



MODEL PROJECT REPORT



PROJECT REPORT ON CORIANDER SEEDS

SWAVALAMBI BHARAT ABHIYAN

1. INTRODUCTION

CORIANDER SEEDS



Coriander Is An Annual Herb In The Family Apiaceae. It Is Also Known As, Dhaniya. All Parts Of The Plant Are Edible, But The Fresh Leaves And The Dried Seeds Are The Parts Most Traditionally Used In Cooking.

Coriander Seeds Have A Pleasing Lemony Flavor And Floral Aroma. The Flavor Goes Very Well With Cumin And Many Recipes Include Equal Amounts Of The Two Spices. The Plant's Leaves And The Ripened Seeds Taste Completely Different And They Cannot Be Substituted For Each Other. Fresh Cilantro Tastes Pungent, And To A Certain Percentage Of The Population, It Tastes Soapy.

Coriander Seeds Are Usually Toasted And Ground Before Using; Otherwise, They Can Have A Tough Texture To Chew. Ground Coriander Is Used As A Spice In Dishes Like Curry And In Baked Goods.

2. MARKET POTENTIAL:

Indian Spices In Whole Form, Especially Coriander And Cumin Seeds, Appear To Be Gaining More Acceptance In The Global Market.

The Seeds Have A Lemony Citrus Flavor When Crushed, Due To Terpenes Linalool And Pinene. It Is Described As Warm, Nutty, Spicy, And Orange-Flavored.

Coriander Market On National Commodities And Derivatives Exchange (NCDEX) Have Surged More Than 73% Since The Start Of Sowing Season In October. Madhya Pradesh Produced The Largest Volume Of Coriander Seeds In Fiscal Year 2020 Across India. This Amounted To Over 370 Thousand MetricTons, Over An Area Of 628 Thousand Hectares. The Country's Annual Production Of Coriander Seeds That Year Was Over 755 Thousand Metric Tons.

3. PRODUCT DESCRIPTION

3.1 Raw Material Sources

Whole Unprocessed Dhaniya Seeds (Coriander Seeds) Is Required As The Major Raw Material For The Manufacturing Of Cookies.

Packaging Material:

1. Poly Packets
2. Cartoon Box

Average Raw Material (Cost Per KG): Rs. 120-150

3.2 MANUFACTURING PROCESS

- Procurement Of Raw Material (Coriander Seeds), Which Can Be Easily Procured From Farmers.
- Cleaning Of Impurities From Coriander Seeds Through Cleaning Process.
- After Cleaning Process Drying Of Moisture From Coriander Seeds To Be Done, It Can Be Done With The Help Of Dryer Or Under Sunlight According Of The Size Of Business.
- Packaging Of Coriander Seeds.
- Transportation Of Goods.


4. PROJECT COMPONENTS

4.1 Land

Land Required 800-1000 Square Feet Approx.

Approximate Rent For The Same Is Rs.15000-20000 Per Month.

4.2 Plant & Machinery

S.N.	Item Description	Image
1	Seed Cleaning Machine	

2	Dryer	
4	Packaging Machine	

Note: Cost Of The Machinery Is Approx. Rs. 6,50,000 Excluding GST And Other Transportation Cost.

4.3 Misc. Assets

S.N.	Item Description	Rate
1	Electricity Connection	50,000
2	Furniture And Equipment's	50,000

4.4 Power Requirement

The Borrower Shall Require Power Load Of 10 HP Which Shall Be Applied With Power Corporation. However, For Standby Power Arrangement The Borrower Shall Also Purchase DG Set.

4.5 Manpower Requirement

5-6 Manpower Are Required For The Coriander Seeds Processing & Packaging Unit.

Includes:

2 Skilled Labour

2 Unskilled Labour

1-2 Helper

5. FINANCIALS

5.1 Cost Of Project

COST OF PROJECT	(In Lacs)
PARTICULARS	Amount
Land & Building	Owned/Rented
Plant & Machinery	6.50
Miscellaneous Assets	1.00
Working Capital	2.78
Total	10.28

5.2 Means Of Finance

MEANS OF FINANCE	
PARTICULARS	AMOUNT
Own Contribution (Min 10%)	1.03
Subsidy @35%(Max. Rs 10 Lac)	2.63
Term Loan @ 55%	4.13
Working Capital (Bank Finance)	2.50
Total	10.28

