

# UP MSME 1-Connect

## PROJECT REPORT

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**PROJECT:**

Bamboo shoot products unit

**PROJECT REPORT**

**Of**

**BAMBOO SHOOT PRODUCTS**

**(PICKLE AND CANNED SHOOT)**

**PURPOSE OF THE DOCUMENT**

This particular pre-feasibility is regarding **Bamboo shoot 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.]

## BAMBOO SHOOT PICKLE AND CANNED BAMBOO SHOOT



### INTRODUCTION

One extensive use of bamboo is the usage of young shoots as food. Bamboo shoots are the young, edible bamboo plants that have just emerged from the ground. Bamboo shoots are low in fat and calories but rich in fibre with about 90% water. Fresh shoots have a crisp and sweet flavour with limited shelf life and have to be sold immediately. The peak availability period is June to October. The shoots are usually harvested when they attain the height of 15-16 cm.

Bamboo shoot is consumed either raw or processed because of its exotic taste and flavour. Many nutritious and active materials-such as vitamins, amino acids and anti-oxidants such as flavones, phenols and steroids are present in the bamboo shoots. They are valuable in pharmaceutical and food processing industries and can be processed into beverages, medicines, additives or health foods.

Being a lesser-known food product, bamboo shoot processing has potential to be developed as an innovative and promising enterprise.

Considering the potential market opportunity of such units, the present detail project report has been developed. The main objective of such initiative is to productively utilize the abundantly available resources of the local area and to enable uninterrupted supply of the products to market throughout the year.

## **MARKET PROSPECT**

Bamboo shoots either processed or raw, have a high demand in the markets. There is a ready market as there are very few processing units whereas demand is increasing. Apart from individual households, processed bamboo shoots have very good demand from restaurants, caterers, other caterers etc. Product can be sold through provisional stores and super markets in consumer packs and to bulk buyers in large packing.

The NE region being the largest producer of bamboos in India has a bright prospect for bamboo shoot industry but presently bamboo shoot production is predominantly for fulfilling the local needs only.

The local bamboo shoot industry if properly established will not only help in socioeconomic upliftment of the region but also generate huge income for the country. But effective marketing strategies should be formulated to extract maximum profits by making bamboo shoot products available to many potential customers within and outside the country.

The proposed business may utilise media such as broadcast, newspapers and also social network platforms at certain interval of time to introduce the products and also attract more customers. Placement of the product at strategic outlets and publicity in local media would boost sales. It may also carry door to door services in the initial years to introduce the product and attract more customers.

Marketing plan of the proposed project may include good quality maintenance, promotional campaign like offering special discounts, referrals, advertisement and tying up with buying houses.

**PROJECTED BALANCE SHEET**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>SOURCES OF FUND</u></b>					
Capital Account	2.00	2.00	2.00	2.00	2.00
Retained Profit	7.53	17.58	30.94	47.49	67.11
Term Loan	12.63	9.47	6.31	3.16	0.48
Cash Credit	5.37	5.37	5.37	5.37	5.37
Sundry Creditors	3.43	4.11	4.80	5.48	6.17
Provisions & Other Liab	0.36	0.40	0.44	0.48	0.53
<b>TOTAL :</b>	<b>31.32</b>	<b>38.93</b>	<b>49.85</b>	<b>63.98</b>	<b>81.65</b>
<b><u>APPLICATION OF FUND</u></b>					
Fixed Assets (Gross)	13.28	13.28	13.28	13.28	13.28
Gross Dep.	1.67	3.15	4.44	5.55	6.52
Net Fixed Assets	11.61	10.13	8.84	7.73	6.76
<b>Current Assets</b>					
Sundry Debtors	2.13	2.67	3.11	3.56	4.01
Stock in Hand	7.27	8.72	10.17	11.62	13.08
Cash and Bank	7.81	14.67	24.70	37.74	54.14
Deposits & Advances	2.50	2.75	3.03	3.33	3.66
<b>TOTAL :</b>	<b>31.32</b>	<b>38.93</b>	<b>49.85</b>	<b>63.98</b>	<b>81.65</b>
	-	-	-	-	-

