, the India edible oil market can be segmented into HoReCa (Hotel, Retail, and Catering), home users, and food processing industry. Among these, home users currently account for the largest market share.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **HDFC Bank and HDB Bank**, with an average loan size of INR 2,00,000.



**Pushpendra Sahu**  
Age : 32 years

udyaME

A resident of Orchha, Pushpendra Sahu set up his enterprise in 2017. Prior to which he was working part time as a handyman and earning INR 3,000 monthly:

- Current monthly income at INR 10,000



## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Oil expeller machine	1,31,250
Liquid Pouch Packing Machine	1,50,000
Preoperative expenses	20,000
<b>TOTAL</b>	<b>3,01,250</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Oil seeds (3,750 kg @ INR 130/kg)	4,87,500
Packaging material pouches (1,875 500 ml pouches @ INR 5/pouch)	9,375
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent	8,000
Repair and Maintenance	2,000
Electricity	4,000
<b>TOTAL</b>	<b>5,30,875</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	3,01,250
Working Capital (for each cycle of 2 months duration)	5,30,875
Total Enterprise Cost	8,32,125
***	
Annual Revenue	33,60,750
Total Expenditure (annual working capital)	31,85,250
Enterprise Profit (per annum)	1,75,500
Payback Period (in months)	21

## Basis & Assumptions

- The machinery would process 25 kg of oilseed per hour and operates for 3 hours a day for 25 days a month
- For each one kilogram of oil seeds processed, only 0.5 kg of oil is extracted
- The waste from the extraction process is sold as cattle feed for INR 15/kg
- One 500ml pouch of oil retails for INR 280
- The enterprise also provides the services of using the oil extractor as a service for INR 100/kg.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.







## Introduction

The beauty and wellness industry is growing at a rapid pace in India. At present, around 3.4 million people work in this sector. The demand for beauty services is high especially during festive and wedding seasons. While the metros and cities are dominated by high investment high turnover beauty salons, the ones in small towns and villages need much less investment and mostly cater to the women from the local community.

Primary services provided by these parlours are eyebrow shaping, hair styling and colouring, manicure and pedicure, waxing, head massage, bridal makeup, facial, make-up, etc.

## Market Potential

The beauty and wellness market in India was valued at INR 901.07 billion in 2018 and is forecast to reach INR 2,463.49 billion by 2024, expanding at a compound annual growth rate (CAGR) of ~18.40% during the 2019-2024 period<sup>1</sup>. With growing economic conditions and aspirations, a basic beauty parlour in a rural area can earn average monthly revenue of INR 25,000 with a 45% profit margin.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **HDFC Bank**, **Sankalp Swashakti Mahila Mandal** (a Cluster Level Federation), **SKS Micro Finance Institution** and have also availed government support through **National Rural Livelihood Mission**, with an average loan size of INR 30,000.



**Kranti Bharti**  
Age : 41 years

udyaME

In September of 2018, Kranti Bharti started her beauty parlor in Bhojla in Jhansi. She took a loan from Sankalp Swashakti Mahila Mandal and pooled in her resources to invest INR 1,50,000 in her enterprise. She has since:

- Increased her monthly income to INR 15,000
- She has inspired many women in her locality to start their own enterprises

<sup>1</sup>Business Wire: India Beauty & Wellness Market, 2020 (Retrieved on 06-01-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Hair dryer, straightener, and curler set	4,500
Professional Comb Set (with Scissors)	2,500
Hair clippers	1,700
Manicure and pedicure set	6,245
2 Salon chairs (@ INR 750 each)	20,000
2 Mirrors (@ INR 10,000 each)	1,500
Salon counter with drawer	10,000
Massage bed	15,000
PRE-OPERATIVE COSTS	AMOUNT (in INR)
Transportation of machinery	2,000
Installation and training charges	3,000
<b>TOTAL</b>	<b>66,445</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
5 Shampoo (@ INR 180 each)	900
5 Conditioner (@ INR 300 each)	1,500
2 Nail paint set of 4 colours (@ INR 350 each)	700
10 Mehendi (@ INR 65 each)	650
10 Hair colour (@ INR 500 each)	5,000
2 Talcum powder (@ INR 60 each)	120
2 Oil (@ INR 300 each)	600
5 Thread (@ INR 450 each)	2,250
10 Facial kit (@ INR 1,200 each)	12,000
7 Cotton (@ INR 180 each)	910
7 Gauge (@ INR 40 each)	280
7 Paper napkins (@ INR 50 each)	350
7 Gloves (@ INR 750 each)	5,250



STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@INR 10,000/month)	30,000
1 Full-time worker (@INR 5,000/month)	15,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	6,000
Rent	18,000
Water	1,500
Telephone	1,500
OTHER EXPENSES	AMOUNT (in INR)
Travel	1,500
<b>TOTAL</b>	<b>1,04,010</b>

### Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	66,445
Working Capital (for each cycle of 3 months duration)	1,04,010
Total Enterprise Cost	1,70,455
***	
Annual Revenue	6,38,000
Total Expenditure (annual working capital)	4,16,040
Enterprise Profit (per annum)	2,21,960
Payback Period (in months)	4

## Basis & Assumptions

- The parlour operates 26 days a month
- The space for the parlour (250 sq. ft.) is taken on rent
- Average revenue: INR 1,59,500/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Manicure and Pedicure	100	50	5,000
Mehendi	100	50	5,000
Hair colour	100	120	12,000
Body Massage	50	250	12,500
Threading	200	100	20,000
Facial	500	150	75,000
Hair wash	200	150	30,000

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

E-rickshaws are becoming ubiquitous. In villages and smaller cities, they mainly provide feeder services to nearby bus stands, markets or railway stations. On average, E-rickshaw operators charge around Rs.5/- per kilometre. The current average mileage of e- rickshaw is around 60km (after 6-8 hours of charging). With electricity supply becoming more stable and regular across the country, the scope of E-rickshaw increases as its per kilometre profit is comparatively higher than general auto-rickshaw.

## Market Potential

E-rickshaws are commonly favoured for public transport because of the low cost as well as ease of mobility. It currently comprises 83 per cent of the Indian electric vehicle market. India currently has around 15 lakh e-rickshaws that increase with additional sales of around 11,000 new ones every month. The market is expected to witness a sale of 9.25 lakh e-rickshaw by 2024<sup>1</sup>. The Indian electric rickshaw market will grow at a 33.3% CAGR between 2020 and 2025. At this rate, the market size will likely rise to USD 1,394.2 million by 2025 from USD 786.2 million in 2019. Delhi was the largest state in the Indian electric rickshaw market historically, on account of the alarming air pollution levels and air quality index (AQI) in the city. In the years to come, the increasing demand for these eco-friendly automobiles in Varanasi, Lucknow, Noida, and Kanpur will likely make Uttar Pradesh the state making the largest revenue contributor to the industry<sup>2</sup>. With an investment of INR 1.5 Lakh, an entrepreneur can earn a monthly revenue of INR 25,000 with 50%- 55% profit margins.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **HDFC Bank, Bank of Baroda, Sakhi Saheli Tejaswini Mahasang** (a Cluster Level Federation), and have also availed government support through **NLRM**, with an average loan size of INR 45,000.



**Pragya Devi**  
**Age : 34 years**

udyaME

Since 2018, Pragya Devi from Mirzapur has an e-rickshaw services providing safe transport services to young girls.

- Annual profits have multiplied 10x times in the last two years to INR 83,000.
- In the Covid- 19 imposed lockdown, she has been serving the community by transporting essential items and groceries to people in need.

<sup>1</sup>Down To Earth: Why e-rickshaws have emerged a winner in transition to electric mobility race, (Retrieved on 06-01-2022)

<sup>2</sup>PR News Wire: India Electric Rickshaw Market, 2021-2025 (Retrieved on 06-01-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
E-rickshaw	1,30,000
Spare batteries (set of four)	22,000
Installation & training charges	2,000
Pre-operative expenses	5,000
License and permissions	20,000
<b>TOTAL</b>	<b>1,79,000</b>

### Working Capital (for a 2-month cycle)

UTILITIES REQUIRED	AMOUNT (in INR)
Electric bill	3,000
Maintenance	4,500
STAFF AND LABOUR	AMOUNT (in INR)
1 Entrepreneur (Salary- INR 4,500/ month)	30,000
<b>TOTAL</b>	<b>37,500</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,79,000
Working Capital (for each cycle of 3 months duration)	37,500
Total Enterprise Cost	2,16,500
***	
Annual Revenue	2,49,600
Total Expenditure (annual working capital)	1,50,000
Enterprise Profit (per annum)	99,600
Payback Period (in months)	22

## Basis & Assumptions

- The e-rickshaw is operational average of 26 days a month
- 16 trips are completed each day, carrying 5 people in each trip
- Customers are charged INR.10 per trip

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.





## 31 GARMENTS RETAIL

### Introduction

Readymade garments retail is a traditional enterprise that is found across India. India has a rich history and extensive industries of making textiles and cloth which over the years has specialized in finished products or raw cloth. Such enterprises often rely on local or regional wholesale suppliers of readymade clothes and retail them from their enterprises. They see seasonal bouts with religious festivals and marriages increasing the demand.

### Market Potential

The Indian apparel market reached a value of INR 10 trillion in 2020. Looking forward, the market is expected to grow at a CAGR of 13.80% during 2021-2026, reaching a value of INR 20.8 trillion in 2026<sup>1</sup>. The per capita expenditure on garments is also expected to reach INR 6,400 by 2023, rising from INR 3,900 in 2018<sup>2</sup>, pointing towards high market potential for garment retail business in coming years. With a minimum investment of INR 50,000, any entrepreneur with basic marketing skills can start a garment retail store, earning average monthly revenue of INR 24,000 with 35%- 40% profit margin.

### Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **HDB Bank**, **Sahiyogini Mahila Mandal** (a Cluster Level Federation) and **SKS Micro Finance Institution**, with an average loan size of INR 35,000.



**Narendra Kushwaha**  
**Age : 28 years**

udyaME

Narendra Kushwaha in Orchha Niwari set up his shop in the heart of the town in 2018

- Has influenced others to realize their entrepreneurial journeys
- He reaches to more than 5 villages and has been able to create 5 additional jobs
- Monthly income has risen to INR 15,000

<sup>1</sup>IMARC: Indian Textiles Market, 2021 (Retrieved on 05-01-22) <https://www.imarcgroup.com/indian-textiles-apparel-market>

<sup>2</sup>Wazir: Apparel consumption trends in India, 2020 (Retrieved on 05-01-22) <https://wazir.in/pdf/Apparel%20Consumption%20Trends%20In%20India.pdf>

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Rack	20,000
Chair	800
Scissors	200
Misc.	400
Bench	600
Pre-operative expenses (designing the shop, furniture, wirings etc.)	35,000
<b>TOTAL</b>	<b>57,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Sari (60 units @ INR 500)	30,000
Children's clothes (120 units @ INR 250)	30,000
Others	6,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	30,000
UTILITIES	AMOUNT (in INR)
Electricity	3,000
Rent	15,000
Telephone and internet	3,000
OTHER EXPENSES	AMOUNT (in INR)
Stationary	1,500
Transport	1,500
<b>TOTAL</b>	<b>1,20,000</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	57,000
Working Capital (for each cycle of 3 months duration)	1,20,000
Total Enterprise Set Up Cost	1,77,000
***	
Annual Revenue	5,28,000
Total Expenditure (annual working capital)	4,80,000
Enterprise Profit (per annum)	48,000
Payback Period (in months)	15

## Basis & Assumptions

- Number of days operational is 26 days per month
- Number of working hours per day is 8 hours

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## 32 GROCERY STORE

### Introduction

Grocery Stores cater to a wide variety of needs ranging from pulses, butter, candies, soap, and other household items. They are known for their convenience in providing a wide variety of essential products. This form of the shop has a wide and an established customer base as all households avail of their services. The growing appetite of India's rising middle class and their buying power has also resulted in an explosion in the FMCG sector. A typical grocery store offers food products like fresh vegetables and fruits, pulses, cooking oils, biscuits, chips, soft drinks, soaps, detergents, brooms, pens and pencils, etc. and much more. The enterprise can be started with an investment of about INR 150,000 and can create 2-3 jobs. This enterprise requires basic marketing skills and can be started by anyone, and can generate monthly revenue of INR 15,000 with 20% - 25% profit margins.

### Market Potential

With India's population growth, the overall market size of the Indian grocery market was INR 20 trillion in 2008-09 and has grown to INR 52 trillion as of 2019. India is currently the 4th largest retail market in the world and is further expected to grow to INR 82 trillion by 2025<sup>1</sup>, growing at a CAGR of ~ 5.5% from 2019 to 2025. driven by socio-demographic and economic factors such as urbanisation, income growth and the rise in nuclear families. India's total grocery market size is at INR 199 million, holding around 13 million kirana stores (grocery stores) which form nearly 98 per cent of the country's total retail market. The growth potential of these stores is high, as they have always been an important part of the retail ecosystem and the majority of day to day purchases, both in rural and urban areas, happen through these kirana stores, indicating a high growth potential.

### Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by HDFC Bank, Sankalp Swashakti Mahila Mandal and Sakhi Saheli Tejaswini Mahasangh (a Cluster Level Federation), SKS Micro Finance Institutions and have also availed government support through NLRM, with an average loan size of INR 55,000.



**Ganga Devi**  
**Age : 41 years**

udyaME

Ganga Devi after marriage moved to Lalanagar in Mirzapur. Having never worked at a shop, she still chose to set up a grocery shop to supplement the family income and get to know her new community better. She has successfully operated her shop for the past 25 years now. Her monthly income from her shop is INR 15,000.

<sup>1</sup>Invest India: Modernization in Indian Kirana store, 2021 (Retrieved on 05-01-22) <https://www.investindia.gov.in/team-india-blogs/modernization-kirana-stores-india>



## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Shelves and Room up-gradation (chairs, showcase, table etc.)	50,000
Pre-operative expenses	10,000
<b>TOTAL</b>	<b>60,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Bread (30 units @ INR 25)	750
Fruits (10 units @ INR 150)	1,500
Vegetables (10 units @ INR 100)	1,000
Namkeen and Chips (160 units @ INR 10)	1,600
Biscuits (80 units @ INR 5)	400
Soaps and detergents (40 units @ INR 15)	600
Stationery (200 units @ INR 5)	1,000
Cold drinks and juices (100 units @ INR 15)	1,500
Butter (100 units @ INR 25)	2,500
Cooking Oil (30 units @ INR 85)	2,400
Tea (20 units @ INR 70)	1,400
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	5,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	250
Phone/Internet Bill	250
Rent	2,500
Maintenance (travel for purchasing inventory)	2,000
<b>TOTAL</b>	<b>24,650</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	60,000
Working Capital (for each cycle of 2 weeks)	24,650
Total Enterprise Cost	84,650
***	
Annual Revenue	6,78,000
Total Expenditure (annual working capital)	5,91,600
Enterprise Profit (per annum)	86,400
Payback Period (in months)	9

## Basis & Assumptions

- The unit operates 28 days a month
- Sales efficiency is assumed to be 100%, i.e. all stock purchased is sold
- Average sales in two weeks

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Bread	30	45	1,350
Fruits	10	300	3,000
Vegetables	10	300	3,000
Namkeen and Chips	160	15	2,400
Biscuits	80	10	800
Soaps and detergents	40	30	1,200
Stationery	200	10	2,000
Cold drinks and juices	100	25	2,500
Butter	100	45	4,500
Cooking Oil 1Kg	30	150	4,500
Tea	20	150	3,000

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Information kiosks are local platforms such as Common Services Centre (CSC) to enable access to enterprise development solutions and other digital services for improved access to lifestyle and livelihood development solutions. Information kiosks cater to challenges like:

- Lack of relevant and updated knowledge
- High costs and time of acquiring information
- Information asymmetries owing to trust

These kiosks deliver a wide variety of online services including telemedicine services, digital payment services as well logistic delivery services as per the demand of the locality and help in the penetration of digital services in the rural areas.

## Market Potential

Common Services Centre (CSC) programme is an initiative of the Ministry of Electronics & IT (MeitY), Government of India. CSCs are the access points for the delivery of various electronic services to villages in India, thereby contributing to a digitally and financially inclusive society. Under the Digital India programme, at least one CSC (preferably more than one) is envisaged in 2.5 lakh Gram Panchayats for the delivery of various electronic services to citizens across rural India. This would include strengthening and integrating the existing 100,000 CSCs under the CSC scheme and making operational an additional 1.5 lakh CSCs in Gram Panchayats. This enterprise requires the skill of computer basics as well as entrepreneurship specific skills. The enterprise can be started with a capital of approximately INR 120,000 and can generate average monthly revenue of INR 43,000 with 35 - 40% profit margin.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by financial institutions such as **HDFC Bank, Sankalp Swashakti Mahila Mandal, Sakhi Saheli Tejaswini Mahasang and Sahiyogini Mahila Mandal** (Cluster Level Federations), with an average loan size of INR 25,000.



**Kajal Parihar**  
Age : 25 years

udyaME

Kajal Parihar from Niwari, setup her kiosk in late 2020 as she saw an unfulfilled demand in her village in accessing key government services. She got a loan from the MCF for INR 30,000 as well as put in her own savings amounting to a total of INR 90,000. Since then,

- Her monthly profit stands at INR 12,000
- Has been able to influence two other women to start their enterprises

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Computer PC (2 units @ INR 25,000 /unit)	50,000
Printer colour	12,000
Printer (b/w)	10,000
Scanner	7,000
Laminator	3,000
Power Uninterrupted Power Supply	8,000
Preoperative expenses (furniture, wiring and hardware)	30,000
<b>TOTAL</b>	<b>1,20,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Printing paper (3 units @540 /unit)	1,620
Printing cartridges (b/w) (6 units @ 250/ unit)	1,500
Printing cartridges (color) (3 units @ 500/ unit)	1,500
Miscellaneous (lamination sheet) (lump sum)	1,500
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	30,000
One Full-time Worker (@ INR 9,000/month)	18,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Internet Connection charges	4,500
Electric Bill	3,000
Stationary	1,500
Repair and Maintenance	900
Rent for 200 sq. ft.	18,000
<b>TOTAL</b>	<b>82,020</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,20,000
Working Capital (for each cycle of 3 months duration)	82,020
Total Enterprise Cost	2,02,020
***	
Annual Revenue	7,72,200
Total Expenditure (annual working capital)	3,28,080
Enterprise Profit	4,44,120
Payback Period (in months)	4

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- The business operates throughout the year
- Loan not taken into account
- Revenue per cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Printing (colour)	1,950	10	19,500
Internet browsing	390	20	7,800
Photocopying	7,800	10	78,000
Scanning	1,950	5	9,750
Printing (B/W)	7,800	10	78,000

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.



## Introduction

Rising awareness about clean drinking water and growth in disposable income of the middle class has increased the demand for the water purifier market. Purified water filtration units and related ancillary enterprises such as water delivery have also gained popularity in rural areas.

## Market Potential

Growing demand makes the mineral water industry one of the fastest-growing sectors, which reached USD 887.4 Million in 2020. The increasing consumption and demand for mineral water call for more and more water plants in the industry. Many entrepreneurs are investing in the business, referring to the never-ending demand for mineral water. Looking forward, the market is expected to grow at a CAGR of 10.6% during 2021-2026<sup>1</sup>. In rural areas as well, water filtration units are fast gaining popularity as they can be started with an investment of INR 2 Lakhs and can generate an average monthly revenue up to INR 90,000 with profits margins between 45% - 50%.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by many institutions such as **Sakshi Saheli Tejaswini Mahasangh** ( a Cluster Level Federation ) and Utkarsh Microfinance, with an average loan size of INR 60,000. However, financing through loans has not been taken into consideration for the purpose of calculation.



**Ashutosh Dubey**  
Age : 32 years

udyaME

Ashutosh from Bhadohi started his water filtration and delivery services in 2018. Through his enterprise, in 2021, he earned an annual revenue of INR 84,500 and also provided employment to one person under his service.

<sup>1</sup>IMARC: India Water Purifier Market: Industry Trends, Share, Size, Growth, Opportunity and Forecast 2021-2026, 2020 (Retrieved on 27-12-21)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Water filtration unit (3 Phase 2KVA, Water Filtration 1000 LPH capacity) (@ INR 1,80,000/unit)	1,80,000
2 Chiller units (@ INR 45,000 each)	90,000
Storage Tank (1000 Liters) (@ INR 12,000/unit)	12,000
Pipe fitting	6,000
Generator (1 unit - 2KVA) (@ INR 60,000/unit)	60,000
400 Bottle Jar (20 liters) (@ INR 200 each)	80,000
200 Cool Jar (20 liters) (@ INR 350)	70,000
Miscellaneous (Hardware, Lighting, Fans, and fittings)	10,000
Freight vehicle for delivery of water bottles	3,00,000
Pre-operative Expenses (FSSAI Water Testing)	20,000
<b>TOTAL</b>	<b>8,28,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
6,000 Bottle Cap (@ INR 2 each)	12,000
Filtration chemicals (8kg@ INR 250/kg)	2,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 15,000/month)	30,000
Two Full-time Workers (@ INR 9,000/month)	36,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	20,000
Stationery	1,000
Transportation	10,000
Repair and Maintenance	6,000
<b>TOTAL</b>	<b>1,17,000</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	8,28,000
Working Capital (for each cycle of 3 months duration)	1,17,000
Total Enterprise Cost	9,45,000
***	
Annual Revenue	21,60,000
Total Expenditure (annual working capital)	7,02,000
Enterprise Profit	14,58,000
Payback Period (in months)	7

## Basis & Assumptions

- It is assumed that the entrepreneur owns the land with infrastructure already in place
- The enterprise will be functional for 26 days per month and 8 hours per day
- Revenue per cycle

Products	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Filtered Water 20L Jugs	6,000	50	3,00,000
Delivery Charge	2,000	30	60,000

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

The Indian school system is one of the largest in the world, with the number of enrolled students being over 250 million as of 2018. Government initiatives focusing on increased enrollment and reduced dropout rate has made stationery shops a lucrative enterprise in India, with students as the primary customers. While e-commerce platforms are disrupting this market, stationery shops in rural areas are still the final step in the distribution and first point of purchase of stationery items and books. Setting up a stationery shop does not require specialised knowledge, skills or expertise. The owner of the shop runs the point of sale.

