

**UP MSME 1-Connect**

# PROJECT REPORT

**PROJECT: TOMATO KETCHUP PLANT**

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## **Of**

# **TOMATO KETCHUP PLANT**

## **PURPOSE OF THE DOCUMENT**

This particular pre-feasibility is regarding **Tomato Ketchup 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.]

## **TOMATO KETCHUP PLANT**

### **Introduction**

Ketchup, also known as catsup, ketsup, red sauce, and tomato sauce, is a sauce used as a condiment. Originally, recipes used egg whites, mushrooms, oysters, grapes, mussels, or walnuts, among other ingredients, but now the unmodified term usually refers to tomato ketchup.

Ketchup is a sweet and tangy sauce now typically made from tomatoes, sugar and vinegar, with assorted seasonings and spices. The specific spices and flavours vary, But commonly include onions, allspice, coriander, cloves, cumin, garlic, and mustard, and sometimes include celery, cinnamon, or ginger.

Tomato ketchup is most often used as a condiment to dishes that are usually served hot and may be fried or greasy: French fries, hamburgers, hot dogs, chicken tenders, tater tots, hot sandwiches, meat pies, cooked eggs, and grilled or fried meat. Ketchup is sometimes used as the basis for, or as one ingredient in, other sauces and dressings, and the flavour may be replicated as an additive flavouring for snacks such as potato chips.

In fast food outlets, ketchup is often dispensed in small sachets or tubs. Diners tear the side or top and squeeze the ketchup out of the ketchup packets, or peel the foil lid off the tub for dipping. In 2011, Heinz began offering a new measured-portion package, called the "Dip and Squeeze" packet, which can be opened in either way, giving both options.

Some fast food outlets previously dispensed ketchup from hand-operated pumps into paper cups. This method has made a comeback in the first decade of the 21st century, as cost and environmental concerns over the increasing use of individual plastic ketchup tubs were taken into account.

## **Tomato Ketchup Market Analysis**

According to the "**India Ketch Up, Pizza & Pasta Sauces Market Outlook, 2023**" report. Tomato Ketchup market is primarily driven by the growing demand for fast food and increasing number of QSRs across the country.

According to the report, currently, the market for tomato ketchups and sauces is anticipated to reach to more than INR 2000 crores. The major companies in this market are Swiss company Nestle with its brand Maggi, which holds a lion share of more than a third of share in the market, Hindustan Unilever Limited with its brand Kissan, that holds a share of more than a quarter of the market and G.D. Foods with Tops brand. These three companies together hold the market share of more than three-fourth of the total market of ketchup and sauces.

<b>PROJECTED PROFITABILITY STATEMENT</b>					
	-	-	-		
<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>
Capacity Utilisation %	<b>50%</b>	<b>55%</b>	<b>60%</b>	<b>65%</b>	<b>70%</b>
<b><u>SALES</u></b>					
<b>Gross Sale</b>					
Tomato Ketchup	44.00	53.45	59.49	65.72	72.14
<b>Total</b>	<b>44.00</b>	<b>53.45</b>	<b>59.49</b>	<b>65.72</b>	<b>72.14</b>
<b>COST OF SALES</b>					
Raw Mateiral Consumed	25.26	28.35	31.53	34.81	38.20
Elecricity Expenses	1.18	1.29	1.42	1.57	1.72
Depriciation	1.00	0.85	0.72	0.62	0.53
Consumables	1.32	1.60	1.78	1.64	1.44
Repair & maintenace	0.88	1.18	1.31	1.45	1.59
other direct expenses	1.19	1.44	1.61	1.77	1.95
Bottle charges	5.76	6.86	8.06	9.36	10.75
<b>Cost of Production</b>	<b>36.58</b>	<b>41.57</b>	<b>46.44</b>	<b>51.22</b>	<b>56.17</b>
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>3.05</b>	<b>3.46</b>	<b>3.87</b>	<b>4.27</b>
<b>Less: Closing Stock /WIP</b>	<b>3.05</b>	<b>3.46</b>	<b>3.87</b>	<b>4.27</b>	<b>4.68</b>
Cost of Sales	33.53	41.16	46.03	50.82	55.76
<b>GROSS PROFIT</b>	<b>10.47</b>	<b>12.29</b>	<b>13.46</b>	<b>14.90</b>	<b>16.38</b>
salary to staff	2.28	2.51	2.76	3.03	3.34
Interest on Term Loan	0.60	0.57	0.46	0.35	0.05
Interest on working Capital	0.50	0.50	0.50	0.50	0.50
Rent	3.60	3.96	4.36	4.79	5.27

