



MODEL PROJECT REPORT



PROJECT REPORT ON DALLEY KHORSANI PICKLE

SWAVALAMBI BHARAT ABHIYAN

PROJECT AT A GLANCE

- 1 Name of the Entrepreneur : XXXXXXXXXX
- 2 Constitution (legal Status) : XXXXXXXXXX
- 3 Father / Spouse Name : XXXXXXXXXXXXX
- 4 Unit Address : XXXXXXXXXXXXXXXXXXXXX
- District : XXXXXXXX
Pin: XXXXXXXX State: xxxxx
Mobile XXXXXXXX
- 5 Product and By Product : **DALLEY KHORSANI PICKLE**
- 6 Name of the project / business activity proposed : **DALLEY KHORSANI PICKLE UNIT**
- 7 Cost of Project : Rs.22.57 Lakhs
- 8 Means of Finance
Term Loan Rs.13.5 Lakhs
Own Capital Rs.2.26 Lakhs
Working Capital Rs.6.81 Lakhs
- 9 Debt Service Coverage Ratio : 2.71
- 10 Pay Back Period : 5 Years
- 11 Project Implementation Period : 5-6 Months
- 12 Break Even Point : 27%
- 13 Employment : 12 Persons
- 14 Power Requirement : 20.00 HP
- 15 Major Raw materials : Dalley Khorsani, Salt, Oil, Mix Spices & other
: preservatives
- 16 Estimated Annual Sales Turnover (Max Capacity) : 227.39 Lakhs
- 17 Detailed Cost of Project & Means of Finance

COST OF PROJECT

(Rs. In Lakhs)

Particulars	Amount
Land	Own/Rented
Plant & Machinery	14.00
Furniture & Fixtures	1.00
Working Capital	7.57
Total	22.57

MEANS OF FINANCE

Particulars	Amount
Own Contribution	2.26
Working Capital(Finance)	6.81
Term Loan	13.50
Total	22.57

DALLE KHORSANI PICKLE UNIT

Introduction:

Chilli (*Capsicum* sp.) is a dicot plant that is self-pollinated and belongs to the Solanaceae family. Chilli had its origins in the tropics of South America. The word "capsicum" comes from the Greek word "kapsimo," which means "to pinch." There are about 25-30 varieties of *Capsicum*, five of which have been domesticated and cultivated: *C. annuum* L, *C. frutescens* mill, *C. chinense*, *C. baccatum* L., and *C. pubescens*. *Capsicum* is cultivated on 1.5 million hectares around the world, with a total of 10.60 million tonnes. It is cultivated on 0.775 million hectares in India, with an average yield of 1.6 metric tonnes per hectare. 2015, [Indiastat.com](http://indiastat.com).

Dalle Khursani is a *Capsicum annuum* variety. It is primarily cultivated for its pungent fruits in Sikkim and its neighbouring areas, such as Darjeeling. The red cherry pepper (*Capsicum annuum* var *cerasiforme*), also known as Dalle khursani in Sikkim, is valued for its distinct flavour and pungency. *Capsicum* is a member of the Solanaceae family and the genus *Capsicum*. In the open area, the plant can reach a height of 100-130 cm, and in the greenhouse, it can reach a height of 150-180 cm. Red Cherry Pepper pods come in a variety of shapes and sizes, including falling pods, upright pods, yellow pods, and circular pods. Each plant yields 2.5 to 3.0 kg of fruit with 500 to 1000 pods. Under safe conditions, the crop can be cultivated all year.

Sikkim's Dalle khursani is a pungent chilli with many medicinal properties. It's used to make pickle, paste, powder, and dry chilli (chilli may be selected green or ripe for pickling). Dalle chilli produces capsaicin, a pungency-producing agent, as well as carotenoids and phenolic compounds, which are used as natural pigments and antioxidants.