## Market Potential

Close proximity to schools or tuition centres increases the footfall and sales potential of such enterprises. An increasing number of schools and offices, growing youth population and literacy rate across the country, improved standard of living as well as a shift in focus from inexpensive to premium quality products on account of the rapidly burgeoning economy are some of the crucial factors which would drive the demand for gift items and stationery products in India. In addition, small gift items such as play dough clay, footballs, board games and toys can be kept for the students. Furthermore, contracts with local schools that use branded stationery can help maintain consistent sales. The Indian school market and the associated stationery market is expected to grow annually at a rate of 13% in the next 5 years (2021-2016)<sup>1</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sankalp Swashakti Mahila Mandal** (a Cluster Level Federation), with an average loan size of INR 25,000.



**Ramkali**  
Age : 29 years

udyaME

Ramkali from Chhanvey, Mirzapur wanted to supplement her family income. Being educated and well read, she saw that students in her village didn't have easy access to the most basic stationery materials and decided to fill this gap by opening her enterprise in 2020.

- She has added an additional INR 10,000 to her family's monthly income
- Caters to 3 nearby villages
- Invested INR 55,000 of her own savings to start the enterprise

<sup>1</sup>LinkedIn: An insight into Indian Stationery Market & its Potential [https://www.linkedin.com/pulse/insight-indian-stationery-market-its-potential-manoj-bansal?trk=read\\_related\\_article-card\\_title](https://www.linkedin.com/pulse/insight-indian-stationery-market-its-potential-manoj-bansal?trk=read_related_article-card_title) (Retrieved on 03-01-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Shelves (5 @ INR 5,000/piece)	25,000
Chairs (2 @ INR 800/piece)	1,600
Counters (3 @ INR 8,000/piece)	24,000
<b>TOTAL</b>	<b>50,600</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Notebooks (90 @ INR 30/piece)	2,700
Pens (5 in 1 pack) (120 packs @ INR 15/pack)	1,800
A3 Chart Paper (12 chart papers in 1 roll) (15 rolls @ INR 60/roll)	900
Calculator (10 @ INR 80/piece)	800
Geometry Boxes (40 @ INR 42/piece)	1,680
Colour Paints (pack of 4) (30 packs @ INR 100/packs)	3,000
Chalk (12 @ INR 30/piece)	360
Tape (15 @ INR 120/piece)	1,800
Scissors (15 @ INR 20/piece)	300
Study Books (70 @ INR 150/piece)	10,500
Glue (200gm) (30 @ INR 80/piece)	2,400
Marker (30 @ INR 14/piece)	420
Duster (12 @ INR 30/piece)	360
Staple Pins (40 @ INR 6/piece)	240
Pencils (per piece) (80 @ INR 3/piece)	240
Eraser (30 @ INR 1/piece)	30
Sharpener (30 @ INR 1/piece)	30
Stapler (15 @ INR 45/piece)	675



STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	660
Rent (@ INR 4,000/month)	8,000
Phone/Internet Bill	900
<b>TOTAL</b>	<b>57,795</b>

### Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	50,600
Working Capital (for each cycle of 3 months duration)	57,795
Total Enterprise Cost	1,08,395
***	
Annual Revenue	3,74,700
Total Expenditure (annual working capital)	3,46,770
Enterprise Profit	27,930
Payback Period (in months)	22

## Basis & Assumptions

- Number of days operational is 26 days
- The shop will provide all basic stationery items, course books and gifts.
- The shop will remain operational throughout the year, except school holidays.
- Revenue per cycle is as follows

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Notebooks	90	60	5,400
Pens (5 in 1 pack)	120	50	6,000
A3 Chart Paper (12 chart papers in 1 roll)	15	180	2,700
Calculator	10	200	2,000
Geometry Boxes	40	120	4,800
Colours Paint (pack of 4)	30	200	6,000
Chalk	12	50	600
Tape	15	220	3,300
Scissors	15	50	750
Study Books	70	300	21,000
Glue (200gm)	30	170	5,100
Marker	30	30	900
Duster	12	50	600
Staple Pins	40	25	1,000
Pencils (per piece)	80	10	800
Eraser	30	5	150
Sharpener	30	5	150
Stapler	15	80	1,200

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Sweetbox making is the business in which boxes are made to contain sweets mainly for the festivals and occasions like weddings and anniversaries. The demand for sweets remains fairly stable, but it increases exponentially during festive weeks. In this business model, we will discuss a rural enterprise on sweet box manufacturing which runs from a small house. There is no machinery involved in it and sweet boxes are handmade with organic substances like flour glue. Sweet box business has a huge potential because the consumption of sweets is increasing day by day. People get attracted by the packaging of the sweets and hence the presentation of the box has equal importance as sweets.

## Market Potential

With increasing disposable income of households, the demand for sweets is growing rapidly. This has also led to an increase in the demand for sweet boxes, accelerated further by improving shelf life of sweets. The market for Indian sweets is estimated to be around INR 45,000 crores in 2020, in which the packaged sweets market is about INR 3500 crores, and it has been growing at a CAGR of 12% per annum<sup>1</sup>. Therefore, the market for sweets and therefore sweet boxes is expected to grow at a similar rate, with an exponential sales during festive seasons.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by Unibase (Micro Finance Institution), with an average loan size of INR 25,000.



**Saroj Devi**  
Age : 28 years

udyaME

After the birth of her first child, Saroj Devi and her husband realized that they needed to explore additional sources of income to provide for their growing family. In early 2018, Saroj set up her enterprise manufacturing paper boxes. At present her monthly income is INR 6,700

<sup>1</sup>SME Futures: Packaged sweets is revolutionising packaged food industry, 2021 (Retrieved on 27-12-21)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
12 Inch Cutter Machine	1,500
Scissors (4 @ INR 150/piece)	600
Chairs (2 @ INR 500/piece)	1,000
Tables (2 @ INR 4,000/piece)	8,000
Stapler (2 @ INR 70/piece)	140
<b>TOTAL</b>	<b>11,240</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Staple Pins (1 box has 500 pins) (4 boxes @ INR 80/box)	320
140 GSM A4 Paper Sheets (1 set contains 12 sheets) (2000 sets @ INR 60/set)	1,20,000
Flour Glue (5 @ INR 50/piece)	250
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
Two Full-time Workers (@ INR 7,000/month)	28,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity Bill	1,000
Water	1,000
Rent (@ INR 5,000/month)	10,000
<b>TOTAL</b>	<b>1,80,570</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	11,240
Working Capital (for each cycle of 3 months duration)	1,80,570
Total Enterprise Cost	1,91,810
***	
Annual Revenue	11,52,000
Total Expenditure (annual working capital)	10,83,420
Enterprise Profit	68,580
Payback Period (in months)	2

## Basis & Assumptions

- The number of operational days in a month is 26.
- Entrepreneurs have the necessary skills to make boxes.
- Land is owned by the entrepreneur
- No print and labels are applied on the boxes
- In each cycle, the enterprise sells 24,000 boxes priced at INR 8 per box for a total revenue per cycle of INR 1,92,000.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.







## 37 TAILORING UNIT

### Introduction

There are many types of tailoring units, but the one discussed here is a village level unit catering to 10-15 villages, situated in the main market in the area. On average, a tailor with basic equipment i.e. one motored tailoring machine, usually earns INR 6,000 per month, by stitching garments like shirt-pants, kurtis, salwar-kameez, school uniforms etc. for men, women and kids. Tailoring business requires a lot of research of the trends and fashion which are in the market to remain profitable. The entrepreneur also has to keep a check on the retail and wholesale prices of the raw materials and finished products so that she/he has the competitive advantage.

### Market Potential

Factors leading to the growth of the sewing market are high demand by end-use industries such as apparel and garments. The rising population is also driving the demand for sewing machines and the market is expected to grow significantly. Establishing tailoring units will help the local people to meet their demands. The Sewing Machines Market is growing at a CAGR of >3% over the next 5 years. The Asia-Pacific region is growing at the highest CAGR over 2021-2026<sup>1</sup>. The domestic apparel and textile industry in India contributes 5% to the country's GDP, 7% of industry output in value terms, and 12% of the country's export earnings. India is the 6th largest exporter of textiles and apparel in the world<sup>2</sup>. It is the 2nd largest employer in the country providing direct employment to 45 million people and 100 million people in allied industries.

### Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sankalp Swashakti Mahila Mandal** (a Cluster Level Federation), **SKS** and **Sanghamithra Rural Financial Services** (Micro Finance Institutions) and have also availed government support through **NLRM**, with an average loan size of INR 45,000.



**Prabha Pratap**  
**Age : 27 years**

udyaME

Against familial pressure Prabha set up her tailoring unit in Bhojla, Jhansi to supplement her husband's income.

Having invested INR 50,000, her monthly income at present is INR 15,000 and her trendy new designs have captured the market of not only her village but nearby villages as well.

<sup>1</sup>Mordor Intelligence: Sewing Machines Market - Growth, trends, and COVID-19 Impact (Retrieved on 06-01-2022)

<sup>2</sup>Invest India: India - Knitting the future (Retrieved on 06-01-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Tailoring Machine (2 @ INR 3,500/unit)	7,000
Overlock Machine	4,500
Sewing Tool Kit	1,000
Iron	2,000
Chairs (3 @ INR 500/unit)	1,500
Thread Box	500
Table (4 @ INR 4,000/unit)	16,000
Scissors (3 @ INR 300/unit)	900
Measuring Scale	250
Transportation	5,000
Installation and Training Charges	10,000
<b>TOTAL</b>	<b>48,650</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Thread (150 units @ INR 7/unit)	1,050
Buttons (one pack contains 200) (2 packs @ INR 500/unit)	1,000
Needles (one pack includes 25 needles) (4 packs @ INR 180/unit)	720
Zipper Chains with Hooks (100 units @ INR 5/unit)	500
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
2 Full-time Workers (@ INR 6,000/month)	24,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	1,000
Telephone/mobile	1,600
Rent @ 300 sq.ft (@ INR 5,000/month)	10,000
Transportation	3,000
Packaging	2,000
Stationeries	1,000
<b>TOTAL</b>	<b>65,870</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	48,650
Working Capital (for each cycle of 2 months duration)	65,870
Total Enterprise Set Up Cost	1,14,520
***	
Revenue (per annum)	4,23,000
Total Expenditure (annual working capital)	3,95,220
Enterprise Profit (per annum)	27,780
Payback Period (in months)	22

## Basis & Assumptions

- The number of operational days in a month is 26.
- A 300 sq. ft. area is rented for the unit
- The tailor stitches garments for both –men and women
- Breakup of sales in one cycle as follow

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Sewing	750	70	52,500
Stitching Buttons	400	30	12,000
Repairing Zipper	100	60	6,000

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

If an individual is skilled at photography or videography, then starting a videography enterprise is a natural choice in rural India nowadays. It opens enormous business opportunities for both amateur and skilled video producers. Irrespective of economic downturns, weddings remain a stable business, as it is a once-in-a-lifetime event for most couples, one would like to record the memories. Families of couples are ready to pay hefty fees for making their big day memorable. The videography enterprise, specialising in photography and video mixing, typically provide other services like banner printing and album making.

## Market Potential

The photography market had a total sales value of INR 6,335 million back in 2014 and increased to INR 7,751 million in 2018. It is expected that Indian photography will grow with a CAGR of 6.05%, and the market value is estimated at INR 11 trillion in 2025<sup>1</sup>. In the wedding season, even catering to small weddings, a videographer is able to earn a minimum of INR 500,000 to INR 1 million per annum. Currently, drone videography is one of the most emerging trends. Moreover, a videographer may earn money through providing video-related services including pre-production consulting, production, post-production editing, vlogging, creating short videos for social media platforms such as YouTube and Instagram. Such services are also demanded by real estate businessmen, educational institutions etc. for developing promotional videos or advertisements.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sankalp Swashakti Mahila Mandal and Sakhi Saheli Tejaswini Mahasang** (Cluster Level Federations) and **SKS Micro Finance Institution**, with an average loan size of INR 30,000.



**Hari Shankar Kushwaha**  
Age : 28 years

udyaME

Hari Shankar Kushwaha has been interested in electronics since he was a child tinkering with machines at his father's workshop. During Covid-19 he even streamed local cricket matches on YouTube.

- Invested INR 50,000 of his own savings and took loans amounting to INR 1,00,000 to setup
- Average monthly income at INR 7,000
- Jobs created 3 (seasonal)

<sup>1</sup>Maiaamresearch: Indian Photography Industry, 2019 (Retrieved on 05-01-22) #



## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Mixing Console (Desk)	47,500
Desktop	25,000
2 Colour Printers (@ INR 14,500/unit)	29,000
Laminator	5,000
Video camera	30,000
Tripod	1,500
Camera Light	5,000
Three Point Light Kit	25,000
Shotgun Microphone	3,000
Audio XLR Cable	500
Wireless Microphone	6,000
Headphone	2,000
Lenses - Wide Angle, Clear	11,000
Flash Drives, Memory Cards, etc.	5,500
External Hard Drive	6,000
Camera Bag	2,500
Portable Inverter and Battery	14,000
<b>TOTAL</b>	<b>2,18,500</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Lamination Sheet (500 sheets in 1 pack) (1 pack @ INR 150/pack)	150
A4 Size Printing Paper (750 sheets @ INR 0.5/sheet)	375
Colour Cartridge (lasts for 600 pages)	1,125
B/ W Cartridge	975
DVD (5 DVDs @ INR 50/piece)	250
Album Sleeves (1,200 units @ INR 5/unit)	6,000
Album Covers (12 units @ INR 70/unit)	840
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
Two Full-time Workers (@ INR 8,000/month)	32,000

UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity Bill	1,000
Rent	12,000
Water	1,000
Internet Bill	3,000
Transportation	6,000
Maintenance	12,000
<b>TOTAL</b>	<b>96,715</b>

### Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	2,18,500
Working Capital (for each cycle of 2 months duration)	96,715
Total Enterprise Cost	3,15,215
***	
Annual Revenue	9,92,700
Total Expenditure (annual working capital)	5,80,290
Enterprise Profit	4,12,410
Payback Period (in months)	7

## Basis & Assumptions

- The number of operational days in a month is 25.
- On average, the following services are performed every cycle, with the total revenue being INR 1,65,450

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Xerox	400	5	2,000
Black and White Printout	100	10	1,000
Colour Printout	100	12	1,200
Sound Recording and Mixing	12	3,000	36,000
Banner Designing	16	2,000	32,000
Album Making	12	1,500	18,000
Photoshoot (Outdoors)	12	3,000	36,000
Video shoot	3	6,000	18,000
Lamination	50	25	1,250
Photoshoot (Studio)	200	100	20,000

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## 39 CAMPHOR MANUFACTURING



### Introduction

Camphor, or Kapoor as it is more widely known in Hindi, is a religiously significant element. It is commonly used for religious purposes during worship and is believed to be holy, offered to God for thanksgiving. The component comes in the form of a crystalline solid and is well known for its powerful scent. It is essentially an extract from a unique plant known as Camphor Laurel. Camphor is primarily manufactured in three forms: camphor oil, camphor powder, and camphor tablets.

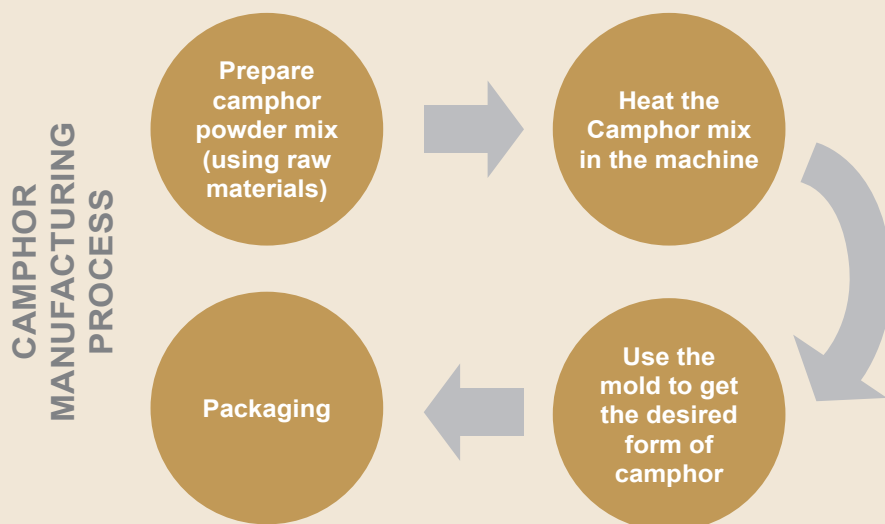
### Market Potential

Camphor tablets are utilised for a wide range of medical properties, and increasing demand from the pharmaceutical industry is a major reason driving the market's rise. Another factor driving market expansion for camphor tablets is the high usage of the tablets for religious ceremonies in India. As a result, camphor tablets have a lot of room to develop in India over the next few years. Camphor is used as an essential in various sweet recipes in India as well. As a result, food is also predicted to drive demand for camphor tablets over the next decade. The camphor tablets market was valued at INR 2,000 million in 2016 and is expected to reach INR 3,340 million by 2023, growing at a CAGR of 7.6% during the forecast period<sup>1</sup>.

<sup>1</sup>Credence Research: Camphor market by trend, 2016 (Retrieved on 20-05-2022)

## Process

The first step to manufacture camphor is installing the machine on top of any flat surface. Once the machine is installed properly, make sure it's tightly gripped to the base or on a stand. As the machine is attached to an external motor, it is advisable that one has to take precautions to absorb shocks or vibrations. After the machine is set, one has to heat the camphor powder so it loses its moisture. The machine is generally automated allowing the powder to fill the cast dye. The cast will mould the camphor powder in the form of solid tablets/slabs/biscuits depending on the type of machine. Once it gets moulded, the tablets or slabs can be packed for dispatch



## Funding Source

Under the Work 4 Progress programme of the Development Alternatives Group, such enterprises have been financed by **RangDE**, with an average loan size of INR 1,00,000.



**KESHAV**  
Age : 21 years

udya*ME*

Since its set-up in Chhanvey block, Uttar Pradesh in 2022, Keshav's camphor manufacturing enterprise has:

- Grown from 1 to 4 camphor manufacturing machines
- Supplies 2 quintal of camphor monthly earning a profit of INR 20,000
- Employed 2 residents from his village



## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Slab Making Machine	65,000
Tablet Making Machine	60,000
Seal Machine	1,000
Tables (2 nos.)	2,000
Dies (2 nos.)	6,000
Tools (2 nos.)	600
<b>TOTAL</b>	<b>1,34,600</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
100 kg Bhimseni Camphor Powder (@INR 600/kg)	60,000
500 Packets for Tablets (@INR 1.5/packet)	750
500 Packets for Slabs (@INR 2/packet)	1,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@INR 12,000/month)	24,000
1 Full-time Worker (@INR 4,000/month)	8,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent	2,000
Water	1,000
Electricity	2,500
Transportation Cost	500
Marketing Cost	500
Repair and Maintenance	500
Miscellaneous	500
<b>TOTAL</b>	<b>99,250</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,34,600
Working Capital (for each cycle of 2 months duration)	99,250
Total Enterprise Set Up Cost	2,33,850
***	
Revenue (per annum)	8,40,000
Total Expenditure (annual working capital)	5,95,500
Enterprise Profit (per annum)	2,44,500
Payback Period (in months)	6

## Basis & Assumptions

- Working days: 28 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- The entrepreneur is manufacturing camphor in tablet and slab form
- Each camphor tablet packet contains 100 tablets (1 gm each)
- Each camphor slab packet contains one slab of 100 gm
- Average revenue: INR 1,40,000/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Tablet	500	150	75,000
Slab	500	130	65,000

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Pottery has been an iconic part of Indian culture throughout history. Potteries were always in demand for their storage, decor and utility factors. The pottery industry is highly decentralised and the capital required is low. The raw materials are readily available in the market in the local areas. The supply chain of the pottery products is easy to manage as they can be stored in the entrepreneur's workspaces and sold whenever required.

## Market Potential

The rising per capita consumption of pottery products in India, has risen to over 30% more than what it was six years ago. It is leading to a growing demand for pottery products, both in rural and urban India. Thus, it is an easy and attractive proposition to start a pottery business. The pottery business also holds an incredible export potential. India exported pottery worth INR 740 million in 2019-20 to more than 140 countries<sup>1</sup>. Moreover, the Government of India, through various schemes such as SFURTI, are allocating over INR 500 million to promote terracotta and red clay pottery. The Indian pottery business was valued at 276 billion in 2019 and is projected to reach INR 530 billion in five years, growing at a CAGR of 8.6% from 2020 to 2027<sup>2</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sankalp Swashakti Mahila Mandal (a Cluster Level Federation)** through a micro-credit facility, with an average loan size of INR 10,000.



