

## **ICE CREAM CONE MAKING**

### **1. INTRODUCTION:**

Ice cream cones are a mass consumption item. An ice cream cone, poke or cornet is a dry, cone-shaped pastry, usually made of a wafer similar in texture to a waffle, which enables ice cream to be held in the hand and eaten without a bowl or spoon. Ice creams are available in many varieties and flavors and are served in many ways such as cups, cones, bricks, candies, slices etc. With the change in life style ice creams are now consumed round the year. The most popular method of serving ice-cream perhaps is in cones as it is neat & clean, easy to store, and does not have any disposal problem. Various types of ice cream cones include wafer (or cake) cones, waffle cones, and sugar cones.

### **2. PRODUCT & ITS APPLICATION:**

Ice-Cream cones are prepared from wheat and corn flour and they are eaten along with the ice-cream. Pre-determined quantity of ice-cream is filled in the cone these cones are not only convenient to handle but there is no residual waste as well. These can be manufactured in different colors and have both urban as well as rural market. Compliance of the product with FPO is essential.

### **3. DESIRED QUALIFICATIONS FOR PROMOTER:**

Does not require any specific qualification.

### **4. MARKET POTENTIAL AND MARKETING ISSUES, IF ANY:**

The changing life style and habits have given rise to the increase in demand of ice-cream. Now days it is a common sight of ice cream being served at marriage parties even during winter. Majority of the consumers prefer ice creams in cups or cones for convenience. Serving in cups requires additional spoons for eating and disposal of the cup after consumption, while service in cones is hassle free as cones are eatable and consumed along with the ice cream. Ice creams are now popularly marketed under brand names as well as unbranded variety locally manufactured in semi urban areas. There is a good market for local variety in both semi urban and rural areas. The unbranded local variety is cheaper and hence is preferred particularly by the middle class families with limited means. In rural areas also children prefer the cheap ice creams as compared to the branded costly variety. Thus, there appears to be a good market for the product in semi urban and rural areas. The marketing strategy should focus on such locations and the approach the big branded manufacturers for a possible tie-up.

## **5. RAW MATERIAL REQUIREMENTS:**

Three main dry ingredients compose all types of cones. Wheat flour, corn flour, and sugar are chosen for baking quality, strength, and relative sweetness, respectively. The quantity of sugar is a major distinguishing feature between cone types. Sugar and waffle cones are made of one-third sugar. Not only does this influence the sweet flavor, but it affects the brown finished color and the crispy texture. Cake cones have less than 5% sugar.

Wet ingredients (and others added with the wet materials) include water, shortening (edible fat or grease), coloring, flavoring, and salt. Both the coloring and flavoring are natural products made by outside specialists.

## **6. MANUFACTURING PROCESS:**

The process of edible cone making is basically a mechanical press operation. Initially corn and wheat flour is mixed with water and required quantity of colors and flavors are added. This dough is then fed to the mould of the cone making machine. The press is operated and the molded cones are baked separately and packed.

**Some important points to remember during dough preparation:**

The wafer quality depends on the accuracy of the dough, particularly as far as weighing and mixing are concerned. In the course of the whole mixing process, the consistency changes due to material dissolving and swelling processes, gluten development and reactions with other raw material.

The important process during mixing is dissolving and swelling of the flour components. This is decisive for the quality of the baking process and the wafer sheet and for the energy demand during baking; the water added during dough preparation has to be vaporized again during baking. When a certain consistency is reached, the mixing process is finished, particularly when a uniform mixing of all ingredients allows for a smooth flow of the dough on the baking plates/cone baking dies.

Leave the dough for 5 minutes, and to pass it through a sieve afterwards in order to hold back the particles, which have not dissolved completely. The dough will swell again. If flour with higher level of coarsely ground grain is used, the dough should be left for about 10 minutes. The longer the dough can rest; the better will be its flow.

**7. MANPOWER REQUIREMENT:**

The enterprise requires 9 employees as detailed below:

Sr. No.	Designation Of Employees	Salary Per Person	Monthly Salary	Number of employees required				
				Year-1	Year-2	Year-3	Year-4	Year-5
1	Un Skilled Workers	8,000.00	16,000.00	2	2	2	2	2
1	Accountant	8,000.00	8,000.00	1	1	1	1	1
2	Store Keeper	6,000.00	6,000.00	1	1	1	1	1
3	Sales Supervisor	9,000.00	9,000.00	1	1	1	1	1
4	Security Personnel	6,500.00	6,500.00	1	1	1	1	1
5	Manager	20,000.00	20,000.00	1	1	1	1	1
9	Skilled Labour	10,000.00	10,000.00	2	2	2	2	2
	<b>Total</b>		65,500.00	9	9	9	9	9

