



SNS COLLEGE OF TECHNOLOGY

AN AUTONOMOUS INSTITUTION



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DEPARTMENT OF FOOD TECHNOLOGY

COURSE CODE & NAME: 19FTT202 & Food Plant Layout and Management

II YEAR / IV SEMESTER

UNIT : II PROJECT PROFILE ANALYSIS

TOPIC 1 : Project Profile Analysis - DPR - Detailed Project Report



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Contents of Detailed Project Report

MEANING OF PROJECT REPORT:

- A Project Report is a written document relating to any investment, which provides details on the overall picture of the proposed business.
- The project report gives an account of the project proposal to determine the prospects of the proposed plan/activity.
- It contains data on the basis of which the project has been evaluated and found feasible.
- It consists of information on economic, technical, financial, managerial and production aspects.
- It enables the entrepreneur to know the inputs and helps him to obtain loans from banks or financial Institutions

- Once the projects are appraised and the investment decisions are made a Detailed Project Report (DPR) is prepared.
- It provides all the relevant details including design drawings, specifications, detailed cost estimates etc. and this would act as a blue print for project implementation.

List the various contents of the DRP

CONTENTS are:

- General information
- Promoter
- Location
- Land and building
- Plant and machinery
- Capital requirement and cost
- Operational requirement and cost
- Production process
- Transportation and communication
- Raw materials
- Man power
- Products
- Market
- Economic analysis
- Working capital
- Requirement of funds
- Schedule of implementation
- Cost of production and profitability of first ten years.

(1) **General information:** *The report should contain general information regarding the company, product profile, and product details and specifications.*

(2) **Promoter:** *The details of promoter, name, educational qualifications, work experiences, project related experiences etc., are to be provided.*

(3) **Location:** *Details like exact location of project lease or own, location advantages etc ., are to be indicated.*

(4) **Land and building:** *Details of area of land, built up area, type and cost of construction, plan layout, detailed plan, and estimate are to be included.*

(5) **Plant and Machinery :** *Details of machinery required, their capacities, suppliers, cost, various alternatives etc, are to be included.*

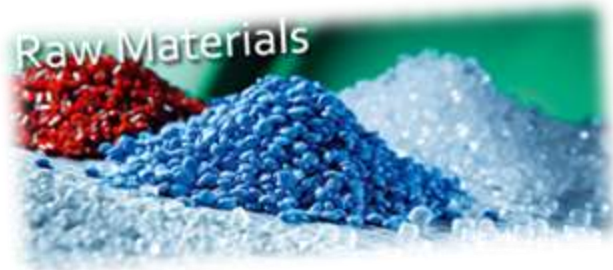
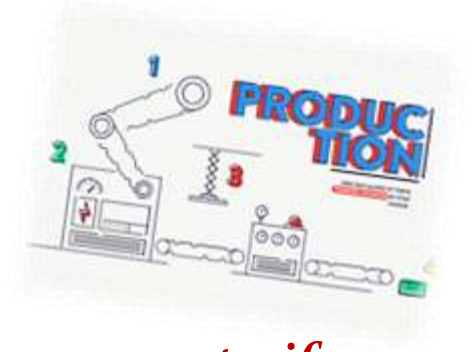


(6) **Capital requirement & cost:** *Information about all items of costs should be carefully collected and presented.*



(7) **Operational requirement & cost:** *Information about operational costs should be presented. They include cost of raw materials, fuel, power, utilities, labours, repair and maintenance, overheads etc.*


(8) **Production process:** *Description of production process, process chart, technical know how, alternate technologies, production programmes etc., are to be provided.*



(9) **Raw materials:** *List of raw materials required, its quantity and quality, sources of supply, cost, tie-up arrangements if any, alternate raw material, alternate suppliers etc., are provided.*

(10) **Man power:** *Details of manpower required, skilled, semi-skilled, sources of man power supply, cost of manpower, and cost of training if required, are provided.*






(11) **Products:** *Products produced , by-products, product mix, product quality and standard etc., are to be mentioned.*




(12) **Market:** Target users, distribution channels, selling price, trade practices, sales promotion, and estimated sales are to be included.



(13) **Economic analysis:** *Profits, return on investment, breakeven, market share, exporting etc., are made and included.*



(14) **Working capital:** Requirement of working capital, source of working capital, nature and extent of credit facilities available, offered and required are to be provided.