Uses & Market Potential:

The Himalayan fireball, also known as Dalle Khursani, is one of the world's hottest chilies. Darjeeling and Sikkim are two Himalayan regions where it is primarily cultivated. Dalle Khursani is one of the hottest chilies found in the Himalayan region, and it belongs to the Capsicum tribe. It has a round appearance that almost looks like a cherry when fully mature, and it is bright red when fully ripe from August to December. It is also a good source of income and livelihood for people in the Himalayan region, costing roughly Rs 200–400 per kilo. It's also well-known for its flavour and fragrance. This Himalayan fireball (Dalle Khursani) is eaten as an Achaar with meal (local language) in every Gorkha family's home in the Himalayan region (Darjeeling, Sikkim). In the Himalayan area, it is known as "Dalle KO Achaar," which translates to "Akbare Khursani." It's easy to figure out that it's also eaten with Momo (dumplings) and Thukpa, a common local dish. Because of its hot and spicy flavour, it is frequently eaten with the famous local dishes Momo (dumpling) and Thukpa. It is common during the cold winter months because it keeps the body warm with its heat. This chilli is processed in an airtight container with salt, mustard oil, and vinegar and can be preserved for several months. Before processing, it is put in a bamboo woven tray known as Nanglo in Nepali and held in direct sunlight for a day or two. It assists in the drying out of moisture as well as the longevity of the pickle for a long time. “Dalle KO Achaar” is usually served with

authentic Nepali cuisine. These closely packed chilli bottles are a hot commodity in the industry, even in small towns. The Himalayan fire ball (Dalle Khursani) is easily found in local vegetable markets and can also be bought along the Himalayan region's roadside markets (Darjeeling and Sikkim).

Product:

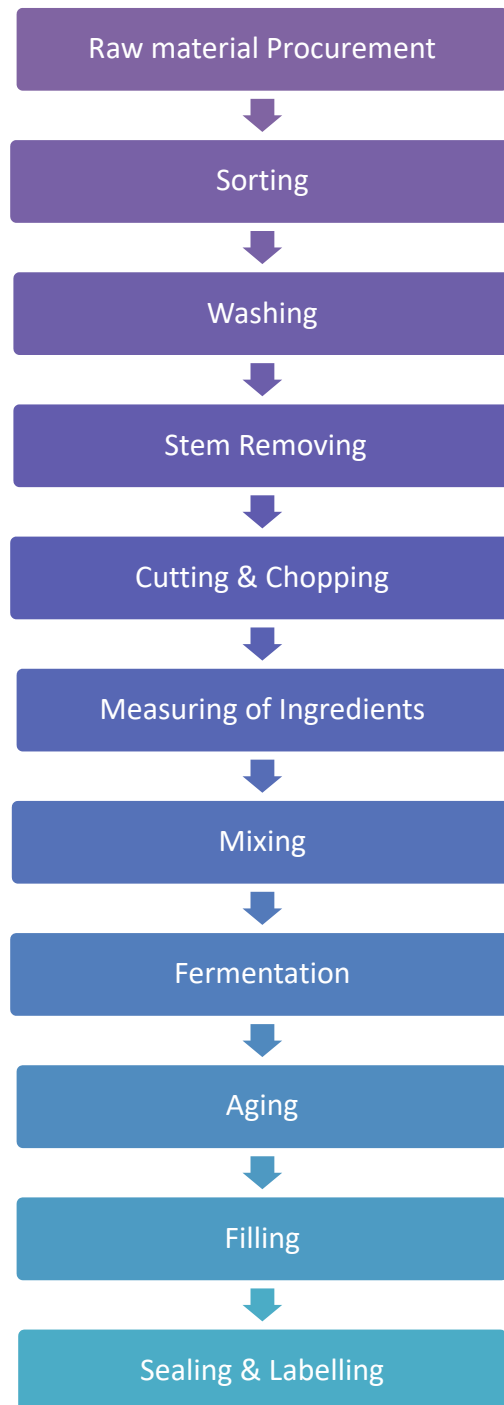
Dalley Khorsani Pickle

Raw Material:

The main raw material for this industry is Dalley Khorsani.

- Salt: Normal refined white salt is used in chilli pickle. Salt is available easily in local grocery stores.
- Oil: Different edible oils are mainly used in pickle processing. Mustard oil is most preferable oil for pickle processing. Mustard oil is available in local grocery stores or in online platforms also.
- Spices: Different spices like mustard seeds, mustard paste/powder, cumin seeds, coriander seeds, fenugreek seeds, fennel seeds etc. are used according to the variety of taste.
- Preservatives and spices are required for making Quality Pickles.

Manufacturing Process:



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 1200-1800Sqft.

