

CRUDE EDIBLE OIL EXPELLER

1. INTRODUCTION

Groundnut, coconut and sesame are the three major oil seeds grown in states of Andhar and Orissa. The oil content is high in these oilseeds. Crushing of these oilseeds by an expeller yields crude edible oil which after filtration can be packed for sale directly and sold as filtered oil. Ground nut oil can also be sent to the refinery for refining which includes neutralization, bleaching and deodorization.

2. MARKET

Edible oils have always a ready made market because the production of oil seeds and oil is lower than the market demands of the consumer.

3. MANUFACTURING PROCESS

Bold varieties of ground nut kernals and gingelly seeds are taken and dried in the sun to remove excess moisture. The seeds are crushed in the expeller, filtered through the filter press and packed in tins or drums for sale. For coconut, the nuts are first cracked in to two halves and dried priferbly in a solar drier. The copra obtained is subjected to oil extraction and filtration in the expeller and filter press. The filtered oil obtained is packed in tins or drums for sale. The deoiled cakes obtained after oil extraction of ground nut, gingelly and coconut can be used for incorporation inot cattle feed. Alternativly deoiled gingelly or sesame and ground nut can be used in the manufacture candies in combination with sugar or jaggery.

4. PRODUCTION CAPACITY PER ANNUM

Capacity

650000 Ltrs per annum

Selling Price

Rs. 41.5 Per Itr

5. PROJECT COST/CAPITAL INVESTMENT

S.No	Description	Amount Rs.
1	Preliminary & Preoperative Expns	4000
2	Fixed Capital	310000
3	Working Capital for 0.5 month(s)	1095675
	Total Project Cost	1409675

6. MEANS OF FINANCE

S.No	Description	%age	Amount Rs.
1	Promoter Contribution	15%	211451.25
2	Subsidy/Soft Loan	20%	281935
3	Term Loan	65%	916288.75
	Total		1409675

7. FINANCIAL ASPECTS

A. FIXED CAPITAL

i. Land and Buildings

Rented

2000 per month

ii. Machinery and Equipment

S.No	Description	Qty.	Rate	Amount Rs.	
1	Oil expeller	Nos	1	160000	160000
2	Filter press	Nos	1	50000	50000
3	Motors,35 Hp	Nos	1	70000	70000
4	Testing equipmenrt	Nos	1	20000	20000
5	Electrification		1	10000	10000
	Total				310000

B. WORKING CAPITAL

i. Salaries & Wages (per month)

S.No	Description	Nos.	Sal/mon.	Amount Rs.
1	Supervisor/Entrepreneur	1	2500	2500
2	Skilled workers	3	2000	6000
3	Workers	2	1500	3000
	Total			11500

ii. Raw Material (per month)

S.No	Description	Unit	Qty.	Rate	Amount Rs.
1	Oilseds	Kgs	125000	16	2000000
2	Barrels	Kgs	294	450	132300
3	Gunnies		1325	14	18550
	Total				2150850

iii. Utilities (per month)

S.No	Description	Unit	Amount Rs.
1	Power	LS	18000
2	Water	LS	1000
	Total		19000

iv. Other Expenses (per month)

S.No	Description	Amount Rs.
1	Postage & Stationery Expenses	2000
2	Transportation Expenses	2000
3	Advertisement Expenses	2000
4	Consumable Stores	1000
5	Miscellaneous Expenses	1000
	Total	8000

v. Total Working Capital (per month)

S.No	Description	Amount Rs.
1	Rent	2000
2	Salaries and Wages	11500
3	Raw Material	2150850
4	Utilities	19000
5	Other Expenses	8000
	Total	2191350

8. COST OF PRODUCTION (PER ANNUM)

S.No	Description	Amount Rs.
1	Total Working Capital	26296200
2	Depreciation @ 15%	46500
3	Interest @ 12%	109955
	Total	26452655

9. TURNOVER (PER YEAR)

S.No	Description	Unit	Qty.	Rate Rs.	Amount Rs.
1		Ltrs per annu	650000	41.5	26975000
	Total				26975000

10. FIXED COST (PER YEAR)

S.No	Description	Amount Rs.
1	Depreciation	46500
2	Interest	109955
3	Rent	24000
4	Salaries & Wages @ 40%	55200
5	Other Expenses incl. Utilities @ 40%	129600
	Total	365255

11. PROFIT ANALYSIS & RATIOS

1	Net Profit	Rs.	522345
2	Percentage of Profit on Sales		2%
3	Percentage of Return on Investment		37%
4	Break Even Point		41%