

PROJECT PROFILE

ON

**PICKLES - TENDER MANGO AND LIME
(WOMEN SHG ONLY)**

Month & Year
Aug 2010

**PREPARED BY
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Supported by

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STIFTUNG **FÜR DIE FREIHEIT**

PICKLES - TENDER MANGO AND LIME (WOMEN SHG ONLY)

1. Introduction

Pickles are spicy food commodities prepared from either an agro or meat source. They are commonly used as a side dish at all meal times and therefore are in great demand right round the year. They are served in households as well as in eating houses and restaurants.

Pickles are of many varieties using both vegetable and meat source. They can be made with or without oil and with a choice of many spices. For those who savour it, the taste may be enhanced by the addition of vinegar and garlic.

Mango pickles are of two types - tender mango and the full grown mango. Tender mangoes are allowed to mature in a solution of brine and spice whereas the full grown mango is pickled along with spices and oil.

Lime is pickled with or without oil and with a variety of spices. It is often used as a digestive and is therefore very popular at all seasons.

2. Market

The major market outlets are the “ A” and “B” class stores. The product also finds placement in self service counters and departmental stores. Bakeries also sell pickles.

3. Packaging

Pickles are packed in 4 kg containers for bulk packaging. In retail packaging, 200 grams or 450 grams are packed in bottles and sold.

4. Production capacity

- The plant will be in operation for one shift a day.
- The production capacity is estimated at 200 kilograms per day.
- The yield of pickles will be 5 tonnes per month and that per annum would be 60 metric tonnes.
- The time period required for achieving full capacity utilization is one year.

5. Sales revenue

- With an ex-factory selling price at Rs. 32.00 per bottle of 200 grams, or Rs. 160.0 per kilogram, the annual sales revenue on full capacity utilization would yield Rs. 96.00.0 lakhs.

6. Production process outline.

The process consists of cleaning the tender mango and lime with oil by rubbing on the surface with a muslin cloth. Tender mango is pickled per se as a whole while lime is cut into four equal portions.

Pickling consists of first dusting crystal salt on the mangoes or lime and allowing for maturation. After maturation, a mixture of spices comprising chilli powder, mustard, turmeric etc., are added and allowed to mature before being bottled.

7. Quality specifications

- A certificate of approval for production has to be obtained under the Fruit Products Order (FPO)
- The product should be free from mold and fungal growth.
- The product should be prepared under hygienic conditions and should be free from coliforms, salmonella and streptococci bacteria.

8. Pollution control measures

Not necessary as there are no pollutants or effluents.

9. Energy conservation measures

Common measures will do.

10. Land and construction cost for the proposed unit

The proposed unit is to be set up in a leased area. The total area required is 2000 square feet as described below:

SI	Description	Sq. feet
1	Processing area	700
2	Raw material store	200
3	Packing material store	200
4	Finished goods store	200
5	Laboratory	100
6	Baby boiler area	100
7	Machinery spares room	100
8	Finished goods store	100
9	Administrative area	100
10	Toilet space	100
11	Miscellaneous space	100
12	Total	2000

Lease rent – Rs. 8.00 per square foot

Total rent per month – Rs. 16000

Lease advance – Rs. 60000

11. Costing of machinery and equipment

SI	Description	Rs. lakhs
1	Stainless steel working tools	0.100
2	Stainless steel working tables	0.600
3	Stainless steel working tanks	0.200
4	Ceramic jars	0.200
5	Bottle washing machine	0.200
6	Hammer mill – 25 kgs per hour	0.500
7	Precision weighing scales	0.400
8	Total	2.200
9	Laboratory equipment	0.500
10	Grand total machinery and equipment	2.700

12. Project cost

SI	Description	Rs. lakhs
1	Land	On lease
2	Civil works	On lease
3	Plant machinery	2.200
4	Laboratory equipment	0.500
5	Transport vehicle (Tata Ace)	3.760
6	Pollution control equipment	0.000
7	Energy conservation equipment	0.000
8	Cost of power connection	0.100
9	Cost of electrification	0.250
10	Erection and commissioning	0.250
11	Cost of machinery spares	0.050
12	Cost of office equipment	1.000
13	Deposits if any	0.400
14	Company formation expenses	0.100
15	Gestation period expenses	0.500
16	Sales tax registration expenses	0.100
17	Initial advertisement and publicity	5.000
18	Contingencies	0.250
19	Working capital margin money	2.732
20	Total	17.192

