

# UP MSME 1-Connect

## PROJECT REPORT

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PROJECT:

Energy Foods making Unit

# **PROJECT REPORT**

## **Of**

# **ENERGY FOODS**

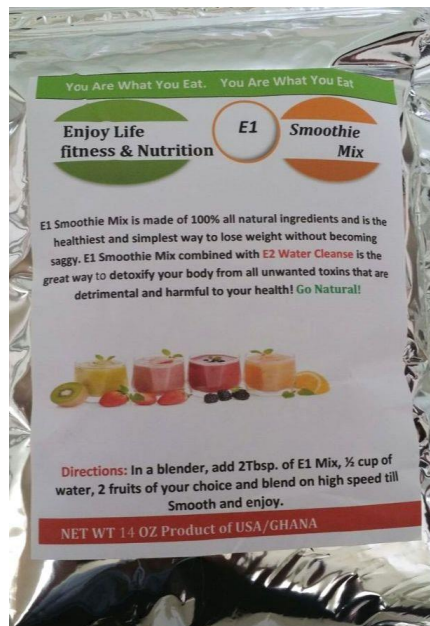
## **PURPOSE OF THE DOCUMENT**

This particular pre-feasibility is regarding **Energy Foods making Unit**.

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.]

## PROJECT REPORT ON 'ENERGY FOODS'



### PRODUCT AND APPLICATIONS

Health awareness is fast growing and people are taking to such energy supplements to overcome ageing, tiredness, fatigue and general breakdown of the system. Various supplements are available in the market to lower fats increase stamina etc. People are very conscious of Cholesterol level in blood and avoid fatty foods. They are very selective of their diet and there is marked preference for low calorie high protein food supplements. The energy foods available in market are costly and beyond the reach of common man. Children are yet another group for cheap energy foods.

The technology for such foods has been developed by CFTRI.

India's rural population is subject to three common forms of nutritional deprivation: 1. Inadequacy of food intake among the poorer segment leading to calorie deficiency 2. The extra nutritional need of infants and preschool children 3. Deficiency of specific micronutrients such as Vitamin A and iron

Energy food is prepared from easily available ingredients like wheat, gram dal, jiggery, edible ground nut cake, minerals and vitamins. It is a ready to eat food item and does not require extensive cooking. Depending upon individuals tastes some milk or water can be added. It can also be used with other material while making food items like halwa, chapatti etc.

**MARKET POTENTIAL**

Urban market is targeted by the costly variety of energy foods which are generally beyond the reach of semi urban and rural population. A large market exists for such products in rural and semi urban areas. With greater health awareness and contamination of raw vegetables due to pesticides and other chemical fertilizers people prefer diet foods. Thus easy availability at reasonable price provides a large market with the vast rural and semi urban population.

**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                     | 2.22            | -                |                   |                  |                 |
| Reserve & Surplus                 | 8.59            | 10.40            | 13.05             | 15.61            | 18.08           |
| Depriciation & Exp. W/off         | 1.24            | 1.10             | 0.96              | 0.83             | 0.72            |
| Increase in Cash Credit           | 10.77           | -                | -                 | -                | -               |
| Increase In Term Loan             | 9.21            | -                | -                 | -                | -               |
| Increase in Creditors             | 5.40            | 0.90             | 0.90              | 0.90             | 0.90            |
| Increase in Provisions            | 0.36            | 0.04             | 0.04              | 0.04             | 0.05            |
| <b>TOTAL :</b>                    | <b>37.78</b>    | <b>12.44</b>     | <b>14.94</b>      | <b>17.38</b>     | <b>19.74</b>    |
| <b><u>APPLICATION OF FUND</u></b> |                 |                  |                   |                  |                 |
| Increase in Fixed Assets          | 9.73            | -                | -                 | -                | -               |
| Increase in Stock                 | 10.87           | - 1.55           | 1.33              | 1.33             | 1.33            |
| Increase in Debtors               | 6.50            | 1.43             | 1.14              | 1.14             | 1.14            |
| Increase in Deposits & Adv        | 2.50            | 0.25             | 0.28              | 0.30             | 0.33            |
| Repayment of Term Loan            | -               | 2.30             | 2.30              | 2.30             | 2.25            |
| Taxation                          | -               | 1.04             | 2.61              | 3.12             | 3.62            |
| <b>TOTAL :</b>                    | <b>29.60</b>    | <b>3.47</b>      | <b>7.66</b>       | <b>8.20</b>      | <b>8.67</b>     |
| Opening Cash & Bank Balance       | -               | 8.18             | 17.15             | 24.44            | 33.62           |
| Add : Surplus                     | 8.18            | 8.97             | 7.28              | 9.18             | 11.07           |
| Closing Cash & Bank Balance       | <b>8.18</b>     | <b>17.15</b>     | <b>24.44</b>      | <b>33.62</b>     | <b>44.69</b>    |

