PROJECT REPORT

ON
'MILLET BASED FOOD PRODUCTS'

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regardin 'Millet Based Food Products'

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.]

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PROJECT PROFILE ON

MILLET FOOD PRODUCTS

INTRODUCTION

Traditionally fermented foods and beverages obtained from millet or millet mixed with other cereals (corn and sorghum) include koko (millet porridge), fura, mangishi, jandh, uji, burukutu, kunu- zaki, ogi, and bushera. Unfermented millet-based products include dambu, masvusvu, and roti

Millet is a cereal grain that belongs to the Poaceae family, commonly known as the grass family (1). It's widely consumed in developing countries throughout Africa and Asia. While it may look like a seed, millet's nutritional profile is similar to that of sorghum and other cereals.

It is rich in minerals like calcium, copper, iron, magnesium, phosphorus, potassium, and selenium as well as essential vitamins like folate, pantothenic acid, niacin, riboflavin, and Vitamins B6, C, E, and K. Many of the most powerful health benefits millet has to offer are related to its fiber content.

Millet Based Cookie

Cookie is a small flat, baked product, commonly called biscuit. Cookie usually prepared from wheat flour, eggs, sugar and fat, sometimes toppings with raisins, oats or chocolate chips. Generally, wheat is one of the cereals used extensively throughout the world for the preparation of cookie. But cookie from non-wheat cereals like rice, jowar, maize or millet is uncommon. Recently, millets are gaining importance because they can offer several nutraceuticals, and also being rich in protein, minerals and vitamins. Its protein has a beneficial influence on the metabolism of cholesterol. Cereal or millet cookie is made from a fine flour of millet with leavening and shortenings. There exists, however considerable potential for large scale manufacture and marketing of shelf-stable product utilizing underutilized grains like proso or foxtail millet asDemand for ready-to-eatconvenience food products has been steadily increasing, consequent to industrialization.

MARKET DEMAND

The global millet consumption has declined at a rate of 0.9% and expected to witness positive movement during the forecast period. India, Niger, and China are the largest producers of millet in the world, accounting for more than 55% of global production. For many years, India was the world's major producer of millet. However, in recent years, millet production has increased dramatically in Africa.

The global millet production was estimated at 27.8 million tons. India is the largest global producer with a 41.0% global market share. In the last two decades, the importance of millet as food staples, particularly in India, has been declining due to various factors, including rising incomes, growing urbanization, and government policies. More than 50% of the millet production is currently finding its way into alternative uses as opposed to its consumption only as a staple.

Due to COVID-19 issues in across the world the demand of nutrition based foods are having good demand, thus the millet based food industry will shine significantly.

Energy Conservation:

General precautions for saving electricity are followed by the unit by providing energy meter. These products are low energy consumption. Thus considerable energy could be saved during manufacturing activities.

BASIS AND PRESUMPTION OF THE PROJECT:

- **The process of manufacture is on the basis of single shift eight hours per shift with three hundred working days in a year.**
- To achieve full plant capacity it requires three month trial production
- Labor and wages mentioned in profile are as per prevailing local rates.
- Interest rate at 11% considered in the project
- However the rate of interest may be varying while implement
- **The Promoter contribution will be *10*% of the total project cost**

IMPLEMENTATION SCHEDULE

The major activities and their implementation schedule are furnished below. The assessment of the items required for implementation of the project has been considered and accounted from the date of sanction of the loan:

Sno	Activities	Period in No. months
1	Application to financial institutions, submission of documents, certificates for loan and other formalities	1
2	Placement of orders for machinery and equipments and application for power connection	1
3	Procurement of raw materials	1
4	Clearing machinery, installation, electrification etc.	1
5	Trial and commercial production	1
	Total	5

QUALITY CONTROL:-

The quality of finished product and raw material will adhere to FSSAI standard and Consumer requirement.

PRODUCTION CAPACITY

The production capacity per annum by this process of manufacture is about 62 M.Tons.

POLLUTION CONTROL

Since no pollutants are generated during and after manufacture, no pollution control methods are required.