**PINTU PRAJAPATI**  
Age : 35 years

udyaME

To help his family financially, Pintu Prajapati has been selling pottery in the Mirzapur using his electric chaak. Since then:

- Completed a capacity building workshop through Khadi Gram Udyog
- Employs 2 persons
- Monthly revenue of INR 23,000

<sup>1</sup>ANS: Pottery Business in India, 2020 Retrieved on 03-01-22)

<sup>2</sup>Allied Market Research: India Ceramic Tiles Market, 2020 (Retrieved on 03-01-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Electric wheel (2 @ INR 25,000)	50,000
Kiln	12,000
Modelling tool	2,000
<b>TOTAL</b>	<b>64,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Clay (5.2 tonnes @ INR 2,000/tonne)	10,400
Potter's Thread (60m @ INR 10/metre)	600
Firewood ( 260 kg @ INR 10/kg)	2,600
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 10,000/month)	20,000
Electricity	2,000
Water	2,000
<b>TOTAL</b>	<b>57,600</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	64,000
Working Capital (for each cycle of 2 months duration)	57,600
Total Enterprise Cost	1,21,600
***	
Annual Revenue	7,80,000
Total Expenditure (annual working capital)	3,45,600
Enterprise Profit	4,34,400
Payback Period (in months)	2

## Basis & Assumptions

- Working days in a month: 26 days
- Working shift: 8 hours per day
- Monthly production capacity: 1,300 units selling for INR 50/unit
- 100% of the end product is sold within the same year.
- Bank loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.



## Introduction

Today, India's rapidly expanding roadway network presents a great opportunity for new entrepreneurs to enter the goods transportation industry. Freight or goods transportation can take place inside regional geographic regions as well as between cities. Unlike passenger transportation, goods or freight transportation transports raw materials and finished goods for consumption, retail, or industry. Since transport services are required for a variety of businesses, goods transport agency remains one of the most profitable transportation business options.

## Market Potential

The goods transport agency industry reached a value of INR 16,200 billion in 2021, majority of it coming from the on-demand or spot transportation of goods. It is the movement of goods on an immediate basis with prompt payments, in sectors such as agriculture, food and FMCG. Overall, India's goods transport has witnessed a consistent growth and is predicted to increase at a CAGR of 8% over the next five years, reaching INR 25,000 billion by 2025. This is majorly due to factors such as the fast-developing e-commerce sector and a burgeoning retail sales market, among others.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **government support through National Rural Livelihood Mission**, with an average loan size of INR 45,000



**PRAMOD PRAJAPATI**  
Age : 34 years

udyaME

Pramod Prajapati, 34, a resident of Kaina village in Niwari, started his goods transport business in August 2020. He is involved in transportation of agricultural produce to the main market. Since set up, Pramod has:

- Diversified his income sources by carrying passengers across Niwari and Jhansi block
- Witnessed 85% increase in his annual revenue

<sup>1</sup> Redseer, Inter-city Logistics Market Study, 2021 (retrieved on 10-06-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Three-Wheeler Loading Taxi	2,50,000
<b>TOTAL</b>	<b>2,50,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Diesel (200 L @INR 90)	18,000
Vehicle Maintenance Cost	1000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary (@INR 10,000/month)	20,000
<b>TOTAL</b>	<b>39,000</b>

### Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	2,50,000
Working Capital (for each cycle of 2 months duration)	39,000
Total Enterprise Set Up Cost	2,89,000
***	
Revenue (per annum)	6,00,000
Total Expenditure (annual working capital)	2,34,000
Enterprise Profit (per annum)	3,66,000
Payback Period (in month)	8.20

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 1,00,000/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Goods Transportation	100	1,000	1,00,000

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Baking is one of the earliest forms of food preparation and processing industries. Baked goods are popular and come in a variety of flavours that suit all palates be it sweet or savoury. Bread can be baked into loaves or buns and are ubiquitous on the Indian breakfast table. Bun maska and bread omelette are some of the favourite street snacks. Tea is also accompanied by other baked goods like biscuits, rusks, and wafers.

## Market Potential

In recent years, baked goods have become increasingly popular. The Indian bakery market is poised to grow at a CAGR of 8.5% between 2021 to 2026<sup>1</sup> and reach a value of USD 12.4 billion. The most popular baked item, especially in rural India are biscuits and comprise nearly 50% of all baked goods<sup>2</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by Microfinance institutions (MFI), National Rural Livelihoods Mission (NRLM) and through peer to peer lending with an average loan size of INR 50,000.

udyaME



**GUDDU KASHYAP**  
Age : 38 years

Guddu Kashyap from Bhagwanpur, Uttarakhand used to work as a daily wage worker in a Bakery shop. In 2021, he opened his own bakery enterprise. The DA team provided him with the required market and financial linkages. He also received a loan from Bandhan Bank of INR 80,000. Through his enterprise, he could:

- Witness 3-fold increase in his monthly income from INR 15,000 to INR 45,000
- Employs 3 local residents of his village

<sup>1</sup>The Restaurant Times : A Detailed Guide on Starting a Bakery Business in India, 2022 (Retrieved on 10-06-22)

<sup>2</sup>Women Entrepreneurs India: How to Start a Bakery Unit in India (Retrieved on 10-06-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Cream Making Machine	28,500
Deep Freezer (200 Litre)	26,500
Fridge (250 Litre)	30,000
2 Knives (@ INR 100 each)	200
2 Cutting Boards (@ INR 150 each)	300
2 Mixing Bowls (@INR 150 each)	300
4 Steel Container (@ INR 300 each)	1,200
<b>TOTAL</b>	<b>87,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Cream (156 kg)	23,400
Raw Cake Base for Pastry (78 pieces)	39,000
Raw Cake Base for Cake (78 pieces)	39,000
Edible Food Colours (5 boxes)	12,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	30,000
1 Full-time Worker (@INR 5,000/month)	15,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent	9,000
Electricity	4,500
Transportation Cost	13,500
Marketing Cost	3,600
Repair and Maintenance	1,500
Miscellaneous	1,000
<b>TOTAL</b>	<b>1,91,500</b>



## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	87,000
Working Capital (for each cycle of 3 months duration)	1,91,500
Total Enterprise Cost	2,78,500
***	
Annual Revenue	8,73,600
Total Expenditure (annual working capital)	7,66,000
Enterprise Profit	1,07,600
Payback Period (in months)	9

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- The business operates throughout the year
- Each cycle consists of 3 months; 4 cycles in a year
- Pre-made cake which is decorated at the enterprise
- 5 cakes are made from one raw base; 30 pastries are made from one raw base
- 5 cakes (@ INR 350 each) and 30 pastries (@ INR 35 each) are sold every day
- Daily requirement of cream - 2 kg
- Average revenue: INR 2,18,400/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Cake (500 gm)	390	350	1,36,500
Pastry	2,340	35	81,900

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

# 43 MEDICAL DIAGNOSTIC CENTRE

## Introduction

A diagnostic centre is a facility that evaluates and analyses a person's medical condition. Through various tests and analysis of results by the diagnostic center, the cause of a particular disease is determined and proper treatment provided under expert medical supervision. The increase in diseases has given rise to pathological laboratories across India, with more than 10,000 diagnostics including pathology and radiology centres across the country<sup>1</sup>. However, the laboratories and diagnostic facilities have a very low reach in small towns and villages, with only 8 laboratories per 1,00,000 people. This reflects the growing demand for diagnostic centres in rural India.

## Market Potential

Laboratory diagnostic testing accounts for 70–80% of medical treatments in India, making it one of the most promising sectors in the healthcare industry. The range and complexity of diseases make it more and more important to examine the patient at the beginning of the treatment. The need for such laboratories has risen more than ever before. A robust diagnostic facility in rural India will help prevent the spread of diseases and reduce mortality rates. The diagnostic industry in India is valued at around INR 798 billion and is expected to grow at a (CAGR) of 14% to reach INR 1,594 billion by FY26<sup>2</sup>.

<sup>1</sup> IBEF: Gems Jewellery India, 2020 (Retrieved on 03-01-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
3-part Differential Cell Counter	3,00,000
Semi-automatic Biochemistry Analyser	1,00,000
Clinical Centrifuge	15,000
Microscope	10,000
Clinical Laboratory Incubator	35,000
Urine Analyser	30,000
Fridge	10,000
Blood Pressure Monitor	1,500
Non-contact Digital Thermometer	1,500
Weight Scale	1,500
Autoclave	5,000
Laptop	30,000
Other Equipment- pipettes, stethoscopes, etc.	20,000
Furniture	50,000
Trade Registration Fees	5,000
<b>TOTAL</b>	<b>6,14,500</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Reagent and Chemicals	20,000
Lab Software	4,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary	30,000
1 Doctor	20,000
2 Lab Technicians	24,000

UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (500 sq. foot)	10,000
Water	2,000
Electricity	12,000
Phone & Internet Bill	1,000
Transportation Cost	1,000
Marketing Cost	2,000
Repair and Maintenance	6,000
Miscellaneous	2,500
<b>TOTAL</b>	<b>1,34,500</b>

### Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	6,14,500
Working Capital (for each cycle of 2 months duration)	1,34,500
Total Enterprise Cost	7,49,000
***	
Annual Revenue	11,25,000
Total Expenditure (annual working capital)	8,07,000
Enterprise Profit	3,18,000
Payback Period (in month)	24

### Basis & Assumptions

- Working days: 25 days per month (8 hours shift)
- Average revenue: 15 customers per day @ INR 250; Per cycle revenue = INR 1,87,500
- Loan not taken into account
- Entrepreneur owns the diagnostic centre (not a franchise model).

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## 44 HARDWARE RETAIL

### Introduction

Hardware stores are micro-businesses in India that mostly offer products from several categories such as plumbing, machinery, household maintenance, gardening, electrical, etc. They provide home improvement tools, implements, and materials, and are an integral part of the household economy providing crucial supply chains for electrical works, plumbing, carpentry, and house painting among others. The most commonly found items in a typical hardware store are PVC pipes, taps, paints, hand pumps, nuts & bolts, wires, paint, and drums, among others.

### Market Potential

Since hardware stores primarily sell items required for construction activity, the industry's market potential is directly linked to the construction industry. Due to continuous urbanization, upcoming infrastructure projects and an increasing population, the construction industry continues to grow. With a budget of INR 7,000 crore under Pradhan Mantri Awas Yojana (Gramin), there are huge ongoing project opportunities in the construction business in Uttar Pradesh, owing to which construction output is expected to grow on average by 7.1% each year<sup>1</sup>. Moreover, various governmental flagship programs like MGNREGA, Deen Dayal Antyodaya Yojana and Pradhan Mantri Awas Yojana are further driving growth in the industry which the hardware stores would directly benefit from.

### Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **HDFC and Bandhan Bank**, with an average loan size of INR 1,00,000.



**SUNITA DEVI**  
Age : 32 years

udyaME

Motivated by the Kaun Banega Business Leader, Sunita Devi set up her Hardware store in her village, Laadpura, Bhadohi.

- She earns a monthly net profit of INR 32,000/-
- Employees one person at her shop

<sup>1</sup>Invest India:Construction Industry in India (Retrieved on 07-01-2022)



## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Counter (3 units @ INR 6,000/unit)	18,000
Chairs (3 units @ INR 500/unit)	1,500
Racks and Shelves (2 units @ INR 3,000/unit)	6,000
<b>TOTAL</b>	<b>25,500</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
PVC Pipe (per piece) (150 pieces @ INR 80/piece)	12,000
Paint Primers (20L Bucket) (10 buckets @ INR 750/bucket)	7,500
Plumbing fixtures (per piece) (200 pieces @ INR 15/piece)	3,000
5mm Ropes (in kg) (5 kg @ INR 125/kg)	625
Stainless Steel Angle Flat Bar For Manufacturing, Size: 1-10 mm (in kg) (40 kg @ INR 145/kg)	5,800
Hinges (per piece) (20 pieces @ INR 50/piece)	1,000
Handles (per piece) (10 pieces @ INR 75/piece)	750
Paint (20L Bucket) (15 buckets @ INR 600/bucket)	9,000
Hammers (per piece) (20 pieces @ INR 60/piece)	1,200
Painting brushes (per piece) (20 pieces @ INR 60/piece)	1,200
Adhesives (Fevicol, Vamco) (25kg bucket) (2 pieces @ INR 1,900/piece)	3,800
Plastic buckets (20L Bucket) (10 buckets @ INR 45/bucket)	450
	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 6,000/month)	12,000
Electricity	1,200
Other expenses	1,200
<b>TOTAL</b>	<b>81,525</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	25,500
Working Capital (for each cycle of 3 months duration)	81,525
Total Enterprise Cost	1,07,025
***	
Annual Revenue	5,05,320
Total Expenditure (annual working capital)	4,89,150
Enterprise Profit	16,170
Payback Period (in months)	19

## Basis & Assumptions

- Working days in a month: 26 days
- Working shift of 8 hours per day
- 100% of stock purchased is sold
- The enterprise operates from a rented location
- Bank loan not taken into account
- Revenue form the sale of products for each cycle is as follows:

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
PVC Pipe	150	150	22,500
Paint Primers	10	1,300	13,000
Plumbing fixtures	200	60	12,000
5mm Ropes	5	200	1,000
Stainless Steel Angle Flat Bar	40	230	9,200
Hinges	20	80	1,600
Handles	10	120	1,200
Paint	15	1,200	18,000
Hammers	20	120	2,400
Painting brushes	20	100	2,000
Adhesives (Fevicol, Vamco)	2	285	570
Plastic buckets	10	75	750

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## 45 MULTI-LAYER VEGETABLE FARMING

### Introduction

Multi-layered vegetable farming involves growing four or five different plants with different growth heights and maturity time, on the same field simultaneously. It includes a combination of vegetables that can be grown together. This helps small farmers to grow multiple seasonal vegetables throughout the year and also provides food security for the household. Vegetables grown using organic and sustainable methods in multi-layer farms are rich in vitamins, minerals, proteins and carbohydrates. Multi-layered farming is an efficient way of utilizing soil and water resources to take full advantage of limited land resources. It also helps in minimizing the cost of production and inputs. In addition, it contributes to the development of organic and sustainable farming, mitigating the use of chemicals.

### Market Potential

Multi-layer farming has gained significant recognition in recent years. The production of Vegetables was 196.27 Million Tonne in 2020-21<sup>1</sup>. In the tropics, smallholder farmers produce about 60% of food resources using this method. Multi-layer farms are increasingly employing organic farming techniques. The government of India has introduced several programmes to promote organic farming in the country, including the National Programme for Organic Production (NPOP) and Paramparagat Krishi Vikas Yojna (PKVY). With the increasing demand for organic food products, coupled with such programs, its market is expected to grow about 20.5% by 2026<sup>2</sup>.

### Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Utkarsh Bank, Bandhan Bank, Sankalp Swashakti Mahila Mandal** (a Cluster Level Federation) and have also availed government support through National Livelihoods Rural Mission, with an average loan size of INR 45,000.



**BASARAT AHMED**  
Age : 42 years

udyaME

Basarat Ahmed from Bhadohi set up an organic farming enterprise during COVID-19 lockdown and he's nudging farmers in his community to switch to organic farming. He plans to grow his model and distribute the knowledge by expanding his operations and providing training to other entrepreneurs:

- Monthly income INR 22,000

<sup>1</sup>Horticulture Statistics Division, 2020 (Retrieved on 29-12-21)

<sup>2</sup>EMR: Indian Organic Market, 2020 (Retrieved on 29-12-21)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Wood battens for a wooden structure (7.5 ft- 90 Pc)	22,500
Wood/ bamboo Peg for wooden structure (2.5 ft- 40 Pc)	1,200
Sprayer for the spray of organic formulations (1 Pc)	2,500
Nylon Wire (2 kg)	700
Polymer Wire (2 kg)	400
Metal nails and Mobil	200
<b>TOTAL</b>	<b>27,500</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS AND CONSUMABLES REQUIRED	AMOUNT (in INR)
Cow Dung/ compost (2 MT)	4,000
Papaya nursery saplings (30 Nos.)	1,500
Vegetable nursery saplings (bitter gourd, cucumber, bottle gourd, etc.) -200 nos.	1,050
Organic formulations for plant nutrients and pest control (2 Lt.)	1,000
Seeds of carrot, radish, spinach, coriander, leafy veg, etc. (1 No.)	500
Vegetable nursery saplings (tomato, chilli, cabbage/cauliflower, etc.)- 500 nos.	500
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	500
Marketing Cost	500
Transportation	500
Miscellaneous	500
MANPOWER REQUIRED	
Seasonal Labour (1 person)	3,000
<b>TOTAL</b>	<b>13,550</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	27,500.00
Working Capital (for each cycle of 3 months duration)	13,550.00
Total Enterprise Set-Up Cost	41,050.00
***	
Revenue (per annum)	1,53,000.00
Total Expenditure (annual working capital)	54,200.00
Enterprise Profit (per annum)	98,800.00
Payback Period (in months)	4

## Basis & Assumptions

- Entrepreneur owns adequate land with assured irrigation facilities
- Trays that need to be placed one over another like in vertical farming are not used
- Success rate is 90%
- Cow dung or compost and organic formulations is used as the only fertilizer and pesticides
- The entrepreneur possesses the requisite knowledge, aptitude, and skills
- The location selected is agro-climatically suitable
- Crops are grown together on a rotation basis
- The average crop cycle varies from 2.5 weeks to 3 months
- Business loans not taken into account.
- Landholding size is taken to be 4,600 sq. feet (10 decimal).

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Papaya Fruit(yearly)	600	20	12,000
Vegetables	900	20	18,000
Creepers	650	25	16,250
Leafy veg and roots	Lumpsum		1,000

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.







## Introduction

Utensil shops are a one-stop place selling all the basic items used in a kitchen by every household and restaurant. Kitchenware encompasses a wide range of products such as dishes, crockery, cutlery, steel containers, kitchen appliances, etc and vessel shops deal in selling these products to the general public. They also deal in selling appliances used to hold, serve or store food before and after cooking. With the advancement of technology, new gadgets that make kitchen work easier have also been introduced in the market and are available to the local public through utensil shops in their vicinity.

## Market Potential

The Indian kitchenware market size was valued at INR 55 billion in 2020 and is expected to expand at a CAGR of 4.5% over the next five years<sup>1</sup>. Economic growth in emerging countries and rapid urbanization are the primary factors driving the market. Moreover, growing spending habits, changing lifestyles, and an increasing number of small families are surging the demand for the product over the last few years and are expected to propel the market growth in the next five years. Alternative cooking wares used in the preparation of different cuisines are also impacting the market growth. For instance, in India, North Indian cuisine requires the use of kadhai and tandoors in food preparation and South Indian cuisine, uses steam pots for cooking. Tradition in India of having different cookware for vegetarian and non-vegetarian food items is also influencing the market growth.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by Microfinance institutions (MFI), National Rural Livelihoods Mission (NRLM) and through peer to peer with an average loan size of INR 35,000.



**SANTOSH KUSHWAHA**  
Age : 38 years

udyaME

Motivated to start his own business during the COVID-19 pandemic, Santosh Kushwaha opened his utensil retail shop in August 2020. Since then:

- Availed a loan of INR 25,000 from NRLM Government Scheme
- Employees 2 persons
- Total annual revenue of INR 1,78,100

<sup>1</sup>IMARC: Indian Sports & Fitness Goods Industry Trends, Share, Size, Growth, Opportunity and Forecast 2021-2026 (Retrieved on 06-01-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Weighing machine	6,000
Calculator	200
5 Chairs (@INR 500/piece)	2,500
3 Counter (@INR 6,000/piece)	18,000
2 Shelf (@INR 3,000/piece)	6,000
<b>TOTAL</b>	<b>32,700</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS AND CONSUMABLES REQUIRED	AMOUNT (in INR)
Cookware Set (10 sets @ INR 1,800/set)	18,000
Bowls (20 units @ INR 70/unit)	1,400
Cutlery Set (15 sets @ INR 170/set)	2,550
Steel Containers (set of 8) (10 sets @ INR 800/set)	8,000
Bottles (set of 6) (20 sets @ INR 80/set)	1,600
Dinnerware (5 sets @ INR 3,000/set)	15,000
Lunchboxes (25 units @ INR 150/unit)	3,750
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent	9,000
Transportation Cost	1200
Electricity	500
Stationery	500
<b>TOTAL</b>	<b>81,500</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	32,700
Working Capital (for each cycle of 2 months duration)	81,500
Total Enterprise Cost	1,14,200
***	
Annual Revenue	5,70,600
Total Expenditure (annual working capital)	4,89,000
Enterprise Profit	81,600
Payback Period (in months)	5

## Basis & Assumptions

- The enterprise operates from a rented location
- The enterprise operates for 26 days per month
- Working shift of 8 hours per day
- 100% of stock purchased is sold
- Revenue per cycle is INR 95,100

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Cookware Set	10	3,500	35,000
Bowls	20	180	3,600
Cutlery Set	15	400	6,000
Steel Containers (set of 8)	10	1,500	15,000
Bottles (set of 6)	20	150	3,000
Dinnerware	5	5,000	25,000
Lunchboxes	25	300	7,500

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Fruits add nutritional value to people's diets. Owing to increasing consumer awareness about health, people prefer food that is healthy and nutritious. Fresh produce demand remains constant in both rural and urban areas, with a focus on health and in-home cooking. Also, the majority of consumers prefer to buy from local vendors, as local vendors get the produce daily from nearby mandis and this ensures that fruits and vegetables are fresh. Additionally, fresh fruits also fetch better prices.

