ATAL GRAM UDYOG

COMPREHENSIVE DETAILED PROJECT REPORT (DPR)

An Integrated Rural Livelihood, Village-Level Production, Entrepreneurship and Market-Linkage Initiative

Promoted by Atal Foundation | Project Geography: Initial pilot in Uttar Pradesh, with a scalable national framework | DPR date: 11 November 2026

Tagline: Production in Villages | Employment in Villages | Trade Across India

Document status: Strategic and preliminary implementation DPR. Financial figures are indicative planning estimates and must be validated through field surveys, buyer commitments, vendor quotations and professional review before financial closure.

DOCUMENT CONTROL & IMPORTANT NOTE

This report is prepared as a programme-level project design for Atal Gram Udyog. It is not a bank-sanctioned appraisal, statutory approval, grant commitment, guaranteed employment offer or guaranteed purchase arrangement. It provides a structured operating blueprint and preliminary financial envelope. Unit-level DPRs and product-specific work orders must be prepared before investment or production.

The initiative must remain demand-led. Atal Foundation or an authorised procurement partner may issue a written Work Order for specified quantities and standards. The Foundation will inspect and may accept, require rework or reject goods against the agreed criteria. Only accepted goods will be purchased at the agreed manufacturing charges. There is no unconditional buy-back, assured income or compulsory franchise/platform fee during the pilot.

1. EXECUTIVE SUMMARY

ATAL GRAM UDYOG is designed to create a decentralised network of village production and service units that can earn through verified orders rather than speculative manufacturing. It will identify local skills and available labour, organise small producers, provide practical training and standard operating procedures, connect them with raw-material suppliers and institutional buyers, and coordinate quality assurance, aggregation, packaging and distribution.

The programme will initially pilot 50 production/service units across 10 villages. The pilot will test product-market fit, actual unit economics, production consistency, acceptance rates, payment cycles, logistics costs and the ability of the central team to manage multiple micro-units. Expansion will be based on measured performance—not enrolment numbers alone.

Parameter	Proposed design
Promoter / institutional sponsor	Atal Foundation
Umbrella initiative	ATAL GRAM UDYOG
Pilot footprint	50 units across 10 villages (indicative)
Initial verticals	Puja, textiles, food processing, eco-products, festive products, digital/local services
Pilot duration	90 days for initial validation; 12 months for stabilisation and scale-up
Operating principle	Demand first → written work order → production → QC → acceptance → payment
Indicative programme requirement	₹72–82 lakh (preliminary estimate; subject to validation)
Entrepreneur setup component	₹34.5 lakh (indicative; may be funded by entrepreneurs/credit/CSR or blended sources)
Central setup, training, quality and logistics	₹19.5 lakh (indicative)
Working capital envelope	₹18–28 lakh (indicative, revolving and order-linked)

Parameter	Proposed design
Pilot target	Demonstrate a repeatable, auditable, financially disciplined rural production model

2. BACKGROUND, RATIONALE & DEVELOPMENT NEED

Rural households often possess practical skills in stitching, food preparation, handicrafts, packaging, incense making, repair work and digital services, but lack reliable market access, quality systems, working capital and predictable orders. Small producers may also face fragmented procurement, inconsistent raw-material quality, weak branding, limited bargaining power and delayed payments.

ATAL GRAM UDYOG addresses these constraints by creating a managed bridge between village-level capability and organised demand. It does not assume that every village should manufacture every product. Each unit is selected after assessing demand, raw-material access, skills, safety, regulatory requirements and logistics.

- Generate supplementary and primary livelihood opportunities close to home, particularly for women, youth, artisans and self-help groups.
- Convert local skills into consistent, measurable production capacity through training and standardised processes.
- Reduce the risk of unsold inventory by linking production to confirmed or reasonably evidenced demand.
- Aggregate products from small units to meet buyer requirements for quantity, packaging, documentation and delivery.
- Build a transparent system for costing, quality, traceability, payment and grievance handling.

3. VISION, MISSION, OBJECTIVES & OUTCOMES

Vision: A network of self-reliant village enterprises integrated with dependable domestic markets.

Mission: To organise, train and connect rural producers with structured production opportunities, fair manufacturing charges and transparent market access.

- Establish a replicable village-enterprise operating model with measurable unit economics.
- Create 50 pilot units in 10 villages, subject to local demand and readiness.
- Develop standard product specifications, production manuals, quality checklists and work-order formats.
- Enable women, youth, artisans and SHGs to participate through suitable low-capital activities.
- Build buyer relationships with wholesalers, retailers, distributors, institutions, e-commerce channels and corporate procurement teams.
- Create a transparent digital register of units, orders, raw materials, production, QC, dispatch, acceptance and payments.
- Achieve sustainable operations through disciplined procurement margins, service fees where appropriate, CSR support and carefully governed institutional funding.

