



MODEL PROJECT REPORT



PROJECT REPORT ON DAL MILL

SWAVALAMBI BHARAT ABHIYAN

1. INTRODUCTION



Pulses Refer To The Dried, Edible Seeds Of Leguminous Crops. Pulses Play A Fundamental Role As A Low-Fat 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), Pigeon Peas (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. A Dal Mill Should Be Located In Rural Or Semi-Urban Area Which Have Excess Production Of Pulses And Connected To Market. The Project Deals With Variety Of Dal Such As Masoor Dal, Chana Dal, Urad Dal, Etc.

2. MARKET POTENTIAL

Pulses Are Generally Used Along With Rice And Chapatti As Dal. Dal, Garnished With Onions, Tomatoes And Spices Is An Indispensable Nibble In Household. The Various Pulses Are Part Of The Normal Diet Of All Vegetarians And Are Also Used Frequently By Non-Vegetarians Too. They Are The Main Sources Of Protein. The Pulses Are Used For Preparing Hot Dishes, Sweet Dishes And Other Varieties. Pulses Are The Most Common Diet Part Of Indian Families. Dal Is Dry Cereal, Which Is Taken To Fulfill The Requirements Of Protein For A Normal Human Being. Due To The High Content Of Proteins Pulses Are Mixed In Other Cereal Foods To Increase The Quality Of Proteins To Be Injected In The Body.

India Pulses Market Reached A Volume Of 27.5 Million Tons In 2019. The Market For Pulses/Dal Is Present Largely In India Where Ninety Per Cent Of The Produce Is Consumed Locally. Pulses Are Now Increasingly Being Used In The Processing Of Ready-To-Eat (RTE) Food Products. As A Result Of Rapid Urbanization, Changing Lifestyle And Hectic Work Schedules, Healthy Snack Foods Are Becoming Popular Amongst The Working Population. The Demand For Pulses Will Never End But Will Increase In A Increasing Rate And Rise In Population Also Drives The Demand For Pulses.

3. PRODUCT DESCRIPTION

3.1 PRODUCT BENEFITS

- Provides Energy
- Excellent Source Of Vegetarian Protein
- Keeps Your Heart Healthy
- Diabetic Friendly
- Improves Insulin Response
- Lowers Blood Pressure
- High Fiber
- Weight Loss

3.2 RAW MATERIAL

Basic Raw Material That Is Used In Dal Mill Is Chick Peas That Are Directly Procured From Farmers And Packing Material Used To Pack Finished Product.

3.3 MANUFACTURING PROCESS

The Raw Material I.E. Some Pea Depending On Type Of Dal Like Chick Pea In Case Of Chana Dal, Are Procured From Vendor Or Farmers And Are Stored In Raw Material Warehouse As Per Production Requirements.

The Appropriate Type Of Pea Is Taken From Warehouse Into The Milling Plant As Per Type Of Dal To Be Produced. These Peas Are Then Fed To A Soaking Tank Filled With Water, Where The Peas Are Allowed To Soak In Water For Good Period Of Time Usually Close To 24hrs For Many Dals.

After Appropriate Soaking A Bucket Elevator Carries These Peas From Soaking Tank To Air Dryers Equipped With Blowers Or To Terrace For Sun Drying, Where Worker Spread Peas Appropriately In Case Of Latter Arrangement.

The Dried Peas Are Fed To A Reel Machine With Appropriate Grit Size Which Basically Perform The Function Of Removing Major Foreign Particles Like Other Peas, Sticks, Leaves Etc. These Peas Are Then Fed To Emery Roll Dehusker Which Simply Removes The Husk Or Skin Of The Peas, Thus Generating Whole Dal. This Whole Dal Is Feed To Another Reel Machine With Finer Grit Size To Remove The Husk And Other Smaller Impurities.

This Whole Dal Is Now Fed To Lentil Splitting Machine, Which Simply Shear Opens The Whole Dal Into Two Halves Thus The Dal Is Obtained, This Dal Is Now Fed To Dal Polisher Which Simply Polishes The Dal And Improves Its Appearance Followed By Which These Dals Are Collected In Bins, From Where They Are Packed In Sacks And Sent For Sale.





Note: All Dal With Similar Sized Peas Can Be Processed In Same Unit As Long As Machine Can Accommodate Range Of Variation.





