

## **PROJECT PROFILE**

**PRODUCT :**

**GROUND & PROCESSED SPICES**

## **INTRODUCTION**

Spices play an important role in enhancing the flavour and taste of the processed foods. They are also used in medicine because of their carminative stimulating and digestive properties. India produces almost all the known spices and is the largest exporter of this commodity.

Although spices are traded chiefly in an unprocessed form, a small yet significant quantity enters international trade as spice powders. Curry powder is the foremost of those blends or mixes and sometimes consists of 20 or more spices designed to impact the characteristic flavour of an Indian curry which is appreciated all over the world. Apart from the overseas market, processed curry powder is becoming popular in the internal market also. Hence the demand for unadulterated spices and curry powder in attractive handy packages is fast emerging.

**PLANT CAPACITY PER ANNUM :** 120 MT. per annum.

## **MARKET & DEMAND ASPECTS :**

India is one of the leading exporter of spices. The export earnings from spices can be increased quite considerably if the export of spices is encouraged in processed form as it will bring more value addition to the unit price of whole spices. Further as it is a mass consumption item mostly used in culinary preparation or seasoning of food products, its internal demand is increasing quite steadily due to improvement in purchasing power of people.

### **Raw material required :**

<u>S.no.</u>	<u>Particulars</u>
1.	Chilli
2.	Turmeric
3.	Pepper
4.	Coriander(Dhania)
4.	Cumin(Jeera)
5.	Postak
6.	Methi
7.	Mustard
8.	Ginger

9. Synthetic colour & preservative
10. Packing mat.(polythene wrapper & paper box)

## **Manufacturing Process:**

### **Process Outline**

The process of manufacture involves cleaning, drying, pulverizing, sieving and packaging of spices such as chilli, pepper, turmeric, coriander, etc. either individually or in combination with other spices. There are various formulations for curry powder, but the ingredients like red chilli, black pepper, cloves, coriander seed, cumin seed, fenugreek seed, ginger, and turmeric are typically common. The proportion and the inclusion of spices in a particular mix depend on individual manufacturers.

### **Quality specifications:**

The following ISI specifications are available for ground spices.

- |   |               |
|---|---------------|
| 1. Black whole and ground                               | ISI-1798-1961 |
| 2. Chilli powder  | ISI-2445-1963 |
| 3. Coriander powder                                     | ISI-2444-1963 |
| 4. Curry powder   | ISI-1909-1961 |
| 5. Turmeric powder                                      | ISI-2446-1963 |
| 6. Methods of sampling and test of Spices and condiment | ISI-1997-1961 |

Provisions have also been made in the scheme for a testing laboratory so that the unit will be able to test their product and maintain the quality as per PFA and “Agmark” standards.

### **Basis of Project Selection :**

1. In Orissa no. of spice companies are operating successfully. So availability of skilled manpower, technology, packing material is available easily.
2. The entrepreneur has vast experience in spice manufacturing and marketing.

3. The entire north east market and eastern market of our country is dominated by Orissa product. There exist a good name and fame of orissa products in this area which will help in marketing the product.

### **PRESUMPTION :**

- i) 8 hours per day & 300 days per annum has been taken as working period.
- ii) Minimum labour charges are considered for preparation of scheme.
- iii) The rate of interest on total capital investment is taken as 12%.
- iv) 5 to 10% raw material may be wasted during processing and in haldi 20% raw material may be wasted.

**Production Capacity : 96 MT.** per annum.

**Utility load :17 KW.**

### **FINANCIAL ASPECTS**

Land: ½ Acre	
Processing shed 2500 sq ft @ 250/sq ft	6,25,000
Store 1000 sq ft @ 600 /sq/ft	6,00,000
Office cum laboratory 400 sq ft @400 /sq.ft	2,40,000
Water boring and distribution	50,000
{Compound wall, watchman shed and road development	12,00,000
Parking place 10,000 sq.ft	--
Garden place 5,000 sq.ft	_____
Rest place future expansion }	
Total	27,15,000/-

