**Call for Expressions of Interest:** *Invitation for Investment Proposals in Agri-enterprise Establishment in RAMCO Programme Areas*

1. **Background**

The Regional Agricultural Marketing and Cooperatives Office (RAMCO) of Mongar aims to transform a subsistence-based rural agricultural economy into a sustainable value chain and market-driven productive sector by promoting climate-smart approaches in agricultural marketing promotion and strengthening the capacities of communities and local institutions. It is primarily under the Department of Agricultural Marketing and Cooperatives (DAMC) under the MoAL. Most of the budget for the RAMCO is supported and funded by the Commercial Agriculture and Resilient Livelihoods Enhancement Programme (CARLEP) which is built on prior IFAD interventions focused on increased agricultural production and makes a basic shift in approach towards marketing and climate-resilient farming practices.

One of the strategies adopted to stimulate private investments in small and medium-scale Agri-enterprise and achieve relatively quick results is the introduction of a matching grant scheme. Using a matching grant as an interim instrument to co-finance (in kind) productive investments is to attract youths in agri-businesses that would have wider benefits across the agricultural value chains besides fulfilling the goal of national food self-sufficiency.

Initially, MG was programmed and scheduled under the annual work plan programs of CARLEP, but subsequently, from the Financial Year (FY) 2024-2025, the MG program is rescheduled under the annual work plan programs of RAMCO as the program has more relevancy to marketing division. The budget for the MG has been sourced and funded by the CARLEP since its introduction.

The MG will operate under three Windows for investments *(Window 1: Production Enterprise; Window 2: Service Provider Enterprise; Window 3: Manufacturing Enterprise),* each targeting a particular scale of innovation investment and linked to the function and support services along the value chain.

1. **Thematic investment priorities**

RAMCO will support Agri-enterprise development in 6 Programme Dzongkhags (Lhuentse, Mongar, Pemagatshel, Samdrup Jongkhar, Trashigang and Trashiyangtse). The aim is to allow youth entrepreneurs to engage in productive Agri-businesses and obtain gainful employment in the agriculture sector. Depending on the gap in agricultural value chains, supply and demand mismatch, and inadequate support of agricultural entrepreneurs, matching grant scheme will be prioritized to the following thematic areas:

* 1. **Commercial Heifer Production Enterprise**

The eastern region has been outsourcing dairy cattle from India and other regions. Live animal import has huge implications in terms of the economy, importation of diseases, and animal welfare aspects. The project that engages in sustainable production of dairy heifers and cows could minimize import besides contributing towards dairy value chain development in the region. In addition, such an enterprise could be in a position to fill the demand gap for dairy heifers and cows from other regions. Total number of heifer Production Enterprise anticipated is as given in the Table.

|  |  |
| --- | --- |
| **Dzongkhags** | **Anticipated Number of Proposals** |
| Lhuentse | 1 |
| Mongar | 2 |
| Pemagatshel | 2 |
| Samdrup Jongkhar | 1 |
| Trashigang | 2 |
| Trashiyangtse | 1 |
| **Total No. of Enterprises** | **9** |

* 1. **Dairy equipment maintenance and service enterprise**

The dairy sector in the east has grown considerably, and many dairy value chain infrastructures and equipment (milk chillers, deep freezers, refrigerators, chaff cutters, display chillers, etc.) have been supported by the Projects. The maintenance of this equipment has become an issue that will impact sustainability without a single maintenance and service center in place. With the continuous growth of the dairy sector in the region, the demand for this service will grow further which is a compelling force for taking it up as an enterprise capable of catering to 6 Programme Dzongkhags. The RAMCO anticipates at least one such enterprise in the region.