4. PROJECT COMPONENTS


4.1 Land & Building

The Approximate Total Area Required For Complete Small-Scale Factory Setup Is 1200-1500 Sq. Ft. Approximately Smooth Production

4.2 Plant & Machinery

Bucket Elevator	<p>A Bucket Elevator, Also Called A Grain Leg, Is A Mechanism For Hauling Flowable Bulk Materials Vertically. It Consists Of: Buckets To Contain The Material</p>	
Reel Machine	<p>Reel Machine Is Used To Separate Out Impurities From The Grains Which Are Bigger Or Smaller Than Mainstream Material Size. Reel Cleaning Machinery Is Very Versatile And It Is Used In Several Applications.</p>	 <p>Reel Machine</p>
Conveyor	<p>Conveyor Systems Are Mechanical Devices Or Assemblies That Transport Material With Minimal Effort. While There Are Many Different Kinds Of Conveyor Systems, They Usually Consist Of A Frame That Supports Either Rollers, Wheels, Or A Belt, Upon Which Materials Move From One Place To Another.</p>	
Emery Roll De Husker	<p>Emery Roller Is A Machine For De-Husking Pulses Thus This Machine Some Time Called As Pulses Splitter. They Are Used In Various Pulses Mills.</p>	

Dal Polisher	<p>Polishing Is Done To Increase Consumers Appeal And Is A Form Of Value Addition, Though Not Desirable. Dal Is Polished In Different Ways, Such As Nylon Polish, Oil/Water Polish, Leather And Makhmal Polish. Generally Polishing Is Done Using Soap Stone, Oil Or Water. Polishing Gives Uniform Look And Shine To Each Grain.</p>	
Lentil Splitting Machine (Chakki 18")		
D- Stoner	<p>The Main Function Of These Machines To Removes Stones, Dust And Heavy Impurities From Grains.</p>	
Storage Tank	<p>Storage Tanks Serve Two Major Purposes. One Is To Provide Storage Volume And The Other Is To Provide Pressure To The Distribution System. A Particular Tank Can Serve One Or Both Purposes Depending On Its Location Within The System And Its Type Of Configuration. There Are A Variety Of Tank Types Or Configurations.</p>	

Soaking Container	These Are Used For Soaking The Product And The Raw Material Stored In The Unit.	
--------------------------	---	---

Note: Approx. Total Machinery Cost Shall Be Rs 10.36 Lakhs Excluding GST And Transportation Cost.

4.3 Power Requirement

The Borrower Shall Require Power Load Of 6 KW Which Shall Be Applied With Power Corporation. However, For Standby Power Arrangement The Borrower Shall Purchase DG Set.

4.4 Manpower Requirement

8 Manpower Are Required For The Gram Based Dal

Mill Includes:

1 Plant Operator

2 Skilled Labour

2 Unskilled Labour

2 Administrative Staffs

1 Accountant

5. FINANCIALS

5.1 Cost Of Project

PARTICULARS	AMOUNT	Own Contribution	Bank Finance
Land & Building		25.00%	75.00%
Owned /Rented			
Plant & Machinery	10.36	2.59	7.77
Furniture & Fixtures And Other Assets	1.00	0.25	0.75
Working Capital	6.67	1.67	5.00
Total	18.03	4.51	13.52

5.2 Means Of Finance

PARTICULARS	AMOUNT
Own Contribution	4.51
Bank Loan	8.52
Working Capital Limit	5.00
Total	18.03

5.3 Projected Balance Sheet

<u>PROJECTED BALANCE SHEET</u>					
(In Lacs)					
PARTICULARS	1st Year	2nd Year	3rd Year	4th Year	5th Year
Liabilities					
Capital					
Opening Balance		4.90	5.98	7.58	9.49
<i>Add:- Own Capital</i>	4.51				
Add:- Retained Profit	1.65	3.27	4.85	6.41	8.00
Less:- Drawings	1.25	2.20	3.25	4.50	5.50
Closing Blance	4.90	5.98	7.58	9.49	11.99
Term Loan	7.57	5.68	3.79	1.89	-
Working Capital Limit	5.00	5.00	5.00	5.00	5.00
Sundry Creditors	0.54	0.61	0.69	0.78	0.87
TOTAL :	18.01	17.27	17.05	17.16	17.86
Assets					
Fixed Assets (Gross)	11.36	11.36	11.36	11.36	11.36
Gross Dep.	1.65	3.06	4.27	5.30	6.17
Net Fixed Assets	9.71	8.30	7.09	6.06	5.19
Current Assets					
Sundry Debtors	3.97	4.73	5.35	6.02	6.75
Stock In Hand	3.23	3.64	4.08	4.56	5.09
Cash And Bank	1.11	0.60	0.53	0.51	0.84
TOTAL :	18.01	17.27	17.05	17.16	17.86