Outcome area	Pilot measurement
Livelihood	Active units, persons engaged, paid workdays and net earnings per participant
Production	Quantity ordered, produced, accepted, rejected and reworked
Market	Repeat buyers, order conversion, delivery performance and buyer concentration
Financial	Contribution per product, cash conversion cycle, receivables and working-capital utilisation
Quality	First-pass acceptance rate, defect rate, customer complaints and traceability
Inclusion	Participation of women, youth, artisans, SHGs and underserved households

4. PROJECT SCOPE & BUSINESS ARCHITECTURE

The project has two complementary streams: (A) physical production and processing units, and (B) local/digital service units. Each unit will have a defined product or service, capacity, owner/operator, training record, approved costing, work-order history and performance scorecard.

Vertical	Pilot units	Illustrative activities
ATAL PUJA UDYOG	15	Cotton/ghee wicks, agarbatti, dhoop, puja kits, havan samagri, finished camphor packing, festive packs
ATAL VASTRA UDYOG	10	Tailoring, stitching job-work, embroidery, cloth bags, basic garment finishing
ATAL FOOD UDYOG	10	Papad, pickles, dry snacks, spice blends, local food processing subject to FSSAI compliance
ATAL ECO UDYOG	5	Paper/cloth bags, leaf-based or other compliant eco-products, reusable packaging

Vertical	Pilot units	Illustrative activities
ATAL UTSAV UDYOG	5	Decorative diyas, candles, festival décor, gift/return-gift assembly
Digital & local services	5	Printing, photocopy, online forms, translation, data services, repair or other locally validated services
TOTAL	50	Indicative pilot distribution; final mix to be set after demand validation

5. OPERATING MODEL: ORDER-LED PRODUCTION

5.1 End-to-end workflow

Stage	Control and output
1. Demand mapping	Identify buyers, product specifications, expected volumes, price bands, seasonality and delivery locations.
2. Product approval	Validate market demand, legal category, safety, raw materials, production method and unit economics.
3. Unit selection	Assess skills, location, capacity, hygiene, equipment, power, water and operator readiness.
4. Training & sample	Train the producer; create samples; approve a reference sample and quality checklist.
5. Work Order	Issue written order defining quantity, specification, rate, timeline, material issue, QC, acceptance and payment.
6. Material issue	Record batch/lot, quantity, value, custody and reconciliation; no undocumented material movement.
7. Production	Unit maintains daily production and wastage records; supervisor monitors progress.
8. Quality control	Inspect in-process and finished goods against objective acceptance criteria.
9. Acceptance / rework	Record accepted, rejected and rework quantities with reasons and evidence.
10. Purchase & payment	Pay only for accepted goods at agreed charges, subject to Work Order terms and reconciliation.
11. Aggregation & dispatch	Pack, label, batch-track, invoice and dispatch through approved logistics.
12. Buyer feedback	Capture complaints, repeat orders, returns and corrective actions.

5.2 Work Order: mandatory clauses

- Unique Work Order number, date, issuing entity and producer/unit details.
- Product name, SKU, approved sample, material composition and technical specifications.
- Ordered quantity, tolerances, production capacity and delivery milestones.
- Raw-material description, quantity, ownership, issue value, custody and reconciliation procedure.
- Manufacturing/job-work charge per accepted unit and total estimated order value.
- Quality parameters, sampling method, inspection rights and acceptance/rejection criteria.
- Rework window, responsibility for defects, permissible wastage and treatment of excess material.
- Packaging, labelling, batch coding, storage and delivery responsibilities.
- Payment trigger, payment timeline and required invoice/receipt/documentation.
- Safety, labour, confidentiality, intellectual property and statutory compliance obligations.
- Force majeure, cancellation, dispute escalation, termination and record-retention provisions.

Recommended payment target: 3–7 working days after acceptance only where expressly agreed in the relevant Work Order and supported by available cash flow. The programme should not advertise this as an unconditional universal promise.

6. PRODUCT PORTFOLIO & BUSINESS OPPORTUNITY CATALOGUE

The following 72 opportunities form a screening catalogue, not a commitment that every activity will be launched. Capital, space, manpower and monthly surplus vary widely by location, equipment, skill, compliance, utilisation and sales. Each selected activity requires a separate unit-level DPR and at least one validated buyer or customer channel.