## Market Potential

India produced 99.07 million metric tonnes of fruits and 191.77 million metric tonnes of vegetables in 2019-20<sup>1</sup>. Due to increased health concerns, the fruit business is also predicted to grow. India is the world's second-largest producer of potatoes, onions, cauliflowers, brinjal, cabbages, and other vegetables. Bananas, papayas, and mangoes are among the top fruits produced in the country. India exported fruits and vegetables worth INR 99 billion in 2020-21. The vegetable and fruit market is expected to grow annually by a CAGR of 8.94% and 8.57% respectively from 2021 to 2026<sup>2</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by National Rural Livelihoods Mission, with an average loan size of INR 45,000



**GUDDU SONKAR**  
Age : 27 years

udyaME

Through capacity building sessions and training, Guddu Sonkar, a young entrepreneur has set up a fruits and vegetables shop in the main market of Vijayapura village, Mirzapur in April 2021. Since then:

- Sells fruits and vegetables and a variety of fruit and vegetable juice
- - Earns an annual revenue of INR 1,00,000

<sup>1</sup>APEDA: Fresh Fruit and Vegetables, 2020 (Retrieved on 04-01-22)

<sup>2</sup>Statista: Vegetables India, 2020 (Retrieved on 04-01-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Cart	1,300
Digital Weighing Scale	1,000
LED Bulb with Battery	500
Small Shopping Basket (3 @ INR 20/piece)	60
Cart Covering Cloth	100
<b>TOTAL</b>	<b>2,960</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
Banana (100 kgs @ INR 15)	1,500
Mango (100 kgs @ INR 30)	3,000
Apple (100 kgs @ INR 30)	3,000
Carrot (100 kgs @ INR 30)	3,000
Grapes (100 kgs @ INR 20)	2,000
Guava (100 kgs @ INR 15)	1,500
Potato (100 kgs @ INR 15)	1,500
Tomato (100 kgs @ INR 20)	2,000
Cabbage (100 kgs @ INR 20)	2,000
Onion (100 kgs @ INR 15)	1,500
Ladyfinger (100 kgs @ INR 10)	1,000
Capsicum (100 kgs @ INR 20)	2,000
Carry Bag (1 kg @ INR 50)	50
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary (@INR 8,000/month)	16,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Transportation Cost	1,000
Repair and Maintenance	100
<b>TOTAL</b>	<b>45,250</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	2,960
Working Capital (for each cycle of 2 months duration)	41,150
Total Enterprise Set Up Cost	44,110
***	
Revenue (per annum)	2,51,400
Total Expenditure (annual working capital)	2,46,900
Enterprise Profit (per annum)	4,500
Payback Period (in months)	8

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR /cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Banana (kg)	100	30	3,000
Mango (kg)	100	65	6,500
Apple (kg)	100	60	6,000
Carrot (kg)	100	45	4,500
Grapes (kg)	100	29	2,900
Guava (kg)	100	25	2,500
Potato (kg)	100	25	2,500
Tomato (kg)	100	30	3,000
Cabbage (kg)	100	30	3,000
Onion (kg)	100	25	2,500
Ladyfinger (kg)	100	20	2,000
Capsicum (kg)	100	35	3,500

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.



## Introduction

Sanitary napkins, variously known as sanitary pads, are thin pads composed of absorbent materials. They play an essential role in feminine hygiene as they absorb the menstrual liquid during menstruation. A sanitary napkin contains four functional components, such as the fluid acquisition layer, the absorbent structure, distribution component, and liquid impervious membrane. These napkins are available in different shapes and sizes with varying capacities of absorption.

## Market Potential

The Indian sanitary napkin market size reached a value of almost INR 36,000 million in the year 2020. In India, the rising awareness, in rural and urban areas, about menstrual hygiene is contributing to the demand for sanitary napkins. The market is further aided by the expansion of the female workforce, which has led to enhanced decision-making and purchasing power among women. On account of this, manufacturers are able to target the female audience directly and, in turn, influence their purchasing behaviour. Furthermore, the consumption of high-quality and environment-friendly raw materials to produce these sanitary pads is further propelling the growth of the market. The market is further expected to grow at a CAGR of 11% between 2021 and 2026 to reach a value of almost USD 68,000 million by 2026<sup>1</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sakhi Saheli Tejaswini Mahasang ( a Cluster Level Federation )** and **SKS (Micro Finance Institution)**, with an average loan size of INR 40,000



**MUNNI DEVI**  
Age : 36 years

udyaME

Previously worked as an ASHA worker, Munni Devi wanted to help support her family financially by starting an enterprise. Understanding the health challenges of young women in the village, she now sells sanitary napkins to local women, while promoting health and hygiene. Since then:

- Availed a loan of INR 50,000 from UNICEF to procure materials and set up the enterprise
- Provided jobs to 6 women
- Monthly income of INR 9,000

<sup>1</sup>EMR: Indian Sanitary Napkin Market Outlook, 2020 (Retrieved on 04-01-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Counter (@ INR 400)	400
Chair (@ INR 250)	250
Table (@ INR 500)	500
<b>TOTAL</b>	<b>1,150</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
Sanitary Pad (10,000 units @ INR 0.75/unit)	7,500
Carry Bag (1,000 @ INR 1)	1,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 4,000/month)	8,000
Electricity (50 units @ INR 7)	350
Phone/Internet Bill	100
Transportation Cost	600
Stationery	100
Marketing Cost	200
<b>TOTAL</b>	<b>37,850</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,150
Working Capital (for each cycle of 2 months duration)	37,850
Total Enterprise Cost	39,000
***	
Annual Revenue	2,40,000
Total Expenditure (annual working capital)	2,27,100
Enterprise Profit	12,900
Payback Period (in months)	1

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 40,000/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Sanitary Pad	10,000	4	40,000

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

A cosmetic retail store is a speciality retailer that sells cosmetics, hair-care products and/or beauty tools. In India, the cosmetic store business is very successful as it gives a high-profit margin. In today's world, everyone likes to take good care of their skin, and hair and have easy access to reasonable products to look beautiful. This business has a good scope to start as one can see cosmetics shops popping up on every hook and corner.

## Market Potential

The demand for cosmetic products is increasing in different sections of the population. There is considerable potential in the industry and is expected to grow to INR 2.23 lakh crore by 2025 up from INR 0.82 lakh crore in 2017<sup>1</sup>. The Indian cosmetic products market is projected to grow at a CAGR of 4.23% during the forecast period 2020 - 2025<sup>2</sup>. Homegrown cosmetic brands have expanded their reach in the country and have shown tremendous growth. Many big multinational and domestic brands have now started to expand their distribution channels in the rural hinterlands with the last mile delivery through local cosmetic retail entrepreneurs.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **HDFC Bank, Sankalp Swashakti Mahila Mandal and Sahiyogini Mahila Mandal (a Cluster Level Federations), Swayam Krishi Sangham Micro-Finance** and have also availed government support through National Rural Livelihoods Mission, with an average loan size of INR 60,000.



**KAVITA**  
Age : 29 years

udyaME

Motivated to help her family financially, Kavita opened her cosmetics store and provided training to young girls. Since then:

- Availed a loan of INR 30,000 under from the local SHG group to establish her enterprise
- Fee per student for training session INR 8,000
- Annual revenue of INR 1,08,000

<sup>1</sup>MediaIndia: India's blossoming billion-dollar beauty market, 2021 (Retrieved on 05-01-22)

<sup>2</sup>Mordor Intelligence: India cosmetics product industry, 2021 (Retrieved on 05-01-22)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Wall Shelf (2 units @ INR 400)	800
Showcase Table (@ INR 500)	500
Mirror (2 units @ INR 300)	600
<b>Total</b>	<b>1,900</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Shampoo (ml) (150 units @ INR 0.50/unit)	75
Hair Oil (ml) (150 units @ INR 0.50/unit)	75
Facial Cream (g) (25 units @ INR 100/unit)	2,500
Body Lotion (g) (25 units @ INR 100/unit)	2,500
Facewash (g) (25 units @ INR 40/unit)	1,000
Beauty Soap (g) (50 units @ INR 15/unit)	750
Lipstick (100 units @ INR 20/unit)	2,000
Hair Conditioner (ml) (25 units @ INR 50/unit)	1,250
Perfume (ml) (25 units @ INR 40/unit)	1,000
Deodorant (ml) (20 units @ INR 40/unit)	800
Nail Polish (ml) (30 units @ INR 20/unit)	600
Makeup Kit (15 units @ INR 80/unit)	1,200
Hair Colour (g) (40 units @ INR 15/unit)	600
Clip & Bangles (30 units @ INR 50/unit)	1,500
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000

UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@INR 4,000/month)	8,000
Electricity (50 units @INR 7/unit)	350
Phone/Internet Bill	300
Transportation cost	400
Stationery	100
Marketing cost	300
Repair and maintenance	200
Miscellaneous	200
<b>TOTAL</b>	<b>9,850</b>

### Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,900
Working Capital (for each cycle of 2 months duration)	45,700
Total Enterprise Set Up Cost	47,600
***	
Revenue (per annum)	2,77,800
Total Expenditure (annual working capital)	2,74,200
Enterprise Profit (per annum)	3,600
Payback Period (in months)	6



## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 34,475/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Shampoo (ml)	150	5	750
Hair Oil (ml)	150	10	1,500
Facial Cream (g)	25	250	6,250
Body Lotion (g)	25	200	5,000
Facewash (g)	25	100	2,500
Beauty Soap (g)	50	100	5,000
Lipstick	100	60	6,000
Hair Conditioner (ml)	25	150	3,750
Perfume (ml)	25	100	2,500
Deodorant (ml)	20	100	2,000
Nail Polish (ml)	30	50	1,500
Makeup Kit	15	150	2,250
Hair Colour (g)	40	70	2,800
Clip & Bangles	30	150	4,500

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Furniture is an indispensable fixture of any home and is closely associated with gifts to newly married couples by families. The demand for furniture is always there but sees an increase during the marriage season. Saw-mill and wood cutting centres have sprung up in rural and semi-urban places to provide the raw material for the furniture. The rise of the housing and construction sector has provided a push to the wooden furniture industry, consisting of a range of products from door and window frames to designer furniture in dining and drawing rooms

## Market Potential

In India, the rural market for wooden furniture ranges from plain beds and simple sofas to trendy tables and chairs which have seen a rise in recent years. With the growth of middle-class families and a corresponding rise in income, the furniture industry has gained further demand for furniture in size and variety. Customers now pay closer attention to the design and skill required rather than simple manual labour. Finishing and presentation of the end product are preferred over the durability and weight of products as per customer demand. The industry is poised to grow to INR 1433 billion as there is considerable demand for specialised local handicrafts both domestically and internationally<sup>1</sup>

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Cashpor Microcredit (a Micro Finance Institution)** and **Sakshi Saheli Tejaswini Mahasangh** (a Cluster Level Federation) through a micro-credit facility, with an average loan size of INR 25,000.



**DEEPAK VISHWAKARMA**  
Age : 29 years

udyaME

Deepak Vishwakarma from Ladwari village in Niwari district set up his own workshop to manufacture and sell furniture in 2018. Through his enterprise, he earns:

- Average annual revenue: INR 250,000
- Employed one person from his village

<sup>1</sup>IMARC: Indian Sports & Fitness Goods Industry Trends, Share, Size, Growth, Opportunity and Forecast 2021-2026 (Retrieved on 06-01-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Woodworking Toolkit	4,400
Power Drill	3,000
Electric Saw	4,000
Measuring Tape	200
<b>TOTAL</b>	<b>11,600</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Teak Plywood (9x3 ft plank @INR 10/sq ft)	270
Nails (2 kgs @ INR 60/kg)	120
Mirror (10 sq ft @INR 150/sq ft)	1,500
Foam seats for sofa (4 9x3 sq ft pieces @ INR 1,750/sq ft)	7,000
Adhesives (25kg bucket) (2 buckets @ INR 1,900/bucket)	3,800
Handles (10 pieces @ INR 75/piece)	750
Wooden Plywood Board (2 9x3 ft plank @INR 30/sq ft)	1,620
Sheesham Wood plank (2 10x1x1 ft log @INR 300/cu ft)	6,000
Mango Wood plank (2 9x3 ft plank @INR 50/sq ft)	2,700
Sunmica Plywood (2 8x4 sq ft @ INR 20/sq ft)	1,280
Wood polish (4 cans @ INR 600/can)	2,400
Hinges (20 pieces @ INR 50/piece)	1,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
One Full-time Worker (@ INR 7,000/month)	14,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 6,000/month)	12,000
Electricity	1,200
Water	1,000
Transportation cost	2,400
<b>TOTAL</b>	<b>79,040</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	11,600
Working Capital (for each cycle of 2 months duration)	79,040
Total Enterprise Cost	90,640
***	
Annual Revenue	4,80,000
Total Expenditure (annual working capital)	4,74,240
Enterprise Profit	5,760
Payback Period (in months)	24

## Basis & Assumptions

- Working days in a month: 26 days
- Revenue per cycle is as follow

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Big Bed	2	15,000	30,000
Chair	9	1,000	9,000
Table	2	8,000	16,000
Dressing Table	2	12,500	25,000

- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

# 51 LED BULB MANUFACTURING

## Introduction

LED or light emitting diode have been a revolutionary technology leap in providing highest luminosity over a low draw of power. They are highly energy efficient drawing 80% less electricity in comparison with Compact Fluorescent Light (CFL) bulbs. Unlike CFL bulbs, LEDs do not make use of reactive and dangerous chemicals and are much more durable. Keeping this in mind, schemes such as the Domestic Efficient Lighting Programme (DELP) or Unnat Jyoti by Affordable LEDs for All (UJALA) have been initiated to subsidize and promote the use of LED bulbs over CFLs and Incandescent Light bulbs.

## Market Potential

With increased coverage and electrification of rural India, lighting solutions have become a common necessity of most houses and businesses. Within five years from the introduction of the UJALA scheme in 2014, the LED lighting market grew a staggering 130-fold while the price per bulb has reduced from INR 400 in 2014 to INR 70 in 2019. The market share has also exploded from less than 0.5% to over 46% in 2019 with majority of the growth from urban areas and street lighting in rural India<sup>1</sup>. This leaves a large untapped market in the rural areas.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Microcredit Facility (MCF)** with an average loan size of INR 25,000.



**Shiv Kumar**  
**Age : 28 years**

udyaME

Shiv Kumar, a resident from Bhagwanpur, Uttarakhand, is a serial entrepreneur who is running LED manufacturing unit along with an info kiosk. He started his own business of LED bulb manufacturing in 2018. The DA team helped him in establishing market linkages for procuring raw materials. Through his enterprise, he has been able to:

- Earn a monthly revenue of INR 30,000
- Employed 4-5 part-time assistants

<sup>1</sup>India's LED Sector: Enhancing the Local Ecosystem (Retrieved on 21-02-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
LED Bulb Punching Machine (2 @ INR 4,600/unit)	9,200
LED Cap Punching Machine (2 @ INR 1,500/unit)	3,000
Iron (soldering) (2 @ INR 400/unit)	800
<b>TOTAL</b>	<b>13,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
B22 LED Bulb Cap (3,000 pcs @ INR 1.5/piece)	4,500
Body (Housing, L.S, diffuser) (3,000 units @ INR 10/piece)	30,000
LEDs (3,000 pcs @ INR 7/piece)	21,000
Packing Box (3,000 pcs @ INR 3/piece)	9,000
12V Driver with MCPCB (3,000 pcs @ INR 30/piece)	90,000
Iron wire (600 meters @ INR 12/meter)	7,200
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	30,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	900
Transport	1,500
Rent (@ INR 4,500/month)	13,500
<b>TOTAL</b>	<b>2,07,600</b>



## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	13,000
Working Capital (for each cycle of 3 months duration)	2,07,600
Total Enterprise Cost	2,20,600
***	
Annual Revenue	8,40,000
Total Expenditure (annual working capital)	8,30,400
Enterprise Profit	9,600
Payback Period (in months)	16

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- In one cycle of three months, the enterprise sells 3,000 LED bulbs at a retail price of INR 70 per piece.
- 100% of the goods produced are sold
- The business operates throughout the year
- Loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

# 52 FOOTWEAR MANUFACTURING

## Introduction

The Indian audience has rapidly been changing its fashion and grooming requirements and the footwear industry has taken a huge advantage from it. Particularly, slippers are now seen as a necessity not only in cities but also in villages and have seen a constantly increased demand. Footwear is demanded by everyone, irrespective of gender and age, which helps the manufacturer cater to a large market. Due to this growing business, there are nuanced and fine footwear making equipment easily available in the market, through which any entrepreneur can start the footwear manufacturing business without any hassle.

## Market Potential

India is the second largest producer of footwear, contributing to 10.7% of the global footwear production, about 2% to the country's overall GDP and is a major job provider. In 2021, total revenue generated by the footwear industry amounted to INR 423,631 million. With the advancement in technology, innovation, machinery, availability of manpower, growth of e-commerce, and shifting habits of buyers, the prospects for the footwear industry have taken a positive direction. Initiatives like Make-in-India, Self-reliant India, Start-up India have further opened the door for expansion and growth of the industry<sup>1</sup>, with an expected annual growth by 16.62% in the next 5 years.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **RangDe**, a fintech company and have also availed government support through **National Rural Livelihood Mission**, with an average loan size of INR 40,000.



**Nirmal Singh**  
Age : 27 years

udyaME

Exploring opportunities for non-traditional enterprises on internet, Nirmal Singh of Bhatwera, Mirzapur set up his footwear manufacturing enterprise in June, 2020. He manufactures and sells slippers in a rented shop near the highway. Through his enterprise:

- Witnessed a twofold increase in his annual revenue to INR 864,000
- Employed 2 local residents

<sup>1</sup>NewsOnAIR: India's footwear industry expected to grow 8 times by 2030 (Retrieved on 06-01-2022)

<sup>2</sup>Statista: Consumer Markets Footwear (Retrieved on 06-01-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Sole cutting machine	1,00,000
Grinding machine	10,000
Sole drilling machine	15,000
Strap fitting machine	10,000
<b>TOTAL</b>	<b>1,35,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
340 Rubber Sole Sheets (@ INR 300/sheet)	1,02,000
10,000 Straps (@ INR 3.5/piece)	35,000
5,000 Packaging Boxes (@ INR 2/box)	10,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
One Full-time Worker (@ INR 6,500/month)	13,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 6,500/month)	13,000
Electricity	4,000
Transportation costs	2,400
Repair and maintenance	1,000
<b>TOTAL</b>	<b>2,00,400</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,35,000
Working Capital (for each cycle of 2 months duration)	2,00,400
Total Enterprise Set Up Cost	3,35,400
***	
Revenue (per annum)	12,90,000
Total Expenditure (annual working capital)	12,02,400
Enterprise Profit (per annum)	87,600
Payback Period (in months)	18

## Basis & Assumptions

- Number of working days: 26
- One Rubber Sole sheet can make 13 pairs of slippers for men or 15 pairs for women.  
About 20 pairs of slippers can be made for children
- Revenue per cycle as follows

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Men Slipper	2,000	45	90,000
Women Slipper	2,000	45	90,000
Children's Slipper	1,000	35	35,000

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Fish farming is also called 'pisciculture' and is the practice of commercial fish rearing for consumption purpose in enclosed tanks or artificial enclosures such as ponds. In India, it is an important sector contributing to agricultural exports and food security in India. Fish farming enterprise often requires seasonal intervention and requires no technical pre-requisite knowledge. The subtropical and tropical climate of India is ideal for growth and production of fish.

## Market Potential

In the year 2020, the Indian fish industry was worth almost INR 1,232 billion<sup>1</sup>. The government wants to increase fish output to 20 million tonnes by 2022-23 and has initiated a flagship scheme named "Pradhan Mantri Matsya Sampada Yojana<sup>2</sup>". This program aspires to engage the young in fisheries extension in order to increase fishery exports to INR 1 trillion by 2024-25. As a result, this industry has the potential to not only meet the expanding demand for fish consumption in urban and semi-urban regions, but also to become an export-oriented sector. By 2026, the Indian fish market is predicted to reach a volume of 26.6 million metric tonnes, with a CAGR of roughly 9% between 2021 and 2026<sup>3</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Pradhan Mantri Matsya Sampada Yojana**, with an average loan size of INR 15,000. They have been also supported by finance institutions like RangDe with an average loan size of INR 50,000.



**AJIT BIND**  
Age : 26 years

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Ajit Bind is a serial entrepreneur, running an integrated fishery and duck enterprise and also selling fodder in the Tilanga village of Bhadohi. Through his enterprise:

- He sells around 27000 fishes annually.
- Inspired two other peers to set up their own fishery and duck enterprise, also helping them in procuring ducklings from the supplier.

<sup>1</sup> EMR: India Fish Market Outlook, 2020. (Retrieved on 23-12-21)

<sup>2</sup> Pradhan Mantri Matsya Sampada Yojana official website (Retrieved on 8-06-2022)

<sup>3</sup> IMARC: India Fish Market, 2020 (Retrieved on 23-12-21)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Construction of pond (10,000 sq.ft @ INR 18.75 per sq.ft)	1,87,500
Pump Set	30,000
Fishing Net and other implements	10,000
Inlet & Outlet Sluices	5,000
<b>TOTAL</b>	<b>2,32,500</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Fingerlings (1100 kg @ INR 5 per kg)	5,500
Fish Feed (500 kg @ INR 25 per kg)	12,500
Lime (5kg @INR 5 per kg)	25
Cow dung (100 kgs @INR 1 per kg)	100
STAFF AND LABOUR	AMOUNT (in INR)
Salaries (@5000/ month) for 1 staff full time	60,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	3,000
Phone/Internet Bill	100
Transportation Cost	3,000
Stationery	200
Marketing Cost	1,000
Miscellaneous	500
<b>TOTAL</b>	<b>85,925</b>



## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	2,32,500
Working Capital (per annum)	85,925
Total Enterprise Set-Up Cost	3,18,425
***	
Annual Revenue	3,15,000
Total Expenditure (annual working capital)	85,925
Enterprise Profit (per annum)	2,29,075
Payback Period (in months)	12

## Basis & Assumptions

- Entrepreneur owns the land where the pond is to be constructed
- One work cycle involves 12 months, and the types of fish are assumed indigenous
- Water and electricity are available near the pond
- Fish is harvested once in a year, and sold at market price @ INR 90 per kg
- Fish over a year grows up to 1 kg by weight
- Fish harvested per cycle: 350 kg per 1000 sq. ft. (with 10% mortality rate)

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## Introduction

There has been a growing demand for electronics retail in semi-urban and rural India, especially with the rising penetration of e-commerce. With increasing income, demand for electronics products like mobile phones, sound systems, televisions, security cameras etc. has increased manifold. These enterprises often require a higher bracket of investment, starting from nearly INR 125,000, and can generate more than 3 jobs per enterprise. This enterprise is especially in demand in rural markets as well as peri-urban areas since the consumption pattern of home appliances is witnessing an uptrend due to increasing technology awareness and product affordability.

