PROJECT REPORT

Of

GERBERA CULTIVATION

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **Gerbera Cultivation**.

The objective of the pre-feasibility report is primarily to facilitate potential entrepreneurs in project identification for investment and in order to serve his objective; the document covers various aspects of the project concept development, start-up, marketing, finance and management.

[We can modify the project capacity and project cost as per your requirement. We can also prepare project report on any subject as per your requirement.]

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1. INTRODUCTION

The most beautiful ornament to be created by the lord himself is the flower. Even the thought of it stimulates our senses. We just can't help feeling protective towards these tender creations of God. And amongst them the gerbera might just be rated as the magnum opus.

These are from the sunflower family and are one the most common ornamental plants available. The flower centre is black in colour. It may also have petals of different colour in the same flower. It has been named after the great German naturalist Traugott gerber. Gerbera is a species of the African flowering plants' family Asteraceae. Gerbera contains natural occurring derivatives of coumarin. Gerbera is available in many forms and in a variety of colours. They are one of the most beautiful flowers that exist on this earth.

Gerberas have a long vase life; they are great flowers for adding colour to our lives. They measure around 7 inches and they can be used in landscapes as beading plants for borders and flower beds. Gerberas are flowering plants which are perennial in nature. They have a very large capitulum's, having a two lipped florets. It has the appearance of a single flower but actually it is a hundred single flowers combined into one great entity known to laymen as the gerbera.

In modern hi-tech method gerberas are grown in polyhouses. The quality of flowers produced is superior, because inside climate or micro-climate such as temperature, humidity, light, ventilation etc is controlled.

2. GERBERA CULTIVATION

In modern Hi-tech method the cutflowers are grown in polyhouses. The quality of flowers produced is superior, because inside climate or micro-climate such as temperature, humidity, light, ventilation etc is controlled. Even water application is also controlled.

Requirement

Planting Medium

Planting medium should be adequately porous and well-drained. The optimum planting, density recommended for large flowering cultivars is 8-10 plants/m2. Two –row or 4-row planting systems are generally used.

Planting Time –

Planting can be done round the year but preferably during September-October. The plants should be left undisturbed for 2 years for flower production (no separation of clumps). Treating plants with GA3 (100 ppm) results in early flowering having long stems.

Temperature

The temperature during day time should be 16-200C and 120C during nights.

Cultivars

Jaffa, Sangria, Rosula, Oprab, Romona, Salina, Tecora and Starlight.

Harvesting

The harvesting stage is critical as the flowers should not be cut before the outer row of flowers show pollen, or the flowers will wilt and close at night.

Storage

Optimum storage temperature (wet) for gerbera is 40C. The flowers could be stored efficiently up to 4 weeks.

Yield

Most modern cultivars of gerbera yield 250-300 good quality flowers/m2/year.

3. MARKETING

Gerbera flowers are cultivated all over the world and are widely popular as 'decorative' plant. The flowers are used in making bouquets and for various decoration purposes. The flowers are very much in demand as they can last for a long period of time without losing any freshness. This is why; the flowers are widely used in weddings, parties, and functions.

Marketing of cut flowers in India is very unorganized at present. In most metropolitan cities, with large market potential, flowers are brought to wholesale markets, which mostly operate in open yards. A few large flower merchants generally buy most of the produce and distribute them to local retail outlets after significant mark up. The retail florist shops also usually operate in the open on-road sides, with different flowers arranged in large buckets. In the metros, however, there are some good florist showrooms, where flowers are kept in controlled temperature conditions, with considerable attention to value added service. The government is taking various initiative to organized this sector. The government programmes for floriculture development include creating common facilities of cool chain in large production areas to be shared on cooperative basis. Formations of growers' cooperatives/associations are being encouraged.

PROJECT AT GLANCE

Name of the Benificiary	:	**XXXXX**
Constitution	:	Proprietorship
Address	:	XXXXX
Proposed Project	:	**Cultivation of Gerbera under Poly House**
Project Site	:	XXXXXX
Area of Land	:	6000 SQ.MTR
Total Cost of Project	:	49.37 Lacs
Financial Assistance Requir Term Loan	:	36.00 Lacs

COST OF PROJECT

(in Lacs)

PARTICULARS	Area	Cost/S Mtr	Amount
Land			Owned
Poly House	3,000	844.0	25.32
Plantation Cost	3,000	610.0	18.30
Tractor			3.00
Farming Equipments			0.75
Store & Water Tank			2.00
TOTAL			**49.37**

