



Ministry of Rural Development, Social Security and Community Empowerment
Co-creating Innovative Businesses for Empowering Communities through
Sustained Livelihoods

Key objective of this initiative is to achieve poverty reduction and community empowerment through creation of new employment and income generation opportunities by providing co-financing, institutional and technical assistance for implementation of innovative new business initiatives.

Project proposal snap shot

(This section is only for office use)

Project Title				
Reference No				
Project Zone	Province	District	DS Division	GN Division
Project Proponent's Name			Name of the Organization	
Telephone / Mobile(Organization)				
E-mail				
Project Manager's Name				
Telephone			Mobile	
E-mail				
Range of Products/Services				
Type of Business	Existing		New	
Category of Financing (Rs)	Total Investment	Own Contribution	Matching Grant	Commercial Loan (If applicable)
Percentage (%)	100%			

Proposed Project Title: *(Include a title which clearly and concisely reflects the business idea)*

Executive summary: *(Include the following salient features of the proposed project)*

1. Information of the Organization:

(This is a brief statement giving a historical perspective of your organization. It should include the date of formation, locations, ownership, number of current employees, profit or market milestones achieved by the business since its inception and sustainability of business)

2. Description of the project:

(Include a brief description which includes methodology, objectives and scope of the proposed new business initiative)

3. Products and Services:

(Briefly mention and describe the products or services)

4. Innovation & New Business Creation:

(Briefly mention what the proposed new business initiative will contribute in terms of innovation, value addition, creation of new employment and income generation opportunities)

5. Market Analysis: Market Potential/Expansion

(Portfolio and market, benefit sharing between organization / investor and smallholder farmers)

6. Financial Information:

(This section is particularly important for organizations seeking financing and should include mention of bank references and investors)

(If it is an existing business, last year turnover, financial viability highlighting ratios viz. IRR, NPV, Breakeven, Payback period, debt ratio, etc.)

7. Future Projections:

(Explain the direction in which the organization plans to take the business, during the next five years in terms of job creation, input and output volumes and values, exports and beneficiaries share.)

PART 1: GENERAL

1. Proponent's Profile:

1.1 Corporate Information of Organization	
Name of the Organization / Proponent	
Postal Address	
Location of the Proposed Project	
Year of Initiation (prior to the formal registration)	
Registration Number of Organization and Date (As applicable)	
Year of Commencement of Commercial Operation	
Organization's Registered Address	
Subsidiary Companies, if any	
1.2 Bank Details & Auditors	
Name of the Bank	
Branch	
Account Type	
Account Number	
Name and Contact Details of Accountant	
Name and Contact Details of External Auditor/Firm	

1.3 Assets (Rs.)	
Office Building	
Land	
Vehicle (transport)	
Heavy Machineries and Equipment	
Financial Status <i>[Please attach past three years audited accounts]</i>	
1.4 Management	
Name of the Chairperson /Chief Executive	
Telephone	
Mobile	
Email Address	
Governance Structure of the Proponent (Board of Directors, Executive Committee, etc.) <i>[Attach organizational structure if any]</i>	
1.5 Declaration	
Experience of the Proponent relevant to the Proposed Business	<i>[500 words]</i>
Have you Received/Are you Receiving Financial or any other type of Assistance from the Government or any other Source, for the Proposed Business and / or any other Business?	Yes /No
If yes, Specify the Source, the Details of Business/s and Amount Received/Receiving	
Are there/ Has there been any litigations against the Organization or any of its Directors?	Yes /No
If yes, please provide the details	

I hereby certify that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it, and the proposal will be rejected.

Submitted by:	Name : Designation :
Signature:	
Date:	

PART II - Technical and Financial Proposal

1. Business Objectives and Results/Outcomes:

1.1. Business Objectives & Description

[Describe the proposed business in detail, stating the rationale for the proposed business, its implementation strategy and time specific milestones]

[Pinpoint the exact problems or issues of economic significance to the country your business is expected to address]

1.2. Description of Technical Aspects of the New Business Initiative

[Detail elaboration on the innovative concept, types of technologies to be used, the means of acquiring the required technical expertise and arrangements]

1.3. Supply Chain Integration: (Input Suppliers /Cultivation /Primary Processing/ Secondary Processing / Marketing / Exports)

[Define the complete supply chain applied for with the clearly identified boundaries and indicate the exact value chain node/s to be operationalized by the investor]

Describe the process flow chart/production process, the location, raw material procurement zone, raw material supply clusters, manufacturing or processing capacity, the primary outputs and secondary outputs, by products and waste management. Explain if secondary outputs are an input for another value chain.