13. Working capital requirements per month

a. Salaries and wages

SI	Description	No of persons	Total salary / month (Rs. lakhs)
1	Production Manager (female)	1	0.150
2	Production supervisor cum chemist (female)	1	0.100
3	Skilled workers (female)	1	0.060
4	Unskilled workers (female)	3	0.120
5	Driver	1	0.075
6	Administrative staff (female)	1	0.100
7	Total	8	0.605

b. Raw material requirement per month

SI	Description	Qty (kgs)	Rate / kg (Rs)	Value (Rs. lakhs)
1	Raw fruit	3281	15.00	0.492
2	Salt	500	10.00	0.050
3	Spices, preservatives	168	80.00	0.134
4	Oil (sesame)	1563	100.00	1.563
5	Total raw material	5512		2.239

c. Packaging material requirement per month

SI	Description	Qty	Rate / unit (Rs)	Value (Rs. lakhs)
1	Primary packaging material – glass bottles	25250 nos	8.00	2.020
2	Cartons and straps	1063 nos	40.00	0.425
3	Total			2.445

Total raw + packaging material = Rs. 4.684 lakhs

d. Utilities per month

SI	Description	Rs. lakhs
1	Power 500 kwh @ Rs. 5.50 per unit	0.028
2	Water	0.020
3	Boiler fuel	0.000
4	Total utilities	0.048

e. Contingent expenses per month

SI	Description	Rs. lakhs
1	Rent for processing shed	0.160
2	Postage and stationery	0.010
3	Telephones, fax etc.	0.050
4	Consumable stores	0.020
5	Repairs and maintenance	0.022
6	Local transports, loading and unloading	0.250
7	Advertisement and publicity @ 5% of sales	0.375
8	Insurance	0.005
9	Sales expenses @ 1% of sales	0.075
10	Miscellaneous expenses @ 1% of sales	0.075
11	Trade incentives @ 2% of sales	0.150
12	Taxes @ 4%	0.300
13	Total contingent expenses	1.492

f. Total working capital requirement per month

SI	Description	Rs. lakhs
1	Salaries and wages	0.605
2	Raw material and packaging material	4.684
3	Utilities	0.048
4	Contingent expenses	1.492
5	Total	6.829

14. Means of finance

SI	Description	Rs. lakhs
1	Total Project Cost	17.192
2	Equity	5.673
3	Debt	11.519
4	Working capital margin money	2.732

15. Financial analysis

SI	Description	Rs. lakhs
1	Total recurring cost per year	81.948
2	Depreciation on land and building	0.000
3	Depreciation on machinery and vehicle	0.650
4	Depreciation on furnaces	0.000
5	Depreciation on moulds and fixtures	0.020
6	Depreciation on office equipment	0.100
7	Interest on long term loan @ 13.5%	1.506
8	Interest on short term borrowings@ 13.5%	0.553
9	Total cost of production	84.777

16. Turnover per year

SI	Item	Qty	Rate/unit (Rs)	Total Rs. lakhs
1	Pickles	60000 kgs	160	96.00

17. Viability analysis

SI	Description	Value
1	Net profit before income tax (Rs. lakhs)	11.223
2	Net profit ratio	11.6%
3	Internal rate of return	24.2%
4	Break even percentage	46%
5	Debt service coverage ratio	2.026

List of machinery suppliers for Pickles

1. Geeta Food Engineering, Plot No. C - 7 / 1, TTC Industrial Area, Pawana MIDC, Thane - Belapur Road, Behind Savita Chemicals, Navi Mumbai 400705. Maharashtra.; Tel: 022 - 56101973; Fax: 022 – 55906450
2. Agaram Industries, 126, Nelson Road, aminjikai, Chennai, 600029, ; Tel: 044-23741413; Fax: 044-23741529
3. Royal Scientific Industries, T.S.74A, SIDCO Industrial Estate, Ekkatuthangal, Chennai. 600097., Tel: 044-22254749
4. Navinchandra and Co., 308, Thambu Chetty Street, Chennai. 600001; Tel: 044-25228675