



8. PROJECT PROFILE ON HERBAL SHAMPOO POWDER

Category : Manufacturing

Total Cost of Project : Rs. 137,000/-

BEP : 49 %

I. INTRODUCTION OF BUSINESS IDEA :

In market, there are unlimited ranges of shampoos available. Many of these are synthetic or chemical based which may lead to adverse side effects. As such, people are getting diverted from the synthetic to age old Indian Ayurvedic products.

II. PRODUCT AND ITS APPLICATIONS :

Herbal shampoo powder is used to wash hair and maintain healthy hair.

III. MARKET POTENTIAL :

Herbal shampoo powder is in great demand as the product is proved to be without any side effects. There are not many products available as the herbal preparation depends on the medicinal plants availability. Wherever the location has access to the medicinal plants, the product can be manufactured and sold to the outside region.

IV. CAPACITY-REVENUE & SALES :

Sl. No.	Service	Qty.	Rate Per kg	Sales Amount
1.	Herbal shampoo Powder	11,000 kg	100	11,00,000
	Total			11,00,000

V. MANUFACTURING PROCESS AND QUALITY :

For shampoo preparation, requisite ingredients are used in fixed proportions. Formulations differ from product to product. A sample is given below

Sl. No.	Particulars	Percentage %
01	Trifolia churns	10%
02	Ritha	10%
03	Shkakai	10%
04	Foaming agent	4.5%
05	Perfume	1.5%
06	Multani mitti	52.5%
07	Neem Powder	10%

All the ingredients mentioned above are ground into a fine powder form and then mixed and packed into various quantities from 40 gm to 1 kg.



VI. COST OF PROJECT AND MEANS OF FINANCE, INCLUDING WORKING CAPITAL REQUIREMENTS :

A. COST OF PROJECT :

Sl. No.	Particulars	Amount (Rs).
1	Equipment	56,000
2	Preliminary and preoperative expenses	10,000
3	Deposits	15,000
4	Working Capital Requirements	56,000
	Total	1,37,000

B. MEANS OF FINANCE:

Sl. No.	Particulars	Amount (Rs).
1	Loan @ 75%	1,03,000
2	Equity	34,000
	Total	1,37,000

C. WORKING CAPITAL REQUIREMENT :

Sl. No.	Particulars	Basis	Period	Amount (Rs.)
1	Raw-material	$5,55,000/12 \times 1/2$	½ m	23,000
2	Bills receivables	$11,00,000/12 \times 1/2$	¼ m	23,000
3	Working exp			10,000
	Total			56,000

VII. MAIN INPUTS REQUIREMENT :

A. EQUIPMENT :

Sl. No.	Particulars	No.	Total Cost (Rs.)
1	Grinder and DP Pulveriser	1	20,000
2	Mixer	1	16,000
3	Weighing balance	1	5,000
4	Sealing machine	1	5,000
5	Accessories		10,000
	Total		56,000



B. RAW MATERIAL(P.A.) :

Sl. No.	Particulars	Qty	Rate	Total Cost (Rs.)
1	Trifola	1,250 kg	60	75,000
2	Ritha	1,250 kg	50	62,500
3	Shikakai	1,250 kg	60	75,000
4	Neem bark	300 g	100	30,000
5	Perfume	180 kg	1500	27,000
6	Foaming agent	540 kg	300	1,62,000
7	Multanimitti	7,300 kg	10	73,000
8	Packing material			50,000
	Total			5,54,500
	Say			5,55,000

C. UTILITIES :

Sl. No.	Particulars	Annual Requirement	Unit Cost	Annual Charges. (Rs.)
1	Electricity	3,000 units	8	24,000
	Total			24,000

D. MAN-POWER REQUIREMENT :

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
1	Skilled worker	1	10000	120000
2	Helper	2	6000	144000
	Total			264000

E. MAIN INFRASTRUCTURE REQUIREMENT :

Building	Built up space of 600 ft is required.
Power	5 hp power connections are required.
Water	Water is required for general purposes.

VIII. PROFITABILITY PROECTION (ANNUAL) :

Particulars	Basis	Amount (Rs.)
Sales Revenue (Projected)	Ref : IV	11,00,000
Raw Materials	Ref : VII B	5,55,000
Man power expenses	Ref : VII D	2,64,000
Utilities	Ref : VII C	24,000
Interest	@ 12%	13,000
Depreciation	20% SLM	12,000
Overheads	Rent, maintenance etc	1,00,000
Total Expenses		9,68,000
Profit		1,32,000



IX. FINANCIAL INDICATOR:

Break Even Point $\frac{FC}{SR - VC} \times 100$	$\frac{125000}{257000} \times 100$	49 %
Payback period $\frac{COP}{\text{Profit} + \text{Deprn.}}$	$\frac{137,000}{144,000}$	Less than 1 year

X. ADDRESSES :

SUPPLIERS OF MACHINERY / EQUIPMENTS :

Star Associated Industries
C-44, Ranichennamma nagar Ind Area
Belgaum-590008
Ph 0831-2440349

SUPPLIERS OF RAW MATERIAL

Classic Medi Herbs
3/270, Begur road, 1st cross
Bomnahalli, Bangalore-68
Ph 080-25737676