

PROJECT REPORT

Of

GULKAND

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding Gulkand Manufacturing 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.]



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PROJECT AT GLANCE

1 Name of Proprietor/Director	XXXXXXXXXX
2 Firm Name	XXXXXXXXXX
3 Registered Address	XXXXXXXXXX
4 Nature of Activity	XXXXXXXXXX
5 Category of Applicant	XXXXXXXXXX
6 Location of Unit	XXXXXXXXXX
7 Cost of Project	19.63 Rs. In Lakhs
8 Means of Finance	
i) Own Contribution	1.96 Rs. In Lakhs
ii) Term Loan	13.68 Rs. In Lakhs
iii) Working Capital	3.99 Rs. In Lakhs
9 Debt Service Coverage Ratio	3.12
10 Break Even Point	36%
11 Power Requirement	8 KW
12 Employment	9 Persons
13 Major Raw Materials	Rose flower petals, sugar syrup and rose essence

14 Details of Cost of Project & Means of Finance

Cost of Project	Amount in Lacs
Particulars	Amount
Land and building	Owned/Leased
Plant & Machinery	14.20
Furniture & Fixture	-
Other Misc Assets	1.00
Working Capital Requirement	4.43
Total	19.63
Means of Finance	
Particulars	Amount
Own Contribution	1.96
Term Loan	13.68
Working capital Loan	3.99
Total	19.63

1. INTRODUCTION



Gulkand's literal meaning is: gul=rose; kand=sweet. That translates as "rose sweet." This is a dessert-like dish that may be used to cure a variety of illnesses. This is enhanced with rose petals in the same way as the fruity jam is filled with fruits. Roses are well-known in the area of Ayurveda for their medicinal and cooling properties. Rose petals are commonly used to adorn desserts such as thandai, puddings, cakes, and other baked goods. Not only that, but rose water is a key component in the preparation of rose-flavored smoothies and beverages. Gulkand is utilised in a variety of ways, including rose milk, garnishing, and rose pie. Gulkand can be found at a variety of confectionary stores and Ayurvedic markets. Gulkand has traditionally been made with Damask roses. China roses, French roses, and Cabbage roses are some of the other varieties of roses commonly utilised. It's made with sugar and made with unique pink rose petals. Gulkand or rose petal jam is a sweet Indian delicacy. It is easy to prepare and is listed under the best Ayurvedic medicines for their enormous health benefits. Gulkand has cooling qualities, thus it can help with many kinds of heat-related issues like fatigue, lethargy, itching, and aches and pains. It also aids

in the relief of burning feelings in the soles and palms of the hands. Gulkand is a potent antioxidant as well as a strong rejuvenator. Gulkand aids in the treatment of mouth ulcers as well as the strengthening of the teeth and gums. It is useful in reducing menstrual discomfort and treating dysmenorrhoea. It can also be used to address an issue with a lot of white discharge. A great digestive tonic that aids in the improvement of appetite, digestion, and the correction of digestive issues. Gulkand cleanses the blood and aids in the removal of pollutants from the body. As a result, it promotes a clean complexion and helps to prevent acne, boils, and whiteheads, among other skin issues. Gulkand is a delight for paan enthusiasts in Uttar Pradesh, aside from its therapeutic benefits. Experts say UP is one of the country's leaders in gulkand production, with Kannauj serving as a key center. After Bengal, Odisha, and Madhya Pradesh, Uttar Pradesh ranks fourth in paan production. The betel leaf is grown in 22 districts in Uttar Pradesh.

2 PRODUCT DESCRIPTION

2.1 PRODUCT USES

Gulkand is a rose-petal-based confection. This is mostly used as an ingredient in paan to enhance flavour. Gulkand is made up of glucose, vitamins, and other ingredients. It also has therapeutic properties, which is why Ayurvedic and Homeopathic physicians recommend Gulkand for vitality and good health.

2.2 MANUFACTURING PROCESS

The manufacturing process is as follows-

- Collect the fresh and fragrant rose petals.
- Wash the petals gently and make sure all the dust has been removed. You're going to eat this, so make sure they're clean.
- Next step is to dry the petals and remove the excess water such that the petals could be next grinded or cut into pieces for Gulkand making.
- Fill the mixer with the petals. To shred the petals, pulse them one or two times quickly. You may also break the petals up into smaller pieces.
- Putting all the raw material into the mixer machine for mixing of ingredients. The grinded petals are then put into a steam jacketed vessel with a stirrer with layered sugar syrup.

