Model Detailed Project Report

SOYA MILK UNIT

Prepared by

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1. INTRODUCTION

Soya Milk is an inexpensive and remarkably versatile high protein food made from soya beans. It is a white liquid made from the seed. Unlike most other protein foods, milk is entirely free from cholesterol and low in fat (specially saturated fats).

The quality of protein is as high as that found in chicken. It is also good for dieters as this contain low calories. It is an excellent food for babies, children, elderly people, pregnant and lactating women since it contains vegetable protein which is very nutritious and easy to digest.

Soya milk and its derivatives are the cheapest source of protein, its derivatives tofu (soya paneer) makes tasty dishes like matar paneer, Palak paneer etc. and snacks like soya burger, patties, sandwiches, pakoras etc. and also used in desserts.

2. MARKET POTENTIAL:

With the increasing health consciousness among the general people, the use of soyabean is getting acceptance in the form of textured vegetable protein (popularly known as Soya baadi or Soya nuggets), Soya fortified wheat flour, Soya milk, Tofu and Soya curd etc. Being mainly the country of vegetarians, India has indeed a very great potential for Soya milk, paneer and curd. Experts predict that the Soya food industry will grow 20% annually over the next few years.

3. PRODUCT DESCRIPTION

3.1 PRODUCT BENEFITS

It's a good source of potassium and can be fortified with Vitamins A, B-12 and D as well as Calcium. It contains as much protein as Cow's Milk, yet is lower in calories than the whole milk and about equal to the calories in 1 percent or 2 percent milk. It contains very little saturated fats.

3.2 RAW MATERIAL

Basic Raw material requirement are as follows:

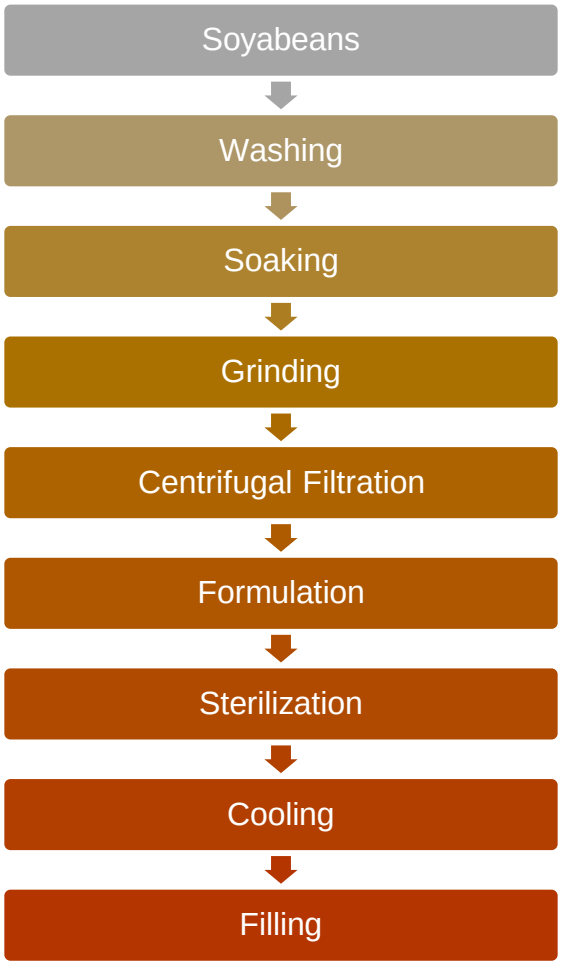
1. Soya bean
2. Chemicals, flavors, color and other material etc.
3. Packaging material for milk
4. Sugar

3.3 MANUFACTURING PROCESS

Soya milk is made from whole soya beans or full-fat soya flour. The dry beans are soaked in water for a minimum of three hours up to overnight depending on the temperature of the water. The rehydrated beans then undergo wet grinding with enough added water to give the desired solids content to the final product which has a protein content of 1–4%, depending on the method of production. The ratio of water to beans on a weight basis is 10:1 for traditional soya milk. The resulting slurry or purée is brought to a boil in order to improve its taste properties by heat inactivating soybean trypsin inhibitor, improve its flavor, and to sterilize the product.

