

PROJECT PROFILE

ON

TAMARIND POWDER

Month & Year
Aug 2010

**PREPARED BY
TANSTIA-FNF SERVICE CENTRE
B-22, INDUSTRIAL ESTATE
CHENNAI-600032**

Supported by

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TAMARIND POWDER

1. Introduction

Tamarind powder is used as a substitute for tamarind in the preparation of soups, sambhar and other spicy dishes.

2. Market

The market for the product is highly localised in the Southern states and consumed by specific ethnic groups in metropolitan cities. The product is sold only in “A” class retail outlets and self service counters of departmental stores. It also finds placement in some “B” class retail outlets. Being easy to use and non messy during cooking, it enjoys a very good market potential.

3. Packaging

Tamarind powder is best packed in polyethylene or polypropylene or BOPP pouches as a primary packing. The pouch is placed in secondary paper board cartons. These cartons are placed in bigger cartons and strapped prior to dispatch. The product is packed in weights of 100 gms.

4. Production capacity

- The plant operates to two shifts a day with each shift of eight hours duration.
- The plant will operate to a production capacity of 100 kilograms per hour. The anticipated production of tamarind powder is 1.6 metric tonnes per day and 480 metric tonnes per annum of 300 working days.
- The time period required for achieving full capacity utilization is one year.

5. Sales revenue

- At an ex-factory selling price of Rs. 100 per kilogram of the product, the net sales revenue per annum will be Rs. 480 lakhs on full capacity utilization.

6. Production process outline.

The production process consists of first cleaning the tamarind fruit to remove the seeds and adhering dirt. The fibre is then removed to the maximum extent possible. The pulp is then shredded in the shredder. It is then dried and then mixed with starch to a maximum extent of twenty percent and the mix

ground in a pin mill to form a coarse powder like mass. The material is then packed in pouches and cartons prior to dispatch.

7. Quality specifications

- Moisture - maximum 13%.
- Ash - maximum 3%.
- Acid insoluble ash - maximum 1%
- Protein - maximum 3%
- Fat - maximum 1%
- Crude fibre - maximum 6%
- Carbohydrates - maximum 76%
- The product should be free from coliforms, salmonella and streptococci bacteria.
- The product should be free from rodent excreta, human hair, and insect infestation It should also not contain any added coal tar food colours, preservatives, emulsifiers, stabilizers, bleaching agents and artificial flavouring agents.

8. Pollution control measures

Not necessary as there are no pollutants or effluents.

9. Energy conservation measures

Common measures will do.

10. Land and construction cost for the proposed unit

The proposed unit is to be set up in a leased shed. The space required is 3000 square feet as detailed below:

SI	Description	Sq. feet
1	Processing area	1800
2	Raw material store	200
3	Other ingredients store room	100
4	Finished goods store room	200
5	Packaging material store room	100
6	Laboratory	100
7	Office space	200
8	Machinery spares room	100
9	Toilets	100
10	Miscellaneous space	100
11	Total	3000

Lease rent – Rs. 8.00 per square foot

Total rent per month – Rs. 24000

Lease advance – Rs. 150000

11. Costing of machinery and equipment

SI	Description	Rs. lakhs
1	Stainless steel storage tanks – 5 nos	0.250
2	Shredder with motor and accessories	1.500
3	Pin mill with accessories	7.000
4	Pedal sealing machines – 4 nos	0.300
5	Total	9.050
6	Laboratory equipment	0.500
7	Grand total machinery and equipment	9.550

12. *Project cost*

SI	Description	Rs. lakhs
1	Land	On lease
2	Civil works	On lease
3	Plant machinery	9.050
4	Laboratory equipment	0.550
5	Transport vehicle (Tata Ace)	3.760
6	Pollution control equipment	0.000
7	Energy conservation equipment	0.000
8	Cost of power connection	0.750
9	Cost of electrification	0.750
10	Erection and commissioning	0.900
11	Cost of machinery spares	0.200
12	Cost of office equipment	1.000
13	Deposits if any	0.600
14	Company formation expenses	0.100
15	Gestation period expenses	0.500
16	Sales tax registration expenses	0.100
17	Initial advertisement and publicity	10.000
18	Contingencies	0.500
19	Working capital margin money	13.348
20	Total	42.108

