

PROJECT PROFILE

ON

MASALA PEANUTS (WOMEN SHG ONLY)

Month & Year
Aug 2010

**PREPARED BY
TANSTIA-FNF SERVICE CENTRE
B-22, INDUSTRIAL ESTATE
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Supported by

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STIFTUNG **FÜR DIE FREIHEIT**

MASALA PEANUTS (WOMEN SHG ONLY)

1. Introduction

Masala peanuts are a common snack food consumed as a tea time snack or with beverages. It is a good source of protein and energy and children prefer it for its taste and nutritive value. The elders relish the taste and find it an ideal snack. Many people consume it as a pastime snack during journeys, on the beaches, while watching the television at home or a movie in the theaters and on many other occasions.

2. Market

The major market outlets are the “ A” and “B” class outlets. The product also finds placement in self service counters and departmental stores. Some “C” class outlets also stock the product.

3. Packaging

The processed product is packed in 50 grams and 100 grams pouches.

4. Production capacity

- The plant will be in operation for one shift a day of 10 to 12 hours duration.
- The plant operates to a production capacity of 250 kilograms per shift.
- The total production per month will be 6.25 M.T while the annual production is estimated at 75 M.T
- The time period required for achieving full capacity utilization is one year.

5. Sales revenue

- The ex-factory selling price will be Rs. 150 per kilogram thereby yielding a sales revenue of Rs. 112.50 lakhs on full capacity utilization.

6. Production process outline.

The nuts are first shelled to remove the outer skin and then heated in the tray drier at 150 degrees centigrade for forty minutes till the nuts turn golden brown. They are then transferred to the coating pan. A masala dough comprising gram flour, spices and salt and of a slightly fluid consistency is poured over the

nuts and the mixture is allowed to tumble. Hot air is blown and the masala gets coated over the peanuts. They are then fried in the thermostat frier at 150 to 180 degrees centigrade. The excess oil is drained and the nuts packed in a form fill and seal machine.

7. Quality specifications

- Moisture - Maximum 3.0%
- Mold and fungal growth - Absent
- Aflatoxins - Absent
- Total plate count - Maximum 10,000 per gram
- Coliforms - Absent
- Salmonella - Absent
- Streptococci - Absent

8. Pollution control measures

Not necessary as there are no pollutants or effluents.

9. Energy conservation measures

Common measures will do.

10. Land and construction cost for the proposed unit

The processing area is to be taken up on lease. The area required is 2000 square feet as described below.

SI	Description	Sq. feet
1	Processing area	800
2	Raw material store for nuts	150
3	Raw material store for oil	100
4	Finished goods storage room	150
5	Packaging material storage room	100
6	Laboratory	100
7	Office space	200
8	Machinery spares room	100
9	Toilet space	200
10	Miscellaneous space	100
11	Total	2000

Lease rent – Rs. 8.00 per square foot

Total rent per month – Rs. 16000

Lease advance – Rs. 75000

11. Costing of machinery and equipment

SI	Description	Rs. lakhs
1	Tray drier with 2 trolleys and 48 trays each	1.650
2	Stainless steel dough kneader	0.500
3	Coating and polishing pans – 2 nos	2.500
4	Thermostat controlled fryer – 2 nos	1.050
5	Packing machine	1.500
6	Total	7.200
7	Laboratory equipment	0.500
8	Grand total machinery and equipment	7.700

12. Project cost

SI	Description	Rs. lakhs
1	Land	On lease
2	Civil works	On lease
3	Plant machinery	7.200
4	Laboratory equipment	0.500
5	Transport vehicle (Tata Ace)	3.760
6	Pollution control equipment	0.000
7	Energy conservation equipment	0.000
8	Cost of power connection	0.350
9	Cost of electrification	0.500
10	Erection and commissioning	0.700
11	Cost of machinery spares	0.200
12	Cost of office equipment	1.000
13	Deposits if any	0.360
14	Company formation expenses	0.100
15	Gestation period expenses	0.500
16	Sales tax registration expenses	0.100
17	Initial advertisement and publicity	5.000
18	Contingencies	0.250
19	Working capital margin money	3.327
20	Total	23.847

