



## PROJECT PROFILE ON CHILLY POWDER ( MILLING SERVICE)

Category : Service

Total Cost of Project : Rs. 1,60,000/-

BEP : 43 %

### I. INTRODUCTION OF BUSINESS IDEA :

Chilly is one of the common constituents of the diet of all houses. The taste of chilly powder depends on variety of chilly used. People of different geographical location have different liking of chilly taste. Chilly powder is preferred to red chilly due to the convenience and better taste.

### II. SERVICE 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. Some of the Hotels, Bars, Star Hotels from North Karnataka go for chilly pounding for better quality as per their requirement. A regular job work is possible from them. Thus there is good potential for the unit.

### IV. CAPACITY / REVENUE & SALES (1<sup>ST</sup> YEAR):

Sl. No.	Service	No.	Rate (Average)	Amount (Rs.)
1.	Chilly Powder (Milling Service)	200 Quintals	20	4,00,000

### V. SERVICE METHODOLOGY AND QUALITY :

Chillies are sun dried to reduce the moisture level, and are made suitable for grinding. The dried chillies after removal of stalks are ground in a milling mill. The powder collected is given back to the customer.



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

### A. Cost of Project :

Equipments	90,000
Other fixed assets (Furniture)	10,000
Preliminary and preoperative expenses	10,000
Deposits	50,000
<b>Total</b>	<b>160,000</b>

### B. Means of Finance:

Loan @ 75%	120,000
Equity (Promoters contribution)	40,000
<b>Total</b>	<b>160,000</b>

### C. Working Capital Requirement :

As the unit provides job work service, the raw material is not required

## VII. MAIN INPUTS REQUIREMENT :

### A. Machinery :

Sl. No.	Particulars	Nos.	Rate	Total Cost
1	Chilly Pulverize Machine with 5 HP	1	70000/-	70,000
2	Installation, Electrification, Transportation etc	1	-	20,000
	<b>Total</b>			<b>90,000</b>

### B. Raw-materials :

- Nil -

### C. Utilities :

Sl. No.	Particulars	Monthly Charges. (Rs.)	Annual
1	Electricity	4000	48000

### D. Man-power requirement :

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
1	Operator	1	7000	84000
2	helper	1	5000	60000
	<b>Total</b>			<b>144000</b>



**E. MAIN INFRASTRUCTURE REQUIREMENT :**

Building	Built up space of 400 sq. ft. is required.
Power	Commercial Power connection is required with 5 HP
Water	Water is required for general purposes.

**VIII. PROFITABILITY PROJECTION (Annual) :**

Particulars	Basis	Amount
<b>Sales Revenue (Projected)</b>	Ref : IV	<b>400,000</b>
Raw Materials	Ref : VII B	-
Man power expenses	Ref : VII D	144,000
Utilities	Ref : VII C	48,000
Interest	@ 12%	15,000
Depreciation	15% SLM	14,000
Overheads	Rent, Maintenance etc.	60,000
<b>Total Expenses</b>		<b>281,000</b>
<b>Profit</b>		<b>119,000</b>

**IX. FINANCIAL INDICATOR :**

<b>Break Even Point</b> FC $\frac{\text{FC}}{\text{SR} - \text{VC}} \times 100$	89,000 ----- x 100 208,000	43 %
<b>Payback period</b> COP $\frac{\text{COP}}{\text{Profit} + \text{Deprn.}}$	160,000 ----- 133,000	1 Year 4 Months

**X. ADDRESSES :**

**SUPPLIERS OF EQUIPMENTS :**

- Star Industries,  
Udyambag,  
Belgaum.

**SUPPLIERS OF RAW MATERIALS:**

Local APMC.

**XI. SPECIAL NOTE :**

Entrepreneurs should have good knowledge of identifying different variety of chilly.