- Spread a thin coating of sugar evenly over the rose petals. Then, on top of the sugar layer, put another layer of petals. Repeat until all of the petals have been used.
- After the mixing procedure, the mixture was sent to the packaging area. With the aid of a packing machine, raw materials are packaged and wrapped. This Gulkhanda is then packed in 250 gm, 300 gm and 1 KG TINS.

3 PROJECT COMPONENTS

3.1 Land & Building

The land required for this manufacturing unit will be approx. around 900 square feet. Land Purchase and Building Civil Work Cost have not been considered as part of the cost of project. It is expected that the premises will be on rental and approximate rentals assumed of the same will be Rs.25,000 per month.

- Workshop Area- This area includes the setup and foundation space for all equipment's, work floor area, etc. Total workshop area is approx. 500 Sqft.
- Inventory Area- This area includes the storage space for all the raw materials and finished goods. Total inventory area is approx. 200 Sqft.
- Office Area – This space includes staff working region, their accommodation space. Total workshop area is approx. 100 Sqft. This may be considered above the ground floor.
- Parking Space, Electric Mounting Space, and Others. This could be approx. 100 Sqft.

Land and building requirement may vary depending on the size of project.

3.2 Plant & Machinery

- **Water Sprinkler type Washing Machine:** This machine is used to spray wash the petals for further process.



- **Hot Air Dryer:** A hot air dryer works very simply. It consists of a heater blower unit mounted on drying hopper and a control for the HB.



- **Industrial Grinder:** This is defined as the process through which materials are broken down into very fine granules, typically using grinding machines.



- **Steam Jacketed Vessel with Stirrer:** Steam circulates in the annular space between a jacket and the vessel walls, and heat is transferred through the wall of the vessel.



- **Packaging Machine:** Automatic Vertical form fill & Seal machine with volumetric cup filler is suitable to pack Gulkand.



Other Equipment's:

Conveyor

Machine	Quantity	Price
Water Sprinkler type Washing Machine	1	50,000
Hot Air Dryer	1	2,25,000
Industrial Grinder	1	1,00,000
Steam Jacketed Vessel with Stirrer	1	2,95,000
Packaging Machine	1	7,50,000
TOTAL		14,20,000

Note: Total Machinery cost shall be Rs 14.20 lakhs (Approx.) including GST and Transportation Cost.

4 LICENSE & APPROVALS

Basic registration required in this project:

- MSME Udyam registration
- GST registration
- NOC for fire safety board
- NOC from Pollution Control Board
- Trade License
- FSSAI License
- Factory License (Optional)
- Import/Export License (Optional)
- Choice of a Brand Name of the product and secure the name with Trademark if required.

Projected Balance Sheet

<u>PROJECTED BALANCE SHEET</u>					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>Liabilities</u>					
Capital					
Opening balance		2.40	4.03	6.10	8.37
<i>Add:- Own Capital</i>	1.96				
Add:- Retained Profit	5.03	6.74	8.26	10.57	12.28
Less:- Drawings	4.60	5.10	6.20	8.30	9.80
Closing Balance	2.40	4.03	6.10	8.37	10.84
Term Loan	12.16	9.12	6.08	3.04	-
Working Capital Limit	3.99	3.99	3.99	3.99	3.99
Sundry Creditors	0.83	0.92	1.02	1.13	1.24
Provisions & Other Liability	0.20	0.24	0.29	0.35	0.41
TOTAL :	19.58	18.31	17.48	16.87	16.49
<u>Assets</u>					
Fixed Assets (Gross)	15.20	15.20	15.20	15.20	15.20
Gross Dep.	2.28	4.22	5.87	7.27	8.46
Net Fixed Assets	12.92	10.98	9.33	7.93	6.74
Current Assets					
Sundry Debtors	2.64	3.00	3.34	3.69	4.07
Stock in Hand	2.62	2.91	3.23	3.55	3.90
Cash and Bank	0.19	0.11	0.18	0.19	0.18
Loans & Advances /Other Current Assets	1.20	1.30	1.40	1.50	1.60
TOTAL :	19.58	18.31	17.48	16.87	16.49