Food & refreshment

- Tea/snacks stall
- breakfast/nashta unit
- tiffin service

- bakery
- juice/shakes
- ice cream
- papad
- pickle
- dry snacks
- spice blending
- grocery/vegetable retail
- cloud kitchen

Puja, household & festive

- Cotton wicks
- ghee wicks
- agarbatti
- dhoop
- havan samagri
- puja kits
- roli/kumkum/chandan packing
- kalawa
- guggal/loban
- finished camphor packing
- candles
- diyas/decor

Textile, craft & eco

- Tailoring
- embroidery
- garment finishing
- cloth bags
- paper bags
- jewellery
- bindi/accessories
- home décor
- carpentry
- gift packing
- wedding décor
- reusable products

Digital, education & professional services

- Photocopy/printing
- online form services
- computer training
- tuition
- dance/music classes
- translation
- data/research services

- e-books/blogging
- video/YouTube services
- photography
- app/software development
- virtual assistant
- recruitment support

Repair, mobility & local services

- Mobile repair
- laptop repair
- electronic repair
- vehicle wash
- mobile garage
- vehicle service
- driving school/cab coordination
- recharge
- cleaning services
- interior decoration
- real-estate referral
- insurance distribution subject to authorisation

Health, fitness, tourism & events

- Yoga/fitness coaching
- sports coaching
- cooking classes
- tourism guide
- event management
- wedding planning
- medical sample collection only through authorised lab tie-up
- swimming instruction where safe facilities exist

Agriculture & allied opportunities

- Nursery/plant propagation
- fishery
- beekeeping
- allied farm services
- local produce aggregation
- solar service/referral
- farm equipment repair
- post-harvest sorting/packing

Income communication standard: Any monthly income range shown in promotional material must be labelled as an illustrative estimate, not a promise. Calculate net operating surplus only after raw materials, labour, utilities, packaging, transport, rent, wastage, finance cost, taxes and platform/administrative charges.

7. SPECIALISED VERTICAL: ATAL PUJA UDYOG

ATAL PUJA UDYOG will operate as a specialised division under ATAL GRAM UDYOG. It will focus on standardised, safe and market-tested worship and devotional consumables. Product selection should consider seasonal demand, regional preferences, fragrance and material consistency, packaging integrity, fire safety and labelling.

Product	Indicative unit setup	Illustrative monthly surplus range
Cotton batti	₹20,000–60,000	₹6,000–15,000
Ghee batti	₹30,000–80,000	₹7,000–17,000
Agarbatti	₹35,000–1,20,000	₹8,000–20,000
Dhoop	₹30,000–90,000	₹7,000–18,000
Finished camphor packing	₹50,000–1,50,000	₹6,000–15,000
Havan samagri	₹30,000–90,000	₹7,000–18,000
Roli/kumkum/chandan packing	₹25,000–75,000	₹6,000–15,000
Kalawa	₹25,000–75,000	₹6,000–15,000
Guggal/loban	₹25,000–75,000	₹6,000–15,000
Puja kits	₹25,000–80,000	₹7,000–18,000
Festival packs	₹30,000–90,000	₹8,000–20,000
Diyas/decor	₹30,000–1,00,000	₹7,000–18,000

Safety boundary: village units may pack finished, tested camphor in controlled, ventilated and fire-safe conditions. Chemical tablet manufacturing must not be introduced without specialist infrastructure, trained supervision, safety assessment and regulatory review. Camphor is flammable; keep away from heat, sparks and ignition sources.

8. MARKET ASSESSMENT & CUSTOMER STRATEGY

The project should not assume demand merely because a product is commonly consumed. Demand validation must be product-specific and geography-specific. The central team should maintain a buyer pipeline with contact, segment, specification, indicative monthly requirement, price expectation, sample status, purchase order status, payment terms and feedback.

Buyer segment	Route to market
Wholesalers & distributors	Bulk orders, approved samples, price lists, repeat-order calendar
Retailers & local shops	Small batch supply, retailer margin, replenishment and merchandising
Institutional buyers	Temples, schools, hostels, offices, hospitals, event organisers and community institutions where procurement is permitted
E-commerce / online	Centralised catalogue, compliant product pages, packaging, fulfilment and returns process
Corporate / CSR procurement	Gifting, eco-packaging, uniforms, event kits and approved vendor onboarding
Direct consumers	Local fairs, exhibitions, community markets and digital ordering
Government procurement	Only through applicable registration, tender eligibility and procurement rules

- Conduct buyer interviews and obtain written expressions of interest or trial orders before production scale-up.
- Obtain at least two comparable supplier quotations for key raw materials and packaging.
- Test at least three price points where feasible; calculate contribution after delivery and returns.
- Avoid dependence on a single buyer; set a target that no single buyer accounts for more than 35% of sales after stabilisation.
- Use seasonal demand calendars for puja, festivals, school cycles, weddings and local events.

9. UNIT SELECTION, ONBOARDING & ENTREPRENEUR SUPPORT

- Open community mobilisation through village meetings, SHGs, local institutions, artisan groups and youth networks.
- Screen candidates for willingness, skill aptitude, available time, workspace, basic record keeping and safe operating conditions.
- Assess the household's ability to bear its own investment and working-capital needs without distress borrowing.
- Explain the model in writing: no guaranteed work, no guaranteed income, no unconditional buy-back, and no compulsory pilot fee.
- Complete KYC and consent-based data collection; issue a unique unit ID and signed onboarding record.
- Provide practical training, sample production, quality checklist, costing sheet and safety briefing.
- Start with a small trial Work Order; expand only after quality and delivery performance are demonstrated.

