POWER GHANI

I. INTRODUCTION:

Edible oil is one of the essential commodities being used daily for cooking purposes. The oil is being extracted from oil seeds like groundnut, sesamum, mustard, rape seed, sun flower and kardi etc. For the extraction of the oil, oil ghanies or expellers are being used. For higher production in the modern days expellers are being used widely. Traditionally oil ghanies are run by bullocks but in the modern days they are rub by power(electricity) Power ghanies can be found in rural and urban areas.

II. MARKET POTENTIAL

Ghani oil is having good demand in the market. It retains the original flavour of the oil seed and possess good qualities when compared with the expeller extracted edible oil. People like to use ghani oil exclusively for its special qualities in manufacture of pickles and in other items. In rural areas there is good market for ghani oil. Ghani oil units can be setup under PMRY scheme as these units involve less capital investment.

III. BASIS AND PRESUMPTIONS:

Working hours per day 8 hours.

Working days in an year 300 days.

IV. IMPLEMENTATION SCHEDULE:

The unit can be set up in one month

V. TECHNICAL ASPECTS:

1.Process of Manufacturing:

Edible oil seeds of different kinds like groundnut, sun flower and kardi, etc. are to be procured. These seeds are to be sieved to eliminate impurities and put them into the oil ghani to extract edible oil. The oil seeds will be crushed during the operation of ghani and then oil will be extracted and collected. Thus the edible oil is made available for sale.

2.Quality Specification

As per the specification of Govt.

3.Production Capacity per annum Plant capacity

Annual capacity 75 quintals.

Capacity utilisation 80%

Annual production 60 quintans

VI. TOTAL CAPITAL INVESTMENTS

S.No	Description	Value Rs.
1	Fixed Capital	35000
2	Working capital	18265
	Total cost	53265

VII. MEANS OF FINANCE

1.Promoter's Contribution (5% of total cost) 2663
2.PMRY subsidy (15% of total cost or Rs.7500,whichever is less) 7500
3.Bank loan[total cost-(Promoter's Contribution+ PMRY subsidy) 43102

VIII. FINANCIAL ASPECTS

1. FIXED CAPITAL

i)Land & Buildings : Rented premises of 500 sft.at a rent of Rs.1500 pm.

ii Machinery & Equipment

S.No	Description	Quantity	Value Rs.
1	Power Ghani & other accessories	1	25000
2	Misc.-fixed assets		5000
3	Pre-operative expenses		5000
	Total		35000

2. WORKING CAPITAL

i)Staff & Labour per month

S.No	Designation	No	@ Rs.	Value Rs.
1	Manager	1	3000	3000
2	Helper	2	1500	3000
	Total			6000

ii)Raw Material (p.m.)

S.No	Description	Quantity	Value Rs.
1	Oil seeds of various kinds	18.75 quintals	9375
	Total		9375

iii. Utilities per month

S.No.	Description	Value Rs.
1	Power	200
2	Water	50
	Total	250

iv.Other expenses per month

S.No	Description	Value Rs.
1	Consumables	140
2	Transport, conveyance, postage & telephone	1000
	Total	1140

v. Total working capital per month

S.No	Description	Value Rs,.
1	Rent	1500
2	Staff and labour	6000
3	Raw materials	9375
4	Utilities	250
5	Other expenses.	1140
	Total	18265

IX. COST OF PRODUCTION PER ANNUM

S.No	Description	Value Rs.
1	Total working capital	219180
2	Depreciation	2500
3	Interest	7989
	Total	229669

X. TURNOVER PER YEAR

S.No	Item	Quantity	Rate Rs.	Value Rs.
1	Extracted oil	60 quintal	4500/quintal	270000
	Total			270000

XI. FIXED COST PER YEAR

S.No	Description	Value Rs.
1	Depreciation	2500
2	Interest	7989
3	Rent	18000
4	40% of salaries & wages	28800
5	40% of other expenses (utilities + OE)	6672
	Total	63961

XII. PROFIT ANALYSIS

Net Profit : sale-total cost =270000-229669=40331
% of Profit on Sale: Profit / Sale x100=40331/270000]100 =14.94%
% of Return on Investment: Profit / (Investment) x 100=40331/53265]100=75.72%
Break-Even Analysis : FC / (FC+Profit) x100=63961/63961+40331]100=63.33%

XIII.MACHINERY SUPPLIERS

Locally available