ICE-CREAM PARLOUR
(Manufacturing of soft ice-cream, thick milk-shake, slush and sundaes)

Ice cream is one of the delicious and tasty items, which is very popular worldwide. A nice Aroma, attractive look, etc. are its qualities, which have created vast demand in different regions of India are highly export potential and earn considerable attraction in parties. A simple technology involvement for production, easily availability of machinery and easy handling are supporting factor for any new entrepreneur, institution, and cooperative to take up the programmed by which they can earn substantial surplus and provide employment to others livelihood and provide employment.

1. Name of the Product: Ice-cream
   (thick milk-shake, slush & sundaes)

2. Project Cost:
   (a) Capital Expenditure
      Land: Own
      Building Shed 1000 Sq.ft.: Rs. 200000.00
      Equipment:
      (1. Softy Machine, 2. Thick Shake machine,
       3. Slush Machine, 4. Portable type freezer,
       5. SS top working table, 6. SS Vessels,
       small utensils, mug, cups, balance etc.)
      Total Capital Expenditure: Rs. 390000.00
   (b) Working Capital: Rs. 134000.00

   TOTAL PROJECT COST: Rs. 524000.00

3. Estimated Annual Production of Ice-Cream:
   (Value in l000)

<table>
<thead>
<tr>
<th>SL.NO.</th>
<th>PARTICULARS</th>
<th>CAPACITY</th>
<th>RATE</th>
<th>TOTAL VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Ice Cream</td>
<td>270.00</td>
<td>3000.00</td>
<td>808.60</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>270.00</td>
<td>3000.00</td>
<td>808.60</td>
</tr>
</tbody>
</table>

4. Raw Material: Rs. 400000.00
5. Labels and Packing Material: Rs. 500000.00
6. Wages (Skilled & Unskilled):  Rs. 90000.00
7. Salaries:  Rs. 96000.00
8. Administrative Expenses:  Rs. 45000.00
9. Overheads:  Rs. 46000.00
10. Miscellaneous Expenses:  Rs. 10000.00
11. Depreciation:  Rs. 29000.00
12. Insurance:  Rs. 3900.00
13. Interest (As per the PLR)
   (a) Capital Expenditure Loan:  Rs. 50700.00
   (b) Working Capital Loan:  Rs. 17420.00
14. Working Capital Requirement
    Fixed Cost:  Rs. 205600.00
    Variable Cost:  Rs. 603628.00
    Requirement of Working Capital per Cycle:  Rs. 134871.00
15. Estimated Cost Analysis

<table>
<thead>
<tr>
<th>SI.NO.</th>
<th>PARTICULARS</th>
<th>Capacity Utilization (Rs. in '000)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>1.</td>
<td>Fixed Cost</td>
<td>205.60</td>
</tr>
<tr>
<td>2.</td>
<td>Variable Cost</td>
<td>604.00</td>
</tr>
<tr>
<td>3.</td>
<td>Cost of Production</td>
<td>809.60</td>
</tr>
<tr>
<td>4.</td>
<td>Projected Sales</td>
<td>1052.00</td>
</tr>
<tr>
<td>5.</td>
<td>Gross Surplus</td>
<td>242.00</td>
</tr>
<tr>
<td>6.</td>
<td>Expected Net Surplus</td>
<td>214.00</td>
</tr>
</tbody>
</table>

Note:
1. All figures mentioned above are only indicative and may vary from place to place.
2. If the investment on Building is replaced by Rental Premises -
   (a) Total Cost of Project will be reduced.
   (b) Profitability will be increased.
   (c) Interest on Capital Expenditure will be reduced.