Heating at or near the boiling point is continued for a period of time, 15–20 minutes, followed by the removal of insoluble residues (soya pulp fiber) by filtration.

Processing requires the use of an anti-foaming agent or natural defoamer during the boiling step. Bringing filtered soya milk to a boil avoids the problem of foaming. It is generally opaque, white or off-white in color, and approximately the same consistency as cow's milk. Raw soya milk may be sweetened, flavored, and fortified with micronutrients. Once fully processed, soya milk products are typically sold in plastic bottles or plastic-coated cartons, such as tetra packs.



4. PROJECT COMPONENTS

4.1 Land & Building

The approximate total area required for complete small-scale factory setup is 1200-1500 Sq. ft. approximately smooth production

4.2 Plant & Machinery

Dry Bean Tank	These equipment's are class of storage equipment's which are specifically designed for dry raw material of small granule composition.	
Soya bean Transferring Machine	This machine is basically used to transfer soya bean to Soaking and washing machine for further process.	
Soya bean Soaking & Washing Machine	Soybean Soaking & Washing Machine use compressed air injection in water to roll the beans, separate bad Soybean and other impurities which float on the water and then are simply discharged with overflow to get the pure soybean.	

Grinding and Separating Machine	Grinding & Separating Machine are used for grinding rice, soybeans and all sorts of beans into soy milk, rice milk and carrot cakes. Many small stores choose the versatile machine for a priority to lower the cost	
Soymilk Cooking Machine	In this machine time and temperature for cooking are operated on the panel and thus facilitate cooking of condensed food. They can be used for cooking not only soy milk but also Rice Milk, soup and concentrated sauce like spaghetti sauce.	
Soymilk Storage Tank	After the soy milk is prepared this equipment is used to store the soy milk. Therefore, they serve as machines for temporary storage and transports the right amount of soy milk to the next device in operation on the basis of device capacity.	
Sugar Dissolving Machine	This machine is used to dissolve sugar in the soy milk in the right quantity and provides taste to the product.	

Soy milk Twin Filter machine	Soy milk Twin Filter Machine removes the main residues from expansion of boiled pulp and whey sugar particles that are too large.	
Homogenizer	This equipment is used in the production of liquid mixtures in which the said mixture, is forced through a small passage at high velocity. This machine reduces solute globule size to a very small size in order to prevent aggregate formation.	
Soymilk Plate Heat Exchanger Machine	Soy milk Plate Heat Exchanger Equipment is a pasteurization process to improve soy milk's shelf life. Using Soy milk Plate Heat Exchanger Equipment destroys bacteria and improves soy milk's quality. Soy milk Plate Heat Exchanger Equipment is suitable for the production of soy milk (Long Life soy milk) or juice.	
Soymilk Filling and Sealing Equipment	This machine is used to fill the finished product in pouches or cans of different sizes and the product is ready for sale in the market.	

Note: Approx. Total Machinery cost shall be Rs 14.90 lakhs excluding GST and Transportation Cost.

4.3 Power Requirement

The borrower shall require power load of 15 KW which shall be applied with Power Corporation. However, for standby power arrangement the borrower shall purchase DG Set.

4.4 Manpower Requirement

7 Manpower are required for the Asafoetida Manufacturing Process.

Includes:

2 Skilled Labour

3 Unskilled Labour

1 Administrative Staffs

1 Accountant

5. FINANCIALS

5.1 Cost of Project

			(in Lacs)
PARTICULARS	**AMOUNT**	**Own Contribution**	**Bank Finance**
		25.00%	75.00%
Land & Building		Owned /rented	
Plant & Machinery	14.90	3.73	11.18
Furniture & Fixtures and Other Assets	1.20	0.30	0.90
Working capital	2.67	0.67	2.00
Total	**18.77**	**4.69**	**14.08**

5.2 Means of Finance

PARTICULARS	**AMOUNT**
Own Contribution	4.69
Bank Loan	12.08
Working capital Limit	2.00
Total	**18.77**

