



Detailed Project Report

Jam Making Unit



By



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1. OVERVIEW OF THE JLG MEMBERS

Name of the JLG:

Number of the members.

Name of Gram Panchayat/Taluk:

Name of the District:

Account details of JLG:

Details of JLG members with Hierarchy;

1.

2.

3.

4.

5.

6.

KYC:

Aadhar/PAN/Photo:



Fruit jam is a sweet spread made from fruit that has been cooked with sugar to a thick, spreadable consistency. It is a popular condiment used for breakfast, snacks, and baking. The process of making jam involves heating the fruit and sugar mixture to a high temperature, which causes the fruit to break down and release its natural pectin, a substance that thickens the mixture and helps it to set. Fruit jam can be made from a wide range of fruits, including berries, citrus, stone fruit, and tropical fruit. Some popular flavors of fruit jam include strawberry, raspberry, blueberry, apricot, peach, and blackberry.

2. OBJECTIVES OF SVSY

Under Yuva Niti 2022, the new Swami Vivekananda Yuva Shakti Yojana is proposed on the following grounds to achieve holistic development of 2.1 crore youth of the state and to bring about constructive social change by the youth in keeping with the India@2047 vision of the Hon'ble Prime Minister.

The current scenario of the state on various parameters is as follows:

- i. Political Representation:** Out of total 1,01,308 members in rural local bodies, 12,411 (12.25 per cent) youths and 360 youths (5.36 per cent) out of 6713 municipal councillors are political representatives.
- ii. Education:** Out of a total of 2.1 crore youth, 21.55 lakh (10.37 per cent) students are in high school, 11.75 lakh (5.65 per cent), 6.45 lakh (3.10 per cent) in general degree colleges, 1.51 lakh (2.72 per cent), 1.11 lakh in polytechnics. (0.53 per cent),



0.74 lakh (0.36 per cent) The total number of students studying in medical courses is 43.12 lakh, which is per cent of the total youth. 21 percent will be. Remaining 157.88 lakh youth have below 10th standard education.

- iii. **Employment:** According to the National Skill Development Corporation report, out of the total 2.1 crore youth in the state, 82 lakh (41 per cent) youth are in the labour force. As the remaining 119 lakh youth (59 per cent) are not in the professional labour force, they need to be given skill training to make them self-reliant.
- iv. **Skill Development:** Out of the total 82 lakh youth in the workforce, 16 lakh youth (20 per cent) have received skill vocational training. The remaining 66 lakh (80 percent) youth need to be given skill development training. Out of this, only one lakh youth are being trained by the NLRM department every year. Therefore 65 lakh untrained rural youth need skill training. To achieve this every school needs to provide vocational education from class 6 onwards.
- v. **Internship:** According to the 6th Economic Census, there are a total of 28.80 lakh enterprises in the state, out of which 78,022 enterprises employ more than 8 people. About 30 lakh youths can be trained in skills by undertaking the internship program for a period of three months in local industries related to agriculture and agri-based/MSME/self-employment/service sector.
- vi. **Migration Control:** Rural people have migrated from various districts to urban areas for job opportunities, of which 40 lakh (20 percent) youth are in Bangalore city. Therefore, there is a need to provide more employment opportunities at the village level.



- vii. Consolidation of programs for rural employment:** In total there are 27,395 revenue villages in the state and it is proposed to form Swami Vivekananda Self Help Groups, one in each village, on the model of Women's Self-Help Groups to provide self-employment to the unorganized workers in these. There are about 15 to 20 youth in each group, and 5.50 lakh youth in 27,395 self-help groups have received Rs. 1.5 lakh to provide margin money estimated at Rs. 410 crores will be required.
- viii. Bank Linked Schemes:** Coordination and inclusion of Yuva Shakti schemes with schemes linked to 25 banks. There are 35000 shelves of projects under the Mudra loan scheme, and steps will be taken to select the financial activities of the self-help societies based on these models.
- ix. Training:** Skill development training will be imparted to the youth under the National Entrepreneurship Mission under the 18 programs being implemented by various departments under this scheme. Training for agriculture and other activities will be provided through the Rural Development Self Employment Training Institute (RUDSETI).
- x. Formation of State Level Committee:** It is proposed to constitute a committee under the chairmanship of the Minister of Youth Empowerment and Sports at the State level for implementation and monitoring of the programme. RDPR, Commerce and Industry, Labour, Skill Development and Bank representatives will be members of this committee.
- xi. District Level Committee:** It is proposed to constitute a District Level Committee under the Chairmanship of the Chief Executive Officer of the Zilla Panchayat for the



