

# PROJECT REPORT

Of

# LIME PICKLE

## PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding Lime Pickle Making unit.

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.]



**Lucknow Office:** Sidhivinayak Building ,  
27/1/B, Gokhley Marg, Lucknow-226001

**Delhi Office :** Multi Disciplinary Training  
Centre, Gandhi Darshan Rajghat,  
New Delhi 110002

**Email :** [info@udyami.org.in](mailto:info@udyami.org.in)  
**Contact :** +91 7526000333, 444, 555

**PROJECT AT A GLANCE**

- 1 Name of the Entrepreneur : xxxxxxxxxxxx
- 2 Constitution (legal Status) : xxxxxxxxxxxx
- 3 Father / Spouse Name : xxxxxxxxxxxxxx
- 4 Unit Address : xxxxxxxxxxxxxxxxxxxxxxxx
- District : xxxxxxxx
- Pin: xxxxxxxx State: xxxxx
- Mobile xxxxxxxx
- 5 Product and By Product : **LIME PICKLE**
- 6 Name of the project / business activity proposed : **LIME PICKLE MAKING UNIT**
- 7 Cost of Project : Rs.15.12 Lakhs
- 8 Means of Finance
- Term Loan Rs.10.56 Lakhs
- Own Capital Rs.1.51 Lakhs
- Working Capital Rs.3.06 Lakhs
- 9 Debt Service Coverage Ratio : 2.76
- 10 Pay Back Period : 5 Years
- 11 Project Implementation Period : 5-6 Months
- 12 Break Even Point : 30%
- 13 Employment : 14 Persons
- 14 Power Requirement : 15.00 HP
- 15 Major Raw materials : Lime,Salt,Turmeric Powder,Chilli  
Powder,Cumin,Cardamom,Other spices & ingredients
- 16 Estimated Annual Sales Turnover (Max Capacity) : 132.51 Lakhs
- 17 Detailed Cost of Project & Means of Finance

**COST OF PROJECT**

(Rs. In Lakhs)

Particulars	Amount
Land	Own/Rented
Plant & Machinery	10.93
Furniture & Fixtures	0.80
Working Capital	3.39
<b>Total</b>	<b>15.12</b>

**MEANS OF FINANCE**

Particulars	Amount
Own Contribution	1.51
Working Capital(Finance)	3.06
Term Loan	10.56
<b>Total</b>	<b>15.12</b>

# LIME PICKLE MAKING UNIT

## Introduction:

The preservation of food in brine or in vinegar is known as pickling. It is one of the most ancient method of method of preserving fruits and vegetables. Pickles are god appetizers and add to the palatability to a meal. They stimulate the flow of gastric thus help in digestion. Fruit are generally preserved in sweetened and spiced vinegar, while vegetable is preserved in salted vinegar. Pickles can be preserved in one of two ways: lactic acid fermentation of vegetables with or without the addition of salt, or acetic acid preservation of vegetables (vinegar). The products made by these two methods are very different each one has its own distinctive taste and texture. Salt improves the taste and flavour and hardness of the tissue of the vegetable and controls fermentation. Salt content of 15 percent or above prevent microbial spoilage. This method of preservation is generally used only for vegetable which contains very little sugar and hence sufficient lactic acid cannot be formed by fermentation to act as preservative. However, some fruit lime mango etc. Several kinds of pickles are sold in the Indian market lime pickle is the one of the important pickles. These are commonly made in the homes as well as commercially level.



## **Uses & Market Potential:**

Pickles have the added advantage of containing beneficial bacteria in certain varieties. Brine is used to making pickles. Water is combined with salt or an acid, such as vinegar, to make the brine. Pickles and pickle products differ according to local taste and tastes, and many foreign and regional players are succeeding in this market by catering to the individual needs of people. This is a big market with a lot of different flavors and main ingredients. A change in consumer tastes and a rise in demand for organic products have been a major development in the food industry. Pickle makers are integrating organic vegetables and fruits into their products to meet consumer demand. Developments like these are expected to play a key role in promoting the visibility of such packed products among consumers over the next few years. The global demand for packed pickles was worth USD 7.9 billion in 2018 and is projected to expand at a CAGR of 3.5 Percent from 2019 to 2025.