5.3 Projected Balance Sheet

PROJECTED BALANCE SHEET **(in Lacs)**

PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
Liabilities					
Capital					
opening balance		5.34	6.15	7.27	9.41
Add:- Own Capital	4.69				
Add:- Retained Profit	1.15	2.31	4.11	6.15	8.13
Less:- Drawings	0.50	1.50	3.00	4.00	6.00
Closing Blance	5.34	6.15	7.27	9.41	11.54
Term Loan	10.73	8.05	5.37	2.68	-
Working Capital Limit	2.00	2.00	2.00	2.00	2.00
Sundry Creditors	0.19	0.21	0.24	0.27	0.31
Provisions & Other Liab	0.35	0.42	0.50	0.60	0.73
TOTAL :	**18.62**	**16.84**	**15.38**	**14.98**	**14.57**
Assets					
Fixed Assets (Gross)	16.10	16.10	16.10	16.10	16.10
Gross Dep.	2.36	4.36	6.07	7.53	8.78
Net Fixed Assets	**13.75**	**11.74**	**10.03**	**8.57**	**7.32**
Current Assets					
Sundry Debtors	2.66	3.12	3.57	4.05	4.56
Stock in Hand	0.46	0.51	0.56	0.62	0.68
Cash and Bank	1.76	1.48	1.23	1.75	2.02
TOTAL :	**18.62**	**16.84**	**15.38**	**14.98**	**14.57**

5.4 Projected Cash Flow

PROJECTED CASH FLOW STATEMENT **(in Lacs)**

PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
SOURCES OF FUND					
Own Margin	4.69				
Net Profit	1.15	2.31	4.11	6.21	8.29
Depreciation & Exp. W/off	2.36	2.01	1.71	1.46	1.25
Increase in Cash Credit	2.00	-	-	-	-
Increase In Term Loan	12.08	-	-	-	-
Increase in Creditors	0.19	0.03	0.03	0.03	0.03
Increase in Provisions & Oth lib	0.35	0.07	0.08	0.10	0.12
TOTAL :	**22.81**	**4.41**	**5.93**	**7.80**	**9.69**
APPLICATION OF FUND					
Increase in Fixed Assets	16.10				
Increase in Stock	0.46	0.05	0.05	0.06	0.06
Increase in Debtors	2.66	0.46	0.45	0.48	0.51
Repayment of Term Loan	1.34	2.68	2.68	2.68	2.68
Drawings	0.50	1.50	3.00	4.00	6.00
Taxation	-	-	-	0.06	0.16
TOTAL :	**21.05**	**4.69**	**6.19**	**7.28**	**9.42**
Opening Cash & Bank Balance	-	1.76	1.48	1.23	1.75
Add : Surplus	1.76	(0.28)	(0.25)	0.52	0.27
Closing Cash & Bank Balance	**1.76**	**1.48**	**1.23**	**1.75**	**2.02**

5.5 Projected Profitability

PROJECTED PROFITABILITY STATEMENT					(in Lacs)
PARTICULARS	**1st year**	**2nd year**	**3rd year**	**4th year**	**5th year**
Capacity Utilisation %	**60%**	**65%**	**70%**	**75%**	**80%**
SALES					
Gross Sale					
Soya Milk	26.55	31.16	35.66	40.46	45.55
Total	**26.55**	**31.16**	**35.66**	**40.46**	**45.55**
COST OF SALES					
Raw Material Consumed	8.10	9.21	10.42	11.72	13.13
Electricity Expenses	2.16	2.38	2.61	2.87	3.16
Depreciation	2.36	2.01	1.71	1.46	1.25
Wages & labour	6.12	6.73	7.41	8.15	8.96
Repair & maintenance	0.53	0.78	0.89	1.01	1.14
Cost of Production	19.27	21.11	23.04	25.21	27.63
Add: Opening Stock /WIP	-	0.32	0.35	0.38	0.42
Less: Closing Stock /WIP	0.32	0.35	0.38	0.42	0.46
Cost of Sales	18.94	21.08	23.01	25.18	27.59
GROSS PROFIT	**7.61**	**10.08**	**12.65**	**15.28**	**17.96**
	28.64%	**32.36%**	**35.48%**	**37.76%**	**39.42%**
Salary to Staff	2.40	2.64	2.90	3.19	3.51
Interest on Term Loan	1.19	1.05	0.75	0.46	0.16
Interest on working Capital	0.20	0.20	0.20	0.20	0.20
Rent	2.40	2.64	2.90	3.19	3.51

selling & adm exp	0.27	1.25	1.78	2.02	2.28
TOTAL	**6.45**	**7.77**	**8.54**	**9.07**	**9.67**
NET PROFIT	1.15	2.31	4.11	6.21	8.29
	4.34%	**7.41%**	**11.53%**	**15.35%**	**18.20%**
Taxation			-	0.06	0.16
PROFIT (After Tax)	1.15	2.31	4.11	6.15	8.13

