

CREAM ROLL



INTRODUCTION:

Cream rolls are preferred snacks for people with a 'sweet tooth'. Cream rolls are made under strict hygienic conditions. They are delicious, crisp, and always fresh. They are available in four different flavours: mango, strawberry, pineapple and chocolate. A creamy core with a crunchy periphery offers a delicious and balanced 'delight'. Bakery and confectionery products are now consumed on mass. But unlike advanced countries the per capita consumption of Cream Roll in India is very low. Now a day its demand is going up.

OBJECTIVE:

The primary objective of the model report is to facilitate the entrepreneurs in understanding the importance of setting up unit of Cream Roll Plant. This model report will serve as guidance to the entrepreneurs on starting up such a new project and basic technical knowledge for setting up such a facility.

RAW MATERIAL AVAILABILITY:

The main raw materials for these products are wheat flour, sugar, milk powder, shortening and flavoured material.

SUITABLE LOCATION:

Cream Roll can be manufactured at any location.

MARKET OPPORTUNITIES:

As the trend of breakfast consumption is changing there is good demand of these products. The industry has get bright future in India. It has an important role to pay in economic development of the country in fuller utilization of its wheat resources and in building of health of its people.

PROJECT DESCRIPTION:

CAPACITY OF THE PROJECT:

- The capacity of the project is 54 MT of Cream Roll per year.

PRODUCTION TARGET:

- The scheme is worked out per shift (8 Hour) basis and 300 working days per annum.
- Assume there'll be 70% production in first year.
- Qty.: 37.80 MT per Annum or 3.15 MT per Month.

MANUFACTURING PROCESS:

Sugar, Milk Powder, shortening and salt are mixed until smooth. Eggs are blended into two stages. 3/4th of the water. 1 part of vanilla & flavoured materials added and stirred a well Bread flour is added and stirred followed by addition of yeast dissolved in the remaining water. The dough is then developed. It is placed in a warm, humid place until it is ready to be punched. For jelly type dough nuts the dough is scaled into presses white for ring dough nuts, it is called in larger rectangular pieces of upto 2-3 Kgs. These pieces are relaxed for 15 minutes. The pressed out pieces for jelly filled

doughnuts are $\frac{3}{4}$ proofed before frying. The doughnuts are fried in a clean fat and kettle at 190 °C – 200 °C. When the lower sides of the doughnuts become brown they are turned. When frying is complete, the fat is drained from the doughnuts. Jelly filled doughnuts are cooled before filling. Smooth and softened jelly is filled into the doughnuts. Sometimes custard powder and fruits are also used for filling for glazing they may be dipped while warm into a thinned simple doing.

PROJECT COMPONENT AND COST:

FINANCIAL ASPECTS:-

APPLICATION OF FUNDS

Particular	Amount
Land	200 sq. meter
Building	covered area on rent
Plant & Machinery	2,244,000.00
Office Equipment & Furniture	50,000.00
Working Capital	1,062,556.22
Pre-Operative Expenses	25,000.00
Total	3,381,556.22

SOURCE OF FUND

Particulars	Amount
Own Capital	1,120,640.56
Loan from Banks	1,720,500.00
Loan for Working Capital	540,415.67
Total	3,381,556.22

FIXED ASSETS

(1) Land And Building:		Value (Rs.)		
Land & Building 200 sq. meter covered area on rent		96,000 per annum		
(2) Machinery And Equipment:				
S. N.	Description (Name of machine with specification)	Qty.	Rate	Value (Rs.)
Production Unit				
i	Vertical Mixer	1	70,000.00	70,000.00
ii	Hopper with Feeding Screw	1	70,000.00	70,000.00
iii	Cooker Extruder	1	300,000.00	300,000.00
iv	Pneumatic Conveyor	1	100,000.00	100,000.00
v	Melting Tanks	2	70,000.00	140,000.00
vi	Flavour Spraying Pump	1	150,000.00	150,000.00
vii	Drying Oven	1	250,000.00	250,000.00
viii	Doser for Powdered Flavour	1	100,000.00	100,000.00
ix	Elevator Belt	2	75,000.00	150,000.00
x	Storage Bin	1	140,000.00	140,000.00
xi	Electric Control Panel	1	120,000.00	120,000.00
xii	Discharge Belt	1	200,000.00	200,000.00
xiii	Packing Machine	1	200,000.00	200,000.00
xiv	Misc. Equipments		-	50,000.00

