

## PAPAD MAKING

### 1. INTRODUCTION

Papad is delicious snack. It is consumed at homes, restaurants, hotels, etc. Papad is a traditional item consumed in all functions.

### 2. MARKET

Field survey findings indicated that papad industry has good potential in big centres in the tribal areas.

There is a good demand for papads because it is a food product and commonly consumed commodity in all households and hotels. Women entrepreneurs can gainfully take up this papad unit in their houses but proper packing and distribution network is necessary to sell in bulk quantities.

### 3. MANUFACTURING PROCESS

Papads are also made by papad press developed by CFTRI. It is a simple leg operated machine and toggle mechanism is used to develop high pressure with least effort.

Generally weighed quantity of floor is taken in a mixer. A solution of common salt and carbonates is added in requisite quantity of water and the contents are kneaded at maximum speed to get a homogenous lump of the dough. After resting the dough for 30 minutes, it is divided into balls. These are pressed into circular discs. Corn starch can be used as dusting material to prevent stickiness. The papads are usually dried.

Papads are made both in conventional way and also by press depending on production level. The quality specification of papads are IS:2839.

### 4. PRODUCTION CAPACITY PER ANNUM

Capacity

Selling Price

6000 kg  
Rs. 75 per kg

### 5. PROJECT COST/CAPITAL INVESTMENT

S.No	Description	Amount Rs.
1	Fixed Capital	55000
2	Working Capital for 2 month(s)	61000
3	Preliminary & Preoperative Expns	5000
	Total Project Cost	121000

### 6. MEANS OF FINANCE

S.No	Description	%age	Amount Rs.
1	Promoter Contribution	15%	18150
2	Subsidy/Soft Loan	20%	24200
3	Term Loan	65%	78650
	Total		121000

## 7. FINANCIAL ASPECTS

## A. FIXED CAPITAL

i. Land and Buildings Rented Rs. 1200 per month

## ii. Machinery and Equipment

S.No	Description	Qty.	Rate	Amount Rs.
1	Mixing and rolling machine	1	40000	40000
2	Weighing machine	1	5000	5000
3	Work tables and tools	LS		5000
4	Miscellaneous items	LS		5000
	Total			55000

## B. WORKING CAPITAL

## i. Salaries &amp; Wages (per month)

S.No	Description	Nos.	Sal/mon.	Amount Rs.
1	Supervisor/Entrepreneur	1	2500	2500
2	Skilled workers	2	2000	4000
3	Unskilled workers	3	1500	4500
	Total			11000

## ii. Raw Material (per month)

S.No	Description		Qty.	Rate	Amount Rs.
1	Black gram, oil, soidum carbonate,	kgs	500.00	30	15000
2	Packing material, etc		LS		300
	Total				15300

## iii. Utilities (per month)

S.No	Description	Unit	Amount Rs.
1	Power	LS	500
2	Water	LS	500
	Total		1000

## iv. Other Expenses (per month)

S.No	Description	Amount Rs.
1	Postage, Telephones & Stationery Expenses	200
2	Transportation & Conveyance Expenses	500
3	Advertisement Expenses	500
4	Consumeble Stores	200
5	Reparis and Maintenance Expenses	500
6	Miscellaneous Expenses	100
	Total	2000

## v. Total Working Capital (per month)

S.No	Description	Amount Rs.
1	Rent	1200
2	Salaries and Wages	11000
3	Raw Material	15300
4	Utilities	1000
5	Other Expenses	2000
	Total	30500

## 8. COST OF PRODUCTION (PER ANNUM)

S.No	Description	Amount Rs.
1	Total Working Capital	366000
2	Depreciation @ 15%	8250
3	Interest on term loan @ 12%	9438
	Total	383688

## 9. TURNOVER (PER YEAR)

S.No	Description	Unit	Qty.	Rate Rs.	Amount Rs.
1	Sale of papads	kg	6000	75	450000
	Total				450000

## 10. FIXED COST (PER YEAR)

S.No	Description	Amount Rs.
1	Depreciation	8250
2	Interest	9438
3	Rent	14400
4	Salaries & Wages @ 40%	52800
5	Other Expenses incl. Utilities @ 40%	14400
	Total	99288

## 11. PROFIT ANALYSIS &amp; RATIOS

1	Net Profit	Rs.	66312
2	Percentage of Profit on Sales		15%
3	Percentage of Return on Investment		55%
4	Break Even Point		60%