

PROJECT REPORT FOR
DAL MILL



PROMOTER:

M/S. xxxxxxxxxxxxxxxxxxxxxxxxxxxx
ADDRESS- xxxxxxxxxxxxxxxxxxxxxxxxxxxx

PREPARED BY:

DOWNLOAD PROJECT REPORT.COM
1 187/67, GROUND FLOOR, GRUHALAXMI,
J.M. ROAD, NEAR BALGANDHARVA CHOWK,
PUNE, MAHARASHTRA 41 1005.

C O N T E N T

CHAPTER NO.	PARTICULAR
I.	PROJECT AT A GLANCE
II.	ABOUT THE PROJECT
III.	ECONOMICS OF THE PROJECT
A.	TOTAL COST OF THE PROJECT & MEANS OF FINANCE
B.	PROFITABILITY STATEMENT
C.	CASH FLOW STATEMENT
D.	BALANCE SHEET
E.	CAPITAL ACCOUNT
F.	PRODUCTION AND SALE
G.	RAW MATERIAL CONSUMPTION AND INVENTORY
H.	DIRECT OVERHEADS
I.	INDIRECT OVERHEADS
J.	TERM LOAN REPAYMENT AND INTEREST THEREON
K.	WORKING CAPITAL
L.	CURRENT ASSETS
M.	FIXED ASSETS AND DEPRECIATION

Project For:
DAL MILL

I. PROJECT AT A GLANCE

1. About the Promoter : xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx
- Address-xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx
2. Project Cost : Rs.13.81 Lakhs
3. Mean of Finance
- A) T. L. facility from Bank : Rs.6.92 Lakhs
 - B) Beneficiary contribution : Rs.1.38 Lakhs
 - C) Cash Credit : Rs.5.50 Lakhs
 - D) Subsidy : Rs.8.28Lakhs
4. Rate of Interest : 11.00% Per Annum
5. Repayment :60 monthly installments, EMI @ 0.15 Lakhs
6. Nature of Project : Dal Mill
7. Employment Potential : 4 Nos.
8. Nature of the Firm :SELF HELP GROUP
9. Average Debt Coverage ratios : **2.50**

II. ABOUT THE PROJECT

Pulses refer to the dried, edible seeds of leguminous crops. Pulses play a fundamental role as a low-fat, high fiber source of protein and an essential component of traditional food baskets. These are most essential element for a well-balanced diet and major source of protein to vegetarian people of India. There are several varieties of pulses in India. Most of them are produced and consumed locally. Chickpeas (Chana), pigeonpeas (Arhar / Toor Dal), Urad (Urad Dal), Mung (Moong) and red lentils (Masoor) are the top five pulses grown in India. These pulses account for over 80 per cent of the total production in the country. The conversion of pulses seed into Dal is done through the process of milling.

The traditional method of Dal milling is very cumbersome and produces inferior quality Dal resulting in lesser benefit compared to milled Dal. The present losses being encountered by the milling industry can be minimized to a great extent by the use of improved Dal mills. A Dal mill should be located in area rural or semi-urban area which has excess production of pulses and connected to market.

I) Objectives:

- Production of Dal from pulses which should be free of husks, stones and other foreign material
- Improve milling efficiency and minimization of loss using improved Dal mills.

II) Market Potential:

As manufacturing of this item has been reserved for development in small-scale sector , prospective entrepreneurs is coming up in this line.

