

PROJECT PROFILE

Product Name All Purpose Cream

Quality Standard As per drug and cosmetic Act

Month & Year January, 2011.

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ALL PURPOSE CREAM

1. INTRODUCTION :

All Purpose Cream is a white viscous cream used to protect skin from dryness & humidity by providing adequate moisturizing effect. It is used in all seasons.

2. MARKET :

In market, few established brands like Lakme, Ponds, Ayur etc. are available. Besides, few MSME units are also having good market of their brands. Its popularity is increasing in service class, collegiate and other skin conscious people. Increasing number of beauty parlors are also enhancing its market potential.

3. BASIS & PRESUMPTIONS :

1. The basis of calculation of production capacity is on single shift basis and working of 25 days per month.
2. Rate of interest has been taken @ 18% per annum on an average on working capital and total capital investment.
3. The minimum wages for labour prescribed under Wages Act has been calculated.
4. Whereas some names of manufacturers and suppliers of raw materials, machinery & equipments are at the end of the profile are by no means exclusive or exhaustive.
5. The cost of machinery & equipments indicated in the profile are approximate those prevailing at the time of preparation of the profile.
6. Non-refundable deposits of preparation of project report may be considered under pre-operative expenses.
7. The provision made in raw materials, utilities, overhead etc. is drawn on the basis of local market conditions/ observations and in approximate. The entrepreneur may find out the exact cost from the concerned sources.
8. License is required under Drug & Cosmetic Act from state drug controller.

4. IMPLEMENTATION SCHEDULE

- | | |
|---|---------|
| 1. E.M. of the unit with DIC | 10 days |
| 2. Procurement of finance through Bank or other financial institutions. | 90 days |
| 3. Procurement of machines | 60 days |
| 4. Commercialization of the unit/ Trial production. | 10 days |

5. TECHNICAL ASPECTS :

1. Process of manufacture :

Melt stearic acid, Bee wax, Lanolin and mix with LLP at the temp.80-85 C (Oil Phase) in the steel vessel. In another vessel heat water at 80 C and add Triethanolamine, Glycerine and preservative (Water Phase). Mix both the phases with continues slow stirring keeping the temp. 80 C. After one hour, start cooling with continues stirring. At about 40 C add perfume & mix well till a fine & flabby cream prepared.

2. Quality Specification :

It may be manufactured as per customer's specification but under Drug & Cosmetic Act.

3. Production Capacity :

	Capacity Installed	75% Capacity Utilization(I Yr.)
a) Quantity	60,000 Kg	45000 Kg
b) Value (in Rs.)	1,01,60,000/-	76,20,000/-

4. Power Requirement :

Connected Load : 5 Kwh

5. Pollution Control :

Though there is no discharge of effluent during manufacturing of All Purpose Cream but care should be taken to avoid the chemicals in washings.

6. Energy Conservation :

The use of shunt capacitors and adequate illumination will reduce the wastage of energy.

6. FINANCIAL ASPECTS:

I. Fixed Capital :

1. Land & Building :	(value in Rs.)
Land 400 sq. meter @ 200/- sq.m.	80,000
Built Area –	
Office store & Working Shed 300 sq.m. @ 2000/- sq.m.	6,00,000
Rs.	<u>6,80,000</u>

2. Machinery & Equipments :

S.No	Details	Qty/No.	Price (in Rs.)
1.	S.S. Jacketed Vessel with heating arrangement & stirrer, speed control, Cap. 200 Kg	1	1,50,000
2.	SS Vessel with heating arrangement, Cap. 100 Kg	1	50,000
3.	Semi-automatic bottle filling machine.	1	45,000
4.	Storage Tanks , SS, Cap. 200 Liters	2	30,000
5.	Tools & Misc. equipments	LS	5,000
6.	Water circulating Pump, 1/2 HP	1	2,500
7.	Testing & laboratory equipments	LS	30,000
8.	Installation & Electrification charges @ 10% of machinery	-	30,750
9.	Office furniture, equipment & fixtures	LS	30,000
		Rs.	3,73,250

3. Pre-operative Expenses 20,000

Total Fixed Capital :