5.4 Projected Cash Flow

<u>PROJECTED CASH FLOW STATEMENT</u> (In Lacs)					
PARTICULARS	1st Year	2nd Year	3rd Year	4th Year	5th Year
SOURCES OF FUND					
Own Margin	4.51				
Net Profit	1.65	3.27	4.85	6.48	8.16
Depreciation & Exp. W/Off	1.65	1.41	1.20	1.03	0.88
Increase In Cash Credit	5.00	-	-	-	-
Increase In Term Loan	8.52	-	-	-	-
Increase In Creditors	0.54	0.07	0.08	0.09	0.09
TOTAL :	21.87	4.76	6.13	7.60	9.13
APPLICATION OF FUND					
Increase In Fixed Assets	11.36				
Increase In Stock	3.23	0.40	0.44	0.48	0.53
Increase In Debtors	3.97	0.76	0.62	0.67	0.72
Repayment Of Term Loan	0.95	1.89	1.89	1.89	1.89
Drawings		2.20	3.25	4.50	5.50
Taxation	-	-	-	0.07	0.16
TOTAL :	20.76	5.26	6.21	7.62	8.80
Opening Cash & Bank Balance	-	1.11	0.60	0.53	0.51
Add: Surplus	1.11	(0.50)	(0.07)	(0.02)	0.33
Closing Cash & Bank Balance	1.11	0.60	0.53	0.51	0.84

Projected Profitability

<u>PROJECTED PROFITABILITY STATEMENT</u>					
(In Lacs)					
PARTICULARS	1st Year	2nd Year	3rd Year	4th Year	5th Year
Capacity Utilisation %	60%	65%	70%	75%	80%
<u>SALES</u>					
Gross Sale					
Chana Dal (Gram Based Product)	39.67	47.32	53.53	60.23	67.48
Total	39.67	47.32	53.53	60.23	67.48
COST OF SALES					
Raw Material Consumed	23.04	26.21	29.64	33.34	37.33
Electricity Expenses	0.86	0.95	1.05	1.15	1.26
Depreciation	1.65	1.41	1.20	1.03	0.88
Wages & Labour	5.70	6.27	6.90	7.59	8.35
Repair & Maintenance	0.79	1.18	1.34	1.51	1.69
Cost Of Production	32.05	36.02	40.12	44.61	49.51
Add: Opening Stock /WIP	-	1.60	1.80	2.01	2.23
Less: Closing Stock /WIP	1.60	1.80	2.01	2.23	2.48
Cost Of Sales	30.45	35.82	39.91	44.38	49.26
GROSS PROFIT	9.22	11.50	13.61	15.85	18.21
	23.25%	24.29%	25.43%	26.32%	26.99%
Salary To Staff	3.00	3.30	3.63	3.99	4.39

Interest On Term Loan	0.84	0.74	0.53	0.32	0.11
Interest On Working Capital	0.55	0.55	0.55	0.55	0.55
Rent	1.80	1.98	2.18	2.40	2.64
Selling & Adm Exp	1.39	1.66	1.87	2.11	2.36
TOTAL	7.58	8.22	8.76	9.37	10.05
NET PROFIT	1.65	3.27	4.85	6.48	8.16
	4.15%	6.91%	9.06%	10.76%	12.10%
Taxation	-	-	-	0.07	0.16
PROFIT (After Tax)	1.65	3.27	4.85	6.41	8.00

5.1 Production And Yield

<u>COMPUTATION OF PRODUCTION OF CHANA DAL</u> <u>(GRAM BASED PRODUCT)</u>		
Items To Be Manufactured		
Chana Dal (Gram Based Product)		
Machine Production Capacity Per Hour	50.00	Kg
Working Hours In A Day	8	
Production Per Day	400.00	Kg
No Of Working Days In Month	25	
No Of Working Days In A Year	300	
Machine Capacity Per Annum	120,000	Kg
Production Per Annum	120,000	Pack Of 1 Kg

Production Of Chana Dal (Gram Based Product)		
Production	Capacity	Pack Of 1 Kg
1st Year	60%	72,000.00

