

PROJECT PROFILE ON BISCUIT INDUSTRY

1. **Name of the Project:** BISCUIT INDUSTRY
2. **Location within State/Country:** ODISHA
3. **Nearest Road, Rail & Sea connection:**
4. **Estimated Capital Cost of the Project:** Rs. 1,50,80,000
5. **Raw Material:** FOOD, SUGAR, BAKERY
6. **Environment Impact:** The project is an Environment Friendly Activity. There will be no Ecological imbalance and Pollution hazards to the Localities because of the Project.
7. **Time-frame for selection & completion**
Of selection of Project: period of 12 months.
8. **Government Incentive package applicable**
To the Project: Capital Investment, Power, Interest, Transport, subsidies, etc.

PLANT & MACHINERY

Machinery to be used are as follows:

- 1. Flour mixer
- 2. Rotary forming machine for hard Biscuit
- 3. Rotary forming machine for soft Biscuit
- 4. Tunnel Gas Oven
- 5. Oil Spray machine
- 6. Cooling conveyor
- 7. Layout Turning Machine
- 8. Sandwich machine
- 9. Packaging

MARKETING CHANNELS

The marketing channels plays important role in the distribution of the products to reach the potential customers. The selection of the marketing channels is also important .so choose my marketing channels as follows as

- Wholesaler & Distributor:

These People working as a company partner because they are giving place our product.

- Wholesaler & Retailer:

The registration with the trading companies like India mart will also be the marketing channel

The factor influenced to choose the plant layout are as follow as:

1. Availability of Raw materials:
2. Availability of Skilful labours:
3. Good Transportation facilities:
4. Availability of the Water and Power supply:

FINANCE:

Supply of finance is very important factor in the establishment of an enterprise is old. Finance is the life line of the Business. Finance deal with the arrangement of the sufficient capital for the smooth run of the Organization. Following are the certain sources of the finance scheme:

A) Own
Capital:

33.33% of the project cost will be financed by the promoter himself.

B) Term Loan from the Commercial
Bank:

Rs. 1,00, 00,000 at the rate of interest 13.75%

Cost of the Project

Sr No.	Particulars	Amount
1	Building	25,00,000
2	Plant and Machinery	80,00,000
3	Furniture and Misc.	2,00,000
4	Land	2,00,000
5	Preliminary and preoperative exp.	80,000
6	Working capital (3 months)	41,00,000
	Total	1,50,80,000

Total Fixed Capital:

Sr no.	Particulars	Amount
1	Building	25,00,000
2	Plant and Machinery	80,00,000
3	Furniture and Misc.	1,50,000
4	Land Development	2,00,000
5	Preliminary and preoperative exp.	80,000
	Total	10930000

Building:

Sr no.	Particulars	Cost of the item	Amount
1	Corporate Office	4,20,000	5,20,000
2	Show Room	3,50,000	3,50,000
3	Work Shop	8,00,000	9,50,000
4	Toilet	1,00,000	130,000
5	Store room	5,50,000	5,50,000
	Total		2500000

Plant and Machinery:

Sl. no.	Particular	Quantity	Amount
1	Hydraulic Hot press	01	50,05,000
2	Steam Boiler	01	13,10,000
3	Chimney with Ladder	01	4,90,000
4	Air-pre Heater	01	2,88,000
5	Dust controller	01	2,07,000
6	Pressure reducing station	01	3,90,000
7	Glue Machine	01	3,10,000
	Total		800000

Furniture and Miscellaneous Expenses:

Sr no.	Particulars	Quantity	Amount
1	Furniture		
	Office chairs	8	20,000
	Almirah	8	40,000
	Racks	20	50,000
	Tables	2	5,000
	Computer and Accessories	1	35,000
	Fans	8	10,000
	Sofa set	1	20,000
2	Work shed	-----	20,000
	Total		200000

Land

Sr no.	Particular	Price/acre	Amount
1	Land Area (2 acre) Development	1,00,000	Own 2,00,000

Preliminary and Preoperative Expenses:

Sr no.	Particular	Amount
1	Deposit for Power, Water, Telephone	20,000
2	Loan Application process fees	10,000
3	Deposit for internet	5,000
4	Legal Stamp Duty and Registration	20,000
5	Travelling	13,000
6	Consultancy	12,000
	Total	80000

Depreciation (per annum):

Sr no.	Types of Assets	Cost of Assets	Rate of Depr.	Amount
1	Plant and Machinery	80,00,000	10%	8,00,000
2	Furniture	2,00,000	20%	40,000
3	Building	25,00,000	5%	1,25,000
	Total			9,55,000

Working Capital Requirement:

Sr no.	Particular	1 Month	3 Month
1	Raw Material	11,51,000	34,53,000
2	Salary and Wages	1,25,000	3,75,000
3	Power and Fuel	24,000	72,000
4	Other Manufacturing Expenses	12,000	36,000
5	Selling and Office Expenses	17,000	51,000
	Total		39,87,000

Raw Material:

Sr no.	Particulars	No. of Tons/month	Price/tons (Rs)	Cost/month	Cost /year
1	Food	140	5000	7,00,000	84,00,000
2	Sugar	70	4000	2,80,000	33,60,000
3	Bakery	25	6800	1,71,000	20,52,000
	Total			11,51,000	1,38,12,000

Salary and Wages:

Sr no.	Name of the Post	No. of member	Salary /head	Salary / month	Salary /year
1	Manager	1	14,000	14,000	1,68,000
2	Accountant	1	9,000	9,000	1,08,000
3	Office staff	3	4,000	12,000	1,44,000
4	Chemist	1	4,500	4,500	54,000
5	Supervisor	1	6,000	6,000	72,000
6	Machine Operator	1	5,500	5,500	66,000
7	Skilled labour	7	3000	21,000	2,52,000
8	Unskilled labour	10	3000	30,000	3,60,000
9	Women mazdoor	3	3000	9,000	1,08,000
10	Mechanic cum Electrician	4	3500	14,000	1,68,000
	Total	32		1,25,000	15,00,000

Power and Fuels:

Sr no.	Particulars	Per month	Per Annum
1	Fuel	8,000	96,000
2	Power	16,000	1,92,000
	Total	24,000	2,88,000

Other Manufacturing Expenses:

Sr no.	Particulars	Per month	Per annum
1	Repairing of the Machine	8,000	96,000
2	Packaging Material	4,000	48,000
	Total	12,000	1,44,000

Office Selling, Distribution Expenses:

Sr no.	Particulars	Per month	Per annum
1	Transportation	2,500	30,000
2	Telephone and internet bills	1,500	18,000
3	Postage and Stationeries	13,000	1,56,000
	Total	17,000	2,04,000

Cost of the Production:

Sr no.	Particulars	Per month	Per annum
1	Raw Material	11,51,000	1,38,12,000
2	Salary and Wages	1,25,000	15,00,000
3	Other Manufacturing Expenses	12,000	1,44,000
4	Consumables	20,000	2,40,000
5	Repairing of machines	15,000	1,80,000
	Total	13,23,000	1,58,76,000

Profitability

Sr no.		Particulars	Per month	Per annum
1		Sales	18,35,274	2,20,23,288
2	Less:	Cost of Production	13,23,000	1,58,76,000
3		Gross Profit	5,12,274	61,47,288
4	Less:	Office, selling, distribution exp	17,000	204000
5	Less:	Interest on loan 13.75% bank	1,12,500	1350000
		Net Profit	382774	4593288

Cash Flow Statement

	Particular	Rs
	Operation Activity	
	Wages and salary	1500000
	Repair & machine	180000
	Manufacturing Expenses	144000
	Selling & Distribution	204000
	Total	2028000
Add	Investment activity	
	Building	2500000
	Plant & machinery	8000000
	Furniture	200000
	Land	200000
	Total	10900000
Add	Financial activity	
	Loan	10000000
	Total cash flow income	22928000

PROFIT & LOSS ACCOUNT

	Capacity Utilization	85%	85%	79%	79%	79%
		1 st year	2 nd year	3 rd year	4 th year	5 th year
A	Sales	22023288	24,225,616	26,648,177	26,648,177	26,648,177
B	Cost of Production					
	Raw Material	1,38,12,000	15,048,000	16,552,800	16,552,800	16,552,800
	Power	2,88,000	2,88,000	2,88,000	2,88,000	2,88,000
	Wages and Salaries	15,00,000	15,00,000	15,00,000	15,00,000	15,00,000
	Factory Overhead	120,000	120,000	120,000	120,000	120,000
C	Administration and Selling Exp.	2,04,000	204,000	204,000	204,000	204,000
D	Gross Profit Before Interest	6,30,3288	7,065,616	7,983,377	7,983,377	7,983,377
E	Total Financial Expenses					
	Interest on Term Loan	1,350,000	1,237,500	1,100,000	962,500	825,000
F	Operating Profit	4,953,288	5,828,116	6,883,377	7,020,877	7,158,377
G	Preliminary Exp.					
H	Profit and Loss Before Tax	4,953,288	5,828,116	6,883,377	7,020,877	7,158,377
I	Provision for Tax	732,193	874,224	1,032,507	1,032,507	1,032,507
	Net Profit	4,22,1095	4,953,892	5,850,870	5,988,370	6,125,870

BALANCE SHEET

	At the End of Construction Period	1st year	2nd year	3rd year	4th year	5th year
Liabilities						
Owner's Fund	6,250,000	6,250,000	6,250,000	6,250,000	6,250,000	6,250,000
Reserve and surplus		4,22,1095	4,953,892	5,850,870	5,988,370	6,125,870
Secured Loan						
Term Laon	10,000,000	10,000,000	9,000,000	8,000,000	7,000,000	6,000,000
Working capital adv.		2,124,000	2,124,000	2,124,000	2,124,000	2,124,000
Current Liabilities and Provision						
Trade Credit		1,495,905	3,059,108	4,666,930	5,529,430	6,391,930
Creditors						
Total	16,250,000	24,019,000	25,387,000	26,891,800	26,891,800	26,891,800
Assets						
Fixed Assets						
	10,930,000	9,97,5000	9,97,5000	9,97,5000	9,97,5000	9,97,5000
Current Assets , Loans And Advances						
Raw Material		13,812,000	15,048,000	16,552,800	16,552,800	16,552,800
Cash and Bank Balance	5,240,000					
Debtors		1,52,000	284000	284000	284000	284000
Miscellaneous Expenditure and losses						
preliminary Exp.	80,000	80,000	80,000	80,000	80,000	80,000
Total	16,250,000	24,019,000	25387000	26,891,800	26,891,800	26,891,800