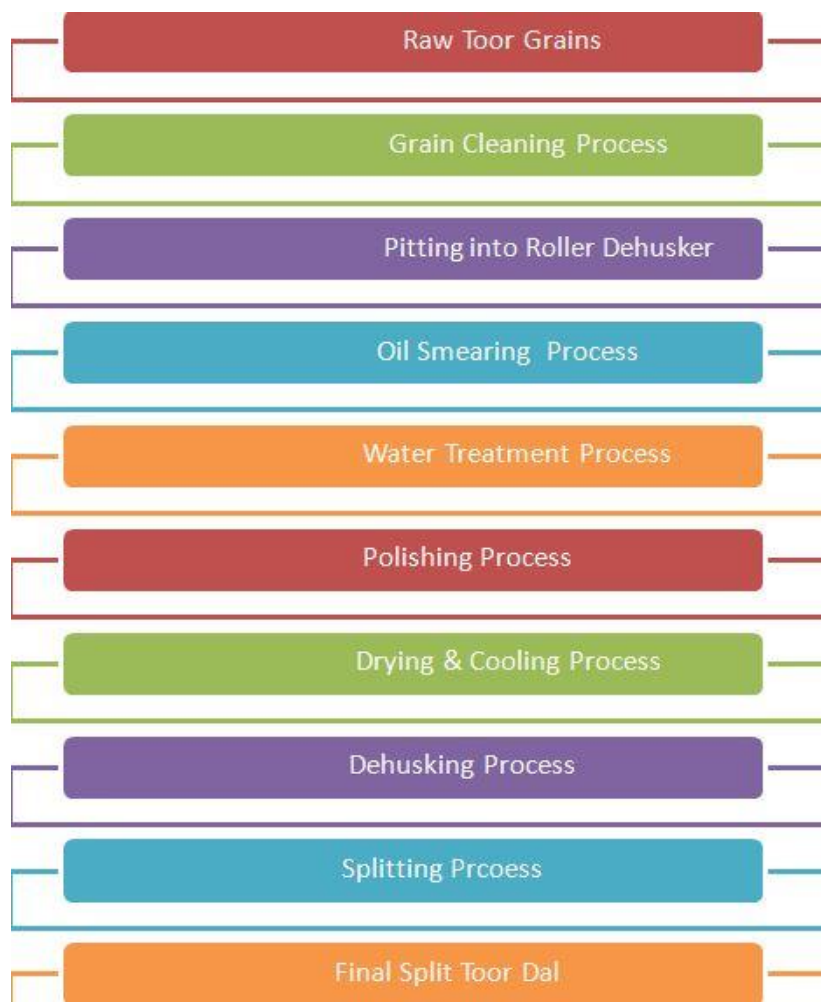
The all India per capita consumption of pulses is about 2.8 kg per year considering national average of 2.8 kg/ year and population of 110.0crore the estimated demand for pulses/ split pulses is approx 30.8 Lac MT per annum. At conservative estimate also there is demand of approx 25.0 Lac MT/ P.A. out of which almost 60% is met from

domestic crop and 40% is met through import of pulses from various country.

III) Location of Project

Proposed Dal Mill , **M/s. Shri Mauli Shetkari Swayam Sahayta Gat** has its location at village **At Akhatwada Tq. Chandur Bazar, Amravati 444602** Having a very good approach and infrastructural facilities like transportation, marketing network and heavy potential for marketing of good product.

IV) Technological processe



Project For :

DAL MILL

III. ECONOMICS OF THE PROJECT

A. COST OF PROJECT

(Rs. Lacs)

S.No.	Particulars	Total	Spent	Bal. To be spent
1	Work Shed	4.30	0.00	4.30
2	Plant & Machinery	1.89	0.00	1.89
3	Furniture & Electricals	1.00	0.00	1.00
4	Preliminary and pre operative expenses.	0.50	0.00	0.50
5	Working Capital	6.12	0.00	6.12
		13.81	0.00	13.81

Means of Finance :

a) Own Contribution (10%)	1.38
b) T L facility from Bank (90%)	6.92
c) C.C. Facility from Bank (90%)	5.50

13.81

d) Subsidy Entitlement Under
PoCRA scheme @ 60%

8.28

Project For :
DAL MILL

B. PROFITABILITY STATEMENT

(Rs. Lacs)

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Sales	33.40	40.08	46.76	53.44	56.79	60.13
	Add : Increase in Cl.Stock	4.72	3.06	3.49	3.92	3.91	4.14
	Total Turnover	38.13	43.15	50.25	57.36	60.70	64.26
2	RM Consumption	28.03	33.54	39.05	44.58	47.41	50.26
3	Overheads						
	a) Direct	2.77	3.05	3.35	3.67	4.02	4.41
	b) Indirect	1.32	1.38	1.46	1.52	1.60	1.68
4	Balance	6.00	5.18	6.39	7.59	7.66	7.91
5	Interest on TL & CC	1.37	1.24	1.10	0.94	0.76	0.66
6	Depreciation	0.81	0.72	0.63	0.56	0.50	0.44
7	Preliminary expenses W/off	0.10	0.10	0.10	0.10	0.10	-
8	Profit after Interest & Dep.	3.72	3.12	4.56	5.99	6.30	6.81
9	Income Tax	0.37	0.31	0.46	0.40	0.46	0.56
10	Profit after Tax	3.35	2.81	4.10	5.59	5.84	6.25
11	Add: Depreciation & Pre Exp.	0.91	0.82	0.73	0.66	0.60	0.44
12	Add : Interest on TL	1.37	1.24	1.10	0.94	0.76	0.66
13	Cash Accruals	5.63	4.87	5.93	7.19	7.20	7.34
14	Instalments of TL & Interest	2.47	2.47	2.47	2.47	2.47	0.66
15	DSCR	2.28	1.97	2.41	2.92	2.92	-
16	Average DSCR	2.50					
17	N.P. to Total receipts	10.03	7.00	8.77	10.46	10.29	10.39