2nd Year	65%	78,000.00
3rd Year	70%	84,000.00
4th Year	75%	90,000.00
5th Year	80%	96,000.00

Raw Material Cost			
Year	Capacity Utilization	Rate (Per Pack)	Amount (Rs. In Lacs)
1st Year	60%	32.00	23.04
2nd Year	65%	33.60	26.21
3rd Year	70%	35.28	29.64
4th Year	75%	37.04	33.34
5th Year	80%	38.89	37.33

5.1 Sales Revenue

<u>COMPUTATION OF SALE</u>					
Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year
Op Stock	-	3,600.00	3,900.00	4,200.00	4,500.00
Production	72,000.00	78,000.00	84,000.00	90,000.00	96,000.00
Less : Closing Stock	3,600.00	3,900.00	4,200.00	4,500.00	4,800.00
Net Sale	68,400.00	77,700.00	83,700.00	89,700.00	95,700.00
Avg Sale Price Per Pack	58.00	60.90	63.95	67.15	70.51
Sales (In Lacs)	39.67	47.32	53.53	60.23	67.48

5.2 Working Capital Assessment

<u>COMPUTATION OF CLOSING STOCK & WORKING CAPITAL</u> (In Lacs)					
PARTICULARS	1st Year	2nd Year	3rd Year	4th Year	5th Year
Finished Goods					
	1.60	1.80	2.01	2.23	2.48
Raw Material					
	1.63	1.83	2.07	2.33	2.61
Closing Stock	3.23	3.64	4.08	4.56	5.09

<u>COMPUTATION OF WORKING CAPITAL REQUIREMENT</u> TRADITIONAL METHOD (In Lacs)					
Particulars	Amount	Own Margin		Bank Finance	
Finished Goods & Raw Material	3.23				
Less : Creditors	0.54				
Paid Stock	2.69	25%	0.67	75%	2.02
Sundry Debtors	3.97	25%	0.99	75%	2.98
	6.66		1.67		5.00
WORKING CAPITAL LIMIT DEMAND(From Bank)					5.00

5.1 Power, Salary & Wages Calculation

Utility Charges (Per Month)		
Particulars	Value	Description
Power Connection Required	6	KWH
Consumption Per Day	48	Units

Consumption Per Month	1,200	Units
Rate Per Unit	10	Rs.
Power Bill Per Month	12,000	Rs.

BREAK UP OF LABOUR CHARGES

Particulars	Wages Rs. Per Month	No Of Employees	Total Salary
Plant Operator	12,500	1	12,500
Skilled (In Thousand Rupees)	10,000	2	20,000
Unskilled (In Thousand Rupees)	7,500	2	15,000
Total Salary Per Month			47,500
Total Annual Labour Charges	(In Lacs)		5.70

BREAK UP OF STAFFSALARY

Particulars	Salary Rs. Per Month	No Of Employees	Total Salary
Accountant	10,000	1	10,000
Administrative Staffs	7,500	2	15,000
Total Salary Per Month			25,000
Total Annual Staff Charges	(In Lacs)		3.00

5.2 Financial Ratio Analysis

FINANCIAL INDICATORS					
PARTICULARS	1st Year	2ⁿ Year	3rd Year	4th Year	5th Year
TURNOVER	39.67	47.32	53.53	60.23	67.48
GROSS PROFIT	9.22	11.50	13.61	15.85	18.21

G.P. RATIO	3.25%	24.29%	25.43%	26.32%	26.99%
NET PROFIT	1.65	3.27	4.85	6.48	8.16
N.P. RATIO	4.15%	6.91%	9.06%	10.76%	12.10%
CURRENT ASSETS	8.31	8.97	9.96	11.09	12.67
CURRENT LIABILITIES	5.54	5.61	5.69	5.78	5.87
CURRENT RATIO	1.50	1.60	1.75	1.92	2.16
TERM LOAN	7.57	5.68	3.79	1.89	-
TOTAL NET WORTH	4.90	5.98	7.58	9.49	11.99
DEBT/EQUITY	1.54	0.95	0.50	0.20	-
TOTAL NET WORTH	4.90	5.98	7.58	9.49	11.99
TOTAL OUTSIDE LIABILITIES	13.11	11.29	9.48	7.67	5.87
TOL/TNW	2.67	1.89	1.25	0.81	0.49
PBDIT	4.69	5.97	7.13	8.38	9.70
INTEREST	1.39	1.29	1.08	0.87	0.66
INTEREST COVERAGE RATIO	3.38	4.64	6.61	9.62	14.64
WDV	9.71	8.30	7.09	6.06	5.19
TERM LOAN	7.57	5.68	3.79	1.89	-
FACR	1.28	1.46	1.87	3.20	-