## 8. IMPLEMENTATION SCHEDULE:

The approximate time required for various activities is given below. However, it may vary from place to place depending upon the local circumstances and enthusiasm of the entrepreneur:

Sr. No.	Activity	Time Required (in months)
1	Scheme Preparation and Approval	0-1
2	EM Part-1 Registration & Preparation of Project Report	1-2
3	Sanction of loan	2-5
4	Clearance from State Pollution Control Board	3-4
5	Placement of order for machinery and delivery	4-5
6	Installation of machines	6-7
7	Power connection	6-7
8	Trial Run	7-8
9	Commercial Production	9 months onwards
	Total time required	9

Due to overlapping of some activities, normally 6-9 months are required to implement the project.

## 9. COST OF PROJECT:

The project shall cost INR 27 lacs as detailed below:

<b>Sr. No.</b>	<b>Particulars</b>	<b>INR in Lacs</b>
1	Land	7.50
2	Building	3.20
3	Plant & Machinery	6.90
4	Furniture, Electrical Installations	1.00
5	Other Assets including Preliminary / Pre-operative expenses	0.69
6	Margin for Working Capital	7.71
	<b>Total</b>	<b>27.00</b>

## 10. MEANS OF FINANCE:

Bank term loans are assumed @ 60% of fixed assets. The proposed funding pattern is as under:

<b>Sr. No.</b>	<b>Particulars</b>	<b>INR in Lacs</b>
1	Promoter's contribution	6.75
2	Bank Finance	20.25
	<b>Total</b>	<b>27.00</b>

## 11. WORKING CAPITAL CALCULATION:

The project requires working capital of INR 7.71 lacs as detailed below:

Sr. No.	Particulars	Gross Amt	Margin %	Margin Amt	Bank Finance
1	Inventories	3.86	0.25	0.96	2.89
2	Receivables	1.93	0.25	0.48	1.45
3	Overheads	1.93	100%	1.93	0.00
4	Creditors	-		0.00	0.00
	<b>Total</b>	7.71		3.37	4.34

## 12. LIST OF MACHINERY REQUIRED:

A detail of important machinery is given below:

Sr. No.	Particulars	UOM	Qty	Rate	Value
					(in Lacs)
1	Automatic ice cream cone manufacturing machine which includes Sifter, dough kneader, Cone making machine automatic, sugar pulverize, weighing scales, etc.	NOS.	1	650,000.00	6.50
2	Lab Equipments			40,000.00	0.40
	<i>sub-total Plant &amp; Machinery</i>				<b>6.90</b>
	<b>Furniture / Electrical installations</b>				
a)	Office furniture	LS	1	50000	0.50
b)	Computer & Printer	L. S.	1	50000	0.50
	<i>sub total</i>				<b>1.00</b>
	<b>Other Assets</b>				
a)	preliminary and preoperative				0.69
	<i>sub-total Other Assets</i>				0.69
	<b>Total</b>				<b>8.59</b>

## 13. PROFITABILITY CALCULATIONS:

Sr. No.	Particulars	UOM	Year-1	Year-2	Year-3	Year-4	Year-5
1	Capacity Utilization	%	60%	70%	80%	90%	100%
2	Sales	In Lacs	34.56	40.32	46.08	51.84	57.60
3	Raw Materials & Other direct inputs	In Lacs	20.64	24.07	27.51	30.95	34.39
4	Gross Margin	In Lacs	13.92	16.25	18.57	20.89	23.21
5	Overheads except interest	In Lacs	8.38	8.91	9.96	10.27	10.48
6	Interest @ 10 %	In Lacs	2.03	2.03	1.35	1.01	0.81
7	Depreciation @ 30 %	In Lacs	4.83	3.45	2.42	1.73	1.55
8	<b>Net Profit before tax</b>	In Lacs	<b>-1.31</b>	<b>1.86</b>	<b>4.85</b>	<b>7.88</b>	<b>10.37</b>

#### 14. BREAKEVEN ANALYSIS:

The project shall reach cash break-even at 48.65% of projected capacity as detailed below:

Sr. No.	Particulars	UOM	Value
1	Sales at full capacity	₹. In Lacs	57.60
2	Variable costs	₹. In Lacs	34.39
3	Fixed costs incl. interest	₹. In Lacs	11.29
4	$BEP = FC / (SR - VC) \times 100 =$	% of capacity	48.65%