5.6 Production and Yield

COMPUTATION OF PRODUCTION OF SOYA MILK		
Items to be Manufactured		
Soya Milk		
Machine Production capacity per Hour	12.50	KG
Working hours in a day	8	
Production Per Day	100	
No of Working Days in Month	25	
No of Working Days in a Year	300	
Machine capacity per annum	30,000	KG
Production per annum	150,000	Cans of 200 gm

Production of Soya Milk		
Production	**Capacity**	**KG**
1st year	60%	90,000
2nd year	65%	97,500
3rd year	70%	105,000
4th year	75%	112,500
5th year	80%	120,000

Raw Material Cost			
Year	**Capacity Utilisation**	**Rate (per 200 gm)**	**Amount (Rs. in lacs)**
1st year	60%	9.00	8.10
2nd year	65%	9.45	9.21
3rd year	70%	9.92	10.42
4th year	75%	10.42	11.72
5th year	80%	10.94	13.13

5.7 Sales Revenue

COMPUTATION OF SALE					
Particulars	**1st year**	**2nd year**	**3rd year**	**4th year**	**5th year**
Op Stock	-	1,500	1,625	1,750	1,875
Production	90,000	97,500	105,000	112,500	120,000
Less : Closing Stock	1,500	1,625	1,750	1,875	2,000
Net Sale	**88,500**	**97,375**	**104,875**	**112,375**	**119,875**
sale price per 200 gm	30.00	32.00	34.00	36.00	38.00
Sales (in Lacs)	26.55	31.16	35.66	40.46	45.55

5.8 Working Capital Assessment

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL					(in Lacs)
PARTICULARS	**1st year**	**2nd year**	**3rd year**	**4th year**	**5th year**
Finished Goods					
	0.32	0.35	0.38	0.42	0.46
Raw Material					
	0.14	0.15	0.17	0.20	0.22
Closing Stock	**0.46**	**0.51**	**0.56**	**0.62**	**0.68**

COMPUTATION OF WORKING CAPITAL REQUIREMENT					
TRADITIONAL METHOD				(in Lacs)	
Particulars	**Amount**	**Own Margin**		**Bank Finance**	
Finished Goods & Raw Material	0.46				
Less : Creditors	0.19				
Paid stock	**0.27**	**25%**	**0.07**	**75%**	**0.20**
Sundry Debtors	**2.66**	**25%**	**0.66**	**75%**	**1.99**
	2.92		**0.73**		**2.19**
WORKING CAPITAL LIMIT DEMAND (from Bank)				**2.00**	

5.9 Power, Salary & Wages Calculation

Utility Charges (per month)		
Particulars	**value**	**Description**
Power connection required	15	KWH
consumption per day	120	units
Consumption per month	3,000	units
Rate per Unit	10	Rs.
power Bill per month	30,000	Rs.

BREAK UP OF LABOUR CHARGES

Particulars	**Wages Rs. per Month**	**No of Employees**	**Total Salary**
Skilled (in thousand rupees)	12,000	2	24,000
Unskilled (in thousand rupees)	9,000	3	27,000
Total salary per month			**51,000**
Total annual labour charges	**(in lacs)**		**6.12**

BREAK UP OF Staff Salary CHARGES

Particulars	**Salary Rs. per Month**	**No of Employees**	**Total Salary**
Accountant	12,500	1	12,500
Administrative Staffs	7,500	1	7,500
Total salary per month			**20,000**
Total annual Staff charges	**(in lacs)**		**2.40**