ENERGY CONSERVATION

Energy requirement for this method of manufacture is about 15% more than the other processes, the production capacity is higher leading to better profitability.

MANPOWER

Following Manpower is required for starting Manufacturing unit : -

Food Technologist	1

Skilled worker	2
Semi skilled worker	2
Manager	1
Sales	2
Total	8

POWER AND FUEL

Proper Arrangements for the Electricity Connection Load has to be made from the Concerned State Electricity Board.

Total connected load (KW) : 10

In Addition to the Connection Load taken, Arrangements for DG Set shall also be done as per requirement.

BANK LOAN

Rate of Interest is assumed to be at 11.00%

DEPRECIATION

Depreciation has been calculated as per the provisions of Income Tax Act, 1961

APPROVALS & REGISTRATION REQUIREMENT:

- Basic registration required in this project:
- GST Registration
- Udyog Aadhar Registration(Optional)
- Choice of a Brand Name of the product and secure the name with Trademark if required
- NOC from State Pollution Control Board
- FSSAI Registration

FINANCIAL ASPECTS FIXED CAPITAL

a) LAND AND BUILDING

Land required for shed is 3500 Sq Ft. The land and Building may be taken on lease or rent to minimize the cost in initial period. In the cost of project. same is assumed to be on rent , rent for the same will be Rs 25,000.00 per Month Approx.

b) MACHINERY AND EQUIPMENT:-

1	Grinding Machine	1	2,75,000	2,75,000.00
2	Vibrating Screen	1	55,000	55,000.00
3	Pressing Machine with various dies	2	1,30,000	2,60,000.00
4	Oil fired Kiln	1	4,10,000	4,10,000.00
5	Semi automatic Packing Machine,	1	65,000	65,000.00
6	Metal Cylinders for printing of pouches	20	5,000	1,00,000.00
7	Weighing Machine,	1	15,000	15,000.00
	Total			11,80,000.00
	GST IN 18%			2,12,400.00
	Total			13,92,400.00

COST OF PROJECT (Rs. In Lacs)

Particulars	Amount
Land 3500 SqFt	Rented/Owned
Building & Civil Work (3500SqFt)	
Plant & Machinery	13.92
Furniture & Fixtures	0.50
Pre-operative Expenses	0.74
Working Capital Requirement	9.33
Total	**24.50**

MEANS OF FINANCE

Particulars	Amount
Own Contribution	4.52
Term Loan	12.98
Working Capital Finance	7.00
Total	**24.50**

Beneficiary's Margin Monery 10%

COMPUTATION OF MANUFACTURING OF MAKHANA SNACKS

Manufacturing Capacity per day	0.21	**MT**
No. of Working Hour	8	
No of Working Days per month	25	
No. of Working Day per annum	300	
Total Production per Annum	62.00	MT
Year	Capacity	MT
	Utilisation	
IST YEAR	65%	40.30
IIND YEAR	70%	43.40
IIIRD YEAR	75%	46.50
IVTH YEAR	80%	49.60
VTH YEAR	85%	52.70

COMPUTATION OF RAW MATERIAL

Item Name	Quantity	Rate Per MT	Total Cost
	MT	Rs	Per Annum (100%)
Sugar, nuts, cashews, millet organic seeds, roots and food preservatives and food colours	62.00	1,00,000.00	62.00
Annual Consumption cost		Rs in Lacs	62.00

Raw Material Consumed	**Capacity**	**Amount (Rs.)**
	Utilisation	
IST YEAR	65%	40.30
IIND YEAR	70%	43.40
IIIRD YEAR	75%	46.50
IVTH YEAR	80%	49.60
VTH YEAR	85%	52.70

COMPUTATION OF SALE

Particulars	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
Op Stock	-	3.02	3.26	3.49	3.72
Production	40.30	43.40	46.50	49.60	52.70
Less : Closing Stock	3.02	3.26	3.49	3.72	3.95
Net Sale	37.28	43.17	46.27	49.37	52.47
Sale Price per MT	1,70,000.00	1,71,700.00	1,73,417.00	1,75,151.17	1,76,902.68
Sale (in Lacs)	**63.37**	**74.12**	**80.24**	**86.47**	**92.82**