## Market Potential

Indian appliance and consumer electronics (ACE) market reached INR 764,000 million as per the latest estimates. The electronics retail industry is expected to double to reach INR 1,480,000 million by 2025.<sup>1</sup> There is a lot of scope for growth of this industry in the rural areas, with consumption expected to grow in these areas as penetration of brands increases. Demand for durables like refrigerators and consumer electronic goods are likely to witness an increased demand in the coming years, especially in the rural areas as the government is investing significantly in rural electrification.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **HDFC Bank, Punjab & Sind Bank and Sankalp Swashakti Mahila Mandal** (a Cluster Level Federation) through a micro credit facility, with an average loan size of INR 25,000.



**Sudhir Kushwaha**  
Age : 32 years

udyaME

Sudhir Kushwaha from Ladpura village, Niwari was hesitant with the idea of entrepreneurship at first. Inspired by the success story of his entrepreneur friend, Sudhir set up his own hardware retail store in 2020. To date, he has expanded his enterprise to electrical equipment as well. Through his enterprise:

- Witnessed a 70% increase in his annual revenue to INR 230,000
- Employed 2 local residents

<sup>1</sup>IMEDF : Consumer Durables, 2021 (Retrieved on 21-12-21)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Counter (@ INR 400)	400
Chair (@ INR 250)	250
Rack (@ INR 1,500)	1,500
Glass Table (@ INR 800)	800
Electric Fitting	750
<b>TOTAL</b>	<b>3,700</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Television (24 inches) (2 units @ INR 6,000)	12,000
Refrigerator (90 L) (2 units @ INR 9,000)	18,000
Washing Machine (7 kg) (2 units @ INR 7,000)	14,000
Iron (750 Watt) (5 units @ INR 200)	1,000
Mixer Grinder (500 Watt) (5 units @ INR 1,000)	5,000
Immersion Rod (5 units @ INR 150)	750
LED Bulb (5 Watt) (10 units @ INR 50)	500
Mobile (5 units @ INR 5,000)	25,000
Mobile Charger (10 units @ INR 100)	1,000
Headphone (10 units @ INR 100)	1,000
Charging Cable (10 units @ INR 50)	500
Torch (10 units @ INR 100)	1,000
Battery (Pack of 10) (20 units @ INR 80)	1,600
Electrical Tape (10 units @ INR 5)	50

STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 4,000/month)	8,000
Electricity (300 units @ INR 7)	2,100
Phone/Internet Bill	200
Stationery	200
Repair and Maintenance	200
<b>TOTAL</b>	<b>1,12,100</b>

### Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	3,700
Working Capital (for each cycle of 2 months duration)	1,12,100
Total Enterprise Set Up Cost	1,15,800
***	
Revenue (per annum)	6,81,000
Total Expenditure (annual working capital)	6,72,600
Enterprise Profit (per annum)	8,400
Payback Period (in months)	5

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 1,13,500/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Television (24 inches)	2	7,500	15,000
Refrigerator (90 L)	2	10,500	21,000
Washing Machine (7 kg)	2	8,500	17,000
Iron (750 Watt)	5	350	1,750
Mixer Grinder (500 Watt)	5	1,750	8,750
Immersion Rod	5	250	1,250
LED Bulb (5 Watt)	10	75	750
Mobile	5	6,000	30,000
Mobile Charger	10	150	1,500
Headphone	10	150	1,500
Charging Cable	10	100	1,000
Torch	10	150	1,500
Battery (Pack of 10)	200	12	2,400
Electrical Tape	10	10	100
Device Repair	100	100	10,000

- 100% of the goods produced are sold
- Bank loan not taken into account

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## Introduction

Disposable paper plates account for 45% of the total disposable plate markets. On account of their lightweight, cost-effectiveness, biodegradability, and ability to provide air resistance, internal strength and stiffness, paper cups and paper plates are extensively being utilized in the food and beverage industry. Additionally, with the government's prohibition on thermocol plates, it has increased the market potential of paper plates. With a low set up cost, this business has a good potential of giving constant returns for a long period of time.

## Market Potential

Increased awareness among consumers about hygiene, biodegradability, recyclability, government regulations, and convenience is a key factor propelling the growth of the paper cups and paper plate market, both in the urban and rural markets. These paper products are highly demanded to serve eatables during family functions, shops, catering, and other social functions<sup>1</sup>. The India paper cups and plates market reached a value of INR 21,390 million in 2020. The market is further expected to grow at a CAGR of around 10% during 2021-2026<sup>2</sup>.

## PROCESS

In the paper plate making process, heated dies are used to make plates inside the machine. The paper roll is fixed in the roller which feeds the paper into the dies in the machine. In the automatic machine, the plates come out automatically from the machine. The unit will be producing 2 types of plates for household use and will be operational for 4-5 hours a day.

Raw material fitted  
into machine

Moulding, based on  
the size

Paper roll  
pressed and cut

Paper plate separated  
from the roll and  
packaged

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sahiyogini Mahila Mandal** (a Cluster Level Federation), with an average loan size of INR 45,000.



**Rajkumari**  
Age : 31 years

udyaME

Rajkumari was in tailoring for the last 7 years. With a desire to try something new, she explored ways to expand her source of income and came across an opportunity to make paper plates at home. With support from DA, she received capacity-building training for her new venture. Through her enterprise,

- Witnessed 3-fold increase in her family's annual income
- Supplies to other retail paper plate making unit (3 of them being women run)
- Employs 2 local residents

<sup>1</sup>Expert Market Research (EMR): Global Paper Cups and Paper Plates Market Outlook. (Retrieved on 06-01-2022)

<sup>2</sup>IMARC: India Paper Cups Market: Industry Trends, Share, Size, Growth, Opportunity and Forecast 2021-2026 (Retrieved on 06-01-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Fully Automatic Double Die Paper Plate making machine	1,03,000
<b>TOTAL</b>	<b>1,03,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS AND CONSUMABLES REQUIRED	AMOUNT (in INR)
100GSM aluminum laminated Paper for plates (1,500 kg @INR 48/ Kg)	72,000
STAFF AND LABOUR	AMOUNT (in INR)
Electric Bill (@INR 7/ unit)	2,100
Rent (@ INR 4,000/month)	8,000
Packaging	2,000
MANPOWER REQUIRED	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
<b>TOTAL</b>	<b>1,04,100</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,03,000
Working Capital (for each cycle of 2 months duration)	1,04,100
Total Enterprise Cost	2,07,100
***	
Annual Revenue	10,12,500
Total Expenditure (annual working capital)	6,24,600
Enterprise Profit	3,87,900
Payback Period (in months)	3

## Basis & Assumptions

- Working days in a month: 30 days
- Two sizes of 6 Inch Plates and 8 Inch Plates are manufactured selling for INR 0.5 per piece and INR 1 respectively
- 100% of the products get sold
- Products sold: 125,000 6" plates and 106,250 4" plates
- Bank loan not taken into account

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## 56 BUILDING MATERIAL RETAIL

### Introduction

Indians in rural and semi urban spaces are steadily catching up with their urban counterparts, when it comes to building a sturdy habitat for themselves. Reinforced concrete buildings have become a norm in Indian society. This increase in demand for concrete houses has also driven the need for construction building materials like cement, bricks, sand and rubbles. Due to this, the necessity of building materials retail shops, which provide these raw materials, have also increased manifold and is seen as a lucrative investment as an enterprise.

### Market Potential

The building material industry is the second largest employer in the country after agriculture, providing a significant contribution to the nation's economy and employing a large number of people. Be it rural or urban space, the emergence of newer segments in the economy like hospitality, retail, entertainment, education etc. have contributed to the growth of the industry. People are now investing in construction of new spaces be it houses, schools, hospitals or offices. With growing demand, the retail business of construction material is coming up as a high profit enterprise which can cater to the local needs of the rural communities. The building construction industry in India is expected to record a CAGR of 15% to reach INR 29,782.2 billion by 2024<sup>1</sup>

### Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **HDFC Bank and Sanghamitra Rural Financial Services** (a Micro Finance Institution), with an average loan size of INR 60,000.



**RAMPAL RAJPUT**  
Age : 39 years

udyaME

Rampal Rajput is the proprietor of a Building Material in Palinda, Jhansi, Uttar Pradesh. He has been in the business for five years now:

- He earns a monthly income of INR 70,000 and has a steady local network in the construction community.
- Jobs created: 25

<sup>1</sup>PRNEWswire: India Building Construction Market Outlook 2020-2024, 2020 (Retrieved on 27-12-21)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Construction of storage sheds (@ INR 1,00,000)	1,00,000
Manual equipment for carrying construction materials (@ INR 50,000)	50,000
Jute bag stitching machine (@ INR 5,000)	5,000
Concrete mixing machine (on rent @ INR 1,10,000))	1,10,000
Installation and training charges (@ INR 2,000)	2,000
Transportation of equipment (@ INR 5,000)	5,000
Pre-operative expenses	35,000
<b>TOTAL</b>	<b>3,07,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Sand (tonnes) (12 units @ INR 1,100/unit)	13,200
Red Bricks (9 in x 4 in x 3 in) (7,000 units @ INR 6/unit)	42,000
Cement Bag (50 kg) (175 units @ INR 300/unit)	52,500
Cement Brick (9 in x 4 in x 3 in) (2,000 units @ INR 6/unit)	12,000
Fly Ash Bricks (9 in x 4 in x 3 in) (2,000 units @ INR 6/unit)	12,000
Gravel (tonnes) (7 units @ INR 2,000/unit)	14,000
Pavers Blocks (80 mm thickness) (2,000 units @ INR 6/unit)	12,000
STAFF AND LABOUR	AMOUNT (in INR)
Supervisor (@ INR 15,000/month)	30,000
1 Full-time worker (@INR 6,000/month)	12,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity (1000 units @ INR 7/unit)	7,000
Phone/Internet Bill (@ INR 250/month)	500
Stationary	100
Repair and Maintenance (@ INR 7,000/month)	14,000
Miscellaneous	500
<b>TOTAL</b>	<b>2,21,800</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	3,07,000
Working Capital (for each cycle of 2 months duration)	2,21,800
Total Enterprise Set Up Cost	5,28,800
***	
Revenue (per annum)	15,10,800
Total Expenditure (annual working capital)	13,30,800
Enterprise Profit (per annum)	1,80,000
Payback Period (in months)	20

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 75,250/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Sand (tonnes)	12	1,400	16,800
Red Bricks (9 in x 4 in x 3 in)	7,000	10	70,000
Cement Bag (50 kg)	175	500	87,500
Cement Brick (9 in x 4 in x 3 in)	2,000	10	20,000
Fly Ash Bricks (9 in x 4 in x 3 in)	2,000	10	20,000
Gravel (tonnes)	7	2,500	17,500
Pavers Blocks (80 mm thickness)	2,000	10	20,000

- Land is owned by the entrepreneur
- Entrepreneur is booking his salary as the supervisor
- 100% of the goods produced are sold
- Bank loan not taken into account.

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## Introduction

Powdered spices are convenient to use, and it saves time and physical effort in preparing different, delicious cuisines. Every commercial food industry like hotels, restaurants, catering businesses and many more are now using powder spices on a daily basis. The most produced spices are pepper, cardamom, chilli, ginger, turmeric, coriander, cumin, celery, fennel, fenugreek, garlic, nutmeg & mace, curry powder, spice oils and oleoresins. Out of these spices, chilli, cumin, turmeric, ginger and coriander make up about 76% of the total production. Spice powder makes it an easy and profitable business to start, and one can start this business with a small-scale investment.

## Market Potential

India is the world's largest producer, consumer and exporter of spices; the country produces about 75 of the 109 varieties listed by the International Organization for Standardization (ISO) and accounts for half of the global trading in spices. The Indian domestic spices market was worth INR 75 million crore, with a production of 10.7 million tonnes in 2021, and has been growing at CAGR of 8%<sup>1</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by Microcredit Facility (MCF) and through peer to peer lending with an average loan size of INR 35,000.



**USHA GAUTAM**  
Age : 30 years

udyaME

To provide alternate income for her family, Usha Devi began her dry masala making enterprise. Since then:

- A serial entrepreneur, she also runs a flour mill unit at home
- Earns a monthly revenue of INR 10,000

<sup>1</sup>PRNEWswire: India Building Construction Market Outlook 2020-2024, 2020 (Retrieved on 27-12-21)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Pulveriser with motor and accessories (2 units @ INR 39,000)	78,000
Disintegrator with motor (2 units @ INR 45,000)	90,000
Solar-powered hot air dryer (300 Kg) (1 unit @ 1,02,200 INR)	1,02,200
Sieving machine with motor (2 units @ 16,000 INR)	32,000
Semi- Automatic Form Fill and Sealing machine (1 units @ 44,300 INR)	44,300
Manual Packaging machine (2 units@ 3,000 INR)	6,000
Platform Weighing Machine (2 units @7,000 INR)	14,000
Washing Tanks, SS Utensils, Trays	16,000
Laboratory equipment (basic quality testing)	23,000
Preoperative expenses (Working tables of aluminum and concrete, wiring, fire safety)	35,000
<b>TOTAL</b>	<b>4,40,500</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Turmeric (150 kg @ INR 67/Kg)	10,050
Cumin Seeds (125kg @INR 180/Kg)	22,500
Coriander Seed 150kg @INR 75/Kg)	11,250
Dried red Chili pepper (A –grade) (150kg @INR 69/Kg)	10,350
Raw ginger (100kg @ INR 62/Kg)	6,200
Packaging material (6,750 100 grams pouches @ INR 0.5/pouch)	3,375
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	30,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 5,000/month)	15,000
Electricity	9,000
Stationery	1,500
Internet and Phone bill	1,800
Transportation	6,000
Repair and maintenance	6,000
<b>TOTAL</b>	<b>1,33,025</b>
<b>TOTAL</b>	<b>35,800</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	4,40,500
Working Capital (for each cycle of 3 months duration)	1,33,025
Total Enterprise Cost	5,73,525
***	
Annual Revenue	14,30,000
Total Expenditure (annual working capital)	5,32,100
Enterprise Profit	8,97,900
Payback Period (in months)	6

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Machines operate for 5 hours in a day
- 100% of the goods produced are sold
- Bank loan not taken into account
- Revenue generated from selling products

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Spice Grinding Services	200	100	20,000
Turmeric (100g packets)	1,500	50	75,000
Coriander (100g packets)	1,500	50	75,000
Cumin (100g packets)	1,250	50	62,500
Ginger (100g packets)	1,000	50	50,000
Red Chillies (100g packets)	1,500	50	75,000

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## Introduction

Vermicomposting is a method of making compost, with the use of earthworms, which generally live in soil, eat biomass and excrete it in digested form. The compost produced using this method is generally called vermicompost which is rich in humus and nutrients. The commonly available nutrients in vermicompost are as follows:

Nutrient	Content
Organic carbon	9.5 to 17.98%
Nitrogen	0.5 to 1.5%
Phosphorus	0.1 to 0.3%
Potassium	0.15 to 0.56%
Sodium	0.06 to 0.30%
Calcium	22.67 to 47.60 meq/100g
Sulphur	128 to 548 mg kg <sup>-1</sup>
Copper	2 to 9.50 mg kg <sup>-1</sup>
Iron	2 to 9.30 mg kg <sup>-1</sup>
Zinc	5.70 to 11.50 mg kg <sup>-1</sup>

The quantity and quality of vermicompost produced depends on type and quantity of feed material and living conditions for earthworms.

## Market Potential

The prime market for vermicompost is in the sectors of agriculture and horticulture, where it has tremendous potential to convert biodegradable waste into organic manure for use in organic farming. Apart from farming communities in rural areas it also has a large market in urban markets such as home gardens, kitchen gardens and commercial plant nurseries. The vermicompost market was valued at INR 44.5 crores in 2019 and is projected to reach INR 163.4 crores by 2027, growing at a CAGR of 16.74% from 2020 to 2027<sup>1</sup>

<sup>1</sup>Verified Market Research: Vermicompost Market, 2019 (Retrieved on 03-01-22)

## PROCESS

In the vermicomposting process, the biomass waste is converted into high-value organic manure. The various phases involved in the process are:

**Phase 1:** Processing of waste (collection, segregation, shredding and storage of biomass waste)

**Phase 2:** Pre-digestion of organic waste mixed with cattle dung slurry for a few weeks

**Phase 3:** Preparation of earthworm bed. The bed is mostly prepared either in a pit or heap method. Digestion of mixed organic waste in a pit or heap by introducing earthworms.

**Phase 4:** Harvesting of vermicompost by segregating earthworms using a sieving method, and re-composting as required.

**Phase 5:** Vermicompost is stored and packaged for distribution/market.

### REQUIREMENTS

- **Shed:** Sheltered culturing of earthworms is needed to protect them from excessive heat and rain, and natural enemies like ants, birds, termites, pigs, rats etc.
- **Containers:** Construction of cement tanks or lightweight HDPE tetra vermibeds is required for the production of vermicompost. This could be prepared either using a pit or heap method. The recommended dimensions are 12ft x 4ft x 2 ft. The length and width can be increased or decreased depending on the availability of organic waste.
- **Bedding and feeding materials:** A suitable bed for earthworms is prepared in the container and fed with organic waste ready for vermicomposting.
- **Space required:** 1600 ft<sup>2</sup> (Open composting, a container with shed and storage)
- **Labour:** 2 people to manage production and packaging
- Water and electricity connection

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sahiyogini Mahila Mandal** (a Cluster Level Federation) and **Vindhya Sabji Evam Beej Producer Company** (a Farmer Producer Organisation), with an average loan size of INR 10,000.



**ASHA DEVI**  
Age : 34 years

udyaME

Asha Devi from Lachchhapatti village, Mirzapur came across the idea of setting up a vermicomposting enterprise in 2018, which required cow dung as the main raw material. She already had four cows, and waste from livestock was abundantly available at her home.

She has scaled her business by aggregating vermicompost from other units in village and selling it almost double the price.:

- Monthly income: INR 18000
- Jobs created: 2

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
HDPE Vermibeds (12x2x1 feet) (14 units @ Rs. 8,000/unit)	1,12,000
Installation and training charges	10,000
Transportation charges for machinery	5,000
Bag sealing machine/ bag closer sewing machine, single needle with oil pump	5,580
Shovels, Spades, Crowbars, iron baskets, dung fork, buckets, bamboo baskets, trowel	2,000
Power Operated shredder	44,000
Sieving Machine	500
Weighing Machine (50 Kg)	7,000
Culture Tray	300
<b>TOTAL</b>	<b>1,86,380</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Biomass waste (kitchen/ farm) (5,000 Kg @ INR 0,50 per kg.)	2500
Cow dung (15,000 kg @ INR 0.80 per kg.)	12,000
Vermi worm (30kg @ INR 150 per kg.)	4,500
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary (@ INR 8,000/month)	16,000
One Full-time worker (@ INR 5,000/month)	10,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	500
Phone/ internet bill	100
Transportation Cost	3,000
Stationary	200
Marketing Cost	1000
Repair and Maintenance	200
Miscellaneous	500
<b>TOTAL</b>	<b>50,500</b>



## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,86,300
Working Capital (for each cycle of 3 months duration)	50,500
Total Enterprise Set-Up Cost	2,36,880
***	
Annual Revenue	6,24,000
Total Expenditure (annual working capital)	3,03,000
Enterprise Profit	3,21,000
Payback Period (in months)	7

## Basis & Assumptions

- Working shift-1 shift of 8 hours per working day
- One cycle lasts for 40 days, thus the total number of working days in a year is 200
- Dimension of container-12ft X 4ft X 2ft
- Intake capacity- 1 ton per container (1 ton = 1,000kg)
- Composting period- 60 days
- No. of cycles per year-5
- Output in the form of vermicompost-750 kg/cycle/container - selling cost is INR 14 per kg
- Yield: Approx. 75% of intake capacity
- No. of containers-10
- Land is owned by the entrepreneur
- All produced compost is sold
- Business loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.



## Introduction

Chicken is relished across India as a major source of protein for the non-vegetarians. The sector is rapidly increasing with highest demand for broiler chicken. Although poultry farming has a higher capital investment but multiple products such as egg, meat and waste, strong market demand (including from corporates) and promotion by Government schemes has made this enterprise very lucrative.

## Market Potential

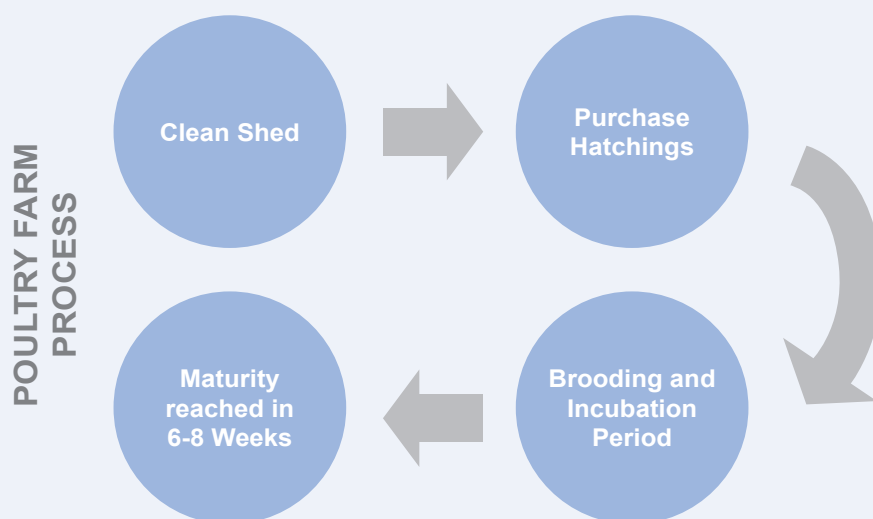
According to ICRA, India's annual per capita meat consumption is roughly 3.35 kg and becoming the world's fifth-largest egg producer and the eighteenth largest producer of broilers<sup>1</sup>. As against the targeted production of 7.37 million tonnes, the total estimated production is 4.67 million tonnes. As a result, there will be a ready market for farm-raised broilers. In 2020, the Indian poultry market, which includes broilers and eggs, was valued at INR 1,988 billion. The market is expected to increase at a CAGR of 15.2 per cent between 2021 and 2026 reaching a value of INR 3,988 billion, according to IMARC Group<sup>2</sup>. With an investment of approximately INR 0.6 million, the enterprise can be started by any entrepreneur irrespective of any prior experience. They can earn approximately get revenues worth INR 70,000 per cycle (in 6-8 weeks) with a profit margin of 35%.

