

PROJECT PROFILE

PRODUCT: VERMICELLI (Noodles) MANUFACTURING

PRODUCT CODE: NIC:15440, ASICC:13301

CAPITAL INVESTMENT: Rs. 17,58,700/-

**MONTH AND YEAR OF
PREPARATION: March 2023**

PREPARED BY:

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INTRODUCTION:

Vermicelli is a simple food product made up of tapioca flour and maida. They are long thread like strands of 0.22 to 0.24 mm thickness. This is a ready to eat food item after boiling with water for some time and then frying with vegetables or egg, or small chicken pieces or small prawns. Nowadays chowmein is an attractive food item, specially used as breakfast or Tiffin item in hotels, Tiffin cabins, etc. is prepared from noodles.

MARKET POTENTIAL:

Nowadays vermicelli are highly appreciated by children, student mass in small and big towns. In fast food centers the demand of vermicelli is highest amongst other items like Bada, Potato chop, idlee, etc. Because of its unique shape, good taste and easily digestible property. Gradually it is being accepted by all age group people. Moreover, keeping in view the rapid change in people's eating habits such type of food items will have very good demand in near future. Though very few units in the state are engaged in this line, still some more industries should set up to meet the market demand.

BASIS AND PRESUMPTION:

1. All the prices in respect of machinery and raw materials etc. are taken as those prevailing during the preparation of scheme.
2. 80% of full capacity utilization of machinery has been considered.
3. The scheme is based on 8 working hours per day and 300 working days per annum.
4. Minimum wages have been considered in the preparation of scheme.
5. The rate of interest has been taken as 11%.
6. It may take one to two years for full capacity utilization.

IMPLEMENTATION SCHEDULE:

1.	Preparation of project profile and provisional regn. With DIC	½ month
2.	Availability of finance	2 months
3.	Installation of machinery electrification	1 months
4.	Recruitment of staff, trial run	½ <u>month</u>
	Total :	4 months

TECHNICAL ASPECTS:

1. Maida, starch, sodium bicarbonate are mixed in dry condition in vertical mixer along with edible colour if required.
2. The ingredients are mixed in a double mixer by using boiled water for about 12 to 15 minutes, till gelatinous dough is formed.
3. The above two operations are done manually in present scheme.
4. The kneaded dough is then put into the noodle making machine fitted with dies of desired shape, length between cutting blades are adjusted and cut products are kept on wooden trays.
5. Then the trays containing noodles are dried by exposure to indirect sun rays in long shades till the moisture content is reduced to 17% to 20%.
6. The finished product are finally packed and sealed in polythene packs with paper labels inside it.
7. The polythene packs are arranged in cartons which are marketed.

QUALITY CONTROL SPECIFICATION:

The quality control standard is given by Bureau of Indian Standard Specification IS: 1485-1976.

POLLUTION CONTROL:

The workers must put on hand gloves during processing and packing. The waste materials and finished products must be dumped in proper way to maintain good working environment.

ENERGY CONSERVATION:

Awareness must be created amongst workers to minimize unnecessary use of electrical energy. Timely repair, use of specific motor, etc. will also minimize energy.

FINANCIAL ASPECTS:**Land & building: 1200 sq.ft. : Own****Plant and machinery:**

S.no.	Specification	No.	Rate	Value
1.	Vermicelli extrusion press with 3 HP motor (8 kg./hr.) cap.	1	2,50,000	2,50,000
2.	Mixing and beating machine having capacity 15 kg. dough in 30 min. heavy duty stainless steel shaft 2 HP motor	1	60,000	60,000
3.	Infrared bulb	2	2,000	4,000
4.	Exhaust fan (small size)	2	1,500	3,000
5.	Wooden trays, steam cooker, wooden shelf, working table, heater, etc.	L.S.		15,000
6.	Heat sealing machine	1	5,000	5,000
		TOTAL		3,37,000
7.	Electrification & installation cost 10%			33,700
7.	Office furniture			20,000
				3,90,700

Pre-operative expenditure:

Project profile	2,000
Travel	8,000
Stationery	2,000
Packing material advance	25,000
Other misc. expenditure.	<u>60,000</u>
	97,000

Fixed capital:

$$= \text{Machinery} + \text{Pre-operative expenses}$$

$$= \text{Rs. } 3,90,700/- + 97,000/- = \text{Rs. } 4,87,700/-$$

WORKING CAPITAL ANALYSIS:**Raw materials (P.M.):10 Ton**

Maida/good quality Atta	8000 kg. @ Rs.40/-	3,20,000
Starch (Tapioca)	2000 kg. @ Rs.70/-	1,40,000
Sodium bicarbonate	100 kg. @ Rs. 90/-	9,000
Polythene pack	L.S.	15,000
Labels	L.S.	6,000
Cartons	L.S.	35,000
Hot water	1500 lit.	
		5,25,000