Project For :
DAL MILL

C. CASH FLOW STATEMENT

(Rs. Lacs)

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
A CASH INFLOW :							
1	Collection from Debtors	32.01	38.41	44.82	51.22	54.42	57.62
2	T.L. from Bank	6.92					
3	CC from bank	5.50					
4	Capital	1.38	-	-	-	-	-
5	Subsidy	8.28	-				
	TOTAL (A)	54.10	38.41	44.82	51.22	54.42	57.62
B CASH OUTFLOW :							
1	Fixed Assets	7.69			-		
2	Payments to creditors	23.36	27.95	32.54	37.15	39.51	41.89
3	Direct overheads	2.77	3.05	3.35	3.67	4.02	4.41
4	Indirect Overheads	1.32	1.38	1.46	1.52	1.60	1.68
5	Interest on Bank Loan	1.37	1.24	1.10	0.94	0.76	0.66
6	Income Tax	0.37	0.31	0.46	0.40	0.46	0.56
7	Term Loan Repayment	1.10	1.23	1.37	1.53	1.70	-
8	Drawings	0.50	0.52	0.57	0.63	0.64	0.70
	TOTAL (B)	38.48	35.68	40.85	45.84	48.70	49.90
SUMMARY:							
	Op. Cash & Bank Balance.	-	15.62	18.36	22.32	27.71	33.43
	Add : Surplus / (Deficit)	15.62	2.74	3.97	5.38	5.72	7.72
	Cl. Cash & Bank Balance.	15.62	18.36	22.32	27.71	33.43	41.14

Project For :
DAL MILL

D. BALANCE SHEET

(Rs. Lacs)

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
A	ASSETS :						
1	Fixed Assets	6.38	5.66	5.02	4.46	3.97	3.53
2	Investments	-	-	-	-	-	-
3	Current Assets	21.74	29.20	38.61	50.13	62.13	76.49
4	Loans & Advances	-	-	-	-	-	-
5	Pre Exp. Not written off	0.40	0.30	0.20	0.10	-	-
	TOTAL (A)	28.51	35.16	43.83	54.70	66.10	80.02
B	LIABILITIES:						
1	Capital	12.51	14.80	18.33	23.29	28.50	34.04
2	Secured loans						
	Term Loan	5.82	4.60	3.23	1.70	-	-
3	Unsecured Loans	-	-	-	-	-	-
4	Current Liabilities						
	Cash Credit	5.50	5.50	5.50	5.50	5.50	5.50
	Sundry Creditors	4.67	10.26	16.77	24.20	32.10	40.48
	TOTAL (B)	28.51	35.16	43.83	54.70	66.10	80.02

Project For :
DAL MILL

(Rs. Lacs)

E. CAPITAL ACCOUNT

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Op. Balance	-	12.51	14.80	18.33	23.29	28.50
2	Additions	9.66	-	-	-	-	-
3	Net Profit for the year.	3.35	2.81	4.10	5.59	5.84	6.25
	Sub Total	13.01	15.32	18.90	23.92	29.14	34.74
4	Less : Drawings	0.50	0.52	0.57	0.63	0.64	0.70
5	Cl. Balance	12.51	14.80	18.33	23.29	28.50	34.04

Project For :
DAL MILL

(Rs. Lacs)

