



BUSINESS PLAN · INDIA

Composting & Organic-Waste Business

Wet-waste processing, decentralised on-site composting units and compost production

ENVIRONMENT

AISEVAK.IN · BY ABL DIGITAL TECHNOLOGIES

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This document is confidential and prepared for planning purposes. All financial figures are illustrative model assumptions for an Indian MSME context and must be validated against live quotes, local rates and professional advice before any investment or borrowing decision.

1. Executive Summary

This plan sets out a **Composting & Organic-Waste** business in India — processing **wet waste from housing societies, hotels, campuses, markets and municipal streams** into compost and soil conditioner, combining a **centralised composting facility** with **decentralised on-site composting units** supplied, maintained and operated at bulk-generator premises.

The **Solid Waste Management Rules** require bulk waste generators above prescribed thresholds to arrange processing of their own wet waste, and prohibit its disposal to landfill. That obligation converts thousands of societies, hotels, hospitals and campuses into paying customers for a service they cannot perform themselves.

The honest problem in this business is the output market, not the input — and most composting plans are written the wrong way round. Feedstock is abundant and, better still, generators *pay you to take it*. The difficulty is selling what comes out. **Compost competes against heavily subsidised chemical fertiliser**, and a farmer comparing price per bag sees a subsidised urea bag at a fraction of the cost. It is **bulky and low-value, so freight caps the economical sale radius severely** — compost that must travel two hundred kilometres to find a buyer has lost its margin to the truck. And city compost carries a **genuine credibility problem** with farmers after years of variable quality and visible contamination. **This plan therefore earns roughly 81% of its revenue from gate fees and service charges, and treats compost sales as a secondary line at about 15%** — the inverse of how such proposals are usually constructed, and the reason this one reaches profitability.

The second structural point: decentralised on-site processing is the better business, and it is what the Rules actually push toward. A centralised plant needs land, consent, transport and a compost market. A **decentralised unit placed at a housing society or hotel** is equipment plus an operator plus an AMC — the generator meets their statutory obligation on their own premises, the waste never travels, and the operator earns a recurring service fee with negligible transport cost. This plan models both, weighted toward the service side. It requires **₹1.9 crore** (₹70 lakh promoter + ₹88 lakh term loan + ₹32 lakh working-capital finance), moving from **₹3.7 crore revenue and a marginal ₹2 lakh loss** in Year 1 to **₹8.25 crore revenue and ₹1 crore profit** by Year 3, processing roughly 24,000 tonnes annually. (*Composting; tonnage × gate fee + service annuity, output-market-constrained — figures illustrative.*)

2. Business Description, Vision & Legal Structure

Concept: A composting & organic-waste business - centralised wet-waste processing plus supply, operation and maintenance of decentralised composting units at bulk-generator premises, with compost and soil-conditioner sales as an attached output.

Vision: To make on-site processing the normal way a building deals with its wet waste - reliably, without odour, and without anyone having to think about it.

Mission: Take the waste, process it properly, produce compost worth using, and never let a site smell.

Legal structure options

- **Private Limited** — recommended: municipal contracts, SPCB authorisation, FCO registration for compost sale and equipment finance all assess the entity.
- **LLP / Proprietorship** — workable for a decentralised-units-only start without a centralised facility or municipal work.

Regulatory anchor: the centralised facility requires **authorisation under the Solid Waste Management Rules** and **SPCB consent**, with siting, buffer-zone, leachate-collection and odour-management conditions. Selling the output as manure or soil conditioner brings **Fertiliser Control Order requirements** — specification compliance for organic carbon, C:N ratio, moisture and **heavy-metal limits**, together with registration, testing and prescribed labelling; **compost cannot lawfully be sold as a fertiliser product without meeting these**. Rejects and inerts separated from incoming waste must go to authorised disposal, and any hazardous or biomedical items arriving mixed must be channelled under their own rules. Decentralised units placed at client premises bring equipment safety, electrical compliance and — because operators work on the client's site — contract-labour obligations with the client as principal employer. **Policy support is genuine and worth understanding: government Market Development Assistance for city compost, and co-marketing arrangements through fertiliser companies, materially improve output economics** and should be pursued deliberately rather than treated as incidental.

