

PROJECT REPORT

Of

COLD PRESSED SEASAME OIL

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **Cold Pressed Sesame Oil**.

The objective of the pre-feasibility report is primarily to facilitate potential entrepreneurs in project identification for investment and in order to serve his objective; the document covers various aspects of the project concept development, start-up, marketing, finance and management.

[We can modify the project capacity and project cost as per your requirement. We can also prepare project report on any subject as per your requirement.]



Lucknow Office: Sidhivinayak Building ,
27/1/B, Gokhley Marg, Lucknow-226001

Delhi Office : Multi Disciplinary Training
Centre, Gandhi Darshan Rajghat,
New Delhi 110002

Email : info@udyami.org.in
Contact : +91 7526000333, 444, 555

PROJECT AT A GLANCE

- 1 Name of the Entrepreneur : xxxxxxxxxx
- 2 Constitution (legal Status) : xxxxxxxxxx
- 3 Father / Spouse Name : xxxxxxxxxxxxxx
- 4 Unit Address : xxxxxxxxxxxxxxxxxxxxxxxxxx
- District : xxxxxxxx
Pin: xxxxxxxx State: xxxxxxxxxx
Mobile xxxxxxxx
- 5 Product and By Product : **COLDPRESS SEASAME OIL**
- 6 Name of the project / business activity proposed : **COLDPRESS SEASAME OIL MANUFACTURING UNIT**
- 7 Cost of Project : Rs.12.39 Lakhs
- 8 Means of Finance
Term Loan Rs.7.16 Lakhs
Own Capital Rs.1.24 Lakhs
Working Capital Rs.4 Lakhs
- 9 Debt Service Coverage Ratio : 2.62
- 10 Pay Back Period : 5 Years
- 11 Project Implementation Period : 5-6 Months
- 12 Break Even Point : 43%
- 13 Employment : 13 Persons
- 14 Power Requirement : 15 HP
- 15 Major Raw materials : Sesame seeds & jaggery etc
- 16 Estimated Annual Sales Turnover (Max Utilized Capacity) : 75.86 Lakhs
- 17 Detailed Cost of Project & Means of Finance

COST OF PROJECT

(Rs. In Lakhs)

Particulars	Amount
Land	Own/Rented
Building /Shed 1500 Sq ft	Own/Rented
Plant & Machinery	6.80
Furniture & Fixtures	1.15
Working Capital	4.44
Total	12.39

MEANS OF FINANCE

Particulars	Amount
Own Contribution	1.24
Term Loan	7.16
Working Capital	4.00
Total	12.39

COLD WOOD PRESSED SESAME OIL PLANT



Introduction

Sesame oil is an edible vegetable oil derived from sesame seeds. Besides being used as a cooking oil, it is used as a flavor enhancer in many cuisines, having a distinctive nutty aroma and taste. The oil is one of the earliest-known crop-based oils. Worldwide mass modern production is limited due to the inefficient manual harvesting process required to extract the oil.

It is also known as 'TIL' oil. It's commonly used in cooking, just like vegetable oil and olive oil.

Benefits of Cold pressed Sesame Oil

- Sesame oil contains sesamol and sesaminol, two antioxidants that may have powerful effects on your health.
- Sesame oil comprises 82% unsaturated fatty acids, which is good for health.
- Sesame oil may even play a role in long-term blood sugar regulation.
- sesame oil to improvements in arthritis
- Sesame oil reduced burn and wound healing time in mice.
- May improve sleep quality
- Massage with sesame oil may help reduce arm and leg pain

Product & its application

There are many variations in the colour of sesame oil: cold-pressed sesame oil is pale yellow, while Indian sesame oil (gingelly or til oil) is golden, and East Asian sesame oils are commonly a dark brown colour. Cold-pressed sesame oil has a different flavour than the toasted oil, since it is produced directly from raw, rather than toasted, seeds.

