

PROJECT PROFILE ON AGARBATTI

INTRODUCTION

Agarbatti is a product which has become very common in day-to-day's life. It is extensively used in all religious occasions and as room refreshers.

MARKET POTENTIAL

Agarbatti manufacturing is one of the traditional industries in the country. Majority of the industries are based in Bengaluru (Bangalore). There are other pockets of concentration in other parts of the country. There is huge demand for Agarbatti in domestic as well as in international market.

PROCESS OF MANUFACTURE

A typical formulation of Agarbatti is as under:

- i) Acacia Powder - 400 gms.
- ii) Jigat Powder - 100 gms.
- iii) Charcoal - 250 gms.
- iv) Bamboo Sticks - 100 gms.

Acacia Powder, Jigat Powder, Charcoal and Sandalwood Powder etc. are mixed by hand with water to a semi-solid paste and the same is applied to sticks by rolling with hands. The rolled Agarbattis are dried, dipped in perfume and packed.

FINANCIAL ASPECT

Production Capacity - 1,10,000 pkts. of Agarbatti Sticks per annum.

- i) Covered Area - 75 sq. metres (rented).

Fixed Capital:	Rs.
ii) Machinery Equipment viz. Small Mixing Vessel, Wooden Plank for rolling, Dipping Vessel, Trays, Racks, Weighing Scale and Furniture etc.	38,500
iii) Working Capital (for three months) Raw materials (viz. Acacia Powder, Jigat Powder, Charcoal and Sandalwood Powder, Bamboo Sticks, Perfumes, Di-ethyl Phthalate/White Oil, Packing materials); and Staff, labour and rents etc.	1,28,700
iv) Total Capital Investment.	1,67,200
v) Cost of Production (per annum). Recurring Expenditure, interest and depreciation.	5,41,970
vi) By sale of 1,10,000 packets of Agarbatti Sticks @ Rs.5/- per packet.	6,05,000
vii) Anticipated profit per annum.	63,030
viii) Employment.	6 Nos.