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PROJECT

PROJECT

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BBA 6th SEMESTER

SHILLONG COLLEGE

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ACKNOWLEDGEMENT

It is indeed a very great opportunity to participate in a very ambitious project for the 6th semester students of the Bachelor of Business Administration, conducted by the Department of BBA, Shillong College. This project really exalted my mind and its essence help to take a deep interest in the field of business.

Most importantly I would like to say thank you to almighty God for giving strength and ability to work on my project. I would also like to say hearty thank you to all our lecturers, Principal and Vice Principal. Without them I would have not be able to finish this project and without them I would have not called myself a business student. Their presence, guidance and teaching really inspired me and help me to be successful in my studies and in my habits. I would also like to thank all my friends for their active collaboration with me. They never hesitated to help me and spent their valuable time for me.

I hope that this project would really draw the interest of everyone who analyzes it. Thank you

Let's Begin



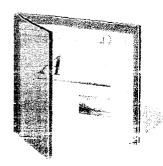
EXECUTIVE SUMMARY

This ambitious project will be undertaken by ZO-WINE Private Limited Industry. This Industry will emerged as a leading stock brokerage particularly in Mizoram and furthermore to raise their product to export quality to expand their market to international level.

The word ZO is taken from MIZO, a particular minority tribe settling in the eastern most part of the Indian sub continent. The word also essentially suggests for the upliftment of the economic backwardness of the MIZOs and introducing the community to the world window.

ZO-WINE Pvt. Ltd. industry will be a leading supplier of wine and other related products in Mizoram and this industry is setup to cater the needs of effective marketing system for Grapes mainly in champhai district for who cultivated grapes in different parts of Champhai.

Grapes growing in Mizoram is prevalent in the eastern part of the state called Champhai, in this very area of Champhai district grape farms are several in numbers and the grapes is again transform-into Wine and packed into bottle for commercial purpose, then the finished goods are distributed to different dealer in different parts of Mizoram with the help of transport vehicles.



EXECUTIVE

VISION

❖ To provide organized market to the farmers.

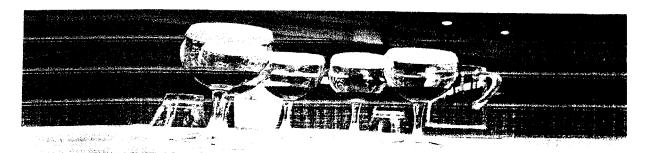
To provide employment opportunity to the people.

*	To provide effective organization to the farmers for procuring raw material.
*	To provide credit facilities to the farmers.
*	To encouraged the farmers to grow new kind of grapes
*	To help the farmers to increase the quality of their grapes.
*	To manufacture good quality wine and improve the very health condition of the people.

DESCRIPTION OF THE INDUSTRY

Bio Data

- i. Name: ZO-WINE PREMIUM INDUSTRY PVT. LTD.
- ii. Location: Champhai Hnahlan, Champhai District, Mizoram.
- iii. Total area occupied: 20,120 sq ft.
- iv. Type of Product: Zo Wine, Sacramental Wine, Hmar Wine.
- v. Type of Industry: Agro-based Industry.
- vi. Category of Industry: Medium Scale Industry.
- vii. Type of Entrepreneurship: Partnership [with commercial bank]
- viii. Financial Supplier: Industrial Development Bank of India, Champhai Branch.
 - ix. Input Supplier: Farmers.
 - x. Investment Capital: 20.50 lakh.
 - xi. Material and Technology input: Majority will be imported from abroad and supplementary material will be provided by Local Resource.

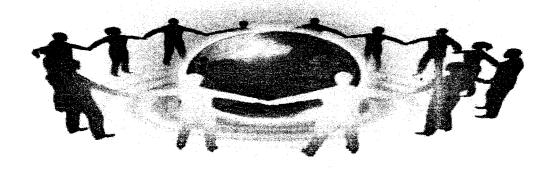


MANAGEMENT STRUCTURE

Prospects and profit do not depend on merely the availability of abundant resources or high skilled labor or high prices and son. It largely depends upon good management structure in the industry. The industry will provide a good working conditions, high wages, good facilities, regular timely payment and rest and casual leave.

On top of the structure there will be a Chief Director. Under the chief director there will be several supervisors responsible for different departments of the industry such as planning and marketing, procurement, production, finance and promotion. Under supervisors there will be several others working under their supervisory.

It is heavily feel necessary that there must be good relations among the workers to work efficiently and productively. There will also be a close connection between the industry and the farmers as well as other wine industries to work co operatively.



Diagrammatical representation.