Uses of Sesame Cake (By-product)

Sesame oil meal (or sesame oil cake) is the protein-rich by-product obtained after oil extraction. Depending on the way oil has been extracted, sesame oil meal can be food grade (from dehulled sesame seeds), or used as a feed for livestock, especially ruminants and poultry.

Raw Material

Sesame seeds is used as basic raw material for Cold Pressed Sesame Oil plant & jiggery is added in the sesame seeds to extract the sesame oil. Traditionally, jaggery is added to extracted gingelly oil to maintain the balance in taste.

Cold Pressed Sesame Oil Market Analysis

Based on the distribution channel, global sesame oil market is segmented as direct sales, online retail, supermarkets/hypermarkets, and specialty stores including natural food and cosmetic stores. Among which, sales through the Internet is expected to grow which is due to the increasing popularity of the seed oils such as sesame, argan and flaxseed oil on social media.

Due to its nutritional value, people often pick sesame seed oil rather than any other oil for consumption and application.

The Sesame oil industry in India is expected to grow at a CAGR of 5% during the forecasted period of 2017-2022.

Description of Machinery & Equipment

Following machineries are required for manufacturing of Cold Pressed Sesame Oil:

- Wood press Ghani Machine
- 5 HP Motor
- Filter Machine
- Other equipment's: Storage tank

Processing

Sesame oil is extracted from sesame seeds. The oil contains polyunsaturated and monounsaturated fats, and is low in saturated fats. Sesame oil is rich in magnesium, zinc, calcium, thiamin, iron, manganese, vitamin E and is loaded with B-complex vitamins. These nutrients provide immense health benefits. The yellow coloured oil extracted from the seeds of sesame has been extensively used as a healing oil since many years. The oil has a nutty flavor and is rich in nutrients, hence it serves a good cooking oil for many dishes. Apart from cooking, it is also used for cosmetic purposes, especially on skin.

Manufacturing Process

- Take the raw material (Sesame seeds and Jaggery) & put it into the Ghani machine hopper.
- After that start the machine & process of crushing the material will start. It requires manual manpower to operate the machine as well as for the crushing process.
- It takes time to manually crush the material through cold press and the generation of oil from it.
- Next step is to collect the oil from the machine kept it open for some time to cool & after that put it into the filter machine for the filtering process.
- After filtering of oil, product is ready for packaging.

One round of Sesame Oil production takes 45 minutes for completion of production process.

Maximum 10 completed Rounds of Sesame Oil production can be done in a shift of 8 hours a day. Normally Sesame oil is generated at 45-50% of raw material.

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	I	II	III	IV	V
<u>A) SALES</u>					
Gross Sale	43.85	52.03	59.22	66.77	75.86
Sale of By Product	4.86	5.40	5.94	6.48	7.02
Total (A)	48.71	57.43	65.16	73.25	82.88
<u>B) COST OF SALES</u>					
Raw Mateiral Consumed	21.27	24.82	28.67	32.83	37.35
Electricity Expenses	1.31	1.46	1.60	1.75	1.89
Repair & Maintenance	0.22	0.26	0.30	0.33	0.38
Labour & Wages	10.76	11.83	13.02	14.32	15.75
Depreciation	1.14	0.97	0.83	0.71	0.61
Cost of Production	34.69	39.34	44.41	49.94	55.98
Add: Opening Stock /WIP	-	1.16	1.27	1.44	1.62
Less: Closing Stock /WIP	1.16	1.27	1.44	1.62	1.81
Cost of Sales (B)	33.54	39.23	44.25	49.76	55.78
<u>C) GROSS PROFIT (A-B)</u>					
	15.17	18.20	20.91	23.49	27.09
	31.15%	31.69%	32.09%	32.09%	32.69%
D) Bank Interest (Term Loan)	0.78	0.63	0.46	0.28	0.11
ii) Interest On Working Capital	0.44	0.44	0.44	0.44	0.44
E) Salary to Staff	8.58	9.44	10.38	11.42	12.56
F) Selling & Adm Expenses Exp.	4.38	5.20	5.92	6.68	7.59
TOTAL (D+E)	14.18	15.71	17.20	18.82	20.70
<u>H) NET PROFIT</u>					
	0.99	2.49	3.71	4.67	6.40
	2.0%	4.3%	5.7%	6.4%	7.7%
I) Taxation	-	-	-	-	0.07
J) PROFIT (After Tax)	0.99	2.49	3.71	4.67	6.33

