



Model Detailed Project Report

FROZEN CHICKEN UNIT

*Under the Formalization of Micro Food Processing Enterprises Scheme
(Ministry of Food Processing Industries, Government of India)*



Prepared by

Indian Institute of Food Processing Technology (IIFPT)

Pudukkottai Road, Thanjavur, Tamil Nadu

Ministry of Food Processing Industries, Government of India

Index

S No.	Topic	Page Number
1.	The Project At a Glance	3
2.	About the Project	4-17
	2.1. Frozen Chicken Unit	4
	2.2. Raw Material Requirements	4
	2.3. Technology	4
	2.4. Market Demand and Supply	5
	2.5. Marketing Strategy	5
	2.6. Manufacturing Process	5-7
	2.7. Basic Project Assumptions	8
	2.8. Fixed Capital Investment	8
	2.8.A. Land & Building	8
	2.8.B. Machinery & Equipment	8
	2.8.C. Other Fixed Assets	9
	2.8.D. Total Fixed Capital Investment	9
	2.9. Working Capital Requirement	9
	2.10. Total Project Cost and Means of Finance	10
	2.11. Manpower	10
	2.12. Financial Analysis	11-13
	2.13. Depreciation Schedule	14
	2.14. Repayment Schedule	15
	2.15. Financial Ratios	16
	2.16. Break Even Point Analysis	17
3.	Limitations of the Model DPR and Guidelines for Entrepreneurs	18-19
	3.1. Limitations of the Model DPR	18
	3.2. Guidelines for the Entrepreneurs	18-19

+

1. The Project at a Glance

1. Name of the proposed project	:	Frozen Chicken Unit
2. Name of the entrepreneur/FPO/SHG/Cooperative	:	
3. Nature of proposed project	:	Proprietorship/Company/Partnership
4. Registered office	:	
5. Project site/location	:	
6. Names of Partner (if partnership)	:	
7. No of share holders (if company/FPC)	:	
8. Technical advisor	:	
9. Marketing advisor/partners	:	
10. Proposed project capacity	:	75000 Kg/annum(60,65,70,75,&80% capacity utilization in 1 st to 5 th Year respectively)
11. Raw materials	:	Poultry Bird (Chicken) and Packing material
12. Major product outputs	:	Frozen Chicken
13. Total project cost	:	Rs. 31.35 Lakh
• Land development, building & civil Construction	:	Nil
• Machinery and equipments	:	Rs. 24.78 Lakh
• Other Fixed Assets	:	Rs. 3.00 Lakh
• Working capital margin	:	Rs. 2.46Lakh
• Contingencies	:	Rs. 1.11 Lakh
14. Working capital requirement		Rs. 7.37 Lakh
15. Means of Finance		
• Subsidy grant by MoFPI (max 10 lakhs)	:	Rs. 10.00 Lakh
• Promoter's contribution (min 20%)	:	Rs. 8.85 Lakh
• Term loan (45%)	:	Rs. 12.5 Lakh
16. Debt-equity ratio	:	1.01
17. Profit after Depreciation, Interest & Tax		
• 1 st year	:	3.17 Lakh
• 2 nd year	:	5.15 Lakh
• 3 rd year	:	7.43 Lakh
• 4 th year	:	9.81 Lakh
• 5 th year	:	12.73 Lakh
18. Average DSCR	:	2.97
19. Term loan repayment	:	5 Years with 6 months grace period

2. About the Project

2.1. Frozen Chicken Unit

Poultry meat is one of the most important sources of protein for human consumption worldwide. Chicken is the most common type of poultry in the world. Owing to the relative ease and low cost of raising them in comparison to animals such as cattle or hogs, chickens have become prevalent throughout the cuisine of cultures around the world, and their meat has been variously adapted to regional tastes. Chicken can be prepared in a vast range of ways, including baking, grilling, barbecuing, frying, and boiling, among many others, depending on its purpose. Since the latter half of the 20th century, prepared chicken has become a staple of fast food. Chicken is sometimes cited as being more healthful than red meat, with lower concentrations of cholesterol and saturated fat. The poultry farming industry that accounts for chicken production takes on a range of forms across different parts of the world.

