

BREAD PLANT

1. INTRODUCTION

Bread is one of the oldest prepared foods. Evidence is from 30,000 years ago in Europe. Bread is the staple food of the Middle East, North Africa, Europe, and in European-derived cultures such as those in the Americas, Australia, and Southern Africa, in contrast to East Asia where rice is the staple. Bread is usually made from wheat-flour dough that is cultured with yeast, allowed to rise, and finally baked in an oven.

2. PRODUCTS AND ITS APPLICATION:

Bakery products generally consumed as supplement foods (or breakfast food) in between the meal times. Bread and other bakery products are now consumed in almost in every Indian home and hotel. Bread also used to prepare sandwiches, bread toast, bread rolls, breadcrumbs etc. A huge consumption of bakery products because of mainly two reasons, firstly, they are ready-to-eat or convenience food to eat anywhere at any time and secondly, they can satisfy appetite

Capacity & Product-Mix

SRN	Product	Unit	Qty.
1	200g Bread Loaves/day	Nos.	10,000
2	400g Bread Loaves/Day	Nos.	10,000
3	800g Bread Loaves/Day	Nos.	2,500
4	Buns, Pav, Pizza Base	Nos.	2,500
	Total	Nos.	25,000

3. DESIRED QUALIFICATION FOR PROMOTER:

The promoter must be well versed with manufacturing process and market strategy for breads in that specific area where the plant to be set-up as being the shelf life of the

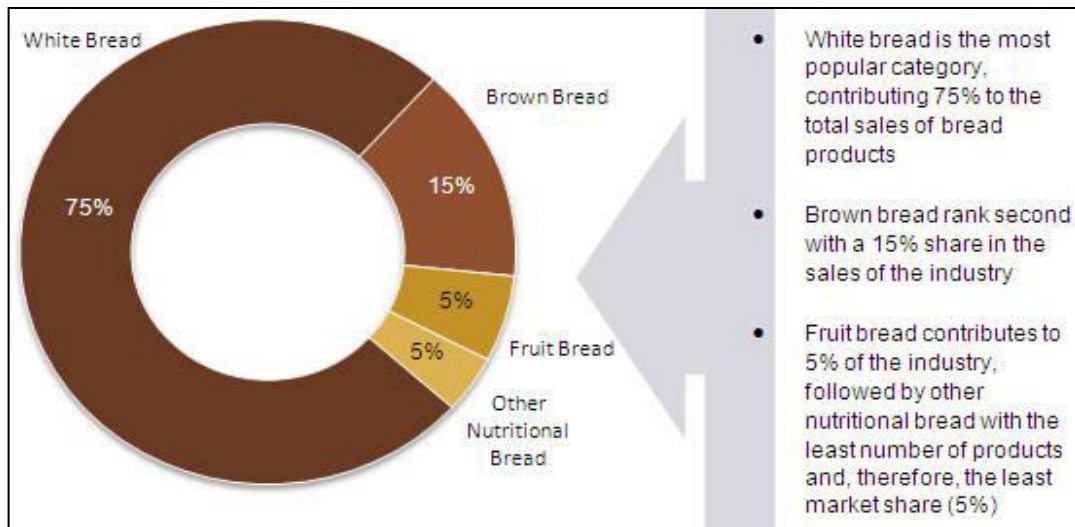
product is just of 72 hours. The distribution network is very much important for this category of the product-group.

4. INDUSTRY OUTLOOK/TREND

Bread is a convenient food mainly consumed in urban areas. Moreover, many breakfast and snacks are prepared using bread. In India this trend is growing day by day and hence consumption is growing. It is estimated that bread consumption will increase at the rate of 10%.