## **Machinery and Equipment**

<u>Sl. no.</u>	<u>Description</u>	<u>Qty.</u>	<u>Price</u>	<u>Total value</u>
1.	Micro pulveriser with 10 HP motor starter and all accessories	two	80000 /-	1,60,000
2.	Disintegrater 12" with 7.5 HP motor and accessories for haldi	one	60000/-	60000
3.	Hot air drier cabinet type elect. Optd.with temp.control devices 2 KW.	one	30000/-	30000
11.	Platform weighing balance of 200 Kg. cap.	One	8000/-	8000
5.	Counter scale balances 5 kg.cap.	five	2000/-	10000
6.	Sieving m/c. locally fabricated	one	5000/-	5000
7.	Automatic form fill and seal m/c (5 gm to 100 gm)	one		1,80,000
8.	Automatic form,fill & seal machine (50 gm to 250 gm)	Two	2,50,000	5,00,000
9.	Testing equipment & lab. Accs.	LS		40000
10.	Office furniture,comp printer	LS		40000
11.	Erection,electrification charges@ 10%			<u>1,03,300</u>
	Total			<u>11,36,300</u>

## **Pre-operative exp**

Project profile

Telephone	3,300
Advance for packaging material (Pouch,cartoon,etc )	1,50,000
Travel	15,000
Sales tax regn.	5,000
Other misc. exp.	<u>5,000</u>
	1,78,300

**Fixed capital Inv.** = 27,15,000 + 11,36,300 + 1,78,300 = 40,29,600/-

**Working capital****Man power requirement & Salary : Per month**

<b>Sl. no.</b>	<b>Designation</b>	<b>No.</b>	<b>Salary</b>	<b>Total</b>
1.	Supervisor	one	5000/-	5,000
2.	Skilled workers	two	3000/-	6,000
3.	Unskilled workers	five	2500/-	12,500
4.	Clerk cum storekeeper	one	3000/-	3000
5.	Peon cum watchman	one	2000/-	<u>2000</u>
				28,500

**Raw material (P.M.):**

<u>S.no.</u>	<u>Particulars</u>	<u>Qty.</u>	<u>Rate</u>	<u>Value</u>
1.	Chilli	4000 kg	70/-	2,80,000
2.	Turmeric	4000 kg	51/-	2,04,000
3.	Pepper	40 kg	450/-	18,000
4.	Coriander(Dhania)	200 kg	115/-	23,000
12.	Cumin(Jeera)	160 kg	135/-	21,600
13.	Postak	160 kg	650/-	1,04,000
14.	Methi	40 kg	40/-	1,600
15.	Mustard	200 kg	39/-	7,800
16.	Ginger	150 kg	60/-	9,000
17.	Synthetic colour & preservative			5,000
18.	Packing mat.(polythene wrapper & paper box)			<u>40,000</u>
				7,14,000

**Utilities**

Power Electricity 2000 KWH	Rs.5/KWH	10,000
Water		<u>200</u>
		10,200

**Other contingent expenses**

Postage and stationery	1,500
Telephone	1,500
Advt. And publicity	10,000
Maintenance	5,000
Transport	20,000
Insurance	<u>2,000</u>
	40,000

**Sales per year :**            94.8 MT.

**Total working capital per month**    =    Rs. 7,92,700/-

**Working capital for 3 months**        =    Rs. 23,78,100

Total Capital investment	Rs. 40,29,600
Working capital investment	<u>Rs. 23,78,100</u>
	Rs. 64,07,700

**Cost of production per annum:**

Total working capital per annum	95,12,400
Depreciation on shed @ 5%	93,250
Depreciation on plant and machinery @ 10%	74,300
Depreciation on office stationery @ 20%	8,000
Interest on total capital Investment @ 12%	<u>7,68,924</u>
	1,04,56,874

After processing the chart of ground, whole and formulated spices  
Is given in the following Table.

<b>Item</b>	<b>Ground</b>	<b>Whole</b>	<b>Formulated</b>
Chilli	3560 kg	--	40 kg
Turmeric	3480 kg	--	120 kg
Pepper	20 kg	--	16 kg
Coriander	100 kg	40 kg	40 kg
Cumin		132 kg	12 kg
Postak	--	120 kg	24 kg
Methi	--	36 kg	2 kg
Ginger	--		40 kg
Mustard		180 kg	--
	7160 kg	508 kg	294 kg

### **TURNOVER PER MONTH**

<b>S.no.</b>	<b>Item</b>	<b>Qty. (in kg)</b>	<b>Rate</b>	<b>Value</b>
1.	Chilli ground	3560	120	4,27,200
2.	Turmeric ground	3480	130	4,52,400
3.	Pepper ground	20	500	10,000
4.	Coriander ground	100	140	14,000
5.	Coriander whole	40	90	3,600
6.	Cumin whole	132	250	33,000
7.	Postak whole	120	700	84,000
8.	Methi whole	36	90	3,240
9.	Mustard whole	180	140	25,200
10.	Formulated curry powder	290	200	58,000
	Total			11,10,640