10. TRAINING & CAPACITY BUILDING

Module	Indicative duration	Core content
Entrepreneur orientation	1 day	Business model, work orders, rights and responsibilities, record keeping
Technical production	2–5 days	Product process, tools, material handling, production method
Quality & packaging	1–2 days	Specifications, defect identification, batch coding, packing
Safety & hygiene	0.5–2 days	PPE, fire safety, food hygiene, electrical safety, first aid
Costing & finance	1 day	Unit cost, labour charge, wastage, cash book, bank transactions
Digital operations	1 day	Mobile reporting, order status, digital payments, photo evidence
Refresher & assessment	Periodic	Practical assessment, defect reduction and productivity improvement

Training duration must be tailored to the product and the participant's prior experience. Food, electrical, chemical and other higher-risk activities require specialist instruction and appropriate permissions.

11. INFRASTRUCTURE, EQUIPMENT & LOGISTICS

The project will use a hub-and-spoke model. Village units undertake approved production; a cluster or district hub coordinates training, material issue, sample approval, quality checks, aggregation, storage and dispatch. Shared facilities should be preferred where they reduce fixed costs and improve compliance.

- Village production workspace with adequate ventilation, lighting, safe electrical connections and clean storage.
- Basic tools/equipment matched to the product and actual capacity; no over-investment before orders.
- Central or cluster-level weighing scales, sample storage, inspection tools, packaging materials and secure inventory area.
- Separate storage for food-grade inputs, fragrances, combustible products and non-food items.
- Fire extinguishers and safe storage for flammable goods; access to first aid and emergency contacts.
- Reliable transport plan with route, cost, dispatch schedule, proof of delivery and reverse-logistics process.

12. QUALITY ASSURANCE & TRACEABILITY

- Approved reference sample and written product specification for every SKU.
- Raw-material inward register with supplier, lot/batch, quantity, date and inspection result.
- Production register showing operator, work order, date, quantity, wastage and process deviations.
- In-process inspection for critical dimensions, weight, moisture, finish, fragrance, stitching or other product-specific criteria.
- Final inspection with accepted/rejected/rework quantities, inspector identity, date and evidence.
- Batch/lot code linking each finished unit to its work order and material lots.
- Complaint register, root-cause analysis, corrective action and supplier/producer feedback.
- Periodic supplier audits and random verification of village units.

13. ORGANISATIONAL STRUCTURE & GOVERNANCE

Role	Primary accountability
Project Steering Committee	Policy, budget, risk appetite, quarterly review and scale-up decisions
Project Director	Overall delivery, partnerships, financial performance and reporting
Operations Manager	Village network, work orders, capacity planning and production schedules
Procurement & Buyer Lead	Supplier quotations, buyer pipeline, pricing, contracts and order conversion
Quality & Compliance Lead	Specifications, inspection, safety, food/product compliance and corrective action
Training & Community Mobilisation Lead	Selection, training, SHG engagement and inclusion
Finance & MIS Officer	Ledgers, unit economics, material reconciliation, payments, MIS and audit trail
Cluster Coordinators	Field supervision, production reporting, dispatch and grievances
Village Unit Operator	Production, material custody, quality, records and delivery commitments

Segregation of duties is essential: the person issuing raw materials should not be the sole approver of final acceptance and payment. Maker-checker controls should apply to vendor onboarding, Work Orders, material issue, acceptance and payments.

14. DIGITAL MANAGEMENT INFORMATION SYSTEM (MIS)

A central digital register should be established, even if the pilot begins with controlled spreadsheets. The system must create a complete audit trail from buyer demand to producer payment.

- Master registers: villages, units, entrepreneurs, products/SKUs, suppliers, buyers, trainers and staff.
- Order management: buyer enquiry, quotation, confirmed order, Work Order, production plan and delivery status.
- Inventory: material inward, issue to unit, consumption, wastage, return and balance reconciliation.
- Production: daily output, work-in-progress, downtime, defect and capacity utilisation.
- Quality: inspection checklist, sample reference, acceptance, rejection, rework and corrective action.
- Finance: producer charges, supplier invoices, logistics, buyer receivables, payments and cash flow.
- Dashboards: village-wise activity, order pipeline, accepted production, unit earnings, pending payment and buyer concentration.
- Role-based access, secure authentication, backups, audit logs, data minimisation and documented retention policy.