implementation and supervision of the program at the district level. The members of this committee are the officers of Rural Development and Panchayat Raj, Commerce and Industry, Labour, Skill Development Departments and District Lead Bank Managers.

- xii. **Village level stewardship:** The village level stewardship of this program will be handled by Rural Development and Panchayat Raj Departments and Youth Empowerment and Sports Departments.

3. ABOUT VKF

VKF is a Think Tank of Community Change Champions who are from various walks of Social Spaces with diverse backgrounds and specialists from their domains.

VKF is a platform that enables as a think tank to evolve an aggregation of the social impact service providers and entrepreneurs for bringing about a transformational movement of social Change that is measurable on the lines of the Strategic Sustainable Development Goals (SSDG) of United Nation (UN).

VKF's is primarily focused on the development of Karnataka state in collaboration and co-creation initiatives.

VKF is a platform that enables as a think tank to evolve an aggregation of the social impact service providers and entrepreneurs for bringing about a transformational movement of Social Change that is measurable on the lines of the Strategic Development Goal of UN.

VKF's strong focus is on enhancing the rural mass entrepreneurship development clubbed with rural livelihood options. In this direction, VKF team is working with the



rural livelihood SHGs members and handholding them to elevate themselves to newer socio-economic status and uplifting the whole geography of the cluster by setting up of CFCs.

VKF's experience spans across conceptualizing cluster mapping, conducting baseline surveys, awareness creation, trust building activities, capacity building, design thinking activities etc., to enhance capabilities of the artisans and livelihood SHGs in the clusters.

VKF also indulges in facilitating Common Facility Centres, Preparation of DPR, Govt. liaising, market linkage activities, brand awareness, branding initiatives, value addition of the products produced by clusters etc. In this, regards we have collaborated and working with MSME, ESTC, IDEMI, Tribes India, NRLM and WCD to support rural masses in terms upgrading their livelihood opportunities.

4. NAME OF PRODUCT AND TECHNOLOGY

Jam Making Unit

Jam is a type of spread made from cooked or mashed fruits, sugar, and often pectin or lemon juice. The mixture is typically cooked until it thickens and then put into jars to cool and set. Jams can be made from a variety of fruits, including berries, apples, apricots, peaches, and more. In addition to being used as a spread on toast, bagels, and other baked goods, jams can also be used in a variety of recipes such as cakes, cookies, and sauces.



Jams can be made with different levels of sugar, and some recipes call for the use of natural sweeteners like honey or maple syrup instead of refined sugar. Jams can also be made with added flavourings like spices, herbs, or liquors, and some recipes may include chunks of fruit or other ingredients for added texture.

A jam making unit is a facility that produces jams and preserves from fruits and other ingredients.

5. DELIVERABLES AND MARKET OF THE PRODUCT

- **Jams and Preserves:** The primary product produced by a jam making machine is, of course, jams and preserves. These can be made from a variety of fruits and other ingredients, and can be customized to meet the tastes and preferences of the user.
- **Fruit Juice and Concentrates:** Many jam making machines can also be used to extract juice from fruits, which can be used as a base for other products like fruit concentrates and syrups.
- **Filling and Packaging:** Some jam making machines can be used to fill and package jars and other containers with the finished product. This can be done automatically or manually, depending on the features of the machine.
- **Cleaning and Sanitizing:** Many jam making machines include features for cleaning and sanitizing the equipment between batches. This helps to ensure that the final product is free of contaminants and safe for consumption.



- **Customization and Automation:** Some jam making machines can be customized or automated to meet the specific needs of the user. For example, some machines may allow for different cooking temperatures and times, while others may have features for automatic filling and packaging.