1.4. Results/Outcomes:

[Briefly state what the expected impact of the proposed business initiative is]

[Identify key result and/or outcome indicators, which will be achieved through the proposed investment to realize the objectives specified in 1.1.]

Numeric/quantifiable indicators e.g. number of individuals / families directly benefitting, jobs created, volumes processed, and products manufactured, value of export earnings, brands registered, etc. Provide information on the current year (year 0) and projected or target values year wise as indicated in the table

Indicators	Unit of Measure	Target Values					Remarks
		Year 1	Year 2	Year 3	Year 4	Year 5	
No of out growers/suppliers/sub-contractors							
Job creation -Direct & Indirect							
Volume Processed							
Revenue – Export							
Revenue – Local							
Beneficiaries – Individuals & households							

Note: This table will show the commitment of the proponent and would become part of the financing agreement

1.5 Details of Unit Cost of Principal Products

Principal Products	Unit of Measure	Cost of Production (Rs.)	Selling Price (Rs.)		Value addition (Rs.)	
			Local	Exports	Local	Exports
e.g. Product -1 (xyz)	01 Kg					
Product -2 (ABC)	01 lt					

2. Declaration of the Ownership of Intellectual Property (IP) if any, Created through the Proposed Investment

[How could the generated intellectual property rights be protected and who will own the rights and benefits. The owner of an intellectual property (IP) is the person entitled to commercially exploit it, hence it is important to declare the ownership of IP to avoid disputes. Intellectual property could be in the form of industrial designs, trademarks, copyright, brands, Geographical Indications (GI) and any other types of IP]

3. Overall Business Analysis

3.1. Market Analysis:

- *Business Environment Analysis, Industry Analysis with international trends,*
- *The overall Market Analysis, Changes in the market, Market segments, Customer characteristics, Customer needs, Customer buying decisions, Marketing Plan, with strategy,*
- *Business Operations Plan, and Business structure, Length of time the business has existed, Mission statement and values, Background and history of the organization. Provide rationale for and description of the innovative activities of the business. Submit supporting evidence on the above agreements, market, and compare with given cash flow.*

3.2. Competitor Analysis

[Industry overview, Nature of competition, Changes in the industry, Primary competitors, Competitive products/service, Opportunities, Threats and Risks, Competitive Advantage of the proponent]

3.3. Raw Material and Other Inputs Resource Plan:

[Indicate the availability of raw material and other inputs, as well as physical facilities such as Land, Buildings, Equipment, other infra -structure facilities and shared services such as finance, customer service support etc., which would be used for the business. (The proponent should be ready for a field appraisal when requested)]

3.4. Organizational Human Resources Capacity & Operations:

[Explain how human resources capacity building of internal employees as well as out growers, suppliers and sub- contractors etc. are addressed. Evidence to show that the organization has adequate capacity to manage resources, such as employees, effectively to gain an advantage over competitors focusing on the investor's ability to achieve business objectives and implement the proposed activities to ensure that the matching grant will be used efficiently and effectively. In case experts need to be hired, clearly state and factor the cost to be incurred]

- Key personnel
- Organizational structure
- Human resources plan

4. Social and Environmental Risks and Impacts and Mitigation Strategies:

[Include a statement on the social and environment in relation to the new business initiative, i.e., environmental impact, risks, mitigation strategies, etc.]

5. Technical Assessment of Production

5.1. Description of the Production Line and it's Machineries & Equipment

[Explain the production line and the processes of the proposed business initiative, as applicable. Also include the layout plan of the proposed production line with machines to be used clearly labeled]

5.2. Machinery Capacity Evaluation

[List down all Machineries and Equipment to be used. State their respective specifications and maximum capacities. State the rationale for requiring the said Machineries & Equipment. Explain reasons for the difference, if any between "maximum capacity" and "Proposed Capacity" to be used]

Name of Machine	Brand / Trade name	Specifications of the machine	Maximum capacity	Proposed capacity to be used*	Daily production	Layout number (as per the layout plan)	Purpose of use
e.g. Machine -1	XYZ		500kg/hour		3,000 kg (06hrs)	03	Pepper grinding

*Proposed monthly average capacity

6. Budget with the Required Matching Grant and Grant Disbursement Plan:

[Provide a cost estimate in tabular form with breakdown of costs of major activities under each Category (Category- Own contribution, Grant and Loan). A split of estimated cost of each activity for grant contribution as well as the matching contribution must be shown together with the proposed grant disbursement plan. It is important to submit information and evidence on proponent's own contribution toward the matching grant. Details and the mode of procurements should be indicated.]