5.10 Depreciation

COMPUTATION OF DEPRECIATION			(in Lacs)
Description	**Plant & Machinery**	**Furniture**	**TOTAL**
Rate of Depreciation	**15.00%**	**10.00%**	
Opening Balance	-	-	-
Addition	14.90	1.20	16.10
Total	14.90	1.20	16.10
Less : Depreciation	2.24	0.12	2.36
WDV at end of Year	**12.67**	**1.08**	**13.75**
Additions During The Year	-	-	-
Total	12.67	1.08	13.75
Less : Depreciation	1.90	0.11	2.01
WDV at end of Year	**10.77**	**0.97**	**11.74**
Additions During The Year	-	-	-
Total	10.77	0.97	11.74
Less : Depreciation	1.61	0.10	1.71
WDV at end of Year	**9.15**	**0.87**	**10.03**
Additions During The Year	-	-	-
Total	9.15	0.87	10.03
Less : Depreciation	1.37	0.09	1.46
WDV at end of Year	**7.78**	**0.79**	**8.57**
Additions During The Year	-	-	-
Total	7.78	0.79	8.57
Less : Depreciation	1.17	0.08	1.25
WDV at end of Year	**6.61**	**0.71**	**7.32**

5.11 Repayment schedule

REPAYMENT SCHEDULE OF TERM LOAN							
						Interest	11.00%
Year	**Particulars**	**Amount**	**Addition**	**Total**	**Interest**	**Repayment**	**Closing Balance**
ist	Opening Balance						
	1st month	-	12.08	12.08	-	-	12.08
	2nd month	12.08	-	12.08	0.11	-	12.08
	3rd month	12.08	-	12.08	0.11	-	12.08
	4th month	12.08	-	12.08	0.11		12.08
	5th month	12.08	-	12.08	0.11		12.08
	6th month	12.08	-	12.08	0.11		12.08
	7th month	12.08	-	12.08	0.11	0.22	11.85
	8th month	11.85	-	11.85	0.11	0.22	11.63
	9th month	11.63	-	11.63	0.11	0.22	11.40
	10th month	11.40	-	11.40	0.10	0.22	11.18
	11th month	11.18	-	11.18	0.10	0.22	10.96
	12th month	10.96	-	10.96	0.10	0.22	10.73
					1.19	1.34	
2nd	Opening Balance						
	1st month	10.73	-	10.73	0.10	0.22	10.51
	2nd month	10.51	-	10.51	0.10	0.22	10.29
	3rd month	10.29	-	10.29	0.09	0.22	10.06
	4th month	10.06	-	10.06	0.09	0.22	9.84
	5th month	9.84	-	9.84	0.09	0.22	9.62
	6th month	9.62	-	9.62	0.09	0.22	9.39
	7th month	9.39	-	9.39	0.09	0.22	9.17
	8th month	9.17	-	9.17	0.08	0.22	8.94
	9th month	8.94	-	8.94	0.08	0.22	8.72
	10th month	8.72	-	8.72	0.08	0.22	8.50
	11th month	8.50	-	8.50	0.08	0.22	8.27
	12th month	8.27	-	8.27	0.08	0.22	8.05
					1.05	**2.68**	
3rd	Opening Balance						
	1st month	8.05	-	8.05	0.07	0.22	7.83
	2nd month	7.83	-	7.83	0.07	0.22	7.60
	3rd month	7.60	-	7.60	0.07	0.22	7.38
	4th month	7.38	-	7.38	0.07	0.22	7.16
	5th month	7.16	-	7.16	0.07	0.22	6.93

