

**UP MSME 1-Connect**

# PROJECT REPORT

**PROJECT: SOYA FLOUR**

# PROJECT REPORT

Of

# SOYA FLOUR

## PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **Soya Flour making unit**.

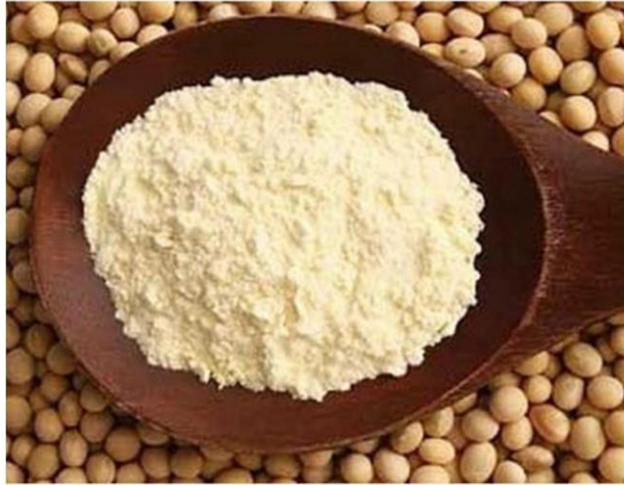
The objective of the pre-feasibility report is primarily to facilitate potential entrepreneurs in project identification for investment and in order to serve his objective; the document covers various aspects of the project concept development, start-up, marketing, finance and management.

[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

'SOYA FLOUR'



### **Product and its applications**

Lifestyle is changing in most of the urban cities very rapidly. Urban population is health conscious and adopting healthy food habits. There is a lot of stress on avoiding junk food and adopting protein rich food. Soya beans are a rich source of protein and are extensively used in many food items. Soya beans are cultivated in most of the states, Madhya Pradesh being the leader. States like Maharashtra, Andhra Pradesh, and Uttar Pradesh Soya bean has good market particularly in value added forms. Bulk of the production is used for extraction of oil. Other products such as soya milk, flour, curd, paneer etc are also popularly consumed as Soya beans are high in protein, low in fat and easy to digest. Gujarat has joined the cultivation but Madhya Pradesh is the highest producer of Soya Beans. With both the husband and wife working the eating and cooking habits are undergoing changeover. Couples do not find time to cook fresh vegetables and resort to using pre cooked or sometimes high protein soya nuggets which do not call for lengthy cooking and have high nutritional value. These soya products are made out of soya flour. Soya flour is highly nutritious food ingredient that has been used for many years. An addition of Soya flour increases its protein content and serves as a source of energy and nutrition. This value addition to the wheat flour does not affect its shelf life and economics. The technology for such products is available with CFTRI. Compliance with PFA Act for such a unit is essential.

### **Industry Profile and Market Assessment**

Although soya flour has nutritional benefits, it is primarily used for its functional benefits. The potential market for soya flour are in school feeding programme, social welfare feeding programme, confectionery industry baking industries for nuggets and chunks manufacturing, as a supplement for wheat flour. When incorporated into bread dough, it enables bread to retain more moisture during baking process, thereby increasing yield. Thus it is a money maker for the baker. It also extends shelf life of the product by decreasing the rate of staling. When used in dough nuts, soya flour absorbs less oil, which is a relatively expensive ingredient thus saving the cost. Bakery is an age old industry. Bread and biscuits in different varieties manufactured either large multinationals or at village level in small setup form the bakery products.

The products are popular both at rural as well as urban level only the product and price differs. While the rural population prefers the cheap homemade variety the urban elite go in for costly varieties in different taste and assortments. There is market for both the varieties. The biscuits in general sense mean a product with lot of calories and which is generally consumed as a snack at tea time or children consume it in between meals. There are variations in the taste and for those who wish to retain energy. Soya flour is an important ingredient of biscuit industry. Soya flour is added to biscuit dough to increase the protein content and provide extra energy. Biscuits are consumed by all irrespective of age or income groups.

