

PROJECT PROFILE

NAME OF THE PRODUCT : **HAND SANITIZER (ALCOHOL BASED)**

PODUCTION CAPACITY : **6000 liter (P.A.)**

CAPITAL INVESTMENT : **Rs. 6, 09, 400/-**

**MONTH & YEAR
OF PREPARATION** : **JUNE - 2020**

PREPARED BY : **MSME DEVELOPMNT INSTITUTE
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WEST BENGAL**

1. INTRODUCTION OF THE PRODUCT:

Germs are everywhere in the atmosphere. We live amongst the presence of various kinds of Virus and bacteria. They can get onto hands and items we touch during daily activities and make us sick. Cleaning hands at key times with soap and water or hand sanitizer that contains at least 60% alcohol is one of the most important steps you can take to avoid getting sick and spreading germs to those around you. Presently the breakout of Covid-19 virus throughout the world has made us more conscious about the utility of using hand sanitizer.

There are important differences between washing hands with soap and water and using hand sanitizer. Soap and water work to remove all types of germs from hands, while sanitizer acts by killing certain germs on the skin. Alcohol-based hand sanitizers can quickly reduce the number of germs in many situations, they should be used in the right situations.

2. MARKET & DEMAND ASPECTS:

Presently due to the break out of Covid 19 virus throughout the world, the demand of Alcohol based hand sanitizer have been raised substantially World health organised has declared as pandemic for spread out of the Carona (Covid 19) virus. So a very good market demand has been created in the recent situation. It has been observed that all the virus and bacteria enters the human body through our hands. At work place or when people travel into a different places they can sanitize their hands easily with the hand sanitizer and get Reid of many virus and bacteria. For these reasons the demand of Hand Sanitizer has increased a lot in the recent time.

3. BASIS AND PRESUMPTION:

- a) The scheme is based on single shift of 8 hours per day and 300 working days per annum.
- b) The interest rate on the borrowed capital has been taken as 12 % per annum.
- c) The cost in respect of Raw Materials, Packing Materials, Machinery & Equipments has been taken at the time of preparation of project profile and may vary from place to place and time to time.
- d) The rental Value of production shed is taken as per the prevailing rates and may vary from place to place.
- e) The plant capacity utilization has been taken as 50 % for the first year, which may subsequently increase to 60% and 70% in the second and third year respectively.

4. IMPLEMENTATION SCHEDULE:

Preparation of The project implementation will take about nine months. The break-up of activities with relative time for each activity is as follows:

Sl. No.	Activity	Estimated time periods (Months)
01.	Scheme preparation & approval	0 – 1
02.	Registration under MSME Act 2006 and sanction of loan	1 - 3
03.	License from FDA	2 – 3
04.	Placement of Orders for Machines	2 – 3
05.	Power Connection	1 - 2
06.	Installation of Machines	3 - 4
07.	Recruitment of Staff & Trial run	4 - 5
08.	Commercial Production	5 th onwards

5. POLLUTION CONTROL NEEDS:

Care should be taken in handling and storage of Ethyl Alcohol. The items used as raw material is not linked with pollution hazards.

6. TECHNICAL ASPECTS:

The active ingredient in this hand sanitizer recipe is the alcohol, which needs to comprise at least 70% of the product in order to be an effective disinfectant. The recipe calls for 99% isopropyl alcohol (rubbing alcohol) or ethanol (grain alcohol, most commonly available at 90%-99%). Please don't use any other types of alcohol (e.g., methanol, butanol), as they are toxic. Also, if you use a product that contains a lower percentage of alcohol (e.g., 70% alcohol) then you need to increase the amount of alcohol in the recipe or it won't be as effective.

Ingredients:

Making hand sanitizer is easy to do and only requires a few ingredients:

- Isopropyl or rubbing alcohol (99 percent alcohol volume)
- Aloe Vera gel/ Glycerine
- an essential oil, such as tea tree oil or lavender oil, or you can use lemon juice instead

The key to making an effective, germ-busting hand sanitizer is to stick to a 3:1 proportion of alcohol to Glycerine. This keeps the alcohol content around 60 percent. This is the minimum amount needed to kill most germs, according to the CDC Trusted Source. In addition to adding fragrance to your hand sanitizer, the essential oil you choose may also help protect you against germs. For example, thyme and clove oil have antimicrobial properties. If you are using antimicrobial oils, only use a drop or two, since these oils tend to be very powerful and might irritate your skin. Other oils, such as lavender or chamomile, may help soothe your skin. Tea tree oil is antimicrobial. A couple of drops may be added to the recipe, but it's important to note many people are sensitive to this oil, even when it's diluted.

