



# DETAILED PROJECT REPORT

## Mayonnaise Making Machine



By



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## **1. OVERVIEW OF THE JLG MEMBERS**

**Name of the JLG:**

**Number of the members.**

**Name of Gram Panchayat/Taluk:**

**Name of the District:**

**Account details of JLG:**

**Details of JLG members with Hierarchy;**

**1.**

**2.**

**3.**

**4.**

**5.**

**6.**

**KYC:**

**Aadhar/PAN/Photo:**



Mayonnaise is a popular condiment and ingredient in many dishes. It is a thick, creamy sauce made from oil, egg yolks, vinegar or lemon juice, and seasonings like salt and mustard. The ingredients are typically mixed together using a blender or whisk until the mixture emulsifies and thickens. Mayonnaise is commonly used as a spread on sandwiches and burgers, as a base for salad dressings and dips, and as an ingredient in dishes like potato salad and deviled eggs. It can also be flavored with additional seasonings, such as garlic, herbs, or hot sauce, to create different variations.

Mayonnaise is known for its rich, creamy texture and tangy flavor, and it is a staple in many kitchens around the world. It is available in various forms, including regular and light versions, and can be found in grocery stores and supermarkets.

## 2. OBJECTIVES OF SVSY

Under Yuva Niti 2022, the new Swami Vivekananda Yuva Shakti Yojana is proposed on the following grounds to achieve holistic development of 2.1 crore youth of the state and to bring about constructive social change by the youth in keeping with the India@2047 vision of the Hon'ble Prime Minister.

The current scenario of the state on various parameters is as follows:

- i. **Political Representation:** Out of total 1,01,308 members in rural local bodies, 12,411 (12.25 per cent) youths and 360 youths (5.36 per cent) out of 6713 municipal councillors are political representatives.



- ii. Education:** Out of a total of 2.1 crore youth, 21.55 lakh (10.37 per cent) students are in high school, 11.75 lakh (5.65 per cent), 6.45 lakh (3.10 per cent) in general degree colleges, 1.51 lakh (2.72 per cent), 1.11 lakh in polytechnics. (0.53 per cent), 0.74 lakh (0.36 per cent) The total number of students studying in medical courses is 43.12 lakh, which is per cent of the total youth. 21 percent will be. Remaining 157.88 lakh youth have below 10th standard education.
- iii. Employment:** According to the National Skill Development Corporation report, out of the total 2.1 crore youth in the state, 82 lakh (41 per cent) youth are in the labour force. As the remaining 119 lakh youth (59 per cent) are not in the professional labour force, they need to be given skill training to make them self-reliant.
- iv. Skill Development:** Out of the total 82 lakh youth in the workforce, 16 lakh youth (20 per cent) have received skill vocational training. The remaining 66 lakh (80 percent) youth need to be given skill development training. Out of this, only one lakh youth are being trained by the NLRM department every year. Therefore 65 lakh untrained rural youth need skill training. To achieve this every school needs to provide vocational education from class 6 onwards.
- v. Internship:** According to the 6th Economic Census, there are a total of 28.80 lakh enterprises in the state, out of which 78,022 enterprises employ more than 8 people. About 30 lakh youths can be trained in skills by undertaking the internship program for a period of three months in local



industries related to agriculture and agri-based/MSME/self-employment/service sector.

- vi. Migration Control:** Rural people have migrated from various districts to urban areas for job opportunities, of which 40 lakh (20 percent) youth are in Bangalore city. Therefore, there is a need to provide more employment opportunities at the village level.
- vii. Consolidation of programs for rural employment:** In total there are 27,395 revenue villages in the state and it is proposed to form Swami Vivekananda Self Help Groups, one in each village, on the model of Women's Self-Help Groups to provide self-employment to the unorganized workers in these. There are about 15 to 20 youth in each group, and 5.50 lakh youth in 27,395 self-help groups have received Rs. 1.5 lakh to provide margin money estimated at Rs. 410 crores will be required.
- viii. Bank Linked Schemes:** Coordination and inclusion of Yuva Shakti schemes with schemes linked to 25 banks. There are 35000 shelves of projects under the Mudra loan scheme, and steps will be taken to select the financial activities of the self-help societies based on these models.
- ix. Training:** Skill development training will be imparted to the youth under the National Entrepreneurship Mission under the 18 programs being implemented by various departments under this scheme. Training for agriculture and other activities will be provided through the Rural Development Self Employment Training Institute (RUDSETI).