	6th month	6.93	-	6.93	0.06	0.22	6.71
	7th month	6.71	-	6.71	0.06	0.22	6.48
	8th month	6.48	-	6.48	0.06	0.22	6.26
	9th month	6.26	-	6.26	0.06	0.22	6.04
	10th month	6.04	-	6.04	0.06	0.22	5.81
	11th month	5.81	-	5.81	0.05	0.22	5.59
	12th month	5.59	-	5.59	0.05	0.22	5.37
					0.75	**2.68**	
4th	Opening Balance						
	1st month	5.37	-	5.37	0.05	0.22	5.14
	2nd month	5.14	-	5.14	0.05	0.22	4.92
	3rd month	4.92	-	4.92	0.05	0.22	4.70
	4th month	4.70	-	4.70	0.04	0.22	4.47
	5th month	4.47	-	4.47	0.04	0.22	4.25
	6th month	4.25	-	4.25	0.04	0.22	4.02
	7th month	4.02	-	4.02	0.04	0.22	3.80
	8th month	3.80	-	3.80	0.03	0.22	3.58
	9th month	3.58	-	3.58	0.03	0.22	3.35
	10th month	3.35	-	3.35	0.03	0.22	3.13
	11th month	3.13	-	3.13	0.03	0.22	2.91
	12th month	2.91	-	2.91	0.03	0.22	2.68
					0.46	**2.68**	
5th	Opening Balance						
	1st month	2.68	-	2.68	0.02	0.22	2.46
	2nd month	2.46	-	2.46	0.02	0.22	2.24
	3rd month	2.24	-	2.24	0.02	0.22	2.01
	4th month	2.01	-	2.01	0.02	0.22	1.79
	5th month	1.79	-	1.79	0.02	0.22	1.57
	6th month	1.57	-	1.57	0.01	0.22	1.34
	7th month	1.34	-	1.34	0.01	0.22	1.12
	8th month	1.12	-	1.12	0.01	0.22	0.89
	9th month	0.89	-	0.89	0.01	0.22	0.67
	10th month	0.67	-	0.67	0.01	0.22	0.45
	11th month	0.45	-	0.45	0.00	0.22	0.22
	12th month	0.22	-	0.22	0.00	0.22	-
					0.16	**2.68**	

DOOR TO DOOR	60	MONTHS
MORATORIUM PERIOD	6	MONTHS
REPAYMENT PERIOD	54	MONTHS

5.12 Financial Ratio Analysis

FINANCIAL INDICATORS					
PARTICULARS	**1st year**	**2nd year**	**3rd year**	**4th year**	**5th year**
TURNOVER	26.55	31.16	35.66	40.46	45.55
GROSS PROFIT	7.61	10.08	12.65	15.28	17.96
G.P. RATIO	**28.64%**	**32.36%**	**35.48%**	**37.76%**	**39.42%**
NET PROFIT	1.15	2.31	4.11	6.21	8.29
N.P. RATIO	**4.34%**	**7.41%**	**11.53%**	**15.35%**	**18.20%**
CURRENT ASSETS	4.87	5.10	5.35	6.41	7.26
CURRENT LIABILITIES	2.54	2.63	2.75	2.88	3.03
CURRENT RATIO	**1.92**	**1.94**	**1.95**	**2.23**	**2.39**
TERM LOAN	10.73	8.05	5.37	2.68	-
TOTAL NET WORTH	5.34	6.15	7.27	9.41	11.54
DEBT/EQUITY	**2.01**	**1.31**	**0.74**	**0.29**	**-**
TOTAL NET WORTH	5.34	6.15	7.27	9.41	11.54
TOTAL OUTSIDE LIABILITIES	13.27	10.68	8.11	5.56	3.03
TOL/TNW	**2.48**	**1.74**	**1.12**	**0.59**	**0.26**
PBDIT	4.89	5.56	6.77	8.33	9.90
INTEREST	1.39	1.25	0.95	0.66	0.36
INTEREST COVERAGE RATIO	**3.53**	**4.47**	**7.13**	**12.71**	**27.50**
WDV	13.75	11.74	10.03	8.57	7.32
TERM LOAN	10.73	8.05	5.37	2.68	-
FACR	**1.28**	**1.46**	**1.87**	**3.19**	**-**

5.13 DSCR

CALCULATION OF D.S.C.R					
PARTICULARS	**1st year**	**2nd year**	**3rd year**	**4th year**	**5th year**
CASH ACCRUALS	3.51	4.32	5.82	7.61	9.37
Interest on Term Loan	1.19	1.05	0.75	0.46	0.16
Total	4.69	5.36	6.57	8.06	9.53
REPAYMENT					
Instalment of Term Loan	1.34	2.68	2.68	2.68	2.68
Interest on Term Loan	1.19	1.05	0.75	0.46	0.16
Total	2.53	3.73	3.43	3.14	2.84
DEBT SERVICE COVERAGE RATIO	**1.86**	**1.44**	**1.91**	**2.57**	**3.35**
AVERAGE D.S.C.R.					**2.18**

5.14 Break Even Point Analysis

BREAK EVEN POINT ANALYSIS					
Year	**I**	**II**	**III**	**IV**	**V**
Net Sales & Other Income	26.55	31.16	35.66	40.46	45.55
Less : Op. WIP Goods	-	0.32	0.35	0.38	0.42
Add : Cl. WIP Goods	0.32	0.35	0.38	0.42	0.46
Total Sales	**26.87**	**31.19**	**35.69**	**40.49**	**45.59**
Variable & Semi Variable Exp.					

