



# Detailed Project Report

## SOYA MILK PROCESSING UNIT



By



2023



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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:**



## **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**

##### **SOYA MILK PROCESSING UNIT**

Soy milk is a water extract from whole soy beans. It is an emulsion containing water soluble proteins, carbohydrate and oil droplets. Soy milk was traditional produced in small shops where the soy beans were soaked, grinded, filtered and cooked. These products have a short self-life. However, today's consumers, and the modern lifestyle, request products with a longer shelf-life and which remain safe and stable during the complete storage period.

For production of such soy milk, new technology machines are available. To increase the shelf life of the milk, it can be stored in the milk chillers where shelf life of it can be extended for few days.





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

The deliverables of soy milk processing unit include the production of high-quality soya milk that can be sold to consumers and businesses. The market for soya milk has been growing steadily in recent years due to increased interest in plant-based diets and the health benefits of soya-based foods.

In addition to the health benefits of soya-based foods, the environmental impact of soya production and the rise of veganism and vegetarianism concepts are also driving demand for soya milk.

### **Project Assumptions:**

This model DPR for Soya milk processing Unit 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 particular DPR are given in Table. Therefore, land and civil infrastructures are assumed as already available with the entrepreneur.

<b>Table: Detailed Project Assumptions</b>		
<b>Parameter</b>	<b>Value</b>	
Assumed Capacity of the Soya Milk Making machine:	100 kgs per day	
Utilization of capacity:	Year 1	70%
	Year 2	75%
	Year 3	80%
	Year 4	85%
	Year	90%



Working days per year:	300 days	
Working hours per day:	8-10 hours	
Average price of raw material:	Rs. 65/kg	
Average sale price of product	Rs. 130/liter	

### Machineries



<b>304 SOYA MILK PLANT</b>	<b>MDM Mild Steel Bulk Milk Cooler</b>
<b>Material: SS</b>	<b>Material: MS</b>
<b>Capacity: 100-250 Lit/hr</b>	<b>Capacity: 100 lit</b>
<b>Supplier: Sri Sai Agro Implements</b>	<b>Supplier: Modern Dairy Machines</b>
<b>Location: Indiranagar, Bengaluru, Karnataka</b>	<b>Location: Coimbatore, Tamil Nadu</b>



### **Market Output:**

**VKF will hand hold them to facilitating market linkage.**

<b><u>Market Linkage</u></b>	
❖ <b><u>Processing Plant</u></b>	❖ <b><u>Export Markets</u></b>
❖ <b><u>Retail Stores</u></b>	❖ <b><u>Hotels</u></b>
❖ <b><u>Super Market</u></b>	❖ <b><u>Food Service Providers</u></b>

## **6. ROLE OF EACH OF THE JLG MEMBERS**

### **How JLG will participate:**

- 1 person will be used to procurement of raw materials
- 2 persons for production
- 2 persons for the logistics & sales
- 1 person for marketing

## **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 programme on product quality, handling practices.



- Capacity Building activity
- Trust Building activities
- Programmes on technical skill enhancement to unit owners.
- Programmes 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	4,00,500	90%
2	JLG contribution	44,500	10%
3	<b>Total</b>	<b>4,45,000</b>	<b>100%</b>

Sl. No.	Details	Cost in Rs.
1	Machine Cost	3,00,000
2	Furniture	25,000



3	Working capital (Shed deposit, electric connection deposit, Miscellaneous and preoperative expenses)	1,20,000
	<b>TOTAL</b>	<b>4,45,000</b>

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. Strengths

- Availability of soybeans in Karnataka, which can reduce the cost of raw materials and transportation.
- Growing interest in plant-based diets and alternative protein sources, leading to potential demand for soya milk products.
- Established food processing industry in the state, providing access to equipment and technology.
- With the help of modern equipment and technology, a milk processing chilling unit can ensure that the milk is always stored at optimal temperature, reducing the likelihood of spoilage or deterioration. This helps in maintaining the consistent quality of milk with more shelf life.

