



## 14. PROJECT PROFILE ON POULTRY FEED

Category : Manufacturing

Total Cost of Project : Rs. 4,00,000/-

BEP : 38 %

### I. INTRODUCTION OF BUSINESS IDEA:

The annual production of eggs has registered a four-fold increase during the last 20 years with the projected development of the poultry industry. Thus production of balanced poultry feed to meet the growing demand has become imperative.

### II. PRODUCT AND ITS APPLICATIONS:

Poultry feed is used by poultry farms. Good feed assures good growth of the birds.

### III. MARKET POTENTIAL:

The demand for poultry feed is growing @ 10% per annum as the poultry industry registers rapid growth. There are number of firms in the state. Hence, there is scope for local units.

### IV. CAPACITY/ REVENUE :( 1ST YEAR)

Sl. No.	Particulars	Qty.	Rate	Amount (Rs.)
1.	Poultry feed	2.00 lakhs kg.s	14.00 per kg	28.00 lakhs

### V. MANUFACTURING PROCESS & QUALITY:

The ingredients in proper proportion are mixed in a pulverizer to the required mesh size. The product is mixed and meshed in a vibrating screen to ensure correct particle size. The product is packed in ordinary gunny bags or polythene lined gunny bags.



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

### A. COST OF PROJECT:

Particulars	Amount (Rs.)
Equipments	1,60,000
Other fixed assets	10,000
Preliminary and preoperative expenses	10,000
Deposits	10,000
Working Capital Requirements	2,10,000
<b>Total</b>	<b>4,00,000</b>

### B. MEANS OF FINANCE:

Particulars	Amount (Rs.)
Loan @ 75%	3,00,000
Equity	1,00,000
<b>Total</b>	<b>4,00,000</b>

### C. WORKING CAPITAL REQUIREMENT:

Sl. No.	Particulars	Basis	Period	Amount (Rs.)
1	Raw-material	2000000/12 X 1/2	1/2 month	83,000
2	Bills receivable	28,00,000/12 X 1/2	1/2 month	117,000
3	Work expenses	-	1 month	10,000
	<b>Total</b>			<b>2,10,000</b>

## VII. MAIN INPUTS REQUIREMENT:

### A. MACHINERY:

Sl.No.	Particulars	No.	Total Cost
1.	Pulverizer	1	70,000
2.	Ribbon blender	1	50,000
3.	Weighing balance	1	15,000
4.	electrification, installation etc	LS	25,000
	<b>Total</b>		<b>1,60,000</b>



**B. RAW MATERIALS :**

Sl. No.	Particulars	Qty.	Total Cost (Rs.)
1	Maize kgs	70,000 kg	
2	Do Bran	20,000 kg	
3	Ground Cake	70,000 kg	
4	Sunflower	20,000 kg	
5	Shell grit	5,000 kg	
6	Mineral mix	5,000 kg	
7	Soya	5,000 kg	
8	Vitamin mix	5,000 kg	
9	Gunny bags	4,000 nos.	
	<b>Total (15,000 bags)</b>		<b>20,00,000</b>

**C. UTILITIES:**

Sl. No.	Particulars	Monthly Charges (Rs.)	Annual Charges (Rs.)
1	Electricity	3,000	36,000
2.	Water	250	3,000
	<b>Total</b>		<b>39,000</b>

**D. MAN-POWER REQUIREMENT:**

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
1	Skilled labour	1	7,000	84000
2	Unskilled labour	2	5000	12000
3	Helper	2	4000	96000
	<b>Total</b>			<b>192,000</b>

**E. MAIN INFRASTRUCTURE REQUIREMENT:**

Building	1,500 sq. ft. building (with godown) Rs. 3,000 p.m rent
Power	5 HP power required.
Water	Water is required for general purposes.



### VIII. PROFITABILITY PROJECTION (ANNUAL) :

Particulars	Basis	Amount (Rs.)
<b>Sales Revenue (Projected)</b>	Ref : IV	<b>28,00,000</b>
Raw Materials	Ref : VII B	2000000
Man power expenses	Ref : VII D	1,92,000
Utilities	Ref : VII C	39,000
Interest	@ 12%	36,000
Depreciation	20% SLM	32,000
Overheads	Rent, Maintenance & other overhead expenses etc.	1,50,000
<b>Total Expenses</b>		<b>2449000</b>
<b>Profit</b>		<b>351000</b>

### IX. FINANCIAL INDICATORS:

<b>Break Even Point</b>		
$\frac{FC}{SR-VC} \times 100$	$\frac{218,000}{569,000} \times 100$	38%
<b>Payback period</b>		
$\frac{COP}{\text{Profit} + \text{Deprn.}}$	$\frac{4,00,000}{383,000}$	1 year

### X. ADDRESSES:

#### SUPPLIERS OF MACHINERY / EQUIPMENTS:

Sapthagiri Industries & Pulverisers  
54, Byraveshwara Ind. Estate  
Hegganahalli Vishwaneedam post  
Bangalore- 91

#### SUPPLIERS OF RAW MATERIAL

Yarana feeds,  
Karwar Road,  
Hubli.

### XI. SPECIAL NOTE :

It is essential to ensure sufficient no. of poultry firms in the region so that market for the product exists.