

# UP MSME 1-Connect

## PROJECT REPORT

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PROJECT:

**SOFTY ICE CREAM**

**PROJECT REPORT**

**Of**

**SOFTY ICE CREAM**

**PURPOSE OF THE DOCUMENT**

This particular pre-feasibility is regarding Softy Ice Cream

The objective of the pre-feasibility report is primarily to facilitate potential entrepreneurs in project identification for investment and in order to serve his objective; the document covers various aspects of the project concept development, start-up, marketing, finance and management.

[We can modify the project capacity and project cost as per your requirement. We can also prepare project report on any subject as per your requirement.]

## SOFTY ICE-CREAM



### INTRODUCTION

**Softy Ice cream** is also known as **Soft Serve**. Soft serve is a type of ice cream that is softer and less dense than regular ice creams as a result of air being introduced during freezing. Soft serve ice cream has been sold commercially since the late 1930s. Soft serve ice cream is not sold pre-packaged in supermarkets, but is common at fairs, carnivals, amusement parks, restaurants (especially fast food and buffet), and specialty shops.

**This dessert gives the perfect taste to the consumers.**

### Soft serve Current Market Analysis

Ice cream today represents one of the fastest growing food segments in India. A recently released report by IMARC Group, titled “**Ice Cream Market in India: Industry Trends, Share, Size, Growth, Opportunity and Forecast 2019-2024**”, critically examines the Indian ice cream market. The report finds that the market exhibiting a CAGR of 16.9% during 2011-2018. The healthy growth of the market can be attributed to numerous forces. Population growth, rising disposable incomes, urbanisation rates, changing consumer preferences are some of the factors that are broadening the growth aspects of the market. According to the report, the market is further expected to reach a value of INR 375.8 Billion during 2019-2024.

<b>PROJECTED PROFITABILITY STATEMENT</b>					
<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>
Capacity Utilisation %	25%	26%	30%	33%	35%
<b><u>SALES</u></b>					
Gross Sale	12.00	12.48	14.40	15.84	16.80
<b>Total</b>	<b>12.00</b>	<b>12.48</b>	<b>14.40</b>	<b>15.84</b>	<b>16.80</b>
<b><u>COST OF SALES</u></b>					
Raw Mateiral Consumed	4.83	5.27	6.39	7.38	8.22
Elecricity Expenses	0.34	0.39	0.44	0.51	0.59
Repair & Maintenance	0.72	0.62	0.72	0.79	0.84
Depriciation	0.17	0.14	0.12	0.10	0.09
softy con & other Consumables	1.44	1.50	1.73	1.90	2.02
<b>Cost of Production</b>	<b>7.50</b>	<b>7.93</b>	<b>9.41</b>	<b>10.69</b>	<b>11.75</b>
Cost of Sales	7.50	7.93	9.41	10.69	11.75
<b>GROSS PROFIT</b>	<b>4.51</b>	<b>4.55</b>	<b>4.99</b>	<b>5.15</b>	<b>5.05</b>
<b>Gross Profit %</b>	<b>38%</b>	<b>36%</b>	<b>35%</b>	<b>33%</b>	<b>30%</b>
selling & advertisement expense	0.66	0.62	0.72	0.79	0.59
rent	0.48	0.53	0.58	0.64	0.70
<b>TOTAL</b>	<b>1.14</b>	<b>1.15</b>	<b>1.30</b>	<b>1.43</b>	<b>1.29</b>
<b>NET PROFIT</b>	<b>3.37</b>	<b>3.40</b>	<b>3.69</b>	<b>3.72</b>	<b>3.76</b>
Taxation					
<b>PROFIT (After Tax)</b>	<b>3.37</b>	<b>3.40</b>	<b>3.69</b>	<b>3.72</b>	<b>3.76</b>

<b>PROJECTED BALANCE SHEET</b>					
<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>
<b><u>Liabilities</u></b>					
Capital					
opening Balance		2.03	2.43	2.72	2.94
Add:-Own Capital	1.16				
Add:-Retained Profit	3.37	3.40	3.69	3.72	3.76
Less:-drawings	2.50	3.00	3.40	3.50	3.70
Closing Balance	2.03	2.43	2.72	2.94	3.00
Sundry creditor	0.32	0.35	0.43	0.49	0.55
<b>TOTAL :</b>	<b>2.35</b>	<b>2.78</b>	<b>3.15</b>	<b>3.43</b>	<b>3.54</b>
<b><u>Assets</u></b>					
Fixed Assets ( Gross)	1.16	1.16	1.16	1.16	1.16
Gross Dep.	0.17	0.31	0.44	0.54	0.63
<b>Net Fixed Assets</b>	<b>0.99</b>	<b>0.85</b>	<b>0.72</b>	<b>0.62</b>	<b>0.53</b>
Current Assets					
Sundry Debtors	0.80	0.83	0.96	1.06	1.12
Cash and Bank	0.56	1.10	1.46	1.76	1.90
<b>TOTAL :</b>	<b>2.35</b>	<b>2.78</b>	<b>3.15</b>	<b>3.43</b>	<b>3.54</b>

<b>PROJECTED CASH FLOW STATEMENT</b>					
<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>
<b><u>SOURCES OF FUND</u></b>					
Own Margin	1.16		-	-	-
Net Profit	3.37	3.40	3.69	3.72	3.76
Depreciation & Exp. W/off	0.17	0.14	0.12	0.10	0.09
Sundry creditors	0.32	0.03	0.07	0.07	0.06
<b>TOTAL :</b>	<b>5.02</b>	<b>3.58</b>	<b>3.89</b>	<b>3.89</b>	<b>3.90</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	1.16	-	-	-	-
Increase in debtors	0.80	0.03	0.13	0.10	0.06
Taxation	-	-	-	-	-
Drawings	2.50	3.00	3.40	3.50	3.70
<b>TOTAL :</b>	<b>4.46</b>	<b>3.03</b>	<b>3.53</b>	<b>3.60</b>	<b>3.76</b>
Opening Cash & Bank Balance	-	0.56	1.10	1.46	1.76
Add : Surplus	0.56	0.54	0.36	0.29	0.14
Closing Cash & Bank Balance	0.56	1.10	1.46	1.76	1.90

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