



7. PROJECT PROFILE ON CHIKKI

Category : Food

Total Cost of Project : Rs. 1,80,000/-

BEP : 35 %

I. INTRODUCTION OF BUSINESS IDEA :

Chikki is a party and nutritious food items made out of groundnuts that the children are extremely fond of. However, in winter season, the consumption of Groundnut is more; nevertheless it has been an average demand throughout the year. Although there are a variety of chocolates available in the market for children and there are reputed names in this field which through extensive advertising is quite established and successful in their own right. Yet products for children have wide market. This product is cheaper and more nutritious as compared to the products of big companies.

II. PRODUCT AND ITS APPLICATIONS :

Groundnut Chikki is consumed as a snack item. This is liked by children. The chikkis are sold by sweet marts, bakeries and even in grocery/petty shops, specially near the schools.

III. MARKET POTENTIAL :

Chikki is sold right from pan shop to big departmental stores. There are lot of varieties available at different prices. The proposed unit can cater to the needs of middle and lower classes. As the product is cheap and nutritious, majority liked by children, no problem is envisaged in market of the product. Presently the product is coming majorly from coastal belt about 1 lakh packets per month.

IV. CAPACITY-INSTALLED, UTILIZED & SALES :

Production of 500 packets per day i.e. 150000 packets annually is the target based on 300 working days in a year.

Sl. No.	Particulars	Qty	Rate	Amount (Rs.)
1.	Ground nut chikki	1,50,000 packets	12per packet	18,00,000



V. MANUFACTURING PROCESS & QUALITY :

First, Gud (Jaggery) is put into pan and kept over burner and allowed to take syrup form. Later, groundnuts are mixed into these systems. After sprinkling Aararoot powder over a big plain Tin plate, the mixture is poured over it so that it is convenient to take out Gud dani from the plate.

This mixture is given the desired shape with the help of cutting material, when it gets cold, the cut pieces are separated and packed in polythene bag.

The quality of the product can be assured by regulating the heating arrangement as per specifications.

VI. COST OF PROJECT AND MEANS OF FINANCE, INCLUDING WORKING CAPITAL REQUIREMENTS :

A. Cost of Project :

Sl. No.	Particulars	Amount (Rs).
1	Equipments	48,000
2	Other fixed assets	15,000
3	Preliminary and preoperative expenses	10,000
4	Deposits	15,000
5	Working Capital Requirements	92000
	Total	1,80,000

B. Means of Finance:

Sl. No.	Particulars	Amount (Rs).
1	Loan @ 75%	1,35,000
2	Equity	45,000
	Total	1,80,000

C. Working Capital Requirement :

Sl. No.	Particulars	Basis	Period	Amt
1	Raw materials	11,76,000 ----- x 1/2 12	1/2 M	49,000
3	Bills Receivables	18,00,000 ----- x 1/4 12	1/4 M	38,000
4	Working. expenses		1 M	5,000
	Total			92,000



VII. MAIN INPUTS REQUIREMENT :

A. Machinery :

Sl. No.	Particulars	Rate	Total Cost
1	Furnace	18,000	18,000
2	Frying pan, big spoons, knives, rollers etc.	20,000	20,000
3	Drying plates	10,000	10,000
	Total		48,000

B. Raw - Materials (per month):

Sl. No.	Particulars	Qty.	Rate	Total Cost (Rs.)
1	Uncovered and roasted groundnuts	800 kg	60/-	48,000
2	Jaggery	1,200 kg	30/-	36,000
3	Aararoot powder	10 kg		1,000
4	Polythene bags/boxes etc			3000
5	Fuel	200 ltrs.		10,000
	Total			98,000

C. Utilities :

Sl. No.	Particulars	Total Monthly Charges(Rs.)
1	Electricity and Water	5,000
	Total	5,000

D. Man-power requirement :

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
1	Skilled Labourer	1	7,000	84,000
2	Helper	2	5,000	1,20,000
	Total			2,04,000

E. MAIN INFRASTRUCTURE REQUIREMENT :

Building	Built up space of 500 sq. ft required
Power	Commercial power connection is required
Water	2K Liter Water is required

VIII. PROFITABILITY PROJECTION (Annual):

Particulars	Basis	Amount (Rs.)
Sales Revenue (Projected)	Ref : IV	18,00,000
Raw Materials	Ref : VII B	11,76,000
Man power expenses	Ref : VII D	2,04,000
Utilities	Ref : VII C	60,000
Interest	@ 12%	17,000
Depreciation	20% SLM	10,000
Overheads	Rent, Maintenance and selling expenses etc.	1,00,000
Total Expenses		15,67,000
Profit		2,33,000



IX. FINANCIAL INDICATOR :

Break Even Point $\frac{FC}{SR-VC} \times 100$	$\frac{1,27,000}{3,60,000} \times 100$	35 %
Payback period $\frac{COP}{\text{Profit} + \text{Deprn.}}$	$\frac{1,80,000}{2,43,000}$	Less than 1 year

X. ADDRESSES :

SUPPLIERS OF MACHINERY / EQUIPMENTS :

Spaco Industries,
C-33, KSSIDC,
Angol Industrial Estate,
Chennammanagar,
Belgaum.
Phone no. 2441578

Supplier of the raw material

APMC, Kalghatgi,
Phone No. 284536

XI. SPECIAL NOTE :

The technology can be obtained from CFTRI, Mysore