STAFF AND LABOUR PAYMENT:

S.no.	Designation	No.	Salary	Total salary
1.	Manager	Self	-	
2.	Skilled labour	2	10,000	20,000
3.	Unskilled labour	6	7,000	42,000
4.	Sales man	2	8,000	16,000
				78,000

UTILITY:

Gas		4,000
Electricity	700 KWH @ 10/unit	7,000
Water		<u>500</u>
		11,500

OTHER MISC. EXP.

Transport	8,000
Stationery	2,000
Telephone	2,000
Sale tips	4,000
Advertisement	<u>5,000</u>
	21,000

WORKING CAPITAL PER MONTH:

$$= \text{Raw material} + \text{Staff payment} + \text{Utility} + \text{Other expenses}$$

$$= \text{Rs. } 5,25,000 + 78,000 + 11,500 + 21,000 = \text{Rs. } 6,35,500$$

CAPITAL INVESTMENT:

Fixed capital	Rs. 4,87,700
Working capital (2 months)	Rs. <u>12,71,000</u>
	Rs. 17,58,700

COST OF PRODUCTION:

Working capital per annum	Rs. 76,26,000
Depreciation on Machinery @ 10%	Rs. 33,700
Depreciation on office furniture @ 20%	Rs. 4,000
Rate of interest on total capital Investment @ 11%	<u>Rs. 1,93,457</u>
	Rs. 78,57,157

TURNOVER:

Item	Packing specn.	No. of packets	Rate	Value
Vermicelli	250 gm.	3,60,000	24/-	Rs.86,40,000

$$\begin{aligned} \text{Profit} &= \text{Turnover} - \text{cost of production} \\ &= \text{Rs. } 86,40,000/- \text{ (-) } \text{Rs. } 78,57,157/- = \text{Rs. } 7,82,843/- \end{aligned}$$

$$\text{Net Profit Ratio} = \frac{\text{Profit} \times 100}{\text{Turnover}} = 9.06 \%$$

$$\text{Rate of return} = \frac{\text{Profit} \times 100}{\text{Capital Investment}} = 44.51\%$$

BREAK EVEN ANALYSIS:**Fixed cost:**

Depreciation on Machinery @ 10%	Rs. 33,700
Depreciation on office furniture @ 20%	Rs. 4,000
Rate of interest on total capital Investment @ 11%	Rs. 1,93,457
40% salary & wages	Rs. 3,74,400
40% other expenditure	<u>Rs. 1,00,800</u>
	Rs. 7,06,357/-

$$\text{Break Even Point} = \frac{\text{Fixed cost} \times 100}{\text{Fixed cost} + \text{profit}} = 47.43\%$$

ADDRESSES OF MACHINERY:

1. M/s.Ram Engg.Enterprisers, 191, Nehru Nagar, Mahabalipuram Road, Madras-600096.
2. M/s.Saraswati Industries, 153, Sivasakti colony, Ganapathy, P.O.Coimbatore-6, Tamil Nadu.
3. M/s.Navin Chandra & Co., 180, Linghi Chetty Street, P.B.No. 1578, Chennai-600001.
4. M/s.Utkal Steel, Opp. Kitab Mahal, College Square, Cuttack-3.
5. M/s.Manek Chand & Sons, 23, Ganesh Ch.Avenue, Kolkata.

ADDRESSES OF MACHINERY SUPPLIERS:

1. M/s. Oriental Machinery , 21, R.N.Mukherjee Road, Kolkata.
2. M/s. Global Machinery, Nuapatna, Cuttack.
3. M/s.The Metal Box Co. of India, Allahabad Bank Building, Connaught Circus, New Delhi.
4. M/s.Revlon Metal Works, 293, Ballasis Road, Mumbai-400008.
5. M/s.Kanoi Engg.& Industries Ltd., 2 Jessore Road, DumDum, Kolkata-700028.
6. M/s.Fun Snacks Pvt.Ltd., B-134, DDA sheds, Okhla Industrial Estate, New Delhi-110020.
7. M/s.Guru Nanak Engg.Corporation, No.2-3-685/5 Amberpet, Hyderabad-500013.
8. M/s.Canon Engg.Branch Office at W-6/444, Nayapalli, Jaydev vihar,Bhubaneswar. Tel.550177.
9. M/s. R.K. Trading, Bakhrabad, Cuttack-2. Tel-2622021