

"KVIC- REGP-(Gramodyog Rojgar Yojana)"

BAKERY PRODUCTS

Introduction :

Bakery industry in India is the largest of the food industries with an annual turnover of about Rs.3000 crores. India is the second largest producer of biscuits after USA. The biscuit industry in India comprises of organised and unorganised sectors. Bread and Biscuits form the major baked food accounting for over 80% of total bakery products produced in the country. The quantities of bread and biscuits produced are more or less the same. However, value of biscuits is more than bread. The industry has traditionally been and largely continues to be in the unorganized sector contributing over 70% of the total production. Bakery products once considered as stick man's diet, have now become an essential food item of the vast majority of population.

Process of Manufacture: The main product of the unit wafer biscuits can be manufactured after obtaining raw materials like maida, starch, soda, salt, colour, preservatives, vanaspati, sugar, flavours etc. which are easily available in local markets. The calculated amount of maida, starch, vanaspati, water etc. are mixed in a mixer to form paste. The paste so formed will be poured into pre-heated mould to bake wafer sheet. The other ingredients like sugar, vanaspati, colour, essence are mixed in a planetary mixer to form cream. The cream so prepared will be applied on the sheets to form sandwich. Thereafter the sandwich will be cut into biscuits and packed in pouches.

1 Name of the Product : BAKERY PRODUCTS

2 Project Cost :

a Capital Expenditure

Land : Own

Workshed in sq.ft : Rs. -

Equipment : Rs. 517,000.00

Manual wafer biscuits -1, Butter Mixing machine-1, Sugar Grinding Machine-1

Total Capital Expenditure Rs. 517,000.00

b Working Capital Rs. 785,000.00

TOTAL PROJECT COST : Rs. 1,302,000.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

| Sr.No. | Particulars | Capacity in kg. | Rate | Total Value |
|--------|---|-----------------|------|-------------|
| 1 | Wafers 8 gr., 18 gr., ATC pack 150 gr., checkers 14 gr. | | | 5679.00 |
| TOTAL | | 0.00 | 0.00 | 5679.00 |

4 Raw Material : Rs. 3,648,000.00

5 Labels and Packing Material : Rs.

6 Wages (Skilled & Unskilled) : Rs. 300,000.00

7 Salaries : Rs. 341,000.00

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|----|-----------------------------|---|-----|--------------|
| 8 | Administrative Expenses | : | Rs. | 120,000.00 |
| 9 | Overheads | : | Rs. | 72,000.00 |
| 10 | Miscellaneous Expenses | : | Rs. | 100,000.00 |
| 11 | Depreciation | : | Rs. | 51,700.00 |
| 12 | Insurance | : | Rs. | 5,170.00 |
| 13 | Interest (As per the PLR) | | | |
| | a. C.E.Loan | : | Rs. | 67,210.00 |
| | b. W.C.Loan | : | Rs. | 102,050.00 |
| | Total Interest | | Rs. | 169,260.00 |
| 14 | Working Capital Requirement | : | | |
| | Fixed Cost | | Rs. | 633,380.00 |
| | Variable Cost | | Rs. | 4,122,050.00 |
| | Requirement of WC per Cycle | | Rs. | 792,572.00 |

15 Cost Analysis

| Sr.No. | Particulars | Capacity Utilization(Rs in '000) | | | |
|--------|----------------------|----------------------------------|---------|---------|---------|
| | | 100% | 60% | 70% | 80% |
| 1 | Fixed Cost | 633.38 | 380.03 | 443.37 | 506.70 |
| 2 | Variable Cost | 4122.00 | 2473.20 | 2885.40 | 3297.60 |
| 3 | Cost of Production | 4755.38 | 2853.23 | 3328.77 | 3392.10 |
| 4 | Projected Sales | 5679.00 | 3407.40 | 3975.30 | 4543.20 |
| 5 | Gross Surplus | 923.62 | 554.17 | 646.53 | 738.90 |
| 6 | Expected Net Surplus | 872.00 | 502.00 | 595.00 | 687.00 |

- 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.