



## 16. PROJECT PROFILE ON FLOUR MILL

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Category : Service

Total Cost of Project : Rs. 1,47,000/-

BEP : 41 %

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### I. INTRODUCTION OF BUSINESS IDEA :

An Indian food system jowar, wheat, rice and ragi are the main food grains used to prepare various daily foods. These food grains are to be floured before using them in regular foods. Apart from these food grains, chilly powder, turmeric powder, masala powder are also used in preparing various foods. Hence, the flour mill activity is viable and profitable venture in service sector business activities.

### II. PRODUCT AND ITS APPLICATIONS:

The products that are taken to flour mill are jowar, wheat, rice and ragi, chilly, turmeric etc. and these products are used in preparing the various Indian foods.

### III. MARKET POTENTIAL:

In Dharwad district, people are consuming more jowar and wheat products and hence, flour mills have good scope. In extension area and in rural area, there are no flour mills. People in such places depend on near by urban area for this facility. As such, there is scope for starting units in places where it does not exist.

### IV. CAPACITY / REVENUE ( FIRST YEAR):

Sl. No.	Product	Qty	Rate Per kg.	Sales Amount
01	Milling of Food Grains	12,000kg	Rs.3.00	3,60,000

### V. MANUFACTURING PROCESS AND QUALITY:

Various types of food grains are used in flour mill in converting the food grains into powder form. Chilly powder, Masala powder and Turmeric powder are put into separate batches.



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

**A. COST OF PROJECT:**

Sl. No.	Particulars	Amount(Rs).
1	Equipments	67,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Deposits	60,000
5	Working Capital Requirements	-
	<b>Total</b>	<b>1,47,000</b>

**B. MEANS OF FINANCE:**

Sl. No.	Particulars	Amount(Rs).
1	Loan @ 75%	1,10,000
2	Equity	37,000
	<b>Total</b>	<b>1,47,000</b>

**C. WORKING CAPITAL REQUIREMENT:**

nil

**VII. Main Inputs Requirements:**

**A. Machinery:**

Sl. No.	Particulars	Qty	Amount
1	10 HP Motor	1	22,000
2	Chunk and Hopper	1	15,000
3	Flour Milling Machine	1	30,000
	<b>Total</b>		<b>67,000</b>

**B. Raw-materials (p.a): Nil**

**C. Utilities:**

Sl. No.	Particulars	Total Monthly Charges (Rs)	Total Annual Charges (Rs)
1	Electricity and water	4,000	48,000



**D. Man-power requirement:**

Sl. No.	Workers	No.	Monthly Salary (Rs)	Annual Salary (Rs)
01	Operator	1	7,000	84,000
	<b>Total</b>	<b>1</b>		<b>84,000</b>

**E. Infrastructure Requirement:**

Building	Built up space of 400 sq.ft is required
Power	Commercial 10 hp power connection is required
Water	water is required for general purposes

**VIII. Profitability Projection (Annual):**

Particulars	Basis	Amount (Rs).
Sales Revenue (Projected)	Ref : IV	3,60,000
Raw Materials	Ref: VII B	-
Man Power Expenses	Ref : VII D	84,000
Utilities	Ref : VIIC	48,000
Interest	@12%	13,000
Depreciation	@ 15%	10,000
Overheads	Rent, maintenance etc	70,000
<b>Total Expenses</b>		<b>2,25,000</b>
<b>Profit</b>		<b>1,35,000</b>

**IX. FINANCIAL INDICATOR:**

Break Even Point $\frac{FC}{SR-VC} \times 100$	$\frac{93,000}{2,28,000} \times 100$	41 %
Payback period $\frac{\text{Cost of project}}{\text{Profit+ Dep}}$	$\frac{1,47,000}{14,500}$	1 year



**ADDRESS:**

**X. SUPPLIERS OF MACHINERY / EQUIPMENTS:**

Star Associated Industries,  
C-44, RC Nagar Indl. Area,  
Belgaum-590008

Ph.No.0831-2440349

**XI. SPECIAL NOTE :**

CEDOK, DHARWAD.