- x. Formation of State Level Committee:** It is proposed to constitute a committee under the chairmanship of the Minister of Youth Empowerment and Sports at the State level for implementation and monitoring of the programme. RDPR, Commerce and Industry, Labour, Skill Development and Bank representatives will be members of this committee.
- xi. District Level Committee:** It is proposed to constitute a District Level Committee under the Chairmanship of the Chief Executive Officer of the Zilla Panchayat for the implementation and supervision of the program at the district level. The members of this committee are the officers of Rural Development and Panchayat Raj, Commerce and Industry, Labour, Skill Development Departments and District Lead Bank Managers.
- xii. Village level stewardship:** The village level stewardship of this program will be handled by Rural Development and Panchayat Raj Departments and Youth Empowerment and Sports Departments.

### **3. ABOUT VKF**

VKF is a Think Tank of Community Change Champions who are from various walks of Social Spaces with diverse backgrounds and specialists from their domains.

VKF is a platform that enables as a think tank to evolve an aggregation of the social impact service providers and entrepreneurs for bringing about a transformational movement of social Change that is measurable on the lines of the Strategic Sustainable Development Goals (SSDG) of United Nation (UN).





VKF's is primarily focused on the development of Karnataka state in collaboration and co-creation initiatives.

VKF is a platform that enables as a think tank to evolve an aggregation of the social impact service providers and entrepreneurs for bringing about a transformational movement of Social Change that is measurable on the lines of the Strategic Development Goal of UN.

VKF's strong focus is on enhancing the rural mass entrepreneurship development clubbed with rural livelihood options. In this direction, VKF team is working with the rural livelihood SHGs members and handholding them to elevate themselves to newer socio-economic status and uplifting the whole geography of the cluster by setting up of CFCs.

VKF's experience spans across conceptualizing, cluster mapping, conducting baseline surveys, awareness creation, trust building activities, capacity building, design thinking activities etc., to enhance capabilities of the artisans and livelihood SHGs in the clusters.

VKF also indulges in facilitating Common Facility Centres, Preparation of DPR, Govt. liaising, market linkage activities, brand awareness, branding initiatives, value addition of the products produced by clusters etc. In this, regards we have collaborated and working with MSME, ESTC, IDEMI, Tribes India, NRLM and WCD to support rural masses in terms upgrading their livelihood opportunities.





#### **4. NAME OF PRODUCT AND TECHNOLOGY**

##### **Mayonnaise**

Mayonnaise is a thick, creamy sauce made from oil, egg yolks, vinegar or lemon juice, and seasonings. It is commonly used as a spread, dipping sauce, or ingredient in dishes such as sandwiches, salads, and dips.

Mayonnaise is a creamy condiment that is typically made from oil, egg yolks, vinegar or lemon juice, and seasonings. It is commonly used as a spread or sauce for sandwiches, salads, and vegetables, and is also a key ingredient in many other dishes such as coleslaw, potato salad, and dressings. Mayonnaise can be purchased at most grocery stores and comes in a variety.

#### **5. DELIVERABLES AND MARKET OF THE PRODUCT**

The deliverables of mayonnaise include jars, tubes, or bottles of condiments, typically made from plastic or glass. The packaging sizes vary, ranging from small, single-serve portions to large, family-sized containers.

As for the market, mayonnaise is a staple condiment in many households and is widely used in a variety of food products, such as sandwiches, salads, dips, sauces, and dressings. The demand for mayonnaise is driven by the growing popularity of convenience foods, such as pre-made sandwiches and salads, and the increasing demand for flavorful and creamy condiments.



The market for mayonnaise is highly competitive, with several large players dominating the market, including Hellmann's, Best Foods, Kraft, and Duke's. However, there has also been a growing trend of artisanal and organic mayonnaise, catering to consumers who are looking for high-quality, all-natural, and locally sourced ingredients.

### **Project Assumptions:**

This model DPR for Mayonnaise Making Machine is basically on certain assumptions that may vary with capacity, location, raw materials availability etc. An entrepreneur can use this model DPR format and modify as per requirement and suitability. The assumptions made in preparation of this DPR are given in Table below. Therefore, land and civil infrastructures are assumed as already available with the entrepreneur.