15. IMPLEMENTATION ROADMAP

Phase	Timeline	Key deliverables / gate
Phase 0: Design & validation	Weeks 1–2	Project team, district shortlist, demand mapping, buyer interviews, supplier quotations, product shortlist
Phase 1: Pilot readiness	Weeks 3–4	50 candidates shortlisted, 10 villages selected, sample approval, training plan, Work Order templates, compliance screening
Phase 2: Controlled production	Weeks 5–8	Trial orders, raw-material reconciliation, first production, QC, acceptance and producer payments
Phase 3: Pilot review	Weeks 9–12	Unit economics, buyer repeat intent, quality rate, delivery, cash cycle and go/no-go decision
Phase 4: Stabilisation	Months 4–6	Improve product mix, expand repeat buyers, strengthen cluster hubs and MIS
Phase 5: Replication	Months 7–12	Add villages/units only after product-wise profitability and operational controls are proven
Phase 6: Scale	Year 2 onward	District/state expansion, institutional contracts, brand development and audited impact reporting

Scale-up gate: do not add units solely to meet numerical targets. Each expansion tranche must be supported by confirmed/reasonably evidenced demand, trained capacity, positive contribution economics, working-capital availability and acceptable quality performance.

16. PILOT DESIGN: 50 UNITS / 10 VILLAGES

Vertical	Units	Share
ATAL PUJA UDYOG	15	30%
ATAL VASTRA UDYOG	10	20%
ATAL FOOD UDYOG	10	20%
ATAL ECO UDYOG	5	10%
ATAL UTSAV UDYOG	5	10%
Digital/local services	5	10%
Total	50	100%

The 10 villages should be selected using transparent criteria: buyer/logistics access, producer readiness, skill base, SHG presence, safe workspace, local leadership, connectivity and ability to supervise. The unit allocation above is a planning hypothesis; actual distribution may change after field validation.

17. FINANCIAL PLAN & PROJECT COST

The programme-level indicative envelope previously developed is ₹72–82 lakh. It combines entrepreneur-level setup, central implementation infrastructure and revolving working capital. It is not a final capital budget, not a funding commitment by Atal Foundation and not a statement that all costs will be borne by the Trust.

Cost head	Indicative amount	Planning treatment
Entrepreneur setup investments	₹34.5 lakh	Unit-level equipment, tools and basic setup; funding may be entrepreneur/loan/CSR/blended
Central setup, training, quality & logistics	₹19.5 lakh	Project management, training, samples, QC tools, hub readiness, mobilisation and logistics setup
Working capital	₹18–28 lakh	Order-linked raw materials, packaging, logistics and timing gap until buyer receipts
Total indicative requirement	₹72–82 lakh	To be validated by quotations and cash-flow modelling

17.1 Financial discipline

- Prepare separate budgets for each vertical, SKU and village unit; avoid a single blended cost that hides loss-making products.
- Use at least two supplier quotations for major equipment and raw materials.
- Classify costs as capital expenditure, operating expenditure and working capital.
- Do not buy inventory without a forecast supported by buyer demand or an approved buffer policy.
- Maintain separate ledgers for Foundation funds, restricted grants/CSR funds, working capital, raw materials, entrepreneur payments and sales receipts.
- Record in-kind support separately from cash expenditure.
- No subsidy or grant should be booked as income until sanctioned and received/recognised under applicable accounting rules.

17.2 Unit economics methodology

For every product, calculate: Net realisation per accepted unit minus raw-material cost, direct labour/manufacturing charge, packaging, quality loss, logistics, returns, payment charges and applicable taxes. This yields contribution per accepted unit. Then deduct allocated fixed costs to calculate operating surplus.

Metric	Formula / interpretation
Material cost per unit	Total material consumed ÷ accepted units, adjusted for recoverable scrap
Manufacturing charge	Agreed labour/job-work charge per accepted unit
Contribution per unit	Net selling realisation less variable costs
Acceptance rate	Accepted quantity ÷ total submitted quantity × 100
Rework rate	Rework quantity ÷ total submitted quantity × 100
Wastage rate	Unrecoverable input loss ÷ total material issued × 100
Break-even volume	Monthly fixed cost ÷ contribution per unit
Cash conversion cycle	Inventory days + receivable days − payable days

17.3 Illustrative scenarios—not forecasts

The following are planning scenarios to test sensitivity, not promised results. They must be replaced with actual product-wise price, quantity, cost and buyer payment data after pilot orders.

Scenario	Operating assumptions	Management interpretation
Conservative	Low utilisation, slower buyer conversion, higher rejection/logistics	Pause expansion; reduce fixed costs; renegotiate pricing and specifications
Base case	Repeat orders, planned utilisation, stable quality and controlled working capital	Continue only products with positive contribution and timely collections
Upside	Higher repeat volume, improved yield and route density, stronger buyer mix	Expand capacity in tranches; preserve buyer diversification and cash buffer

18. FUNDING & GOVERNMENT SCHEME CONVERGENCE

The programme should help eligible individual entrepreneurs, SHGs and producer groups understand relevant schemes. It must not represent any scheme as an automatic grant or promise approval. Eligibility, current application windows, project caps and bank appraisal must be checked at the time of application.

