PROF. NO.41

PROJECT PROFILE ON CEREAL GRADER UNIT

1. INTRODUCTION

Raw grains are carrying soil, dusts, kankar etc. that are harm full for the health of the human beings. In old days, it cleaned in our houses. The proposed concern is proposing to clean these impurities from grains and segregating into different grades according to their quality.

Base material is purchased according to the demand of end product, so that quality can be easily maintained.

2. MARKET DEMAND

Due to quality assurance, good manufacturer need above product for their products. Beside industrial demand, graded cereal is the first choice of families those are converting into flour their own. Concern can grade Wheat, Gram, Masoor and similar other grains as per the availability and demand in the area.

3. PRODUCTION TARGETS

Basis of estimation: 300 Working Days in a Year
Single Shift basis
8 hours per shift

	Graded Wheat
Quantity (MT)	3000
Value (Rs)	19500000

4. MANUFACTURING PROCESS

Manufacturing process of cereal grading is a very simple and well proven one. The major steps of the cereal grading are as follows:

a) Sieving
b) Cleaning of kankars
c) Grading/ Segregation of grains

d) Packaging

e) Dispatch

5. QUALITY CONTROL STANDARDS

Quality of the product must be as per customers demand and Food Licensing guidelines.

6. LAND & BUILDING

1.	Covered area	Sq. Ft.	3000
2.	Uncovered area	Sq. Ft.	2000
3.	Total area	Sq. Ft.	5000
4.	Whether constructed or Rented		Constructed
5.	If constructed, constructed value	Rs	900000
6.	If Rented, Rental value (per month)	Rs	N.A.

7. MACHINERY AND EQUIPMENT

S.N.	Description	Qty.	Value (Rs.)
1.	De- Stoner Machine	1	350000
2.	Different Size Sieves		
3.	10 MT Capacity Grader along with electrical and other accessories		
4.	Weighing Balance		
5..	Bag Stitching and Balancing Machine	L.S.	
6.	Other Tools	L.S.	
7.	Office Furniture	L.S.	
8.	Sales Tax, Freight & Insurance etc.		35000
	Total		385000

8. RAW MATERIAL (PER MONTH)

S.N.	Particulars	Quantity (MT)	Value (Rs)
1.	Wheat	250	1500000
2.	Packaging Material	L.S.	3000
		Total	1503000

9. STAFF & LABOUR (PER MONTH)

S.N.	Particulars	Qty	Rate	Value (Rs)
A	Administrative and Supervisory			
(i)	Manager	1	3000	3000
(ii)	Peon/ Chowkidar	1	2000	2000
B	Technical (Skilled-Unskilled)			
(i)	Skilled Worker	1	3000	3000
(ii)	Unskilled Worker	4	2000	8000
	Sub-Total			16000
	Plus perquisites @ 30% of salaries			4800
	TOTAL			20800

9. OTHER EXPENSES (PER MONTH)

1.	Rent of Land & Building	
2.	Electricity Charges	10000
3.	Fuel Exp.	0
4.	Advertisement & Travelling	1000
5.	Transport	5000
6.	Consumable & stores etc.	1000
7.	Potage expenses/ telephones	1000
8.	Stationery	1000
9.	Repairs & Maintenance's	2000
	Total	21000

10. WORKING CAPITAL (FOR ONE MONTH)

SL.NO.	DESCRIPTION	AMOUNT(RS)
1	Raw material	1503000
2	Salaries & Wages	20800
3	Other Expenses	21000
	Total	1544800

11. TOTAL CAPITAL INVESTMENT

Building & Other Civil Works	900000
Machinery & Equipment	385000
Working capital for one month	1544800
Total	2829800

12. COST OF PRODUCTION (PER ANNUM)

Total recurring cost per year	18537600
Depreciation on machinery & equipment	125000
Interest on total investment @ 10%	290000
Total	18952600

13. SALES PROCEEDS (PER ANNUM)

S.N.	Item	Qty (MT)	Value (Rs.)
1.	Graded Wheat	3000	19500000
	Total		19500000

14. PROFITABILITY (BEFORE INCOME TAX)

1.	Annual Gross Profit	547400
2.	% of Profit on Sales	2.81%
3.	Break Even Analysis	
3.1	Annual Fixed Cost	501600
3.2	Annual Sales	19500000
3.3	Annual Variable Cost	18036000
3.4	Break Even Point	34.26%

Break-Even Analysis

(% of Total Production envisaged)

$$\frac{\text{Annual fixed cost} \times 100}{\text{Annual sales – Annual variable costs}} = \%$$

15. Manufactures/ Suppliers of Machinery

1.	Shakti Agencies (India) 51, New Market, Jagadhri 135 003
2.	D.M.Industries Bhullar Road, Guru Nanak Nagar, Batala- Punjab
3.	Vishvakarma Engineering Works Sarswati Rice Mill Compound, Bareja, Ahemdabad
4.	Jukie Electrmachine Pvt. Ltd. 79, Udyog Vihar, Gurgaon, Haryana Ph. 340192,341628
5.	Sree Siddhivinayaka Machinery and Equipment Private Ltd. 10,III Stage, Industrial Suburb, Maysore Tel 485822,483228
6.	Huma Traders Infront of Shajanabad Thana Shajanabad, Bhopal
7.	Indopol Food Processing Machinery Pvt. Ltd. Industrial Plot No. 28, Sector 27-C, Faridabad Tel 0129-275823,276162
8.	Hallmark Machine Mfg. Co. Ltd. C-30, Foundry Nagar, Hathras Road, Agra Tel 344891, 344527
9.	Sifter International 227, Sector-24, Faridabad.
10.	Kartar Flour Mill B VI 385, Gowshalla Road, Ludhiana 141 008 Ph- 511144, 705210

16. Suppliers of Raw Materials

From Local grain mandi of the area.

17. IMPLEMENTATION PERIOD

Proposed Project can commence production with in 6-8 weeks after sanction and first disbursement of term loan.

18. ASSUMPTION FOR GENERATING PROJECT PROFITABILITY

1	Number of Working Days in a year	300 Days
2	Number of Shifts in a day	1 One
3	Hours in a Shift	8 hours
4	Plant Capacity	Consider on Average production capacities of plant.
5	Raw material Estimates	Based upon product Mix
6	Raw Material Availability	All districts of MP
7	Depreciation	Straight Line Method
8	Manpower	According to project Requirement
9	Rent estimate	On the basis of current market prize of the area.
10	Potential Area of Marketing the products	Households & related industries demand of the area.
11	If project is funded, term loan would be	60-80% of Total investment
12	Moratorium Period	6- 12 months
13	Repayment Period	5-7 years
14	Project may be established under	PMEGP (GOI) / Tribal Self Employment Scheme (NSTFDC) or Rani Durgawati Scheme of MP