**PROJECTED PROFITABILITY STATEMENT**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>A) SALES</u></b>					
Gross Sale	91.20	114.24	133.44	152.64	171.84
<b>Total (A)</b>	<b>91.20</b>	<b>114.24</b>	<b>133.44</b>	<b>152.64</b>	<b>171.84</b>
<b><u>B) COST OF SALES</u></b>					
Raw Mateiral Consumed	68.50	82.20	95.90	109.60	123.30
Electricity Expenses	1.07	1.29	1.50	1.72	1.93
Repair & Maintenance	-	1.14	1.33	1.53	1.72
Labour & Wages	5.54	6.10	6.71	7.38	8.12
Depreciation	1.67	1.48	1.29	1.12	0.97
Consumables and Other Expenses	2.74	3.43	4.00	4.58	5.16
<b>Cost of Production</b>	<b>79.52</b>	<b>95.64</b>	<b>110.74</b>	<b>125.92</b>	<b>141.19</b>
<b>Add: Opening Stock /WIP</b>	-	3.84	4.61	5.38	6.14
<b>Less: Closing Stock /WIP</b>	3.84	4.61	5.38	6.14	6.91
<b>Cost of Sales (B)</b>	<b>75.68</b>	<b>94.87</b>	<b>109.97</b>	<b>125.15</b>	<b>140.43</b>
<b>C) GROSS PROFIT (A-B)</b>	<b>15.52</b>	<b>19.37</b>	<b>23.47</b>	<b>27.49</b>	<b>31.41</b>
	<b>17%</b>	<b>17%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>
D) Bank Interest (Term Loan )	1.09	1.32	0.95	0.59	0.23
Bank Interest ( C.C. Limit )	0.54	0.54	0.54	0.54	0.54
E) Salary to Staff	3.70	4.07	4.47	4.92	5.41
F) Selling & Adm Expenses Exp.	1.82	2.28	2.67	3.05	3.44
<b>TOTAL (D+E)</b>	<b>7.15</b>	<b>8.20</b>	<b>8.63</b>	<b>9.10</b>	<b>9.62</b>
<b>H) NET PROFIT</b>	<b>8.37</b>	<b>11.17</b>	<b>14.84</b>	<b>18.39</b>	<b>21.80</b>
I) Taxation	0.84	1.12	1.48	1.84	2.18
<b>J) PROFIT (After Tax)</b>	<b>7.53</b>	<b>10.05</b>	<b>13.36</b>	<b>16.55</b>	<b>19.62</b>

**PROJECTED CASH FLOW STATEMENT**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>SOURCES OF FUND</u></b>					
Share Capital	2.00	-	-	-	-
Reserve & Surplus	8.37	11.17	14.84	18.39	21.80
Depriciation & Exp. W/off	1.67	1.48	1.29	1.12	0.97
Increase in Cash Credit	5.37	-	-	-	-
Increase In Term Loan	12.63	-	-	-	-
Increase in Creditors	3.43	0.69	0.69	0.69	0.69
Increase in Provisions	0.36	0.04	0.04	0.04	0.05
<b>TOTAL :</b>	<b>33.82</b>	<b>13.37</b>	<b>16.85</b>	<b>20.23</b>	<b>23.50</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	13.28	-	-	-	-
Increase in Stock	7.27	1.45	1.45	1.45	1.45
Increase in Debtors	2.13	0.54	0.45	0.45	0.45
Increase in Deposits & Adv	2.50	0.25	0.28	0.30	0.33
Repayment of Term Loan	-	3.16	3.16	3.16	2.68
Taxation	0.84	1.12	1.48	1.84	2.18
<b>TOTAL :</b>	<b>26.01</b>	<b>6.51</b>	<b>6.82</b>	<b>7.20</b>	<b>7.09</b>
Opening Cash & Bank Balance	-	7.81	14.67	24.70	37.74
Add : Surplus	7.81	6.85	10.03	13.03	16.41
Closing Cash & Bank Balance	<b>7.81</b>	<b>14.67</b>	<b>24.70</b>	<b>37.74</b>	<b>54.14</b>

## **DISCLAIMER**

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