

UTENSILES WASHING POWDER

1. 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. here are popular local brands as well like Saibaba, Sunny, and Shivshakti etc.

Cleaning Powder is used for cleaning utensils, floors, toilets etc. The demand of cleaning powder is hospitals, canteens, hotels etc. In addition to domestic consumptions. Raw Materials: Calcite Powder, Soda Ash, Acid Slurry, Sodium Met silicate, Trisodium phosphate, packing materials.

2. PRODUCT & ITS APPLICATION:

The major types of Utensil cleaning materials available in the markets are as under:

1. Powder – outdated category. The players in this category are Vim, Sabena, Odopic
2. Bar – largest category (60 to 70%). Vim has created the dish-wash bar category in 1993. Till that time urban households used dish-wash powders. The bar offered many advantages to the home maker over the powder which was messy and uneconomical. Since then Vim Bar ruled the dish-wash market. The other brands present in this category are Nirma Clean Dish Wash, Nirma Bartan Bar, Odopic, Exo, Private Labels (Spencer's Dish Wash Bar etc.)
3. Liquid (Dish Wash Concentrate) – evolving category, with Pril being the leader. Other players are Vim, Godrej Dish Wash, Godrej Glossy, Teepol, Private Labels (Spencer's etc.), some imported brands Good Maid, etc.
4. Dish Washing Paste (packed in a cup) – Axion and some imported brands like Budget (from the portfolio of Good Maid corp. SDN. BHD, Malaysia)

3. DESIRED QUALIFICATIONS FOR PROMOTER:

Graduate in any discipline. Promoter with high skill of marketing and having contacts with local market is advantage.

4. INDUSTRY LOOK OUT AND TRENDS

Detergent cake and powder have taken an important role in the washing era. The expansion of the petro chemical industries the raw material is easily available. Relatively less costly and easy to use have already created a good market for detergent powder and cake. The demand will be ever increasing and there is good profit, in the industry.

5. MARKET POTENTIAL AND MARKETING ISSUES, IF ANY:

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 well demand both for household and industrial use.

- **Market/ Consumer Trends**

The trend has shifted from Powder to Bars and now it's moving to Liquid dish-wash. The emerging category in dish-wash market is the liquid dish-wash. Pril from Henkel commands this market with a share of 70%. The other players are Vim, Teepol, and Godrej. Marketers believe that over a period of time, consumers will shift to Liquid since it offers more economy and convenience. But there is a problem with this category: Liquid dish-wash is targeted at urban upper middle class home makers and here the

users are home maids rather than home makers. It will be difficult to teach house maids to use the liquid efficiently. Henkel has targeted the maids as they are influencer like a mechanic for car spare parts. Henkel undertook an intensive study, which involved talking to housewives about their dish-washing patterns and learnt that as products like Pril were expensive, they were reluctant to give it to maid servants to use and preferred scourers with an abrasive action. While dish-wash liquids do work efficiently against grease, consumers prefer scourers with an abrasive action to clean grease. There is high sale of 400gm Vim in first week as compared to rest of weeks, as the wife has disposable income at the start of the monthly. Subsequently she may go for 200 or 100 gm. as per requirement

- Pricing
- Bars are typically for Rs. 4 for 100 gm.
- Liquid Dish Wash for Rs. 45 to 55 for 500ml
- Vim powder is for Rs. 25 for 1Kg

6. RAW MATERIAL REQUIREMENTS:

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 : Small quantity, HDPE woven sacks/ cartoons for packing's.

7. MANUFACTURING PROCESS:

All the rubber chemicals are mixed with rubber (both synthetic and natural) after proper mastication in a Rubber Mixing Mill. Depending upon the nature of rubber used, it might be sometimes necessary sometimes to pass steam through the rollers. After the compounding is over, it is usual practice to extrude the same to form slabs and cut to pieces. After weighing, they are fed into moulds and cured either with steam or electrical heating in presses, which may be hand operated, hydraulic, automatic or semi-automatic. In some cases, where metallic inserts are required (like in oil seals) these inserts are first kept in the mould and covered with rubber compound of definite weight and cured in presses. It is the usual practice to use a bonding agent over the metal and the moulds are lubricated either with soap solution or aerosols or silicon.