3. Promoter & Ownership

Led by a promoter with waste management, agri-input or environmental-services background. Two competences decide the outcome: *process control* — running an aerobic process that matures properly and does not smell, which is what keeps sites and neighbours tolerant — and *client-side service management*, since the decentralised business is really an operator-and-maintenance business at dozens of premises. The workforce is distributed between the plant and client sites. Odour control, service reliability, compost quality & segregation improvement are the differentiators. Ownership, equity & any partner are editable inputs.

4. Market Analysis — India

Demand is driven by bulk-generator obligations under the SWM Rules, landfill restrictions on wet waste, municipal pressure to divert organics, city cleanliness rankings, and growing interest in organic and residue-conscious farming. Demand is regulation- and enforcement-driven on the input side; the output side depends on agronomic value and price against subsidised alternatives. The market rewards service reliability, odour-free operation & consistent compost quality.

Demand drivers

- **Bulk-generator obligations** — societies, hotels, campuses and hospitals required to process wet waste, creating a contracted service market.
- **Landfill diversion pressure** on urban local bodies, since organics are the largest and most problematic municipal fraction.
- **City cleanliness rankings** creating administrative urgency around wet-waste processing.
- **Organic farming and soil-health interest**, supported by government programmes promoting organic inputs.
- **Policy support for city compost** — Market Development Assistance and fertiliser-company co-marketing improving the route to market.

Market sizing (illustrative framing)

Layer	Definition	Indicative scale
TAM	Indian urban wet-waste generation requiring processing	Very large
SAM	Bulk generators & municipal streams within the catchment	Serviceable
SOM (Yr 1-3)	Sites served & tonnage processed	Scaling with capacity

Target segments

- **Housing societies and gated communities** above bulk-generator thresholds — the largest decentralised segment.
- Hotels, restaurants and banquet facilities with concentrated food waste.
- IT parks, corporate campuses, hospitals and educational institutions.
- Municipal bodies for ward-level or centralised wet-waste processing.
- Vegetable markets, mandis and food-processing units with high-volume organic streams.

5. Competition & Competitive Advantage

Landscape: composting-machine suppliers selling equipment without operation, waste-management firms offering collection with disposal rather than processing, small local composting operators, and — for the output — established organic-manure brands with agri-distribution. **The most common failure mode in this market is a machine sold and installed at a society that stops working within a year**, because nobody was contracted to run it. That gap is the opportunity.

The business's edge

- **Equipment plus operation** — selling the outcome rather than the machine, which is what the generator's compliance actually requires.
- **Odour-free operation** — the single attribute that determines whether a society renews or cancels, and the reason most on-site units fail.
- **Segregation support** — training housekeeping and residents, which improves compost quality and reduces reject cost simultaneously.
- **Documented compliance** — processing records that evidence the generator's statutory obligation, which is what they are buying.
- **FCO-compliant output** — compost that can lawfully and credibly be sold, rather than a residue that must be given away.

6. Services & Revenue Model

Revenue line	Model	Basis
Gate fees / processing charges from bulk generators	Per tonne / monthly contract	Primary income
Decentralised unit supply, AMC & operator services	Equipment + monthly service fee	Recurring, best margin
Municipal / ULB wet-waste processing contracts	Per tonne, tendered	Volume, slower payment
Compost & soil-conditioner sales	Per tonne / per bag	Secondary (~15%)
Recovered recyclables & by-products	Per tonne	Marginal

Revenue is **tonnage × gate fee, plus service contracts, plus whatever the compost fetches** — and the ordering matters. **Roughly 81% of revenue comes from being paid to take and process the waste; only about 15% comes from selling the product.** Any plan that reverses this — projecting profitability from compost sales with gate fees as a bonus — is describing a business that competes with subsidised urea on price, which it cannot win. **The correct framing is that this is a waste-service business that happens to produce a saleable output**, and every rupee of compost revenue is welcome rather than load-bearing.