2.2. Raw Material Requirements

Basic raw material that is used is mentioned below:

- Poultry Bird (Chicken)
- Packaging material

2.3. Technology

IIFPT has all the advanced technical know on Frozen Chicken Unit with respect to specific parameters' for getting good quality standards. These technologies are available through consultancy.

2.4. Market Demand and Supply

Indian poultry meat products have good markets in Japan, Malaysia, Indonesia, and Singapore. Both public and private sector organizations have played important role in the poultry industry. There is a huge scope for the growth of the poultry industry as the country's annual per capita consumption is only 2.4 kgs. The national institute of nutrition has recommended 180 eggs and 11 kg of meat per capita consumption for our country. Nearly three million tonnes of broiler meat and about 2.86 million tonnes of eggs are produced annually in India. Growing at about 20 per cent annually the domestic poultry market is currently estimated at about Rs. 49,000 crore. India is the ninth-largest producer of poultry meat in the world.

2.5. Marketing Strategy

The increasing urbanization and income offers huge scope for marketing of Frozen Chicken. Urban organized platforms such as departmental stores, malls, super markets can be attractive platforms to sell well packaged and branded frozen chicken. Processors can also have tie-up with hotels, caterers and restaurants for supply.

2.6. Manufacturing Process

- **Receiving & Handling:** Birds are usually transported to the processing plant in crates stacked on a truck or in cages mounted permanently on a truck. It goes without saying that transporting vehicles and crates should be kept in a clean, hygienic, and safe manner.
- **Stunning:** In plants where gas stunning is employed, the birds can be left in the crates, where they are stunned by the selected gas, and later removed from the crates. In the case of poultry, stunning can be done using an electric current, gas, or mechanical means.
- **Killing & Bleeding:** After being stunned, general slaughter procedures are used to exsanguinate broilers. One method consists of cutting both the jugular and carotid arteries in the neck, to ensure rapid death. The duration of bleeding depends on the stunning method applied and the time elapsing between stunning and bleeding. If electric stunning is used,

40% of blood is eliminated in 60 to 90 seconds, while after gas stunning the bleeding period must be increased to 2 to 2.5 min.

- **Scalding:** Scalding softens the skin and facilitates plucking. The tail feathers, remnant feathers, and skin colors are the most important items for further processing. Two types of scalding system can be used: hot-water scalding or steam scalding.
- **Feather removal:** Birds should be plucked immediately after scalding. In large processing plants, feather removal is done by mechanical pickers or puckers equipped with rubber fingers that rub the feathers off the carcass. In a continuous operation, this is done while the carcass is hanging upside down and moved forward (by the shackle line) between two or three sets of rotating disks equipped with rubber fingers.
- **Head removal:** After defeathering and before evisceration, the head must be removed if decapitation was not used as the killing method. Automatic machines remove the head, esophagus, and trachea, an essential stage for subsequent automatic evisceration.
- **Lung removal:** Lungs can be removed manually or by automated equipment. The lungs must be cut at the tarsus joint, and it is important that the cut be made between the bones and not through a bone since the latter will appear dark or red in a chilled bird and almost black in a cooked product. After removal of the legs, the carcasses are usually moved to another line. This can be done manually as the carcasses fall onto a sorting table, or by automatic transfer.
- **Evisceration:** This stage refers to opening the body cavity and withdrawing the viscera (i.e., intestines, gizzard, gallbladder, and crop). Different operations form part of evisceration:
 - Repositioning on the conveying line,
 - Cutting the neck skin,
 - Cutting the cloaca,
 - Opening the abdominal cavity, and
 - Withdrawing the viscera.

