

KHADI & VILLAGE INDUSTRIES COMMISSION
PROJECT PROFILE FOR GRAMODYOG ROJGAR YOJANA

MANUFACTURING OF SHAMPOO

The age old system of using Shikakai etc. have given up by even the rural women to wash their hair. Now all ladies including children in rural areas use shampoo for silky hair look. The demand for the product is increasing day by day. This is the ideal time with substantial profit margin.

1	Name of the Product	:	Shampoo
2	Project Cost	:	
	a Capital Expenditure		
	Land	:	Own
	Building Shed 500 Sq.ft	:	Rs. 100000.00
	Equipment (Reactor vessel, Jacketted Bottle cap Sealing M/c, SS Storage tank etc.)	:	Rs. 120000.00
	Total Capital Expenditure	Rs.	220000.00
	b Working Capital	Rs.	283000.00
	TOTAL PROJECT COST	:	Rs. 503000.00

3 Estimated Annual Production of Shampoo : (Value in '000)

Sr.No.	Particulars	Capacity	Rate	Total Value
1	Shampoo	12500.00 Liters	90.50	1133.80
	TOTAL		90.50	1133.80

4	Raw Material	:	Rs. 800000.00
5	Labels and Packing Material	:	Rs. 50000.00
6	Wages (Skilled & Unskilled)	:	Rs. 120000.00

7	Salaries	:	Rs.	36000.00
8	Administrative Expenses	:	Rs.	20000.00
9	Overheads	:	Rs.	30000.00
10	Miscellaneous Expenses	:	Rs.	10000.00
11	Depreciation	:	Rs.	17000.00
12	Insurance	:	Rs.	2200.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	28600.00
	b. W.C.Loan	:	Rs.	36790.00
	Total Interest		Rs.	65390.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	96800.00
	Variable Cost		Rs.	1036790.00
	Requirement of WC per Cycle		Rs.	283398.00

15. Estimated Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	96.80	58.08	67.76	77.44
2	Variable Cost	1037.00	622.20	725.90	829.60
3	Cost of Production	1133.80	680.28	793.66	907.04
4	Projected Sales	1300.00	780.00	910.00	1040.00
5	Gross Surplus	166.20	99.72	116.34	132.96
6	Expected Net Surplus	149.00	83.00	99.00	116.00

Note : 1. All figures mentioned above are only indicative and may vary from place to place

2. If the investment on Building is replaced by Rental Premises

- Total Cost of Project will be reduced.
- Profitability will be increased.
- Interest on C.E. will be reduced.