**Turnover per annum** = Rs.11,10,640 X 12 = Rs.1,33,27,680

**Profit** = Turn Over – Cost Of Production

= 1,33,27,680 - 1,04,56,874 = 28,70,806



$$\text{Net Profit Ratio} = \frac{\text{Profit} \times 100}{\text{Turnover}} = 21.5\%$$

$$\text{Rate of return} = \frac{\text{Profit} \times 100}{\text{Total inv.}} = 44.8 \%$$

### Break Even Point:

Fixed cost:

Depreciation on shed @ 5%	93,250
Depreciation on plant and machinery @ 10%	74,300
Depreciation on office stationery @ 20%	8,000
Interest on total capital Investment @ 12%	7,68,924
40% salary and wages	1,36,800
40% other cont. exp. Except insurance	1,82,400
Insurance	<u>24,000</u>
	12,87,674

$$\text{Break even point} = \frac{\text{Fixed cost} \times 100}{\text{FC} + \text{profit}} = 31\%$$

## **LIST OF SUPPLIERS OF MACHINERY**

1. Pacific Machines, 32, Ezra Street, Room No.1053, (10<sup>th</sup> floor),Calcutta-700001.
2. Madhumita Enterprises,  
Dealer in all kinds of sewing machine and spare parts  
Mahatma Gandhi Road, Calcutta-700007.
3. Canner Engg.Industries,  
Off: 7/152/7, G-21, Ravi complex, Fathenagar,Hyderabad-500018.
4. Premur Implex ltd,44/45 ,Kings Road ,Howrah-711101 Tel 26663719.
5. Avery & Co.of India(P)Ltd., Ballard Estate,Bombay-1.
6. M/s.Jayems Engg.Works,M.G.Road, Ernakulam-16.
7. M/s.Chemida India, 69,Sumitha, 98,Cuffe Parade,Bombay-5.
8. M/s.Kerala Scientific Glass Works, Ind.Estate, Ollur,Kerala.
9. Different Kinds of pouch sizes,batch printing devices etc:  
M/s.T.D.Industries, Narayanpur,P.O. R.Gopalpur, Dist.North 24 Parganas,  
West Bengal.
10. Automatic form fill seal machine:  
M/s.R.K.Industries, 131,Prafulla nagar,Calcutta-55.
- 12 M/s.Rollon Packaging Pvt.Ltd.,  
Plot No.380, Sector 24, Faridabad-121005.  
Weight and Measure equipment:
- 13 M/s.Chandrakant Jayantilal, Nayasarak,Cuttack-2.
- 14 Sealing machinery:  
M/s.Narayana Chemicals, 341,Sector-24, Faridabad-121005.
- 15 M/s.Flex Engg.Ltd., C-21, 22, Sector-57 Phase III, NOIDA-201301,  
Gaziabad,U.P.

## **POUCH MAKING & PRINTING MACHINE:**

- 1 Saswat plast ,New Industrial Estate ,phase-III (near Triveni Mineral Water)  
Jagatpur,Cuttack
- 2 East Coast Poltyflex pvt ltd,shed no-5-2/24,Chhaneh Industrial Estate  
Baripada.Sale Counter:- Hotel Roxy,Badambadi,Cuttack.
- 3 Orissa Coating ,6/11 BJB Nagar ,Bhubaneswar-14  
Tel 0674-2430151,Fax-2583744

**LIST OF SUPPLIER OF RAW MATERIAL :**

1. Malgodown,Cuttack.
2. Local market in Kerala, Tamil Nadu, A.P.,Orissa and other states.

**Packing material :-**

1. AKHANDALAMANI PACKAGING . CELL – 9437041526
2. CHANDI POLY FEX – TEL – 2491803
3. HOTEL ROXY, ( ORISSA POLY FLEX )  
Hotel Roxy lane, Badambadi, Cuttack.
4. M/S. Saswat Plast  
Pradipta Kumar Jaganath – Tel - 2491609 , 2490709
5. Mahavir Packaging  
New Industrial Estate, Phase – 1 ,  
Pepsi lane, jagatpur, cuttack