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		4.52	4.99	5.71	6.21
<i>Add:- Own Capital</i>	1.03				
Add:- Retained Profit	0.86	1.97	3.22	4.50	5.99
Less:- Drawings	-	1.50	2.50	4.00	5.00
Subsidy/Grant	2.63				
Closing Balance	4.52	4.99	5.71	6.21	7.20
Term Loan	3.67	2.75	1.83	0.92	-
Working Capital Limit	2.50	2.50	2.50	2.50	2.50
Sundry Creditors	0.84	0.97	1.12	1.27	1.44
Provisions & Other Liab	0.20	0.25	0.30	0.36	0.43
TOTAL :	11.73	11.46	11.46	11.26	11.57
<u>Assets</u>					
Fixed Assets (Gross)	7.50	7.50	7.50	7.50	7.50
Gross Dep.	1.08	1.99	2.78	3.45	4.03
Net Fixed Assets	6.43	5.51	4.72	4.05	3.47
Current Assets					
Sundry Debtors	1.44	1.70	1.94	2.19	2.45
Stock In Hand	2.34	2.67	3.04	3.44	3.86
Cash And Bank	1.53	1.58	1.76	1.58	1.78
TOTAL :	11.73	11.46	11.46	11.26	11.57

5.1 Projected Cash Flow

<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	1.03				
Net Profit	0.86	1.97	3.22	4.50	6.11
Depriciation & Exp. W/Off	1.08	0.92	0.79	0.67	0.57
Increase In Cash Credit	2.50	-	-	-	-
Increase In Term Loan	4.13	-	-	-	-
Increase In Creditors	0.84	0.13	0.15	0.15	0.16
Increase In Provisions & Oth Lib	0.20	0.05	0.05	0.06	0.07
Sunsidy/Grant	2.63				
TOTAL :	13.26	3.07	4.20	5.38	6.92
<u>APPLICATION OF FUND</u>					
Increase In Fixed Assets	7.50				
Increase In Stock	2.34	0.33	0.37	0.40	0.42
Increase In Debtors	1.44	0.27	0.24	0.25	0.26
Repayment Of Term Loan	0.46	0.92	0.92	0.92	0.92
Drawings	-	1.50	2.50	4.00	5.00
Taxation	-	-	-	-	0.12
TOTAL :	11.73	3.02	4.02	5.57	6.71
Opening Cash & Bank	-	1.53	1.58	1.76	1.58
Balance Add : Surplus	1.5	0.05	0.18	(0.19)	0.20
Closing Cash & Bank Balance	3	1.58	1.76	1.58	1.78
	1.53				

5.1 Projected Profitability

<u>PROJECTED PROFITABILITY STATEMENT</u>					
(In Lacs)					
PARTICULARS	1st Year	2nd Year	3rd Year	4th Year	5th Year
Capacity Utilisation %	50%	55 %	60%	65%	70%
<u>SALES</u>					
Gross Sale					
CORIANDER SEEDS	47.85	56.75	64.62	72.94	81.71
Total	47.85	56.75	64.62	72.94	81.71
<u>COST OF SALES</u>					
Raw Material Consumed	28.13	32.42	37.26	42.41	47.88
Electricity Expenses	1.68	1.93	2.22	2.56	2.81
Depreciation	1.08	0.92	0.79	0.67	0.57
Wages & Labour	5.64	6.20	6.82	7.51	8.26
Repair & Maintenance	1.67	1.99	2.26	2.55	2.86
Packaging	2.39	2.84	3.23	3.65	4.09
Consumables	1.44	1.42	1.29	1.46	1.43
Cost Of Production	42.02	47.72	53.88	60.80	67.90
Add: Opening Stock /WIP	-	1.40	1.59	1.80	2.03
Less: Closing Stock /WIP	1.40	1.59	1.80	2.03	2.26
Cost Of Sales	40.62	47.53	53.67	60.57	67.66
GROSS PROFIT	7.23	9.22	10.95	12.36	14.04
	15.11%	16.25%	16.94%	16.95%	17.19%
Salary To Staff	1.68	1.85	2.03	2.24	2.46
Interest On Term Loan	0.41	0.36	0.26	0.16	0.05
Interest On Working Capital	0.28	0.28	0.28	0.28	0.28

Rent	2.40	2.64	2.90	3.19	3.51
Selling & Adm Exp	1.60	2.13	2.26	2.01	1.63
TOTAL	6.36	7.25	7.73	7.87	7.94
NET PROFIT	0.86	1.97	3.22	4.50	6.11
	1.81%	3.48%	4.98%	6.17%	7.47%
Taxation					0.12
PROFIT (After Tax)	0.86	1.97	3.22	4.50	5.99