Project Assumptions: This model DPR for Jam Making Machine is basically on certain assumptions that may vary with capacity, location, raw materials availability etc. An entrepreneur can use this model DPR format and modify as per requirement and suitability. The assumptions made in preparation of this particular DPR are given in Table. Therefore, land and civil infrastructures are assumed as already available with the entrepreneur.

Table: Detailed Project Assumptions		
Parameter	Value	
Assumed Capacity of the Jam Making Unit:	100 kg per day	
Utilization of capacity:	Year 1	50%
	Year 2	55%
	Year 3	60%
	Year 4	65%
	Year 5	70%
Working days per year:	300 days	
Working hours per day:	8-10 hours	
Average price of raw material:	Rs. 130/ kg	
Average sale price of product	Rs. 300/ kg	



Machineries



1 Hp Fruit Jam Making Machinery
Capacity: 100 kg per day
Automatic grade: Automatic
Power: 1 HP

Machinery is also available in Bengaluru and Coimbatore.

Market Output:

VKF will hand hold them to facilitating better packing and market linkage.

<u>Market Linkage</u>	❖ <u>Farmers produce,</u>
❖ <u>Last mile connectivity on delivery</u>	❖ <u>Super Markets,</u>
❖ <u>E commerce</u>	❖ <u>Quick commerce</u>

6. ROLE OF EACH OF THE JLG MEMBERS

How JLG will participate:

- 2 persons will be used to procurement of raw materials
- 4 persons for production
- 3 persons for the logistics & sales



- 1 person on training and monitoring process

7. SOFT INTERVENTION

The following are the soft interventions to be arranged:

- Awareness on financial inclusion will help in getting the assistance from Government and other sources
- Export promotional orientation for the JLG members.
- Awareness/ training programme on product quality, handling practices.
- Capacity Building activity
- Trust Building activities
- Programmes on technical skill enhancement to unit owners.
- Programmes on Business and entrepreneurship skill enhancement to unit owners
- Mass entrepreneurship development program in the JLG eco system.

8. ESTIMATED COST OF THE PROJECT AND THE IMPLEMENTATION SCHEDULE

The proposed cost of the project is as follows:

Sl. No.	Details	Cost in Rs.	Percentage
1	Bank Loan	2,70,000	90%
2	JLG contribution	27,000	10%
3	Total	2,97,000	100%



Sl. No.	Details	Cost in Rs.
1	Machine Cost	2,02,000
2	Furniture	25,000
3	Working capital (Shed deposit, electric connection deposit, Miscellaneous and preoperative expenses)	70,000
	TOTAL	2,97,000

The proposed project implementation schedule is as follows:

Sl. No.	Project Component	Schedule
1	Shed for the project on rental basis	Identified
2	Electricity and Water facility Installation	Present
3	Arrival of Machinery	Within 1 months of Order
4	Erection of Machinery	Within 5 days of arrival
5	Commissioning	Within 2-4 days of erection
6	Commercial Usage	Within 2 months from approval

9. LAND/SHED STATUS:

The JLG has already identified the shed required for the project within the project area.



10. SWOT ANALYSIS OF THE PROJECT

I. Strengths

- Growing awareness among entrepreneurs about the need for modernization, managerial and technical skill.
- A jam making machine can produce jam in large quantities, quickly and efficiently, reducing the time and effort required compared to traditional jam-making methods.
- With a jam making machine, the product can be produced with a consistent quality and flavor profile, ensuring customer satisfaction.
- In the long run, a jam making machine can save money on labor costs and increase profits by enabling production of larger quantities of jam in less time.

II. Weaknesses

- The cost of purchasing a jam making machine can be high and may require a significant initial investment.
- A jam making machine is dependent on electricity, which can be a challenge in areas with unreliable power supply or in the event of power outages.
- The machine is designed for specific purposes and may not be adaptable to other types of food production.

III. Opportunities

- The increasing trend of consumers seeking out natural and healthy food products offers an opportunity for manufacturers of jam making machines to promote their machines as an efficient and healthy way to make jam.