PROJECTED CASH FLOW STATEMENT

PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
Own Contribution	1.24	-			
Net Profit	0.99	2.49	3.71	4.67	6.40
Depreciation & Exp. W/off	1.14	0.97	0.83	0.71	0.61
Increase In Cash Credit	4.00				
Increase In Term Loan	7.16	-	-	-	-
Increase in Creditors	0.35	0.06	0.06	0.07	0.08
TOTAL :	14.87	3.52	4.60	5.45	7.08
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	7.95	-	-	-	-
Increase in Stock	2.15	0.28	0.34	0.37	0.41
Increase in Debtors	3.25	0.58	0.52	0.54	0.64
Repayment of Term Loan	0.80	1.59	1.59	1.59	1.59
Taxation	-	-	-	-	0.07
Drawings	0.50	1.00	1.50	2.50	5.00
TOTAL :	14.64	3.45	3.95	5.00	7.71
Opening Cash & Bank Balance	-	0.23	0.29	0.94	1.39
Add : Surplus	0.23	0.06	0.65	0.45	0.63
Closing Cash & Bank Balance	0.23	0.29	0.94	1.39	0.76

PROJECTED BALANCE SHEET

PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
<u>Capital Account</u>					
Opening Balance	-	1.73	3.22	5.42	7.59
Add: Additions	1.24	-	-	-	-
Add: Net Profit	0.99	2.49	3.71	4.67	6.33
Less: Drawings	0.50	1.00	1.50	2.50	5.00
Closing Balance	1.73	3.22	5.42	7.59	8.92
CC Limit	4.00	4.00	4.00	4.00	4.00
Term Loan	6.36	4.77	3.18	1.59	-
Sundry Creditors	0.35	0.41	0.48	0.55	0.62
TOTAL :	12.44	12.40	13.08	13.73	13.54
<u>APPLICATION OF FUND</u>					
Fixed Assets (Gross)	7.95	7.95	7.95	7.95	7.95
Gross Dep.	1.14	2.11	2.94	3.65	4.25
Net Fixed Assets	6.82	5.84	5.01	4.30	3.70
<u>Current Assets</u>					
Sundry Debtors	3.25	3.83	4.34	4.88	5.53
Stock in Hand	2.15	2.43	2.77	3.15	3.55
Cash and Bank	0.23	0.29	0.94	1.39	0.76
TOTAL :	12.44	12.40	13.08	13.73	13.54
	-	-	-	-	-

COMPUTATION OF COLDPRESS SEASAME OIL MANUFACTURING UNIT**Items to be Manufactured COLDPRESS SEASAME OIL**

Manufacturing Capacity per Day		300.00	kg	
No. of Working Hour		8		
No of Working Days per month		25		
No. of Working Day per annum		300		
Total Production per Annum		90,000	kg	
Year		Capacity	COLDPRESS SEASAME OIL	SEASAME CAKE
		Utilisation		
I		45%	16,200	24,300
II		50%	18,000	27,000
III		55%	19,800	29,700
IV		60%	21,600	32,400
V		65%	23,400	35,100

COMPUTATION OF RAW MATERIAL

Item Name		Quantity of Raw Material	Unit	Unit Rate of	Total CostPer Annum (100%)
Raw Material Consumed		94,500	kg	125	11,812,500
Total		94,500.00			11,812,500.00

