



19. PROJECT PROFILE ON MANUFACTURE OF KHOA FROM MILK

Category : Manufacturing

Total Cost of Project : Rs. 3,13,000/-

BEP : 36 %

I. INTRODUCTION OF BUSINESS IDEA:

Basically Khoa (Mawa) is an intermediate product between milk and sweet. Household people, hotels, sweet-shops need regularly different quantity of Khoa. Small unit can produce large quantity of Khoa to supply to different consumer on regular basis as per their individual demand

II. PRODUCT AND ITS APPLICATIONS:

Milk and milk products are largely used at every home. Along with demands for home purpose, it is also used in hotels, sweet shops etc. for making different type

III. MARKET POTENTIAL:

Milk and milk products are largely used in every home in India. Along with demands for home purpose, it is also used in hotels, sweet shops etc. especially during festival time the demand for Mawa (Khoa) is much higher than the supply. Khoa is a product in regular demand.

Khoa is a regular raw material required for the sweet manufacturing units and hotels. As there is shortage of khoa, there is good potential for this unit. Pedha, Kunda and other sweet manufacturers are in a position to consume any amount of Khoa supplied.

IV. CAPACITY/ REVENUE: (1st Year)

One production cycle is completed in 35 minutes by the machine. The machine can process 10 Liters milk at one go, from 3 Kg. khoa can be prepared. Thus, this machine can process 100 liters of milk daily and 30000 liters milk annually for 300 working days out of which 9000 Kg. of khoa would be processed. First year it is expected to sales 7500 Kg. of Khoa.

Sl. No.	Particulars	No.	Rate	Total Amount (Rs.)
01.	Koha	7,500 kg.	200 / - per kg	15,00,000



V. MANUFACTURING PROCESS & QUALITY :

It is quite easy to make khoa. In its production, first of all pure un-boiled milk is filtered and put into khoa machine and the machine is started, after about 35 minutes of processing machine, khoa gets ready and is taken out from the machine. After this, the machine is cleaned and run again. When desired quantity of khoa is processed. It is packed as per requirement and sent to the clients, than it is sent to markets.

In order to ensure good quality product hygienic conditions have to be maintained in the premises. Further, the product should reach the market at the earliest from the time it is ready, retain its quality.

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

A. Cost of Project:

Sl. No	Particulars	Amount (Rs).
1	Equipments	95,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Deposits	50,000
5	Working Capital Requirements	1,48,000
	Total	3,13,000

B. Means of Finance:

Sl. No	Particulars	Amount (Rs).
1	Loan @ 75%	2,35,000
2	Equity	78,000
	Total	3,13,000

C. Working Capital Requirement:

Sl. No.	Particulars	Basis	Period	Amount (Rs.)
1	Raw-material	$9,12,000/12 \times \frac{1}{2}$	1 month	76,000
2	Bills receivables	$15,00,000/12 \times \frac{1}{4}$	1 wk	62,000
3	Working exp		1 month	10,000
	Total			1,48,000



VII. MAIN INPUTS REQUIREMENT:

A. Machinery:

Sl. No.	Particulars	No.	Total Cost
01.	Machine to make khoa with 5 HP motor with container	1	50,000
02.	Milk Cans	10	10,000
03.	Milk measuring instruments and testing equipments And weighing balance	5	15,000
04.	Vessles, plates	1	8,000
05.	Installation and Electrification.		12,000
	Total		95,000

B. Raw-materials:

Sl. No.	Particulars	Qty	Rate	Total Cost (Rs.) p.m.	Annual
1	Milk	2,500 Liters	30 per litrs.	75,000	9,00,000
2	Consumable and packing materials	-		1,000	12,000
	Total				9,12,000

C. Utilities:

Sl. No.	Particulars	Monthly Charges. (Rs.)	Annual
1	Electricity, Fuel & Water	4,000	48,000

D. Man-power requirement:

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
01	Skilled Workers	1	7,000	84,000
02	Helper	1	4,000	48,000
	Total			1,32,000

E. MAIN INFRASTRUCTURE REQUIREMENT:

Building	Built up space of 500 sq. ft. rented
Power	5 HP power connection is required.
Water	15000 liters Water is required



VIII. PROFITABILITY PROJECTION (Annual) :

Particulars	Basis	Amount (Rs).
Sales Revenue (Projected)	Ref : IV	15,00,000
Raw Materials	Ref : VII B	9,12,000
Man power expenses	Ref : VII D	1,32,000
Utilities	Ref : VII C	48,000
Interest	@ 12%	28,000
Depreciation	20% SLM	19,000
Overheads	Rent &S/D Expenses	1,00,000
Total Expenses		12,39,000
Profit		2,61,000

IX. FINANCIAL INDIACTORS :

Break Even Point $\frac{FC}{SR - VC} \times 100$	$\frac{1,47,000}{4,08,000} \times 100$	36 %
Payback period $\frac{COP}{Profit + Deprn.}$	$\frac{3,13,000}{2,80,000}$	1 Year 2 Month

X. ADDRESSES:

SUPPLIERS OF MACHINERY / EQUIPMENTS :

Star Associated Industries,
C-44, Ranichannamma Nagar,
Industrial Area, Belgaum.
Phone No. 0831-2440349.

X. SPECIAL NOTE:

The transportation of finished product should be made immediately to the market, to retain its quality.