



MODEL PROJECT REPORT



PROJECT REPORT ON CUMIN CLEANING & PROCESSING UNIT

SWAVALAMBI BHARAT ABHIYAN

PROJECT AT A GLANCE

- 1 Name of the Entrepreneur : xxxxxxxxxx
- 2 Constitution (legal Status) : xxxxxxxxxx
- 3 Father / Spouse Name : xxxxxxxxxxxxxx
- 4 Unit Address : xxxxxxxxxxxxxxxxxxxxxx
 District : xxxxxxxx
 Pin: xxxxxxxx State: xxxxx
 Mobile xxxxxxxx
- 5 Product and By Product : CUMIN
- 6 Name of the project / business activity proposed : CUMIN CLEANING & PROCESSING UNIT
- 7 Cost of Project : Rs.23.96 Lakhs
- 8 Means of Finance
 Term Loan Rs.13.57 Lakhs
 Own Capital Rs.2.4 Lakhs
 Working Capital Rs.7.99 Lakhs
- 9 Debt Service Coverage Ratio : 2.98
- 10 Pay Back Period : 5 Years
- 11 Project Implementation Period : 5-6 Months
- 12 Break Even Point : 25%
- 13 Employment : 12 Persons
- 14 Power Requirement : 20.00 HP
- 15 Major Raw materials : Cumin seed and packing material
- 16 Estimated Annual Sales Turnover (Max Capacity) : 193.28 Lakhs
- 17 Detailed Cost of Project & Means of Finance

COST OF PROJECT

(Rs. In Lakhs)

Particulars	Amount
Land	Own/Rented
Plant & Machinery	14.08
Furniture & Fixtures	1.00
Working Capital	8.88
Total	23.96

MEANS OF FINANCE

Particulars	Amount
Own Contribution	2.40
Working Capital(Finance)	7.99
Term Loan	13.57
Total	23.96

CUMIN CLEANING AND PROCESSING UNIT

Introduction:

Cumin (*Cuminum cyminum*), commonly known as Jeera, belongs to the Apiaceae family, it is widely grown in Gujarat, Rajasthan, and parts of Madhya Pradesh and Uttar Pradesh. In flavoring food, cumin is mainly used. It is also used in medicines with Ayurvedic.

It is an herbaceous annual plant, with a slender branched stem 20–30 cm tall. The leaves are 5–10 cm long, pinnate or bipinnate, thread-like leaflets. The flowers are small, white or pink, and borne in umbels. The fruit is a lateral fusiform or ovoid achene 4–5 mm long, containing a single seed. Cumin seeds are similar to fennel and anise seeds in appearance but are smaller and darker in colour.



Uses & Market Potential:

It is a major ingredient of mixed spices powder and curry powder mixes. It is an ingredient of pickles and chutney mixes. Cumin seeds have an aromatic fragrance due to alcohol, cuminol. The aromatic oil of cumin seeds is also used for flavoring curries, liquor, cordials and has great use in perfumery industries. It has medicinal properties and is used in many Ayurvedic and veterinary medicines as carminative, stomachic, astringent, and is useful against diarrhea and dyspepsia. Cumin seeds are very useful in digestive disorders like biliousness, morning sickness, indigestion, atonic dyspepsia, diarrhea, malabsorption syndrome, and flatulent colic.

Its production is primarily concentrated in Rajasthan, Gujarat, and parts of Uttar Pradesh in India. In 2011-12, 461160 tonnes of cumin were produced from an area of 842560 hectares, accounting for 34% and 43% of total seed spice production and area, respectively. Cumin's current productivity in 2007-08 was 554 kg/ha. During the 2011-12 fiscal year, India exported 45500 MT worth of cumin seed. Cumin value added products such as cumin oil and oleoresins were exported in quantities of 2.64 and 23.43 MT in 2008-09, earning Rs. 92.94 and Rs. 223.23 lakh, respectively. The United Arab Emirates was the largest importer of cumin, accounting for 23% of total imports, followed by the United States, Egypt, the United Kingdom, and Bangladesh. Cumin is primarily used for domestic consumption in India, with only about 10% of the crop exported. The main competitor countries to India with respect to cumin export are Turkey, Iran, Syria.

Product:

Cumin

Raw Material:

Raw material that are used are Cumin seed and packing material.

Manufacturing Process:

- Raw material procurement
- Vibratory Pre-Cleaning
- De-Stoning
- Magnetic Separation
- Gravity Separation
- Weighing & Packaging

Area:

The industrial setup requires space for Inventory, workshop or manufacturing area, space for power supply utilities and polishing area. Also, some of the area of building is required for office staff facilities, office furniture, etc. Thus, the approximate total area required for complete industrial setup is 1500-2000Sqft.