* 1. **Commercial Dairy Farming**

Although the program supports smallholder dairy farmers and groups, their goals and trajectories of growth have inherently been unclear and yet there are break-even herd sizes required for a viable commercial business. Thus, there is a need to support inclusive horizontal models in which smallholders grow into small commercial and subsequently larger-scale farmers so that they can make a proper living out of dairy and can be shareholders in milk processing plants. The agency anticipates receiving 16 proposals for the establishment of commercial dairy farms (>10 cows) in the program areas as shown below.

|  |  |
| --- | --- |
| **Dzongkhags** | **Anticipated Number of Proposals** |
| Lhuentse | 2 |
| Mongar | 4 |
| Pemagatshel | 3 |
| Samdrup Jongkhar | 2 |
| Trashigang | 4 |
| Trashiyangtse | 1 |
| **Total No. of Enterprises** | **16** |

* 1. **Commercial Poultry Enterprise**

This project is targeted towards increasing self-sufficiency in chicken and eggs, reducing dependency on the import of livestock products, and in doing so, helping reduce the negative balance of trade. With low investment and easy adoption of poultry farming; it provides a great opportunity to encourage young farmers to take up on a commercial scale. With the RAMCO providing a space for quick implementation of the projects on the ground, the unemployed youth can not only be gainfully engaged and improve their own lives but they would also contribute significantly to the nation’s effort to achieve food security. Poultry enterprises can be broadly categorized into layer and broiler farms. The total number of proposals anticipated under this scheme is given in the Table below.

|  |  |  |
| --- | --- | --- |
| **Dzongkhags** | **Layer Farms (>3000 birds)** | **Broiler Farm** |
| Lhuentse | 1 | - |
| Mongar | 3 | - |
| Pemagatshel | 1 | 1 |
| Samdrup Jongkhar | 2 | 10 |
| Trashigang | 3 | - |
| Trashiyangtse | 1 | - |
| **Total No. of Enterprises** | **11** | **11** |

* 1. **Commercial Trout Farming**

The agency will support the establishment of one trout hatchery and 3 units of trout culture within the mentioned areas. With increased per capita purchasing power and concern for health care, there is a growing demand for fish which is currently substituted through import from neighboring countries.

* 1. **Mushroom enterprise**

Mushroom is a nutritionally rich food and fetches good income in the market. Although consumer demand for mushrooms is growing, there is hardly any successful mushroom enterprise engaged in commercialization. Investments driven by the market bring good returns and mushroom farming is one of the avenues to be explored by our youths.

|  |  |
| --- | --- |
| **Dzongkhags** | **Anticipated Number of Proposals** |
| Lhuentse | 1 |
| Mongar | 4 |
| Pemagatshel | 1 |
| Samdrup Jongkhar | 2 |
| Trashigang | 4 |
| Trashiyangtse | 1 |
| **Total No. of Enterprises** | **13** |

* 1. **Commercial Vegetable Farming**

Vegetables are traditionally produced by our farmers at a subsistence level and dependency on imported vegetables has further dwindled the interest in vegetable cultivation. However, COVID-19 has greatly impacted farmers and consumers with a significant supply deficit within the country when the import restrictions were put in place with the closure of border gates. Vegetable self-sufficiency could be achieved only through investments in specialized vegetable farming focusing on Cole crops and high-value crops. The Programme is anticipating 12 commercial vegetable farming proposals from 6 Programme Dzongkhags.

* 1. **Agro-based processing enterprise**

The project will support any Agro-based processing enterprise ranging from small-scale processing to medium and large-scale processing units. With prior and ongoing project interventions in agricultural production, the production base has increased substantially. However, the value addition component is found to be missing in the value chain link because of which our farmers face difficulty in marketing their produce.

1. **Eligibility**

An applicant showing EOI shall fulfill the following eligibility criteria:

* Eligible actors shall be all private actors working in the targeted supply chain cluster, including producers, traders, agribusinesses, service providers, and input providers. The producer group from Identified value chain clusters shall be prioritized.
* Solid business plans which include a proper assessment of markets, risks, technical feasibility, financial viability, cost per beneficiary, and reliability of other actors in the value chain.
* Producers may be individuals or those organized in informal farmer groups/formal associations or agricultural cooperatives; other private sector actors may have a different legal status such as company/joint-stock, partnership, or sole proprietorship;
* Applicants have demonstrated to have access to sufficient funds for investment and working capital;
* An accredited financial institution has approved /sanctioned the loan in principle (for grant applicants requiring a loan);
* The intended sub-project is financially viable and technically feasible;
* No double financing of the same activity under different grant mechanisms, regardless of the fund source*.*
* Matching Grant shall be one-time support.
* Preference shall be given to youths
1. **Expression of Interest**

Applicants who are interested in applying for a matching grant scheme for enterprise establishment in the above thematic areas are required to send an official communication containing a detailed project proposal/business plan addressed to: the Regional Marketing Coordinator, RAMCO, Mongar, and sent to **penjoretshering99@gmail.com** duly verified and endorsed by Dzongkhag Agriculture Officer and Dzongkhag Livestock Officer respectively.

