

# **PROJECT PROFILE**

ON

**TUTTI FRUTTI  
(WOMEN SHG ONLY)**

Month & Year  
Aug 2010

**PREPARED BY  
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## **TUTTI FRUTTI (WOMEN SHG ONLY)**

### **1. Introduction**

Tutti Frutti is a processed fruit product prepared from raw papaya. It finds wide use in bakery and confectionery products, jellies, puddings and sweetmeats. It is used in households commonly as a topping in sweets, cakes and puddings. Children prefer to consume it per se as a pastime delicacy. Having a dual market both commercial and domestic with varying tastes and flavours, the product has gained importance in the processing industry.

### **2. Market**

The product is being manufactured both in the organised and unorganised sector. It finds placement in all bakeries and sweetmeat shops, “A” and “B” class outlets, self service counters of departmental stores etc.

### **3. Packaging**

The fruit product is packed in 15 kg tins for commercial markets. For placement in retail outlets, consumer packaging in pouches of 100 grams are adopted. The pouches are placed in paperboard cartons and strapped prior to dispatch.

### **4. Production capacity**

- The plant operates to two shifts a day, with each shift of 8 hours duration.
- Production is envisaged at 300 kilograms per shift or 600 kilograms per day.
- The total production per month will be 15.00 M.T while the annual production is estimated at 180 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. 50 per kilogram. The sales revenue will be Rs. 90.00 lakhs per annum inclusive of taxes on full capacity utilization.

**6. Production process outline.**

Raw papaya fruit is first washed to remove adhering dirt. The skin is then peeled and the fruit slit into two halves. The seeds are removed and the fruit cut into longitudinal pieces. These pieces are fed into the cubing machine to get the cubes of desired thickness. The cubes are first dipped in a sugar solution of 45 degrees brix and allowed to soak for 24 hours. In the sugar syrup, the necessary preservatives are added. The cubes are removed and transferred to a tank containing sugar syrup at 60 degrees brix. After soaking for another 24 hours the cubes are transferred to a tank containing sugar syrup at 80 degrees brix. The excess syrup is drained and the cubes dried in a tray drier. The sugar syrup to the desired concentration can be prepared in the syrup kettle.

**7. Quality specifications**

- Moisture content of the product at the time of packing should not exceed 6%
- Mold and fungal growth should be absent. It should also test negative for coliforms, salmonella and streptococci.
- The manufacturer must obtain a “Fruit Products Order” license to manufacture the product.

**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 proposed unit is to be set up in a leased area. The total leased area is 1600 square feet vide details given below.

SI	Description	Sq. feet
1	Processing area	500
2	Raw material store	100
3	Other ingredients store room	100
4	Finished goods store room	100
5	Packaging material store room	100
6	Laboratory	100
7	Office room	100
8	Machinery spares room	100
9	Toilets	200
10	Miscellaneous space	100
11	Boiler area	100
<b>12</b>	<b>Total</b>	<b>1600</b>

Lease rent – Rs. 6.00 per square foot

Total rent per month – Rs. 9600

Lease advance – Rs. 50000

**11. Costing of machinery and equipment**

SI	Description	Rs. lakhs
1	Baby boiler and accessories	1.850
2	Stainless steel soaking tanks – 10 nos	0.550
3	Papaya cubing machine	0.850
4	Stainless steel working tools	0.100
5	Tray drier with 48 trays	1.750
6	Sealing machines – 3 nos	0.240
7	Weighing scales – 2 nos	0.150
<b>8</b>	<b>Total</b>	<b>5.490</b>
9	Laboratory equipment	0.600
<b>10</b>	<b>Grand total machinery and equipment</b>	<b>6.090</b>

**12. Project cost**

<b>SI</b>	<b>Description</b>	<b>Rs. lakhs</b>
1	Land	On lease
2	Civil works	On lease
3	Plant machinery	5.490
4	Laboratory equipment	0.600
5	Transport vehicle (tata ace)	3.760
6	Pollution control equipment	0.000
7	Energy conservation equipment	0.000
8	Cost of power connection	0.250
9	Cost of electrification	0.350
10	Erection and commissioning	0.530
11	Cost of machinery spares	0.100
12	Cost of office equipment	1.000
13	Deposits if any	0.320
14	Company formation expenses	0.100
15	Gestation period expenses	0.500
16	Sales tax registration expenses	0.100
17	Initial advertisement and publicity	10.000
18	Contingencies	0.250
19	Working capital margin money	2.503
<b>20</b>	<b>Total</b>	<b>25.853</b>