7. Go-to-Market — Sites & Offtake

- **Housing society contracts** — approached through managing committees, sold on statutory compliance, odour-free operation and a fixed monthly cost.
- **Hotel and campus accounts**, where waste volumes are concentrated and facility teams are professional.
- **Facility-management partnerships** bringing multiple properties on one relationship.
- **Municipal contracts** selectively, weighing tonnage against payment cycles.
- **Compost offtake** through farmer groups, nurseries, landscapers, agri-dealers and — importantly — **fertiliser-company co-marketing arrangements and MDA routes**.

Sales approach

Build density in a defined catchment so operators and service visits are efficient → win societies and campuses on compliance and reliability rather than on the lowest quote → establish an odour-free track record, which is the reference that sells the next site → develop compost offtake through nurseries, landscapers and agri channels close enough that freight does not consume the margin → pursue MDA and co-marketing routes deliberately. **The commercial discipline is to price the service to be profitable without compost revenue.** A contract that only works if the compost sells is a contract exposed to a market the operator does not control, and compost prices are the least predictable line in this business.

8. Operations Plan (processing, odour & quality)

- **Collection & receipt:** scheduled pickup for centralised feedstock, weighbridge records, and quality assessment at receipt — **with the right to reject grossly contaminated loads**.
- **Pre-processing:** removal of plastics, glass, sanitary and inert material; shredding to size; moisture and bulking-agent adjustment to correct the carbon-to-nitrogen ratio.
- **Composting:** windrow, in-vessel or vermicomposting depending on scale and space; turning schedule, temperature and moisture monitoring through the thermophilic and maturation phases.
- **Odour & leachate control:** aeration discipline, covering, biofilters where required, leachate collection and recirculation — **the operational failures that close facilities are odour complaints and leachate, not process economics**
- **Curing, screening & packing:** maturation, screening to grade, testing against FCO parameters, bagging and labelling.
- **Decentralised site operation:** daily charging, monitoring and discharge at client premises; machine maintenance; culture and consumable replenishment; site logs for the generator's compliance file.

Processing cycle

Stage	Activity	Metric
Receive	Weighing & contamination assessment	Segregation quality at gate
Prepare	Sorting, shredding, C:N adjustment	Reject % & disposal cost
Compost	Aeration, turning, temperature control	Odour complaints (target zero)
Cure	Maturation to stability	Cycle time / space turnover
Screen	Grading, testing, packing	FCO parameter compliance
Sell	Offtake within freight radius	Realisation per tonne / stock ageing

Space multiplied by cycle time is the real capacity constraint, and it is frequently mis-estimated. A windrow process takes weeks of active composting plus further curing, during which the material occupies floor area continuously. **A facility's throughput is therefore set by how much area it has and how quickly material moves through it, not by the shredder's rated capacity** — which is the number equipment suppliers quote. Compressing cycle time by cutting curing short produces immature compost that smells, damages plants and fails FCO testing, so it is not available as a shortcut. The practical levers are correct C:N and moisture at the start, disciplined turning, and — where land is expensive — in-vessel systems that trade capital for a shorter active phase and a smaller footprint.