A template for the Expression of Interest is attached hereto as Annex 1.

The Expression of Interest shall include the Applicant’s identification, and Project proposal/Business Plan duly verified by Dzongkhag RNR Sector Heads. The business plan/project proposal template is attached hereto as Annex 2.

The Expressions of Interest, including the submitted documents, shall be either in English or Dzongkha.

1. **Submission of expression of interests**
* The Expressions of Interest shall be submitted on or before the Deadline either by (i) e-mail **or** (ii) through postal service. Expressions of Interest sent shall consist of a closed single package and shall contain the Expression of Interest, together with its attachments, in paper form.
* The Deadline for the submission of Expressions of Interest is until the **31st of December 2024** from the date of announcement.
* The Expressions of Interest shall indicate the reference number of the call and the name of the Applicant and shall be sent to the following address:

**Postal Address: Offtg. RMC, Regional Agricultural Marketing and Cooperatives Office**

 **Trailing, Mongar, Post Box No. 126**

 **Telephone No. 4641227**

* The electronic version of the Expression of Interest shall be sent to: **penjoretshering99@gmail.com** stating in the subject of the email: “Call for EoI – name of applicant”. For queries, contact **@17526749.**
* The Applicants may withdraw their Expression of Interest at any stage of the Selection process, by sending (i) an email and (ii) a letter to the above-mentioned addresses.
1. **Evaluation/Selection process**

The proposal meeting eligibility criteria and the proposed investment consistent with the priority investment area and within the budget limit set out in the matching grant guideline (Attached hereto as Annex 2) will be short-listed for field verification. The following documents should be attached to the proposal for **W2** and **W3** to confirm their eligibility:

* Organization registration and renewal documents.
* Certificates /proof of experience in the relevant field
* Proof of adequate credit in the personal account for beneficiary contribution, or if not, loan approval from credible financial institutions.
* Social and Environmental clearance, in case of **Medium-scale enterprise under W3.**

The Gewog Extension Officer and Dzongkhag Sector head shall conduct field verification for applicants under W1, while the Technical Evaluation Team will conduct field verification for W2 and W3.

The field verification team will conduct an onsite visit, and interact with proponents and stakeholders to ensure the credibility of both the proponent and the investment plan. The verification team will ensure the compilation of all the eligibility and selection criteria, grant solicitation, evaluation, and approval process, and also ensure that the proposed cost is eligible. The verification team will verify the following:

* Documents supporting eligibility criteria,
* Records of past financial documents (books of account, financial reports),
* Technical feasibility of the proposed investment,
* Market and marketing channels
* Financial viability
* Reliability and correctness of the proposal,
* Credibility, management, and financial capacity of the applicant,
* Expected benefit to the beneficiary community.

If the proposed investment is not found feasible through technical, financial, business, or managerial perspectives during the assessment, the evaluation team will report to MGC. Accordingly, MGC will immediately notify the applicant of the rejection of the proposed investment along with the grounds for rejection.

The Matching Grant Committee shall recommend PD to invite experts (technical, Management, Financial) as needed for appraisal of **W3** proposal.

All the members of the Committees should disclose any potential conflict of interest. If any member has a potential conflict of interest, he/she will not be involved in the evaluation process. In such a case, the Programme Director will arrange for the replacement of such members.

1. **Project support under the RAMCO matching grant scheme funded by CARLEP**

A Matching Grant (MG) is a partial grant mechanism to stimulate private investment in small and medium-scale Agri-enterprises based on a specific project rationale for particular purposes and on condition that the recipient makes a specified contribution for the same purpose or sub-project. A matching grant is a one-time support to project beneficiaries in the form of materials (kind support), while the matching contributions can be either in cash or in-kind, or a combination of both. They may or may not be provided together with other financial services, such as loans, or linked to them. For more information and matching grant guidelines, please visit [www.damc.gov.bt](http://www.damc.gov.bt).