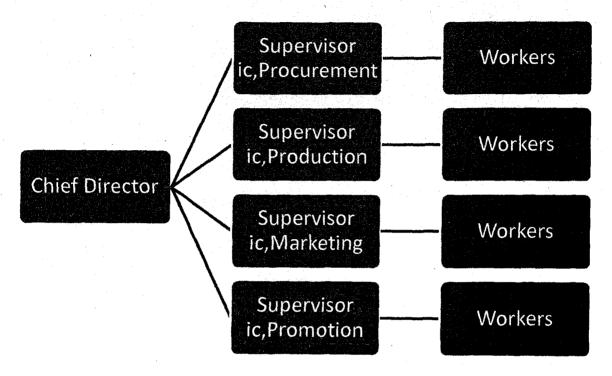


Fig 1: Structure of management

FINANCIAL PLAN



Sources of funds:

- 1. Personal.
- 2. Government.
- 3. Commercial Bank.

INVESTMENT PLAN for one year

SOURCE	MONEY INVESTED
Private Contribution	Rs 3,50,000
Government Contribution	Rs 8,50,000
Commercial Bank Contribution or LOAN	RS 8,50,000
Total number of source	3
Total Money Invested or Total Investment	Rs 20,50,000

Figure 2: Investment plan

As mentioned above, this industry would have three sources of funds. Besides the proprietor or the entrepreneur, funds will be received from the government through the schemes for providing financial aid to the industry. Since this industry required lots of fund it will have to borrowed loans from the commercial bank as well for example Industrial Development Bank of India.

, EXPENDITURE PLAN for opening year

FIXED COST

Sl. No.	Expenditure Items	Expenses
1	Building material	Rs 3,00,000
2	Equipment	Rs 5,00,000
3	Transport vehicle	Rs 6,00,000
4	Bottling plan	Rs 30,000
5	Labeling	Rs 10,000
6	Cost of purchasing grapes	Rs 1,50,000
8	Electricity	Rs 5,000
9	Advertisement	Rs 8,000
10	Tourism Promotion	Rs 2,50,000
11	Salary	Rs 1,27,000
	TOTAL EXPENDITURE	Rs 17,55,000
	BALANCE	Rs 2,95,000

Figure3: Expenditure plan.

REVENUE PLAN for five years

Opening year Revenue structure

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SI. No	Revenue item	Amount
	Grape wine	Rs 10,95,000
	a. Zo Wine [750ml]	Rs 3,50,000
	b. Hmar Wine [500ml]	Rs 5,25,000
	c. Sacramental Wine [1/]	Rs 2,20,000
	Fresh Grapes [per kg]	Rs 1,00,000
	Tourism	Rs 5,00,000
	TOTAL	Rs 16,95,000
	PROFIT	Rs 0.00
	LOSS	Rs 3,55,000

Figure4: Revenue Plan.

When the industry first started its business it will not earn profit as usual nut when the time changes the industry will actually earn more and more profit in the preceding years. The below factors responsible for incurring loss by the industry.

- Unpopularity.
- Difficult competition with the existing industry.
- Lack of adequate human and natural resources.
- High expenditure; as it is newly opened it would required several capital fixed assets.

The below chart show how would profit and loss works in this industry.

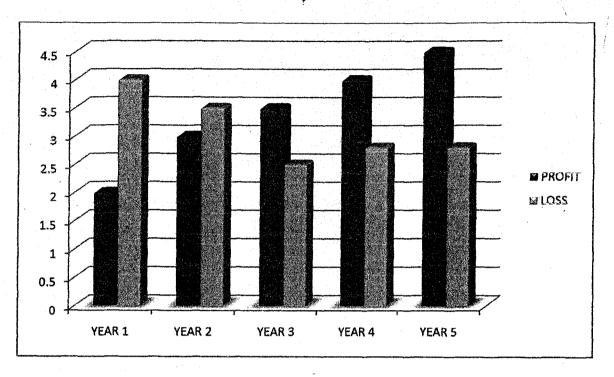
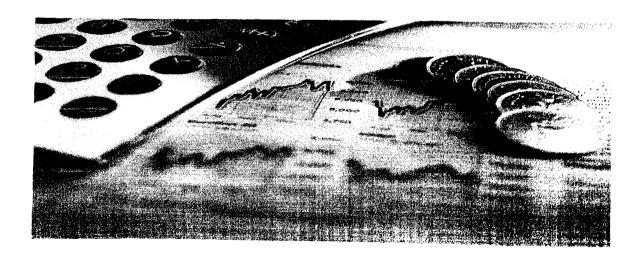


Figure5: Trends of profit and loss.

As shown in the above diagram in YEAR 1 the industry will earn loss rather than profit even in YEAR2 but the profit tends to rise and loss tends to become low. In YEAR 3 the industry start earning profit and loss becomes less than the profit and vice versa in case of the years to come.



RESOURCE PLAN

Zo Wine Private Limited Industry will have two sources for obtaining raw materials that is *Grapes*. One source will be from all the farmers in Champhai.

The industry will be having a very good resource plan. Farmers can be registered under the industry and they have to abide all the rules and regulations and guidelines maintain by the industry.

A farmer following the below criteria can be registered themselves to the industry.

Criteria1: A farmer should have at least 20,000 sq ft of land.

Criteria2: A farmer must have growing grapes as his main occupation.

Criteria3: A farmer should be able to produce at least 100kgs of grapes in one harvest period.

