VIGYAN ASHRAM

AMLA CANDY BUSINESS PLAN
Amla Candy Unit

Brief Description about Amla Candy Unit:

Amla Cutting Machine developed by Vigyan Ashram, having following specification:

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Particulars</th>
<th>Specification</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Working Technology</td>
<td>Hand Operated</td>
</tr>
<tr>
<td>1.</td>
<td>Machinery Used</td>
<td>Single Blade, Four Blade</td>
</tr>
<tr>
<td>2.</td>
<td>Capacity</td>
<td>As per individuals</td>
</tr>
<tr>
<td>3.</td>
<td>Type of products can be process</td>
<td>Amla</td>
</tr>
<tr>
<td>4.</td>
<td>Approximate Cost</td>
<td>Single Blade (6,000 Rs/-) Four Blades (30,000 Rs/-)</td>
</tr>
</tbody>
</table>

Target Customer:

There would be three target customers
1) Food processing units.
2) Existing Amla Processing Units cutting Amla with knife only.
3) Individuals want to start unit business.
4) Self Help Groups to run business with at least 10 members.
**Funding Source of Customers:**

Either Customers can self fund it. If required micro loans can be taken from micro financing agency and banking institutes.

**Advertising:**

To increase the sales of plant it is essential to promote information among customer. For this following means can be used

1) Print Media - Advertisements can be given in newspaper, Pamphlet and broachers can be distributed in same.
2) Direct talk – Information can be given to customer either on phone or by direct meeting with them.
3) Digital Media- E-broachers can be upload on watsapp and facebook for promotion
4) Formal Group Meetings/Trainings- Large group can be invited for training and workshop for one or two days to know about Amla Candy process.

**Delivery Period:**

Amla Cutting Machine will be delivered to customer within 1 week period with at least 75% payment in advance.

**Costing:**

Costing for Amla Candy unit can be calculated as follows:

<table>
<thead>
<tr>
<th>Amla Candy Unit : Startup Costs:</th>
<th>Price per Unit</th>
<th>Qty.</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amla Cutting Machine</td>
<td>30,000 Rs/-</td>
<td>1</td>
<td>30,000 Rs/-</td>
</tr>
<tr>
<td><strong>Total Startup Cost</strong></td>
<td><strong>30,000 Rs/-</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operational Costs</th>
<th>Price per Unit</th>
<th>Qty.</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amla</td>
<td>20</td>
<td>200 K.g.</td>
<td>4,000 Rs/-</td>
</tr>
<tr>
<td>Sugar</td>
<td>40</td>
<td>250 K.g.</td>
<td>10,000 Rs/-</td>
</tr>
<tr>
<td>Citric Acid</td>
<td>200</td>
<td>400 g.m.</td>
<td>80 Rs/-</td>
</tr>
<tr>
<td>KMS</td>
<td>430</td>
<td>300 g.m.</td>
<td>130 Rs/-</td>
</tr>
<tr>
<td>Gas Cost</td>
<td>100</td>
<td>40 K.g.</td>
<td>4,000 Rs/-</td>
</tr>
<tr>
<td>Packing Cost</td>
<td>4 Rs/- per 100 gm</td>
<td>1200 Unit</td>
<td>4,800 Rs/-</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------------</td>
<td>-----------</td>
<td>------------</td>
</tr>
<tr>
<td>Sub Total</td>
<td></td>
<td></td>
<td>23,010 Rs/-</td>
</tr>
<tr>
<td>Labor Cost 10% of the total Operational Cost</td>
<td></td>
<td></td>
<td>2,301 Rs/-</td>
</tr>
<tr>
<td><strong>Total operating Cost</strong></td>
<td></td>
<td></td>
<td>25,311 Rs/-</td>
</tr>
<tr>
<td>Average Selling Price</td>
<td>300</td>
<td>120 K.g.</td>
<td>36,000 Rs/-</td>
</tr>
<tr>
<td><strong>Total Profit</strong></td>
<td></td>
<td></td>
<td>10,689 Rs/-</td>
</tr>
</tbody>
</table>

### Break-Even Point Analysis:

It is a point where, no loss and no profit exist. In this situation only total invested amount is taken out from business, without earning any profit or losing.

For Nursery unit business breakeven point analysis can be carried out as follows:

**BreakEven Point = (Total Startup cost + 10% Loss consider) / Margin per Unit**

So here total cost is 30,000 Rs/-

10% Loss consideration: 3,000 Rs/-

Margin per unit = 10,689 / 120 = 89.075 Rs/-

So Break Even Point (In Units) = (30,000 + 3,000) / 89.075 = 370 Units or K.g.

### Assumptions:

Vigyan Ashram recognizes that the development and working of Amla Cutting Machine consists some assumptions about operations, costs, customer behaviors, working condition and Weather.

1) Land cost is not in consideration.
2) There is regular demand of product.
3) There is no loss of product in operation.
4) Initially no maintainace cost.
5) Cost calculation is on monthly basis.

Based on this, we have produced a SWOT analysis for this business.

**Strengths:**
1) Easy to access and use, no extra skills required to operate.
2) Zero Maintainace cost.
3) No need of electricity.
4) Low cost and easily available.

**Weaknesses:**
1) Suitable for small scale business unit.
2) Initial cost is high.
**Opportunity:** 1) Can be available in all seasons.
   2) Suitable for regions where, no such kind of business is existing.
   3) Can provide extra source for income.

**Threats:** 1) Less awareness about the technology.
   2) Comparatively high care is need.

**Competitive Analysis:**

There are different brands available in market but these are not much efficient and cost effective. And because of manual operation there is comparatively low cost involved which can make sustain this in market. So there is high chance to grow with this technique. Vigyan Ashram is providing this Amla Cutting Machine on much less price. Since in rural areas peoples are not so far financially capable to invest in large scale businesses so it is much affordable and suitable technology.

**Executive Summary:**

Vigyan Ashram is located in one of the rural areas of Maharashtra, Pabal. Where agriculture is main source of income. Vigyan Ashram work for rural based technology to provide extra source of income. Vigyan Ashram is a social venture dedicated for social impact among which increase availability for livelihood resource by providing enterprise development opportunity for individuals.

Vigyan Ashram will provide training of various techniques to individuals and organizations, which fetches a significantly good source of income with low investment.

After going through market analysis and business need of rural youths Vigyan Ashram has developed Amla Cutting Machine Unit with sustainable business model for the same.

It has long life period with almost zero maintainace service another than changing of blades. If maintainace required than, customers can by their selves do it after getting training for the same, provided at the time of purchasing. Along with this technical support will be from Vigyan Ashram as per asked.

**Conclusion:**

The demand for amla has improved considerably over the years. People have become aware of its health benefits and the government is encouraging the making of amla pickles, squash and candies.
There are many amla-based established products in the market and with some changes or modifications, additional or new products can also be thought of. Products like chyvanprash, syrup, hair-oil, supari or after mint, sweet preparation like "Morawala" which is very famous in Maharashtra and amla powder are the products consumed regularly by many households. It is, therefore, advisable to carry out systematic market survey to find out consumer preferences or choice and offer attractive prices to the consumers and discounts to the retailers. Retailers should be approached directly to save on commission to be offered to other middle men. Packing should not be very expensive. Certain products like Amla Goli (mint), Amla Supari (after mint), Amla Powder need proper placement with retailers outside schools, pan shops, cinema theatres, ST stands etc. The promoter should involve himself in finalizing marketing strategy and its implementation as reaching the target customers is the key.
Supported by: (N.S.T.E.D.B.)
National Science and Technology Entrepreneurship Development Board