Fund Ceiling for Each Investment Window Against Scale of Investment is as shown in the Table.

|  |  |
| --- | --- |
| **Investment Scale**  | **Fund ceiling and percentage for cost-sharing**  |
| Semi-Commercial Producer (**W1**) *(Investment Scale will be decided based on production scale)*  | Fund ceiling – Nu.0.25 million or 50% of total fixed cost or whichever the lower  |
| Commercial Producer (**W1**) *(Investment Scale will be decided based on production scale)*  | Fund ceiling – Nu.0.75 million or 50% of total fixed cost or whichever the lower  |
| Micro-scale Service Provider (**W2**) *(Total investment less than Nu. 1 million)*  | Fund ceiling – Nu.0.5 million or 50% of total fixed cost or whichever the lower  |
| Small-scale Service Provider, and Small-scale Manufacturing Enterprise (**W2** and **W3**) *(Total investment – Nu. 1 million to 10 million)*  | Fund ceiling – Nu. 1 million or 40% of total fixed cost or whichever the lower  |
| Medium-scale Manufacturing Enterprise (**W3**) (*Total investment – Nu. 10 – 100 million)*  | Fund ceiling – Nu. 3 million or 30% of total fixed cost or whichever the lower  |

**Annex 1. Cover letter**

Date:

The Regional Marketing Coordinator,

Regional Agricultural Marketing and Cooperatives Office

Mongar

Sub: Expression of Interest (EOI) for…………………………..*(Insert the name of the proposed enterprise)*

Sir/Madam,

Herewith I am submitting my Expression of Interest in response to the call for the expression of interests vide letter No………..(*Insert call for EOI No.)* for the establishment of………………………………………………………….(Please *insert the* proposed *name of the enterprise).* The undersigned, by signing this form certifies/certifies and declares (s) that the information contained in this Expression of Interest and its Appendices is complete and correct in all its elements.

The undersigned has enclosed the following documents:

1. Applicant identification form as annex 2
2. Eligibility criteria form as Annex 3
3. Project proposal/Business plan duly verified and endorsed by RNR Sector Heads as annex 4

The Applicant acknowledges and agrees that, if selected, to abide by the MG implementation guidelines.

Yours sincerely,

Signature(s):

Applicant’s name:

Date and Place:

**Annex. 2 Applicant’s Identification**

|  |  |
| --- | --- |
| Applicant Name |  |
| CID No. (please attach a CID photocopy) |  |
| House Number |  |
| Tram Number |  |
| Contact Details | Address:Telephone No.:Email ID |
| Business Registration No. if any |  |

**Annex 3. Eligibility criteria**

|  |  |  |
| --- | --- | --- |
| **#** | **Criteria**  | **Check List (Tick)** |
| 1 | * 1. School drop-out
 |  |
|  | * 1. VTI/TTI graduate
 |  |
| * 1. Diploma
 |  |
| * 1. Graduate
 |  |
| * 1. Others (NFE, monastic education, etc.)
 |  |
| 2 | Mode of Farm Operation |
| 2.1. Individual youth  |  |
| 2.2. Youth Group |  |
| 3 | Finance Mode  |
| * 1. Self-Finance
 |  |
| * 1. Loan from CSI/PSL, etc. (Financial Institutions)
 |  |
| 4 | Land Tenure for Enterprise Establishment  |
| * 1. Private Owned Land
 |  |
| * 1. Private Leased Land
 |  |
| * 1. Community Leased Land
 |  |
| * 1. Institute Land
 |  |
| * 1. SRL Land
 |  |
| 5 | Type of Enterprise |
| * 1. Heifer Production Farm
 |  |
| * 1. Dairy Equipment Maintenance and Service Enterprise
 |  |
| * 1. Dairy Farming
 |  |
| * 1. Poultry Farming
 |  |
| * 1. Trout Culture
 |  |
| * 1. Mushroom Enterprise
 |  |
| * 1. Commercial Vegetable Farming
 |  |
| * 1. Agro-Based Processing Enterprise (Please specify)
 |  |