This can be done manually, semi-automatically or fully automatically. In all cases, special care should be taken not to pierce the viscera and contaminate the carcass.

- **Post washing:** Prior to refrigeration, a final internal and external washing of the carcass is necessary to remove debris and blood or fat clots. The remaining material in the intestinal crop

due to problems during evisceration may also mean that the carcass must be washed.

- **Chilling and freezing:** Blast freezing uses high-velocity cold air circulated by fans to provide rapid air movement. The rate of heat transfer is greatly improved over that of still air, and the freezing rate is higher. Air velocities commonly used in a commercial air-blast freezer can range from 30 to 1100 m/min, and the temperature can range from -10 to -40°C .
- **Storage:** The finished product is stored and ready for sale in the market.

Flow Chart of Frozen Chicken

Receiving & Handling



Stunning



Killing & Bleeding



Scalding



Feather release



Head removal



Lung removal



Evisceration



Post-washing



Chilling or frozen



Storage

2.7. Basic Project Assumptions

Capacity of Frozen Chicken Unit	:	75000 Kg/annum
Working hours per day	:	8-10 hrs.
Working days per year	:	300 days.
Interest on capital investment	:	11% on term loan and working capital loan.
Repayment period	:	Five years with six months grace period is considered.
Utilization of capacity	:	60% 1 st year, 65% in 2 nd year, 70% in 3 rd year, 75% in 4 th year & 80% 5 th year onwards
Average prices of raw material	:	Rs. 120/Kg.
Average sale price	:	Rs 220/Kg.

2.8. Fixed Capital Investment

2.8.A. Land & Building

The DPR is for FME scheme to upgrade/formalize existing micro enterprises which already has land & built-up area. However, they can invest to expand the built-up area as required.

2.8.B. Machinery & Equipment: Following machinery and equipments are used:

Description	Rate	Unit	Amount
Chicken Cutting Machine	30000	1	30000
Chicken Scalding Tank	33000	1	33000
Chicken Feather cleaning machine	22000	1	22000
Chicken Head Puller	55000	1	55000
Blast Freezer	850000	1	850000
Cold Chamber	460000	1	460000
Vacuum Packaging machine	400000	1	400000
Other Equipments (washing tanks, hook conveyor, knife, trolley, bins, etc.)	-	-	250000
Total Amount			2100000
GST @ 18%			378000
Net Amount			2478000

2.8.C. Other Fixed Assets:

i.	Furniture and Fixtures	Rs. 3.0 Lakh
ii.	Computer & Printers	
iii.	Electrical fittings	

2.8.D. Total Fixed Capital Investment (A+B+C): Rs. 27.78 Lakh

2.9. Working Capital Requirement

Working capital is critical input in Frozen Chicken unit.

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL					
PARTICULARS	I	II	III	IV	V
Finished Goods					
(15 Days requirement)	4.95	5.73	6.56	7.45	8.40
Raw Material					
(15 Days requirement)	2.70	3.05	3.41	3.80	4.20
Closing Stock	7.65	8.78	9.98	11.25	12.60

COMPUTATION OF WORKING CAPITAL REQUIREMENT			
Particulars	Amount	Margin(25%)	Net Amount
Stock in Hand	7.65		
Less:			
Sundry Creditors	2.52		
Paid Stock	5.13	1.28	3.85
Sundry Debtors	4.70	1.18	3.53
Working Capital Requirement			7.37
Margin			2.46
MPBF			7.37
Working Capital Demand			7.37

2.10. Total Project Cost and Means of Finance

Particulars	Amount (Rs. in Lakhs)
i. Land and building	Nil
ii. Plant and machinery	24.78
iii. Other Fixed assets	3.00
iv. Working capital margin	2.46
v. Contingencies	1.11
Total project cost (i to v)	31.35
Means of finance	
i. Subsidy	10.00
ii. Promoter's contribution	8.85
iii. Term loan	12.50
Total Means of Finance(i to iii)	31.35