Formula of Hand Sanitizer:

- 75 % of the total batch volume of isopropyl or rubbing alcohol (99 percent)
- 22 % of aloe vera gel / Glycerine (to help keep your hands smooth and to counteract the harshness of alcohol).
- 3 % of Hydrogen per oxide.
- 10 drops of essential oil, such as lavender oil, or you can use lemon juice instead. Synthetic essential oil also can be used for commercial purpose.

Directions for Preparation:

- Pour all ingredients into a container/Tank, ideally one with a pouring spout like a glass measuring container..
- Mix with a Mixer and then beat with a whisk to turn the sanitizer into a gel.
- Pour the ingredients into an empty bottle for easy use, and label it "hand sanitizer."

7. FINANCIAL ASPECTS:

Land with Shed 300sq.ft .

Rented

Store : 200sq.ft

Rented

i) Machinery & Equipments:

Sl. No.	Item	Qty.	Rate	Value in Rs.
1.	Stirrer (SS) with .25 HP motor	1	35,000	35, 000
2.	Storage tank (HDPE) 200 lit. cap.	5	1,000	5, 000
3.	Weighing scale (platform type)	1	10,000	10,000
4.	Buckets, ladles, laboratory equipment.	LS	-	5,000
5.	Electrification, installation charges	LS	-	5,000
6.	R.O system water purification with capacity 50litrs/hours	1 set		10,000
Total				70, 000

ii) PRE-OPERATIVE EXPENSES (in RS.).

Preparation of project profile	1, 500
Packaging material preparation	10, 000
Travel and transport	3, 000
Drug license	5, 000
Misc. expenditure	<u>1, 500</u>

Total = Rs. 21, 000/-**Fixed capital Investment = Rs. 70, 000 + Rs. 21, 000 = Rs. 91, 000/-**

WORKING CAPITAL ANALYSIS:**i) Staff and labour payment (Per month):**

Sl. No.	Designation	No.	Salary	Total Amount (In Rs.)
01.	Manager	Self		
02.	Marketing Supervisor	1	1000	1, 000
03.	Skilled Labour	1	8000	8, 000
04.	Unskilled Labour	3	6000	18, 000
05.	Accountant	1	8000	8, 000
06.	Watchman cum Peon	1	6000	6, 000
Total				41, 000

ii) Raw materials to prepare 500 lit. of alcoholic hand sanitizer:

Sl. no	Materials	Qty.	Rate	Value in Rs.
1.	Isopropyl alcohol (Ethanol)	350 lit.	120/lit.	42, 000
2.	Glycerine	50 lit.	150/lit.	7500
4.	Hydrogen peroxide (3%)	25 lit.	20/lit.	500
5.	R.O water	65litr	-	-
6.	Fragrance	10 lit.	800/litr	8000
6.	Bottle (50 ml.cap.) Cartoons, labels	10000 nos.	4/pc.	40000
Total				98, 000

ii) Utility:

Sl. No.	Description	Rate	Quantity	Value (Rs.)
01.	Power	Rs. 7/ unit	300 KWH	2100
02.	Water		L.S	2000
Total				4100

iii) Other Expenses (Per Month):

Sl. No.	Description	Quantity	Value
01.	Rent	L.S	10,000
02.	Postage & Stationery	L.S	1,500
03.	Telephone	L.S	1,500
04.	Repair & Maintenance	L.S	2,500
05.	Insurance @ 2% of Machinery & Equipment Cost	L.S	200
06.	Marketing & Travelling Expenses	L.S	12,000
07.	Other Misc. Expenses	L.S	2,000
		Total	29,700

WORKING CAPITAL (PER MONTH):

$$= \text{Rs. } 98,000 + \text{Rs. } 41,000 + \text{Rs. } 4,100 + \text{Rs. } 29,700 = \text{Rs. } 1,72,800/-$$

TOTAL CAPITAL INVESTMENT:

Fixed capital	Rs. 91,000
Working capital (3 month)	<u>Rs. 5,18,400</u>
Total	Rs. 6,09,400

Means of finance:

Promoter contribution @ 25%	Rs. 1,52,350/-
Bank finance @ 75%	Rs. 4,57,050/-

FINANCIAL ANALYSIS

(a) COST OF PRODUCTION (PER ANNUM):

Sl. No.	Description	Value (Rs.)
01.	Raw Material & Packaging Material	11,76,000
02.	Salary & Wages	4,92,000
03.	Utilities	49,200
04.	Other Expenses	3,56,400
05.	Depreciation on Machinery & Equipments @ 10% p.a.	7,000
06.	Interest on borrowed capital @ 12 % p.a.	54,846
	Total	21,35,446

(b) TURNOVER (PER ANNUM):

Total Sale Value of 6000 liter @ Rs.410/Litr. = **Rs. 24, 60, 000/-**

(C) NET PROFIT PER YEAR:

Net Profit = Total turnover - Total cost of production

$$= 24, 60, 000 - 21, 35, 446$$

$$= \mathbf{3, 24, 554}$$

(D) Profit Ratio on Sales :

$$\text{Profit ratio on Sale:} = \frac{\text{Profit} \times 100}{\text{Turnover}} = \mathbf{13.19 \%}$$

(e) Rate of Return (ROR) on Total Capital Investment:

$$\text{ROR} = \frac{\text{Net Profit per annum}}{\text{Total Capital Investment}} \times 100$$

$$= \frac{2, 32, 658}{30, 02, 000} \times 100$$

$$= \mathbf{53.26 \%}$$

(f) Break Even Analysis:**(i) Fixed Cost**

Sr. No.	Description	Amount (Rs.)
01.	Depreciation on Machinery & Equipments @ 10% p.a.	7, 000
02.	Interest on Total Capital Investment @ 12 % p.a.	54, 846
03.	40 % of Salary & Wages	1, 96, 800
04.	40 % of Other Expenses	1, 42, 560
	Total	4, 01, 206

(ii) Break Even Point (BEP):

$$\text{B.E.P.} = \frac{\text{Fixed cost} \times 100}{\text{Fixed cost} + \text{Profit}} = 55.28\%$$

ADDRESSES OF MACHINERY AND EQUIPMENT:

Address of Raw material suppliers:

1. M/s. Sun Temple International ,C/o-P.K.Badapanda ,Khan Nagar Nua sahi, Link Road Santosh Petrol Pump Lane ,Cuttack-753012 ,9437356700 ,9861810015 ,Tel-0671-2367123

{Deals in (all type of Acid ,Chemicals ,Solvent ,perfume,Essence ,Colour)

Specialise : Raw material & chemicals for MAKING:-ATAR .AGARBATI,LIQUID BLUE (Ujala type) ,LIQUID ACID (Harpic type) ,HAND WASH , SANITIZER, SOAP,DETERGENT ,ROOM FRESHNER ,PHYNYLE

Cosmetic Chemical, CHALK/CANDLE MOULD .all type of SPRAYERS

Raw Material Suppliers:

- 1) M/s. Sony Purfumary Works, C/o. Sri P.K. Nayak, Near Santha Nirankari Sathsangha Bhawan, Rajendra Nagar, Madhupatna, Cuttack. Tel-641442
- 2) M/s. Mother India Chemicals, Near Durga Mandap, Khapuria. Tel-644491
- 3) M/s. R.K. Trading , Bakharabad, Cuttack-2, Tel-622021
- 4) United Chemical Company, Agarpara, Kolkata-700058
- 5) Akshar Exim Company Pvt. Limited, Dakhin Mart, Kaikhali, Kolkata
- 6) Naveen Enterprise, South DumDum. Kolkata

Pet bottles/tin containers:

1. M/s.Sai chem Industries, Madhupatna, Cuttack-751010.
2. M/s.Chauhan Brothers, Jayshree Cinema Backside, Badambadi, Cuttack. Tel. 318644.
3. Essence & Bottle Supply (India) Pvt.Ltd., P.O.Box : 372, 14, Radha bazar Street, Calcutta-700001. Tel.2254994.
4. KKR Industries, Bura Bazar Market, Kolkata
5. Chirag Group of company, Dhakuria, Kolkata