5.1 Production And Yield

<u>COMPUTATION OF PROCESSING & PACKAGING OF CORIANDER SEEDS</u>		
Items To Be Packed CORIANDER SEEDS		
Machine Capacity Per Day	150	KG
Total Working Hours	8	
Working Days In A Month	25	Days
Working Days Per Annum	300	
Machine Capacity Per Annum	45000	KG
Final Output		
1 Packet Size (Assume)	100	Grams
CORIANDER SEEDS Packets In A Day	1500	Packets
CORIANDER SEEDS Packets Per Annum	450,000	Packets

Processing Of CORIANDER SEEDS		
Production	Capacity	Packets
1st Year	50%	225,000
2nd Year	55%	247,500
3rd Year	60%	270,000
4th Year	65%	292,500
5th Year	70%	315,000

Raw Material Cost			
Year	Capacity Utilization	Rate (Per KG)	Amount (Rs. In Lacs)
1st Year	50%	125.00	28.13
2nd Year	55%	131.00	32.42
3rd Year	60%	138.00	37.26
4th Year	65%	145.00	42.41
5th Year	70%	152.00	47.88

5.1 Sales Revenue

<u>COMPUTATION OF SALE</u>					
Particulars	1st Year	2nd Year	3rd Year	4th Year	5th Year
Op Stock	-	7,500	8,250	9,000	9,750
Production	225,000	247,500	270,000	292,500	315,000
Less : Closing Stock	7,500	8,250	9,000	9,750	10,500
Net Sale	217,500	246,750	269,250	291,750	314,250
Sale Price Per 100 Gram Packets	22.00	23.00	24.00	25.00	26.00
Sales (In Lacs)	47.85	56.75	64.62	72.94	81.71

5.1 Working Capital Assessment

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL (In Lacs)					
PARTICULARS	1st Year	2nd Year	3rd Year	4th Year	5th Year
<u>Finished Goods</u>					
	1.40	1.59	1.80	2.03	2.26
<u>Raw Material</u>					
	0.94	1.08	1.24	1.41	1.60
Closing Stock	2.34	2.67	3.04	3.44	3.86

<u>COMPUTATION OF WORKING CAPITAL REQUIREMENT</u>					
TRADITIONAL METHOD					
(In Lacs)					
Particulars	Amount	Own Margin		Bank Finance	
Finished Goods & Raw Material	2.34				
Less : Creditors	0.84				
Paid Stock	1.49	10%	0.15	90%	1.35
Sundry Debtors	1.44	10%	0.14	90%	1.29
	2.93		0.29		2.64
MPBF					2.64
WORKING CAPITAL LIMIT DEMAND (From Bank)					2.50
Working Capital Margin					0.28

5.2 Power, Salary & Wages Calculation

Utility Charges (Per Month)		
Particulars	Value	Description
Power Connection Required	7	KWH
Consumption Per Day	56	Units
Consumption Per Month	1,400	Units
Rate Per Unit	10	Rs.
Power Bill Per Month	14,000	Rs.

<u>BREAK UP OF LABOUR CHARGES</u>			
Particulars	Wages Rs. Per Month	No Of Employees	Total Salary
Skilled (In Thousand Rupees)	14,000	2	28,000
Unskilled (In Thousand Rupees)	9,500	2	19,000
Total Salary Per Month			47,000
Total Annual Labour Charges	(In Lacs)		5.64

<u>BREAK UP OF Staff Salary CHARGES</u>			
Particulars	Salary Rs. Per Month	No Of Employees	Total Salary
Helper	7,000	2	14,000
Total Salary Per Month			14,000
Total Annual Staff Charges	(In Lacs)		1.68

Depreciation

<u>COMPUTATION OF DEPRECIATION</u>			
(In Lacs)			
Description	Plant & Machinery	Miss. Assets	TOTAL
Rate Of Depreciation	15.00%	10.00%	
Opening Balance			
Addition	6.50	1.00	7.50
Total	6.50	1.00	7.50
Less : Depreciation	0.98	0.10	1.08
WDV At End Of Year	5.53	0.90	6.43
Additions During The Year	-	-	-
Total	5.53	0.90	6.43
Less : Depreciation	0.83	0.09	0.92
WDV At End Of Year	4.70	0.81	5.51
Additions During The Year	-	-	-
Total	4.70	0.81	5.51
Less : Depreciation	0.70	0.08	0.79
WDV At End Of Year	3.99	0.73	4.72
Additions During The Year	-	-	-
Total	3.99	0.73	4.72
Less : Depreciation	0.60	0.07	0.67
WDV At End Of Year	3.39	0.66	4.05
Additions During The Year	-	-	-
Total	3.39	0.66	4.05
Less : Depreciation	0.51	0.07	0.57
WDV At End Of Year	2.88	0.59	3.47

