

## ICE CANDY

### 1. INTRODUCTION

Ice candy is liked by the children well. It has very good market potential during summer.

### 2. MARKET

Ice candy is consumed by all sections of society particularly children. The market for ice candy is good in big villages, towns and district headquarters. There is a good scope for new units for setting up of this kind of units in important centres of tribal areas.

### 3. MANUFACTURING PROCESS

The required quantity of water is taken into container, colours and essence are mixed thoroughly and filled in candy blocks. Bamboo sticks inserted into candy holes and placed in the freeze for solidification. After cooling, they are removed and placed in cold chamber.

### 4. PRODUCTION CAPACITY PER ANNUM

Capacity

150000 candies

Selling Price

Rs. 2.00 per candy

### 5. PROJECT COST/CAPITAL INVESTMENT

S.No	Description	Amount Rs.
1	Fixed Capital	52000
2	Working Capital for 1 month(s)	19600
3	Preliminary & Preoperative Expns	5000
	Total Project Cost	76600

### 6. MEANS OF FINANCE

S.No	Description	%age	Amount Rs.
1	Promoter Contribution	15%	11490
2	Subsidy/Soft Loan	20%	15320
3	Term Loan	65%	49790
	Total		76600

## 7. FINANCIAL ASPECTS

## A. FIXED CAPITAL

i. Land and Buildings Rented Rs. 1500 per month

## ii. Machinery and Equipment

S.No	Description	Qty.	Rate	Amount Rs.
1	Ice candy making mahine	1	20000	20000
2	Compressor with 3 HP motor	1	22000	22000
3	Electrial motor - 3 HP	1	5000	5000
4	Miscellaneous equipment	LS		5000
	Total			52000

## B. WORKING CAPITAL

## i. Salaries &amp; Wages (per month)

S.No	Description	Nos.	Sal/mon.	Amount Rs.
1	Supervisor/Entrepreneur	1	2500	2500
2	Skilled worker	1	2000	2000
3	Unskilled worker	1	1500	1500
	Total			6000

## ii. Raw Material (per month)

S.No	Description	Qty.	Rate	Amount Rs.
1	Sacharin, colours, sticks, essences, etc	150000	0.60	7500
	Total			7500

## iii. Utilities (per month)

S.No	Description	Unit	Amount Rs.
1	Power	LS	1500
2	Water	LS	500
	Total		2000

## iv. Other Expenses (per month)

S.No	Description	Amount Rs.
1	Postage, Telephones & Stationery Expenses	500
2	Transportation & Conveyance Expenses	1000
3	Consumeble Stores	300
4	Reparis and Maintenance Expenses	500
5	Miscellaneous Expenses	300
	Total	2600

## v. Total Working Capital (per month)

S.No	Description	Amount Rs.
1	Rent	1500
2	Salaries and Wages	6000
3	Raw Material	7500
4	Utilities	2000
5	Other Expenses	2600
	Total	19600

## 8. COST OF PRODUCTION (PER ANNUM)

S.No	Description	Amount Rs.
1	Total Working Capital	235200
2	Depreciation @ 15%	7800
3	Interest on term loan @ 12%	5975
	Total	248975

## 9. TURNOVER (PER YEAR)

S.No	Description	Unit	Qty.	Rate Rs.	Amount Rs.
1	Ice candies	candies	150000	2	300000
	Total				300000

## 10. FIXED COST (PER YEAR)

S.No	Description	Amount Rs.
1	Depreciation	7800
2	Interest	5975
3	Rent	18000
4	Salaries & Wages @ 40%	28800
5	Other Expenses incl. Utilities @ 40%	22080
	Total	82655

## 11. PROFIT ANALYSIS &amp; RATIOS

1	Net Profit	Rs.	51025
2	Percentage of Profit on Sales		17%
3	Percentage of Return on Investment		67%
4	Break Even Point		62%