Criteria4: A farmer should be able to willingly adopt all the technological innovations suggest by the industry. The industry will also act as a firm as it will also maintain a huge area of cultivable land under which grapes will be grown with a definite plan which will also be a model for all the grape growers as well as for research purpose





PRODUCTION PLAN



As mentioned earlier Zo Wine Premium Wine Industry would manufacture three types of wine namely Zo Wine, Hmar Wine and Sacramental Wine. There is a remarkable difference among the three especially in their alcoholic content and the method of production. The general methods of production which are applied to every wine are as follows.

Ingredients

- Lots and lots of wine grapes.
- Granulated sugar
- Filtered water
- Wine yeast

General Methods of Production.

Stage1: Select grapes, tossing out rotten or peculiar looking grapes

Stage2: Remove stems.

Stage3: Crushing the grapes by simple machine to release the juice into primary fermentation barrel.

Stage4: Add wine yeast.

Stage5: Add granulated sugar; first dissolve in pure filtered water.

Stage6: Cover the fermentation barrel tightly with the lid.

Stage 7: Leave the barrel unopened for several days.

Stage8: When the fermentation period over transfer the wine to the reservoir and packed into bottle whenever necessary.

Pictorial explanation of the general method of production

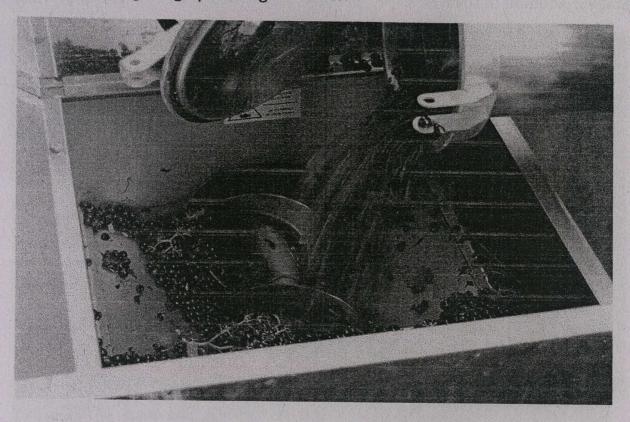
Stage1: Selection and removing rotten grapes.



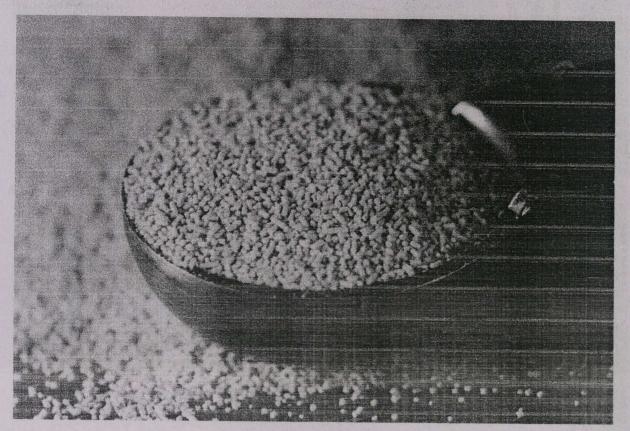
Stage2: Removing stem using machines



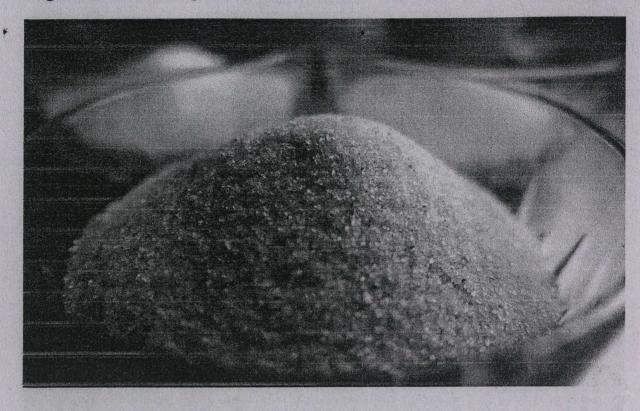
Stage3: Crushing the grapes using machines.



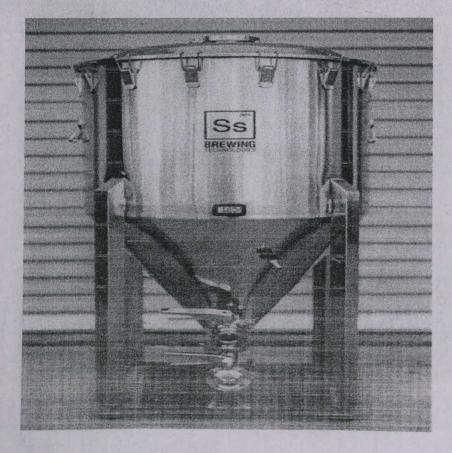
Stage4: Addition of yeast to crushed grapes.



