

UTENSILS WASHING POWDER

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. there are popular local brands as well like *Saibaba*, *Sunny*, *Shivshakti* etc.

Market Potential:

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 good demand both for household and industrial use.

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 capacity	:	150 MT Utensils washing powder.

The unit has been assumed to operate at 70%, 80% and 90% of its installed capacity in the first, second and third year and onwards of its operation.

Raw Material:

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	:	L.S.
Jute bags (old)	:	L.S.

Process:

The technology used in the manufacture of cleaning powder is very simple and the investment is also very low. The ingredients mentioned in the formula given below are just weighed and put in the horizontal powder operated mixer where the raw materials thoroughly mixed for 20 – 30 minutes. The time of mixing can be raised, if necessary. Thoroughly mixed product is weighed and packed in polythene bags.

Typical Formula:

Dolomite	:	75%
Acid slurry	:	5%
Soda ash	:	15%
Trisodium phosphate	:	5%

Machinery:

The major equipment required by the unit for manufacturing utensils washing powder are as follows:

Horizontal mixer (with motor)	:	1 No.
Socket and chain guard	:	1 No.
Sealing machine for jute bags	:	1 No.
Sealing machine for Polybags	:	1 No.
Weighing balances	:	1 No.

Location:

The suitable locations for the project may be –

- Guwahati, Jorhat, Dibrugarh, Silchar in Assam.
- Dimapur in Nagaland.
- Shillong in Meghalaya.
- Agartala in Tripura
- Naharlagun in Arunachal Pradesh.
- Gangtok, Pakyong, Mangan, Penlang, Lachung in Sikkim

Infrastructure:

The basic infrastructure required are:

Land	:	2,000 sq.ft.
Building	:	1,000 sq.ft.
Power	:	2 KW
Water	:	1,000 Ltr. Per day.
Manpower	:	8 Nos. (Administrative (3), Factory Staff (5),

Total Capital Requirement:

The total capital requirement including fixed capital and working capital is estimated at Rs 9.80 lakhs as follows. Of this, the project cost comprising fixed capital and margin money on working capital is Rs 9.15 lakhs.

A. Fixed Capital:		(Rs in lakh)
Land		0.75
Building		4.50
Machinery		0.60
Miscellaneous fixed assets		1.50
Preliminary and pre-operative expenses		<u>1.00</u>
	Total (A)	8.35
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B. Working Capital:		
Raw materials & Packing material	1 month	0.30
Finished goods	2 weeks	0.35
Working expenses	1 month	0.40
Receivables	1 week	<u>0.40</u>
	Total (B)	1.45
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	Total (A)+(B)	9.80

Note: Working capital may be financed as:

Bank Finance	Rs 0.65 lakhs
Margin Money	<u>Rs 0.80 lakhs</u>
		Rs 1.45 lakhs

Means of Finance:

The project cost of Rs 9.15 lakhs including margin money for working capital may be financed as under:

Promoter's contribution (35%)	Rs 3.20 lakhs
Term Loan (65%)	<u>Rs 5.95 lakhs</u>
		Rs 9.15 lakhs
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Operating Expenses:

The annual operating expenses are estimated at Rs 9.15 lakhs (100% capacity utilization) as given below:

	(Rs in lakhs)
1. Raw materials	3.60
2. Utilities	0.15
3. Wages & Salaries	3.80
4. Overheads	0.40
5. Selling expenses @ 2.5% on annual sales	0.20
6. Interest on term loan (1.350)	0.80
7. Interest on Bank Finance for Working Capital (12%)	0.10
8. Depreciation @10%	<u>0.10</u>
	<u>9.15</u>
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Sales Realization:

The basis on which average ex-factory sales realization from the sale of bleaching powder at 100% capacity utilization is as follows:

Items	Qty.	Unit Sales Price (Rs)	Annual Sales Price (Rs)
Utensils washing Powder	150 MT	8,000/MT	12,00,000

Based on this the annual sales realization is estimated to be Rs 12.00 lakhs and at 70% capacity utilization the same is Rs 8,40 lakhs.

Profitability :

Based on the sales realization and the operating expenses, the profit would be Rs 2.85 lakhs per year (100% capacity utilization). This works out to a return on investment of 33%. The plant will break even at 60% of the rated capacity.

Highlight:

The major highlights of the project are as follows:

Total capital requirement	:	Rs 9.80 lakhs
Promoter's contribution	:	Rs 3.20 lakhs
Annual sales realization (100% cap.)	:	Rs 12.00 lakhs
Annual operating expenses (100% cap.)	:	Rs 9.15 lakhs
Annual profit (pre-tax)	:	Rs 2.85 lakhs
Pre-tax Return on Sales	:	26%
Break Even Point	:	60%
No.of persons employed	:	8

List of Machinery Suppliers:**List of Raw Materials Suppliers:**

1.	M/s Dhopeswar & Sons, A/16-19, Coop. Indl. Estate, Balanagar, Hyderabad – 500 037	1.	M/s Silver Chem Corporation, 2-2-86/87 Joshi Sadan (Telekota), Pan Bazar, Secunderabad -3
2.	M/s Mega Magnitech Engineers (P) Ltd., 6-1-102/3 Padmarao Nagar, Secunderabad – 500 025.	2.	M/s Kripa Chemicals (P)Ltd., 8/9/10 Royal Chambers, S.No.47 Paul Road, Pune – 411 038
3.	M/s Chemi Plants Engg.Co., 53-Guru Govind Indl. Estate, Western Express Highway, Goregaron (East) Mumbai – 400 063	3.	M/s Sanyo Chemicals, 9/22 Garibdas Street, Mumbai - 400003