**13. Working capital requirements per month**

**a. Salaries and wages**

<b>SI</b>	<b>Description</b>	<b>No of persons</b>	<b>Total salary / month (Rs. lakhs)</b>
1	Production Manager (female)	1	0.150
2	Production supervisor cum chemist (female)	1	0.100
3	Unskilled workers (female)	10	0.400
4	Sales staff	1	0.150
5	Driver	1	0.070
<b>6</b>	<b>Total</b>	<b>14</b>	<b>0.870</b>

**b. Raw material requirement per month**

SI	Description	Qty (kgs)	Rate / kg (Rs)	Value (Rs. lakhs)
1	Raw papaya fruit	15625	15.00	2.344
2	Sugar	3906	24.00	0.937
3	Permitted colours	2	120.00	0.002
4	<b>Total raw material</b>	<b>19533</b>		<b>3.283</b>

**c. Packaging material requirement per month**

SI	Description	Qty	Rate / unit (Rs)	Value (Rs. lakhs)
1	Tins to pack 10 kgs of product	1500 nos	30	0.450
2	Polythene liner	1500 nos	2	0.030
3	<b>Total</b>			<b>0.480</b>

**Total raw + packaging material = Rs. 3.763 lakhs**

**d. Utilities per month**

SI	Description	Rs. lakhs
1	Power 2000 kwh @ Rs. 5.50 per unit	0.110
2	Water	0.050
3	Boiler fuel	0.150
4	<b>Total utilities</b>	<b>0.310</b>

**e. Contingent expenses per month**

SI	Description	Rs. lakhs
1	Rent for processing shed	0.096
2	Postage and stationery	0.010
3	Telephones, fax etc.	0.050
4	Consumable stores	0.020
5	Repairs and maintenance	0.058
6	Local transports, loading and unloading	0.100
7	Advertisement and publicity @ 5% of sales	0.375
8	Insurance	0.005
9	Sales expenses @ 1% of sales	0.075
10	Miscellaneous expenses @ 1% of sales	0.075
11	Trade incentives @ 2% of sales	0.150
12	Taxes @ 4%	0.300
<b>13</b>	<b>Total contingent expenses</b>	<b>1.314</b>

**f. Total working capital requirement per month**

SI	Description	Rs. lakhs
1	Salaries and wages	0.870
2	Raw material and packaging material	3.763
3	Utilities	0.310
4	Contingent expenses	1.314
<b>5</b>	<b>Total</b>	<b>6.257</b>

**14. Means of finance**

SI	Description	Rs. lakhs
1	Total Project Cost	25.853
2	Equity	8.531
3	Debt	17.322
4	Working capital margin money	2.503



### 15. Financial analysis

SI	Description	Rs. lakhs
1	Total recurring cost per year	75.084
2	Depreciation on land and building	0.000
3	Depreciation on machinery and vehicle	0.960
4	Depreciation on furnaces	0.000
5	Depreciation on moulds and fixtures	0.020
6	Depreciation on office equipment	0.100
7	Interest on long term loan @ 13.5%	2.338
8	Interest on short term borrowings@ 13.5%	0.507
<b>9</b>	<b>Total cost of production</b>	<b>79.009</b>

### 16. Turnover per year

SI	Item	Qty	Rate/unit (Rs)	Total Rs. lakhs
1	Tutti Frutti	180,000 kgs	50	90.00

### 17. Viability analysis

SI	Description	Value
1	Net profit before income tax (Rs. lakhs)	10.991
2	Net profit ratio	12.2%
3	Internal rate of return	21.2%
4	Break even percentage	51%
5	Debt service coverage ratio	1.825

#### List of machinery suppliers for Tutti Frutti

1. Agaram Industries, 126, Nelson Road, aminjikai, Chennai, 600029, ; Tel: 044-23741413; Fax: 044-23741529
2. Royal Scientific Industries, T.S.74A, SIDCO Industrial Estate, Ekkatuthangal, Chennai. 600097., Tel: 044-22254749
3. Navinchandra and Co., 308, Thambu Chetty Street, Chennai. 600001; Tel: 044-25228675
4. Geeta Food Engineering, Plot No. C - 7 / 1, TTC Industrial Area, Pawana MIDC, Thane - Belapur Road, Behind Savita Chemicals, Navi Mumbai 400705. Maharashtra.; Tel: 022 - 56101973; Fax: 022 - 55906450