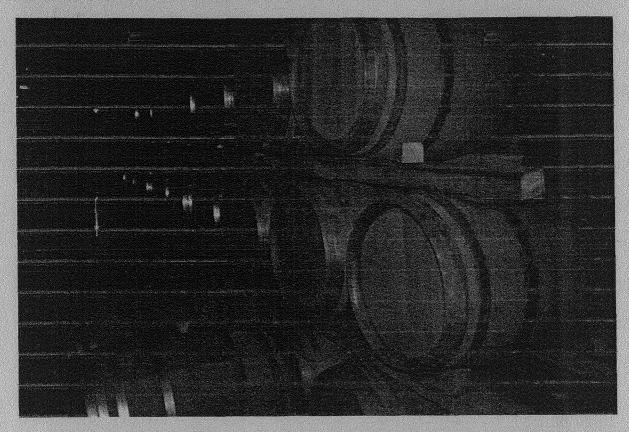
Stage5: Addition of sugar.



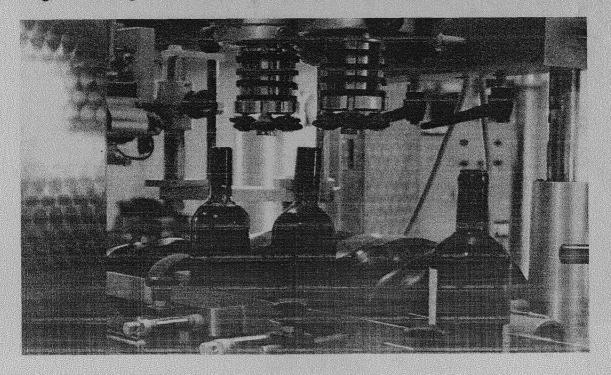
Stage6: Transferring the grapes to barrel and tightly closed.



Stage7: Storing in a barrel after fermentation process over.



Stage8: Bottling.



Production method Zo Wine

Zo wine is an ordinary wine which can be consumed by general people even young people. It is going to be made with low alcoholic content and it will more look like home made wine and a soft wine.

Step1: Applying the mentioned three stages of general method of production.

Step2: Add 5gram of Yeast per one kilogram of grapes.

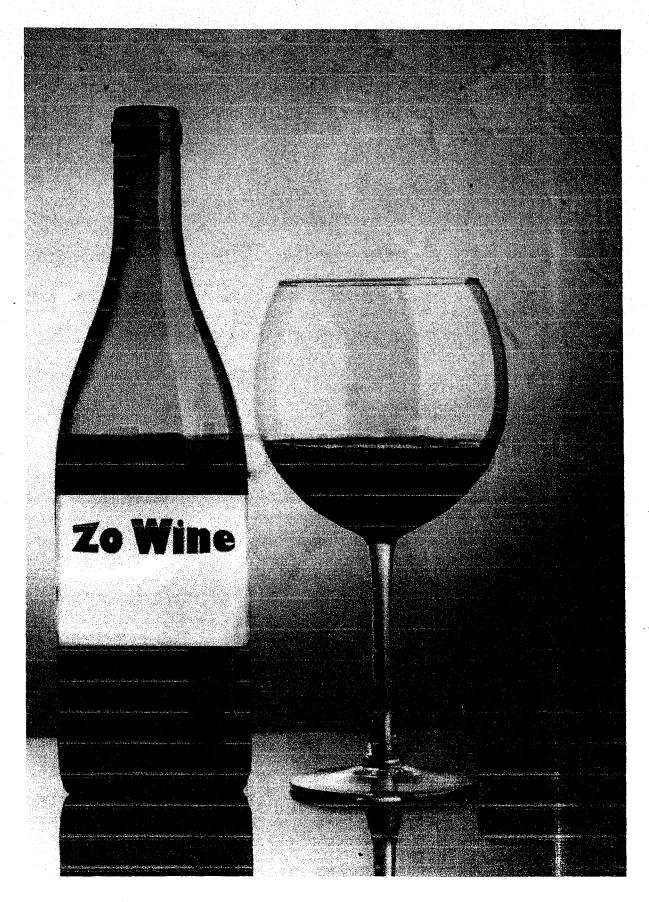
Step3: Add 1.5 kilogram of sugar per one kilogram of grapes.

Step4: Following stage 6 of general method of production

Step5: Ferment for only 10 days.

Step6: Following stage 8 of general method of production.

As given above, less quantity of yeast which will convert the sugar contained in the grapes to ethanol or alcohol is going to be added into Zo Wine and high quantity of sugar with few fermented days. This will actually make the wine low in alcoholic content below 10. Therefore, it will be consumable for everyone from young to old.



Zo Wine

Production of Hmar wine

Hmar Wine will be a very special strong variety of grape wine manufactured by * Zo Wine Premium Wine Industry. The processes of manufacturing grape wine are as follows.

Step1: Applying the mentioned three stages of general method of production.

Step2: Add 10gram of Yeast per one kilogram of grapes.

Step3: Add 1 kilogram of sugar per one kilogram of grapes.

Step4: Following stage 6 of general method of production

Step5: Ferment for only 20 days.

Step6: Following stage 8 of general method of production.