- Manufacturers can explore expanding the product line of the machines to include other types of food production or to customize the machines for specific markets.
- There is a growing demand for Indian-made jams and preserves in the global market. Manufacturers can explore exporting their products to increase their market share and profits.
- Modern process machinery that can give better productivity and quality as well as special features for the final products are available globally.

IV. Threats

- Due to poor market access the profitability of the JLG members may fall bit low level. This may discourage initially to JLG members.
- Main attributed to less profitability to this industry is due to lower price at the beginning and JLG members need to work hard.
- There is a high level of competition in the market, including from established jam manufacturers who have already built their reputation and customer base.
- The cost and availability of raw materials, including fruits and sugar, can impact the production cost and profitability of the jam making machine.

11. YOUTH EMPOWERMENT IMPACT OF THE PROJECT ON ECOSYSTEM



We have surplus youths in the state, graduate, undergraduate etc. supporting them to create self-employment will motivate to become entrepreneurs, they will live independent life.

Entrepreneurship will greatly impact the lifestyle of the youths, if businesses work along with their involvement of all the members towards creating awareness and promoting positive impacts on others.

Ecosystem Support from Project

- **Using surplus or imperfect fruit:** A jam making unit can use surplus or imperfect fruit that might otherwise go to waste. This can help to reduce food waste and conserve resources.
- **Supporting sustainable agriculture:** By sourcing fruit from local or sustainable farms, a jam making unit can support environmentally responsible farming practices and help to promote more sustainable agriculture.
- **Encouraging recycling:** Many jam making units use glass jars or other recyclable packaging materials, which can help to reduce waste and promote recycling.

12. THE END PRODUCTS PRODUCED FROM THE MACHINE





13. FINANCIALS

CASH FLOW STATEMENT

Particulars	Year				
	Year 1	Year 2	Year 3	Year 4	Year 5
<u>REVENUE FROM SALE OF JAM</u>					
No. of working days in a Year	300	300	300	300	300
Less : Days for off Season	-	-	-	-	-
No. of Machine Running days in a Year	300	300	300	300	300
Capacity of the machine in kgs per day	100	100	100	100	100
Production in kgs	70%	70%	70%	70%	70%
Utilisation of the Capacity (%)	50%	55%	60%	65%	70%
No of litres Produced in a year	10,500	11,550	12,600	13,650	14,700
Rate per Kg	300	330	363	399	439
Gross Revenue earned per annum - A	31,50,000	38,11,500	45,73,800	54,50,445	64,56,681
<u>COST OF RAW MATERIALS</u>					
Consumption of Raw Materials	15,000	16,500	18,000	19,500	21,000
Rate per Kgs	130	143	157	173	190
Total Cost of Raw Material per annum - B	19,50,000	23,59,500	28,31,400	33,74,085	39,96,993
<u>EXPENDITURE</u>					
Salaries and Wages	6,00,000	6,60,000	7,26,000	7,98,600	8,78,460
Electricity Charges	72,000	79,200	87,120	95,832	1,05,415
Other Manufacturing Expenses	36,000	39,600	43,560	47,916	52,708
Transportation and Travelling	42,000	46,200	50,820	55,902	61,492
Rent	1,08,000	1,18,800	1,30,680	1,43,748	1,58,123
Packaging and Promotion Expenses	48,000	52,800	58,080	63,888	70,277
Miscellaneous Expenses	25,000	27,500	30,250	33,275	36,603
Total Expenditure - C	9,31,000	10,24,100	11,26,510	12,39,161	13,63,077
Net Profit before Interest /Cash Flow (A-B-C)	2,69,000	4,27,900	6,15,890	8,37,199	10,96,611

