

RICE FLAKES

1. INTRODUCTION

Rice flake is a food item prepared from paddy. It is consumed either after frying in oil or soaked in milk or urd. Rice flakes are nutritious as they contain carbohydrates and proteins.

2. MARKET

It is an important agro-based industry. Being cheaper and convenient food it is consumed by all sections of the society.

Being a cheap and convenient food, it is consumed by all sections of society irrespective of their ages. It is a mass consumption item. There are good possibilities to introduce poha based nutritious foods, especially for children in the schools through the mid-day meals scheme.

3. MANUFACTURING PROCESS

Graded, sorted paddy is soaked in hot water for about 8 to 10 hours and then roasted with fine sand in a roaster. It is fed to a flaking machine after separation of sand. Thus the paddy is pressed into fine flakes and bran is powdered and drops down through sieves. The flakes are packed in gunny bags for marketing.

4. PRODUCTION CAPACITY PER ANNUM

Capacity

64 MT

Selling Price

Rs. 11200 MT

5. PROJECT COST/CAPITAL INVESTMENT

S.No	Description	Amount Rs.
1	Preliminary & Preoperative Expns	5000
2	Fixed Capital	48000
3	Working Capital for 1 month(s)	55226
	Total Project Cost	108225.6

6. MEANS OF FINANCE

S.No	Description	%age	Amount Rs.
1	Promoter Contribution	15%	16234
2	Subsidy	20%	21645
3	Term Loan	65%	70347
	Total		108225.6

7. FINANCIAL ASPECTS

A. FIXED CAPITAL

i. Land and Buildings Rented 1000 per month

ii. Machinery and Equipment

S.No	Description	Qty.	Rate	Amount Rs.
1	Flaking Machine	1	15000	15000
2	Roaster	1	15000	15000
3	Furnace	1	10000	10000
4	Paddy Soaking Tank - Cement	1	3000	3000
5	Weighing Scale	1	5000	5000
6		0	0	0
7		0	0	0
8		0	0	0
9		0	0	0
	Total			48000

B. WORKING CAPITAL

i. Salaries & Wages (per month)

S.No	Description	Nos.	Sal/mon.	Amount Rs.
1	Supervisor/Entrepreneur	1	3000	3000
2	Skilled Workers	2	2000	4000
3	Unskilled Workers	2	1500	3000
4		0	0	0
5		0	0	0
	Total			10000

ii. Raw Material (per month)

S.No	Description	Unit	Qty.	Rate	Amount Rs.
1	Paddy - 1.54 Tonnes		LS	41026	41026
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
6			0	0	0
7			0	0	0
	Total				41026

iii. Utilities (per month)

S.No	Description	Unit	Amount Rs.
1	Power	LS	1500
2	Water	LS	200
	Total		1700

iv. Other Expenses (per month)

S.No	Description	Amount Rs.
1	Postage & Stationery Expenses	
2	Transportation Expenses	500
3	Advertisement Expenses	
4	Consumable Stores	500
5	Miscellaneous Expenses	500
	Total	1500

v. Total Working Capital (per month)

S.No	Description	Amount Rs.
1	Rent	1000
2	Salaries and Wages	10000
3	Raw Material	41026
4	Utilities	1700
5	Other Expenses	1500
	Total	55226

8. COST OF PRODUCTION (PER ANNUM)

S.No	Description	Amount Rs.
1	Total Working Capital	662707
2	Depreciation @ 15%	7200
3	Interest @ 12%	8442
	Total	678349

9. TURNOVER (PER YEAR)

S.No	Description	Unit	Qty.	Rate Rs.	Amount Rs.
1	Rice Flakes	MT	64	11200	716800
	Total				716800

10. FIXED COST (PER YEAR)

S.No	Description	Amount Rs.
1	Depreciation	7200
2	Interest	8442
3	Rent	12000
4	Salaries & Wages @ 40%	48000
5	Other Expenses incl. Utilities @ 40%	15360
	Total	91002

11. PROFIT ANALYSIS & RATIOS

1	Net Profit	Rs.	38451
2	Percentage of Profit on Sales		5%
3	Return on Investment		36%
4	Break Even Analysis		70%