## **Product:**

Lime Pickle

## **Raw Material:**

The raw materials are mentioned below:

- Salt
- Lime
- Turmeric Powder
- Chilli Powder
- Cumin
- Cardamom

- Black Pepper
- Mustard Seeds
- Other spices and ingredients

## **Manufacturing Process:**

Steps are as follows:

- Procurement of raw material
- Lime Washing
- Cutting of Lime in pieces
- Squeezing out juice
- Mixing with lime pieces
- Filling in jars
- Covering the lid
- Keeping in sun for 4-6 days
- Storage at ambient temperature

## **Area:**

The industrial setup requires space for Inventory, workshop or manufacturing area, space for power supply utilities and polishing area. Also, some of the area of building is required for office staff facilities, office furniture, etc. Thus, the approximate total area required for complete industrial setup is 2000-2500Sqft.

## **Cost of Machines:**

<b>Machine</b>	<b>Quantity</b>	<b>Rate</b>	<b>Amount</b>
Lemon Cutting Machine	3	75000	225000
Pickle Mixture	1	148000	148000
Vegetable Washing	1	85000	85000
Single Piston Filling Machine	1	95000	95000
FSS Machine	1	125000	125000
Batch Coding Machine	1	195000	195000
Fermentation Tank	1	100000	100000
Aging Tank	1	70000	70000
Other equipment's	-	-	50000
<b>Total Amount</b>			<b>1093000</b>

**Power Requirement-** The estimated Power requirement is taken at 15 HP.

**Manpower Requirement-** Following manpower is required:

- Machine operator-2
- Skilled/unskilled worker-3
- Helper-6
- Manager cum Accountant-1
- Sales Personnel-2

# **FINANCIALS**



**PROJECTED PROFITABILITY STATEMENT**

<b>PARTICULARS</b>	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>V</b>
<b><u>A) SALES</u></b>					
Gross Sale	68.51	84.76	99.84	115.74	132.51
<b>Total (A)</b>	<b>68.51</b>	<b>84.76</b>	<b>99.84</b>	<b>115.74</b>	<b>132.51</b>
<b><u>B) COST OF SALES</u></b>					
Raw Material Consumed	36.45	43.38	50.57	58.02	65.76
Electricity Expenses	1.01	1.17	1.34	1.51	1.68
Repair & Maintenance	1.03	1.27	1.50	1.74	1.99
Labour & Wages	15.88	19.85	23.81	28.34	32.59
Depreciation	1.72	1.47	1.25	1.07	0.91
<b>Cost of Production</b>	<b>56.08</b>	<b>67.13</b>	<b>78.47</b>	<b>90.67</b>	<b>102.92</b>
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>1.87</b>	<b>2.24</b>	<b>2.62</b>	<b>3.02</b>
<b>Less: Closing Stock /WIP</b>	<b>1.87</b>	<b>2.24</b>	<b>2.62</b>	<b>3.02</b>	<b>3.43</b>
Cost of Sales (B)	54.21	66.76	78.09	90.27	102.51
<b>C) GROSS PROFIT (A-B)</b>	<b>14.30</b>	<b>18.00</b>	<b>21.75</b>	<b>25.48</b>	<b>30.00</b>
	<b>20.87%</b>	<b>21.23%</b>	<b>21.78%</b>	<b>22.01%</b>	<b>22.64%</b>
D) Bank Interest i) (Term Loan )	1.15	0.94	0.68	0.42	0.16
ii) Interest On Working Capital	0.34	0.34	0.34	0.34	0.34
E) Salary to Staff	8.19	9.66	11.79	13.56	16.27
F) Selling & Adm Expenses Exp.	1.23	2.37	3.00	3.70	4.24
<b>G) TOTAL (D+E+F)</b>	<b>10.90</b>	<b>13.31</b>	<b>15.80</b>	<b>18.02</b>	<b>21.01</b>
<b>H) NET PROFIT</b>	<b>3.40</b>	<b>4.69</b>	<b>5.95</b>	<b>7.46</b>	<b>8.99</b>
	<b>5.0%</b>	<b>5.5%</b>	<b>6.0%</b>	<b>6.4%</b>	<b>6.8%</b>
I) Taxation	-	-	0.33	0.64	0.96
<b>J) PROFIT (After Tax)</b>	<b>3.40</b>	<b>4.69</b>	<b>5.62</b>	<b>6.82</b>	<b>8.03</b>