(15) **Requirement of funds:** *Break -up of project cost in terms of cost of land, buildings, machinery, miscellaneous assets, preliminary expenses and working capital are to be included.*

Project Profile Analysis of Pomegranate Processing Unit

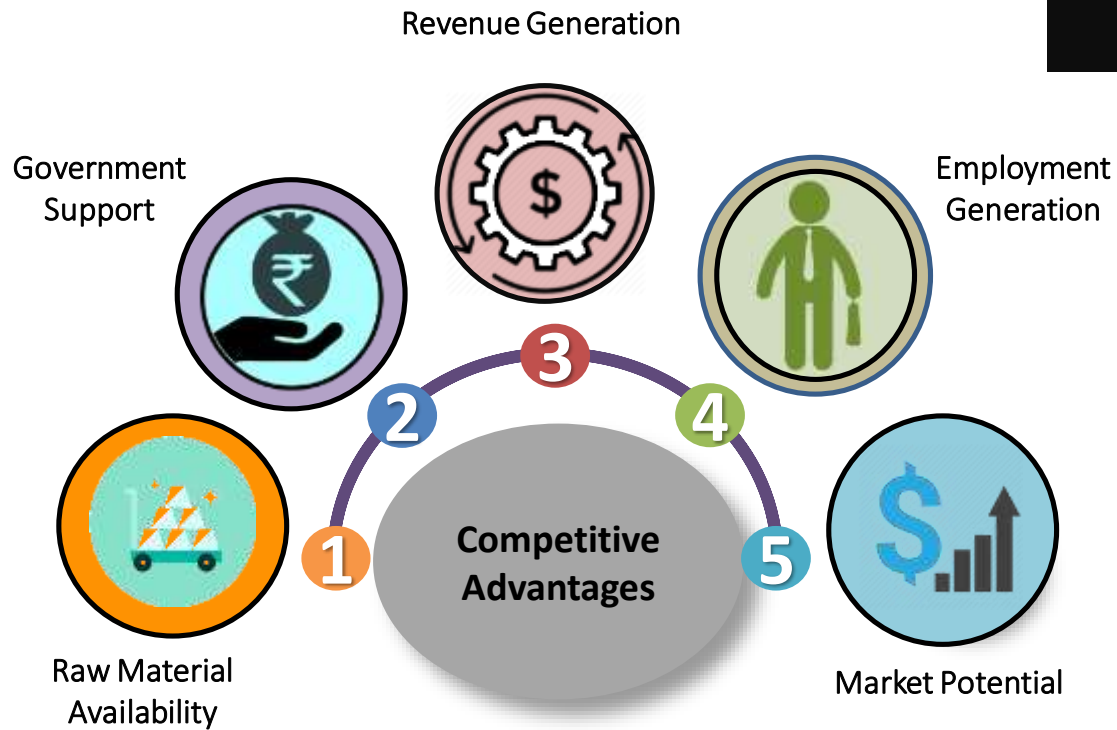


Executive Summary and Analysis



- Pomegranate is a fruit packed with nutrients. India is the second largest producer of Pomegranates in the world after Iran.
- India produces finest Pomegranates, which are available almost throughout the year and provides a tremendous potential for export of Pomegranate and its products from India.
- There are variety of products that can be obtained by processing pomegranate viz. juice, jam, wine, molasses and many more.
- Major states cultivating Pomegranates include Maharashtra, Gujarat, Andhra Pradesh, Tamil Nadu and others
- Pomegranate is one of the highest grown fruits of India with about 2,20,000-hectare area under pomegranate cultivation and the production ranging approximately 15,00,000 tons.
- The inconvenience, time-consuming process and need for RTE products have increased the demand for Processed Pomegranate Products in the market.

Competitive Advantage & Pre-requisite



Pre-requisite

-  Skilled Worker
-  Business License
-  Land location
-  Required Technical Expert
-  Supply Chain and Logistics

The life cycle of a project

- Life Cycle path The life cycle of a project from start to completion follows either a “S” shaped path or a “J” shaped path. In “S” shape path the progress is slow at the starting and terminal phase and is fast in the implementation phase.
- In “J” type cycle path the progress in beginning is slow and as the time moves on the progress of the project improves at fast rate