Total Cost of Machinery & Equipments		2,040,000.00
Electrification & Installation Charges @ 10%		204,000.00
Total Cost of Production Unit		2,244,000.00
Furniture & Fixtures	-	50,000.00
3 Pre-Operative Expenses:	-	25,000.00
Total Fixed Capital (2+3)	-	2,269,000.00

RAW MATERIAL REQUIREMENT & STOCK

Particulars	Mode	Year' 1
Capacity Utilisation		70%
Daily Production at 100% capacity	180.00	
No of Working days per annum	300	
Annual Production	Kg	37,800.00
Wastage	%	2.00
Net Production	Kg	37,044.00
Gross Consumption		
Bread Flour	Kg	22,932.00
Sugar	Kg	4,351.20
Milk Powder	Kg	1,764.00
Egg	Doz.	15,000.00
Yeast	Kg	2,587.20
Shortening	Kg	16,800.00
Other materials like salt, jelly, custard, chopped fruits etc.	Kg	1,881.60
Rate (Per Kg)		
Bread Flour	Rs	16.00
Sugar	Rs	35.00
Milk Powder	Rs	220.00
Egg	Rs	42.00
Yeast	Rs	140.00
Shortening	Rs	200.00
Other materials like salt, jelly, custard, chopped fruits etc.	Rs	60.00
Annual Consumption		
Bread Flour	Rs	366,912.00
Sugar	Rs	152,292.00
Milk Powder	Rs	388,080.00
Egg	Rs	630,000.00
Yeast	Rs	362,208.00
Shortening	Rs	3,360,000.00
Other materials like salt, jelly, custard, chopped fruits etc.	Rs	112,896.00
Total		5,372,388.00
Stock of Raw Material	30 days	441,566.14
Stock of WIP	02 days	2,010.48
Purchase Cost of Raw Material	Rs	5,815,964.61

WORKING CAPITAL REQUIREMENT

Particulars	Days	Year' 1
Raw Material	30	441,566.14
Work in Process	2	2,010.48
Finished Goods	10	193,633.33
Receivables	30	710,010.00
Advance/Security		200,000.00
Total		1,547,219.94
Less: Creditors	30	484,663.72
Net Current Assets		1,062,556.22
Paid Stock		152,546.22
75% of Paid Stock		114,409.67
60% of Book Debts		426,006.00
Bank Limits		540,415.67
Margin for Working Capital		522,140.56

SELLING & ADMINISTRATION EXPENSES

Particular	Year I
i Postage	18,000.00
ii Commission on sales	60,000.00
iii Office Expenses	29,000.00
iv Tour & Travel	18,000.00
v Printing & Stationary	20,000.00
vi Advertisement	52,000.00
vii Telephone	20,000.00
viii Repair & Maintenance	22,000.00
ix Conveyance	27,000.00
x Sales expenses	34,000.00
xi Insurance	20,000.00
xii Misc. Expenses	30,000.00
Total	350,000.00

STAFF AND LABOUR EXPENSES

S. N.	Description	No.	Salary PM	Total Salaries-Year I
(a) Administrative & Supervisory				
i	Production Incharge cum accountant	1	15,000.00	180,000.00
Total Salaries				180,000.00
(b) Skilled & Unskilled-Wages				
i	Skilled Worker	1	10,000.00	120,000.00
ii	Semi Skilled Worker	1	8,000.00	96,000.00
iii	Helper	2	5,000.00	120,000.00
Total				336,000.00
Grand Total				516,000.00