9. Regulatory, Licences & Compliance (India)

- **SWM Rules authorisation** and **SPCB consent** for the centralised facility, with siting, buffer-zone, leachate and odour conditions attached.
- **Fertiliser Control Order:** compost sold as manure or soil conditioner must meet specification — organic carbon, C:N ratio, moisture, pH and **heavy-metal limits** — with registration, periodic testing and prescribed labelling. **Selling non-compliant material as a fertiliser product is an offence, not a quality shortfall.**
- **Rejects & contaminants:** inerts and non-processables to authorised disposal; any hazardous, sanitary or biomedical items arriving mixed to be segregated and channelled under their own rules.
- **Decentralised units:** equipment and electrical safety at client premises; operator deployment under contract-labour compliance with the client as principal employer; PF, ESI and minimum wages.
- **Worker health:** PPE, immunisation and washing facilities for staff handling mixed organic waste.
- **Policy routes: Market Development Assistance for city compost and fertiliser-company co-marketing arrangements** — worth registering for deliberately, since they materially affect output realisation.

10. Organisation & Manpower Plan

Role	Yr 1	Yr 2	Yr 3
Promoter / managing director	1	1	2
Plant operators & sorters	42	64	86
Decentralised-site operators	22	36	50
Collection & transport	10	16	22
Supervisors & site managers	6	10	14
Sales & client servicing	4	7	9
Maintenance	3	5	7
QC & laboratory	3	5	6
Admin, accounts & credit	3	5	6
Total	94	149	202

The **decentralised-site operator team is the service the client actually buys.** A machine at a society without a reliable operator becomes an unused box within months, which is precisely why so many installed units are idle — and why an operator-backed model wins renewals.

11. Implementation Timeline & Milestones

Phase	Timeline	Milestone
Approvals & build	Month 0-6	SWM authorisation, SPCB consent, site development, plant, FCO registration
Ramp	Month 6-12	Society and campus contracts, decentralised units placed; ₹3.7cr revenue, ₹2L loss
Grow	Year 2	Site density & municipal contracts; ₹5.9cr, ₹39L profit
Scale	Year 3	₹8.25cr revenue, ₹1cr profit; ~24,000 tonnes processed

12. Financial Plan (Illustrative)

All figures are illustrative model assumptions for an Indian context, shown so the promoter can replace them with live rates. They are not projections of guaranteed results. Sites contracted, gate-fee realisation, cycle time, reject percentage & compost offtake are the levers.

12.1 Project cost & means of finance

Capital requirement	₹
Composting plant — windrow/in-vessel, shredders, screens, turners	62,00,000
Land development, sheds, leachate & odour control	48,00,000
Working capital (payroll float & receivables)	32,00,000
Decentralised composting units (placed at bulk generators)	25,00,000
Vehicles & material handling	15,00,000
Consents, FCO registration, laboratory & QC	5,00,000
Preliminary & launch	3,00,000
Total project cost	1,90,00,000
Term loan	88,00,000
Promoter contribution	70,00,000
Working-capital finance	32,00,000

12.2 Projected Profit & Loss (3 years)

Particulars	Year 1	Year 2	Year 3
Gate fees / processing charges from bulk generators	1,45,00,000	2,30,00,000	3,15,00,000
Decentralised unit supply, AMC & operator services	85,00,000	1,40,00,000	2,00,00,000
Municipal / ULB wet-waste processing contracts	70,00,000	1,10,00,000	1,55,00,000
Compost & soil-conditioner sales	55,00,000	85,00,000	1,20,00,000
Recovered recyclables & by-products	15,00,000	25,00,000	35,00,000
Total revenue	3,70,00,000	5,90,00,000	8,25,00,000

Wages & statutory (plant, sorting, site operators)	1,32,00,000	2,09,00,000	2,85,00,000
Salaries (management, technical, sales, admin)	48,00,000	68,00,000	90,00,000
Depreciation, interest & other	42,00,000	46,00,000	48,00,000
Power, fuel & utilities	32,00,000	48,00,000	64,00,000
Transport, collection & distribution	30,00,000	46,00,000	62,00,000
Reject / inert disposal charges	28,00,000	42,00,000	56,00,000
Site, overheads, insurance & selling	24,00,000	36,00,000	46,00,000
Consumables, culture, packaging & bags	22,00,000	35,00,000	46,00,000
Bad debts & credit losses	14,00,000	21,00,000	28,00,000
Total expenses	3,72,00,000	5,51,00,000	7,25,00,000
Net profit / (loss) before tax	(2,00,000)	39,00,000	1,00,00,000
Net margin	(0.5%)	6.6%	12.1%
Gate fees + service share of revenue	81.1%	81.4%	81.2%
Compost sales share of revenue	14.9%	14.4%	14.5%
Tonnage processed (approx.)	~11,000	~17,500	~24,000

