

SOAPNUT POWDER MFG

1. INTRODUCTION

Soapnuts are the minor forest produce for natural hair shampoo. Rural households normally use them for cleaning hair. Soap nuts are abundantly available in forests of

2. MARKET

It is a regular item of purchase by all types of households and marketed through super bazars and fancy stores etc.

3. MANUFACTURING PROCESS

Soap nuts are procured and sun dried. They are grind and put in a pulveriser. The powder is packed in required quantities. The process involves removal of seeds from soapnuts/shikakai. Preservations are to be added and packed for despatch.

4. PRODUCTION CAPACITY PER ANNUM

Capacity 6000 Kgs
Selling Price Rs. 60 Kgs

5. PROJECT COST/CAPITAL INVESTMENT

S.No	Description	Amount Rs.
1	Preliminary & Preoperative Expns	4000
2	Fixed Capital	40000
3	Working Capital for 1 month(s)	27000
	Total Project Cost	71000

6. MEANS OF FINANCE

S.No	Description	%age	Amount Rs.
1	Promoter Contribution	15%	10650
2	Subsidy	20%	14200
3	Term Loan	65%	46150
	Total		71000

7. FINANCIAL ASPECTS

A. FIXED CAPITAL

i. Land and Buildings Rented 1000 per month

ii. Machinery and Equipment

S.No	Description	Qty.	Rate	Amount Rs.
1	Pulveriser & Motor	1	30000	30000
2	Weighing Machine	1	5000	5000
3	Packing Machine	1	5000	5000
				0
				0
				0
				0
				0
				0
				0
	Total			40000

B. WORKING CAPITAL

i. Salaries & Wages (per month)

S.No	Description	Nos.	Sal/mon.	Amount Rs.
1	Supervisor/Entrepreneur	1	3000	3000
2	Skilled Workers	1	2500	2500
3	Unskilled Workers	1	1500	1500
4		0		0
5		0	0	0
	Total			7000

ii. Raw Material (per month)

S.No	Description	Unit	Qty.	Rate	Amount Rs.
1	Soapnuts &	Kgs	600	25	15000
2	Packing Material		1000	1	1000
	Total				16000

iii. Utilities (per month)

S.No	Description	Unit	Amount Rs.
1	Power	LS	500
2	Water	LS	500
	Total		1000

iv. Other Expenses (per month)

S.No	Description	Amount Rs.
1	Postage & Stationery Expenses	500
2	Transportation Expenses	500
3	Advertisement Expenses	500
4	Consumable Stores	500
5	Miscellaneous Expenses	0
	Total	2000

v. Total Working Capital (per month)

S.No	Description	Amount Rs.
1	Rent	1000
2	Salaries and Wages	7000
3	Raw Material	16000
4	Utilities	1000
5	Other Expenses	2000
	Total	27000

8. COST OF PRODUCTION (PER ANNUM)

S.No	Description	Amount Rs.
1	Total Working Capital	324000
2	Depreciation @ 15%	6000
3	Interest @ 12%	5538
	Total	335538

9. TURNOVER (PER YEAR)

S.No	Description	Unit	Qty.	Rate Rs.	Amount Rs.
1	Soapnut Powder	Kgs	6000	60	360000
	Total				360000

10. FIXED COST (PER YEAR)

S.No	Description	Amount Rs.
1	Depreciation	6000
2	Interest	5538
3	Rent	12000
4	Salaries & Wages @ 40%	33600
5	Other Expenses incl. Utilities @ 40%	14400
	Total	71538

11. PROFIT ANALYSIS & RATIOS

1	Net Profit	Rs.	24462
2	Percentage of Profit on Sales		7%
3	Return on Investment		34%
4	Break Even Analysis		75%