13. *Working capital requirements per month*

a. *Salaries and wages*

SI	Description	No of persons	Total salary / month (Rs. lakhs)
1	Production Manager	1	0.400
2	Production supervisor cum chemist	1	0.250
3	Skilled workers	4	0.240
4	Unskilled workers	6	0.240
5	Administration staff	2	0.500
6	Security staff	3	0.180
7	Sales staff	1	0.150
8	Driver	1	0.070
7	Total	19	2.030

b. Raw material requirement per month

SI	Description	Qty (kgs)	Rate / kg (Rs)	Value (Rs. lakhs)
1	Tamarind	40000	32	12.800
2	Starch	8000	40	3.200
3	Total raw material	48000		16.000

c. Packaging material requirement per month

SI	Description	Qty	Rate / unit (Rs)	Value (Rs. lakhs)
1	Bag and box cartons	227250 nos	3	6.818
2	Cartons and straps	4040 nos	40	1.616
3	Total			8.434

Total raw + packaging material = Rs. 24.434 lakhs

d. Utilities per month

SI	Description	Rs. lakhs
1	Power 20000 kwh @ Rs. 6.00 per unit	1.200
2	Water	0.050
3	Boiler fuel	0.000
4	Total utilities	1.250

e. Contingent expenses per month

SI	Description	Rs. lakhs
1	Rent for processing shed	0.180
2	Postage and stationery	0.010
3	Telephones, fax etc.	0.050
4	Consumable stores	0.020
5	Repairs and maintenance	0.088
6	Local transports, loading and unloading	0.100
7	Advertisement and publicity @ 5% of sales	2.000
8	Insurance	0.008
9	Sales expenses @ 1% of sales	0.400
10	Miscellaneous expenses @ 1% of sales	0.400
11	Trade incentives @ 2% of sales	0.800
12	Taxes @ 4%	1.600
13	Total contingent expenses	5.656

f. Total working capital requirement per month

SI	Description	Rs. lakhs
1	Salaries and wages	2.030
2	Raw material and packaging material	24.434
3	Utilities	1.250
4	Contingent expenses	5.656
5	Total	33.370

14. Means of finance

SI	Description	Rs. lakhs
1	Total Project Cost	42.108
2	Equity	13.896
3	Debt	28.212
4	Working capital margin money	13.348

15. Financial analysis

SI	Description	Rs. lakhs
1	Total recurring cost per year	400.440
2	Depreciation on land and building	0.000
3	Depreciation on machinery	1.330
4	Depreciation on furnaces	0.000
5	Depreciation on moulds and fixtures	0.020
6	Depreciation on office equipment	0.100
7	Interest on long term loan @ 13.5%	3.809
8	Interest on short term borrowings@ 13.5%	2.703
9	Total cost of production	408.402

16. Turnover per year

SI	Item	Qty	Rate/unit (Rs)	Total Rs. lakhs
1	Tamarind powder	480,000 kgs	100	480

17. Viability analysis

SI	Description	Value
1	Net profit before income tax (Rs. lakhs)	71.598
2	Net profit ratio	14.8%
3	Internal rate of return	25.3%
4	Break even percentage	39%
5	Debt service coverage ratio	1.987

List of machinery suppliers for Tamarind Powder

1. Goldin India Equipment Private Limited, F / 29, B.I.D.C. Industrial Estate, Gorwa, Vadodra, Gujarat. 390016. ; Tel: 0265 - 2380168; Fax: 0265 - 2380168
2. KAPS Engineers, 831, GIDC, Makarpura, Vadodra, 390010, Gujarat.; Tel: 0265 - 2644692; Fax: 0265 - 2643178