**PROJECTED CASH FLOW STATEMENT**

<b>PARTICULARS</b>	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>V</b>
<b><u>SOURCES OF FUND</u></b>					
Own Contribution	1.51	-	-	-	-
Reserve & Surplus	3.40	4.69	5.95	7.46	8.99
Depreciation & Exp. W/off	1.72	1.47	1.25	1.07	0.91
Increase In Cash Credit	3.06	-	-	-	-
Increase In Term Loan	10.56	-	-	-	-
Increase in Creditors	1.82	0.35	0.36	0.37	0.39
<b>TOTAL :</b>	<b>22.06</b>	<b>6.50</b>	<b>7.56</b>	<b>8.90</b>	<b>10.28</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	11.73	-	-	-	-
Increase in Stock	2.48	0.48	0.50	0.53	0.54
Increase in Debtors	2.74	0.65	0.60	0.64	0.67
Repayment of Term Loan	1.17	2.35	2.35	2.35	2.35
Taxation	-	-	0.33	0.64	0.96
Drawings	2.80	3.50	4.00	5.00	5.50
<b>TOTAL :</b>	<b>20.92</b>	<b>6.98</b>	<b>7.77</b>	<b>9.15</b>	<b>10.01</b>
Opening Cash & Bank Balance	-	1.14	0.67	0.45	0.19
Add : Surplus	1.14	- 0.48	- 0.22	- 0.26	0.27
Closing Cash & Bank Balance	<b>1.14</b>	<b>0.67</b>	<b>0.45</b>	<b>0.19</b>	<b>0.46</b>

**COMPUTATION OF CLOSING STOCK & WORKING CAPITAL**

<b>PARTICULARS</b>	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>V</b>
<b><u>Finished Goods</u></b>					
(10 Days requirement)	1.87	2.24	2.62	3.02	3.43
<b><u>Raw Material</u></b>					
(5 Days requirement)	0.61	0.72	0.84	0.97	1.10
<b>Closing Stock</b>	<b>2.48</b>	<b>2.96</b>	<b>3.46</b>	<b>3.99</b>	<b>4.53</b>

**COMPUTATION OF WORKING CAPITAL REQUIREMENT**

<b>Particulars</b>	<b>Amount</b>	<b>Margin(10%)</b>	<b>Net Amount</b>
Stock in Hand	2.48		
Less:			
Sundry Creditors	1.82		
<b>Paid Stock</b>	<b>0.65</b>	<b>0.07</b>	<b>0.59</b>
Sundry Debtors	2.74	0.27	2.47
<b>Working Capital Requirement</b>			<b>3.06</b>
<b>Margin</b>			0.34
<b>MPBF</b>			<b>3.06</b>
<b>Working Capital Demand</b>			<b>3.06</b>