5. MARKET POTENTIAL AND MARKETING ISSUES, IF ANY:

- The bread industry in India, valued at INR 33bn (~USD 0.53 bn) in FY 2015(E), grew at a CAGR of ~9% over the last three years. **Value Notes** estimates that the industry will be worth approximately INR 53bn (~USD 0.86bn) by FY 2020, growing at a CAGR of ~10%
- Demand for brown and fruit breads is estimated to increase further due to an increasing urban consumer base and a rise in health awareness about nutritional food/
- The bread industry in India, valued at INR 33bn (~USD 0.53 bn) in FY 2015(E), grew at a CAGR of ~9% over the last three years. **Value Notes** estimates that the industry will be worth approximately INR 53bn (~USD 0.86bn) by FY 2020, growing at a CAGR of ~10%
- Demand for brown and fruit breads is estimated to increase further due to an increasing urban consumer base and a rise in health awareness about nutritional food
- The per capita consumption of bread in India is only around 1.5 kg to 1.75 kg in various zones. The consumption pattern in four zones is: Northern States: 27%; Southern States: 32%; Western States: 23% and of Eastern States: 18 %



6. RAW MATERIAL REQUIREMENTS:

Sr.No.	Raw Material	TPA
1	Maida	1,734.10
2	Yeast	52.02
3	Salt	34.68
4	Sugar	104.05
5	Fat	34.68
6	Water	1,040.46
	Total	3,000.00

7. MANUFACTURING PROCESS:

Proper mixing of all ingredients in right proportion as per formula, followed by dividing the dough into required portion and then intermediate proofing is necessary. Thus prepared dough is then subject to molding, panning and followed by final proofing. Properly proofed or fermented dough loaves then baked at required temperature and time period. The baked loaves are then subject de-panning, followed by cooling, slicing and packing or wrapping.

8. MANPOWER REQUIREMENT:

Manpower Requirements	Persons
Technical Staff	11
Adm. Staff	8
Marketing Staff	15
Labour	60
Total	94

9. IMPLEMENTATION SCHEDULE:

Project Stages	MONTHS									
	1	2	3	4	5	6	7	8	9	10
Purchase of Land	Yellow	Yellow	Yellow							
Completion of Building	Green	Green	Green	Green	Green					
Ordering of Machinery	Light Green	Light Green	Light Green							
Delivery of Machinery			Light Red	Light Red	Light Red					
Term/Wkg Loan Sanction		Light Blue	Light Blue	Light Blue	Light Blue					
Installation of Machinery					Light Orange	Light Orange				
Commissioning of Plant					Red	Red				
RM/Inputs Procurement						Light Purple				
Manpower Appointments						Light Blue				
Commercial Production						Green				

10. COST OF PROJECT:

COST OF PROJECT

No.	Costing Heads	Qty.	Rate/Unit	Rest. Lakh
1	Land in Sq. M. + Expenses	2,000	1,000.00	20.00
2	Building	1,500	9,000.00	135.00
3	Plant & Machinery			142.00
	Total Cost of Project			297.00

11. MEANS OF FINANCE:**MEANS OF FINANCE**

Sr. No.	Means Heads	Rest. Lakhs
1	Promoters Capital	74.25
2	Term Loan	172.75
3	MFPI Subsidy	50.00
	Total Means of Finance	297.00

12. WORKING CAPITAL CALCULATION:

Particulars	Total Amount	Stock Period Days	Value of Stock Period	Promoter Margin	Promoter Share	Bank Borrowings
Raw Material	461.62	15	23.08	0.60	13.85	9.23
Packing Material	60.00	30	6.00	0.75	4.50	1.50
Work in Process	808.31	3	8.08	0.40	3.23	4.85
FP Stock	990.00	15	49.50	0.40	19.80	29.70
Bills Receivable	990.00	15	49.50	0.40	19.80	29.70
Working Expense	25.00	30	2.50	1.00	2.50	0.00
Total:	3,334.93		138.66		63.68	74.98

13. LIST OF MACHINERY REQUIRED:

Sr. No.	Machines	Qty.
1	Rotary Rack Oven (Bakery Oven)	2
2	Multi Trolley Bakery Oven	1
3	Bakery Proofer	1
4	Multi Trolley Proofer	2
5	Spiral Mixer	2
6	High Speed Bread Slicer	2
7	Planetary Mixer	2
8	Rounder	2
9	Dough Divider	2
10	Bread making machines	2
11	Moulder	2
12	Packing Machines	2