As given above, high quantity of yeast which will convert the sugar contained in the grapes to ethanol or alcohol is going to be added into Hmar Wine and low quantity of sugar with long fermented period. This will actually make the wine high in alcoholic content above 20. Therefore, it will be consumable only for those who are matured.



HMAR WINE

Production of Sacramental Wine

Sacramental wine is a kind of wine used for celebrating Holy Communion or Holy Eucharist. In sacramental wine no sedatives are added while in table wine yeast are added.

Step1: Applying the mentioned three stages of general method of production.

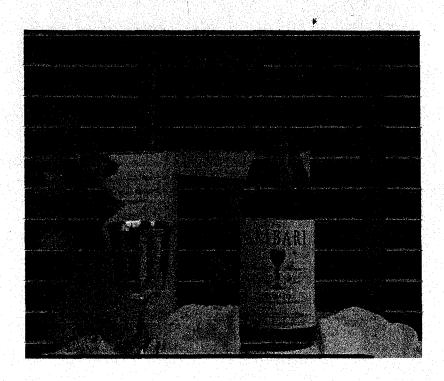
Step2: No yeast or other sedatives and sugar should be added.

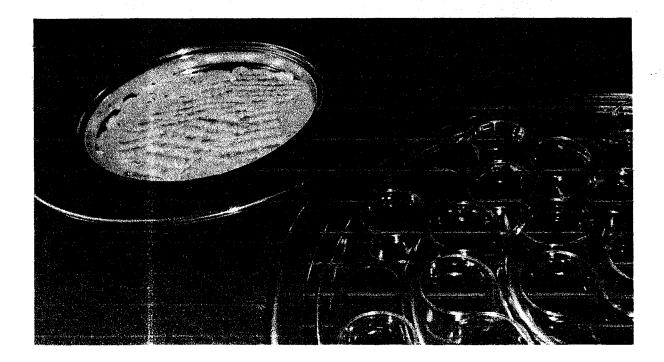
Step3: Transfer the crushed pure grapes into a barrel and expose to the sun.

Step4: Expose in the sun only for 10days.

Step5: Bottling and store in cool and dry place.

Sacramental Wine must be pure fruit juice with little alcoholic content. It will be packed in 1litre bottle





MARKETING PLAN

Selling wine is not an easy job. Now more than ever wineries have to determine consumption trends and master marketing to increase sale and expand area of sale.

Marketing objectives

This marketing plan proposes two marketing strategies and one social media strategy to further increase brand awareness and sales. Especially we plan to increase the sale gradually from year to year.

Implementations are as follows:

- Participate in Food and Wine Festival not only in regional level but also in International level.
- Organizing wine festival.
- Making creative advertisement in social media.
 - # making instagram hash tag #escape with zo wine.
 - # creating YouTube channel.
 - # Television and newspaper advertisement.

Marketing Environment



Zo Wine Premium Wine Industry had a good marketing environment. Some factors which led Zo Wine Premium Wine Industry enjoys favorable marketing environments are as follows.

- The industry located in a place where grapes are grown popularly.
- The wine consumption rate is high.
- The industry located near international border which enable the industry to export their wines especially in the East Asian countries.
- The industry located in such a place where transport facilities are adequate which will actually let the industry spend less in transportation cost.
- The industry located in such a place where there are adequate facilities like power, human labor.
- The industry located in a place where there is an organized market.
- Existing reasonable price in wine local, regional and international market.
- The industry enjoys a legal preferential treatment as the government allows liberal manufacturing, buying and selling of wine.

Pricing

Zo wine will come at Rs 100 per bottle [750ml]. Hmar Wine will come at Rs 150 per bottle [500ml] and Sacramental wine will come at Rs 200 per bottle [1litre]. Fresh grapes will be sold at a market price regulated by the government.

Marketing Agencies

The industry will have direct dealer and indirect dealer. However, the industry will also sell wine that is; it will also act as marketing agencies during special occasion like wine festival.

The industry will directly sell wine to their direct selling agency at the price maintained by the industry. Such agencies can sell wine at the maximum retail price and earn profit. They can also sell to the other depot collectively either in wholesale or retail price, in this way the industry indirectly sell its product. These are the strategies for selling Zo wine and Hmar wine.



However, in case of sacramental wine, the industry will either sell directly to the churches or it may also sell it to religious depot for sale.

The industry will also act as a marketing agency on occasion of Wine festival. The firm will directly sell its wine during festival and festive season with an exciting offer. It will also sell raw grapes where grapes are rarely grown and which has an inadequate transport facilities.





DEMOGRAPHIC AND GEOGRAPHICAL STRUCTURE

Champhai District located in the eastern parts of Mizoram. It is sandwich by Myanmar in the east and by Aizawl and Serchhip District in the west. It has occupied a total area of with a total population of according to 2011 Census record.