Selling & adm Exp	1.32	2.14	2.68	2.96	3.39
<b>TOTAL</b>	<b>8.30</b>	<b>9.67</b>	<b>10.75</b>	<b>11.63</b>	<b>12.54</b>
NET PROFIT	2.17	2.62	2.71	3.27	3.84
Taxation					
PROFIT (After Tax)	2.17	2.62	2.71	3.27	3.84

<b>PROJECTED BALANCE SHEET</b>					
<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>
<b><u>Liabilities</u></b>					
Capital					
opening balance		2.34	3.47	4.58	6.15
<i>Add:- Own Capital</i>	1.18				
Add:- Retained Profit	2.17	2.62	2.71	3.27	3.84
Less:- Drawings	1.00	1.50	1.60	1.70	2.00
Closing Blance	2.34	3.47	4.58	6.15	7.99
Subsidy Reserve	1.69	1.69	1.69	-	-
Term Loan	5.60	4.62	3.63	0.96	0.06
Working Capital Limit	4.50	4.50	4.50	4.50	4.50
Sundry Creditors	1.26	1.32	1.58	1.74	1.91
Provisions & Other Liab	0.30	0.40	0.55	0.66	0.83
<b>TOTAL :</b>	<b>15.70</b>	<b>16.00</b>	<b>16.53</b>	<b>14.01</b>	<b>15.28</b>
<b><u>Assets</u></b>					
<b>Fixed Assets ( Gross)</b>	6.77	6.77	6.77	6.77	6.77
Gross Dep.	1.00	1.84	2.57	3.18	3.71
<b>Net Fixed Assets</b>	<b>5.78</b>	<b>4.93</b>	<b>4.20</b>	<b>3.59</b>	<b>3.06</b>
FD of Subsidy	1.69	1.69	1.69		
<b>Current Assets</b>					
Sundry Debtors	1.47	1.78	2.23	2.25	2.40
Stock in Hand	5.15	5.83	6.50	7.17	7.86
Cash and Bank	1.61	1.77	1.91	1.01	1.97
<b>TOTAL :</b>	<b>15.70</b>	<b>16.00</b>	<b>16.53</b>	<b>14.01</b>	<b>15.31</b>

**PROJECTED CASH FLOW STATEMENT**

<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>
<b><u>SOURCES OF FUND</u></b>					
Own Margin	1.18				
Net Profit	2.17	2.62	2.71	3.27	3.84
Depreciation & Exp. W/off	1.00	0.85	0.72	0.62	0.53
Increase in Cash Credit	4.50	-	-	-	-
Increase In Term Loan	6.09	-	-	-	-
Increase in Creditors	1.26	0.06	0.25	0.16	0.17
Increase in Provisions & Oth lib	0.30	0.10	0.15	0.11	0.17
increase in subsidy	1.69				
<b>TOTAL :</b>	<b>18.19</b>	<b>3.63</b>	<b>3.84</b>	<b>4.16</b>	<b>4.70</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	6.77				
Increase in Stock	5.15	0.67	0.67	0.67	0.70
Increase in Debtors	1.47	0.31	0.45	0.01	0.16
Repayment of Term Loan	0.49	0.98	0.98	2.67	0.88
Increase in FD	1.69	-	-	-	
Drawings	1.00	1.50	1.60	1.70	2.00
Taxation	-	-	-	-	-
<b>TOTAL :</b>	<b>16.57</b>	<b>3.47</b>	<b>3.70</b>	<b>5.06</b>	<b>3.73</b>
Opening Cash & Bank Balance	-	1.61	1.77	1.91	1.01
Add : Surplus	1.61	0.16	0.13	0.90	0.97
Closing Cash & Bank Balance	<b>1.61</b>	<b>1.77</b>	<b>1.91</b>	<b>1.01</b>	<b>1.97</b>



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