

## **ROASTED & FLAVOURED PEANUTS & OTHER NUTS**

### **1. INTRODUCTION:**

Peanuts and other nuts are widely used across India as well as in various countries for using in various food preparations and also consumed directly with simple processing as they contain huge amount of nutrition. Nuts are processed and roasted and sometimes flavoring process can be done for other uses.

### **2. PRODUCT & ITS APPLICATION:**

Roasted and flavored nuts are heavily used in single varieties. Cashew, peanuts and almonds are also used in mixes as are pecans, Brazil nuts, filberts or hazelnuts and macadamia nuts. Many nutritionists believe nuts are healthy. Nuts have no cholesterol, they contain mono-unsaturated and/or polyunsaturated fats, are rich in fibre, and contain vitamin E. Eating nuts, therefore, may help prevent heart disease. Other benefits of nut consumption include boost of immune system, reduce high blood pressure, fight osteoporosis, and keep nerves and muscles healthy and also beneficial to the nervous system and skin.

### **3. DESIRED QUALIFICATIONS FOR PROMOTER:**

Successful running this project does not require any specific qualification.

### **4. MARKET POTENTIAL AND MARKETING ISSUES, IF ANY:**

Flavored and roasted nuts are heavily used in daily routine and across various industries like peanut butter, nut based chocolates, sweets, and as intermediate to many other food products. There is a growing demand of pure/unadulterated roasted

and flavored nuts from the customers who are increasingly informed these days. With various food standards such as FSSAI, FSMS, ISI and ISO standards implementation, there can be huge market growth for manufacturer.

## 5. RAW MATERIAL REQUIREMENTS:

Various nuts in raw form are basic raw material for this manufacturing setup. For roasting and flavoring, oil, salt, *masala*, pepper and other flavors are needed. Food grade packaging of paper and HDPE with inner liner is required. Cardboard boxes for packing of seasoning in bunch are required.

## 6. MANUFACTURING PROCESS:

Raw nuts are first cleaned before feeding into main process. Cleaned nuts are then roasted, cooled and blanched. Then after, inspection of quality of roasting is done and nuts are sorted which go into feed tank, the feed here can be controlled by operator. They are after roasted with oil and coating has been done. After these, process flow is cooling, glazing, salting, seasoning for flavors. Flavored and roasted nuts are then packed in food grade packaging.

## 7. MANPOWER REQUIREMENT:

The enterprise requires 14 employees as detailed below:

| Sr. No. | Designation of Employees | SALARY PER PERSON | Monthly Salary ₹ | Number of employees required |        |        |        |        |
|---------|--------------------------|-------------------|------------------|------------------------------|--------|--------|--------|--------|
|         |                          |                   |                  | Year-1                       | Year-2 | Year-3 | Year-4 | Year-5 |
| 1       | Operator                 | ₹ 10,000.00       | ₹ 10,000.00      | 2                            | 2      | 2      | 3      | 3      |
| 2       | Un Skilled Workers       | ₹ 8,000.00        | ₹ 24,000.00      | 5                            | 5      | 5      | 9      | 9      |
| 3       | Accountant               | ₹ 12,000.00       | ₹ 12,000.00      | 1                            | 1      | 1      | 1      | 1      |
| 4       | Store Keeper             | ₹ 8,000.00        | ₹ 8,000.00       | 2                            | 2      | 2      | 4      | 4      |
| 5       | Sales Staff              | ₹ 12,000.00       | ₹ 24,000.00      | 4                            | 4      | 4      | 6      | 6      |
|         | <b>Total</b>             |                   | ₹ 78,000.00      | 14                           | 14     | 14     | 23     | 23     |

## 8. IMPLEMENTATION SCHEDULE:

The project can be implemented in 10 months' time as detailed below:

| Sr. No. | Activity  | Time Required<br>(in months) |
|---------|---|------------------------------|
| 1       | Acquisition of premises   | 2.00                         |
| 2       | Construction (if applicable)  | 3.00                         |
| 3       | Procurement & installation of Plant & Machinery                     | 2.00                         |
| 4       | Arrangement of Finance  | 1.00                         |
| 5       | Recruitment of required manpower                                    | 2.00                         |
|         | Total time required <i>(some activities shall run concurrently)</i> | 10.00                        |

## 9. COST OF PROJECT:

The project shall cost ₹ 325.25 lacs as detailed below:

| Sr. No. | Particulars   | ₹ in Lacs     |
|---------|---|---------------|
| 1       | Land  | 7.00          |
| 2       | Building  | 5.50          |
| 3       | Plant & Machinery   | 10.45         |
| 4       | Furniture, other Misc. Equipments                           | 0.50          |
| 5       | Other Assets including Preliminary / Pre-operative expenses | 1.05          |
| 6       | Margin for Working Capital                                  | 300.75        |
|         | <b>Total</b>  | <b>325.25</b> |

## 10. MEANS OF FINANCE:

Bank term loans are assumed @ 60% of fixed assets. The proposed funding pattern is as under:

| Sr. No. | Particulars             | ₹ in Lacs     |
|---------|-------------------------|---------------|
| 1       | Promoter's contribution | 81.31         |
| 2       | Bank Finance            | 243.93        |
|         | <b>Total</b>            | <b>325.25</b> |

