

UTENSILS WASHING POWDER

1. INTRODUCTION:

Utensils washing powder is used to clean utensils. Previously ash and clay was used for the same purpose but for cleanliness and safety of hands, utensils washing powders growing demand is justified. Utensils washing powder is used not only in cities but in semi-urban and rural areas as well. Apart from established names in this field such as of Vim, Odopic etc. here are popular local brands as well like Saibaba, Sunny, Shivshakti etc.

Cleaning Powder is used for cleaning utensils, floors, toilets etc. The demand of cleaning powder is hospitals, canteens, hotels etc. In addition to domestic consumptions. Raw Materials: Calcite Powder. Soda Ash, Acid Slurry, Sodium Met silicate, Trisodium phosphate, packing materials.

2. PRODUCT & ITS APPLICATION:

The major types of Utensilcleaning materials available in the markets are as under:

1. Powder – outdated category. The players in this category are Vim, Sabena, Odopic
2. Bar – largest category (60 to 70%). Vim has created the dish-wash bar category in 1993. Till that time urban households used dish-wash powders. The bar offered many advantages to the home maker over the powder which was messy and uneconomical. Since then Vim Bar ruled the dish-wash market. The other brands present in this category are Nirma Clean Dish Wash, Nirma Bartan Bar, Odopic, Exo, Private Labels (Spencer's Dish Wash Bar etc)
3. Liquid (Dish Wash Concentrate) – evolving category, with Pril being the leader. Other players are Vim, Godrej Dish Wash, Godrej Glossy, Teepol, Private Labels (Spencer's etc), some imported brands Good Maid, etc.
4. Dish Washing Paste (packed in a cup) – Axion and some imported brands like Budget (from the portfolio of Good Maid corp. SDN. BHD, Malaysia)

3. DESIRED QUALIFICATIONS FOR PROMOTER:

Graduate in any discipline. Promoter with high skill of marketing and having contacts with local market is advantage.

4. MARKET POTENTIAL AND MARKETING ISSUES, IF ANY:

The use of utensils washing powder is steadily increasing now-a-days all over the country. This increase has been necessitated by extensive use of modern and sophisticated kitchenware like stainless steel utensils, pressure cookers, crockery etc. in many homes in the country. These costly wares are required to be cleaned hygienically and properly without any detrimental effect to the wares. The old conventional methods mostly spoil the wares, which are very costly and difficult to be replaced frequently. The standard of living of the people is increasing, so the use of costly and modern kitchenware will also invariably increase. This is not restricted to metropolitan cities but also to other big towns where the use of costly kitchenware has of late, increased tremendously. The utensils washing powder has well demand both for household and industrial use.

- **Market/ Consumer Trends**

The trend has shifted from Powder to Bars and now it's moving to Liquid dish-wash

The emerging category in dish-wash market is the liquid dish-wash. Pril from Henkel commands this market with a share of 70%. The other players are Vim, Teepol, Godrej

Marketers believe that over a period of time, consumers will shift to Liquid since it offers more economy and convenience. But there is a problem with this category: Liquid dish-wash is targeted at urban upper middle class home makers and here the users are home maids rather than home makers. It will be difficult to teach house maids to use the liquid efficiently. Henkel has targeted the maids as they are influencer like a mechanic for car spare parts. Henkel undertook an intensive study, which involved talking to housewives about their dish-washing patterns and learnt that as products like Pril were expensive, they were reluctant to give it to maid servants to use and preferred scourers with an abrasive action. While dish-wash liquids do work efficiently against grease, consumers prefer scourers

with an abrasive action to clean grease. There is high sale of 400gm Vim in first week as compared to rest of weeks, as the wife has disposable income at the start of the monthly. Subsequently she may go for 200 or 100 gm as per requirement

- **Pricing**

- Bars are typically for Rs. 4 for 100 gm
- Liquid Dish Wash for Rs. 45 to 55 for 500ml
- Vim powder is for Rs. 25 for 1Kg

5. RAW MATERIAL REQUIREMENTS:

The main raw material and packing materials required are – Dolomite powder : 51,000 Kg. Acid slurry : 1,560 Kg. Soda ash : 3,000 Kg. Trisodium phosphate(TSP) : 2,400 Kg. Salt : 1,900 Kg. Polythene bags : 144 Kg. Perfume/Aromatic material : Small quantity, HDPE woven sacks/ cartoons for packing's.

6. MANUFACTURING PROCESS:

All the rubber chemicals are mixed with rubber (both synthetic and natural) after proper mastication in a Rubber Mixing Mill. Depending upon the nature of rubber used, it might be sometimes necessary sometimes to pass steam through the rollers. After the compounding is over, it is usual practice to extrude the same to form slabs and cut to pieces. After weighing, they are fed into moulds and cured either with steam or electrical heating in presses, which may be hand operated, hydraulic, automatic or semi-automatic. In some cases, where metallic inserts are required (like in oil seals) these inserts are first kept in the mould and covered with rubber compound of definite weight and cured in presses. It is the usual practice to use a bonding agent over the metal and the moulds are lubricated either with soap solution or aerosols or silicon.