Raw Material Consumed	8.10	9.21	10.42	11.72	13.13
Electricity Exp/Coal Consumption at 85%	1.84	2.02	2.22	2.44	2.69
Wages & Salary at 60%	5.11	5.62	6.19	6.80	7.48
Selling & adminstrative Expenses 80%	0.21	1.00	1.43	1.62	1.82
Interest on working Capital	0.2	0.2	0.2	0.2	0.2
Repair & maintenance	0.53	0.78	0.89	1.01	1.14
Total Variable & Semi Variable Exp	**15.99**	**18.83**	**21.34**	**23.80**	**26.46**
Contribution	**10.88**	**12.36**	**14.35**	**16.69**	**19.13**
Fixed & Semi Fixed Expenses					
Electricity Exp/Coal Consumption at 15%	0.32	0.36	0.39	0.43	0.47
Wages & Salary at 40%	3.41	3.75	4.12	4.54	4.99
Interest on Term Loan	1.19	1.05	0.75	0.46	0.16
Depreciation	2.36	2.01	1.71	1.46	1.25
Selling & adminstrative Expenses 20%	0.05	0.25	0.36	0.40	0.46
Rent	2.40	2.64	2.90	3.19	3.51
Total Fixed Expenses	**9.73**	**10.05**	**10.24**	**10.48**	**10.84**
Capacity Utilization	**60%**	**65%**	**70%**	**75%**	**80%**
OPERATING PROFIT	**1.15**	**2.31**	**4.11**	**6.21**	**8.29**
BREAK EVEN POINT	**54%**	**53%**	**50%**	**47%**	**45%**
BREAK EVEN SALES	**24.02**	**25.36**	**25.47**	**25.43**	**25.83**

6. LICENSE & APPROVALS

- Obtain the GST registration.
- Additionally, obtain the UDYAM registration Number.
- Fire/pollution license as required.
- FSSAI License
- Factory License
- Choice of a Brand Name of the product and secure the name with Trademark if required.

7. ASSUMPTIONS

1. Production Capacity of Soya Milk is 100 kg per day. First year, Capacity has been taken @ 60%.

2. Working shift of 8 hours per day has been considered.

3. Raw Material stock is for 5 days and Finished goods Closing Stock has been taken for 5 days.

4. Credit period to Sundry Debtors has been given for 30 days.

5. Credit period by the Sundry Creditors has been provided for 7 days.

6. Depreciation and Income tax has been taken as per the Income tax Act, 1961.

7. Interest on working Capital Loan and Term loan has been taken at 11%.

8. Salary and wages rates are taken as per the Current Market Scenario.

9. Power Consumption has been taken at 15 KW.

10. Increase in sales and raw material costing has been taken @ 5% on an yearly basis.

Limitations of the Model DPR and Guidelines for Entrepreneurs

Limitations of the Model DPR

i. This model DPR has provided only the basic standard components and methodology to be adopted by an entrepreneur while submitting a proposal under the Formalization of Micro Food Processing Enterprises Scheme of MoFPI.

ii. This is a model DPR made to provide general methodological structure not for specific entrepreneur/crops/location. Therefore, information on the entrepreneur, forms and structure (proprietorship/partnership/cooperative/ FPC/joint stock company) of his business, details of proposed DPR, project location, raw material base/contract sourcing, entrepreneurs own SWOT analysis, detailed market research, rationale of the project for specific location, community advantage/benefit from the project, employment generation and many more detailed aspects not included.

iii. The present DPR is based on certain assumptions on cost, prices, interest, capacity utilization, output recovery rate and so on. However, these assumptions in reality may vary across places, markets and situations; thus the resultant calculations will also change accordingly.