### II. Weaknesses

- Shelf life of the soya milk is less. Hence it has to be placed in the milk chillers.
- Challenges in distribution and marketing of soya milk, especially in areas where they are not widely consumed.
- Volatility in the cost of raw materials and transportation, which can affect the profitability of the business.

### III. Opportunities





- With the growing population, the demand for veganism is also increasing as plant-based milk is having more demands in the market.
- A milk chilling unit can also help JLGs to diversify their products portfolio by enabling them to produce other Soya milk products such as cheese, tofu, and yogurt.
- Soya milk processing unit helps JLGs to expand their reach beyond the local markets and explore export opportunities to other countries.

#### IV. Threats

- Main attributed to less profitability to this industry is due to lower price at the beginning and JLG members need to work hard.
- Competition from other plant-based protein sources, as well as traditional dairy products.
- The prices of milk can be volatile and subject to fluctuations based on supply and demand. This can impact the profitability of dairy farms, especially those that are small and do not have the resources to weather such fluctuations.

## **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.

## **12. THE END PRODUCTS PRODUCED FROM THE MACHINE**





## 13. FINANCIALS

### CASH FLOW STATEMENT

Particulars	Year				
	Year 1	Year 2	Year 3	Year 4	Year 5
<b>REVENUE FROM SALE OF SOYA MILK</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	100	100	100	100	100
Production in litres	80%	80%	80%	80%	80%
Utilisation of the Capacity (%)	75%	80%	85%	90%	95%
No of litres Produced in a year	18,000	19,200	20,400	21,600	22,800
Rate per Litre	130	143	157	173	190
<b>Gross Revenue earned per annum - A</b>	<b>23,40,000</b>	<b>27,45,600</b>	<b>32,08,920</b>	<b>37,37,448</b>	<b>43,39,592</b>
<b>COST OF RAW MATERIALS</b>					
Consumption of Raw Materials	22,500	24,000	25,500	27,000	28,500
Rate per Kgs	65	72	79	87	95
<b>Total Cost of Raw Material per annum - B</b>	<b>14,62,500</b>	<b>17,16,000</b>	<b>20,05,575</b>	<b>23,35,905</b>	<b>27,12,245</b>
<b>EXPENDITURE</b>					
Salaries and Wages	2,40,000	2,76,000	3,17,400	3,65,010	4,19,762
Electricity Charges	1,08,000	1,18,800	1,30,680	1,43,748	1,58,123
Transportation and Travelling	36,000	39,600	43,560	47,916	52,708
Rent	1,20,000	1,32,000	1,45,200	1,59,720	1,75,692
Packaging and Promotion Expenses	42,000	46,200	50,820	55,902	61,492
Miscellaneous Expenses	25,000	27,500	30,250	33,275	36,603
<b>Total Expenditure - C</b>	<b>5,71,000</b>	<b>6,40,100</b>	<b>7,17,910</b>	<b>8,05,571</b>	<b>9,04,379</b>
<b>Net Profit before Interest /Cash Flow (A-B-C)</b>	<b>3,06,500</b>	<b>3,89,500</b>	<b>4,85,435</b>	<b>5,95,972</b>	<b>7,22,969</b>