Projected Profitability

<u>PROJECTED PROFITABILITY STATEMENT</u>					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
Capacity Utilisation %	50%	53%	56%	59%	62%
<u>SALES</u>					
Gross Sale					
Gulkand	79.11	90.13	100.07	110.74	122.18
Total	79.11	90.13	100.07	110.74	122.18
<u>COST OF SALES</u>					
Raw Material Consumed	49.50	55.14	61.08	67.54	74.55
Electricity Expenses	0.77	0.81	0.86	0.91	0.95
Depreciation	2.28	1.94	1.65	1.40	1.19
Wages & labour	9.12	10.49	12.06	13.27	13.93
Repair & maintenance	0.40	0.45	0.50	0.55	0.61
Packaging	0.87	0.90	1.00	1.11	1.22
Cost of Production	62.93	69.73	77.15	84.78	92.45
Add: Opening Stock	-	1.47	1.63	1.80	1.98
Less: Closing Stock	1.47	1.63	1.80	1.98	2.16
Cost of Sales	61.47	69.57	76.98	84.60	92.28
GROSS PROFIT	17.64	20.55	23.09	26.14	29.90
	22.30%	22.81%	23.07%	23.61%	24.47%
Salary to Staff	5.76	6.34	6.97	7.67	8.82
Interest on Term Loan	1.34	1.18	0.85	0.52	0.18
Interest on working Capital	0.44	0.44	0.44	0.44	0.44
Rent	3.00	3.15	3.31	3.47	3.65
Selling & Administrative Exp.	2.06	2.25	2.40	2.77	3.05
TOTAL	12.60	13.36	13.97	14.86	16.14
NET PROFIT	5.04	7.19	9.12	11.28	13.76
	6.38%	7.98%	9.11%	10.18%	11.26%
Taxation	0.01	0.46	0.86	0.71	1.49
PROFIT (After Tax)	5.03	6.74	8.26	10.57	12.28

Projected Cash Flow Statement

<u>PROJECTED CASH FLOW STATEMENT</u>					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>SOURCES OF FUND</u>					
Own Margin	1.96				
Net Profit	5.04	7.19	9.12	11.28	13.76
Depreciation & Exp. W/off	2.28	1.94	1.65	1.40	1.19
Increase in Cash Credit	3.99	-	-	-	-
Increase In Term Loan	13.68	-	-	-	-
Increase in Creditors	0.83	0.09	0.10	0.11	0.12
Increase in Provisions & Oth labilities	0.20	0.04	0.05	0.06	0.07
	-				
TOTAL :	27.98	9.26	10.92	12.84	15.14
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	15.20				
Increase in Stock	2.62	0.29	0.31	0.33	0.34
Increase in Debtors	2.64	0.37	0.33	0.36	0.38
Repayment of Term Loan	1.52	3.04	3.04	3.04	3.04
Loans & Advances /Other Current Assets	1.20	0.10	0.10	0.10	0.10
Drawings	4.60	5.10	6.20	8.30	9.80
Taxation	0.01	0.46	0.86	0.71	1.49
TOTAL :	27.79	9.35	10.84	12.84	15.15
Opening Cash & Bank Balance	-	0.19	0.11	0.18	0.19
Add : Surplus	0.19	(0.09)	0.07	0.01	(0.01)
Closing Cash & Bank Balance	0.19	0.11	0.18	0.19	0.18

DSCR

<u>CALCULATION OF D.S.C.R</u>					
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
CASH ACCRUALS	7.31	8.67	9.91	11.97	13.47
Interest on Term Loan	1.34	1.18	0.85	0.52	0.18
Total	8.66	9.86	10.76	12.48	13.65
REPAYMENT					
Instalment of Term Loan	1.52	3.04	3.04	3.04	3.04
Interest on Term Loan	1.34	1.18	0.85	0.52	0.18
Total	2.86	4.22	3.89	3.56	3.22
DEBT SERVICE COVERAGE RATIO	3.02	2.33	2.77	3.51	4.24
AVERAGE D.S.C.R.					3.12