**Annex 4. Project proposal template**

Applicants are asked to provide an outline investment proposal (“Business Plan”). The Business Plan should provide concise information on the following items:

* Executive summary
* Project Profile
* Background
* SWOT analysis
* Market analysis (Target market, Total market valuation, Market trend, Profile of competitors, Competitive advantage)
* Marketing/ sales strategy (Marketing strategy, sales strategy, pricing)
* Operational plan (Management organizational chart, staffing, operations)
* Financial projections (Profit and loss statement, balance sheet, Cash flow statement)
* Conclusion
1. **Executive Summary**

Introduce promoters here, and the reason you are now preparing this Business Plan. This section should not be completed until the business plan is written. It will highlight all milestones in the company’s development over the next five years. It should sum up the following areas:

* Purpose of the plan
* Product or service and its advantages
* Market opportunity
* Management team
* Track record, if any
* Financial projections
* Funding requirements

Financial projections should be summarized and highlighted. The following format is suggested as a guide:

|  |  |  |  |
| --- | --- | --- | --- |
| **#** | **Year 1** | **Year 2** | **Year 3** |
| Sales |  |  |  |
| Net Profit |  |  |  |
| Investment  |  |  |  |
| Employment (No.) |  |  |  |

Remember that potential investors often make a provisional judgment based on the executive summary and that their decision to read the main body of the business plan will depend on the information presented here. The appendices at the back of the plan contain more detailed information to support the main text of the business plan.

1. **Company Description**

**Promoters and Shareholders**

Description of the people involved in starting the business:

* Promoters
* Management structure and areas of responsibility
* Shareholders names, no. of shares, % shareholding, and cash investment to date

**Products and services**

* Explain clearly what your product or service is and what it does.
* Background to its development
* Benefits and Features
* Unique selling points
* Advantages to customers
* Disadvantages or weak points
* Future developments

**Long-Term Aim of the Business**

State the long-term aim of the new business.

**Objectives**

State the specific milestones to be achieved by the company over the next five years (sales, exports, employment, product development, etc).

**SWOT Analysis**

Analyze the strengths and weaknesses of the business and product or service, the opportunities that exist in the marketplace, and the threats to the viability of the project. This is best done in a matrix diagram as follows:

|  |  |
| --- | --- |
| Strength  | Threats  |
| Opportunity | Weakness |

1. **Market Analysis**

This section covers market research and competitor analysis. You must show that you have done the market research to justify the projections made in your business plan. It must demonstrate that there is a viable market and that you can beat the competition in the market for sales.

**Target Market**

The market to which you are planning to sell the product or service. Analyze the segments of this market as follows:

* Size of each market segment
* Is the segment growing or declining?
* Characteristics of potential customers in each segment

**Total Market Valuation**

Show the total potential value of the market for this type of product or service, in all the targeted markets, domestic and international.

**Market Trends**

Analyze what is happening in the market:

* Recent changes
* Future predictions
* Drivers such as demographic changes, economic and legislative factors
* Implications for your product or service
* Your plans to meet future demands and changes in the market

**Profile of Competitors**

Analysis of your competitors in the market:

* What are the competing products and services?
* Profile of key players (company size, turnover, profitability, etc.) and their market share
* Advantages and disadvantages of the competitors’ offerings

**Competitive Advantage**

This is your assessment of why potential customers will choose to buy your product in place of those profiled above. Advantages may include:

* Unique features
* Price
* New technologies or systems
* Better value to customers in terms of efficiency or ROI or cost/benefit ratios
* Greater compatibility with existing systems
* Include any independent validation or case studies

**Benefits to Farming Community**

This is what your product or service provides to potential customers in terms of their own business goals. Does your product or service enable them to:

* Increase Production?
* Increase efficiencies
* Save money?
* Save time?
* Maximize resources?
* Reduce errors?
* Reduce downtime?
* Improve Customer Service, reduce churn, increase loyalty
* What will buying your product or service do for the customer?
1. **Marketing/Sales Strategy**

This section sets out your strategies for reaching your target market, arousing their interest in your product or service, and delivering the product or service to them in sales.