12.3 Unit economics & break-even

- **The business is profitable on fees before any compost is sold** — which is the design objective. At 81% of revenue from gate fees and service contracts, compost realisation moves the margin but does not determine survival, and that is what makes the model robust against a market it cannot influence.
- **Decentralised service is the best line:** equipment placed at a client site with a monthly operator-and-maintenance fee carries no transport cost, no compost inventory and a recurring revenue profile. Growing this share improves margin and reduces logistics simultaneously.
- **Reject cost tracks segregation quality directly:** ₹28–56 lakh of disposal charges is the price of contaminated input. Every improvement in a client's segregation reduces this line and raises compost quality at the same time — the same double benefit identified in the waste-collection plan.
- **Freight caps the compost market:** compost is bulky and low-value, so the economical sale radius is short. Offtake must be found close by — nurseries, landscapers, farmer groups and agri-dealers within the catchment — rather than assumed to exist wherever the price looks better.
- **Break-even:** essentially achieved in Year 1 and cleared comfortably in Year 2 as site density and decentralised contracts build. Margins expand with service share and segregation quality rather than with compost prices.

12.4 Projected Cash Flow — Year 1 (quarterly, illustrative)

Particulars (₹)	Q1	Q2	Q3	Q4
Opening balance	32,00,000	20,00,000	12,00,000	6,00,000
Collections (gate fees, service contracts, compost)	78,00,000	86,00,000	92,00,000	96,00,000
Wages, power, transport, reject disposal, overheads & loan servicing	90,00,000	94,00,000	98,00,000	90,00,000

Closing balance	20,00,000	12,00,000	6,00,000	12,00,000
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Cash behaves better here than in most waste businesses, because the fee-led model reverses the usual direction. Housing societies and campuses pay monthly service charges, often in advance or on short terms, which is a considerably healthier profile than selling a commodity to buyers who pay later. Two pressures remain. **Municipal contracts carry the familiar delay** and should be sized to what the balance sheet can carry rather than to available tonnage. And **compost is a slow-moving inventory** — it occupies space, ages, and can accumulate if the offtake channel is weaker than assumed, so unsold stock should be watched as a working-capital item rather than treated as an asset in waiting. The decentralised business is the structural improvement: it bills monthly, needs no compost sale to close the loop, and requires no transport at all.

12.5 Key Performance Indicators to Monitor

- **Service:** sites contracted; **renewal rate**; decentralised units operating vs. installed; operator attendance; **odour complaints (target zero)**.
- **Process:** **segregation quality at gate**; reject % and disposal cost per tonne; cycle time; space turnover; batch maturity.
- **Output:** **FCO parameter compliance**; compost realisation per tonne; stock ageing; offtake within freight radius; MDA/co-marketing registration status.
- **Finance:** gate-fee and service share of revenue; collection days — society vs. municipal; cost per tonne processed.

13. Funding Requirement & Bankability

Total ask: **₹88 lakh term loan plus ₹32 lakh working-capital finance** against ₹70 lakh promoter contribution — the smallest capital requirement in this vertical. Plant, site development, decentralised units and vehicles provide tangible security, and MSME, environment and agri-processing schemes are all relevant. Three points for a lender. **Assess the revenue mix rather than the tonnage** — a plan weighted to gate fees and service contracts is materially more robust than one depending on compost sales, and this one earns 81% from fees. **Compost revenue should be stress-tested to zero:** the business should still service debt if the output cannot be sold at expected prices, and here it broadly can. And **the decentralised unit fleet is an unusual asset** — ₹25 lakh of equipment sitting at customer premises, which should be documented, insured and verified, in the same way tinting machines and dosing systems are treated elsewhere in this library.