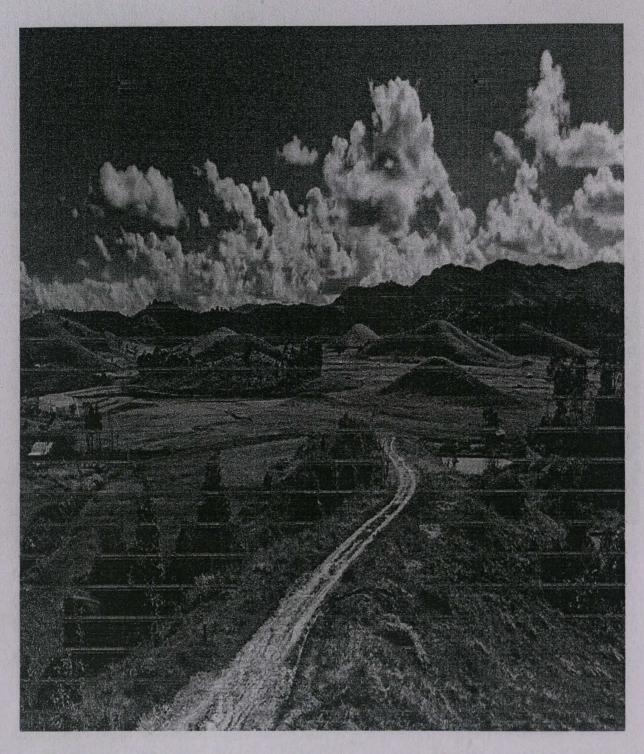
Currently Champhai is already a major producer of grapes and wines in Mizoram. There are approximately grape growers in champhai. But due to lack of effective and organized market, credit facilities, reasonable price level, modern technique and method of production and good leadership the grape growing and wine manufacturing business is not profitable.

Champhai has an ideal climate for growing grapes. The temperature is neither too high nor too low. It usually ranges between 10 degree Celsius to 20 degree Celsius in winter season and between 15 degree Celsius and 30 degree Celsius in summer time which is an ideal temperature for grapes. Therefore, grapes growing in Champhai are healthy and fast growing and live long.

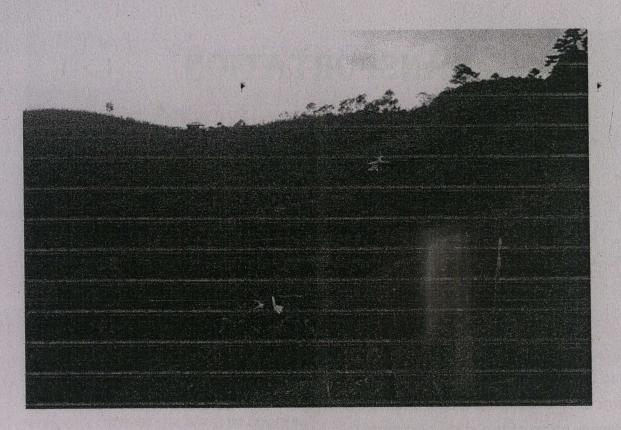
Champhai received amount of rainfall per year which is too favorable for growing grapes. The soil remains wet when it is a right time for grapes to tap a wet soil and a dry soil when it needs a dry soil. Champhai soils can also making much better by applying chemical fertilizers to enlarge grape production.



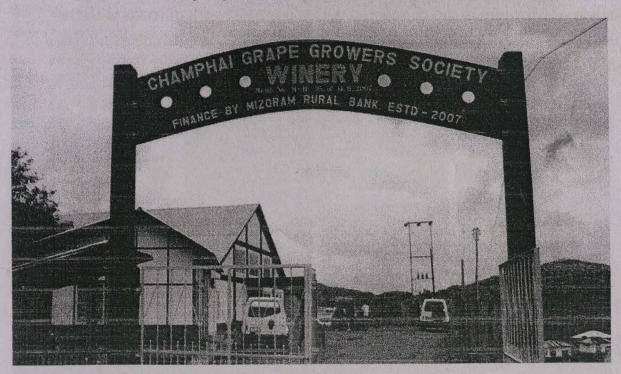
A beautiful glimpse of Champhai....



View from east Chmaphai



Grape plantation at Champhai



Existing winery in Champhai

TRANSPORTATION

[Roads and Railways]