Rs. 6,80,000 + 3,73,250 + 20,000 = Rs. 10,73,250/-

II. Working Capital :

1. *Personnel:*

S.No.	Designation	No.	Salary(PM)	Total(in Rs.)
1.	Manager/ Chemist	1	15000/-	15,000/-
2.	Skilled Worker	2	3500/-	7,000/-
3.	Unskilled Worker	1	3000/-	3,000/-
4.	Clerk/Store keeper	1	3500/-	3,500/-
5.	Sales man	2	3000/-	6,000/-
6.	Peon/Watchman	1	2500/-	2,500/-
				37,000/-
	Perquisites @ 15% of salaries			5,550/-
				42,550/-

2. *Raw Material : (PM)*

S.No	Particulars	Qty / Kg	Rate (Rs)	Value (Rs)
1.	Stearic Acid	565	73	41,245/-
2.	Bee Wax	40	120	4,800/-
3.	Ethoxy Lanoline	152	460	69,920/-
4.	Light Liquid Paraffin	945	52	49,140/-
5.	Triethanolamine	40	138	5,520/-
6.	Borax	190	65	12,350/-
7.	Methyl Paraben	3.75	250	938/-/-
8.	Eethyl Paraben	3.75	350	1313/-
9.	Glycerin	152	85	12,920/-
10.	Perfume	30	800	24,000/-
11.	Water	1650	-	-
12.	Plastic Jar 100 gm Cap	17600	5	88,000/-
13.	Plastic Jar 200 gm Cap	10,050	6.50	65,325/-
14.	Corrugated Boxes	LS		25,000/-
				4,00,471/-

3. *Utilities (PM):*

Details	Consumption	Rate(Rs)	Value (Rs)
Power & Electricity	1000 Kwh	6	6,000/
Water	LS	-	500/-
		Total:	6,500/-

4. Other Contingent Expenses (PM) :

Details	Value (Rs)
1. Postage & Stationery	500
2. Telephone	500
3. Consumable Store	500
4. Repair & Maintenance	1,000
5. Transport charges	6,000
6. Advertisement & Publicity	25,000
7. Insurance	500
8. Sales Expenses	5,000
9. Misc. Expenditures	<u>2,000</u>

36,500

5. Total Recurring Expenditure (P.M.):

1. Personnel	42,550/-
2. Raw Material	4,00,471/-
3. Utilities	6,500/-
4. Other Contingent Expenses	36,500/-
Total:	4,86,021/-

6. Total Working Capital (for 3 months) :

Rs. 4,86,021 X 3	14,58,063/-
Say	14,58,000/-

7. Total Capital Investment :

1. Fixed Capital	10,73,250/-
2. Total Working Capital (for 3 months)	14,58,000/-
Total:	25,31,250/-
Say:	25,31,000/-

8. *Margin Money 25%* : 6,32,750/-
Finance by financial Agencies 75% : 18,98,250/-

9. Financial Analysis:

A. Cost of Production (Per Annum):

1.	Total recurring cost	58,32,252
2.	Depreciation on building @ 5% per annum	30,000
3.	Depreciation on machinery & equipment @ 10% per annum	34,325
4.	Depreciation on furniture & fixtures @ 20% per annum	6,000
5.	Interest on finance(Loan) @ 18% per annum	3,41,685
	Total:	62,44,262
	Say:	62,44,000/-

B. Turn Over (Per Annum) :

Item	Qty (No.)	Rate(Rs)	Value(in Rs)
All Purpose Cream	2,10,000 (100 gm each)	18	37,80,000
	1,20,000 (200 gm each)	32	38,40,000
			76,20,000

C. Net Profit (per annum) : Before Tax

Rs. 76,20,000/- – Rs. 62,44,000/- = Rs. 13,76,000/-

D. Net Profit Ratio 18 %

E. Rate of Return 54 %

F. B.E.P. 37 %

10. Address of machinery manufacturers & suppliers :

1. M/s Singhasini Engg. Works, B- 4/25 , Factory Area, Fazalganj, Kanpur.
2. M/s Golden Engg., A-13, Vishal Enclave, Najafgarh Road, New Delhi.
3. M/s K.S.Krishna & Associates, 15, Community Centre, East of Kailash, New Delhi
4. M/s Corporated Engg., 7, Chitranjan Avenue, Kolkata

11.Address of raw material suppliers :

1. M/s Ramesh Arun & Co., 461, Khari Baoli, Delhi.
2. M/s Ramesh Krishna Lal, Farrash Khana, Delhi.
3. M/s Dharma Das Tirath Das & Co., Lahori Gate, Delhi
4. M/s Prem Chemicals, Phatak Kabash Khan, Delhi
5. M/s Vijay & Co., Behind Novelty, Delhi.
6. Available with local dealers.
