

PICKLES MAKING

1. INTRODUCTION

Pickles are one of the important consumer products. Pickles are of different varieties in veg and non-veg. The important pickles in India are mango, drumstick, brinjal, gongura, mirchi pickle, chicken pickle, mutton pickle, fish pickle and prawn pickle. Pickles are one of the earliest commercial products appeared in the market. In Orissa and Andhra Pradesh, the people are consuming the various pickles in daily diet. Pickles are consumed along with staple food such as rice, chapathi, bread, samosa, upma, etc. Particularly in both states particularly in tribal areas, raw material availability is high. Thus pickles making units can be promoted in tribal areas.

2. MARKET

There is good demand for pickles in Andhra Pradesh and Orissa and also good export market. A large number of branded products in the market like Priya, Ruchi, Surya etc. Brand name is crucial in market. If the manufacturers maintain the high quality and hygiene, the products can move easily in the market. There is big competition in the market, even though there is good market scope in Andhra Pradesh and Orissa.

3. MANUFACTURING PROCESS

Fully matured fresh vegetables, fruits, are washed and cut into required sizes and add salt, mirch, oil and other ingredients in required quantity. The prepared fresh pickles to be cured for a week and packed in different sizes with labelling and dispatched for market. The same process also for non-veg pickles. The durability of the non-veg pickles are very short. The non-veg pickles to be consumed within 3 months after preparation of the pickle. This activity can be set up by self help groups as well as individual entrepreneurs.

4. PRODUCTION CAPACITY PER ANNUM

Capacity

10000 Kgs per annum

Selling Price

Rs. 60 Perkg

5. PROJECT COST/CAPITAL INVESTMENT

S.No	Description	Amount Rs.
1	Preliminary & Preoperative Expns	1500
2	Fixed Capital	46000
3	Working Capital for 1 month(s)	46000
	Total Project Cost	93500

6. MEANS OF FINANCE

S.No	Description	%age	Amount Rs.
1	Promoter Contribution	15%	14025
2	Subsidy	20%	18700

3	Term Loan	65%	60775
	Total		93500

7. FINANCIAL ASPECTS

A. FIXED CAPITAL

i. Land and Buildings

Rented

1500 per month

ii. Machinery and Equipment

S.No	Description		Qty.	Rate	Amount Rs.
1	Grinder		1	12000	12000
2	Pounding machine		1	8000	8000
3	Packing machine		1	3000	3000
4	Labelling machine		1	3000	3000
5	Utencils				10000
6	Electrification				5000
7	Ironracks, storage jars etc.				5000
	Total				46000

B. WORKING CAPITAL

i. Salaries & Wages (per month)

S.No	Description	Nos.	Sal/mon.	Amount Rs.
1	Supervisor/Entrepreneur	1	2200	2200
2	Skilled workers	3	1800	5400
3	Unskilled workers	2	1200	2400
	Total			10000

ii. Raw Material (per month)

S.No	Description	Unit	Qty.	Rate	Amount Rs.
1	Mirchi, salt, masala, oil, ginger etc.	Kgs	900	28	25200
2	Packaging		900	7	6300
	Total				31500

iii. Utilities (per month)

S.No	Description	Unit	Amount Rs.
1	Power	LS	500
2	Water	LS	500
	Total		1000

iv. Other Expenses (per month)

S.No	Description	Amount Rs.
1	Transportation Expenses	1000
2	Miscellaneous Expenses	1000
	Total	2000

v. Total Working Capital (per month)

S.No	Description	Amount Rs.
1	Rent	1500
2	Salaries and Wages	10000
3	Raw Material	31500
4	Utilities	1000
5	Other Expenses	2000
	Total	46000

8. COST OF PRODUCTION (PER ANNUM)

S.No	Description	Amount Rs.
1	Total Working Capital	552000
2	Depreciation @ 15%	6900
3	Interest @ 12%	7293
	Total	566193

9. TURNOVER (PER YEAR)

S.No	Description	Unit	Qty.	Rate Rs.	Amount Rs.
1		Kgs per annu	10000	60	600000
	Total				600000

10. FIXED COST (PER YEAR)

S.No	Description	Amount Rs.
1	Depreciation	6900
2	Interest	7293
3	Rent	18000
4	Salaries & Wages @ 40%	48000
5	Other Expenses incl. Utilities @ 40%	14400
	Total	94593

11. PROFIT ANALYSIS & RATIOS

1	Net Profit	Rs.	33807
2	Percentage of Profit on Sales		6%
3	Percentage of Return on Investment		36%
4	Break Even Point		74%