**PROJECTED BALANCE SHEET**

| PARTICULARS                       | IST YEAR     | IIND YEAR    | IIIRD YEAR   | IVTH YEAR    | VTH YEAR     |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b><u>SOURCES OF FUND</u></b>     |              |              |              |              |              |
| Capital Account                   | 2.22         | 2.22         | 2.22         | 2.22         | 2.22         |
| Retained Profit                   | 8.59         | 17.95        | 28.38        | 40.87        | 55.33        |
| Term Loan                         | 9.21         | 6.91         | 4.60         | 2.30         | 0.05         |
| Cash Credit                       | 10.77        | 10.77        | 10.77        | 10.77        | 10.77        |
| Sundry Creditors                  | 5.40         | 6.30         | 7.20         | 8.10         | 9.00         |
| Provisions & Other Liab           | 0.36         | 0.40         | 0.44         | 0.48         | 0.53         |
| <b>TOTAL :</b>                    | <b>36.55</b> | <b>44.54</b> | <b>53.61</b> | <b>64.74</b> | <b>77.90</b> |
| <b><u>APPLICATION OF FUND</u></b> |              |              |              |              |              |
| <b>Fixed Assets ( Gross)</b>      | 9.73         | 9.73         | 9.73         | 9.73         | 9.73         |
| Gross Dep.                        | 1.24         | 2.34         | 3.30         | 4.12         | 4.84         |
| Net Fixed Assets                  | 8.49         | 7.39         | 6.43         | 5.61         | 4.89         |
| <b>Current Assets</b>             |              |              |              |              |              |
| Sundry Debtors                    | 6.50         | 7.92         | 9.06         | 10.20        | 11.34        |
| Stock in Hand                     | 10.87        | 9.32         | 10.66        | 11.99        | 13.32        |
| Cash and Bank                     | 8.18         | 17.15        | 24.44        | 33.62        | 44.69        |
| Deposits & Advances               | 2.50         | 2.75         | 3.03         | 3.33         | 3.66         |
| <b>TOTAL :</b>                    | <b>36.55</b> | <b>44.54</b> | <b>53.61</b> | <b>64.74</b> | <b>77.90</b> |
|                                   | -            | -            | -            | -            | -            |

**PROJECTED PROFITABILITY STATEMENT**

| PARTICULARS                     | IST YEAR      | IIND YEAR     | IIIRD YEAR    | IVTH YEAR     | VTH YEAR      |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|
| <b><u>A) SALES</u></b>          |               |               |               |               |               |
| Gross Sale                      | 129.96        | 158.46        | 181.26        | 204.06        | 226.86        |
| <b>Total (A)</b>                | <b>129.96</b> | <b>158.46</b> | <b>181.26</b> | <b>204.06</b> | <b>226.86</b> |
| <b><u>B) COST OF SALES</u></b>  |               |               |               |               |               |
| Raw Mateiral Consumed           | 108.00        | 126.00        | 144.00        | 162.00        | 180.00        |
| Elecricity Expenses             | 4.73          | 5.52          | 6.31          | 7.10          | 7.88          |
| Repair & Maintenance            | -             | 1.58          | 1.81          | 2.04          | 2.27          |
| Labour & Wages                  | 3.43          | 3.78          | 4.15          | 4.57          | 5.02          |
| Depriciation                    | 1.24          | 1.10          | 0.96          | 0.83          | 0.72          |
| Consumables and Other Expense   | 2.60          | 3.17          | 3.63          | 4.08          | 4.54          |
| <b>Cost of Production</b>       | <b>120.00</b> | <b>141.15</b> | <b>160.85</b> | <b>180.61</b> | <b>200.43</b> |
| <b>Add: Opening Stock /WIP</b>  | <b>-</b>      | <b>5.47</b>   | <b>6.38</b>   | <b>7.30</b>   | <b>8.21</b>   |
| <b>Less: Closing Stock /WIP</b> | <b>5.47</b>   | <b>6.38</b>   | <b>7.30</b>   | <b>8.21</b>   | <b>9.12</b>   |
| Cost of Sales (B)               | 114.53        | 140.24        | 159.94        | 179.70        | 199.52        |
| <b>C) GROSS PROFIT (A-B)</b>    | <b>15.43</b>  | <b>18.22</b>  | <b>21.32</b>  | <b>24.36</b>  | <b>27.34</b>  |
|                                 | <b>12%</b>    | <b>11%</b>    | <b>12%</b>    | <b>12%</b>    | <b>12%</b>    |
| D) Bank Interest (Term Loan )   | 0.79          | 0.96          | 0.69          | 0.43          | 0.17          |
| Bank Interest ( C.C. Limit )    | 1.08          | 1.08          | 1.08          | 1.08          | 1.08          |
| E) Salary to Staff              | 2.38          | 2.61          | 2.87          | 3.16          | 3.48          |
| F) Selling & Adm Expenses Exp.  | 2.60          | 3.17          | 3.63          | 4.08          | 4.54          |
| <b>TOTAL (D+E)</b>              | <b>6.85</b>   | <b>7.82</b>   | <b>8.27</b>   | <b>8.75</b>   | <b>9.26</b>   |
| <b>H) NET PROFIT</b>            | <b>8.59</b>   | <b>10.40</b>  | <b>13.05</b>  | <b>15.61</b>  | <b>18.08</b>  |
| I) Taxation                     | -             | 1.04          | 2.61          | 3.12          | 3.62          |
| <b>J) PROFIT (After Tax)</b>    | <b>8.59</b>   | <b>9.36</b>   | <b>10.44</b>  | <b>12.49</b>  | <b>14.46</b>  |

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