Item No.	Item/ Activity	Milestones /Indicators of Progress	Category (Rs.)			Total Investment (Rs.)
			Own Contribution	Matching Grant	Commercial Loan	
Total						

7. Financial Analysis:

[Include financial analysis which backs your decision on why this business initiative shows financial viability and should be funded. This should include such analysis as the break-even analysis, including the cost/benefit ratio, Internal Rate of Return (IRR), cost/beneficiary ratio, etc.]

- ✓ Starting Balance Sheet
- ✓ Profitability Forecast for 5 years
- ✓ Sales Plan for 5 years- with sales mix break down, export & local sales break down
- ✓ Purchase plan for 5 years
- ✓ Production plan for 5 years
- ✓ Cash flow forecast for 5 years
- ✓ Balance Sheet Projection
- ✓ Ratio's
 - Gross Profit Margin
 - Net Profit Margin
 - IRR
 - NPV
 - Break Even Analysis
 - Cost Benefit Ratio
 - Payback Period
 - Debt Ratio- If the existing debt ratio is already high, clearly explain how the additional interest cost stemming from the new loan is to be managed and how the business is to be sustained.
- ✓ Value addition (%)
- ✓ Detailed workings, Assumptions on Administration, Selling & Distribution and Finance costs

8. Supervision and Monitoring Arrangements:

[The proponent must indicate in the proposal how the proponent plans to supervise and monitor the proposed activities and outcomes. In order to facilitate performance monitoring, the activities, the expected outputs, and the associated indicators of success (i.e., how to know that activity has been successfully implemented) should be stated. The indicators are expected to be linked to the agreed business activities and how many targeted small-scale farmers/households/SMEs will be benefitted by the activity over time.]

Documents Attached

Attach the documents that are applicable, to support the project proposal

Document	Attached	Remarks
Business Registration / Organization Registration	Yes / No	
Form 06, 13 ,18 of ROC	Yes / No	
Profile of principal proponent	Yes / No	
NIC or passport copies	Yes / No	
Evidence of bank account 06-months statement	Yes / No	
Any other partnership agreements	Yes / No	
Evidence of own fund	Yes / No	
Project implementation plan with time line	Yes / No	
Evidence of ownership of assets to be utilized	Yes / No	
Fixed assets belong to the business (land deed/lease)	Yes / No	
Approved building plans, if any	Yes / No	
Audited accounts for past three years	Yes / No	
Management Letter from the External Auditor	Yes / No	
Environmental Assessment Report, if applicable	Yes / No	
Map of business locations/s	Yes / No	
EPF / ETF payment details	Yes / No	
Income tax payment receipt	Yes / No	
Layout of production line, if applicable	Yes / No	
03 quotations for each machinery and equipment to be purchased, as applicable	Yes / No	
List of machinery & equipment and their capacity according to production	Yes / No	
Any other license or certificate related to business (specify).....	Yes / No	

We hereby agree to work as a team to execute the work of the business initiative as proposed herein to achieve the set of targets/ outcomes within the stipulated time frame and to follow the conditions stipulated in the grant agreement.

Lead Investor	
Signature	
Name	
Official frank	
Date	
Beneficiary /Partner 1	
Signature	
Name	
Organization	<i>[name of organization, farmer group/association]</i>
Official frank	
Date	
Beneficiary /Partner 2	
Signature	
Name	
Organization	<i>[name of organization, farmer group/association]</i>
Official frank	
Date	

Beneficiary /Partner 3	
Signature	
Name	
Organization	<i>[name of organization, farmer group/association]</i>
Official frank	
Date	

General Instructions:

1. Applications must be prepared according to the given format only. Incomplete applications will not be entertained.
2. Two copies of the complete application with all relevant attachments/ documents should be submitted to:
Secretary,
Ministry of Rural Development, Social Security and Community Empowerment,
01st Floor, Stage-II,
Sethsiripaya
Battaramulla.
3. A soft copy of the duly filled application in .pdf form should be e-mail to ruraldevelopmentbureau@gmail.com indicating the subject as “Co-creating Innovative Businesses for Empowering Communities through Sustained Livelihoods ”
4. Land, Office building, office equipment, furniture, non- industrial vehicles, transformers, solar power units will not be considered under budgetary provisions. However, this is not an exhaustive list of items that will be excluded for financing under the project and will consider case- by- case basis depending on the nature of the investment project proposal by the Independent Technical Evaluation Committee (TEC).
5. Any aspect which is not specified in the application and may arise while processing the application is subjected to clarification/investigation by the TEC and field verification, if necessary before taking a decision on the award of a grant.
6. Proponents are required to sign an agreement if the grant is awarded. Grantees are expected to commence work soon after the Agreement is signed, and funds are disbursed according to the negotiated disbursement plan. Other conditions that apply after awarding the grant are specified in the grant agreement.
7. Attach documents whatever applicable to evident the contents of the application.

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