13. Working capital requirements per month

a. Salaries and wages

SI	Description	No of persons	Total salary / month (Rs. lakhs)
1	Production Supervisor	1	0.150
2	Chemist	1	0.100
3	Skilled workers	1	0.060
4	Unskilled workers	2	0.060
5	Packing workers	2	0.060
6	Administrative staff	1	0.100
7	Sales coordinator	1	0.100
8	Driver	1	0.070
9	Total	10	0.700

b. Raw material requirement per month

SI	Description	Qty (kgs)	Rate / kg (Rs)	Value (Rs. lakhs)
1	Peanuts	4770	40.00	1.908
2	Gram flour	1195	60.00	0.717
3	Refined oil	475	80.00	0.380
4	Salt and spices	100	60.00	0.060
5	Total raw material	6540		3.065

c. Packaging material requirement per month

SI	Description	Qty	Rate / unit (Rs)	Value (Rs. lakhs)
1	Primary packaging material – metallized polyester – poly film	313 kgs	250	0.783
2	Cartons and straps	625 nos	40	0.250
3	Total			1.033

Total raw + packing material = Rs. 4.098 lakhs

d. Utilities per month

SI	Description	Rs. lakhs
1	Power 3000 kwh @ Rs. 5.50 per unit	0.165
2	Water	0.025
3	Total utilities	0.190

e. Contingent expenses per month

SI	Description	Rs. lakhs
1	Rent for processing shed	1.920
2	Postage and stationery	0.020
3	Telephones, fax etc.	0.050
4	Consumable stores	0.020
5	Repairs and maintenance	0.067
6	Local transports, loading and unloading	0.100
7	Advertisement and publicity @ 5% of sales	0.438
8	Insurance	0.010
9	Sales expenses @ 1% of sales	0.088
10	Miscellaneous expenses @ 1% of sales	0.088
11	Trade incentives @ 2% of sales	0.176
12	Taxes @ 4%	0.352
13	Total contingent expenses	3.329

f. Total working capital requirement per month

SI	Description	Rs. lakhs
1	Salaries and wages	0.700
2	Raw material and packaging material	4.098
3	Utilities	0.190
4	Contingent expenses	3.329
5	Total	8.317

14. Means of finance

SI	Description	Rs. lakhs
1	Total Project Cost	23.847
2	Equity	7.306
3	Debt	15.214
4	Working capital margin money	3.327

15. Financial analysis

SI	Description	Rs. lakhs
1	Total recurring cost per year	99.804
2	Depreciation on land and building	0.000
3	Depreciation on machinery	0.855
4	Depreciation on furnaces	0.000
5	Depreciation on moulds and fixtures	0.010
6	Depreciation on office equipment	0.100
7	Interest on long term loan @ 13.5%	2.054
8	Interest on short term borrowings@ 13.5%	0.674
9	Total cost of production	103.497

16. Turnover per year

SI	Item	Qty	Rate/unit (Rs)	Total Rs. lakhs
1	Masala Peanuts	75000 kgs	150	112.50

17. Viability analysis

SI	Description	Value
1	Net profit before income tax (Rs. lakhs)	9.003
2	Net profit ratio	8.0%
3	Internal rate of return	26.0%
4	Break even percentage	42%
5	Debt service coverage ratio	2.032

List of machinery suppliers for Masala Peanuts

1. S.D. Engineering Private Limited, E-53, Sector -7, NOIDA 201301, Uttar Pradesh; Tel: 0118 - 24552273; Fax: 0118 - 24529703
2. M. Son Industries, D - 33, Sector - 2, Noida 201301, District Ghaziabad, Uttar Pradesh