13.1 Funding utilisation

Use of funds	₹	% of total
Composting plant — windrow/in-vessel, shredders, screens, turners	62,00,000	32.6%
Land development, sheds, leachate & odour control	48,00,000	25.3%
Working capital (payroll float & receivables)	32,00,000	16.8%
Decentralised composting units (placed at bulk generators)	25,00,000	13.2%
Vehicles & material handling	15,00,000	7.9%
Consents, FCO registration, laboratory & QC	5,00,000	2.6%
Preliminary & launch	3,00,000	1.6%

Total	1,90,00,000	100%
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14. Risk Analysis & Mitigation

Risk	Mitigation
Compost cannot be sold at expected prices	Price the service to be profitable without compost revenue; develop offtake within freight radius through nurseries, landscapers and farmer groups; pursue MDA and fertiliser-company co-marketing; treat compost as upside, never as the basis of the plan
Odour complaints closing a site or facility	Aeration discipline, correct C:N and moisture, covering and biofilters, adequate curing time, buffer zones, prompt response to complaints — odour, not economics, is what shuts composting operations down
Poor segregation raising reject cost and spoiling output	Client-side segregation training and bin provision; right to reject grossly contaminated loads; quality-linked contract terms; feedback to society committees
Decentralised units installed but not operated	Sell operation with the machine rather than the machine alone; contracted operator deployment; service logs for the client's compliance file; monitor units operating vs. installed
FCO non-compliance in sold compost	Regular testing against specification including heavy metals; adequate maturation; source control on feedstock; do not sell material that fails — selling non-compliant product as fertiliser is an offence
Capacity mis-estimated on equipment rating rather than space × cycle time	Size on area and residence time; do not shorten curing to raise throughput; consider in-vessel where land is costly
Municipal payment delay	Size municipal exposure to balance-sheet capacity; documented weighment; society and campus contracts as the liquidity base
Leachate escape or groundwater contamination	Collection, containment and recirculation; impervious pads; monitoring; consent-condition compliance as standing practice
Worker health handling mixed organic waste	PPE, immunisation, washing facilities, sharps protocol for items arriving mixed, medical checks
Compost stock accumulating unsold	Track stock ageing as a working-capital item; discount early rather than accumulate; match production to committed offtake where storage is limited

15. SWOT Analysis

Strengths Profitable on fees before any compost is sold; regulation-driven contracted demand from bulk generators; decentralised service model has no transport cost and bills monthly; smallest capital requirement in the vertical; society contracts pay promptly; policy support available for output.	Weaknesses Compost competes against subsidised fertiliser and travels badly; odour risk can close a site quickly; reject cost driven by client behaviour; capacity limited by space × cycle time; large low-skill workforce; municipal receivables slow.
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Opportunities Bulk-generator enforcement tightening; decentralised units across housing and campus segments; hotel and market food-waste streams; MDA and fertiliser co-marketing improving output realisation; organic-farming demand; biogas or bio-CNG as an alternative organic route at larger scale.	Threats Fertiliser subsidy structure keeping compost uncompetitive; equipment suppliers selling machines without operation and depressing perceived service value; community objection to facility siting; enforcement inconsistency reducing urgency; wage inflation in a labour-heavy model.
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16. Recommended AiSevak Tools for This Business

This composting business would use AiSevak's Environment vertical tools in operations:

- **Service:** site register & renewal tracking, **units operating vs. installed**, operator attendance, odour-complaint logging.
- **Process:** **segregation-quality-at-gate scoring**, reject % and disposal cost per tonne, cycle-time and space-turnover tracking, batch maturity records.
- **Output:** **FCO parameter testing records**, compost stock ageing, realisation per tonne, MDA/co-marketing registration status.
- **Finance:** gate-fee vs. compost revenue mix, collection days by client type, cost per tonne processed (with Finance and Agritech verticals).
- **Practice:** Business Plan, break-even and per-site economics tools to model the business.