Total Raw material in Rs lacs at 100% Capacity 118.13
 Cost per Liter (In Rs) 131.30

Raw Material Consumed	Capacity Utilisation	Rate	Amount (Rs.)
I	45%	131.30	21.27
II	50%	137.90	24.82
III	55%	144.80	28.67
IV	60%	152.00	32.83
V	65%	159.60	37.35

COMPUTATION OF SALE

Particulars	I	II	III	IV	V
Op Stock	-	540.00	600.00	660.00	720.00
Production	16,200.00	18,000.00	19,800.00	21,600.00	23,400.00
	16,200.00	18,540.00	20,400.00	22,260.00	24,120.00
Less : Closing Stock(10 Days)	540.00	600.00	660.00	720.00	780.00
Net Sale	15,660.00	17,940.00	19,740.00	21,540.00	23,340.00
Sale Price per Litre	280.00	290.00	300.00	310.00	325.00
Sale (in Lacs)	43.85	52.03	59.22	66.77	75.86

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL

PARTICULARS	I	II	III	IV	V
Finished Goods					
(10 Days requirement)	1.16	1.27	1.44	1.62	1.81
Raw Material					
(14 Days requirement)	0.99	1.16	1.34	1.53	1.74
Closing Stock	2.15	2.43	2.77	3.15	3.55

COMPUTATION OF WORKING CAPITAL REQUIREMENT

Particulars	Amount	Margin(10%)	Net Amount
Stock in Hand	2.15		
Less:			
Sundry Creditors	0.35		
Paid Stock	1.79	0.18	1.62
Sundry Debtors	3.25	0.32	2.92
Working Capital Requirement			4.54
Margin			0.50
MPBF			4.54
Working Capital Demand			4.00

BREAK UP OF LABOUR

Particulars	Wages	No of	Total
	Per Month	Employees	Salary
Supervisor	20,000.00	1	20,000.00
Plant Operator	15,000.00	1	15,000.00
Unskilled Worker	8,500.00	4	34,000.00
Helper	5,000.00	1	5,000.00
Security Guard	7,500.00	1	7,500.00
			81,500.00
Add: 10% Fringe Benefit			8,150.00
Total Labour Cost Per Month			89,650.00
Total Labour Cost for the year (In Rs. Lakhs)		8	10.76

BREAK UP OF SALARY

Particulars	Salary	No of	Total
	Per Month	Employees	Salary
Accountant cum store keeper	15,000.00	1	15,000.00
Administrative Staffs	12,500.00	4	50,000.00
Total Salary Per Month			65,000.00
Add: 10% Fringe Benefit			6,500.00
Total Salary for the month			71,500.00

Total Salary for the year (In Rs. Lakhs)		5	8.58
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COMPUTATION OF DEPRECIATION

Description	Land	Building/shed	Plant & Machinery	Furniture	TOTAL
Rate of Depreciation			15.00%	10.00%	
Opening Balance	Own/Rented		-	-	-
Addition	-		6.80	1.15	7.95
	-		6.80	1.15	7.95
TOTAL		-	6.80	1.15	7.95
Less : Depreciation	-	-	1.02	0.12	1.14
WDV at end of Ist year	-	-	5.78	1.04	6.82
Additions During The Year	-	-	-	-	-
	-	-	5.78	1.04	6.82
Less : Depreciation	-	-	0.87	0.10	0.97
WDV at end of IIInd Year	-	-	4.91	0.93	5.84
Additions During The Year	-	-	-	-	-
	-	-	4.91	0.93	5.84
Less : Depreciation	-	-	0.74	0.09	0.83
WDV at end of IIIrd year	-	-	4.18	0.84	5.01
Additions During The Year	-	-	-	-	-
	-	-	4.18	0.84	5.01
Less : Depreciation	-	-	0.63	0.08	0.71
WDV at end of IV year	-	-	3.55	0.75	4.30
Additions During The Year	-	-	-	-	-
	-	-	3.55	0.75	4.30
Less : Depreciation	-	-	0.53	0.08	0.61
WDV at end of Vth year	-	-	3.02	0.68	3.70