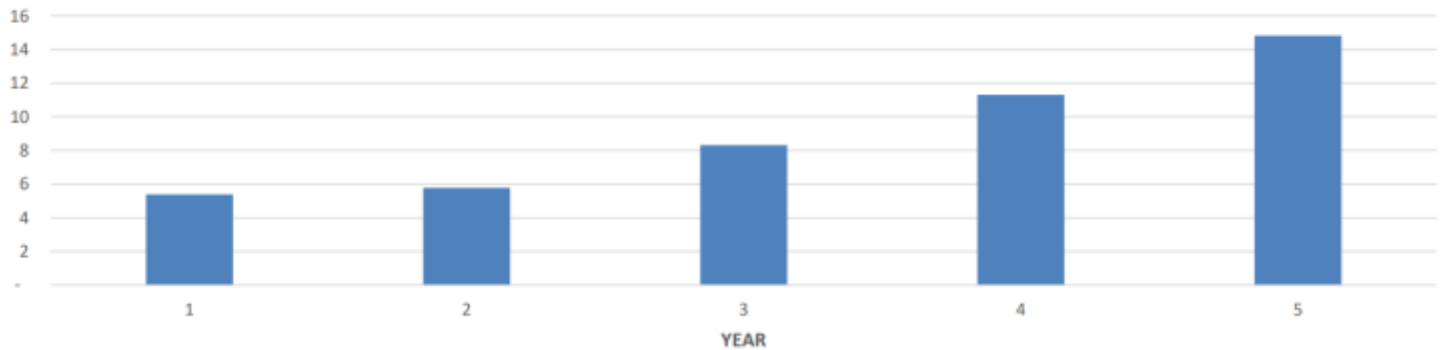


DSCR STATEMENT

PROJECTED TERM LOAN DSCR STATEMENT

	Year 1	Year 2	Year 3	Year 4	Year 5
	Projected	Projected	Projected	Projected	Projected
Profit available to service the debt	2,69,000	4,27,900	6,15,890	8,37,199	10,96,611
Loan Repayment	24,643	52,926	58,179	63,953	70,300
Interest on Term Loan	25,167	21,044	15,791	10,017	3,670
Debt to be Served	49,810	73,970	73,970	73,970	73,970
Debt Service Coverage Ratio	5	6	8	11	15
AVERAGE DSCR	9				

DEBT SERVICE CEVERAGE RATIO





BREAKEVEN ANALYSIS

Investment Value Including Margin Rs. 30000

Year ended	Year 1 Projected	Year 2 Projected	Year 3 Projected	Year 4 Projected	Year 5 Projected
Cash Flow as per Statement of Income	2,69,000	4,27,900	6,15,890	8,37,199	10,96,611
Less : Interest on Loan	25,167	21,044	15,791	10,017	3,670
Less : Estimated Drawings/Personal Expenses	1,34,500	2,13,950	3,07,945	4,18,600	5,48,305
Net Cash Flow	1,09,333	1,92,906	2,92,154	4,08,583	5,44,636
Cumulative Cash Flow	1,09,333	3,02,239	5,94,393	10,02,976	15,47,612
Break Even Investment (in years)		1 Year and 11.9 Months			

REPAYMENT SCHEDULE

DETAIL REPAYMENT SCHEDULE

Year	Quarter	Loan Installment	Principal Payment	Loan Outstanding	Interest at 9.5%	Cumulative Interest
1	1	6,413	-	2,70,000	6,413	25,167
	2	6,413	-	2,70,000	6,413	
	3	18,492	12,176	2,57,824	6,317	
	4	18,492	12,467	2,45,357	6,025	
2	1	18,492	12,766	2,32,591	5,727	21,044
	2	18,492	13,071	2,19,520	5,421	
	3	18,492	13,384	2,06,136	5,108	
	4	18,492	13,705	1,92,431	4,788	
3	1	18,492	14,033	1,78,398	4,460	15,791
	2	18,492	14,369	1,64,030	4,124	
	3	18,492	14,713	1,49,317	3,780	
	4	18,492	15,065	1,34,253	3,428	
4	1	18,492	15,425	1,18,827	3,067	10,017
	2	18,492	15,795	1,03,032	2,698	
	3	18,492	16,173	86,860	2,320	
	4	18,492	16,560	70,300	1,933	
5	1	18,492	16,956	53,344	1,536	3,670
	2	18,492	17,362	35,981	1,130	
	3	18,492	17,778	18,203	715	
	4	18,492	18,203	-	289	
Total		3,45,688	2,70,000		75,688	75,688



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