F. PRODUCTION AND SALES

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	Capacity utilisation	0.50	0.60	0.70	0.80	0.85	0.90
1	Production per annum (MT)						
	Pulses Grade I	37.75	45.31	52.86	60.41	64.18	67.96
	Pulses Grade II	18.88	22.65	26.43	30.20	32.09	33.98
	Pulses Broken	3.02	3.62	4.23	4.83	5.13	5.44
	Husk	14.35	17.22	20.09	22.95	24.39	25.82
2	Cl.Stock of Finished Goods (MT)						
	Pulses Grade I	3.15	3.78	4.40	5.03	5.35	5.66
	Pulses Grade II	1.57	1.89	2.20	2.52	2.67	2.83
	Pulses Broken	0.25	0.30	0.35	0.40	0.43	0.45
	Husk	1.20	1.43	1.67	1.91	2.03	2.15
3	Sales per annum (MT) (Tot Production less Cl. Stock)						
	Pulses Grade I	34.61	41.53	48.45	55.37	58.83	62.29
	Pulses Grade II	17.30	20.76	24.23	27.69	29.42	31.15
	Pulses Broken	2.77	3.32	3.88	4.43	4.71	4.98
	Husk	13.15	15.78	18.41	21.04	22.36	23.67
4	Sales per annum						
a	Pulses Grade I (Selling Price @ 60,000 per MT)	20.76	24.92	29.07	33.22	35.30	37.38
b	Pulses Grade II (Selling Price @ 55,000 per MT)	9.52	11.42	13.32	15.23	16.18	17.13
c	Pulses Broken (Selling Price @ 30,000 per MT)	0.83	1.00	1.16	1.33	1.41	1.50
d	Husk (Selling Price @ 10,000 per MT)	1.32	1.58	1.84	2.10	2.24	2.37
e	Job Work (Selling Price @ 3,000 per MT)	0.75	0.90	1.05	1.20	1.28	1.35
f	Waste (Packing) (Selling Price @ 30 per MT)	0.23	0.27	0.32	0.36	0.38	0.41
	Total Sale	33.40	40.08	46.76	53.44	56.79	60.13
5	Sundry Debtors (Credit period allowed 15 days)	1.39	1.67	1.95	2.23	2.37	2.51
6	Collection from Debtors	32.01	38.41	44.82	51.22	54.42	57.62
7	Total cost of Production	30.80	36.58	42.40	48.25	51.44	54.67
8	Cost per MT	0.42	0.41	0.41	0.41	0.41	0.41
9	Value of Closing Stock	2.57	3.05	3.53	4.02	4.29	4.56

Project For :
DAL MILL

PRODUCTION

S.No.	Particulars	Installed capacity (MT)	Year 1 0.50	Year 2 0.60	Year 3 0.70	Year 4 0.80	Year 5 0.85	Year 6 0.90
1	Production of Pulses (Dal)	151.02	75.51	90.61	105.71	120.81	128.37	135.92
	Items	Percentage						
a	Pulses Grade I	50%	37.75	45.31	52.86	60.41	64.18	67.96
b	Pulses Grade II	25%	18.88	22.65	26.43	30.20	32.09	33.98
c	Pulses Broken	4%	3.02	3.62	4.23	4.83	5.13	5.44
d	Husk	19%	14.35	17.22	20.09	22.95	24.39	25.82
e	Job Work	MT	50.00	25.00	30.00	40.00	42.50	45.00
f	Waste (Packing)	No.	1500	750	900	1,050	1,200	1,350
Installed Capacity Kg/ Hrs					67.00			
Per Day Working Hours					8.00			
Less: Lunch Hours					1.00			
Net					<u>7.00</u>			
Total Production per day					0.47 MT			
Total production per annum					151.02 MT			
Total Working Days					365.00			
Weekly off					26.00			
Holidays					7.00			
Machine Break down					10.00			
Net Working days					<u>322.00</u>			

Project For :
DAL MILL

(Rs. Lacs)

G. RAW MATERIAL CONSUMPTION AND INVENTORY

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Production (MT) (Output)	75.51	90.61	105.71	120.81	128.37	135.92
2	RM Purchases	25.88	30.96	36.05	41.15	43.77	46.40

Raw Material requirement (Input)

S.No.	Items	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Requirement of Raw Pulses	75.51	90.61	105.71	120.81	128.37	135.92
2	Purchase of Raw Pulses (@ Rs. 33000 per MT)	24.92	29.90	34.89	39.87	42.36	44.85
3	Purchase of Oil (0.6 MT @ Rs. 60000 per MT)	0.36	0.40	0.44	0.48	0.53	0.58
4	Packaging Material	0.60	0.66	0.73	0.80	0.88	0.97
5	Total cost of R.M	25.88	30.96	36.05	41.15	43.77	46.40

Project For :