<b>Table: Detailed Project Assumptions</b>		
Parameter	Value	
Assumed Capacity of the Mayonnaise Making Machine	200kg/day	
Utilization of capacity:	Year 1	60%
	Year 2	65%
	Year 3	70%
	Year 4	75%
	Year 5	80%



Working days per year:	300 days	
Working hours per day:	8-10 hours	
Average price of raw material:	Rs. 40/ kg	
Average sale price of product	Rs. 70/ Kg	

### Machineries



Mayonnaise Plant - Turnkey Solution
Mathura Road, Delhi
Capacity: 500-5000 kg/hr
Turnkey Solution

**Machinery is also available in Bengaluru.**

### Market Output:

Hence there is a huge demand for Mayonnaise making machine.

The end users will be as follows:



### Market Linkage

- ❖ Restaurants
- ❖ Hotels
- ❖ Grocery Stores

### ❖ Supermarkets and Departmental

- Stores
- ❖ Ecommerce

The market linkage for Mayonnaise is vast and can be sold across various markets based on its usage and demand.

## 6. ROLE OF EACH OF THE JLG MEMBERS

### How JLG will participate:

- 2 persons will be used to procurement
- 3 persons for production
- 2 persons for the logistics & sales
- 1 person for waste management
- 1 person for value addition

## 7. SOFT INTERVENTION

The following are the soft interventions to be arranged:

- Awareness on financial inclusion will help in getting the assistance from Government and other sources
- Export promotional orientation for the JLG members.
- Awareness/ training program on product quality, handling practices.
- Capacity Building activity
- Trust Building activities



- Programs on technical skill enhancement to unit owners.
- Programs on Business and entrepreneurship skill enhancement to unit owners
- Mass entrepreneurship development program in the JLG eco system.

## **8. ESTIMATED COST OF THE PROJECT AND THE IMPLEMENTATION SCHEDULE**

The proposed cost of the project is as follows:

Sl. No.	Details	Cost in Rs.	Percentage
1	Bank Loan	3,37,500	90%
2	JLG Contribution	33750	10%
3	<b>Total</b>	<b>371250</b>	<b>100%</b>

Sl. No.	Details	Cost in Rs.
1	Machine Cost	2,31,250
2	Furniture	30,000
3	Working capital (Shed deposit, electric connection deposit, Miscellaneous and preoperative	110000



	expenses)	
	TOTAL	371250

The proposed project implementation schedule is as follows:

Sl. No.	Project Component	Schedule
1	Shed for the project on rental basis	Identified
2	Electricity and Water facility Installation	Present
3	Arrival of Machinery	Within 1 months of Order
4	Erection of Machinery	Within 5 days of arrival
5	Commissioning	Within 2-4 days of erection
6	Commercial Usage	Within 2 months from approval

## 9. LAND/SHED STATUS:

The JLG has already identified the shed required for the project within the project area.

## 10. SWOT ANALYSIS OF THE PROJECT

### I. Strength



- JLG members are very young and aware of pollution.
- Mayonnaise is a popular condiment used in a variety of cuisines and dishes, making it accessible to a large consumer base.
- Mayonnaise can be used as a base ingredient in recipes, as a dip, and as a spread, making it a versatile product.
- The source of raw material procurement is very convenient due to local availability.
- The JLG members are having good coordination and co-operation among themselves and are serious about resolving universal problems.
- Mayonnaise is a relatively affordable product, making it accessible to a wider range of consumers.
- Government is very favorable for supporting the youths.

## II. Weakness

- The JLG members lack insufficient place for working/processing in their units. All the process was being carried at one small area.
- Although mayonnaise is widely used, it has a relatively limited range of flavors, which may limit its appeal to some consumers.
- The JLG members are unable to purchase modern machineries due to financial limitations.
- The JLG members have poor access to national and international markets. This will affect initially the profitability of the JLG members.

## III. Opportunities





- JLG members are still very young if they start performing well in business and in future modern process machinery with better productivity and quality as well as special features for the final products and value addition products also can be done within JLG members.
- As interest in plant-based diets grows, there is an opportunity for mayonnaise manufacturers to develop vegan-friendly options.
- There will be a huge demand because this is a need of the hour globally.

#### **IV. Threats**

- Due to poor market access the profitability of the JLG members may fall bit low level. This may discourage initially to JLG members.
- Mayonnaise faces competition from other condiments such as ketchup, mustard, and salad dressing, which may limit its market share.
- Consumer tastes and preferences are constantly changing, and a shift away from mayonnaise as a popular condiment could negatively impact sales.
- Economic instability can lead to fluctuations in the price of raw materials, which can increase the cost of producing mayonnaise and negatively impact sales.

