

"KVIC- REGP-(Gramodyog Rojgar Yojana)"

PROJECT PROFILE ON SATTU MANUFACTURING

Introduction :

Sattu is made by processing gram. Gram is a commonly used pulse and dal or curry is made out of it which is very popular item in majority of the Indian households. De-husked grams are cleaned, roasted and pulverised to convert them in powder or flour form and this is known as Sattu. It is used in many vegetarian food and snack preparations. Bhojpur or Hazaribag districts could be an ideal location as there are many dal mills in the region. Reportedly, there are very few sattu making plants This is very popular item of Bihar and Obviously Bihar or Jharkhand are the preferred locations. Sattu is regularly used in many households and restaurants & eateries. It is used in many food and snack preparations especially during summer and is an item of mass consumption. Since it is made from gram, it has certain nutritional values as well.

Process of Manufacture: Gram dal is cleaned with the help of pulse- cleaning machine and then roasted in an electrically operated roaster. It is then ground to obtain finer mesh size. Finally, it is passed through sieves to remove any foreign material or coarse powder and then packed. The process loss is 4.5 % .
Demand and Supply Gram is an integral part of the diet of Indians and apart from use in making curry or dal, its powder is used in preparing many vegetarian preparations. It is used in making rotis and a popular snack item known as "Litti". The market for this product is scattered covering urban, semi-urban and rural areas.

1 **Name of the Product :** **SATTU MANUFACTURING**

2 **Project Cost :**

a Capital Expenditure

Land : Own

Workshed in sq.M 80 Sq.M : Rs. 200,000.00

Equipment : Rs. 290,000.00

Dal cleaning machin-1, Grinder of 25 Kgs/Hr capacity-1, Electrically operated
 Roaster-1,(20 kgs/hour roasting capacity) 1,Screen-type Sieves 3
 Weighing scales, Bag sealing machine, etc.

Total Capital Expenditure Rs. 490,000.00

b Working Capital Rs. 375,000.00

TOTAL PROJECT COST : Rs. 865,000.00

3 **Estimated Annual Production Capacity:** (Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	sattu	900.00		2318.60
TOTAL		900.00	0.00	2318.60

4 **Raw Material :** Rs. 1,520,000.00

5 **Labels and Packing Material :** Rs. 20,000.00

6 **Wages (3-Skilled & 3- Unskilled) :** Rs. 376,000.00

7 **Salaries MANAGER-1** Rs. 120,000.00

PAGE (2)

8	Administrative Expenses	:	Rs.	30,000.00
9	Overheads	:	Rs.	75,000.00
10	Miscellaneous Expenses	:	Rs.	60,000.00
11	Depreciation	:	Rs.	39,000.00
12	Insurance	:	Rs.	4,900.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	63,700.00
	b. W.C.Loan	:	Rs.	48,750.00
	Total Interest		Rs.	112,450.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	278,600.00
	Variable Cost		Rs.	2,039,750.00
	Requirement of WC per Cycle		Rs.	386,392.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	278.60	167.16	195.02	222.88
2	Variable Cost	2040.00	1224.00	1428.00	1632.00
3	Cost of Production	2318.60	1391.16	1623.02	1650.88
4	Projected Sales	2600.00	1560.00	1820.00	2080.00
5	Gross Surplus	281.40	168.84	196.98	225.12
6	Expected Net Surplus	242.00	130.00	158.00	186.00

- Note :
1. All figures mentioned above are only indicative.
 2. If the investment on Building is replaced by Rental then
 - a. Total Cost of Project will be reduced.
 - b. Profitability will be increased.
 - c. Interest on C.E.will be reduced.