2.11. Manpower:

BREAK UP OF LABOUR				
Particulars		Wages	No of	Total
		Per Month	Employees	Salary
Supervisor		20,000.00	1	20,000.00
Machine Operator		13,000.00	3	39,000.00
Skilled/Unskilled Worker		11,000.00	4	44,000.00
Helper		8,000.00	3	24,000.00
				1,27,000.00
Add: 10% Fringe Benefit				12,700.00
Total Labour Cost Per Month				1,39,700.00
Total Labour Cost for the year (In Rs. Lakhs)			11	16.76

BREAK UP OF SALARY				
Particulars		Salary	No of	Total
		Per Month	Employees	Salary
Accountant cum store keeper		20,000.00	1	20,000.00
Sales		18,000.00	2	36,000.00
Total Salary Per Month				56,000.00
Add: 5% Fringe Benefit				2,800.00
Total Salary for the month				58,800.00
Total Salary for the year (In Rs. Lakhs)			3	7.06

2.12. Financial Analysis:

PROJECTED BALANCE SHEET					
PARTICULARS	I	II	III	IV	V
SOURCES OF FUND					
Capital Account					
Opening Balance	-	21.02	24.68	28.11	31.41
Add: Additions	8.85	-	-	-	-
Add: Net Profit	3.17	5.15	7.43	9.81	12.73
Less: Drawings	1.00	1.50	4.00	6.50	9.50
Subsidy/Grant	10.00	-	-	-	-
Closing Balance	21.02	24.68	28.11	31.41	34.65
CC Limit	7.37	7.37	7.37	7.37	7.37
Term Loan	11.11	8.33	5.56	2.78	-
Sundry Creditors	2.52	2.84	3.19	3.54	3.92
TOTAL :	42.03	43.23	44.22	45.11	45.94
APPLICATION OF FUND					
Fixed Assets (Gross)	27.78	27.78	27.78	27.78	27.78
Gross Dep.	0.94	2.08	3.39	4.88	6.55
Net Fixed Assets	26.84	25.70	24.39	22.90	21.23
Current Assets					
Sundry Debtors	4.70	5.71	6.54	7.43	8.37
Stock in Hand	7.65	8.78	9.98	11.25	12.60
Cash and Bank	2.84	3.05	3.32	3.53	3.74
TOTAL :	42.03	43.23	44.22	45.11	45.94

PROJECTED PROFITABILITY STATEMENT					
PARTICULARS	I	II	III	IV	V
A) SALES					
Gross Sale	94.05	114.12	130.78	148.57	167.48
Total (A)	94.05	114.12	130.78	148.57	167.48
B) COST OF SALES					
Raw Material Consumed	54.00	60.94	68.25	75.94	84.00
Electricity Expenses	3.36	3.64	3.92	4.20	4.48
Repair & Maintenance	5.64	6.85	7.85	8.91	10.05
Labour & Wages	16.76	18.61	22.33	26.35	30.56
Packing & other overheads	0.94	1.14	1.31	1.49	1.67
Cost of Production	80.70	91.17	103.65	116.88	130.76
Add: Opening Stock /WIP	-	4.95	5.73	6.56	7.45
Less: Closing Stock /WIP	4.95	5.73	6.56	7.45	8.40
Cost of Sales (B)	75.75	90.39	102.82	115.99	129.82
C) GROSS PROFIT (A-B)	18.30	23.73	27.96	32.57	37.66
	19.45%	20.79%	21.38%	21.93%	22.49%
D) Bank Interest (Term Loan)	1.36	1.11	0.80	0.50	0.19
ii) Interest On Working Capital	0.81	0.81	0.81	0.81	0.81
E) Salary to Staff	7.06	8.47	9.74	11.20	12.32
F) Selling & Adm Expenses Exp.	1.88	4.56	5.49	6.24	6.70
G) Depreciation as per Schedule	4.02	3.43	2.93	2.50	2.14
TOTAL (D+E+F+G)	15.12	18.38	19.77	21.25	22.16
H) NET PROFIT	3.17	5.35	8.19	11.33	15.50
	3.4%	4.7%	6.3%	7.6%	9.3%
I) Taxation	-	0.19	0.76	1.52	2.77
J) PROFIT (After Tax)	3.17	5.15	7.43	9.81	12.73