REPAYMENT SCHEDULE OF TERM LOAN

11.0%

Year	Particulars	Amount	Addition	Total	Interest	Repayment	CI Balance
I	Opening Balance						
	Ist Quarter	-	7.16	7.16	0.20	-	7.16
	IInd Quarter	7.16	-	7.16	0.20	-	7.16
	IIIrd Quarter	7.16	-	7.16	0.20	0.40	6.76
	Ivth Quarter	6.76	-	6.76	0.19	0.40	6.36
					0.78	0.80	
II	Opening Balance						
	Ist Quarter	6.36	-	6.36	0.17	0.40	5.96
	IInd Quarter	5.96	-	5.96	0.16	0.40	5.57
	IIIrd Quarter	5.57	-	5.57	0.15	0.40	5.17
	Ivth Quarter	5.17		5.17	0.14	0.40	4.77
					0.63	1.59	
III	Opening Balance						
	Ist Quarter	4.77	-	4.77	0.13	0.40	4.37
	IInd Quarter	4.37	-	4.37	0.12	0.40	3.98
	IIIrd Quarter	3.98	-	3.98	0.11	0.40	3.58
	Ivth Quarter	3.58		3.58	0.10	0.40	3.18
					0.46	1.59	
IV	Opening Balance						
	Ist Quarter	3.18	-	3.18	0.09	0.40	2.78
	IInd Quarter	2.78	-	2.78	0.08	0.40	2.39
	IIIrd Quarter	2.39	-	2.39	0.07	0.40	1.99
	Ivth Quarter	1.99		1.99	0.05	0.40	1.59
					0.28	1.59	
V	Opening Balance						
	Ist Quarter	1.59	-	1.59	0.04	0.40	1.19
	IInd Quarter	1.19	-	1.19	0.03	0.40	0.80
	IIIrd Quarter	0.80	-	0.80	0.02	0.40	0.40
	Ivth Quarter	0.40		0.40	0.01	0.40	-
					0.11	1.59	

Door to Door Period 60 Months
Moratorium Period 6 Months
Repayment Period 54 Months

CALCULATION OF D.S.C.R

PARTICULARS	I	II	III	IV	V
<u>CASH ACCRUALS</u>	2.13	3.46	4.54	5.38	6.93
Interest on Term Loan	0.78	0.63	0.46	0.28	0.11
Total	2.90	4.09	5.00	5.66	7.04
<u>REPAYMENT</u>					
Repayment of Term Loan	0.80	1.59	1.59	1.59	1.59
Interest on Term Loan	0.78	0.63	0.46	0.28	0.11
Total	1.57	2.22	2.05	1.87	1.70
DEBT SERVICE COVERAGE RAT	1.85	1.84	2.44	3.02	4.15
AVERAGE D.S.C.R.			2.62		

COMPUTATION OF ELECTRICITY**(A) POWER CONNECTION**

Total Working Hour per day	Hours	8	
Electric Load Required	HP	15	
Load Factor		0.7460	
Electricity Charges	per unit	7.50	
Total Working Days		300	
Electricity Charges			2.01
Add : Minimim Charges (@ 10%)			

(B) DG set

No. of Working Days		300	days
No of Working Hours		0.5	Hour per day
Total no of Hour		150	
Diesel Consumption per Hour		8	
Total Consumption of Diesel		1,200	
Cost of Diesel		65.00	Rs. /Ltr
Total cost of Diesel		0.78	
Add : Lube Cost @ 15%		0.12	
Total		0.90	
Total cost of Power & Fuel at 100%			2.91

Year	Capacity	Amount (in Lacs)
I	45%	1.31
II	50%	1.46
III	55%	1.60
IV	60%	1.75
V	65%	1.89

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