MEANS OF FINANCE

PARTICULARS	AMOUNT
Own Capital	13.37
Term Loan from Bank	36.00
TOTAL	**49.37**

CALCULATION OF PLANTATION COST (GERBERA)

Area of Land		6000 Sq. Mtr.
Land used for Poly House		3000 Sq. Mtr.
Density per Sq. mtr		8
No. of Gerbera Plant		24000
Cost per Plant		26.00
Total Cost of Plant		6.24
Mortality 5%		0.31
Total Cost of Plant		6.55

Other Input Cost

Chemical & Fertilizers Etc	5.48	
Bed Preperation/Fumigation Cost	4.00	
Labour	2.27	
		11.75
Total Plantation Cost		**18.30**

CALCULATION OF SALE OF PLANT

Aveg Flower per Plant 40
Mortality 10%

Year	*No. of Plant*	*Flower per Plant*	*Total Produciton*	*Rate/per Flower*	*Amount*
1	24000	36.00	864,000	3.50	30.24
2	24000	36.00	864,000	3.85	33.26
3	24000	36.00	864,000	4.24	36.59
4	24000	36.00	864,000	4.66	40.25
5	24000	36.00	864,000	5.12	44.27
6	24000	36.00	864,000	5.64	48.70
7	24000	36.00	864,000	6.20	53.57
8	24000	36.00	864,000	6.82	58.93

PROJECTED BALANCE SHEET

PARTICULARS	*Const. Period*	*1*	*2*	*3*	*4*	*5*	*6*	*7*
LIABILITIES								
Share Capital	13.37	13.37	13.37	13.37	13.37	13.37	13.37	13.37
Net Profit	-	0.91	5.09	12.59	22.06	34.31	49.56	66.37
General Reserve	-	24.65	24.65	24.65	24.65	24.65	24.65	24.65
Term Loan	36.00	28.80	21.60	14.40	7.20	-	-	-
Expenses Payable	-	0.48	0.60	0.72	0.86	1.04	1.24	1.49
TOTAL	**49.37**	**68.21**	**65.31**	**65.73**	**68.15**	**73.37**	**88.83**	**105.89**
ASSETS								
FIXED ASSETS	29.07	29.07	29.07	29.07	29.07	29.07	29.07	29.07
Less Depriciation	-	4.66	8.62	11.99	14.85	17.28	19.35	21.21
	29.07	24.41	20.45	17.08	14.22	11.79	9.72	7.86
Plant Cost	18.30	12.20	6.10	20.13	13.42	6.71	22.15	14.76
Subsidy in Bank		24.65	24.65	24.65	-	-	-	-
CURRENT ASSETS	-	-	-	-	-	-	-	-
Receivables & Advances	-	2.00	2.30	2.65	3.04	3.50	4.02	4.63
Cash & Bank Balance	2.00	4.95	11.81	1.22	37.47	51.38	52.94	78.64
TOTAL	**49.37**	**68.21**	**65.31**	**65.73**	**68.15**	**73.37**	**88.83**	**105.89**
	-	-	-	-	-	-	-	-

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	*1*	*2*	*3*	*4*	*5*	*6*	*7*
INCOME							
Sales of Flowers	30.24	33.26	36.59	40.25	44.27	48.70	53.57
				-	-	-	-
TOTAL	**30.24**	**33.26**	**36.59**	**40.25**	**44.27**	**48.70**	**53.57**
EXPENDITURE							
Pesticides Furtilizer etc	1.51	1.66	1.83	2.01	2.21	2.44	2.68
Power & Fuel Expenss	1.31	1.31	1.37	1.44	1.51	1.59	1.67
Water & Irrigation Exp.	0.30	0.33	0.37	0.40	0.44	0.49	0.54
Salary & Wages	6.80	7.14	7.50	7.88	8.27	8.68	9.12
Insurance of Crop	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Repair & Maintainance	0.60	0.72	0.86	1.04	1.24	1.49	1.79
Admin. & Selling Exp.	1.51	1.66	1.83	2.01	2.21	2.44	2.68
Intt. On Term Loan	4.68	3.74	2.81	1.87	0.94	-	-
Depreciation	4.66	3.96	3.37	2.86	2.43	2.07	1.86
Plant Cost W/off	6.10	6.10	6.10	6.71	6.71	6.71	7.38
Cost of Project (B)	**27.53**	**26.69**	**26.09**	**26.28**	**26.03**	**25.95**	**27.76**
GROSS PROFIT [A-B]	**2.71**	**6.58**	**10.50**	**13.97**	**18.25**	**22.75**	**25.81**
NET PROFIT BEFORE TAX	2.71	6.58	10.50	13.97	18.25	22.75	25.81
LESS : TAXES	-	-	-				
NET PROFIT AFTER TAX	2.71	6.58	10.50	13.97	18.25	22.75	25.81
Add Depreciation/Cost w/off	10.76	10.06	9.47	9.57	9.14	8.78	9.24
CASH ACCURALS (A	13.47	16.64	19.97	23.55	27.39	31.53	35.05
Add Interest	4.68	3.74	2.81	1.87	0.94	-	-
Total Fund	18.15	20.38	22.78	25.42	28.33	31.53	35.05
REPAYMENT							
Instalment of Loan	7.20	7.20	7.20	7.20	7.20	-	-
Interest On Loan	4.68	3.74	2.81	1.87	0.94	-	-
Total Payment Obligation (B	11.88	10.94	10.01	9.07	8.14	-	-
D.S.C.R.	**1.53**	**1.86**	**2.28**	**2.80**	**3.48**		
			2.39				