5.1 Repayment Schedule

REPAYMENT SCHEDULE OF TERM LOAN							
Interest							11.00%
Year	Particulars	Amount	Addition	Total	Interest	Repayment	Closing balance
Ist	Opening Balance						
	1st Month	-	4.13	4.13	-	-	4.13
	2nd Month	4.13	-	4.13	0.04	-	4.13
	3rd Month	4.13	-	4.13	0.04	-	4.13
	4th Month	4.13	-	4.13	0.04		4.13
	5th Month	4.13	-	4.13	0.04		4.13
	6th Month	4.13	-	4.13	0.04		4.13
	7th Month	4.13	-	4.13	0.04	0.08	4.05
	8th Month	4.05	-	4.05	0.04	0.08	3.97
	9th Month	3.97	-	3.97	0.04	0.08	3.90
	10th Month	3.90	-	3.90	0.04	0.08	3.82
	11th Month	3.82	-	3.82	0.04	0.08	3.74
	12th Month	3.74	-	3.74	0.03	0.08	3.67
					0.41	0.46	
2nd	Opening Balance						
	1st Month	3.67	-	3.67	0.03	0.08	3.59
	2nd Month	3.59	-	3.59	0.03	0.08	3.51
	3rd Month	3.51	-	3.51	0.03	0.08	3.44
	4th Month	3.44	-	3.44	0.03	0.08	3.36
	5th Month	3.36	-	3.36	0.03	0.08	3.28
	6th Month	3.28	-	3.28	0.03	0.08	3.21
	7th Month	3.21	-	3.21	0.03	0.08	3.13
	8th Month	3.13	-	3.13	0.03	0.08	3.06
	9th Month	3.06	-	3.06	0.03	0.08	2.98
	10th Month	2.98	-	2.98	0.03	0.08	2.90
	11th Month	2.90	-	2.90	0.03	0.08	2.83
	12th Month	2.83	-	2.83	0.03	0.08	2.75
					0.36	0.92	

3rd	Opening Balance						
	1st Month	2.75	-	2.75	0.03	0.08	2.67
	2nd Month	2.67	-	2.67	0.02	0.08	2.60
	3rd Month	2.60	-	2.60	0.02	0.08	2.52
	4th Month	2.52	-	2.52	0.02	0.08	2.44
	5th Month	2.44	-	2.44	0.02	0.08	2.37
	6th Month	2.37	-	2.37	0.02	0.08	2.29
	7th Month	2.29	-	2.29	0.02	0.08	2.22
	8th Month	2.22	-	2.22	0.02	0.08	2.14
	9th Month	2.14	-	2.14	0.02	0.08	2.06
	10th Month	2.06	-	2.06	0.02	0.08	1.99

	11th Month	1.99	-	1.99	0.02	0.08	1.91
	12th Month	1.91	-	1.91	0.02	0.08	1.83
	0.26 0.92						
4th	Opening Balance						
	1st Month	1.83	-	1.83	0.02	0.08	1.76
	2nd Month	1.76	-	1.76	0.02	0.08	1.68
	3rd Month	1.68	-	1.68	0.02	0.08	1.60
	4th Month	1.60	-	1.60	0.01	0.08	1.53
	5th Month	1.53	-	1.53	0.01	0.08	1.45
	6th Month	1.45	-	1.45	0.01	0.08	1.38
	7th Month	1.38	-	1.38	0.01	0.08	1.30
	8th Month	1.30	-	1.30	0.01	0.08	1.22
	9th Month	1.22	-	1.22	0.01	0.08	1.15
	10th Month	1.15	-	1.15	0.01	0.08	1.07
	11th Month	1.07	-	1.07	0.01	0.08	0.99
	12th Month	0.99	-	0.99	0.01	0.08	0.92
					0.16	0.92	
5th							
	1st Month	0.92	-	0.92	0.01	0.08	0.84
	2nd Month	0.84	-	0.84	0.01	0.08	0.76
	3rd Month	0.76	-	0.76	0.01	0.08	0.69
	4th Month	0.69	-	0.69	0.01	0.08	0.61
	5th Month	0.61	-	0.61	0.01	0.08	0.53
	6th Month	0.53	-	0.53	0.00	0.08	0.46
	7th Month	0.46	-	0.46	0.00	0.08	0.38
	8th Month	0.38	-	0.38	0.00	0.08	0.31
	9th Month	0.31	-	0.31	0.00	0.08	0.23
	10th Month	0.23	-	0.23	0.00	0.08	0.15
	11th Month	0.15	-	0.15	0.00	0.08	0.08
	12th Month	0.08	-	0.08	0.00	0.08	-
					0.05	0.92	