7. MANPOWER REQUIREMENT:

The enterprise requires 11 employees as detailed below:

Sr. No.	Designation of Employees	Salary Per Person	Monthly Salary ₹	Number of employees required				
				Year-1	Year-2	Year-3	Year-4	Year-5
1	Machine Operators	12,000	12000.00	1	1	1	1	1
2	Helpers	8,000	32000.00	4	4	4	5	5
1	Production supervisor	15,000	15000.00	1	1	1	1	1
2	Accounts/Stores Asst	12,500	12500.00	1	1	1	1	1
3	Office Boy	9,000	9000.00	1	1	1	1	1
	Total		80500.00	8	8	8	9	9

8. IMPLEMENTATION SCHEDULE:

The project can be implemented in 4 months' time as detailed below:

Sr. No.	Activity	Time Required (in months)
1	Acquisition of premises	1.00
2	Construction (if applicable)	1.00
3	Procurement & installation of Plant & Machinery	1.00
4	Arrangement of Finance	2.00
5	Recruitment of required manpower	1.00
	Total time required <i>(some activities shall run concurrently)</i>	4.00

9. COST OF PROJECT:

The project shall cost ₹ 12.97 lacs as detailed below:

Sr. No.	Particulars	₹ in Lacs
1	Land	2.00
2	Building	4.00
3	Plant & Machinery	1.10
4	Furniture, Electrical Installations	0.11
5	Other Assets including Preliminary / Pre-operative expenses	0.13
6	Margin for Working Capital	5.63
	Total	12.97

10. MEANS OF FINANCE:

Bank term loans are assumed @ 75 % of fixed assets. The proposed funding pattern is as under:

Sr. No.	Particulars	₹ in Lacs
1	Promoter's contribution	3.24
2	Bank Finance	9.73
	Total	12.97

11. WORKING CAPITAL CALCULATION:

The project requires working capital of ₹ 25.50 lacs as detailed below:

Sr. No.	Particulars	Gross Amt	Margin %	Margin Amt	Bank Finance
1	Inventories	1.88	0.25	0.47	1.41
2	Receivables	1.88	0.25	0.47	1.41
3	Overheads	1.88	100%	1.88	0.00
4	Creditors	-		0.00	0.00
	Total	5.63		2.81	2.81

12. LIST OF MACHINERY REQUIRED:

A detail of important machinery is given below: Power Requirement: 5 HP

Sr. No.	Particulars	UOM	Qty	Rate (₹)	Value (₹ in Lacs)
	Plant & Machinery / equipments				
a)	Main Machinery				
i.	Horizontal mixer (with motor)	NOS.	1	20000	0.20
ii.	Socket and chain guard	Nos	1	30000	0.30
iii.	Sealing machine for jute bags	Nos	1	20000	0.20
b)	Ancillary machinery				
i.	Sealing machine for Polybags	Nos	1	25,000	0.25
ii.	Weighing balances	NOS.	1	15000	0.15
	<i>sub-total Plant & Machinery</i>				1.10
	Furniture / Electrical installations				
a)	Office furniture	LS	1	5000	0.05
b)	Stores Almirah	LS	1	3,000	0.03
c)	Computer & Printer		L. S.	3000	0.03
	<i>sub total</i>				0.11
	Other Assets				
a)	preliminary and preoperative				0.13
	<i>sub-total Other Assets</i>				0.13
	Total				1.34

13. PROFITABILITY CALCULATIONS:

Plant Capacity: The production basis for a typical tiny unit would be as under: Working hours/day : 8 (1 shift) Working days in a year : 300 Annual Production capacities : 150 MT Utensils washing powder. The unit has been assumed to operate at 60%, 70%, 80%, 90% and of its installed capacity in the first, second, third, fourth and fifth year.

Sr. No.	Particulars	UOM	Year-1	Year-2	Year-3	Year-4	Year-5
1	Capacity Utilization	%	60%	70%	80%	90%	100%
2	Sales	₹. In Lacs	13.50	15.75	18.00	20.25	22.50
3	Raw Materials & Other direct inputs	₹. In Lacs	9.43	11.00	12.58	14.15	15.72
4	Gross Margin	₹. In Lacs	4.07	4.75	5.42	6.10	6.78
5	Overheads except interest	₹. In Lacs	3.70	3.94	4.40	4.54	4.63
6	Interest	₹. In Lacs	0.97	0.97	0.65	0.49	0.39
7	Depreciation	₹. In Lacs	0.77	0.55	0.39	0.28	0.25
8	Net Profit before tax	₹. In Lacs	-1.38	-0.71	-0.01	0.80	1.51

14. **BREAKEVEN ANALYSIS:**

The project shall reach cash break-even at % of projected capacity as detailed below:

Sr. No.	Particulars	UOM	Value
1	Sales at full capacity	₹. In Lacs	22.5
2	Variable costs	₹. In Lacs	15.72
3	Fixed costs incl. interest	₹. In Lacs	5.0190682
4	BEP = FC/(SR-VC) x 100 =	% of capacity	74.03%