## 11. WORKING CAPITAL CALCULATION:

The project requires working capital of ₹300.75 lacs as detailed below:

| Sr. No. | Particulars  | Gross Amt | Margin % | Margin Amt | Bank Finance |
|---------|--------------|-----------|----------|------------|--------------|
| 1       | Inventories  | 150.38    | 0.25     | 37.59      | 112.78       |
| 2       | Receivables  | 75.19     | 0.25     | 18.80      | 56.39        |
| 3       | Overheads    | 75.19     | 100%     | 75.19      | 0.00         |
| 4       | Creditors    | -         |          | 0.00       | 0.00         |
|         | <b>Total</b> | 300.75    |          | 131.58     | 169.17       |

## 12. LIST OF MACHINERY REQUIRED:

A detail of important machinery is given below:

| Sr. No.   | Particulars                                 | UOM | Qty | Rate<br>(₹ in Lacs) | Value<br>(₹ in Lacs) |
|-----------|---|-----|-----|---------------------|----------------------|
|           | <b>Plant &amp; Machinery / equipments</b>   |     |     |                     |                      |
| <i>a)</i> | <b>Main Machinery</b>                       |     |     |                     |                      |
| 1         | Cutting Machine                             | Nos | 1   | ₹ 1.35              | ₹ 1.35               |
| 2         | Roasting/Flavouring Machine                 | Nos | 1   | ₹ 1.05              | ₹ 1.05               |
| 3         | Dryer                                       | Nos | 1   | ₹ 1.40              | ₹ 1.40               |
| 4         | Conveyor Belt                               | Nos | 1   | ₹ 1.50              | ₹ 1.50               |
| 5         | Separator and Peeling Machine               | Nos | 1   | ₹ 1.65              | ₹ 1.65               |
| 6         | Packing, Filling and Sealing Machine        | Nos | 1   | ₹ 2.00              | ₹ 2.00               |
| 7         | Weighing Scale                              | Nos | 2   | ₹ 0.20              | ₹ 0.20               |
| 8         | Material Handling Equipment                 | LS  |     | ₹ 0.80              | ₹ 0.80               |
| 9         | Misc. Tools                                 | LS  |     | ₹ 0.50              | ₹ 0.50               |
|           | <i>sub-total Plant &amp; Machinery</i>      |     |     |                     | <b>₹ 10.45</b>       |
|           | <b>Furniture / Electrical installations</b> |     |     |                     |                      |
| 1         | Office furniture and Electrification        | LS  | 1   | ₹ 0.50              | ₹ 0.50               |
|           | <i>sub total</i>                            |     |     |                     | <b>₹ 0.50</b>        |
|           | <b>Other Assets</b>                         |     |     |                     |                      |
| 1         | preliminary and preoperative                | LS  |     | 1.05                | ₹ 1.05               |
|           | <i>sub-total Other Assets</i>               |     |     |                     | <b>₹ 1.05</b>        |
|           | <b>Total</b>                                |     |     |                     | <b>₹ 12.00</b>       |

### 13. PROFITABILITY CALCULATIONS:

| Sr. No. | Particulars                         | UOM        | Year-1       | Year-2       | Year-3       | Year-4       | Year-5        |
|---------|-------------------------------------|------------|--------------|--------------|--------------|--------------|---------------|
| 1       | Capacity Utilization                | %          | 60%          | 70%          | 80%          | 90%          | 100%          |
| 2       | Sales                               | ₹. In Lacs | 810.00       | 945.00       | 1080.00      | 1215.00      | 1350.00       |
| 3       | Raw Materials & Other direct inputs | ₹. In Lacs | 728.70       | 850.15       | 971.60       | 1093.05      | 1214.50       |
| 4       | Gross Margin                        | ₹. In Lacs | 81.30        | 94.85        | 108.40       | 121.95       | 135.50        |
| 5       | Overheads except interest           | ₹. In Lacs | 17.06        | 18.12        | 20.25        | 20.89        | 21.32         |
| 6       | Interest @ 10 %                     | ₹. In Lacs | 24.39        | 24.39        | 16.26        | 12.20        | 9.76          |
| 7       | Depreciation @ 30 %                 | ₹. In Lacs | 7.32         | 5.23         | 3.66         | 2.61         | 2.35          |
| 8       | <b>Net Profit before tax</b>        | ₹. In Lacs | <b>32.54</b> | <b>47.11</b> | <b>68.23</b> | <b>86.25</b> | <b>102.07</b> |

### 14. BREAKEVEN ANALYSIS:

The project shall reach cash break-even at 22.94% of projected capacity as detailed below:

| Sr. No. | Particulars                     | UOM           | Value   |
|---------|---------------------------------|---------------|---------|
| 1       | Sales at full capacity          | ₹. In Lacs    | 1350.00 |
| 2       | Variable costs                  | ₹. In Lacs    | 1214.50 |
| 3       | Fixed costs incl. interest      | ₹. In Lacs    | 31.08   |
| 4       | BEP = $FC/(SR-VC) \times 100 =$ | % of capacity | 22.94%  |