**Marketing Strategy**

How you will position your product or service in the market and differentiate it from its competitors:

* Which segments of the market will be targeted first and why?
* How will this be developed to reach the full target market?
* How will you differentiate your product or service?
* What key benefits will be highlighted?
* What potential customers have you already targeted?
* Have you a test site in operation, and what feedback is coming from this?
* What contacts can be used to generate market awareness and sales?
* Who will do the marketing: staff, agency, reps?

**Sales Strategy**

How you will sell your product or service to the target market:

* Directly
* Retail
* Distributor
* Agent
* Sales rep

**Revenue Sharing Partners**

Analyze for each method the costs involved, whether it will reach the intended market efficiently, the control you would retain over the pricing and positioning, the logistics, and the overall integration with your marketing strategy. State the advantages of the methods you have chosen to sell your product or service.

**Pricing**

How you will set the price charged for your product or service. Considerations include:

* Competitors’ prices
* Level of competition in the market
* Perception of quality-price relationship by customers
* Production costs and overheads
* Chain of distribution and the added value at each stage
* The extent to which the buyer can control the price
* State how each product or service will be priced, referring to the income sources above.

**Marketing and Communications Strategy**

How you will promote your product or service in the marketplace.

* Advertising – where, when, how, to whom
* Public relations
* Direct marketing
* Website and internet marketing
* Exhibitions and conferences
* Word of mouth
1. **Operations Plan**

This is where you will outline the intended structure of the company in terms of management, the number of employees, and the physical operational requirements to produce or supply the product or service.

**Management (including Board) Organization Chart**

Include a diagram of how the management of the new venture will be organized. This should show the areas of responsibility of each manager and the employees to be taken on over the next three years.

**Staffing**

State what employees will be taken on over the next three years, with which skills, in which areas of the business.

**Training Plans**

Outline the planned employee and management development to be undertaken to maintain a skilled workforce. This should also be tied to future market developments and any new product or service developments.

**Operations**

State the physical requirements of the business:

* Premises
* Equipment
* Production facilities
* Infrastructure
* Communications facilities
* Costs involved
* Suppliers
1. **Financial Projections**
2. Key Assumptions
3. Profit and Loss Accounts
4. Balance Sheet
5. Cash Flows
6. **Key Assumptions**

This section reviews the key assumptions used in the financial projections. It is a guide to explain how key figures in the financial projections were arrived at. Included here should be items such as:

* Income sources
* Number of employees projected for each year and their intended salaries
* Projected investment in equipment and materials
* Projected R&D costs
* Depreciation allowed for
* Expected rent and rates charges
* Creditor days expected and debtor days allowed
* Expense calculations

This section should be brief and to the point. Further details regarding these items can be placed in the Appendices.

1. **Profit & Loss Accounts**

Attached here are projected profit and loss accounts for the first three years of the company’s operations.

1. **Balance Sheets**

Attached here are the projected balance sheets for the first three years of the company’s operations.

1. **Cashflow**

Attach here a monthly cash flow prediction for the first two years of the company’s operations.

1. **Funding Requirements**

State here the total funding requirements of the business, and how those are intended to be provided. You will also need to state the approximate breakdown of how these funds are to be spent.

**Sources:**

* Applicant’s funds
* Bank lending
* Grants (Matching Grant)
* Investment already received
* Investment sought