<sup>1</sup>APEDA: Poultry Products, 2020 (Retrieved on 23-12-21)

<sup>2</sup>IMARC: Indian Poultry Market, 2020 (Retrieved on 23-12-21)

## Process

The site of the poultry farm should have a sufficient land area and a good supply of water and electricity. The shed should have good ventilation and wind flow. Day-old chicks with good quality are selected for brooding. Before the arrival of the chicks, the shed is cleaned and sanitized. The brooder is started one day prior to the arrival of the chicks. The litter is stirred on a regular basis for avoiding caking and to maintain the humidity of the shed. Feeding and vaccinations are other important steps in the process.



## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by institutions such as **HDFC Bank, Micro Finance Institutions** and have availed government support through **National Rural Livelihood Mission**, with an average loan size of INR 30,000.



**GYADDIN KUSHWAHA**  
Age : 40 years

udyaME

Gyaddin Kushwaha from Niwadi was trained with record-keeping which helped him get a loan from a local Microfinance Institutions, MFIs. Training also made him aware of using local produce like bamboo and feed, through which he was able to save substantially while setting up. He has also integrated his enterprise with his farming and turned the waste from his farm into feed.

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Motor	6,000
Feeder (50 pieces @ INR 230/piece)	11,500
Drinker (50 pieces @ INR 370/piece)	18,500
Water tank and fixtures	750
Construction of 3000 sq. ft shed (@Rs 180/sq ft)	18,000
<b>TOTAL</b>	<b>5,40,000</b>

### Working Capital (for a 2-month cycle)

CONSUMABLES REQUIRED	AMOUNT (in INR)
Chicks (2,000 birds @INR 35/bird)	70,000
Feed (5,000 kg @INR 28/kg)	1,40,000
Medicine & Vaccination (2,000 birds @INR 5/bird)	10,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
Two Full-times Workers (@ INR 6,500/month)	26,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Water	1,000
Electricity	3,500
Transportation Cost	5,000
<b>TOTAL</b>	<b>2,75,500</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	5,94,000
Working Capital (for each cycle of 2 months duration)	2,75,500
Total Enterprise Cost	8,69,500
***	
Annual Revenue	20,58,000
Total Expenditure (annual working capital)	16,53,000
Enterprise Profit	4,05,000
Payback Period (in months)	18

## Basis & Assumptions

- The entrepreneur owns the land
- The selling price/hen is INR 175
- The cycle for poultry is 6-8 weeks (6 cycles in a year)
- 100% of chickens are sold
- Mortality of birds is 2%
- Bank loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Roadside food stalls represent an important constituent of the informal economy and play a significant role in ensuring availability of food at affordable rates to the majority of the population. In rural areas, birthdays, anniversaries, engagement functions, and other events are frequently celebrated. In this scenario, a roadside cafe or a fast-food joint with seating capacity can be a lucrative business. The profit margins are larger in this business, and word of mouth acts a key contributor to the success of this business.

## Market Potential

The Indian food industry has grown in recent years as a result of shifting consumption habits. The food services market in India has shown consistent growth since 2014 and was estimated at INR 4,096 billion in the year 2019. The Ministry of Housing & Urban Affairs also launched a scheme “PM Street Vendor’s AtmaNirbhar Nidhi”, to empower roadside establishments and street vendors by not only extending loans to them, but also investing in their holistic development and economic upliftment. As a result of these factors, the food services market in India is projected to grow at a CAGR of 10.5% over the next two years.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **HDFC** and **Punjab Sindh Bank**, **SKS** and **RBL Microfinance** (Micro Finance Institutions) and have also availed government support through **NLRM**, with an average loan size of INR 70



**SITARAM KUSHWAHA**  
Age : 45 years

udyaME

With an experience of over 23 years, Sitaram Kushwaha aspired to start his own venture in Orchha when the pandemic affected his family’s livelihood. He initially started with a small food stall to gauge the local demand. He now earns a monthly revenue of INR 70000. Through his enterprise, Sitaram:

- Earns a monthly profit of INR 17,000
- Employs 6 local residents



## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Shed (225 sq feet)	40,000
Counter	25,000
Gas stove	2,500
Utensils	15,000
Freezer	20,000
Tables (6 @ INR 3,000/unit)	18,000
Chairs (24 @ INR 800/unit)	19,200
<b>TOTAL</b>	<b>1,39,700</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Vegetables (60Kg @ INR 100/kg)	6,000
Oil (20 litres @ INR 200/litre)	4,000
Spices (2 kg @ INR 3,000/kg)	6,000
Grocery items like sugar, flour, bread etc.	16,000
Retail items like cold drinks, packaged snacks etc. (150 units @ INR 35/unit)	5,250
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ 10,000/month)	20,000
Two Full-time Workers (@ 6,500/month)	26,000
Four Part-time Workers (@ 4,000/month)	32,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	3,000
Water	6,000
Cooking gas	12,000
<b>TOTAL</b>	<b>1,36,250</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,39,700
Working Capital (for each cycle of 2 months duration)	1,36,250
Total Enterprise Cost	2,75,950
***	
Annual Revenue	8,87,400
Total Expenditure (annual working capital)	8,17,500
Enterprise Profit	69,900
Payback Period (in months)	24

## Basis & Assumptions

- Total working days in a month: 26 days
- Land owned by the entrepreneur
- In one day, 18 tables are served, with an average spending per table of INR 150
- 150 retail items sold for an average of INR 50
- Bank loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Traditional crafts using bamboo as raw material are popular not only in India but worldwide. People in rural areas, in general, are both producers and consumers of this product. Bamboo has manifold uses, and its low cost makes it the primary material for articles of everyday use such as stools, mats, baskets, traps as well as decorative items

## Market Potential

The global size of the bamboo market was valued at INR 4.1 lakh crore in 2020 and is expected to expand at a compound annual growth rate (CAGR) of 5.7% from 2021 to 2028. The Indian Bamboo Products Market is segmented based on species, application, end-user industry, and region. Based on species, the market can be categorized into Bambusa Tulda, Bambusa Bambos, Dendrocalamus Strictus and others. The Bambusa Tulda species is expected to dominate the market owing to its widespread use in the construction industry and for making furniture, mats, and handicrafts, among others.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **Sakhi Saheli Tejaswini Mahasang (a Cluster Level Federation)**, with an average loan size of INR 25,000.



**KAPIL SIJUORIYA**  
Age : 24 years

udyaME

Kapil Sijuoriya was inspired by his friend to set up his enterprise through by connecting with other entrepreneurs. Since then:

- Availed a loan of INR 20,000 from credit facility to procure raw material for his enterprise
- Employs one youth
- Annual revenue of INR 1,45,000

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
10 Filer (@ INR 500 each)	5,000
5 Hammer (@ INR 300 each)	1,500
10 Chisel (@ INR 150 each)	1,500
10 Fret Saw (@ INR 100 each)	1,000
10 Caliper (@ INR 300 each)	3,000
2 Drill (@ INR 2,000 each)	4,000
2 Jig Saw (@ INR 5,000 each)	10,000
Mitre Saw (@ INR 10,000 each)	10,000
Planar (@ INR 5,000 each)	5,000
Handheld Sander (@ INR 3,000 each)	3,000
2 Blow Air Gun (@ INR 800 each)	1,600
Dryer (@ INR 1,000 each)	1,000
Washer Container (@ INR 1,000 each)	1,000
3 Brushes set (@ INR 500 each)	1,500
<b>TOTAL</b>	<b>49,100</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Bamboo Pole Column (20 ft)	12,000
Split Bamboo Sticks (70 units)	2,450
Thinner (12 units)	960
Treatment chemical (1 unit)	1,000
Sandpaper (100 units)	1,400
Nails, staplers and pins (1 unit)	600
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary (@INR 10,000/month)	20,000
2 Artisans (@ INR 6,000 per person/month)	24,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 4,000/month)	8,000
Phone/Internet Bill (@ INR 1,000/month)	2,000
Electricity (300 units @ INR 7/unit)	2,100
<b>TOTAL</b>	<b>74,510</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	49,100
Working Capital (for each cycle of 2 months duration)	74,510
Total Enterprise Set Up Cost	1,23,610
***	
Revenue (per annum)	4,95,000
Total Expenditure (annual working capital)	4,47,060
Enterprise Profit (per annum)	47,940
Payback Period (in months)	12

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each business cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 82,500/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Pen Stand	80	250	20,000
Mats	75	200	15,000
Furniture (table, chair)	15	1500	22,500
Decorative Items	50	500	25,000

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.







## Introduction

Sports retail is a fast-growing segment of retail in India. It consists of goods required for participating in sports and fitness, as well as preventing related injuries. India is among the largest sports goods manufacturers in Asia after China and Japan. Recently, the country has been hosting many international sports and this has given a boost to this sector. The increasing prevalence of lifestyle diseases and rising numbers of gyms and fitness centres have further pushed the demand for sports and fitness goods. Estimates show that the industry has been growing at an average annual rate of around 10 - 12% in the past five years.

## Market Potential

The Indian sports and fitness goods market reached a value of INR 13,000 crore in 2020. Looking forward, the market is poised to grow at a CAGR of 8.6% during 2021-2026. The major drivers of the industry, such as rising disposable incomes, increasing population, growing health awareness, the rising popularity of different sports, increasing prevalence of lifestyle disorders, and increased product demand from the younger population are expected to aid the market growth<sup>1</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by National **Rural Livelihoods Mission**, with an average loan size of INR 30,000.



**ATUL KUMAR**  
Age : 24 years

udyaME

Atul Kumar, a youth of just 24 years of age, wanted to do something that was unique. Following his passion, he ventured into opening a Sports Shop in his village in Bhadohi in 2020.

- Invested INR 35,000 of his own savings
- Monthly income at INR 8,000

<sup>1</sup>IMARC: Indian Sports & Fitness Goods Industry Trends, Share, Size, Growth, Opportunity and Forecast 2021-2026 (Retrieved on 06-01-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Racks (5 @ INR 5,000/rack)	25,000
Chair	800
Counter (2 @ INR 4,000/counter)	8,000
<b>TOTAL</b>	<b>33,800</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Shoes (25 @ INR 750/piece)	18,750
Socks (80 @ INR 40/piece)	3,200
Cricket Bat (30 @ INR 600/piece)	18,000
Cricket Ball (150 @ INR 75/piece)	11,250
Football (30 @ INR 150/piece)	4,500
Basketball (15 @ INR 200/piece)	3,000
Hoodies (80 @ INR 350/piece)	28,000
Wickets (1 set includes 3 wickets) (15 @ INR 105/piece)	1,575
Badminton Racket (40 @ INR 300/piece)	12,000
Tennis Racket (8 @ INR 400/piece)	3,200
Shuttlecock (pack of 6) (150 @ INR 60/piece)	9,000
Tennis Ball (100 @ INR 60/piece)	6,000
Badminton Net (3 @ INR 1,500/piece)	4,500
Tennis Net (2 @ INR 1,500/piece)	3,000
Sports clothes (Males) (40 @ INR 900/piece)	36,000
Sports clothes (Females) (40 @ INR 900/piece)	36,000

STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent (@ INR 5,000/month)	10,000
Water (@ INR 1,000/month)	1,000
Electricity (@ INR 2,000/month)	2,000
Phone/Internet Bill (@ INR 600/month)	600
Transportation Cost (@ INR 2,000/month)	2,000
Stationery (@ INR 500/month)	500
<b>TOTAL</b>	<b>2,34,075</b>

### Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	33,800
Working Capital (for each cycle of 2 months duration)	2,34,075
Total Enterprise Cost	2,67,875
***	
Annual Revenue	14,85,300
Total Expenditure (annual working capital)	14,04,450
Enterprise Profit	80,850
Payback Period (in months)	5

## Basis & Assumptions

- The number of operational days in a month is 26
- No loan has been taken for the business
- Revenue per cycle is as follows

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Shoes	25	950	23,750
Socks	80	60	4,800
Cricket Bat	30	750	22,500
Cricket Ball	150	95	14,250
Football	30	200	6,000
Basketball	15	250	3,750
Hoodies	80	450	36,000
Wickets (1 set includes 3 wickets)	15	150	2,250
Badminton Racket	40	350	14,000
Tennis Racket	8	500	4,000
Shuttlecock (pack of 6)	150	75	11,250
Tennis Ball	100	80	8,000
Badminton Net	3	1,800	5,400
Tennis Net	2	1,800	3,600
Sports clothes (Males)	40	1,100	44,000
Sports clothes (Females)	40	1,100	44,000

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## 63 SOFT TOY MANUFACTURING

### Introduction

A soft toy is a toy which is made for children, typically a toy animal, made of fabric stuffed with a soft filling. It is usually used by infants, and children for seeking comfort and by teenagers as a decoration. Stuffed toys are distinguished from other toys mainly by their softness, flexibility, and resemblance to animals or fictional characters. Stuffed toys most commonly take the form of animals, especially bears. They are commonly sold in stores across India. Vendors are often abundant at tourist attractions, airports, carnivals, fairs, downtown parks, and general public meeting places of almost any nature, especially if there are children present.

### Market Potential

The Indian toy market, which is currently estimated at INR 7700 crore, has the potential to double itself by 2025. India could also target a 2% share of global exports by 2025<sup>1</sup>. The Indian toy industry is only 0.5% of the global industry size indicating a large potential growth opportunity. The domestic toy demand is forecasted to grow at 10-15% against the global average of 5%<sup>2</sup>

### Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **National Rural Livelihoods Mission**, with an average loan size of INR 30,000.



**USHA DEVI**  
Age : 22 years

udyaME

Usha Devi from Dhanipati village in Mirzapur set up a soft toy manufacturing unit in her village in early 2020. Since then:

- She sells soft toys to 10 nearby villages
- Has influenced on another similar enterprise
- Employs 3 women artisans from her village

<sup>1</sup>KPMG: India's Toy Story: Unboxing Fun and Beyond, 2021 (Retrieved on 06-01-2022)

<sup>2</sup>Invest India : Toys Manufacturing (Retrieved on 06-01-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Sewing Machine (3 @ INR 3,500/-)	10,500
Scissors (5 @ INR 300/-)	1,500
Chairs (3 @ INR 500/-)	1,500
Tables (3 @ INR 4,000/-)	12,000
Designed Stencils (for cutouts) (15 @ INR 200/-)	3,000
<b>TOTAL</b>	<b>28,500</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Cotton (95 kgs @ INR 250/kg)	23,750
Cloth/Fabric (in sq metres) (478 sq metres @ INR 120/sq metres)	57,360
Accessories (Buttons, decorations) (2,000 units @ INR 5/unit)	10,000
Glue (5 @ INR 250/-)	1,000
Thread (150 spools @ INR 7/spool)	1,050
Packaging Material (940 units @ INR 2/unit)	1,880
Needles (one set includes 25 needles) (4 sets @ INR 180/set)	720
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneurs Salary (INR 10,000/month)	20,000
Two Full-time Workers (INR 6,000/month)	24,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	2,000
Rent (@ INR 4,000/month)	8,000
Water	1,000
Stationery	1,000
Maintenance	4,000
<b>TOTAL</b>	<b>1,55,760</b>



## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	28,500
Working Capital (for each cycle of 3 months duration)	1,55,760
Total Enterprise Cost	1,84,260
***	
Annual Revenue	11,23,200
Total Expenditure (annual working capital)	9,34,560
Enterprise Profit	1,88,640
Payback Period (in months)	2

## Basis & Assumptions

- The enterprise operates 26 days a month
- Enterprise is functional for 8 hours daily during which 18 soft toys are manufactured
- Average price per soft toy sold is INR 200
- Since production is only for pre-paid orders, 100% of manufactured goods are sold

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

A plumbing business provides general maintenance and repair services to residential and commercial customers, including plumbing and appliance installation and repair. Workers in this industry install and maintain plumbing fixtures, fittings and equipment and the industry activities include work on household pipes and drains; installation of appliances and work on bathroom and toilet fixtures and venting systems. Emergency repair work (e.g. unclogging drains or repairing burst water mains) constitutes 40% of the work of a plumbing enterprise and is a significant source of revenue. With growing urbanisation in India, the demand for plumbers is also growing.

## Market Potential

The plumbing industry's size is directly proportionate to the construction industry's size. It accounts for 7.5 percent to 15% of the construction industry's total size. Manpower requirement for the plumbing industry is about 2.5% of manpower requirement in the construction industry. Currently, 33 million people are employed in the construction industry. Hence, around 0.8 million people are currently employed in the plumbing sector. About 90% of the plumbing industry workforce in India is not professionally trained. Most of the skill learning in the industry happens through unstructured, On Job Training (OJT)<sup>1</sup>.

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **National Rural Livelihoods Mission**, with an average loan size of INR 30,000.



**RAVI KUSHWAHA**  
Age : 24 years

udyaME

Ravi Kushwaha from Orchha set up his enterprise in 2020. He invested INR 30,000 of his own savings and a further INR 20,000 was loaned to him by his parents in setting up:

- Monthly income at INR 15,000
- Employs 3 other people

<sup>1</sup> Indian Plumbing Industry (Retrieved on 06-01-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Tool Kit	45,000
Measuring tape	200
<b>TOTAL</b>	<b>45,200</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
10m Teflon Plumbing Tape (10 units @ INR 8/unit)	80
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	20,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Transportation Cost	3,000
Stationary	1,000
<b>TOTAL</b>	<b>24,080</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	45,200
Working Capital (for each cycle of 2 months duration)	24,080
Total Enterprise Cost	69,280
***	
Annual Revenue	1,80,000
Total Expenditure (annual working capital)	1,44,480
Enterprise Profit	35,520
Payback Period (in months)	15

## Basis & Assumptions

- Working days in a month: 26 days
- Working shift of 8 hours per day
- Parts bought as per job orders and specifications
- Monthly projects: 50 projects with entrepreneur's commission as INR 300/job
- Bank loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Carpet weaving is a traditional handicraft and has been running across generations from a long time in various regions in India. The craft got a boost due to the introduction of better technology and market linkage to various national and international platforms. This led to an organic growth of allied Industries. This includes dyeing units, yarn sourcing and finishing units, scissors manufacturers etc. These allied industries are alternatively called carpet ancillary units. Yarn sourcing and finishing is an important part of the carpet weaving value chain.

## Market Potential

India is considered to be the world's largest producer and exporter of handmade carpets in terms of value and volume. India is responsible for around 40% of worldwide export of handmade carpets. Export of carpets from India stood at US\$ 1.37 billion in FY20. The total carpet export was INR 549.25 Billion between April 2021 and August 2021. India exports carpets to more than 70 countries worldwide.<sup>1</sup> Major importers for the Indian woven carpets are the United States, Germany, Canada, the United Kingdom, Australia, South Africa, France, Italy, Brazil, etc.<sup>2</sup>

## Funding Source

Under the programmes supported by the Development Alternatives Group, such enterprises have been financed by **HDFC Bank**, with an average loan size of INR 30,000



**DILIP KUMAR**  
Age : 29 years

udyaME

Dilip Kumar from Lalanagar, Badohi opened his carpet ancillary business by setting up a khadi yarn shop in 2008 .

- He earns INR 18,000 in a month and runs his family's sweet business alongside his enterprise.

<sup>1</sup>IBEF: Carpet Industry and Exports (Retrieved on 07-01-2022)

<sup>2</sup>Mordor Intelligence: India Carpet and Rugs Market-Growth, Trends, Covid-19 Impact and Forecasts(2021 - 2026) , (Retrieved on 07-01-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Own shop (500 sq. foot @ INR 900)	4,50,000
Weight machine (2 units @ INR 5,000)	10,000
Cot (4 units @3,500)	14,000
Fan (1 unit @1,500)	1,500
Spinning Wheel (2 units @1,000)	2,000
Transportation of Equipment	2,000
<b>TOTAL</b>	<b>4,79,500</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Yarn (500 kg @ INR 100 per kg)	50,000
Detergent (10 Kg @ INR 300 per kg)	3,000
Stationery	500
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary (@INR 10,000/month)	20,000
1 Full-time worker (@INR 6,000/month)	12,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity (150 units @ INR 7)	1,050
Water (12 units @ INR 50)	600
Phone/Internet Bill (@ INR 250)	500
Transportation cost (@ INR 1,500)	3,000
Repair and maintenance	500
Miscellaneous	500
<b>TOTAL</b>	<b>91,650</b>



## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	4,79,500
Working Capital (for each cycle of 2 months duration)	91,650
Total Enterprise Set Up Cost	5,71,150
***	
Revenue (per annum)	7,50,000
Total Expenditure (annual working capital)	5,49,900
Enterprise Profit (per annum)	2,00,100
Payback Period (in months)	29

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 1,25,000 /cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Yarn	500	250	1,25,000

- Entrepreneur owns the shops
- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

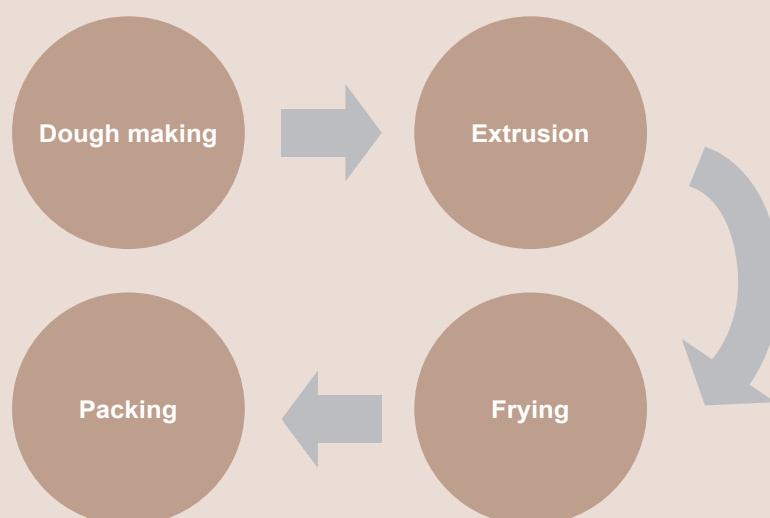
Namkeen literally translates to “salty” and is a generic term for a variety of popular traditional savoury snacks enjoyed by many people across the country. Many regions are known for their specialties such as Indore and Ratlam. They are generally produced using gram flour, chickpeas, rice, nut, pulses, and lentils. Its long shelf life has made it a favourite of many people as it can be stored for a long time and doesn't require any preparation.