PROJECTED CASH FLOW STATEMENT					
PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
Own Contribution	8.85	-			
Reserve & Surplus	3.17	5.35	8.19	11.33	15.50
Depriciation & Exp. W/off	0.94	1.14	1.31	1.49	1.67
Increase In Cash Credit	7.37	-	-	-	-
Increase In Term Loan	12.50	-	-	-	-
Increase in Creditors	2.52	0.32	0.34	0.36	0.38
Subsidy/Grant	10.00	-	-	-	-
TOTAL :	45.36	6.81	9.84	13.17	17.55
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	27.78	-	-	-	-
Increase in Stock	7.65	1.13	1.20	1.28	1.35
Increase in Debtors	4.70	1.00	0.83	0.89	0.95
Repayment of Term Loan	1.39	2.78	2.78	2.78	2.78
Taxation	-	0.19	0.76	1.52	2.77
Drawings	1.00	1.50	4.00	6.50	9.50
TOTAL :	42.52	6.60	9.57	12.96	17.34
Opening Cash & Bank Balance	-	2.84	3.05	3.32	3.53
Add : Surplus	2.84	0.21	0.27	0.21	0.21
Closing Cash & Bank Balance	2.84	3.05	3.32	3.53	3.74

2.13. Depreciation Schedule:

COMPUTATION OF DEPRECIATION				
Description	Land	Plant & Machinery	Other Assets	TOTAL
Rate of Depreciation		15.00%	10.00%	
Opening Balance	Leased	-	-	-
Addition	-	24.78	3.00	27.78
	-	24.78	3.00	27.78
		-	-	-
TOTAL		24.78	3.00	27.78
Less : Depreciation	-	3.72	0.30	4.02
WDV at end of Ist year	-	21.06	2.70	23.76
Additions During The Year	-	-	-	-
	-	21.06	2.70	23.76
Less : Depreciation	-	3.16	0.27	3.43
WDV at end of IIInd Year	-	17.90	2.43	20.33
Additions During The Year	-	-	-	-
	-	17.90	2.43	20.33
Less : Depreciation	-	2.69	0.24	2.93
WDV at end of IIIrd year	-	15.22	2.19	17.41
Additions During The Year	-	-	-	-
	-	15.22	2.19	17.41
Less : Depreciation	-	2.28	0.22	2.50
WDV at end of IV year	-	12.94	1.97	14.90
Additions During The Year	-	-	-	-
	-	12.94	1.97	14.90
Less : Depreciation	-	1.94	0.20	2.14
WDV at end of Vth year	-	11.00	1.77	12.77