Cost of Machines:

SR. NO	ITEMS	AMOUNT
1	Gravity separator 5 Fan .(Without Motor)	2,60,000.00
2	Vibro Type Sieves with Two Jali, with 2 Nos. Vibro motor and it's Stand.	1,85,000.00
3	Vibro Type Sieves with Three Jali, with 2 Nos. Vibro motor and it's Stand.	2,10,000.00

4	Aspiration system.	45,000.00
5	Cyclone 900 Kice Type	32,000.00
6	Blower 5 hp High Pressar with motor	45,000.00
7	Rotary Air Lock with Gear Motor Set.	30,000.00
8	Vibro Type Destoner with 5 HP Blower and Cyclone With Vibro Motor 0.50 hp x 2 Nos. .	3,10,000.00
9	Elevator with gear & motor, Hight - 20' foot, 5"Bucket	1,40,000.00
10	Elevator with gear & motor, Hight - 14' foot, 5"Bucket	68,000.00
11	Elevator with gear & motor, Hight - 12' foot, 5"Bucket	58,000.00
12	Demphar with slider Gate.	25,000.00
	Total Rs.	14,08,000.00

Power Requirement- The estimated Power requirement is taken at 20 HP.

Manpower Requirement— Following manpower is required:

- Machine operator-2
- Skilled/unskilled worker-3
- Helper-4
- Manager cum Accountant-1
- Sales Personnel-2

FINANCIALS

PROJECTED BALANCE SHEET

PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
<u>Capital Account</u>					
Opening Balance	-	3.33	5.32	8.29	12.24
Add: Additions	2.40	-	-	-	-
Add: Net Profit	5.13	6.60	7.96	9.76	11.28
Less: Drawings	4.20	4.60	5.00	5.80	6.50
Closing Balance	3.33	5.32	8.29	12.24	17.02
CC Limit	7.99	7.99	7.99	7.99	7.99
Term Loan	12.06	9.05	6.03	3.02	-
Sundry Creditors	3.38	4.02	4.68	5.37	6.09
TOTAL :	26.76	26.38	26.99	28.63	31.10
<u>APPLICATION OF FUND</u>					
Fixed Assets (Gross)	15.08	15.08	15.08	15.08	15.08
Gross Dep.	2.21	4.10	5.70	7.07	8.24
Net Fixed Assets	12.87	10.98	9.38	8.01	6.84
Current Assets					
Sundry Debtors	4.59	5.77	6.79	7.86	9.02
Stock in Hand	7.67	9.15	10.69	12.27	13.94
Cash and Bank	1.63	0.48	0.14	0.49	1.30
TOTAL :	26.76	26.38	26.99	28.63	31.10
	-	-	-	-	-

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	I	II	III	IV	V
<u>A) SALES</u>					
Gross Sale	98.33	123.54	145.49	168.48	193.28
Total (A)	98.33	123.54	145.49	168.48	193.28
<u>B) COST OF SALES</u>					
Raw Material Consumed	67.50	80.33	93.64	107.45	121.77
Electricity Expenses	1.34	1.57	1.79	2.01	2.24
Repair & Maintenance	2.46	3.09	3.64	4.21	4.83
Labour & Wages	12.35	15.81	19.44	22.94	27.07
Depreciation	2.21	1.89	1.61	1.37	1.17
Cost of Production	85.86	102.67	120.11	137.98	157.08
Add: Opening Stock /WIP	-	4.29	5.13	6.01	6.90
Less: Closing Stock /WIP	4.29	5.13	6.01	6.90	7.85
Cost of Sales (B)	81.57	101.83	119.24	137.09	156.12
C) GROSS PROFIT (A-B)	16.76	21.71	26.25	31.39	37.16
	17.04%	17.57%	18.04%	18.63%	19.22%
D) Bank Interest i) (Term Loan)	1.47	1.20	0.87	0.54	0.21
ii) Interest On Working Capital	0.88	0.88	0.88	0.88	0.88
E) Salary to Staff	7.31	9.35	11.23	12.91	15.75
F) Selling & Adm Expenses Exp.	1.77	3.09	4.36	5.90	6.76
G) TOTAL (D+E+F)	11.43	14.52	17.34	20.22	23.60
H) NET PROFIT	5.33	7.18	8.91	11.17	13.56
	5.4%	5.8%	6.1%	6.6%	7.0%
I) Taxation	0.20	0.58	0.94	1.41	2.28
J) PROFIT (After Tax)	5.13	6.60	7.96	9.76	11.28

PROJECTED CASH FLOW STATEMENT

PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
Own Contribution	2.40	-	-	-	-
Reserve & Surplus	5.33	7.18	8.91	11.17	13.56
Depreciation & Exp. W/off	2.21	1.89	1.61	1.37	1.17
Increase In Cash Credit	7.99	-	-	-	-
Increase In Term Loan	13.57	-	-	-	-
Increase in Creditors	3.38	0.64	0.67	0.69	0.72
TOTAL :	34.88	9.71	11.18	13.23	15.44
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	15.08	-	-	-	-
Increase in Stock	7.67	1.48	1.54	1.58	1.67
Increase in Debtors	4.59	1.18	1.02	1.07	1.16
Repayment of Term Loan	1.51	3.02	3.02	3.02	3.02
Taxation	0.20	0.58	0.94	1.41	2.28
Drawings	4.20	4.60	5.00	5.80	6.50
TOTAL :	33.24	10.86	11.52	12.89	14.62
Opening Cash & Bank Balance	-	1.63	0.48	0.14	0.49
Add : Surplus	1.63	- 1.15	- 0.34	0.34	0.82
Closing Cash & Bank Balance	1.63	0.48	0.14	0.49	1.30