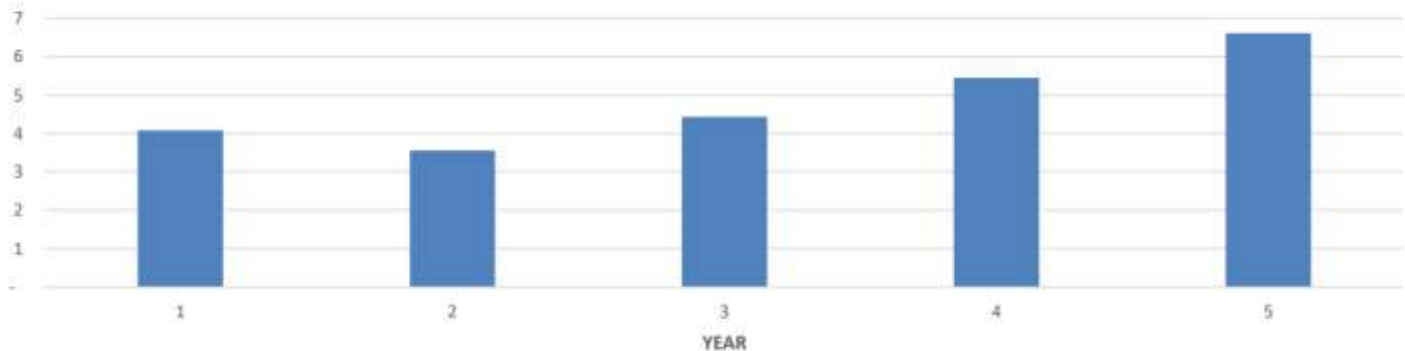


## DSCR STATEMENT

### PROJECTED TERM LOAN DSCR STATEMENT

	Year 1	Year 2	Year 3	Year 4	Year 5
	Projected	Projected	Projected	Projected	Projected
Profit available to service the debt	3,06,500	3,89,500	4,85,435	5,95,972	7,22,969
Loan Repayment	37,743	78,250	86,016	94,553	1,03,937
Interest on Term Loan	37,245	31,113	23,347	14,810	5,426
<b>Debt to be Served</b>	<b>74,988</b>	<b>1,09,363</b>	<b>1,09,363</b>	<b>1,09,363</b>	<b>1,09,363</b>
Debt Service Coverage Ratio	4	4	4	5	7
<b>AVERAGE DSCR</b>	<b>5</b>				

### DEBT SERVICE COVERAGE RATIO



### BREAKEVEN ANALYSIS

Investment Value Including Margin Rs. 445000

Year ended	Year 1 Projected	Year 2 Projected	Year 3 Projected	Year 4 Projected	Year 5 Projected
Cash Flow as per Statement of Income	3,06,500	3,89,500	4,85,435	5,95,972	7,22,969
Less : Interest on Loan	37,245	31,113	23,347	14,810	5,426
Less : Estimated Drawings/Personal Expenses	1,53,250	1,94,750	2,42,718	2,97,986	3,61,484
<b>Net Cash Flow</b>	<b>1,16,005</b>	<b>1,63,637</b>	<b>2,19,371</b>	<b>2,83,176</b>	<b>3,56,059</b>
<b>Cumulative Cash Flow</b>	<b>1,16,005</b>	<b>2,79,642</b>	<b>4,99,012</b>	<b>7,82,188</b>	<b>11,38,247</b>
<b>Break Even Investment (in years)</b>	<b>2 Year and 9 Months</b>				





## REPAYMENT SCHEDULE

### DETAIL REPAYMENT SCHEDULE

Year	Quarter	Loan Installment	Principal Payment	Loan Outstanding	Interest at 9.5%	Cumulative Interest
1	1	10,153	646	3,99,854	9,507	37,245
	2	10,153	662	3,99,192	9,491	
	3	27,341	18,002	3,81,190	9,339	
	4	27,341	18,433	3,62,757	8,908	
2	1	27,341	18,874	3,43,883	8,467	31,113
	2	27,341	19,326	3,24,558	8,015	
	3	27,341	19,788	3,04,769	7,552	
	4	27,341	20,262	2,84,507	7,079	
3	1	27,341	20,747	2,63,760	6,594	23,347
	2	27,341	21,244	2,42,516	6,097	
	3	27,341	21,752	2,20,764	5,588	
	4	27,341	22,273	1,98,491	5,068	
4	1	27,341	22,806	1,75,685	4,535	14,810
	2	27,341	23,352	1,52,332	3,989	
	3	27,341	23,911	1,28,421	3,430	
	4	27,341	24,484	1,03,937	2,857	
5	1	27,341	25,070	78,868	2,271	5,426
	2	27,341	25,670	53,198	1,671	
	3	27,341	26,284	26,914	1,056	
	4	27,341	26,914	-	427	
<b>Total</b>		<b>5,12,441</b>	<b>4,00,500</b>		<b>1,11,941</b>	<b>1,11,941</b>



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