

What it takes to invest in Soya flour processing

Soya bean is emerging as an important crop because of the rich nutritional values attached to it, especially proteins.

Dorothy Nakaweesi shares what one needs to do in order to invest and reap from a Soya flour factory.

In trying to address government's quest to promote industrialisation, processing of Soya beans into flour is one of those investment ideas that have been identified as profitable by Uganda Investment Authority (UIA).

Soya bean, the raw material used in the production of the flour, can be got across the country but particularly in the districts of Palisa, Soroti and Kumi where it's widely grown on commercial basis.

Investment

Mr John Musajjakawa, the UIA senior investment officer, says that a project such as this can be set up as a one integrated unit or a cluster of small units.

"The capital investment for the proposed product mix is estimated at \$11,020 (Shs39 million)," he shared.

He says once this plant starts operating with raw materials available, it will be able to process up to 1 tonne (1,000 kilogrammes) of Soya flour per day. This translates into 30 tonnes of Soya beans per month that is required.

Mr Musajjakawa shares: "This idea is estimated to yield annual revenue of \$312,000 (Shs1.1b) with a net profit margin of 36 per cent and a payback period of four months."

Market

Apart from being a source of edible oil, Soya is rich in proteins, and the defatted or whole Soya is used to make innumerable products such as Soya milk, Soya flour, Soya coffee and nugget.



Investing in Soya can be a very lucrative venture so long as one has the required amount of initial capital, adds value to the crop and markets the business well. FILE PHOTO

The potential markets for Soya flour are in the school feeding programme, social welfare feeding programme, confectionery industries, baking industries for nuggets and chunks manufacturing as a supplement for wheat flour.

These products have gained consumer acceptance and the market continues to grow.

Mr Musajjakawa says: "There are

Shs39m

THE MINIMUM INVESTMENT CAPITAL REQUIRED FOR A SOYA FLOUR PROCESSING FACTORY TO BE ABLE TO PROCESS AT LEAST ONE TONNE OF THE FLOUR PER DAY

several government programmes through which finances are allocated to the agro-processing industries and provide technical support."

He said this is aimed at promoting industrialisation which then creates jobs for the people.

This article's ideas and more investment concepts can be accessed on the Uganda Investment Authority website