DAL MILL

(Rs. Lacs)

RAW MATERIAL CONSUMPTION AND INVENTORY

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	RM cost for total production	25.88	30.96	36.05	41.15	43.77	46.40
2	Cl. Stock of RM (assumed 30 days consumption)						
	O/p Stock	-	2.16	4.74	7.74	11.17	14.82
	Add : Addition	2.16	2.58	3.00	3.43	3.65	3.87
	Closing Stock	2.16	4.74	7.74	11.17	14.82	18.68
3	RM Purchases	28.03	33.54	39.05	44.58	47.41	50.26
4	Sundry Creditors (Credit period allowed 60 days)	4.67	5.59	6.51	7.43	7.90	8.38
5	Payment to creditors	23.36	27.95	32.54	37.15	39.51	41.89

Project For :

DAL MILL

(Rs. Lacs)

H. DIRECT OVERHEADS

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Manpower						
a	Skilled Worker 1 no.@ Rs. 6,000 per month	0.72	0.79	0.87	0.96	1.05	1.16
b	Unskilled Worker 2 no.@ Rs. 5,000 per month	1.20	1.32	1.45	1.60	1.76	1.93
c	Accountant/ Supervisor 1 no.@ Rs. 7,000 per month	0.84	0.92	1.02	1.12	1.23	1.35
2	Power and Fule @ Rs. 3,000 per month	0.36	0.40	0.44	0.48	0.53	0.58
3	Water @ Rs. 1,000 per month	0.12	0.13	0.15	0.16	0.18	0.19
4	Other Production Overheads	0.25	0.28	0.30	0.32	0.33	0.35
	Total	<u>2.77</u>	<u>3.05</u>	<u>3.35</u>	<u>3.67</u>	<u>4.02</u>	<u>4.41</u>

Project For :

DAL MILL

(Rs. Lacs)

I. INDIRECT OVERHEADS

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Advertisement & Publicity	0.50	0.55	0.61	0.67	0.73	0.81
2	Repairs & Maint. (5% of machinery cost)	0.32	0.28	0.25	0.22	0.20	0.18
3	Misc. Expenses	0.50	0.55	0.61	0.64	0.67	0.70
		<u>1.32</u>	<u>1.38</u>	<u>1.46</u>	<u>1.52</u>	<u>1.60</u>	<u>1.68</u>

Project For :

DAL MILL

(Rs. Lacs)

J. TERM LOAN REPAYMENT AND INTEREST THEREON

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	TL / Op. Bal.	6.92	5.82	4.60	3.23	1.70	-
2	Repayment during the year	1.10	1.23	1.37	1.53	1.70	-
3	Cl. Balance	5.82	4.60	3.23	1.70	-	-
4	Interest at 11 per cent p.a.	0.71	0.58	0.44	0.28	0.10	-
5	Total repayment with Interest	2.47	2.47	2.47	2.47	2.47	0.66
6	Interest on CC (at 12 per cent p.a.)	0.66	0.66	0.66	0.66	0.66	0.66
	Total Interest	1.37	1.24	1.10	0.94	0.76	0.66

Term Loan Repayment Schedule

MONTHS	EMI	INTEREST	PRINCIPAL REPAYMENT	OST PRINCIPAL
0				6.921
1	0.15	0.06	0.09	6.83
2	0.15	0.06	0.09	6.75
3	0.15	0.06	0.09	6.66
4	0.15	0.06	0.09	6.57
5	0.15	0.06	0.09	6.48
6	0.15	0.06	0.09	6.39
7	0.15	0.06	0.09	6.29
8	0.15	0.06	0.09	6.20
9	0.15	0.06	0.09	6.11
10	0.15	0.06	0.09	6.01
11	0.15	0.06	0.10	5.92
12	0.15	0.05	0.10	5.82
First Year	1.81	0.71	1.10	
13	0.15	0.05	0.10	5.73
14	0.15	0.05	0.10	5.63
15	0.15	0.05	0.10	5.53
16	0.15	0.05	0.10	5.43
17	0.15	0.05	0.10	5.33
18	0.15	0.05	0.10	5.23
19	0.15	0.05	0.10	5.12