**REPAYMENT SCHEDULE OF TERM LOAN**

11.0%

Year	Particulars	Amount	Addition	Total	Interest	Repayment	CI Balance
<b>I</b>	Opening Balance						
	Ist Quarter	-	10.56	10.56	0.29	-	10.56
	Iind Quarter	10.56	-	10.56	0.29	-	10.56
	IIIrd Quarter	10.56	-	10.56	0.29	0.59	9.97
	Ivth Quarter	9.97	-	9.97	0.27	0.59	9.38
					1.15	1.17	
<b>II</b>	Opening Balance						
	Ist Quarter	9.38	-	9.38	0.26	0.59	8.80
	Iind Quarter	8.80	-	8.80	0.24	0.59	8.21
	IIIrd Quarter	8.21	-	8.21	0.23	0.59	7.62
	Ivth Quarter	7.62		7.62	0.21	0.59	7.04
					0.94	2.35	
<b>III</b>	Opening Balance						
	Ist Quarter	7.04	-	7.04	0.19	0.59	6.45
	Iind Quarter	6.45	-	6.45	0.18	0.59	5.87
	IIIrd Quarter	5.87	-	5.87	0.16	0.59	5.28
	Ivth Quarter	5.28		5.28	0.15	0.59	4.69
					0.68	2.35	
<b>IV</b>	Opening Balance						
	Ist Quarter	4.69	-	4.69	0.13	0.59	4.11
	Iind Quarter	4.11	-	4.11	0.11	0.59	3.52
	IIIrd Quarter	3.52	-	3.52	0.10	0.59	2.93
	Ivth Quarter	2.93		2.93	0.08	0.59	2.35
					0.42	2.35	
<b>V</b>	Opening Balance						
	Ist Quarter	2.35	-	2.35	0.06	0.59	1.76
	Iind Quarter	1.76	-	1.76	0.05	0.59	1.17
	IIIrd Quarter	1.17	-	1.17	0.03	0.59	0.59
	Ivth Quarter	0.59		0.59	0.02	0.59	- 0.00
					0.16	2.35	

Door to Door Period      60 Months  
Moratorium Period        6 Months  
Repayment Period         54 Months

**CALCULATION OF D.S.C.R**

<b>PARTICULARS</b>	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>V</b>
<b><u>CASH ACCRUALS</u></b>	5.12	6.15	6.87	7.88	8.94
Interest on Term Loan	1.15	0.94	0.68	0.42	0.16
Total	6.26	7.09	7.55	8.30	9.10
<b><u>REPAYMENT</u></b>					
Repayment of Term Loan	1.17	2.35	2.35	2.35	2.35
Interest on Term Loan	1.15	0.94	0.68	0.42	0.16
Total	2.32	3.28	3.02	2.77	2.51
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>2.70</b>	<b>2.16</b>	<b>2.50</b>	<b>3.00</b>	<b>3.63</b>
<b>AVERAGE D.S.C.R.</b>			<b>2.76</b>		

### **Assumptions:**

1. Production Capacity of Lime Pickle Making unit is taken at 450 KG per day. First year, Capacity has been taken @ 30%.
2. Working shift of 10 hours per day has been considered.
3. Raw Material stock and Finished goods closing stock has been taken for 5 and 10 days respectively.
4. Credit period to Sundry Debtors has been given for 12 days.
5. Credit period by the Sundry Creditors has been provided for 15 days.
6. Depreciation and Income tax has been taken as per the Income tax Act,1961.
7. Interest on working Capital Loan and Term loan has been taken at 11%.
8. Salary and wages rates are taken as per the Current Market Scenario.
9. Power Consumption has been taken at 15 HP.
10. Selling Prices & Raw material costing has been increased by 3% & 2% respectively in the subsequent years.

## **DISCLAIMER**

The views expressed in this Project Report are advisory in nature. SAMADHAN assume no financial liability to anyone using the content for any purpose. All the materials and content contained in Project report is for educational purpose and reflect the views of the industry which are drawn from various research material sources from internet, experts, suppliers and various other sources. The actual cost of the project or industry will have to be taken on case to case basis considering specific requirement of the project, capacity and type of plant and other specific factors/cost directly related to the implementation of project. It is intended for general guidance only and must not be considered a substitute for a competent legal advice provided by a licensed industry professional. SAMADHAN hereby disclaims any and all liability to any party for any direct, indirect, implied, punitive, special, incidental or other consequential damages arising directly or indirectly from any use of the Project Report Content, which is provided as is, and without warranties.