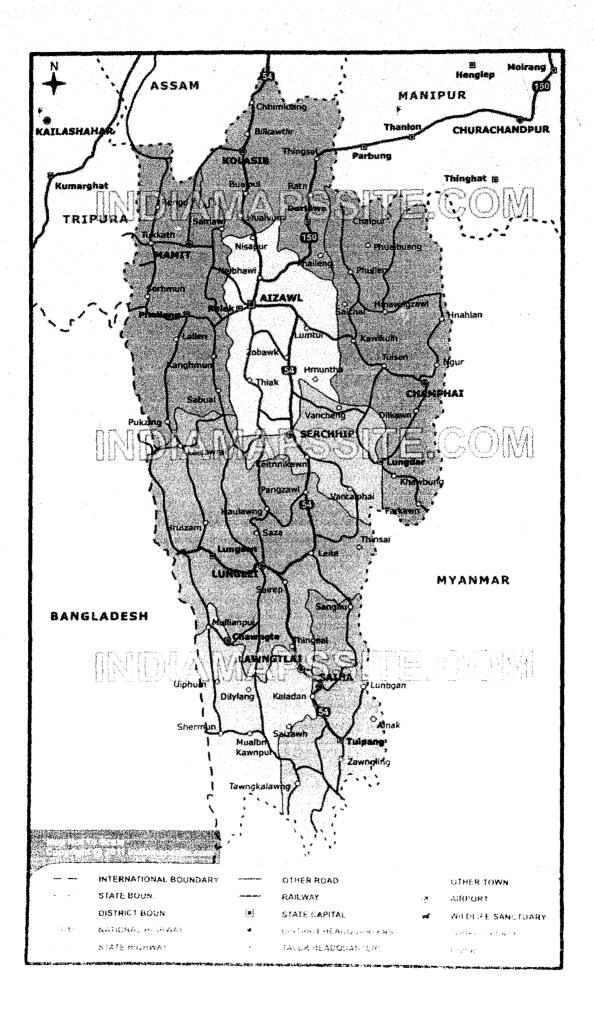
As already mentioned earlier Champhai is sharing boundary with Myanmar which is only 25 kilometers from the capital of Champhai district where the industry is going to be set up and it is connected through National Highway, this geographical structure will enable the industry to expand their market to international level and exporting wine and even raw grapes to east Asian countries.

Roads: Champhai is also connected with a good network of roads with all the districts of Mizoram this will enable the industry to export their wines to different parts of the state or country.

Railways: Mizoram is too connected with a good network of roads with the rest of the states of Indian Union a good network of trade can be established with different parts of the country.







TOURISM PROSPECT

It is the very aim of the industry to promote industry as well as to be promoted by tourism. The industry will be able to earn handsome amount of profit from tourism as well as developing tourism from the following strategies.

- To organize wine festival every year.
- To attend wine fest as well as food fest especially within India as well as International if the industry could afford it.
- To collaborate with Tourism Department of the Government of Mizoram and the Government of India.
- To collaborate with other wine industry from regional as well as foreign industries.
- To raise the quality level of wine to export quality.
- To conduct product research with foreign expert.
- To help the farmers in beautifying and decorating their farms in such a way that it will attract foreign as well as foreign tourists.

Attending in food and wine festivals and organize outdoor market during festive seasons will greatly help the industry to earn more money. Applying such strategies would lead to the following achievements.

- Popularity.
- More profit.
- Increasing selling area.
- Increasing production required level.
- Opportunity to become worldwide popular brand.
- To realize pitfalls and opportunity to recover it.

Some popular festivals in Mizoram and wine festival in India are as follows.

ANTHURIUM FESTIVAL



About 30 kms to the West, about an hour's drive from Aizawl sprawls a prominent mountain on which Reiek village is located. This is one destination that one should not miss visiting. The mountain itself, though appearing to be of gentle slopes on its eastern side, has spectacular rocky cliffs notched with caves and caverns in an environment of luxuriant natural forest preserved since the days of the Mizo chiefs.

It is here that the colorful Festival, Anthurium Festival is celebrated in the state. It is a successful tourism promotion venture celebrated every year at the tourist resort in Reiek Village at the foothills of the mystic Reiek Mountain in September, every year as festival, amidst, nature during the peak season of the beautiful and exotic Anthurium blossom.

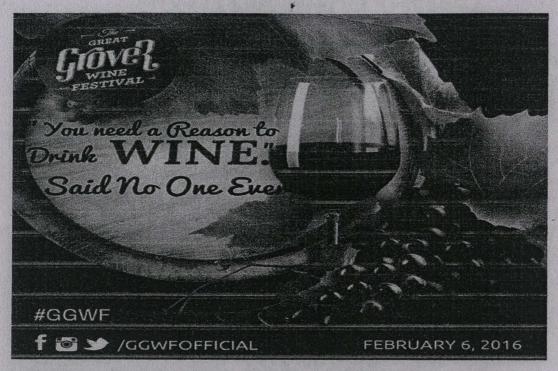
CHAPCHAR KUT



At the end of February, when winter starts receding, the Mizos prepare the land for fresh planting. There are few days of relaxation before the serious business of sowing starts and that is when the Chapchar Kut festival is celebrated with gaiety and fervor.

A spring festival, this is the most important festival and the only one regularly observed during the first week of March in Mizoram. On this day people of all ages, young and old, men and women dressed in their colorful costumes and distinctive head gears and jewelries, assemble and perform various folk dances, singing traditional songs accompanied by beating of drums, gongs and cymbals. They dance in joyous celebration of life, each team displaying the best of its region. These are generally group dances with a lot of bonhomie and courting woven into them. Some dances are strictly martial danced by strong virile warriors with their weapons and trophies. One dance perennially popular is the Cheraw or the "bamboo dance" so called as long bamboo staves are used for this dance. This is the most colorful and distinctive dance of the Mizos requiring skill and an alert mind to perform. It is also a welcome dance for guests during community festivities.