17. Key Assumptions & Notes

- Composting & organic waste: centralised wet-waste processing PLUS decentralised on-site units supplied, maintained and operated at bulk-generator premises, with compost/soil-conditioner sales attached; revenue = tonnage × gate fee + service contracts + compost.
- **THE HONEST PROBLEM IS THE OUTPUT MARKET, NOT THE INPUT — AND MOST COMPOSTING PLANS ARE WRITTEN THE WRONG WAY ROUND.** Feedstock is abundant and generators PAY you to take it; the difficulty is selling what comes out. Compost **competes against heavily subsidised chemical fertiliser**, is **bulky and low-value so freight caps the sale radius severely** (compost travelling 200km has lost its margin to the truck), and carries a **genuine credibility problem** with farmers after years of variable quality. **So this plan earns ~81% from GATE FEES and SERVICE and treats compost as a ~15% secondary line — the inverse of how such proposals are usually constructed, and the reason this one reaches profitability.** Any plan projecting profit FROM compost sales with gate fees as a bonus is describing a business competing with subsidised urea on price, which it cannot win. **The correct framing: a WASTE-SERVICE business that happens to produce a saleable output**, where every rupee of compost revenue is welcome rather than load-bearing.
- **DECENTRALISED ON-SITE PROCESSING IS THE BETTER BUSINESS and it is what the SWM Rules actually push toward** — a centralised plant needs land, consent, transport and a compost market; a unit at a society or hotel is equipment + operator + AMC, the generator meets their obligation on their own premises, the waste never travels, and the operator earns a recurring fee with negligible transport cost. **The commonest failure in this market is a machine SOLD and installed that stops working within a year because nobody was contracted to run it — hence sell the OUTCOME, not the machine, and track units OPERATING vs INSTALLED.**
- **SPACE × CYCLE TIME is the real capacity constraint and is frequently mis-estimated** — windrow composting occupies floor area for weeks of active phase plus curing, so **throughput is set by AREA and RESIDENCE TIME, not by the shredder's rated capacity (the number equipment suppliers quote)**. Compressing cycle time by cutting

curing short produces immature compost that smells, damages plants and fails FCO testing, so it is not available as a shortcut; the levers are correct C:N and moisture at the start, disciplined turning, and in-vessel systems where land is costly.

- **ODOUR, NOT ECONOMICS, IS WHAT SHUTS COMPOSTING OPERATIONS DOWN** — aeration discipline, C:N and moisture control, covering/biofilters, adequate curing, buffer zones and prompt complaint response. Leachate escape is the other closure risk. Both are siting-and-operation matters, not capital ones.
- **Reject cost tracks client segregation directly** (₹28-56L of disposal is the price of contaminated input) and every improvement reduces this line AND raises compost quality — the same double benefit identified in the waste-collection plan. **FCO compliance is mandatory to sell as manure/soil conditioner** (organic carbon, C:N, moisture, pH, HEAVY-METAL limits, registration, testing, labelling) and **selling non-compliant material as a fertiliser product is an OFFENCE, not a quality shortfall**.
- **Policy support is genuine and worth pursuing deliberately** — government Market Development Assistance for city compost and fertiliser-company co-marketing arrangements materially improve output realisation. **Cash behaves BETTER here than in most waste businesses** because societies and campuses pay monthly service charges, often in advance — but municipal contracts carry the familiar delay, and **compost is slow-moving inventory that occupies space, ages and accumulates if offtake is weaker than assumed**, so watch stock ageing as a working-capital item. Smallest capital requirement in the vertical. ₹1.9cr, ~11,000→24,000 t/yr, rev 3.7→8.25cr. Figures illustrative, exclude GST.

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