20	0.15	0.05	0.10	5.02
21	0.15	0.05	0.10	4.92
22	0.15	0.05	0.11	4.81
23	0.15	0.04	0.11	4.70
24	0.15	0.04	0.11	4.60
Second Year	1.81	0.58	1.23	
25	0.15	0.04	0.11	4.49
26	0.15	0.04	0.11	4.38
27	0.15	0.04	0.11	4.27
28	0.15	0.04	0.11	4.16
29	0.15	0.04	0.11	4.04
30	0.15	0.04	0.11	3.93
31	0.15	0.04	0.11	3.82
32	0.15	0.03	0.12	3.70
33	0.15	0.03	0.12	3.58
34	0.15	0.03	0.12	3.47
35	0.15	0.03	0.12	3.35
36	0.15	0.03	0.12	3.23
Third Year	1.81	0.44	1.37	
37	0.15	0.03	0.12	3.11
38	0.15	0.03	0.12	2.99
39	0.15	0.03	0.12	2.86
40	0.15	0.03	0.12	2.74
41	0.15	0.03	0.13	2.61
42	0.15	0.02	0.13	2.49
43	0.15	0.02	0.13	2.36
44	0.15	0.02	0.13	2.23
45	0.15	0.02	0.13	2.10
46	0.15	0.02	0.13	1.97
47	0.15	0.02	0.13	1.84
48	0.15	0.02	0.13	1.70
Fourth Year	1.81	0.28	1.53	
49	0.15	0.02	0.13	1.57
50	0.15	0.01	0.14	1.43
51	0.15	0.01	0.14	1.29
52	0.15	0.01	0.14	1.16
53	0.15	0.01	0.14	1.02
54	0.15	0.01	0.14	0.87
55	0.15	0.01	0.14	0.73
56	0.15	0.01	0.14	0.59
57	0.15	0.01	0.15	0.44
58	0.15	0.00	0.15	0.30
59	0.15	0.00	0.15	0.15
60	0.15	0.00	0.15	0.00
Fifth Year	1.81	0.10	1.70	

Project For :
DAL MILL

(Rs. Lacs)

K. WORKING CAPITAL

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Total Inventory	4.72	7.78	11.27	15.19	19.10	23.24
2	Sundry Debtors	1.39	1.67	1.95	2.23	2.37	2.51
	Total	6.12	9.46	13.22	17.42	21.47	25.74
3	Bank C.C. (90 per cent)	5.50	8.51	11.90	15.67	19.32	23.17
4	Own Contribution (10%)	0.61	0.95	1.32	1.74	2.15	2.57

Project For :
DAL MILL

(Rs. Lacs)

L. CURRENT ASSETS

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Cl. Stock of Materials	2.16	4.74	7.74	11.17	14.82	18.68
2	Cl. Stock of Finished Goods	2.57	3.05	3.53	4.02	4.29	4.56
	Total Inventory	4.72	7.78	11.27	15.19	19.10	23.24
3	Cash and bank Balance	15.62	18.36	22.32	27.71	33.43	41.14
4	Sundry Debtors	1.39	3.06	5.01	7.24	9.60	12.11
	Total	21.74	29.20	38.61	50.13	62.13	76.49

Project For :

DAL MILL**M. FIXED ASSETS AND DEPRECIATION**

(Rs. Lacs)

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Work Shed						
	Op. Balance	-	3.87	3.48	3.13	2.82	2.54
	Additions	4.30	-				
	Total	4.30	3.87	3.48	3.13	2.82	2.54
	Less : Depreciation	0.43	0.39	0.35	0.31	0.28	0.25
	Cl. WDV	3.87	3.48	3.13	2.82	2.54	2.29
2	Plant & Machinery						
	Op. Balance	-	1.61	1.37	1.16	0.99	0.84
	Additions	1.89	-				
	Total	1.89	1.61	1.37	1.16	0.99	0.84
	Less : Depreciation	0.28	0.24	0.20	0.17	0.15	0.13
	Cl. WDV	1.61	1.37	1.16	0.99	0.84	0.71
3	Furniture & Electricals						
	Op. Balance	-	0.90	0.81	0.73	0.66	0.59
	Additions	1.00	-				
	Total	1.00	0.90	0.81	0.73	0.66	0.59
	Less : Depreciation	0.10	0.09	0.08	0.07	0.07	0.06
	Cl. WDV	0.90	0.81	0.73	0.66	0.59	0.53
	Total Depreciation	0.81	0.72	0.63	0.56	0.50	0.44
	Cl. WDV	6.38	5.66	5.02	4.46	3.97	3.53