2.14. Repayment Schedule:

REPAYMENT SCHEDULE OF TERM LOAN						11.0%	
Year	Particulars	Amount	Addition	Total	Interest	Repayment	Cl Balance
I	Opening Balance						
	Ist Quarter	-	12.50	12.50	0.34	-	12.50
	Iind Quarter	12.50	-	12.50	0.34	-	12.50
	IIIrd Quarter	12.50	-	12.50	0.34	0.69	11.81
	Ivth Quarter	11.81	-	11.81	0.32	0.69	11.11
					1.36	1.39	
II	Opening Balance						
	Ist Quarter	11.11	-	11.11	0.31	0.69	10.42
	Iind Quarter	10.42	-	10.42	0.29	0.69	9.72
	IIIrd Quarter	9.72	-	9.72	0.27	0.69	9.03
	Ivth Quarter	9.03		9.03	0.25	0.69	8.33
					1.11	2.78	
III	Opening Balance						
	Ist Quarter	8.33	-	8.33	0.23	0.69	7.64
	Iind Quarter	7.64	-	7.64	0.21	0.69	6.95
	IIIrd Quarter	6.95	-	6.95	0.19	0.69	6.25
	Ivth Quarter	6.25		6.25	0.17	0.69	5.56
					0.80	2.78	
IV	Opening Balance						
	Ist Quarter	5.56	-	5.56	0.15	0.69	4.86
	Iind Quarter	4.86	-	4.86	0.13	0.69	4.17
	IIIrd Quarter	4.17	-	4.17	0.11	0.69	3.47
	Ivth Quarter	3.47		3.47	0.10	0.69	2.78
					0.50	2.78	
V	Opening Balance						
	Ist Quarter	2.78	-	2.78	0.08	0.69	2.08
	Iind Quarter	2.08	-	2.08	0.06	0.69	1.39
	IIIrd Quarter	1.39	-	1.39	0.04	0.69	0.69
	Ivth Quarter	0.69		0.69	0.02	0.69	0.00
					0.19	2.78	

2.15. Financial Ratios:

FINANCIAL RATIOS					
	I	II	III	IV	V
TURNOVER	94.05	114.12	130.78	148.57	167.48
GROSS PROFIT	18.30	23.73	27.96	32.57	37.66
G.P. RATIO	19.45%	20.79%	21.38%	21.93%	22.49%
NET PROFIT	3.17	5.35	8.19	11.33	15.50
N.P. RATIO	3.4%	4.7%	6.3%	7.6%	9.3%
CURRENT ASSETS	15.19	17.53	19.83	22.21	24.71
CURRENT LIABILITIES	9.89	10.22	10.56	10.92	11.29
CURRENT RATIO	1.54	1.72	1.88	2.03	2.19
TERM LOAN	11.11	8.33	5.56	2.78	-
TOTAL NET WORTH	11.02	14.68	18.11	21.41	24.65
DEBT/EQUITY	1.01	0.57	0.31	0.13	-
TOTAL NET WORTH	11.02	14.68	18.11	21.41	24.65
TOTAL OUTSIDE LIABILITIES	21.01	18.55	16.12	13.70	11.29
TOL/TNW	1.91	1.26	0.89	0.64	0.46
PBDIT	9.36	10.70	12.73	15.14	18.64
INTEREST	2.17	1.92	1.61	1.31	1.00
INTEREST COVERAGE RATIO	4.32	5.57	7.89	11.57	18.60
WDV	26.84	25.70	24.39	22.90	21.23
TERM LOAN	11.11	8.33	5.56	2.78	-
FACR	2.42	3.08	4.39	8.25	-

2.16. Breakeven Point Analysis:

BREAK EVEN POINT ANALYSIS					
Year	I	II	III	IV	V
Net Sales & Other Income	94.05	114.12	130.78	148.57	167.48
Less : Op. WIP Goods	-	4.95	5.73	6.56	7.45
Add : Cl. WIP Goods	4.95	5.73	6.56	7.45	8.40
Total Sales	99.00	114.90	131.62	149.46	168.42
Variable & Semi Variable Exp.					
Raw Material & Tax	54.00	60.94	68.25	75.94	84.00
Electricity Exp/Coal Consumption at 85%	2.85	3.09	3.33	3.57	3.80
Wages & Salary at 60%	14.29	16.25	19.24	22.53	25.73
Selling & administrative Expenses 80%	1.50	3.65	4.39	4.99	5.36
ii) Interest On Working Capital	0.81	0.81	0.81	0.81	0.81
Repair & Maintenance	5.64	6.85	7.85	8.91	10.05
Packing & other overheads	0.94	1.14	1.31	1.49	1.67
Total Variable & Semi Variable Exp	80.04	92.73	105.18	118.24	131.43
Contribution	18.96	22.17	26.44	31.22	36.99
Fixed & Semi Fixed Expenses					
Electricity Exp/Coal Consumption at 15%	0.50	0.55	0.59	0.63	0.67
Wages & Salary at 40%	9.53	10.83	12.83	15.02	17.15
Interest on Term Loan	1.36	1.11	0.80	0.50	0.19
Depreciation	4.02	3.43	2.93	2.50	2.14
Selling & administrative Expenses 20%	0.38	0.91	1.10	1.25	1.34
Total Fixed Expenses	15.78	16.83	18.24	19.89	21.49
Capacity Utilization	60%	65%	70%	75%	80%
OPERATING PROFIT	3.17	5.35	8.19	11.33	15.50
BREAK EVEN POINT	50%	49%	48%	48%	46%
BREAK EVEN SALES	82.42	87.18	90.83	95.23	97.85