Sr. No.	Machines	Qty.
13	Gas Station & Pipeline	1 Lot
14	Workshop Equipments	1 Lot
15	Lab Equipments	1 Lot
16	Fire Fighting Equipments	1 Lot
17	Material Handling Equipments	1 Lot
18	Effluent Treatment Plant	1 Lot
19	Electrification, Transformer, DG etc.	1 Lot
20	Miscellaneous Equipments	1 Lot

- Shankar Engineering Corporation
 18, RabindraSarani,
 Poddar Court,
 Gate No. 2 3rd Floor,
 Room No. 335,
 Kolkata - 700001,
 West Bengal
- A.g. Industries
 H-240, Sector 2,
 DSIDC Industrial Area,
 Bawana Industrial Area Sector 2,
 New Delhi - 110039

14. PROFITABILITY CALCULATIONS:

Sr. No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
A	Gross Sales	693	792	891	891	891
	Less:					
1	Raw Materials, Rest. 1/lit	323.134	369.296	415.458	415.458	415.458
2	Packing Material	42	48	54	54	54
3	Fuel	9.03	10.32	11.61	11.61	11.61
4	Power	35.28	28.224	45.36	45.36	45.36
5	Manpower	122.0076	137.6496	153.2916	153.2916	153.2916
6	Sundry Expenses	17.5	20	22.5	22.5	22.5
7	Interest on Term Loan	14.511	16.584	18.657	18.657	18.657
8	Interest on WC Loan	7.868	8.992	10.116	10.116	10.116
9	Repairs & Maintenance	7	8	9	9	9
B	Production Cost	578.3306	647.0656	739.9926	739.9926	739.9926
C	Gross Profit (A-B):	114.6694	144.9344	151.0074	151.0074	151.0074
	Taxes @ 30%	34.40082	43.48032	45.30222	45.30222	45.30222
	Net Profit	80.26858	101.4541	105.7052	105.7052	105.7052

Note: The profitability basis and projections are indicative and on approximate basis only.

15. BREAKEVEN ANALYSIS:

Break Even Point	
Annual Fixed Cost x100/	45.86
Annual Fixed Cost + Profit	

16. CRITICAL FACTORS FOR THE PROJECT:

1. Selection of quality raw materials (Vs. price constraint) and equipments are very much critical in deciding the product quality and acceptability in market.
2. It is need to produce other similar products like: PAV, BUN, Pizza Base and other bakery products to cater retailer with adequate range of products to boost the sale.
3. Plant hygiene need to be maintained strictly inside the plant as these products are highly susceptible to microbial deterioration at any time.

4. Skilled manpower, right quality ingredients including water, strict plant hygiene, right quality product, less production losses and sound distribution are key factors to make the project viable.

17. STATUTORY/ GOVERNMENT APPROVALS

There is statutory requirement of FSSAI license for setting up of food processing industry. Moreover, MSME& GST registration, IEC Code for Export of end products and local authority clearance may be required for Shops and Establishment, for Fire and Safety requirement and registration for ESI, PF and Labour laws may be required if applicable. Entrepreneur may contact State Pollution Control Board where ever it is applicable.

18. BACKWARD AND FORWARD INTEGRATION

Flour mill may be established when full capacity of bread making is utilized. In case of forward integration, more varieties of bread such as fruit bread, milk bread, whole wheat bread etc. may be introduced at appropriate time.

19. TRAINING CENTERS/COURSES

For food processing industry training and short term courses are available at Indian Institute of Food Processing Technology, Thanjavur, Tamil Nadu and Central Food Technological Institute, Mysore, Karnataka and Institute of Baking & Cake Art, Bangalore. 'Udyamimitra portal (link : www.udyamimitra.in) can also be accessed for handholding services viz. application filling / project report preparation, EDP, financial Training, Skill Development, mentoring etc.'

Disclaimer:

Only few machine manufacturers are mentioned in the profile, although many machine manufacturers are available in the market. The addresses given for machinery manufacturers have been taken from reliable sources, to the best of knowledge and contacts. However, no responsibility is admitted, in case any inadvertent error or incorrectness is noticed therein.

Further the same have been given by way of information only and do not carry any recommendation.