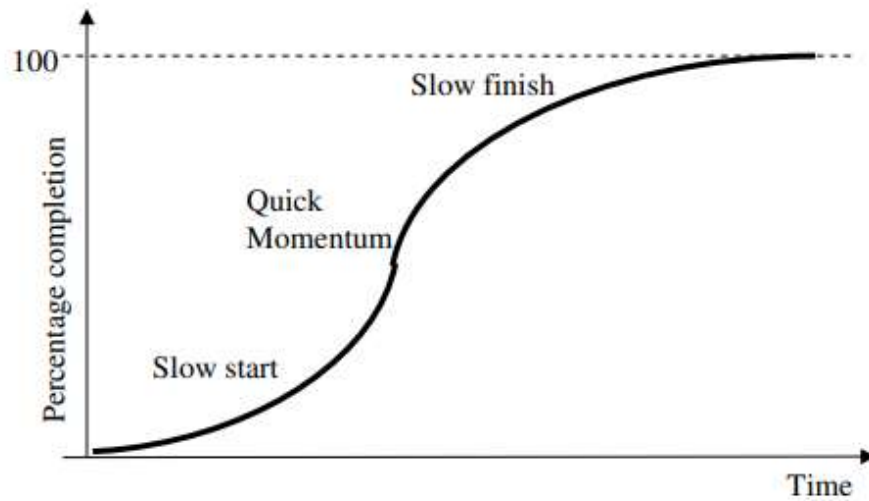


Figure 2. Project life path –“S” shape

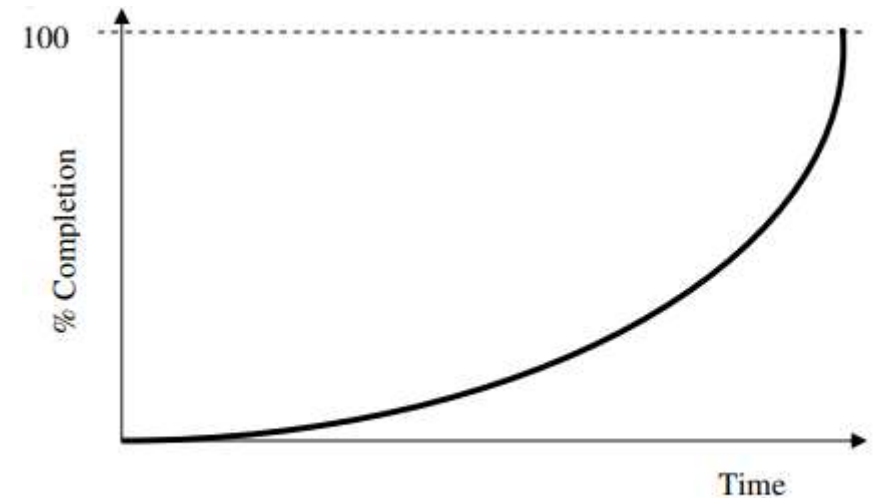


Figure 3. Project life cycle path - “J” Shape

Market Dynamics



Growth Drivers

- Increasing demand for convenience food.
- Availability of raw material.

Opportunities

- Increase in global demand

Challenges

- Perishability of product.
- Maintaining the quality of the product.

Threats

- New Entrants
- Natural Disaster

Financial Summary



- **Project** – Pomegranate Processing Unit
- **Products**– Juice, Jam, Wine, Jelly, Molasses, etc.
- **Initial Investment** – 50,00,000 INR

Pay-back Period

- This is the simplest of all methods and calculates the time required to recover the initial project investment out of the subsequent cash flow.
- It is computed by dividing the investment amount by the sum of the annual returns (income – expenditure) until it is equal to the capital cost.

Example. A farmer has invested about Rs. 50,00,000 /- in constructing a pomegranate processing unit and gets annual net return of Rs.10,00,000/- (difference between annual income and expenditure).

The pay back period for the project is 5 years ($50,00,000 / 10,00,000$).

Project Profile – Project Details

Product Portfolio	Manpower Required	Legal Requirements
Pomegranate Processing Unit	Skilled Labor & Executive Employee	Business & Industry Requirement
Types	Employment Generation	List
<ul style="list-style-type: none">JuiceJamJellyWineMolasses, etc.	<ol style="list-style-type: none">Skilled Labor – XXUnskilled Labor – XXDriver – XPlant executive – X (for Dock, Process, Product, Store & for Lab)Supervisor – XOperator -XAdmin Executive – X (Admin, HR, Account & Finance)Marketing Executive – x (Sales & Marketing)Director – X (Admin, Operation, Marketing & Finance)	<ol style="list-style-type: none">PAN & TANMSME RegistrationShop ActGSTFSSAIXXXXXXXXXXXXXXXXXX

Start-up Budget and Production Details

Budget (INR)

1. Pre-operative Expenses – XX,00,000
2. Fixed Capital – XX,00,00,000
3. Working Capital (X Month) – X,00,00,000
4. Total Investment – XX,00,00,000
5. Cost Per Unit – XX INR
6. Price Per Unit – XX INR
7. Profitability – XX %
8. PBP – XX Years

Production Details

1. Operation – 1st Year – XX%, Second Year – XX% and 3rd Year – XXX%
2. Working Days – X00 Per Annum
3. Land Requirement – Non Fertile Agri Land / Industrial Land
4. Area Required – X Acres
5. Power Requirement – XX – X00 Kw (x Phase)
6. Water Requirement – XX,000 LPD
7. Transportation – XX, Km

Recent news(timeline) & Project Control

- Patanjali group to set up Rs.634 Crore food park in AP's Vizianagaram district.
- Agriculture produce that will be processed in food park includes rice, barley, maize, pomegranate, mango, onion, chili etc.
- Azerbaijan(Continent- Europe, Asia) plans to export pomegranate to several European countries.
- Azerbaijan is considered the only country where all varieties of Pomegranate grow

Project Control

Steps in Project Control

- Fixing up the Review Period
- Obtaining Progress Information
- Comparing Actual Progress with the Schedule
- Taking Appropriate Corrective
- Correction Reporting to Higher Management
- Updating Conventions for Updating
- Frequency of Updating



A photograph of several pomegranates. One in the foreground is cut open, revealing its bright red, jewel-like seeds. Other whole pomegranates are visible in the background and foreground, some with green leaves. A semi-transparent red banner is overlaid across the middle of the image.

Thank You