### **11. YOUTH EMPOWERMENT IMPACT OF THE PROJECT ON ECOSYSTEM**



We have surplus youths in the state, graduate, undergraduate etc. supporting them to create self-employment will motivate to become entrepreneurs, they will live independent life.

Entrepreneurship will greatly impact the lifestyle of the youths, if businesses work along with their involvement of all the members towards creating awareness and promoting positive impacts on others.

#### **Ecosystem Support from Project:**

- Ingredients sourcing and supply chain management: The Mayonnaise project could work with suppliers to ensure a consistent and high-quality supply of ingredients for the production of mayonnaise.
- Production technology and process improvement: The Mayonnaise project could invest in technology and research to improve the production process and ensure the consistency and quality of the mayonnaise produced.
- Quality control and assurance: The Mayonnaise project could establish a robust quality control system to ensure that all products meet the required standards.
- Marketing and promotion: The Mayonnaise project could develop and implement marketing campaigns to increase awareness and demand for its products.



Community engagement and outreach: The Mayonnaise project could engage with local communities and stakeholders to promote its products and foster positive relationships.

- Employee training and development: The Mayonnaise project could invest in the training and development of its employees to enhance their skills and knowledge.
- Environmental sustainability: The Mayonnaise project could implement environmentally-friendly practices in its operations to reduce its impact on the environment.
- Philanthropic initiatives: The Mayonnaise project could launch initiatives to support local communities and charitable causes.

These are just a few examples of the ecosystem support that the Mayonnaise project could provide. The specific support would depend on the goals and objectives of the project, as well as the needs of its stakeholders.

## **12. THE END PRODUCTS PRODUCED WHICH USES JAGGERY**



### 13. FINANCIALS

#### CASH FLOW STATEMENT

Particulars	Year				
	Year 1	Year 2	Year 3	Year 4	Year 5
<b><u>REVENUE FROM SALE OF MAYONAISE</u></b>					
No. of working days in a Year	300	300	300	300	300
Less : Days for off Season	-	-	-	-	-
No. of Machine Running days in a Year	300	300	300	300	300
Capacity of the machine in kgs per day	200	200	200	200	200
Production in KGs	100%	100%	100%	100%	100%
Utilisation of the Capacity (%)	60%	65%	70%	75%	80%
Production during the year (in KGs)	36,000	39,000	42,000	45,000	48,000
Rate per KG	70	77	85	93	102
<b>Gross Revenue earned per annum - A</b>	<b>25,20,000</b>	<b>30,03,000</b>	<b>35,57,400</b>	<b>41,92,650</b>	<b>49,19,376</b>
<b><u>COST OF RAW MATERIALS</u></b>					



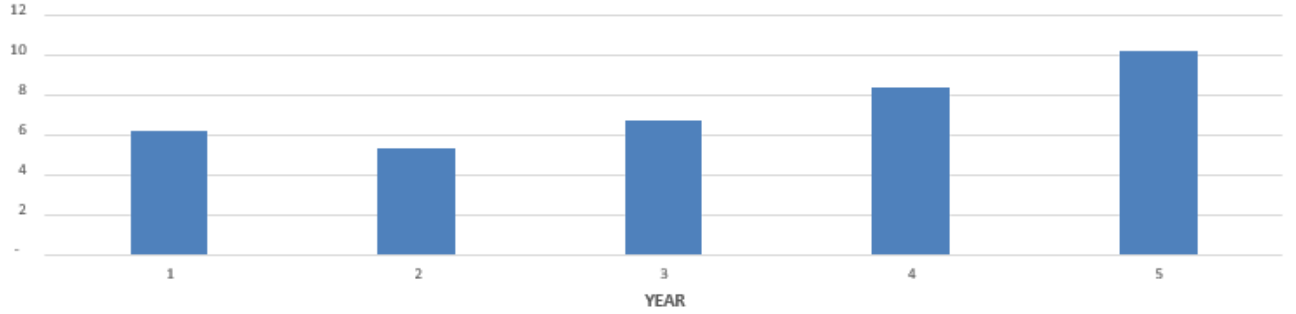
Consumption of Raw Materials	36,000	39,000	42,000	45,000	48,000
Rate per KG	40	44	48	53	59
<b>Total Cost of Raw Material per annum - B</b>	<b>14,40,000</b>	<b>17,16,000</b>	<b>20,32,800</b>	<b>23,95,800</b>	<b>28,11,072</b>
<b>EXPENDITURE</b>					
Salaries and Wages	5,28,000	6,07,200	6,98,280	8,03,022	9,23,475
Electricity Charges	24,000	26,400	29,040	31,944	35,138
Transportation and Travelling	36,000	39,600	43,560	47,916	52,708
Rent	60,000	66,000	72,600	79,860	87,846
Packaging and Promotion Expenses	24,000	26,400	29,040	31,944	35,138
Miscellaneous Expense	25,000	27,500	30,250	33,275	36,603
<b>Total Expenditure - C</b>	<b>6,97,000</b>	<b>7,93,100</b>	<b>9,02,770</b>	<b>10,27,961</b>	<b>11,70,908</b>
<b>Net Profit before Interest /Cash Flow (A-B-C)</b>	<b>3,83,000</b>	<b>4,93,900</b>	<b>6,21,830</b>	<b>7,68,889</b>	<b>9,37,396</b>