DOOR TO DOOR	60	MONTHS
MORATORIUM PERIOD	6	MONTHS
REPAYMENT PERIOD	54	MONTHS

5.1 DSCR

<u>CALCULATION OF D.S.C.R</u>					
PARTICULARS	1st Year	2nd Year	3rd Year	4th Year	5th Year
CASH ACCRUALS	1.94	2.89	4.00	5.17	6.57
Interest On Term Loan	0.41	0.36	0.26	0.16	0.05
Total	2.35	3.25	4.26	5.32	6.62
<u>REPAYMENT</u>					
Instalment Of Term Loan	0.46	0.92	0.92	0.92	0.92
Interest On Term Loan	0.41	0.36	0.26	0.16	0.05
Total	0.86	1.27	1.17	1.07	0.97
DEBT SERVICE COVERAGE RATIO	2.71	2.55	3.63	4.97	6.82
AVERAGE D.S.C.R.	4.14				

5.2 Break Even Point Analysis

BREAK EVEN POINT ANALYSIS					
Year	I	II	III	IV	V
Net Sales & Other Income	47.85	56.75	64.62	72.94	81.71
Less : Op. WIP Goods	-	1.40	1.59	1.80	2.03
Add : Cl. WIP Goods	1.40	1.59	1.80	2.03	2.26
Total Sales	49.25	56.94	64.83	73.17	81.94
Variable & Semi Variable Exp.					
Raw Material Consumed	28.13	32.42	37.26	42.41	47.88

Electricity Exp/Coal Consumption At 85%	1.43	1.64	1.89	2.17	2.39
Wages & Salary At 60%	4.39	4.83	5.31	5.85	6.43
Selling & Administrative Expenses 80%	1.28	1.70	1.81	1.60	1.31
Interest On Working Capital	0.275	0.275	0.275	0.275	0.275
Repair & Maintenance	1.67	1.99	2.26	2.55	2.86
Packaging	2.39	2.84	3.23	3.65	4.09
Consumables	1.44	1.42	1.29	1.46	1.43
Total Variable & Semi Variable Exp	41.01	47.12	53.33	59.97	66.66
Contribution	8.25	9.83	11.49	13.20	15.29
Fixed & Semi Fixed Expenses					
Electricity Exp/Coal Consumption At 15%	0.25	0.29	0.33	0.38	0.42
Wages & Salary At 40%	2.93	3.22	3.54	3.90	4.29
Interest On Term Loan	0.41	0.36	0.26	0.16	0.05
Depreciation	1.08	0.92	0.79	0.67	0.57
Selling & Administrative Expenses 20%	0.32	0.43	0.45	0.40	0.33
Rent	2.40	2.64	2.90	3.19	3.51
Total Fixed Expenses	7.38	7.85	8.27	8.70	9.18
Capacity Utilization	50%	55%	60%	65%	70%
OPERATING PROFIT	0.86	1.97	3.22	4.50	6.11
BREAK EVEN POINT	45%	44%	43%	43%	42%
BREAK EVEN SALES	44.09	45.50	46.67	48.24	49.20

LICENSE & APPROVALS

- Obtain The GST Registration.
- Additionally, Obtain The UDYAM Number.
- FSSAI License
- Choice Of A Brand Name Of The Product And Secure The Name With Trademark If Required.

Implementation Schedule

S.N.	Activity	Time Required (In Months)
1	Acquisition Of Premises	1
2	Procurement & Installation Of Plant & Machinery	1-2
3	Arrangement Of Finance	1-2
4	Requirement Of Required Manpower	1
	Total Time Required (Some Activities Shall Run Concurrently)	3-4 Months

7. ASSUMPTIONS

1. Packet Capacity Of Coriander Seeds Is 1500 Packets Per Day. First Year, Capacity Has Been Taken @ 50%.
2. Working Shift Of 8 Hours Per Day Has Been Considered.
3. Raw Material Stock Is For 10 Days And Finished Goods Closing Stock Has Been Taken For 10 Days.
4. Credit Period To Sundry Debtors Has Been Given For 9 Days.
5. Credit Period By The Sundry Creditors Has Been Provided For 9 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 7-8 KW.
10. Selling Prices & Raw Material Costing Has Been Increased By 5% & 5%