3. Limitations of the Model DPR and Guidelines for Entrepreneurs

3.1. Limitations of the Model DPR

- i. This model DPR has provided only the basic standard components and methodology to be adopted by an entrepreneur while submitting a proposal under the Formalization of Micro Food Processing Enterprises Scheme of MoFPI.
- ii. This is a model DPR made to provide general methodological structure not for specific entrepreneur/crops/location. Therefore, information on the entrepreneur, forms and structure (proprietorship/partnership/cooperative/ FPC/joint stock company) of his business, details of proposed DPR, project location, raw material base/contract sourcing, entrepreneurs own SWOT analysis, detailed market research, rationale of the project for specific location, community advantage/benefit from the project, employment generation and many more detailed aspects not included.
- iii. The present DPR is based on certain assumptions on cost, prices, interest, capacity utilization, output recovery rate and so on. However, these assumptions in reality may vary across places, markets and situations; thus the resultant calculations will also change accordingly.
- iv. This particular DPR is made on three components of means of finance i.e. grant, owner's contribution and loan/debt as followed in many central sector schemes. However, if the DPR is for credit linked subsidy then the calculation may slightly change without changes in the general structure and methodology adopted in the DPR.

3.2. Guidelines for the Entrepreneurs

- i. The success of any prospective food processing project depends on how closer the assumptions made in the initial stage are with the reality of the targeted market/place/situation. Therefore, the entrepreneurs must do its homework as realistic as possible on the assumed parameters.
- ii. This model DPR must be made more comprehensive by the entrepreneur by including information on the entrepreneur, forms and structure (proprietorship/partnership/cooperative/ FPC/joint stock

company) of entrepreneur's business, project location, raw material base/contract sourcing, entrepreneurs own SWOT analysis, detailed market research, comprehensive dehydrated product mix based on demand, rationale of the project for specific location, community advantage/benefit from the project, employment generation, production/availability of the raw materials/crops in the targeted area/clusters and many more relevant aspects for acceptance and approval of the competent authority.

iii. The entrepreneur must be efficient in managing the strategic, financial, operational, material and marketing aspects of a business. In spite of the assumed parameter being closely realistic, a project may become unsustainable if the entrepreneur does not possess the required efficiency in managing different aspects of the business and respond effectively in changing situations.

iv. The machineries should be purchased after thorough market research and satisfactory demonstration.

v. The entrepreneur must ensure uninterrupted quality raw materials' supply and maintain optimum inventory levels for uninterrupted operations management.

vi. The entrepreneur must possess a strategic look to steer the business in upward trajectory.

vii. The entrepreneur must maintain optimum (not more or less) inventory, current assets. Selecting optimum source of finance, not too high debt-equity ratio, proper capital budgeting and judicious utilization of surplus profit for expansion is must.

viii. The entrepreneur must explore prospective markets through extensive research, find innovative marketing strategy, and maintain quality, adjust product mix to demand.

ix. The entrepreneur must provide required documents on land, financial transaction, balance sheet, further project analysis as required by the competent authority for approval.

x. The entrepreneur must be hopeful and remain positive in attitude.

.....