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
Finished Goods					
(15 Days requirement)	3.87	4.15	4.43	4.72	5.02
Raw Material					
(15 Days requirement)	2.02	2.17	2.33	2.48	2.64
Closing Stock	**5.88**	**6.32**	**6.76**	**7.20**	**7.65**

COMPUTATION OF WORKING CAPITAL REQUIREMENT

Particulars	Total
	Amount
Stock in Hand	5.88
Sundry Debtors	3.17
Total	9.05
Sundry Creditors	1.26
Working Capital Requirement	**7.79**
Margin	0.78
MPBF	7.01
Working Capital Finance	**7.00**

PROJECTED BALANCE SHEET

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
SOURCES OF FUND					
Capital Account					
Opening Balance	-	4.85	8.07	12.05	15.44
Add: Additions	4.52	-	-	-	-
Add: Net Profit	5.33	8.22	9.99	11.39	12.77
Less: Drawings	5.00	5.00	6.00	8.00	9.00
Closing Balance	4.85	8.07	12.05	15.44	19.21
Term Loan	11.54	8.65	5.77	2.88	-
Cash Credit	7.00	7.00	7.00	7.00	7.00
Sundry Creditors	1.34	1.45	1.55	1.65	1.76
Provisions & Other Liab	0.36	0.40	0.44	0.48	0.53
TOTAL :	**25.09**	**25.56**	**26.81**	**27.46**	**28.49**
APPLICATION OF FUND					
Fixed Assets (Gross)	15.16	15.16	15.16	15.16	15.16
Gross Dep.	2.25	4.16	5.79	7.18	8.36
Net Fixed Assets	12.92	11.00	9.37	7.99	6.81
Current Assets					
Sundry Debtors	3.17	3.71	4.01	4.32	4.64
Stock in Hand	5.88	6.32	6.76	7.20	7.65
Cash and Bank	0.13	1.53	3.66	4.95	6.39
Deposits & Advances	3.00	3.00	3.00	3.00	3.00
TOTAL :	**25.09**	**25.56**	**26.81**	**27.46**	**28.49**

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
A) SALES					
Gross Sale	63.37	74.12	80.24	86.47	92.82
Total (A)	**63.37**	**74.12**	**80.24**	**86.47**	**92.82**
B) COST OF SALES	3.63	3.91	4.19	4.46	4.74
Raw Material Consumed	40.30	43.40	46.50	49.60	52.70
Electricity Expenses	0.78	0.84	0.90	0.95	1.01
Repair & Maintenance	0.63	0.74	0.80	0.86	0.93
Labour & Wages	5.68	6.24	6.87	7.55	8.31
Depreciation	2.25	1.91	1.63	1.39	1.18
Packing and marketing expenses	1.90	2.22	2.41	2.59	2.78
Cost of Production	51.54	55.36	59.10	62.96	66.92
Add: Opening Stock /WIP	-	3.87	4.15	4.43	4.72
Less: Closing Stock /WIP	3.87	4.15	4.43	4.72	5.02
Cost of Sales (B)	47.67	55.07	58.82	62.67	66.62
C) GROSS PROFIT (A-B)	15.70	19.05	21.41	23.80	26.20
	24.78%	**25.70%**	**26.69%**	**27.53%**	**28.22%**
D) Bank Interest (Term Loan)	1.41	1.15	0.83	0.52	0.20
Bank Interest (C.C. Limit)	0.70	0.70	0.70	0.70	0.70
E) Salary to Staff	3.96	4.36	4.79	5.27	5.80
F) Selling & Adm Expenses Exp.	1.90	2.22	2.41	2.59	2.78
G) Rent of factory premises	2.40	2.40	2.40	2.40	2.40
TOTAL (D+E)	**10.37**	**10.83**	**11.13**	**11.48**	**11.88**
H) NET PROFIT	5.33	8.22	10.28	12.32	14.31
I) Taxation			0.30	0.93	1.55
J) PROFIT (After Tax)	5.33	8.22	9.99	11.39	12.77

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