



8. PROJECT PROFILE ON CHILLY POWDER

Category : Manufacturing

Total Cost of Project : Rs. 2,28,000/-

BEP : 39 %

I. INTRODUCTION OF BUSINESS IDEA :

Chilly is one of the common constituents of the diet. There is increase in use of convenience foods like powdered items by the middle and upper middle class families. Chilly powder is preferred to red chilly due to the convenience and better taste.

II. PRODUCT AND ITS APPLICATIONS :

Chilly powder is used in food preparation like Chips, dry groundnut, pickles, chutney, and also in all daily food preparations.

III. MARKET POTENTIAL :

Chilly powder is essential item in preparation of food and food items. Good quality chilly powder is very much in demand in Hotels, Bars, and Star Hotels. From North Karnataka chilly powder is sent to Goa. There is very good market in Goa. In addition to local market Goa market can also be expand by entrepreneurs.

IV. CAPACITY / REVENUE :

The installed capacity for the unit is 90 quintals per annum.

Sl. No.	Product	Qty.	Rate Per kg	Sales Amount
01	Production of Chilly powder	90 Quintals	160	14,40,000
Total				14,40,000

V. MANUFACTURING PROCESS & QUALITY :

Chillies are sun dried to reduce the moisture level, suitable for grinding. The dried chillies after removal of stacks, are ground in either a plate mill or water cooled pulveriser.

The powder is packed in 250 gm, 500 gm, 1000 gm packet.



VI. COST OF PROJECT AND MEANS OF FINANCE, INCLUDING WORKING CAPITAL REQUIREMENTS :

A. Cost of Project :

Sl. No.	Particulars	Amount (Rs).
1	Equipments	70,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Deposits	50,000
5	Working Capital Requirements	128,000
	Total	2,28,000

B. Means of Finance:

Sl. No.	Particulars	Amount (Rs).
1	Loan @ 75%	1,71,000
2	Equity	57,000
	Total	2,28,000

C. Working Capital Requirement :

Sl. No.	Particulars	Basis	Period	Amount (Rs.)
1	Raw-material	6,94,000/12 x 1	1 month	58,000
2	Bills receivables	1,44,000/12 x ½	½ month	60,000
4	Working exp		1m	10,000
	Total			1,28,000

VII. MAIN INPUTS REQUIREMENT :

A. Machinery :

Sl. No.	Particulars	No.	Rate	Total Cost
01.	Chilly Pulveriser with 5 HP motor	01	40,000	40,000
02.	Vessels and Sealing Machine	01	10,000	10,000
03.	Installation and Electricity connection charges			20,000
	Total			70,000

B. Raw-materials :

Sl. No.	Particulars	Qty	Rate	Total Cost Yearly (Rs.)
1	Chilly	85 Quintals	8,000/Qtl.	6,80,000
2	Salt	10 Quintals	400 / Qut.	4,000
3	Plastic papers and other packing items	9000		10,000
	Total			6,94,000



C. Utilities :

Sl. No.	Particulars	Total Monthly Charges. (Rs.)	Total Annually Charges. (Rs.)
1	Electricity, water	5,000	60,000
	Total		60,000

D. Man-power requirement :

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
01	Operator	1	8,000	96,000
02	Helper	2	6,000	1,20,000
03	Sales Person	1	7,000	84,000
	Total			3,00,000

E. MAIN INFRASTRUCTURE REQUIREMENT :

Building	Built shed of 500 sq.ft. is required
Power	5 H P power connection is required.
Water	Water is required for general purposes.

VIII. PROFITABILITY PROJECTION (Annual) :

Particulars	Basis	Amount (Rs).
Sales Revenue (Projected)	Ref : IV	14,40,000
Raw Materials	Ref : VII B	6,94,000
Man power expenses	Ref : VII D	3,00,000
Utilities	Ref : VII C	60,000
Interest	@ 12%	21,000
Depreciation	15 % SLM	10,000
Overheads (rent and maintenance etc.)		1,20,000
Total Expenses		12,05,000
Profit		2,35,000

IX. FINANCIAL INDICATOR :

Break Even Point $\frac{FC}{SR-VC} \times 100$	$\frac{1,51,000}{3,86,000} \times 100$	39%
Payback period $\frac{COP}{\text{Profit} + \text{Deprn.}}$	$\frac{2,28,000}{2,45,000}$	Less than 1 year



X. ADDRESSES :

SUPPLIERS OF MACHINERY / EQUIPMENTS :

Star Industries,
Udyambag,
Belgaum.

Suppliers of Raw Material :

Local APMC.

CEDOK, DHARWAD.