**PROJECTED TERM LOAN DSCR STATEMENT**

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
Profit available to service the debt	<b>3,83,000</b>	<b>4,93,900</b>	<b>6,21,830</b>	<b>7,68,889</b>	<b>9,37,396</b>
Loan	30,804	66,157	72,723	79,941	87,875
Repayment	31,458	26,305	19,739	12,521	4,587
Interest on Term Loan					
<b>Debt to be Served</b>	<b>62,262</b>	<b>92,462</b>	<b>92,462</b>	<b>92,462</b>	<b>92,462</b>
Debt Service Coverage Ratio	6	5	7	8	10
<b>AVERAGE DSCR</b>	<b>7</b>				



### DEBT SERVICE COVERAGE RATIO



### BREAKEVEN ANALYSIS

Investment Value Including Margin Rs. 375000

Year ended	Year 1 Projected	Year 2 Projected	Year 3 Projected	Year 4 Projected	Year 5 Projected
Cash Flow as per Statement of Income	3,83,000	4,93,900	6,21,830	7,68,889	9,37,396
Less : Interest on Loan	31,458	26,305	19,739	12,521	4,587
Less : Estimated Drawings/Personal Expenses	1,91,500	2,46,950	3,10,915	3,84,445	4,68,698
<b>Net Cash Flow</b>	<b>1,60,042</b>	<b>2,20,645</b>	<b>2,91,176</b>	<b>3,71,923</b>	<b>4,64,111</b>
<b>Cumulative Cash Flow</b>	<b>1,60,042</b>	<b>3,80,687</b>	<b>6,71,863</b>	<b>10,43,786</b>	<b>15,07,897</b>



Break Even Investment (in years)

1 Year and 11.7 Months

### DETAIL REPAYMENT SCHEDULE

Year	Quarter	Loan Installment	Principal Payment	Loan Outstanding	Interest at 9.5%	Cumulative Interest
1	1	8,016	-	3,37,500	8,016	31,458
	2	8,016	-	3,37,500	8,016	
	3	23,116	15,220	3,22,280	7,896	
	4	23,116	15,584	3,06,696	7,531	
2	1	23,116	15,957	2,90,739	7,158	26,305
	2	23,116	16,339	2,74,400	6,776	
	3	23,116	16,730	2,57,670	6,385	
	4	23,116	17,131	2,40,539	5,985	
3	1	23,116	17,541	2,22,998	5,575	19,739
	2	23,116	17,961	2,05,037	5,155	
	3	23,116	18,391	1,86,647	4,725	
	4	23,116	18,831	1,67,816	4,285	
4	1	23,116	19,282	1,48,534	3,834	
	2	23,116	19,743	1,28,791	3,372	
	3	23,116	20,216	1,08,575	2,900	





	4	23,116	20,700	87,875	2,416	12,521
5	1	23,116	21,195	66,679	1,920	
	2	23,116	21,703	44,977	1,413	
	3	23,116	22,222	22,754	893	
	4	23,116	22,754	0	361	4,587
<b>Total</b>		<b>4,32,110</b>	<b>3,37,500</b>		<b>94,610</b>	<b>94,610</b>



**Designated Contact Details for this project**

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