## Market Potential

The market for namkeen in recent years has seen increasing growth spurts as people move away from hyper-processed foods that are tremendously rich in salt and saturated fats. Namkeens provides an alternative to that while maintaining its taste. The market has been forecasted to grow by a compound annual growth rate of 7% and reach more than INR 20,000 crores (USD 2.8 billion) by the year 2026. The growth is driven by lifestyle changes and higher consumer spending, especially in Tier 2 and 3 cities.

## Manufacturing Process

Namkeen is manufactured from flour of different pulses. However, depending on the final recipe, a combination of 2 or more pulses and gram flour can be tried out. An adequate quantity of water is added to flour of pulses, common salt, spices, chilli and sodium bicarbonate and homogenous mixing is done to form the dough. The dough is extruded out of the extruder machines or manual extruders, some of them are roasted and some are fried in edible oil depending upon the type. Seasoning and other additives like roasted pulses are then thoroughly mixed before packing in polythene bags.





**PARVATI DEVI**  
**Age : 42 years**

udyaME

Parvati Devi has 8 years of experience. Her father also had a similar business which is now managed by her brother. Her husband was a carpet manufacturer but made a switch as they felt this business was much more lucrative. They had to shut down the enterprise for a few years as her son had become extremely unwell. Recently, her son has come to support her mother in running the enterprise and has brought with him fresh new ideas such as the manufacturing of non-aerated cold drinks.

## Business Financials

Estimated costs and revenues are shared below based on standardized assumptions. These may vary from business-to-business basis capacity, efficiency, and other market factors.

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Wood-Fired Oven	10,000
Generator	65,000
Namkeen Making Machines (Grinder and cutter)	55,000
Flour Mixer	25,000
<b>TOTAL</b>	<b>155,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
Besan and Pulses (kgs)	66,300
Cooking Oil (litres)	11,760
Packing material 500g pouches (units)	4,800
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur Salary (@INR 10,000 per month)	20,000
2 Full-time workers (@INR 4,800 per month)	19,200
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Water	600
Electricity	1,200
Transportation cost	20,000
Rent	9,000
<b>TOTAL</b>	<b>152,860</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	155,000
Working Capital (for each cycle of 2 months duration)	152,860
Total Enterprise Cost	307,860
***	
Annual Revenue	1,296,000
Total Expenditure (annual working capital)	917,160
Enterprise Profit	378,840
Payback Period (in month)	5

## Basis & Assumptions

- Production capacity: 600 kg per month
- Working days: 25 days per month (8 hours shift)
- The business operates throughout the year
- Number of job orders: 10 in a month
- 100% of the goods produced are sold
- Price of one 500-gram namkeen packet is INR 90
- In one 2-month cycle 2,400 such namkeen packets are made

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

The term "perfume" refers to a concoction of fragrant essential oils or aroma compounds (fragrances), fixatives, and solvents, typically in liquid form, that is used to impart a pleasant scent to the human body, animals, food, objects, and interior spaces. The fragrance in perfumes is usually derived from two sources, natural sources (plants and animals) and synthetic sources. Perfumes consist of three sets of notes that develop progressively over time, starting with the top note's initial impression, moving on to the middle notes' deeper undertones, and ending with the base notes.

## Market Potential

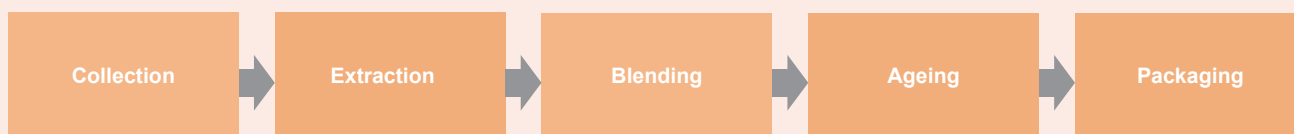
India is the leading country in the world with a rich diversity in flora and fauna which makes it easy for manufacturers to procure raw materials essential for producing the desired fragrance. The Indian perfume industry is currently worth INR 40,000 million and has grown at a rate of approximately 11% over the last 10 years. It is projected to grow exponentially in the upcoming years due to rising personal care, brand awareness, increasing disposable income, growing demand in middle-class people and affordable price of fragrances in the form of mass perfumes and deodorants.

## Manufacturing Process

The process of manufacturing perfumes involves 5 steps, mainly, collection, extraction, blending, ageing and finally packaging.

Before the manufacturing process begins the sources of suitable fragrances are collected in the manufacturing centre. Oils are then extracted from plants and other substances by several methods such as steam distillation. In the process, steam is passed through plant materials held in a still, whereby the essential oil turns to gas. This gas is then passed through tubes, cooled, liquefied and finally collected. Once the perfume oils are collected, they are ready to be blended according to a formula based on perfume notes. After the perfume has been created, it is mixed with alcohol. Most perfumes are made of about 20% perfume oils, dissolved in a solvent consisting of alcohol (98%) and a fixative (2%). Fine perfume is often aged for several months or even years after blending to ensure that the correct scent has been achieved. The last stage involves the packaging of perfumes in decorative bottles and boxes.

### PERFUME MANUFACTURING PROCESS





## Business Financials

Estimated costs and revenues are shared below based on the standardised assumptions. These may vary from business to business basis capacity, efficiency, and other market factors.

## Business Economics

### Fixed Cost (One-Time Expenditure)

EQUIPMENT & OTHER FIXED ASSETS	AMOUNT (in INR)
Work Area (300 sq. foot @ INR 500)	150,000
Semi-automatic spray machine	10,000
Pre-operative expenses - Company registration	6,000
<b>TOTAL</b>	<b>1,66,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
Essential Oils (120 litres @ INR 2000 per litre)	2,40,000
Alcohol (468 litres @ INR 100 per litre)	46,800
Fixative (Galaxolide) (12 litres @ INR 800 per litre)	9,600
Spray Nozzles (6000 units @ INR 2 per unit)	12,000
Bottles (6000 units @ INR 50 per unit)	3,00,000
Boxes (6000 units @ INR 30 per unit)	1,80,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary (@INR 15,000/month)	30,000
Full time worker (@INR 5,000/month)	10,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Electricity	2,000
Phone/Internet Bill	500
Transportation cost	2,000
Marketing cost	1,000
Miscellaneous	500
<b>TOTAL</b>	<b>8,34,400</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,66,000
Working Capital (for each cycle of 2 months duration)	8,34,400
Total Enterprise Set Up Cost	10,00,400
***	
Revenue (per annum)	90,00,000
Total Expenditure (annual working capital)	50,06,400
Enterprise Profit (per annum)	39,93,600
Payback Period (in months)	1

## Basis & Assumptions

- Working days: 28 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 15,00,000/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
100 ml perfume bottle	6000	250	15,00,000

- All the calculations are based on steam distillation process
- 100% of the goods produced are sold
- Bank loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

# BIOMASS PELLET MANUFACTURING

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## Introduction

Biomass pellets are biofuels which can be locally produced from the dried biomass and compressed organic matter that has been finely powdered and passed through a pellet die at high temperature and pressure. It can include wood waste, sawdust, plant materials, rice husk (parali) and even cow dung. It is used to fuel fires for warmth, cooking and power generation. It is considered a more cost-effective and promising renewable energy source for replacing coal in India. In India, 540 million tons of crop and plantation residue production are promised, and a major part is wasted or inefficiently utilised. The raw materials can be easily procured at a very low cost in India.

## Market Potential

In India, it is considered as a perfect substitute for other fuels like coal and natural gas. So, the scope for marketing these pellets is very fast, targeting individual, industrial, institutional & commercial markets, including hotels, kiln bricks, the textile industry etc. The global biomass pellets Market is estimated to expand at 6.6% CAGR over the forecast period between 2022 and 2032. In India also, the expected annual growth rate of the Biomass Pellets market will be almost 6.6%<sup>1</sup>.

## Business Financials

Estimated costs and revenues are shared below based on the standardised assumptions. These may vary from business to business basis capacity, efficiency, and other market factors.

<sup>1</sup>Source: <https://www.energetica-india.net/news/biomass-pellets-market-to-grow-by-66-as-consumers-look-for-sustainable-sources-of-energy-report>

## Business Economics

### Fixed Cost (One-Time Expenditure)

EQUIPMENT & OTHER FIXED ASSETS	AMOUNT (in INR)
Work Area (100 sq. foot @ INR 200)	20,000
Storage Area (800 sq. foot @ INR 200)	1,60,000
1 Biomass Pellet Machine	1,20,000
1 Packaging (heat sealer) Machine	1,000
<b>TOTAL</b>	<b>3,01,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL	AMOUNT (in INR)
Crop Stalk (Parali) / Rice husk/ Sawdust (37,440 kg @ INR 5/kg)	1,87,200
Polythene Bags of 25 kg (1,500 units @ INR 7/unit)	10,500
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary (@INR 12,000/month)	24,000
One Full-time worker (@INR 8,000/month)	16,000
UTILITIES	AMOUNT (in INR)
Electricity	12,800
Installation and training cost	10,000
Transportation cost	5,000
Marketing cost	3,000
Repair and maintenance	1,000
Stationery- copies, records, log book maintaining office hrs, attendance	1,000
Miscellaneous	500
<b>TOTAL</b>	<b>33,300</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	3,01,000
Working Capital (for each cycle of 2 months duration)	2,71,000
Total Enterprise Set-Up Cost	5,72,000
***	
Revenue (per annum)	19,96,800
Total Expenditure (annual working capital)	16,26,000
Enterprise Profit (per annum)	3,70,800
Payback Period (in months)	10

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Enterprise machinery consists 10HP motor with 80kg per hour capacity requiring single phase power supply
- The pellets, before entering the pellet mill, should control their water content under 15%
- Entrepreneur has assured water supplies

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Biomass Pellets (80 kg per hr)	33,280	10	3,32,800

- 100% of the goods produced are sold
- Bank loan not taken into account.

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.







# SOLAR-POWERED MINI COLD STORAGE

## Introduction

Every year, India produces more than 200 million tonnes of fruits and vegetables, but almost 16% of that produce is wasted<sup>1</sup>. Cold storage is a service through which the shelf life of fruits and vegetables can be increased, by preserving them for a longer period. Mini cold storages are also important in decreasing perishable commodity wastage. Additionally, it has an added benefit of making fresh farm products readily available to consumers at reasonable prices.

## Market Potential

As the demand for packaged and processed meals is increasing, and lifestyle preferences are changing, the market for cold storages has increased significantly. India requires 9-10 million of additional capacity to fulfill the current demand. In the next three years, India's cold storage market is expected to grow at an annual rate of 14% . Although the business of a solar-powered mini-cold storage requires high investment, this business can ensure sustained profits in the longer run.

## Business Financials

Estimated costs and revenues are shared below based on standardized assumptions. These may vary from business-to-business basis capacity, efficiency, and other market factors.

<sup>1</sup>Financial Express (2019), <https://www.financialexpress.com/economy/india-wastes-up-to-16-of-its-agricultural-produce-fruits-vegetables-squandered-the-most/1661671/> (Retrieved on 01-09-2022)

<sup>2</sup>Mordor Intelligence (2021), <https://www.mordorintelligence.com/industry-reports/india-cold-chain-logistics-market> (Retrieved on 01-09-2022)

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Solar-powered mini cold storage	10,00,000
Transportation Cost	60,000
Installation Cost	20,000
Crates	2,000
<b>TOTAL</b>	<b>10,82,000</b>

### Working Capital (for a 2-month cycle)

STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary (@INR 10,000 per month)	20,000
Full time worker (@INR 5,000 per month)	10,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Water	2,000
Electricity	4,000
Phone/Internet Bill	500
Transportation Cost	25,000
Marketing Cost	2,000
Repair and maintenance	10,000
Miscellaneous	10,000
<b>TOTAL</b>	<b>83,500</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	10,82,000
Working Capital (for each cycle of 2 months duration)	83,500
Total Enterprise Set Up Cost	11,65,500
***	
Annual Revenue	11,88,000
Total Expenditure (annual working capital)	5,01,000
Enterprise Profit (per annum)	6,87,000
Payback Period (in months)	19

## Basis & Assumptions

- Working days: 25 days per month (8 hours shift)
- Average revenue:
  - o Fruits: 900 kgs @ INR 150/kg
  - o Vegetables: 900 kgs @ INR 50/kg
- Storage Capacity: 2 metric tonnes (2000 kg); Dimensions: 11.5 ft x 8 ft x 8 ft
- Relies on solar panels of 2.5 kWp-3.5 kWp
- Area required: 150 sq. ft.; land is owned by the entrepreneur
- Business loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

# SUBLIMATION PRINTING

## Introduction

Customised printing is a workable digital printing technique that pans out creativity. Sublimation printing is the practice of printing designs on materials or fabrics by using heat to blend the ink. It also makes printing possible on rough surfaces. Sublimation is extremely cost-effective to the manufacturer and the customer which enhances its demand. Multiple complex designs can be printed using four basic CMYK colours (Cyan, magenta, yellow and dark black) widening the range of products. Its nature of quick and effective digital printing has gained popularity among entrepreneurs as a new course of the venture.

## Market Potential

In a world of personalised promotions and branding, custom printing has gained immense traction. Globally the sublimation market is estimated at 14.2 billion dollars and registering a 10.7% CAGR by 2025. The growth of sublimation in India is anticipated to be 177.9 million dollars by 2025 due to its individuality. Due to its diverse nature of products, custom printing is scaling at a growth rate of 10.7% in India. Collaboration with e-commerce will enable the mobility of products and also increase customer reach.

## Sublimation Process

Sublimation is a manageable, cost-effective and eco-friendly printing process. In simple terms, sublimation is the process of transferring a substance from a solid to a gas state. Heat is applied to activate the dye for transferring pigment to the material. Sublimation printing's initial process requires printing on a special paper and transferring the layout onto the material (mugs, coasters, t-shirts, mousepads, frames, etc.). The print lasts longer, with a low scope of cracks and peels due to its heat-sensitive inks.



**SACHIN SHRIVASTAVA**  
Age : 22 years

udyaME

Sachin Shrivastava, 22 year young student-entrepreneur bringing customised printing to his village people of Niwari.

- Listed his products on 4 E-commerce platforms.
- Serves 10-15 customers daily.

## Business Financials

Estimated costs and revenues are shared below based on the standardised assumptions. These may vary from business to business basis capacity, efficiency, and other market factors.

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Laptop	30,000
Table (2 units @ INR 1000)	2,000
Moulds for mobile (3 units @ INR 2000)	6,000
Epson Printer	30,000
Heat Press Printer	15,000
3D Printer	30,000
Cupboard	2,500
Display Shelf	2,000
Chairs (2 units @ INR 500)	1,000
<b>TOTAL</b>	<b>1,18,500</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
Cups (120 units @ INR 50)	6,000
A4 paper rim	150
T-shirts (100 units @ INR 100)	10,000
Ink (2 units @ INR 2000)	4,000
Photo paper	400
Key chain (50 units @ INR 20)	1,000
Cushions (120 units @ INR 100)	12,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary	30,000
Full-time worker	14,000

UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Rent	4,000
Electricity	2,000
Phone/Internet Bill	500
Miscellaneous	500
<b>TOTAL</b>	<b>84,550</b>

### Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,19,000
Working Capital (for each cycle of 2 months duration)	84,550
Total Enterprise Set-Up Cost	2,03,550
***	
Annual Revenue	6,39,600
Total Expenditure (annual working capital)	5,07,300
Enterprise Profit (per annum)	1,31,700
Payback Period (in months)	11

### Basis & Assumptions

- Working days in a month: 25 days (8 hours shift)
- Bank loan not taken into account
- Monthly revenue generated: INR 53,250

Produce	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Mugs	60	200	12,000
Cushions	60	250	15,000
T-shirts	50	500	25,000
Key Chains	25	50	1,250

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.



## Introduction

Hydroponics enables the growing of plants in water. Instead of using soil, hydroponics depends on water-based nutrient-rich solutions. The water solution contains organic substances like perlite, coco coir, rock wool, clay pellets, peat moss, or vermiculite, which allows for increased growth results by allowing the roots of each plant to come in direct contact with the nutrient solution. The growth is further enabled by the increased access to oxygen compared to its soil counterpart. Fruits and vegetables are produced majorly through the nutrient film technique, deep water culture, and Dutch bucket technique.

## Market Potential

In 2019, the Indian Hydroponics market was estimated at 3100 Metric Tons (MT) and valued at INR 350 million. The market is expected to grow at a Compound Annual Growth Rate (CAGR) of about 26% to reach 10,500 MT by 2023. By product type, the India Hydroponics market is segmented into fruits & vegetables, and flowers. The consumer markets for hydroponically produced fruits and vegetables include retail and hotels, fast food chains, railway catering, foreign food service companies, defence establishments, and NGOs.

## Business Financials

Estimated costs and revenues are shared below based on the standardised assumptions. These may vary from business to business basis capacity, efficiency, and other market factors.

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Work Area (500 sq. foot @ INR 300)	1,50,000
Storage Area (300 sq. Foot @ INR 300)	90,000
Polyhouse set up of 500 sq. metres (@INR1000/sq. metre) (temperature controller fans, exhaust fans, pads, fogger)	5,00,000
NFT Hydroponic System (Fertiliser Dosing System, Control Unit, Mixing Chamber, Irrigation Input Unit, Irrigation Output Unit, Turf Stand Framing Unit, Turf Fixing Unit, Electrical Control Panel, Reservoir, Filter Unit)	12,50,000
<b>TOTAL</b>	<b>19,90,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
8000-9000 seeds (Lettuce, Basil, Spinach, Parsley, Mint)	3,000
Fertilisers (Nitrogen, Potassium, Phosphorus)	3,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary	40,000
1 Full-time worker	15,000
1 Part-time worker	8,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Water	3,000
Electricity	5,000
Phone/Internet Bill	500
Transportation cost	8,000
Marketing cost	4,000
Repair and maintenance	2,500
Miscellaneous	1,000
<b>TOTAL</b>	<b>93,000</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	19,90,000
Working Capital (for each cycle of 2 months duration)	93,000
Total Enterprise Set Up Cost	20,83,000
***	
Revenue (per annum)	17,40,000
Total Expenditure (annual working capital)	5,58,000
Enterprise Profit (per annum)	11,82,000
Payback Period (in months)	21

## Basis & Assumptions

- Working days: 26 days per month (4-5 hours shift)
- Each cycle consists of 2 months; 6 cycles in a year
- Average revenue: INR 2,90,000/cycle

Particulars	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Lettuce (kg)	600	160	96,000
Spinach (kg)	600	140	84,000
Parsley (kg)	400	140	56,000
Mint (kg)	200	70	14,000
Basil (kg)	200	200	40,000

- All the calculations are based on nutrient film technique of Hydroponics
- 100% of the goods produced are sold
- Bank loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

# 72 HOME DÉCOR AND FURNISHING

## Introduction

People in India adhere to the notion that "home is our happy place". To make every room in the house lovely and pleasant, they spend a lot of money on it. Home décor is the industry that deals with buying and selling decorative objects, including flower vases, plants, wall clocks, antiques, and showpieces. The general goal of a home décor service or product is to add colour, style, and value to an area's existing decor.

## Market Potential

For the foreseeable future, it is expected that India's GDP will rise by at least 7% yearly as its population approaches that of China. The domestic furniture and homewares business has undoubtedly seen tremendous expansion due to the nation's rapid urbanisation and the growing middle-class consumer market. According to research, India's home décor market will grow to \$27 billion by 2022. As a result, operating this firm at this time is lucrative. The huge profit margin of a home décor business is another advantage. You can maintain profit margins of at least 20 to 25 per cent<sup>1</sup>.

## Business Financials

Estimated costs and revenues are shared below based on the standardised assumptions. These may vary from business-to-business basis capacity, efficiency, and other market factors.