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL

PARTICULARS	I	II	III	IV	V
<u>Finished Goods</u>					
(15 Days requirement)	4.29	5.13	6.01	6.90	7.85
<u>Raw Material</u>					
(15 Days requirement)	3.38	4.02	4.68	5.37	6.09
Closing Stock	7.67	9.15	10.69	12.27	13.94

COMPUTATION OF WORKING CAPITAL REQUIREMENT

Particulars	Amount	Margin(10%)	Net
			Amount
Stock in Hand	7.67		
Less:			
Sundry Creditors	3.38		
Paid Stock	4.29	0.43	3.86
Sundry Debtors	4.59	0.46	4.13
Working Capital Requirement			7.99
Margin			0.89
MPBF			7.99
Working Capital Demand			7.99

REPAYMENT SCHEDULE OF TERM LOAN						11.0%	
Year	Particulars	Amount	Addition	Total	Interest	Repayment	CI Balance
I	Opening Balance						
	Ist Quarter	-	13.57	13.57	0.37	-	13.57
	Iind Quarter	13.57	-	13.57	0.37	-	13.57
	IIIrd Quarter	13.57	-	13.57	0.37	0.75	12.82
	Ivth Quarter	12.82	-	12.82	0.35	0.75	12.06
					1.47	1.51	
II	Opening Balance						
	Ist Quarter	12.06	-	12.06	0.33	0.75	11.31
	Iind Quarter	11.31	-	11.31	0.31	0.75	10.56
	IIIrd Quarter	10.56	-	10.56	0.29	0.75	9.80
	Ivth Quarter	9.80		9.80	0.27	0.75	9.05
					1.20	3.02	
III	Opening Balance						
	Ist Quarter	9.05	-	9.05	0.25	0.75	8.29
	Iind Quarter	8.29	-	8.29	0.23	0.75	7.54
	IIIrd Quarter	7.54	-	7.54	0.21	0.75	6.79
	Ivth Quarter	6.79		6.79	0.19	0.75	6.03
					0.87	3.02	
IV	Opening Balance						
	Ist Quarter	6.03	-	6.03	0.17	0.75	5.28
	Iind Quarter	5.28	-	5.28	0.15	0.75	4.52
	IIIrd Quarter	4.52	-	4.52	0.12	0.75	3.77
	Ivth Quarter	3.77		3.77	0.10	0.75	3.02
					0.54	3.02	
V	Opening Balance						
	Ist Quarter	3.02	-	3.02	0.08	0.75	2.26
	Iind Quarter	2.26	-	2.26	0.06	0.75	1.51
	IIIrd Quarter	1.51	-	1.51	0.04	0.75	0.75
	Ivth Quarter	0.75		0.75	0.02	0.75	0.00
					0.21	3.02	

Door to Door Period

60 Months

Moratorium Period

6 Months

Repayment Period

54 Months

CALCULATION OF D.S.C.R

PARTICULARS	I	II	III	IV	V
<u>CASH ACCRUALS</u>	7.34	8.48	9.57	11.13	12.44
Interest on Term Loan	1.47	1.20	0.87	0.54	0.21
Total	8.81	9.69	10.44	11.67	12.65
<u>REPAYMENT</u>					
Repayment of Term Loan	1.51	3.02	3.02	3.02	3.02
Interest on Term Loan	1.47	1.20	0.87	0.54	0.21
Total	2.98	4.22	3.89	3.56	3.22
DEBT SERVICE COVERAGE RATIO	2.96	2.30	2.69	3.28	3.93
AVERAGE D.S.C.R.			2.98		

Assumptions:

1. Production Capacity of Cumin Cleaning & Processing unit is taken at 500 KG per day. First year, Capacity has been taken @ 30%.
2. Working shift of 10 hours per day has been considered.
3. Raw Material stock and Finished goods closing stock has been taken for 15 days.
4. Credit period to Sundry Debtors has been given for 14 days.
5. Credit period by the Sundry Creditors has been provided for 15 days.
6. Depreciation and Income tax has been taken as per the Income tax Act,1961.
7. Interest on working Capital Loan and Term loan has been taken at 11%.
8. Salary and wages rates are taken as per the Current Market Scenario.
9. Power Consumption has been taken at 20 HP.
10. Selling Prices & Raw material costing has been increased by 3% & 2% respectively in the subsequent years.