Cost of Machines:

Machine	Unit	Rate	Price
Tumbler type vegetable & fruit washing machine	1	300000	300000
Gravity Separator	1	280000	280000
Vegetable Slicing Machine	1	80000	80000
Kettle Mixer	1	75000	75000
Pickle Filling Machine	1	325000	325000
Material handling and other equipment's	-	340000	340000
Total Amount			1400000

Power Requirement- The estimated Power requirement is taken at 20 HP.

Manpower Requirement– Following manpower is required:

- Machine operator-2
- Skilled/unskilled worker-3
- Helper-4
- Manager cum Accountant-1
- Sales Personnel-2

FINANCIALS

PROJECTED BALANCE SHEET

PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
<u>Capital Account</u>					
Opening Balance	-	3.13	4.94	7.76	11.65
Add: Additions	2.26	-	-	-	-
Add: Net Profit	4.08	5.41	6.81	8.89	10.54
Less: Drawings	3.20	3.60	4.00	5.00	6.50
Closing Balance	3.13	4.94	7.76	11.65	15.69
CC Limit	6.81	6.81	6.81	6.81	6.81
Term Loan	12.00	9.00	6.00	3.00	-
Sundry Creditors	4.32	5.14	5.99	6.88	7.79
TOTAL :	26.26	25.89	26.56	28.34	30.29
<u>APPLICATION OF FUND</u>					
Fixed Assets (Gross)	15.00	15.00	15.00	15.00	15.00
Gross Dep.	2.20	4.08	5.67	7.04	8.20
Net Fixed Assets	12.80	10.93	9.33	7.96	6.80
Current Assets					
Sundry Debtors	5.48	6.79	8.00	9.26	10.61
Stock in Hand	6.40	7.63	8.89	10.21	11.57
Cash and Bank	1.58	0.55	0.35	0.90	1.30
TOTAL :	26.26	25.89	26.56	28.34	30.29
	-	-	-	-	-

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	I	II	III	IV	V
<u>A) SALES</u>					
Gross Sale	117.45	145.46	171.36	198.52	227.39
Total (A)	117.45	145.46	171.36	198.52	227.39
<u>B) COST OF SALES</u>					
Raw Material Consumed	86.40	102.82	119.85	137.53	155.87
Electricity Expenses	1.34	1.57	1.79	2.01	2.24
Repair & Maintenance	2.94	3.64	4.28	4.96	5.68
Labour & Wages	12.85	16.07	19.28	22.75	26.39
Depreciation	2.20	1.88	1.60	1.36	1.16
Cost of Production	105.73	125.96	146.81	168.62	191.34
Add: Opening Stock /WIP	-	3.52	4.20	4.89	5.62
Less: Closing Stock /WIP	3.52	4.20	4.89	5.62	6.38
Cost of Sales (B)	102.21	125.28	146.11	167.89	190.59
C) GROSS PROFIT (A-B)	15.24	20.18	25.25	30.63	36.80
	12.98%	13.87%	14.74%	15.43%	16.19%
D) Bank Interest i) (Term Loan)	1.46	1.20	0.87	0.54	0.21
ii) Interest On Working Capital	0.75	0.75	0.75	0.75	0.75
E) Salary to Staff	7.31	8.92	10.70	12.30	14.27
F) Selling & Adm Expenses Exp.	1.64	3.64	5.48	6.95	9.10
G) TOTAL (D+E+F)	11.17	14.50	17.80	20.54	24.32
H) NET PROFIT	4.08	5.68	7.45	10.09	12.48
	3.5%	3.9%	4.4%	5.1%	5.5%
I) Taxation	-	0.27	0.64	1.20	1.94
J) PROFIT (After Tax)	4.08	5.41	6.81	8.89	10.54

PROJECTED CASH FLOW STATEMENT

PARTICULARS	I	II	III	IV	V
<u>SOURCES OF FUND</u>					
Own Contribution	2.26	-	-	-	-
Reserve & Surplus	4.08	5.68	7.45	10.09	12.48
Depreciation & Exp. W/off	2.20	1.88	1.60	1.36	1.16
Increase In Cash Credit	6.81	-	-	-	-
Increase In Term Loan	13.50	-	-	-	-
Increase in Creditors	4.32	0.82	0.85	0.88	0.92
TOTAL :	33.16	8.38	9.90	12.34	14.56
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	15.00	-	-	-	-
Increase in Stock	6.40	1.22	1.26	1.32	1.37
Increase in Debtors	5.48	1.31	1.21	1.27	1.35
Repayment of Term Loan	1.50	3.00	3.00	3.00	3.00
Taxation	-	0.27	0.64	1.20	1.94
Drawings	3.20	3.60	4.00	5.00	6.50
TOTAL :	31.59	9.40	10.11	11.78	14.16
Opening Cash & Bank Balance	-	1.58	0.55	0.35	0.90
Add : Surplus	1.58	- 1.02	- 0.21	0.55	0.40
Closing Cash & Bank Balance	1.58	0.55	0.35	0.90	1.30