CASH FUND FLOW STATEMENT

PARTICULARS	*Const.*	*1*	*2*	*3*	*4*	*5*	*6*	*7*
SOURCES OF FUND								
Share Capital	13.37	-	-	-	-	-	-	-
Fund From operators	-	2.71	6.58	10.50	13.97	18.25	22.75	25.81
Incr. in Term Loan from Ban	36.00	-	-	-	-	-	-	-
Depreciation/cost w/off	-	10.76	10.06	9.47	9.57	9.14	8.78	9.24
Incr. in Expenses Payable	-	0.48	0.12	0.12	0.14	0.17	0.21	0.25
Increase in Subsidy		24.65	-					
TOTAL	49.37	38.60	16.76	20.09	23.69	27.56	31.74	35.30
APPLICATION OF FUND								
Incr. in Fixed Assets/Plant	29.07	-	-	-	-	-	-	-
Incr. in Plant Cost	18.30	-	-	20.13	-	-	22.15	-
Incr. in Subsidy	-	24.65	-	-	(24.65)	-	-	-
Incr. in Advances & Rece.	-	2.00	0.30	0.35	0.40	0.46	0.52	0.60
Rep. Loan of Bank Loan	-	7.20	7.20	7.20	7.20	7.20	-	-
Drawings	-	1.80	2.40	3.00	4.50	6.00	7.50	9.00
TOTAL	47.37	35.65	9.90	30.68	(12.55)	13.66	30.17	9.60
Opening Balance	-	2.00	4.95	11.81	1.22	37.47	51.38	52.94
Surplus	2.00	2.95	6.86	(10.59)	36.24	13.91	1.57	25.70
Closing Balance	2.00	4.95	11.81	1.22	37.47	51.38	52.94	78.64

DETAIL OF SALARY WAGES

Particular	Nos.	Salary Per Month	Total	Annual Salary
Manager	1	12000.00	12000.00	144,000.00
Marketing/Stores	1	6000.00	6000.00	72,000.00
Helpers/Labours	8	4500.00	36000.00	432,000.00
				648,000.00
		Add Fringe benefit @ 5%		32,400.00
Total Salary				680,400.00
In Lacs				6.80

DETAIL OF POWER CONSUMPTION

Total Power Load Required		10 HP
No of Days		365
No of Hours		5
Total Power Expense		13615 KWH
Power Supply from DG Set	100%	13615

COST OF POWER

Cost of power from DG Set (@8/- per Unit)	1.09
Add : Lubricants	0.22
	-
Total Annual Power Expense	**1.31**

TERM LOAN REPAYMENT SCHEDULE

Year	Particulars	Op. Balance	Interest	Total	Instalment	Total Repayment	Closing Balance
	Amount Borrowed	36.00	2.34	38.34	-	2.34	36.00
1	Balance Carried down	36.00	4.68	40.68	7.20	11.88	28.80
2	Balance Carried down	28.80	3.74	32.54	7.20	10.94	21.60
3	Balance Carried down	21.60	2.81	24.41	7.20	10.01	14.40
4	Balance Carried down	14.40	1.87	16.27	7.20	9.07	7.20
5	Balance Carried down	7.20	0.94	8.14	7.20	8.14	-

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