Scheme	Potential relevance / current official information
PMEGP	Credit-linked subsidy for eligible new micro-enterprises. Current MSME scheme page states maximum project cost of ₹50 lakh for manufacturing and ₹20 lakh for business/service; subsidy rates depend on category and rural/urban location. Applications are subject to scheme rules and bank appraisal.
MUDRA / PMMY	Collateral-free institutional credit for eligible micro-enterprises: Shishu up to ₹50,000; Kishore above ₹50,000 to ₹5 lakh; Tarun above ₹5 lakh to ₹10 lakh; Tarun Plus above ₹10 lakh to ₹20 lakh only for eligible borrowers who previously availed and successfully repaid Tarun.
PM Vishwakarma	Relevant only to eligible artisans/craftspeople in notified traditional trades. Benefits include recognition, training, toolkit incentive up to ₹15,000 and credit support up to ₹3 lakh in two tranches, subject to scheme conditions.
UP Mukhyamantri Yuva Udyami Vikas Abhiyan	Potential state-level route for eligible Uttar Pradesh youth. Verify live phase, age/education criteria, loan limits, interest support and district process directly with UP MSME/DIC before quoting benefits.
PMFME / ODOP / NRLM-SHG	Potential fit for food processing, district product clusters and SHG mobilisation. Current scheme status, application window, subsidy conditions and state implementation must be confirmed before inclusion in a funding plan.

Scheme references: Ministry of MSME PMEGP scheme page and application portal; Department of Financial Services PMMY page; Ministry of MSME PM Vishwakarma scheme material. Government scheme conditions can change; obtain a written eligibility check from the competent implementing agency or bank.

19. LEGAL, REGULATORY & COMPLIANCE FRAMEWORK

Before launch, Atal Foundation should obtain a written opinion from its chartered accountant and legal adviser on whether each proposed activity is within the Trust's objects and permitted incidental activities, and on the correct contracting, tax and accounting structure. Charitable status does not automatically exempt every trading or commercial receipt.

- Trust-object alignment: verify deed clauses, approvals, accounting segregation, related-party arrangements and treatment of commercial receipts.
- Entity and contracting: identify whether Atal Foundation, a separately constituted operating entity, producer group or authorised partner will issue orders, purchase goods and invoice buyers.
- GST: determine registration, taxability, job-work treatment, invoicing, input tax credit and e-commerce obligations product by product.
- Udyam/MSME: facilitate eligible micro-enterprise registration where appropriate; registration does not itself guarantee finance.
- Food: obtain applicable FSSAI registration/licence, hygiene controls, labelling and local permissions before food production/sale.
- Packaged commodities: check Legal Metrology declarations, net quantity, MRP, manufacturer/packer details, consumer care details and other applicable rules.
- Product safety: assess BIS/QCO or other mandatory standards where applicable; avoid unsupported quality claims.
- Labour: comply with applicable wage, workplace safety, social-security and child-labour requirements; prohibit hazardous work by children.
- Environment/local permissions: assess pollution, waste, fire, trade, factory/shops and local-body requirements as applicable.
- Insurance: consider stock, fire, transit, public liability, employee/worker accident and equipment cover based on risk.
- Data protection: obtain consent for participant information, limit collection, secure records and control access.

20. SOCIAL INCLUSION & SAFEGUARDS

- Ensure transparent selection without discrimination and provide accessible grievance channels.
- Encourage women's participation while ensuring safe workspaces, fair payment and control over their earnings.
- Do not require participants to take high-interest debt or buy equipment from a nominated vendor.
- No compulsory franchise fee, security deposit or paid membership during the pilot unless separately approved with full disclosure.
- Do not retain original identity documents, bank cards, PINs or passwords.
- No child labour or hazardous home-based work; inspect safety conditions before allocating work.
- Explain the difference between gross receipts, manufacturing charges and actual take-home income.
- Obtain informed consent for photographs, case studies and publicity; participation must not depend on publicity consent.

21. RISK ANALYSIS & MITIGATION

Risk	Impact	Mitigation
No reliable demand	Unsold inventory and cash blockage	Buyer validation, trial orders, no speculative production
Quality inconsistency	Rejection, returns, brand damage	Approved samples, SOPs, training, in-process QC and batch traceability
Raw-material price volatility	Margin erosion	Multiple suppliers, quotation validity, price adjustment clauses
Delayed buyer payments	Working-capital stress	Credit limits, deposits where feasible, receivable ageing and buyer diversification
Material misuse / leakage	Loss of stock and trust	Issue/return registers, batch reconciliation, physical verification
Safety incident	Injury, shutdown, liability	Risk assessment, PPE, fire controls, training and insurance
Regulatory non-compliance	Penalty, seizure or reputational harm	Product-wise compliance checklist and pre-launch clearance
Over-expansion	Management failure and cash burn	Stage gates tied to positive unit economics and repeat orders
Single buyer dependence	Revenue concentration	Buyer diversification and exposure limits
Misleading income claims	Consumer complaints and reputational risk	Use evidence-based illustrative estimates and written disclosures