WINE FESTIVAL in India



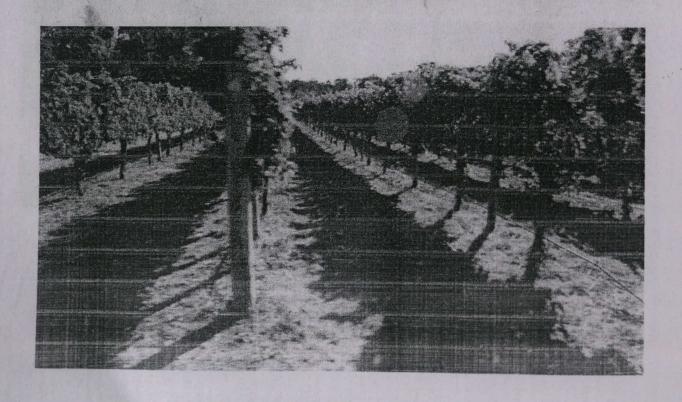


International wine festival



Beautifying grape farms to attract tourist.





THAL FAVANG KUT







SWOT ANALYSIS

STRENGTHS

- Latest winery in Mizoram.
- Good quality or brand.
- Modern techniques and facilities.
- Wine festivals.
- Reasonable price.
- Tourist attraction.
- Role as a father figure of the grape growers.
- Economical.
- Environmentally safe method of production.

OPPORTUNITIES

- Giving opportunity to skilled and unskilled labor.
- Opportunity to increase productive capacity.

WEAKNESSES

- Not expected export quality.
- Lack of better selling agencies.
- Difficulty in participating international wine festival.
- Difficulty in obtaining other kind of grapes which cannot be grown in Champhai.
- Rivalry with existing wine industry.

THREATS

- Competition.
- Harmful economic condition.
- Poor harvest of grapes.
- Low rainfall.
- Global warming.
- Expensive to reach the industry from foreign countries.

STRENGTHS

- Zo Wine Premium Industry will be indeed a latest wine industry in Mizoram therefore it will actually attract the attention of the people.
- Zo wine Premium Industry will produce good quality wine so that people will favor it and increase their quantity of purchase.
- Zo Wine Premium Industry will use only modern technique for producing wines therefore it will be economical and environmentally safe.
- Wine produced by Zo Wine Premium Industry will be at a very reasonable price. It will not be too high nor too low and in equivalent to the quality and quantity of wine.
- The industry will aim at promoting the interest of the farmers to increase their productive capacity which will actually let them give their support to the industry and supply good quality raw grapes to them.
- The industry will be a source of attracting foreign as well as domestic tourists which will create an environment conducive for earning more profit.

WEAKNESSES

- The industry will not be able to produce export quality wine at the initial years because of the fact that it will not be strong enough to compete with foreign brands.
- The industry will not be able to have a good selling agencies at the initial years. It will have to take longer years to have a good trusted selling agencies in distant part of India and abroad.
- The industry aim at participating in international level wine festival but it
 will be quite difficult at the initial years due to lack of credit,
 transportation and quality.
- The industry will have to compete with the existing industry which can make a big loss for it.
- It will not be possible to procure other kinds of graprs which cannot be grown in Champhai.

OPPORTUNITY

- There will be a good opportunity for the industry to export their wines.
- There will also be a great opportunity to increase the productive capacity of the farmers.
- The industry will be able to make an opportunity to emerge as leading exporter of wine in Mizoram and controller of wine market.

THREATS

- The industry will suffer from inadequate rain which can reduce quality of grapes resulting to producing bad quality wine.
- Similarly it can also suffer from global warming and affect the quality of wines.
- During dynamic condition like fluctuation, inflation, deflation, depression, recession etc in the economy it can considerably reduce demand, supply and taste.

PEST ANALYSIS

POLITICAL

- Government stability.
- Tax policy.
- Import and export restriction.
- Copyright and patent law.
- Environmental policy.
- Employment policy.
- Health policy.

ECONOMIC

- Interest rate.
- Credit availability.
- Labor cost.
- Exchange rates.
- Direction of trade.
- Price policy.
- Composition of trade.
- Industrial policy.

SOCIAL

- · Weather and climate.
- Lifestyle.
- Standard of living.
- Religion.
- Consumption level.
- Health consciousness.
- Consumer attitudes.

TECHNOLOGICAL

- Basic infrastructure level.
- Technological innovation.
- Infrastructural development.
- Research and development.

CONCLUSION

LIBRAR

This project taken up for creating an effective illustration of modern wine business with less investment but more profitable which will also create a condition favorable and conducive for tourism promotion provide a very good scope and strategy for employing our dormant resources in the field of wine industry, tourism industry, transport facilities and in the advantage of having a good network of trade.

However, it is important to outline that this project will not be prosperous very instantly, as a matter of fact, it will take quite a few years to achieve all the aims and objectives. This project will have to resort to both government and banks in order to be successful.

Thank You





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