**Required for:**

* Equipment
* R&D
* Marketing
* Staffing

**Table 1. Sample Table for Investment**

|  |
| --- |
| **Fixed Cost Investment** |
| **(Your Business Entity Name)** | **Date:**  |
|  | **Own Equity** | **Matching Grant** | **Loan Amount** |  |
| **Fixed Cost Items** | **Actual Cost** | **% of total cost** | **Actual Cost** | **% of Total Cost** | **Actual Cost** | **% of Total Cost** | **Total** |
| Construction of Processing House | Nu. X | 50 | Nu. X | 0 | Nu. X | 50 | Nu. XX |
| Procurement of Equipment  | Nu. X | 0 | Nu. X | 100 | Nu. X | 0 | Nu. XX |
| Supplies | Nu. X | 0 | Nu. X | 20 | Nu. X | 80 | Nu. XX |
| Furniture and Fixture | Nu. X | 50 | Nu. X | 0 | Nu. X | 50 | Nu. XX |
| Advertising/Marketing | Nu. X | 0 | Nu. X | 0 | Nu. X | 100 | Nu. XX |
| Computer Equipment  | Nu. X | 0 | Nu. X | 0 | Nu. X | 100 | Nu. XX |
| Xx | Nu. X | 50 | Nu. X | 0 | Nu. X | 50 | Nu. XX |
| Xx | Nu. X | 0 | Nu. X | 0 | Nu. X | 100 | Nu. XX |
| Xx | Nu. X | 50 | Nu. X | 0 | Nu. X | 50 | Nu. XX |
| Xx | Nu. X | 50 | Nu. X | 0 | Nu. X | 50 | Nu. XX |
| Xx | Nu. X | 50 | Nu. X | 0 | Nu. X | 50 | Nu. XX |
| Xx | Nu. X | 50 | Nu. X | 0 | Nu. X | 50 | Nu. XX |
| Miscellaneous  |  |  |  |  |  |  |  |
| **Estimated Fixed Cost** | **Nu. X** | **X%** | **Nu. X** | **X%** | **Nu. X** | **X%** | **Nu. XX** |

1. **Exit Strategy**

A sound investment exit plan is another important component of an investment proposal. As its name suggests, this section of your proposal shall include information on how investors can divest their investment in your business or company. Exit plans should also include information on how your business will deal with business failure.

1. **Appendices**

This section is used to provide the detailed data on which the main text of the business plan is based and to provide extra information of interest to the readers of the business plan. Items for inclusion in appendices vary from business to business, but normally include some of the following:

* Promoters’ CVs
* Detailed financial assumptions
* Detailed market research findings
* Promotional literature
* Product or service information
* Testimonials or letters of intent from customers
* Proposed timetable and project milestones

Table 2. Sample table for Proposed Timetable and Project Milestone

|  |  |
| --- | --- |
| **Delivery calendar**  | **Milestones and deliverables** *Add and vary the suggested project milestones below, as required*  |
| February 2020  | Construction of Processing Shed  |
| March 2020  | Procurement of Equipment  |
| April 2020  | Consultation Meeting with stakeholders  |
| August 2020  | Installation of equipment  |
| August 2020  | Start production  |
| December 2020  | Marketing Campaign  |

**Table 3. Sample for Total Project Start-up Cost**

|  |
| --- |
| **TOTAL PROJECT START-UP COSTS** |
| **[Your Business Entity Name]** | **[Date]** |
| **Total Capital Expenditure** |
| Procurement of Equipment  | Nu. X |
| Construction of Processing House | Nu. X |
| Raw Materials | Nu. X |
| Supplies | Nu. X |
| Furniture and Fixture | Nu. X |
| Advertising and Marketing  | Nu. X |
|  | Nu. X |
|  | Nu. X |
|  | Nu. X |
|  | Nu. X |
|  | Nu. X |
|  |  |
|  |  |
| X | Nu. X |
| X | Nu. X |
| Miscellaneous  | Nu. X |
| **Estimated Star-up Budget**  | **Nu. XX** |

**Table 4. Sample for Profit and Loss Statement**

|  |
| --- |
| **Profit and Loss Statement**  |
| **[Business Name]**  | **[Date]** |
| **Revenue**  | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **YTD** |
| Estimated Product sales | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Less Sales Returns & Discount  | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Service Revenue | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Other Revenue | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| **Net Sales** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** |
| **Cost of Goods Sold**  | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** |
| **Gross Profit**  | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** | **Nu. X** |
|  |
| **EXPENSES** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **YTD** |
| Salaries & Wages  | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Marketing /Advertising  | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Sales Commissions  | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Rent  | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Utilities | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Website Expenses | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Internet/Phones | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Insurance | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Travel  | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Legal/Accounting | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Office Supplies | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Interest Expense | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| Other 1 | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X | Nu. X |
| **Total Expenses** |  |  |  |  |  |  |  |  |  |  |  |  | Nu. XX |
| **Income Before Taxes** |  |  |  |  |  |  |  |  |  |  |  |  | Nu. XX |
|  |
| **Income Tax Expense**  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  |
|  |
| **Net Income** | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  | #Value  |