22. MONITORING, EVALUATION & PERFORMANCE INDICATORS

KPI	Pilot reporting frequency
Units onboarded / active / dormant	Weekly
Persons trained and assessed	Weekly / monthly
Work Orders issued and completed	Weekly
Material issued, consumed, returned and variance	Per Work Order / weekly
Production submitted, accepted, rejected and reworked	Per batch
First-pass acceptance rate	Weekly / monthly
On-time delivery rate	Weekly / monthly
Producer payment time after acceptance	Per payment cycle
Unit-level gross earnings and estimated net surplus	Monthly
Buyer repeat-order rate and buyer concentration	Monthly
Contribution margin by SKU and vertical	Monthly
Complaints, safety incidents and corrective actions	Immediate / monthly
Women/youth/SHG participation and paid workdays	Monthly

A quarterly independent review should sample Work Orders, inventory records, producer payments, buyer invoices, quality reports and participant feedback. Programme impact should be reported using actual paid workdays and verified earnings, not only the number of registrations.

23. BRANDING, PACKAGING & COMMUNICATION

The umbrella brand ATAL GRAM UDYOG should use the Atal Foundation saffron-and-gold identity unless a product-specific sub-brand is approved. Product packaging must be professional, legible and compliant, with batch traceability and truthful claims. The brand should communicate local production, quality control and responsible livelihoods without suggesting government endorsement or guaranteed income.

- Common brand architecture: ATAL GRAM UDYOG → vertical brand → product/SKU.
- Use Hindi and English product information where useful for the target market.
- Use QR codes only when linked to a functioning product, batch, support or authenticity page.
- Display manufacturer/packer and customer-care information as legally required.
- Avoid medical, therapeutic, organic, eco-friendly or religious efficacy claims unless legally substantiated and permitted.

24. PARTNERSHIP STRATEGY

- Village institutions, SHGs, cooperatives and artisan groups for mobilisation and production capacity.
- Raw-material suppliers and equipment vendors through transparent quotation and quality evaluation.
- Retailers, wholesalers, distributors, institutional buyers and e-commerce fulfilment partners for demand.
- Skill-development institutions, ITIs, polytechnics and subject experts for technical training.
- Banks, financial institutions, DICs, KVIC/KVIB and scheme implementing agencies for eligible entrepreneur finance.
- CSR partners and philanthropic institutions for training, common infrastructure and inclusion support, subject to applicable law and approvals.

25. SUSTAINABILITY & REVENUE MODEL

The project should be designed for operational sustainability without placing an excessive burden on village producers. Possible revenue streams, subject to legal and tax review, include: procurement/aggregation margin on accepted goods; disclosed service or processing charges paid by buyers; packaging, branding and logistics services; institutional supply contracts; training or capacity-building grants; CSR support for eligible programme costs; and carefully structured partnerships.

The Foundation should distinguish charitable programme expenditure from commercial trading activity. Where the scale or nature of commercial operations creates tax, governance or conflict-of-interest concerns, a separate operating vehicle or arm's-length service arrangement may be considered after professional advice.

26. IMPLEMENTATION BUDGET CONTROL & PROCUREMENT POLICY

- Approve an annual budget and vertical-wise cost centre before expenditure.
- Obtain competitive quotations and document vendor selection; disclose conflicts of interest.
- Use purchase orders for equipment and supplier contracts for recurring inputs.
- Verify delivery and quality before payment; match purchase order, goods receipt and invoice.
- Maintain fixed-asset register, stock register and physical verification schedule.
- Set approval limits for field coordinators, project manager and steering committee.
- Use bank transfers and digital records; cash transactions should be limited and documented.
- Conduct monthly bank reconciliation, inventory reconciliation and receivables/payables ageing.

27. GRIEVANCE REDRESSAL & DISPUTE MANAGEMENT

A simple grievance process should be available in Hindi and local languages. Complaints may relate to selection, work allocation, raw-material quantity, quality rejection, payment, harassment, safety, discrimination or data misuse. Acknowledgement, responsible officer, target resolution date and closure evidence must be recorded. Commercial disputes should first follow the Work Order escalation clause, without preventing lawful remedies.

28. GO / NO-GO CRITERIA AFTER PILOT

Continue / expand if…	Pause / redesign if…
At least two repeat buyers or credible recurring demand channels exist for priority SKUs.	Demand remains dependent on one-off verbal interest without purchase conversion.
Priority products show positive contribution after full variable costs and logistics.	Pricing cannot cover material, labour, packaging, QC and delivery costs.
Quality and delivery performance meet pre-agreed thresholds.	Rejection, rework or delay remains persistently high.
Material reconciliation and producer payments are auditable.	Material loss, undocumented issue or payment disputes are unresolved.
Working capital is available for the confirmed order book.	Expansion requires speculative inventory or distress borrowing.
Compliance and safety conditions are met.	Product-specific licences, safety or legal requirements remain unmet.

