

Project Proposal on Flour & Mustard Oil Mill

INTRODUCTION

Oil seed and cereal crops occupy an important place in the agriculture and industrial economy of the country. India is perhaps the only country in the world having the largest number of commercial varieties of cereals & oil seed. Mustard oil & wheat flour is also one of the major oil seed & cereal wheat crops from which edible oil is produced. In northern & central India, It is medium of cooking food.

MARKET POTENTIAL

It has enormous demand as one of the edible oils and flour used as cooking medium especially in northern eastern and north eastern of India. Whole wheat flour is used in making Chapaties, Puries and Parotha and other roasted cereal based products. Wheat flour or Maida is a basic raw material for making biscuits cakes and other bakery products. Sooji / Rava is used in many sweetmeat products. Bran separated on milling is used as cattle feed. The concept for branded cereal flour products is now increasing. The demand of mustard oil is increasing with the time. Refined, Ghani, Double filtered mustard oil have given new thrust to its market. Due to consumption in household and in pickle industries it appears to be good scope for establishing mustard oil and flour mill .

BASIS & PRESUMPTIONS

1. This project is based on single shift basis and 300 working days in a year.
2. The cost of machinery & equipment / material indicated to the prices are approximately to these prevailing in the market at the time of preparation of this profile.

3. Depreciation has been taken as an-

a) On machinery & equipment @ 15%

b) On Building 10%

c) Interest on total capital investment has been taken @ 12.5% /Annum.

d) Minimum 15% on the total investment is required as margin money.

e) Pay back period of the project will be 5 years , With half yearly installments.

f) Break even point has been calculated at the full capacity utilization.

g) For smooth functioning of unit it is suggested that unit should have a good stock of quality raw material (Mustard Oil & Wheat Flour).

TECHNICAL ASPECTS

Wheat is first cleaned thoroughly to remove dust ,stone and other foreign matters clean wheat is tempered before grinding by treating with water so that the bran is separated from the endosperm. Mustard seed are to be dried in sun and then they are to be cleaned by shakers to remove dust and foreign materials. The seeds are initially steamed and then passed through the expeller.

There is no pollution problem for unit except dust which may damage the plant and machinery and adversely affects the health of workers also, for this cyclones may be used to separate dust.

QUALITY SPECIFICATION

The quality of seeds should confirm at least to the quality and standard laid down in P.F.A Act. However for better marketing the standards may be maintained as per AGMARK specification. The Entrepreneur may approach the appropriate authorities to get AGMARK or ISI specification for better marketing of the product.

Financial Requirement :

Entrepreneur will be thankful if a term loan (hypothecation of Material) 11,00,000/- (Rupees Eleven Lakhs) is sanctioned for meeting expenses. The entrepreneur will offer the following security to cover the medium term Loan.

- i Hypothecation of machinery.
- ii Hypothecation of stock in trade.

As the above business have wide scope and I again request you Sir . Please sanction the above Term Loan earlier so, the business may run easily and I ensure you Sir all the work will be done honesty and return of money will be appreciated by you.

Thanking you

Your Faithfully

Mr. Sitesh Kumar
S/o Sh. Raghvendra Singh
R/o Vill & Post- Sikandrabad,
Teh & Dist- Badaun,
Pin Code- 243636
Phone No- 9627267232