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PROJECT REPORT

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PROJECT:

Yogurt Plant Unit

PROJECT REPORT

Of

YOGURT PLANT

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **Yogurt Plant 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.]

YOGURT PLANT

INTRODUCTION

India has been the leading producer and consumer of dairy products worldwide since 1998 with a sustained growth in the availability of milk and milk products. Dairy activities form an essential part of the rural Indian economy, serving as an important source of employment and income. India also has the largest bovine population in the world. However, the milk production per animal is significantly low as compared to the other major dairy producers.

Products produced from milk is Known as Dairy Products. They are rich sources of energy. Raw milk for processing generally comes from cows, but occasionally from other mammals such as goats, sheep, and water buffalo. Water is the main constituent of milk (about 90%).

Yogurt

Yogurt also spelled yoghurt, yogourt or yoghourt, is a food produced by bacterial fermentation of milk. The bacteria used to make yogurt are known as yogurt cultures. The fermentation of lactose by these bacteria produces lactic acid, which acts on milk protein to give yogurt its texture and characteristic tart flavour. Cow's milk is commonly available worldwide and, as such, is the milk most commonly used to make yogurt. Milk from water buffalo, goats, ewes, mares, camels, and yaks is also used to produce yogurt where available locally. The milk used may be homogenized or not, even pasteurized or raw. Each type of milk produces substantially different results.

To produce yogurt, milk is first heated, usually to about 85 °C (185 °F), to denature the milk proteins so that they do not form curds. After heating, the milk is allowed to cool to about 45 °C (113 °F)

Yogurt market potential

India Yogurt Market is projected to witness robust growth at a CAGR of over 20% by 2023, due to easy availability of raw materials like milk and starter culture due to flourishing dairy industry in the country. 'Dahi' or 'Curd' has been consumed in India since ages, whereas Yogurt is a relatively newer term in the Indian Market. Yogurt is considered beneficial for gut as well as digestive health due to the presence of pre-biotic bacteria and thus possess plethora of health benefits. Growing awareness of the health benefits associated with the consumption of yogurt has led to increasing popularity of yogurts such as frozen yogurt among kids as well as youngsters which will ensure robust growth of the market during the forecast period. Moreover, the growing preference of flavoured yogurts as desserts over sugary sweets or ice-creams is expected to drive the growth of the India Yogurt market in the next five years. Further, factors such as rising disposable incomes, growing awareness of lifestyle diseases, introduction of newer products in the market by manufacturers and presence of national as well as international players that are focusing on innovation is anticipated to propel the growth of India Yogurt Market by 2023. Based on the type, the regular yogurt leads the market, owing to high use of regular yogurts. Based on the distribution channel, the supermarkets/hypermarkets segment holds the largest market share due to easy availability, a huge variety and discounted prices.

PROJECTED PROFITABILITY STATEMENT

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PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
Capacity Utilisation %	50%	55%	60%	65%	70%
<u>SALES</u>					
Gross Sale					
Yogurt	147.50	166.40	183.35	200.59	218.14
Total	147.50	166.40	183.35	200.59	218.14
<u>COST OF SALES</u>					
Raw Mateiral Consumed	114.00	127.05	140.40	154.05	168.00
Elecricity Expenses	5.04	5.54	6.10	6.71	7.38
Depriciation	4.42	3.79	3.25	2.79	2.40
Consumables	0.15	0.17	0.18	0.20	0.22
Repair & maintennace	0.30	0.33	0.37	0.40	0.44
Packing charges	3.00	3.63	4.32	5.07	5.88
Labour	10.92	12.01	13.21	14.53	15.99
Cost of Production	137.82	152.53	167.84	183.76	200.30
Add: Opening Stock /WIP	-	2.30	2.54	2.80	3.06
Less: Closing Stock /WIP	2.30	2.54	2.80	3.06	3.34
Cost of Sales	135.52	152.28	167.58	183.49	200.03
GROSS PROFIT	11.98	14.12	15.76	17.10	18.11
salary to staff	1.68	1.85	2.03	2.24	2.35
Interest on Term Loan	2.82	2.51	1.85	1.19	0.46
Interest on working Capital	0.50	0.50	0.50	0.50	0.50

Selling & adm Exp	1.48	1.66	1.83	2.21	2.18
TOTAL	6.47	6.52	6.22	6.13	5.49
NET PROFIT	5.51	7.59	9.55	10.97	12.62
Taxation	0.11	0.54	0.95	1.86	2.38
PROFIT (After Tax)	5.40	7.06	8.60	9.11	10.25

PROJECTED BALANCE SHEET

PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>Liabilities</u>					
Capital					
opening balance		5.08	7.64	11.74	16.25
Add:- Own Capital	3.68				
Add:- Retained Profit	5.40	7.06	8.60	9.11	10.25
Less:- Drawings	4.00	4.50	4.50	4.60	5.00
Closing Blance	5.08	7.64	11.74	16.25	21.49
Term Loan	25.61	19.61	13.61	7.61	1.61
Working Capital Limit	4.50	4.50	4.50	4.50	4.50
Sundry Creditors	1.90	2.12	2.34	2.57	2.80
Provisions & Other Liab	0.30	0.40	0.55	0.66	0.83
TOTAL :	37.39	34.27	32.74	31.58	31.23
<u>Assets</u>					
Fixed Assets (Gross)	31.79	31.79	31.79	31.79	31.79
Gross Dep.	4.42	8.21	11.46	14.26	16.66
Net Fixed Assets	27.37	23.58	20.33	17.53	15.13
Current Assets					
Sundry Debtors	3.93	4.44	4.89	5.35	5.82
Stock in Hand	3.06	3.39	3.73	4.09	4.46
Cash and Bank	3.03	2.86	3.79	4.61	5.82
TOTAL :	37.39	34.27	32.74	31.58	31.23

PROJECTED CASH FLOW STATEMENT

PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>SOURCES OF FUND</u>					
Own Margin	3.68				
Net Profit	5.51	7.59	9.55	10.97	12.62
Depreciation & Exp. W/off	4.42	3.79	3.25	2.79	2.40
Increase in Cash Credit	4.50	-	-	-	-
Increase In Term Loan	28.61	-	-	-	-
Increase in Creditors	1.90	0.22	0.22	0.23	0.23
Increase in Provisions & Oth lib	0.30	0.10	0.15	0.11	0.17
TOTAL :	48.92	11.70	13.18	14.10	15.42
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	31.79				
Increase in Stock	3.06	0.33	0.34	0.36	0.37
Increase in Debtors	3.93	0.50	0.45	0.46	0.47
Repayment of Term Loan	3.00	6.00	6.00	6.00	6.00
Drawings	4.00	4.50	4.50	4.60	5.00
Taxation	0.11	0.54	0.95	1.86	2.38
TOTAL :	45.89	11.88	12.24	13.28	14.22
Opening Cash & Bank Balance	-	3.03	2.86	3.79	4.61
Add : Surplus	3.03 -	0.17	0.93	0.82	1.21
Closing Cash & Bank Balance	3.03	2.86	3.79	4.61	5.82

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