**PROJECTED CASH FLOW STATEMENT**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>SOURCES OF FUND</u></b>					
Share Capital	2.30	-			
Reserve & Surplus	2.79	4.03	6.10	8.06	9.92
Depriciation & Exp. W/off	2.02	1.77	1.52	1.31	1.13
Increase in Cash Credit	6.80	-	-	-	-
Increase In Term Loan	13.90	-	-	-	-
Increase in Creditors	1.16	0.19	0.19	0.19	0.19
Increase in Provisions	0.36	0.04	0.04	0.04	0.05
<b>TOTAL :</b>	<b>29.32</b>	<b>6.03</b>	<b>7.85</b>	<b>9.61</b>	<b>11.29</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	14.94	-	-	-	-
Increase in Stock	5.34	0.66	0.67	0.67	0.67
Increase in Debtors	3.38	0.74	0.59	0.59	0.59
Increase in Deposits & Adv	2.50	0.25	0.28	0.30	0.33
Repayment of Term Loan	-	3.47	3.47	3.47	2.84
Taxation	-	0.40	1.22	1.61	1.98
<b>TOTAL :</b>	<b>26.16</b>	<b>4.21</b>	<b>6.23</b>	<b>6.65</b>	<b>6.42</b>
Opening Cash & Bank Balance	-	3.16	4.98	6.60	9.55
Add : Surplus	3.16	1.82	1.62	2.96	4.87
Closing Cash & Bank Balance	<b>3.16</b>	<b>4.98</b>	<b>6.60</b>	<b>9.55</b>	<b>14.43</b>

**PROJECTED BALANCE SHEET**

<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>					
Capital Account	2.30	2.30	2.30	2.30	2.30
Retained Profit	2.79	6.41	11.29	17.74	25.68
Term Loan	13.90	10.42	6.95	3.47	0.64
Cash Credit	6.80	6.80	6.80	6.80	6.80
Sundry Creditors	1.16	1.35	1.55	1.74	1.93
Provisions & Other Liab	0.36	0.40	0.44	0.48	0.53
<b>TOTAL :</b>	<b>27.31</b>	<b>27.69</b>	<b>29.33</b>	<b>32.54</b>	<b>37.88</b>
<b><u>APPLICATION OF FUND</u></b>					
Fixed Assets ( Gross)	14.94	14.94	14.94	14.94	14.94
Gross Dep.	2.02	3.79	5.31	6.61	7.74
Net Fixed Assets	12.92	11.15	9.63	8.33	7.20
<b>Current Assets</b>					
Sundry Debtors	3.38	4.13	4.72	5.31	5.91
Stock in Hand	5.34	4.68	5.35	6.02	6.68
Cash and Bank	3.16	4.98	6.60	9.55	14.43
Deposits & Advances	2.50	2.75	3.03	3.33	3.66
<b>TOTAL :</b>	<b>27.31</b>	<b>27.69</b>	<b>29.33</b>	<b>32.54</b>	<b>37.88</b>

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**PROJECTED PROFITABILITY 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>A) SALES</u></b>					
Gross Sale	67.69	82.53	94.41	106.28	118.16
<b>Total (A)</b>	<b>67.69</b>	<b>82.53</b>	<b>94.41</b>	<b>106.28</b>	<b>118.16</b>
<b><u>B) COST OF SALES</u></b>					
Raw Mateiral Consumed	49.75	58.04	66.33	74.63	82.92
Elecricity Expenses	5.59	6.52	7.45	8.39	9.32
Repair & Maintenance	-	0.83	0.94	1.06	1.18
Labour & Wages	4.75	5.23	5.75	6.32	6.96
Depriciation	2.02	1.77	1.52	1.31	1.13
Consumables and Other Expense	1.35	1.65	1.89	2.13	2.36
<b>Cost of Production</b>	<b>63.46</b>	<b>74.04</b>	<b>83.89</b>	<b>93.83</b>	<b>103.86</b>
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>2.85</b>	<b>3.33</b>	<b>3.80</b>	<b>4.28</b>
<b>Less: Closing Stock /WIP</b>	<b>2.85</b>	<b>3.33</b>	<b>3.80</b>	<b>4.28</b>	<b>4.75</b>
Cost of Sales (B)	60.61	73.56	83.41	93.36	103.39
<b>C) GROSS PROFIT (A-B)</b>	<b>7.07</b>	<b>8.97</b>	<b>10.99</b>	<b>12.92</b>	<b>14.77</b>
	<b>10%</b>	<b>11%</b>	<b>12%</b>	<b>12%</b>	<b>13%</b>
D) Bank Interest (Term Loan )	1.20	1.45	1.05	0.65	0.26
Bank Interest ( C.C. Limit )	0.68	0.68	0.68	0.68	0.68
E) Salary to Staff	1.06	1.16	1.28	1.41	1.55
F) Selling & Adm Expenses Exp.	1.35	1.65	1.89	2.13	2.36
<b>TOTAL (D+E)</b>	<b>4.29</b>	<b>4.94</b>	<b>4.90</b>	<b>4.86</b>	<b>4.85</b>
H) NET PROFIT	2.79	4.03	6.10	8.06	9.92
I) Taxation	-	0.40	1.22	1.61	1.98
J) PROFIT (After Tax)	2.79	3.63	4.88	6.45	7.94

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