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Counter Table with glass display (140 sq ft @ INR 1,000/sq ft)	1,40,000
2 Chairs (@INR 1,500)	3,000
2 Electric Boards (@INR 700)	1,400
1 Fan	1,500
Pre-operative expenses (GST registration)	5,000
Miscellaneous (Transportation and paperwork)	3,000
<b>TOTAL</b>	<b>1,53,900</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
Artificial flowers and plants (200 pieces @ INR 50/piece)	10,000
Vases (35 pieces @ INR 150/piece)	5,250
Paintings (60 pieces @ INR 50/piece)	3,000
Lantern (China light) (10 pieces @ INR 300/piece)	3,000
Table Décor items (65 pieces @ INR 30/piece)	1,950
Mirrors (20 pieces @ INR 80/piece)	1,600
Decorative items and boxes (30 pieces @ INR 150/piece)	4,500
Scented Candles and Candleholders (45 pieces @ INR 55/piece)	2,475
Wind Chimes and dream catcher (25 pieces @ INR 100/piece)	2,500
Wall clock (15 pieces @ INR 180/piece)	2,700
Curtains (25 pieces @ INR 135/piece)	3,375
Bed sheets (12 pieces @ INR 375/piece)	4,500
Furniture cover (Sofa, Table, Electric items) (50 pieces @ INR 160/piece)	8,000
Storage boxes (0.5Kg to 20 Kg) (230 pieces @ INR 30/piece)	6,900
Dinning and serving ware (25 pieces @ INR 200/piece)	5,000
Kitchen tools and counter manager (28 pieces @ INR 175/piece)	4,900

Napkins boxes and holders (40 pieces @ INR 45/piece)	1,800
Cups and Mugs (65 pieces @ INR 60/piece)	3,900
Jars and containers (142 pieces @ INR 35/piece)	4,970
Packing paper bags, boxes, and colour paper (1665 pieces @ INR 3/piece)	4,995
Packing tape and scissors	2,000
Other items	1,000

<b>STAFF AND LABOUR</b>	<b>AMOUNT (in INR)</b>
-------------------------	------------------------

Entrepreneur's salary (@INR 10,000/month)	30,000
1 Full-time worker (@INR 5,000/month)	15,000

<b>UTILITIES &amp; OTHER EXPENSES</b>	<b>AMOUNT (in INR)</b>
---------------------------------------	------------------------

Rent (@INR 5,000/month)	15,000
Water	600
Electricity	1,000
Phone/Internet Bill	900
Transportation cost	1,500
Stationery	1,000
Marketing cost	1,000
Repair and maintenance	1,000
Miscellaneous	1,000

<b>TOTAL</b>	<b>1,56,315</b>
--------------	-----------------



## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,53,900
Working Capital (for each cycle of 3 months duration)	1,56,315
Total Enterprise Set Up Cost	3,10,215
***	
Revenue (per annum)	7,80,000
Total Expenditure (annual working capital)	6,25,260
Enterprise Profit (per annum)	1,54,740
Payback Period (in months)	12

## Basis & Assumptions

- Working days: 26 days per month (8 hours shift)
- Each cycle consists of 3 months; 4 cycles in a year
- Average revenue: INR 1,95,000/cycle (Per day sale INR 2,500)
- 100% of the goods purchased are sold
- Bank loan not taken into account

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

# 73 GARMENT MANUFACTURING

## Introduction

India has a strong textile industry with different parts of the country producing local specialities that are popular and renowned the world over. The industry is quite diverse from the decorative cotton muslins to the delicate veneers of the pashmina. Textiles and garment manufacturing underwent a tremendous transformation during British rule with the introduction of mechanical looms that increased production. After Independence, well-known hubs of specialty cloth and garments were given further impetus to expand and have become one of the leading sectors of the Indian economy.

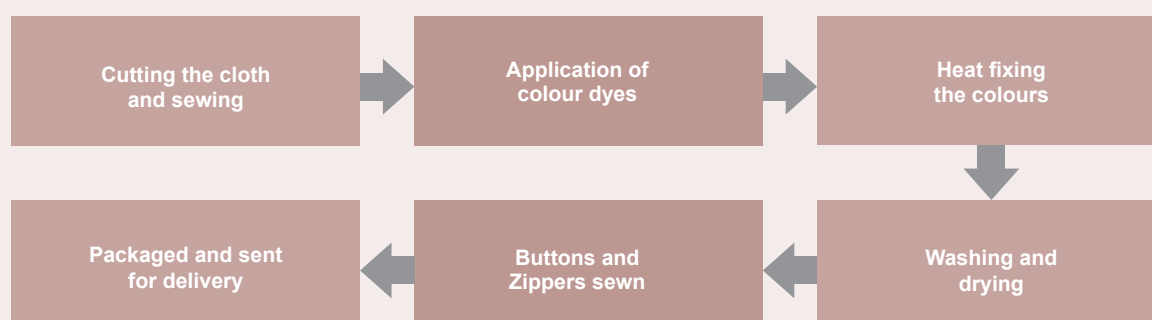
## Market Potential

In terms of both textile and garment manufacturing, India is one of the largest exporters. The garment manufacturing industry is one of the top contributors to the Indian economy with a 5% share in the Gross Domestic Product and employing 45 million people<sup>1</sup>. Demand for apparel is expected to grow at a CAGR of 10% (from 2021 to 2025)<sup>2</sup> and they form the second-largest expense category for Indian consumers with 30% of all retail sales<sup>3</sup>.

## Manufacturing Process

Once a client places an order for garment manufacture, the enterprise makes a few samples and shows them to the client. Once the design is selected, the enterprise purchases all the raw materials that will be needed for the manufacturing of the garments. This ranges from the cloth, buttons & zippers, colouring dye, detergents, and packaging materials. Once all the raw material is with the entrepreneur, the manufacturing begins. It is generally advised to break the order in batches of threes. This allows the entrepreneur to deliver part of the order and collect their payments from the client. This ensures that the entrepreneur isn't too exposed financially. The manufacturing begins with the cutting of the cloth and sewing it according to the guidelines provided. Once the colour dyes are applied, the colour needs to be "fixed" by heating it. After the colour is fixed the garment is then sent for washing and drying post which buttons & zippers are added. They are added after washing as they might tear the cloth in the washing machine. They are then packaged and sent for shipping.

### GARMENT MANUFACTURING PROCESS





**JAUHAR ANSARI**

udyaME

In 2016, Jauhar Ansari returned back to his village after working with garment manufacturers across India. He set up a business along with his brother and another partner and quickly expanded their operations and have clients across India.

Enabled employment opportunities by providing free trainings to local youth and women.

Employed 25 residents of his village

Has invested heavily in future expansion by purchasing new machinery

## Business Financials

Estimated costs and revenues are shared below based on standardised assumptions. These may vary from business to business basis capacity, efficiency, and other market factors.

Under Work4Progress programme of the Development Alternatives Group, such enterprises have been financed by Pradhan Mantri Employment Guarantee Programme through Khadi and Village Industries Committee with an average loan size of INR 25,00,000.

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Dryer, Tumbler, and Washing Machine	4,48,000
Computer Sewing Machine (21 units @ INR 1,00,000/unit)	21,00,000
Heating/Fusing Machine (for fixing colours)	1,15,000
Generator	65,000
Steam Press Machine (Automatic)	88,000
Printer	20,000
Computer (Desktop)	60,000
<b>TOTAL</b>	<b>28,96,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Cloth	4,16,666
Zipper, Buttons, Threads, Colour Freezing, Tags / Labels, Detergent, Colour Dyes, Packaging Materials	83,334
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's salary (@ INR 12,000/month)	24,000
22 Full-time workers (Tailors) (@ INR 7,500/month)	3,30,000
3 Full-time workers (Washers and finishers) (@ INR 7,500/month)	45,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Water	120
Electricity	2,400
Rent	18,000
<b>TOTAL</b>	<b>9,19,520</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	28,96,000
Working Capital (for each cycle of 2 months duration)	9,19,520
Total Enterprise Cost	38,15,520
***	
Annual Revenue	63,36,000
Total Expenditure (annual working capital)	55,17,120
Enterprise Profit	8,18,880
Payback Period (in months)	42

## Basis & Assumptions

- Production capacity: 352 units per day
  - In an 8-hour shift, a worker can make 16 garments
- Working days: 25 days per month (8 hours work shift)
- Out of the 25 workers, only 22 are employed in production, while 3 workers help wash and finish the products.
- 100% of the goods produced are sold
- Each unit sold for an average of INR 60
- Bank loan not taken into account

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# MARKET AGGREGATION (GROCERY PRODUCTS)

## Introduction

The grocery market in India operates with the help of grocers either in the form of a supermarket, e-commerce platform, or grocery store that provides their customers with the facility of ordering groceries online. The service providers operate in the following four models: home delivery, click-and-collect, third-party or personal shopping, and direct-to-consumer. For these reasons, the online grocery retail market is witnessing a growth rate of ~25-30% in the Indian metropolitans and other emerging smart cities. The central government of India has designed and developed smart cities with state-of-the-art infrastructure for setting up different models of e-commerce and online transactions. Owing to these reasons, the online grocery retail market is witnessing a growth rate of ~25-30% in the Indian metropolitans and other emerging smart cities.

## Market Potential

Between 2013 and 2019, India's grocery market doubled from \$300 billion to \$600. Growth in this period was driven by traditional retailers – popular local corner shops that offer an assortment of products. The Indian Online Grocery Market stood at USD3.95 billion in FY2021 and is expected to grow at a CAGR of around 33% in the forecast period, to reach USD26.63 billion by FY2027. Changing consumer preferences, growing disposable income, new market entrants, an increased focus on expanding e-commerce business and the adoption of attractive marketing strategies are the primary driving factors influencing the growth of the Indian Online Grocery Market during the forecast period. Consider the snacks & branded foods segment, which grew by 5% each quarter until this year. Then there is the growth in personal care products – bath, face, and handwash – which grew by 24% in the second quarter of 2020, up from 5% quarterly last year. The increasing popularity and rise in e-commerce platforms are notably driving the online grocery market growth in India. According to a report by India Ratings and Research, the grocery market in India is set to increase from the current \$600 billion to \$800 billion by 2024. You can offer various services to conventional Kirana stores, such as advising them on layout, supply chain, and marketing. This will create more footfall and increase sales.

## Business Financials

Estimated costs and revenues are shared below based on standardized assumptions. These may vary from business to business basis capacity, efficiency, and other market factors.



## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Furniture	55,000
Counter	25,000
Printer	12,000
Computer (Desktop)	45,000
<b>TOTAL</b>	<b>1,37,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIALS	AMOUNT (in INR)
Rice (in metric tonnes) (3 mt @ INR 32,000/mt)	96,000
Pulse (in quintal) (10 quintals @ INR 7,000/quintal)	70,000
Mustard oil (in litres) (410 litres @ INR 85/litre)	34,850
Loose detergent powder for clothes (700 kg @ INR 35/kg)	24,500
Biscuits (35g packets) (7,750 packets @ INR 4.5/packet)	34,875
Sugar, Tea, Chocolates	45,000
Miscellaneous Items	50,000
STAFF AND LABOUR	AMOUNT (in INR)
Entrepreneur's Salary (@ INR 10,000/month)	10,000
One Full-time Worker (INR 8,000/month)	8,000
UTILITIES & OTHER EXPENSES	AMOUNT (in INR)
Water (in kilolitres)	600
Electricity	800
Phone/Internet Bill	300
Transportation cost	6,000
Stationery	100
Repair and maintenance	300
Miscellaneous	1,000
Rent	3,000
<b>TOTAL</b>	<b>4,42,000</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	1,37,000
Working Capital (for each cycle of 2 months duration)	3,85,325
Total Enterprise Cost	5,22,325
***	
Annual Revenue	46,23,900
Total Expenditure (annual working capital)	42,62,700
Enterprise Profit	3,61,200
Payback Period (in months)	5

## Basis & Assumptions

- In an 8-hour shift, a worker can distribute
- Working days: 25 days per month (8 hours work shift)
- 100% of the goods produced are sold
- Bank loans not taken into account
- Revenue per month is as follows

Items	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Rice (in metric tonnes)	3	35,000	1,05,000
Pulse (in quintal)	10	7,500	75,000
Mustard oil (in litres)	410	100	41,000
Loose detergent powder for clothes (in kg)	700	55	38,500
Biscuits (35g packets)	7,750	10	77,500
Sugar, Tea, Chocolates	1	50,000	50,000
Others	1	55,000	55,000

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.

## Introduction

Vermillion (sindoor) and bangles (kangan) symbolizes prosperity and auspiciousness in Hinduism. It is not only worn as accessories on the body, representing a symbol of matrimony, but is also offered to goddesses as a prayer token. Bangles were previously made manually under poor working conditions. However, with technology, there are many molding machines which can safely make bangles. These machines can also make small plastic bottles for carrying vermillion powder.

## Market Potential

The global plastic containers market size was USD 55.80 billion in 2020. The market is projected to grow at CAGR of 5% during the 2021-2028 period. The sudden rise in CAGR is attributable to the market demand and growth, returning to pre-pandemic levels. Plastic containers are mostly utilized in the packaging of food, beverages, pharmaceuticals, and cosmetics. These containers are becoming increasingly favorable for packaging food products due to their durability, lightweight, longer shelf-life, and protection from sunlight<sup>1</sup>. The India Plastic Packaging market was expected to register a CAGR of 2.5% during the forecast period 2021-2026<sup>2</sup>. Although, plastic packaging growth in the e-commerce space in the region is expected to be affected by the recent regulation on the ban of single-use plastics by 2022. Recyclable plastic granules have become more popular.

## Process

The manufacturing process consists of 3 main steps. The raw material used for making bottles and bangles are small plastic granules. The molding machine, which consists of a mold and a dye, is heated. Oil is spread out into the dye in order to make the granules non sticky. The plastic granules are then put inside the heated dye and pressure is applied through the semi manual hydraulic lever. The granules are then molded into the required shape. This process is repeated separately for the container box, container cap and bangles. The vermillion powder is manually put inside the container box. The boxes can also be sold empty for filling other powders like turmeric powder, naphthalene etc. which are also used in prayer ceremonies.



Fortune Business Insights: Plastic Containers Market <https://www.fortunebusinessinsights.com/plastic-containers-market-102372> (Retrieved on 06-01-2022)

Mordor Intelligence: India Plastic Packaging Market - Growth, Trends, COVID-19 Impact, and Forecasts 2021-2026 <https://www.mordorintelligence.com/industry-reports/india-plastic-packaging-market> (Retrieved on 06-01-2022)

## Business Financials

Estimated costs and revenues are shared below based on standardized assumptions. These may vary from business-to-business basis capacity, efficiency and other market factors.

Under the Work 4 Progress Programme of the Development Alternatives Group, such enterprises have availed government support through NLRM, with an average loan size of INR 50,000.

## Business Economics

### Fixed Cost (One-Time Expenditure)

MACHINERY & EQUIPMENT	AMOUNT (in INR)
Crystal Dibbi CM machine (3 pieces @INR 16,000/pc)	48,000
Installation and training charges	2,000
Working Table	14,000
<b>Total</b>	<b>64,000</b>

### Working Capital (for a 2-month cycle)

RAW MATERIAL & CONSUMABLES	AMOUNT (in INR)
Plastic Granules for cap (40kg @ INR 150/kg)	6,000
Plastic beans for bangles (62.5kg @ 200/kg)	12,500
Plastic beans for dibbi (small boxes) (75kg @ 200/kg)	15,000
Vermillion powder	800
Lubricant oil (2 litres @ INR 150/ltr)	300
UTILITIES REQUIRED	AMOUNT (in INR)
Rent (@ INR 4,000/month)	8,000
Electricity (150 units @ INR 7/unit)	1,050
MANPOWER REQUIRED	
Entrepreneur's salary	10,000
<b>TOTAL</b>	<b>35,800</b>

## Financial Summary (Annual)

FINANCIALS	AMOUNT (in INR)
Fixed Cost	64,000
Working Capital (for each cycle of 1 month duration)	49,650
Total Enterprise Cost	1,13,650
***	
Annual Revenue	9,90,000
Total Expenditure (annual working capital)	5,95,800
Enterprise Profit	3,94,200
Payback Period (in months)	2

## Basis & Assumptions

- Number of days operational - 25
- Number of machines required is one. The moulds differ for each product and can be fixed in the machine for the desired shape
- Production efficiency - 75%
- Revenue per month as follows

Items	Quantity	Selling Price/Item (in INR)	Amount (in INR)
Empty plastic boxes	18,750	1	18,750
Plastic boxes filled with vermillion	18,750	3	56,250
Bangles	15,000	1	7,500

Note: All figures mentioned are indicative and for reference purpose only. Development Alternatives Group bears no liability for accuracy. For any further information, please contact Development Alternatives on +91-11-2654-4100 or +91-11-2654-4200.







# ARE YOU PREPARED FOR GROWING YOUR BUSINESS?

Assess Yourself on a scale  
between 1- 5 (5 being very  
strong points)

## PERSONAL CHARACTERISTICS AND YOUR SITUATION

- 1** To realise your business idea and make it successful, you must be committed. Commitment means you are willing to put your business before almost everything else. Do you want your business to run for a long time? Can you spend most of your time and effort on your business?

NEED  
IMPROVEMENT

STRONG  
POINT

- 2** Your business is more likely to be successful if you are motivated. Do you know clearly why you want to have your own business?

NEED  
IMPROVEMENT

STRONG  
POINT

- 3** There is no business that is completely safe and there is considerable risk in running a business. Are you ready to take the risk and invest in your business?

NEED  
IMPROVEMENT

STRONG  
POINT

- 4** You are in charge of your business, which means you have to make decisions that can lead to success or failure. Important decisions cannot be postponed or passed on to anyone else. Can you make difficult decisions by yourself?

NEED  
IMPROVEMENT

STRONG  
POINT

- 5** One characteristic that differentiates an entrepreneur from an employee is the ability to develop and achieve goals. You need to be able to visualize where your business is headed and look at the big picture instead of focusing only on the small details. Have you created a vision and set a goal for your business?

NEED  
IMPROVEMENT

STRONG  
POINT

**TOTAL SCORE**

# ARE YOU PREPARED FOR GROWING YOUR BUSINESS?

Assess Yourself on a scale  
between 1- 5 (5 being very  
strong points)

## PERSONAL CHARACTERISITICS AND YOUR SITUATION

- 6** Connecting with financial institutions and resources is important to start your business. Have you set aside money to start your business? If you need additional funds, do you have family or friends who may be able to lend you money or guarantee from a financial institution? Do you have a savings or credit history with a financial institution that offers credit to new businesses?

NEED  
IMPROVEMENT

STRONG  
POINT

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- 7** Technical skills are the practical abilities you need for your business to produce goods or provide services. Do you have the technical skills your business needs? Do you have skills in marketing, costing, record keeping, customer management, etc.?

NEED  
IMPROVEMENT

STRONG  
POINT

--	--	--	--	--

- 8** The skill of negotiating is the ability to communicate with others without offending anyone. When you negotiate, you not only think about what is on your side, but you should be aware of things that are on the other person's side as well. What can you get from a conversation in a way that can benefit both parties?

NEED  
IMPROVEMENT

STRONG  
POINT

--	--	--	--	--

- 9** Your business needs to be community-friendly. Entrepreneurs are important members of the community and you need to be committed to the advancement of the community as a whole. Do you have a good relationship with the community?

NEED  
IMPROVEMENT

STRONG  
POINT

--	--	--	--	--

TOTAL SCORE

PLEASE NOTE DOWN YOUR OVERALL SCORE AND  
NOTE THE AREAS WHICH NEEDS IMPROVEMENT

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PLEASE NOTE DOWN SOME BUSINESS  
IDEAS THAT YOU CAN THINK OF..

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WHERE WILL YOU SOURCE FINANCE FROM?

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Some common financing options are:

- Bank Loans
- Government Schemes
- SHG
- Microfinance Institutes
- Grants from Non Profit Organisations

## EVALUATING THE FINANCING OPTIONS

What to keep in mind..

**Interest rate?**

**Duration of repayment?**

**Financial projections during  
repayment period**

**Ease of access and terms of  
repayment**

**(Compare the top two options you have to source your initial  
investment from)**

BEFORE GOING IN  
DETAILS, SELECT YOUR  
TOP 5 ENTERPRISES  
FROM YOUR LIST


WHY HAVE YOU CHOSEN THESE ENTERPRISES?


# KNOW YOURSELF!

Write down your...

**Strengths:**

**Weaknesses:**

**Opportunity:**

**Threats:**

**Other factor that could impact your potential:**



# HOW TO BRING YOUR PLAN IN ACTIONS

What do you DO?

KEY ACTIVITIES

What do you NEED?

KEY RESOURCES

MARKET/DISTRIBUTION

Who is your Audience?

TARGET

How much will it cost?

COST

How much will you make?

REVENUE

## HOW TO CHOOSE ENTERPRISE THAT FITS YOUR NEED

**Geography**

**Customer/ audience in the area?**

**How much can you invest?**

**What is the value your idea  
provides to community?**

**What is your goal?**

**What potential problem do you foresee in your idea?**



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The Work 4 Progress (W4P) program of "la Caixa" Foundation and Development Alternatives employs a unique social innovation approach to accelerate the creation and growth of sustainable micro-enterprises, thereby creating large numbers of dignified and attractive jobs. Building evidence on grassroots entrepreneurship in India, the platform has expanded to Peru and Mozambique.

W4P promotes 'inclusive entrepreneurship', a phenomenon that is characterized by systemic change that enables under-represented groups such as youth and women to access entrepreneurship opportunities, thereby leading to social inclusion, quality employment, and sustainable economic growth.



## Development Alternatives

Development Alternatives (DA) is a social enterprise with global presence in the fields of green economic development, social empowerment and environmental management. It is credited with numerous innovations in clean technology and delivery systems that help create sustainable livelihoods in the developing world. DA focuses on empowering communities through strengthening people's institutions and facilitating their access to basic needs; enabling economic opportunities through skill development for green jobs and enterprise creation; and promoting low carbon pathways for development through natural resource management models and clean technology solutions.



## "la Caixa" Foundation

### "la Caixa" Foundation

The "la Caixa" Foundation from Spain, promotes diverse social, economic, cultural and ecological initiatives to foster sustainable development across the world. Its main strategic objective is to provide opportunities and fight inequalities in Africa, Asia, and Latin America through programs that contribute to the achievement of the United Nations 2030 SDGs.

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### Learn More About Us:

Website: [www.devalt.org](http://www.devalt.org)

Email: [mail@devalt.org](mailto:mail@devalt.org)

Ph: 011-2654-4100, 011-2654-4200

Write to us: B-32, Tara Crescent,  
Qutub Institutional Area, New Delhi, India.  
Pin Code- 110016