5.1 DSCR

<u>CALCULATION OF D.S.C.R</u>					
PARTICULARS	1st Year	2nd Year	3rd Year	4th Year	5th Year
CASH ACCRUALS	3.30	4.68	6.05	7.44	8.88
Interest On Term Loan	0.84	0.74	0.53	0.32	0.11

Total	4.14	5.42	6.58	7.76	8.99
REPAYMENT					
Instalment Of Term Loan	0.95	1.89	1.89	1.89	1.89
Interest On Term Loan	0.84	0.74	0.53	0.32	0.11
Total	1.78	2.63	2.42	2.21	2.01
DEBT SERVICE COVERAGE RATIO	2.32	2.06	2.72	3.50	4.48
AVERAGE D.S.C.R.	2.97				

5.2 Depreciation

COMPUTATION OF DEPRECIATION			(In Lacs)
Description	Plant & Machinery	Furniture	TOTAL
Rate Of Depreciation	15.00%	10.00%	
Opening Balance	-	-	-
Addition	10.36	1.00	11.36
Total	10.36	1.00	11.36
Less : Depreciation	1.55	0.10	1.65
WDV At End Of Year	8.81	0.90	9.71
Additions During The Year	-	-	-
Total	8.81	0.90	9.71
Less : Depreciation	1.32	0.09	1.41
WDV At End Of Year	7.49	0.81	8.30
Additions During The Year	-	-	-
Total	7.49	0.81	8.30
Less : Depreciation	1.12	0.08	1.20
WDV At End Of Year	6.36	0.73	7.09

Additions During The Year	-	-	-
Total	6.36	0.73	7.09
Less : Depreciation	0.95	0.07	1.03
WDV At End Of Year	5.41	0.66	6.06
Additions During The Year	-	-	-
Total	5.41	0.66	6.06
Less : Depreciation	0.81	0.07	0.88
WDV At End Of Year	4.60	0.59	5.19
Additions During The Year	-	-	-

Total	4.60	0.59	5.19
Less : Depreciation	0.69	0.06	0.75
WDV At End Of Year	3.91	0.53	4.44
Less : Depreciation	0.59	0.05	0.64
WDV At End Of Year	3.32	0.48	3.80
Less : Depreciation	0.50	0.05	0.55
WDV At End Of Year	2.82	0.43	3.25

5.1 Repayment Schedule

REPAYMENT SCHEDULE OF TERM LOAN							
Interest							11.00%
Year	Particulars	Amount	Addition	Total	Interest	Repayment	Closing Balance
Ist	Opening Balance						
	1st Month	-	8.52	8.52	-	-	8.52
	2nd Month	8.52	-	8.52	0.08	-	8.52
	3rd Month	8.52	-	8.52	0.08	-	8.52
	4th Month	8.52	-	8.52	0.08		8.52
	5th Month	8.52	-	8.52	0.08		8.52
	6th Month	8.52	-	8.52	0.08		8.52
	7th Month	8.52	-	8.52	0.08	0.16	8.36
	8th Month	8.36	-	8.36	0.08	0.16	8.20
	9th Month	8.20	-	8.20	0.08	0.16	8.05
	10th Month	8.05	-	8.05	0.07	0.16	7.89

	11th Month	7.89	-	7.89	0.07	0.16	7.73
	12th Month	7.73	-	7.73	0.07	0.16	7.57
					0.84	0.95	
2nd	Opening Balance						
	1st Month	7.57	-	7.57	0.07	0.16	7.42
	2nd Month	7.42	-	7.42	0.07	0.16	7.26
	3rd Month	7.26	-	7.26	0.07	0.16	7.10
	4th Month	7.10	-	7.10	0.07	0.16	6.94
	5th Month	6.94	-	6.94	0.06	0.16	6.78
	6th Month	6.78	-	6.78	0.06	0.16	6.63
	7th Month	6.63	-	6.63	0.06	0.16	6.47
	8th Month	6.47	-	6.47	0.06	0.16	6.31
	9th Month	6.31	-	6.31	0.06	0.16	6.15
	10th Month	6.15	-	6.15	0.06	0.16	6.00
	11th Month	6.00	-	6.00	0.05	0.16	5.84
	12th Month	5.84	-	5.84	0.05	0.16	5.68
					0.74	1.89	
3rd	Opening Balance						
	1st Month	5.68	-	5.68	0.05	0.16	5.52
	2nd Month	5.52	-	5.52	0.05	0.16	5.36
	3rd Month	5.36	-	5.36	0.05	0.16	5.21
	4th Month	5.21	-	5.21	0.05	0.16	5.05