29. FIRST 30-DAY ACTION PLAN

Action	Owner	Deliverable
Approve project charter, governance and pilot budget	Steering Committee	Signed project charter and delegated authority matrix
Select pilot district/cluster and 10 candidate villages	Project Director	Village selection scorecard and field plan
Conduct buyer and supplier mapping	Buyer/Procurement Lead	Buyer pipeline, supplier quotes and price benchmarks
Shortlist 6 verticals and initial SKUs	Operations + Quality	Product selection note and risk screen
Prepare Work Order, material issue and QC templates	Legal + Operations + Finance	Approved controlled templates
Screen 50 prospective units	Community Mobilisation Lead	Unit register and readiness score
Prepare training and sample plan	Training + Quality	Training calendar, reference samples and assessment
Build pilot MIS and financial controls	MIS + Finance	Live registers, dashboards and approval workflows
Obtain compliance review for selected SKUs	Legal/Compliance	Product-wise compliance checklist and action owners
Approve first trial orders only after demand validation	Project Director	Signed Work Orders and order-linked cash plan

30. CONCLUSION & RECOMMENDATION

ATAL GRAM UDYOG has the potential to become a scalable rural enterprise network if it is implemented as a disciplined market-linkage and production-management programme—not as a mass enrolment or unconditional buy-back scheme. Its strongest differentiator should be transparent work orders, quality assurance, fair manufacturing charges, demand-led production and traceable payments.

It is recommended that Atal Foundation approve a 90-day controlled pilot of 50 units across 10 villages, subject to (i) product-wise demand validation, (ii) signed buyer orders or credible trial commitments, (iii) unit-level costing, (iv) legal and regulatory clearance, (v) ring-fenced working capital and (vi) an auditable MIS. Expansion should follow only after independent review of actual results.

ANNEXURE A — MINIMUM WORK ORDER DATA SHEET

Field	Required entry
Work Order number/date	Unique ID and issue date
Producer/unit	Name, unit ID, village, contact
Product/SKU	Name, code, approved sample reference
Quantity & delivery	Quantity, tolerance, milestones, delivery location
Specifications	Dimensions, weight, material, finish, packaging, labelling
Materials	Issued quantity, lot, value, return/reconciliation rules
Manufacturing fee	Rate per accepted unit and estimated total
Quality	Inspection method, sampling, acceptance/rejection, rework
Payment	Invoice/receipt requirements and payment trigger/timeline
Signatures	Authorised issuer and producer acknowledgement

ANNEXURE B — MINIMUM UNIT ONBOARDING CHECKLIST

- Identity and address verification with consent; do not retain originals.
- Unit location and workspace inspection.
- Skill and experience assessment.
- Equipment and capacity assessment.
- Safety and hygiene review.
- Training attendance and competency assessment.

- Bank account details provided voluntarily for payments; never collect PIN/password/OTP.
- Signed model disclosure and grievance contact.
- Trial sample and quality approval.
- Unit ID and digital register entry.

ANNEXURE C — PRODUCT APPROVAL CHECKLIST

- Demand evidence and buyer segment identified.
- Target selling price and competitor benchmark recorded.
- Raw-material sources and at least two quotations reviewed where practical.
- Production method and capacity validated.
- Unit economics positive under conservative assumptions.
- Quality specification and approved sample prepared.
- Packaging and labelling requirements checked.
- Applicable licences, standards and safety requirements confirmed.
- Transport, storage, returns and payment terms assessed.
- Pilot Work Order approved by authorised officer.

ANNEXURE D — OFFICIAL SCHEME & REFERENCE LINKS

PMEGP — Ministry of MSME scheme page: https://www.msme.gov.in/offerings/schemes-and-services/details/prime-minister-employment-generation-programme-and-other-credit-support-schemes-1-MDMzETMtQWa

PMEGP application/FAQ portal: https://www.kviconline.gov.in/pmegpeportal/ (confirm live portal and current guidelines before applying)

MUDRA / PMMY — Department of Financial Services: https://financialservices.gov.in/pradhan-mantri-mudra-yojana-pmmy

PM Vishwakarma: https://pmvishwakarma.gov.in/

UP MSME Department: https://msme.up.gov.in/ (confirm current state scheme circulars and district process)

Atal Foundation official website: https://atalfoundation.ind.in/

ANNEXURE E — ATAL FOUNDATION CONTACT

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DISCLAIMER

All cost, income, capacity, employment and programme-size figures in this DPR are preliminary estimates for planning. They are not guarantees, quotations, bankable projections or offers of employment. Actual outcomes depend on verified demand, product quality, local costs, utilisation, buyer acceptance, payment cycles, regulatory requirements and management performance. No government grant, subsidy, loan or procurement contract is assured. Scheme details must be revalidated from official sources at the date of application. This report should be reviewed by Atal Foundation's legal, tax, accounting and technical advisers before execution.