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL

PARTICULARS	I	II	III	IV	V
<u>Finished Goods</u>					
(10 Days requirement)	3.52	4.20	4.89	5.62	6.38
<u>Raw Material</u>					
(10 Days requirement)	2.88	3.43	4.00	4.58	5.20
Closing Stock	6.40	7.63	8.89	10.21	11.57

COMPUTATION OF WORKING CAPITAL REQUIREMENT

Particulars	Amount	Margin(10%)	Net
			Amount
Stock in Hand	6.40		
Less:			
Sundry Creditors	4.32		
Paid Stock	2.08	0.21	1.88
Sundry Debtors	5.48	0.55	4.93
Working Capital Requirement			6.81
Margin			0.76
MPBF			6.81
Working Capital Demand			6.81

REPAYMENT SCHEDULE OF TERM LOAN						11.0%	
Year	Particulars	Amount	Addition	Total	Interest	Repayment	CI Balance
I	Opening Balance						
	Ist Quarter	-	13.50	13.50	0.37	-	13.50
	Iind Quarter	13.50	-	13.50	0.37	-	13.50
	IIIrd Quarter	13.50	-	13.50	0.37	0.75	12.75
	Ivth Quarter	12.75	-	12.75	0.35	0.75	12.00
					1.46	1.50	
II	Opening Balance						
	Ist Quarter	12.00	-	12.00	0.33	0.75	11.25
	Iind Quarter	11.25	-	11.25	0.31	0.75	10.50
	IIIrd Quarter	10.50	-	10.50	0.29	0.75	9.75
	Ivth Quarter	9.75		9.75	0.27	0.75	9.00
					1.20	3.00	
III	Opening Balance						
	Ist Quarter	9.00	-	9.00	0.25	0.75	8.25
	Iind Quarter	8.25	-	8.25	0.23	0.75	7.50
	IIIrd Quarter	7.50	-	7.50	0.21	0.75	6.75
	Ivth Quarter	6.75		6.75	0.19	0.75	6.00
					0.87	3.00	
IV	Opening Balance						
	Ist Quarter	6.00	-	6.00	0.17	0.75	5.25
	Iind Quarter	5.25	-	5.25	0.14	0.75	4.50
	IIIrd Quarter	4.50	-	4.50	0.12	0.75	3.75
	Ivth Quarter	3.75		3.75	0.10	0.75	3.00
					0.54	3.00	
V	Opening Balance						
	Ist Quarter	3.00	-	3.00	0.08	0.75	2.25
	Iind Quarter	2.25	-	2.25	0.06	0.75	1.50
	IIIrd Quarter	1.50	-	1.50	0.04	0.75	0.75
	Ivth Quarter	0.75		0.75	0.02	0.75	-
					0.21	3.00	

Door to Door Period

60 Months

Moratorium Period

6 Months

Repayment Period

54 Months

CALCULATION OF D.S.C.R

PARTICULARS	I	II	III	IV	V
<u>CASH ACCRUALS</u>	6.28	7.28	8.41	10.25	11.70
Interest on Term Loan	1.46	1.20	0.87	0.54	0.21
Total	7.74	8.48	9.28	10.79	11.90
<u>REPAYMENT</u>					
Repayment of Term Loan	1.50	3.00	3.00	3.00	3.00
Interest on Term Loan	1.46	1.20	0.87	0.54	0.21
Total	2.96	4.20	3.87	3.54	3.21
DEBT SERVICE COVERAGE RATIO	2.61	2.02	2.40	3.05	3.71
AVERAGE D.S.C.R.			2.71		

Assumptions:

1. Production Capacity of Dalley Khorsani Pickle unit is taken at 300 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 10 days.
4. Credit period to Sundry Debtors has been given for 14 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 20 HP.
10. Selling Prices & Raw material costing has been increased by 3% & 2% respectively in the subsequent years.