**MANUFACTURING AND PROFIT & LOSS
ACCOUNT**

Particulars	Year' 1
Sales Value @ Rs 230 per Kg	8,520,120.00
Cost of Production:	
Raw Material Consumed:	
Opening Stock	0.00
Add: Purchases	5815964.61
	<hr/> 5815964.61
Less: Closing Stock	441566.14
Raw Material Consumption	5374398.48
Add: Op Stock of WIP	0.00
	<hr/> 5374398.48
Less: Cl Stock of WIP	2010.48
	<hr/> 5372388.00
Power & Fuel	560000.00
Manufacturing Wages	336000.00
Bonus & Incentives	16800.00
Packaging Materials	200000.00
Rent	96000.00
Raw material storage & ins. Cost	4800.00
Carriage inward	40711.75
Depreciation	344100.00
Total Cost of Production	6,970,799.75
Add: Op. Stock of Finish. Goods	0.00
	<hr/> 6970799.75
Less: Cls. Stock of F. Goods	193633.33
Cost of Sales	6,777,166.43
Gross Profit	1,742,953.57
	0.20
Selling & Admin Cost:	
Expenses	350000.00
Salary	180000.00
Financial Expenses:	
Interest on Term Loan	234418.13
Interest on W. Capital	67551.96
Pre. Expenses	5000.00
Profit Before Taxation	905,983.49
Taxation	271795.05
Net Profit After Taxation	634,188.44
Cash withdrawal	253675.38
Transfer to Reserves	380513.07
Cumulative Reserves	380513.07
% of PBT on Sales	10.63

BALANCE SHEET

Particulars	Year' 1
Liabilities:	
Capital	1,120,640.56
Reserve & Surplus	380,513.07
Secured Loan:	
Term Loan	1,376,400.00
Unsecured loan:	
Current Liabilities:	
Bank Borrowings	540,415.67
Sundry Creditors	484,663.72
	<hr/> 3,902,633.01
Assets:	
Fixed Assets:	
Gross Block:	2,294,000.00
Less: Depreciation	344,100.00
	<hr/> 1,949,900.00
Current Assets:	
Inventories	637,209.94
Receivables	710,010.00
Advance/Security	200,000.00
Cash & Bank	385,513.07
Balance	385,513.07
Preliminary Expenses	20,000.00
	<hr/> 3,902,633.01
Difference	0.00

RATIO ANALYSIS

Particulars	Year' 1
NET PROFIT RATIO	
NP*100/Total sales	7.44
RATE OF RETURN	
NP*100/Total Investment	18.75

BREAK EVEN ANALYSIS

Fixed Cost	
Rent	96,000.00
Interest on Borrowing	234,418.13
40% of Salaries	72,000.00
40% of Utilities	224,000.00
25% of Admin Exp	87,500.00
Depreciation	344,100.00
Total	1,058,018.13
BREAK EVEN POINT	$\frac{\text{Fixed Cost} * 100}{\text{Fixed Cost} + \text{Profit}}$
	62.52

ADDRESS OF MACHINERY & EQUIPMENT SUPPLIERS:

- M/s Bajaj Processpack Maschinen Pvt. Ltd., 7/27, Jai Lakshmi Industrial Estate, Sahibabad Industrial Area, Sahibabad, Dist. Ghaziabad (U.P.) - 201301.
- M/s Mechtech Designers & Engineers Pvt. Ltd., 19 D, Dr. A. K. Paul Road, Kolkata - 700 034 : West Bengal, India.
- M/s Small Machinery Mfg. Co., 22, R.G. Kar Road, Kolkata – 700 001
- M/s Ambica Engineering Works, Bhagyoday Estate Chakudiya Mahadev Road, Rakhial, Ahmedabad-380023, Gujarat
- M/s KSJ Foods & Services Pvt. Ltd., 7/87, Vishnu Prasad, Mahanti Road, Vile Parle (E), Mumbai – 400057.
- M/s Econo Mode Food Equipment (India) Private Limited, B - 6, 5 - Acre, Kothari Compound, Tikuji - Ni - Wadi Road, Thane - 400607, Maharashtra.