Repayment schedule

REPAYMENT SCHEDULE OF TERM LOAN							
					Interest	11.00%	
Year	Particulars	Amount	Addition	Total	Interest	Repayment	Closing Balance
1st	Opening Balance						
	1st month	-	13.68	13.68	-	-	13.68
	2nd month	13.68	-	13.68	0.13	-	13.68
	3rd month	13.68	-	13.68	0.13	-	13.68
	4th month	13.68	-	13.68	0.13		13.68
	5th month	13.68	-	13.68	0.13		13.68
	6th month	13.68	-	13.68	0.13		13.68
	7th month	13.68	-	13.68	0.13	0.25	13.43
	8th month	13.43	-	13.43	0.12	0.25	13.17
	9th month	13.17	-	13.17	0.12	0.25	12.92
	10th month	12.92	-	12.92	0.12	0.25	12.67
	11th month	12.67	-	12.67	0.12	0.25	12.41
	12th month	12.41	-	12.41	0.11	0.25	12.16
					1.34	1.52	
2nd	Opening Balance						
	1st month	12.16	-	12.16	0.11	0.25	11.91
	2nd month	11.91	-	11.91	0.11	0.25	11.65
	3rd month	11.65	-	11.65	0.11	0.25	11.40
	4th month	11.40	-	11.40	0.10	0.25	11.15
	5th month	11.15	-	11.15	0.10	0.25	10.89
	6th month	10.89	-	10.89	0.10	0.25	10.64

	7th month	10.64	-	10.64	0.10	0.25	10.39
	8th month	10.39	-	10.39	0.10	0.25	10.13
	9th month	10.13	-	10.13	0.09	0.25	9.88
	10th month	9.88	-	9.88	0.09	0.25	9.63
	11th month	9.63	-	9.63	0.09	0.25	9.37
	12th month	9.37	-	9.37	0.09	0.25	9.12
					1.18	3.04	
3rd	Opening Balance						
	1st month	9.12	-	9.12	0.08	0.25	8.87
	2nd month	8.87	-	8.87	0.08	0.25	8.61
	3rd month	8.61	-	8.61	0.08	0.25	8.36
	4th month	8.36	-	8.36	0.08	0.25	8.11
	5th month	8.11	-	8.11	0.07	0.25	7.85
	6th month	7.85	-	7.85	0.07	0.25	7.60
	7th month	7.60	-	7.60	0.07	0.25	7.35
	8th month	7.35	-	7.35	0.07	0.25	7.09
	9th month	7.09	-	7.09	0.07	0.25	6.84
	10th month	6.84	-	6.84	0.06	0.25	6.59
	11th month	6.59	-	6.59	0.06	0.25	6.33
	12th month	6.33	-	6.33	0.06	0.25	6.08
					0.85	3.04	
4th	Opening Balance						
	1st month	6.08	-	6.08	0.06	0.25	5.83
	2nd month	5.83	-	5.83	0.05	0.25	5.57
	3rd month	5.57	-	5.57	0.05	0.25	5.32

	4th month	5.32	-	5.32	0.05	0.25	5.07
	5th month	5.07	-	5.07	0.05	0.25	4.81
	6th month	4.81	-	4.81	0.04	0.25	4.56
	7th month	4.56	-	4.56	0.04	0.25	4.31
	8th month	4.31	-	4.31	0.04	0.25	4.05
	9th month	4.05	-	4.05	0.04	0.25	3.80
	10th month	3.80	-	3.80	0.03	0.25	3.55
	11th month	3.55	-	3.55	0.03	0.25	3.29
	12th month	3.29	-	3.29	0.03	0.25	3.04
					0.52	3.04	
5th	Opening Balance						
	1st month	3.04	-	3.04	0.03	0.25	2.79
	2nd month	2.79	-	2.79	0.03	0.25	2.53
	3rd month	2.53	-	2.53	0.02	0.25	2.28
	4th month	2.28	-	2.28	0.02	0.25	2.03
	5th month	2.03	-	2.03	0.02	0.25	1.77
	6th month	1.77	-	1.77	0.02	0.25	1.52
	7th month	1.52	-	1.52	0.01	0.25	1.27
	8th month	1.27	-	1.27	0.01	0.25	1.01
	9th month	1.01	-	1.01	0.01	0.25	0.76
	10th month	0.76	-	0.76	0.01	0.25	0.51
	11th month	0.51	-	0.51	0.00	0.25	0.25
	12th month	0.25	-	0.25	0.00	0.25	-
					0.18	3.04	
	DOOR TO DOOR MORATORIUM PERIOD	60		MONTHS			
	REPAYMENT PERIOD	6		MONTHS			
		54		MONTHS			

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