	1st Month	1.89	-	1.89	0.02	0.16	1.74
	2nd Month	1.74	-	1.74	0.02	0.16	1.58
	3rd Month	1.58	-	1.58	0.01	0.16	1.42
	4th Month	1.42	-	1.42	0.01	0.16	1.26
	5th Month	1.26	-	1.26	0.01	0.16	1.10
	6th Month	1.10	-	1.10	0.01	0.16	0.95
	7th Month	0.95	-	0.95	0.01	0.16	0.79
	8th Month	0.79	-	0.79	0.01	0.16	0.63
	9th Month	0.63	-	0.63	0.01	0.16	0.47
	10th Month	0.47	-	0.47	0.00	0.16	0.32
	11th Month	0.32	-	0.32	0.00	0.16	0.16
	12th Month	0.16	-	0.16	0.00	0.16	-
					0.11	1.89	
DOOR TO DOOR		60	MONTHS MONTHS MONTHS				
MORATORIUM PERIOD		6					
REPAYMENT PERIOD		54					

5.1 Break Even Point Analysis

BREAK EVEN POINT ANALYSIS					
Year	I	II	III	IV	V
Net Sales & Other Income	39.67	47.32	53.53	60.23	67.48
Less : Op. WIP Goods	-	1.60	1.80	2.01	2.23
Add : Cl. WIP Goods	1.60	1.80	2.01	2.23	2.48
Total Sales	41.27	47.52	53.73	60.46	67.72
Variable & Semi Variable Exp.					
Raw Material Consumed	23.04	26.21	29.64	33.34	37.33
Electricity Exp/Coal Consumption At 85%	0.73	0.81	0.89	0.98	1.08
Wages & Salary At 60%	5.22	5.74	6.32	6.95	7.64
Selling & Adminstrative Expenses 80%	1.11	1.32	1.50	1.69	1.89
Interest On Working Capital	0.55	0.55	0.55	0.55	0.55
Repair & Maintenance	0.79	1.18	1.34	1.51	1.69
Total Variable & Semi Variable Exp	31.45	35.82	40.23	45.00	50.18
Contribution	9.83	11.70	13.50	15.45	17.54
Fixed & Semi Fixed Expenses					
Electricity Exp/Coal Consumption At 15%	0.13	0.14	0.16	0.17	0.19
Wages & Salary At 40%	3.48	3.83	4.21	4.63	5.10
Interest On Term Loan	0.84	0.74	0.53	0.32	0.11
Depreciation	1.65	1.41	1.20	1.03	0.88
Selling & Adminstrative Expenses 20%	0.28	0.33	0.37	0.42	0.47
Rent	1.80	1.98	2.18	2.40	2.64
Total Fixed Expenses	8.18	8.43	8.65	8.97	9.38
Capacity Utilization	60%	65%	70%	75%	80%
OPERATING PROFIT	1.65	3.27	4.85	6.48	8.16
BREAK EVEN POINT	50%	47%	45%	44%	43%
BREAK EVEN SALES	34.36	34.23	34.43	35.09	36.22

6. LICENSE & APPROVALS

- Obtain The GST Registration.
- Additionally, Obtain The Udyog Aadhar Registration Number.
- Fire/Pollution License As Required.
- FSSAI License
- Factory License
- Choice Of A Brand Name Of The Product And Secure The Name With Trademark If Required.

7. ASSUMPTIONS

1. Production Capacity Of Gram Chana Dal Is 400 Kg Per Day. First Year, Capacity Has Been Taken @ 60%.
2. Working Shift Of 8 Hours Per Day Has Been Considered.
3. Raw Material Stock Is For 21 Days And Finished Goods Closing Stock Has Been Taken For 15 Days.
4. Credit Period To Sundry Debtors Has Been Given For 30 Days.
5. Credit Period By The Sundry Creditors Has Been Provided For 7 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 6 KW.
10. Increase In Sales And Raw Material Costing Has Been Taken @ 5% On An