8. MANPOWER REQUIREMENT:

The enterprise requires 11 employees as detailed below:

Sr. No.	Designation of Employees	Salary Per Person	Monthly Salary ₹	Number of employees required				
				Year-1	Year-2	Year-3	Year-4	Year-5
1	Machine Operators	12,000	12000.00	1	1	1	1	1
2	Helpers	8,000	32000.00	4	4	4	5	5
1	Production supervisor	15,000	15000.00	1	1	1	1	1
2	Accounts/Stores Asst	12,500	12500.00	1	1	1	1	1
3	Office Boy	9,000	9000.00	1	1	1	1	1
	Total		80500.00	8	8	8	9	9

9. IMPLEMENTATION SCHEDULE:

The project can be implemented in 4 months' time as detailed below:

Sr. No.	Activity	Time Required (in months)
1	Acquisition of premises	1.00
2	Construction (if applicable)	1.00
3	Procurement & installation of Plant & Machinery	1.00
4	Arrangement of Finance	2.00
5	Recruitment of required manpower	1.00
	Total time required <i>(some activities shall run concurrently)</i>	4.00

10. COST OF PROJECT:

The project shall cost ₹ 12.97 lacs as detailed below:

Sr. No.	Particulars	₹ in Lacs
1	Land	2.00
2	Building	4.00
3	Plant & Machinery	1.10
4	Furniture, Electrical Installations	0.11
5	Other Assets including Preliminary / Pre-operative expenses	0.13
6	Working Capital	5.63
	Total	12.97

11. MEANS OF FINANCE:

Bank term loans are assumed @ 75 % of fixed assets. The proposed funding pattern is as under:

Sr. No.	Particulars	₹ in Lacs
1	Promoter's contribution	3.24
2	Bank Finance	9.73
	Total	12.97

12. WORKING CAPITAL CALCULATION:

The project requires working capital of ₹ 25.50 lacs as detailed below:

Sr. No.	Particulars	Gross Amt	Margin %	Margin Amt	Bank Finance
1	Inventories	1.88	0.25	0.47	1.41
2	Receivables	1.88	0.25	0.47	1.41
3	Overheads	1.88	100%	1.88	0.00
4	Creditors	-		0.00	0.00
	Total	5.63		2.81	2.81

13. LIST OF MACHINERY REQUIRED:

A detail of important machinery is given below: Power Requirement: 5 HP

Sr. No.	Particulars	UOM	Qty	Rate (₹)	Value
					(₹ in Lacs)
	Plant & Machinery / equipments				
a)	Main Machinery				
i.	Horizontal mixer (with motor)	NOS.	1	20000	0.20
ii.	Socket and chain guard	Nos	1	30000	0.30
iii.	Sealing machine for jute bags	Nos	1	20000	0.20
b)	Ancillary machinery				
i.	Sealing machine for Polybags	Nos	1	25,000	0.25
ii.	Weighing balances	NOS.	1	15000	0.15
	<i>sub-total Plant & Machinery</i>				1.10
	Furniture / Electrical installations				
a)	Office furniture	LS	1	5000	0.05
b)	Stores Almirah	LS	1	3,000	0.03
c)	Computer & Printer		L. S.	3000	0.03
	<i>sub total</i>				0.11
	Other Assets				
a)	preliminary and preoperative				0.13
	<i>sub-total Other Assets</i>				0.13
	Total				1.34

All the machines and equipment are available from local manufacturers. The entrepreneur needs to ensure proper selection of product mix and proper type of machines and tooling to have modern and flexible designs. It may be worthwhile to look at reconditioned imported machines, dies and tooling. Some of the machinery and dies and tooling suppliers are listed here below:

- Kamdhenu Agro Machinery
Plt No. 6, Near Power House,
Wathoda Road, Wathoda
Nagpur - 440035

Maharashtra, India

- Future Industries Private Limited
Shed No. 15, Ambica Estate,
Corporation Municipal Plot,
Opposite Sadvichar Hospital,
Naroda, Ahmedabad - 382330,
Gujarat, India
- The Global Pharma Equipments
Star Industrial Estate,
D-32, Naik Pada,
Near Hanuman Mandir,
Opposite Dwarka Industrial Estate,
Vasai East, Vasai - 401208,
Maharashtra, India

14. PROFITABILITY CALCULATIONS:

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 capacities: 150 MT Utensils washing powder. The unit has been assumed to operate at 60%, 70%, 80%, 90% and of its installed capacity in the first, second, third, fourth and fifth year.

Sr. No.	Particulars	UOM	Year-1	Year-2	Year-3	Year-4	Year-5
1	Capacity Utilization	%	60%	70%	80%	90%	100%
2	Sales	₹. In Lacs	13.50	15.75	18.00	20.25	22.50
3	Raw Materials & Other direct inputs	₹. In Lacs	9.43	11.00	12.58	14.15	15.72
4	Gross Margin	₹. In Lacs	4.07	4.75	5.42	6.10	6.78
5	Overheads except interest	₹. In Lacs	3.70	3.94	4.40	4.54	4.63
6	Interest	₹. In Lacs	0.97	0.97	0.65	0.49	0.39
7	Depreciation	₹. In Lacs	0.77	0.55	0.39	0.28	0.25
8	Net Profit before tax	₹. In Lacs	-1.38	-0.71	-0.01	0.80	1.51

The basis of profitability calculation:

The growth of selling capacity will be increased 10% per year. (This is assumed by various analysis and study; it can be increased according to the selling strategy.)

Energy Costs are considered at Rs 7 per Kwh and fuel cost is considered at Rs. 65 per litre. The depreciation of plant is taken at 10-12 % and Interest costs are taken at 14 -15 % depending on type of industry.

15. BREAKEVEN ANALYSIS:

The project shall reach cash break-even at % of projected capacity as detailed below:

Sr. No.	Particulars	UOM	Value
1	Sales at full capacity	₹. In Lacs	22.5
2	Variable costs	₹. In Lacs	15.72
3	Fixed costs incl. interest	₹. In Lacs	5.0190682
4	$BEP = FC/(SR-VC) \times 100 =$	% of capacity	74.03%

16. STATUTORY / GOVERNMENT APPROVALS

As per the allocation of business rules under the Constitution, labour is in the concurrent list of subjects. It is dealt with by the MOLE at the Central and Departments of Labour under State Governments in respective States / UTs. The MOLE has enacted workplace safety and health statutes concerning workers in the manufacturing sector, mines, ports and docks and in construction sectors.

Further, other Ministries of the Government of India have also enacted certain statutes relating to safety aspects of substances, equipment, operations etc. Some of the statutes applicable in the manufacturing sector are discussed below:

The Static and Mobile Pressure Vessels (Unfired) Rules, 1981

These (SMPV) Rules are notified under the Explosives Act, 1884. These rules regulate storage, handling and transport of compressed gases. These rules stipulate

requirements regarding construction and fittings, periodic testing, location, fire protection, loading and unloading facilities, transfer operations etc. in respect of pressure vessels whose water capacity exceeds one thousand litres. These rules are enforced by the Chief Controller of Explosives under the Ministry of Industry and Commerce, Govt. of India (PESO).

The Manufacture, Storage and Import of Hazardous Chemicals Rules (MSIHC), 1989

These MSIHC Rules are notified under the Environment (Protection) Act, 1986. These rules are aimed at regulating and handling of certain specified hazardous chemicals. The rules stipulate requirements regarding notification of site, identification of major hazards, taking necessary steps to control major accident, notification of major accident, preparation of safety report and on-site emergency plan; prevention and control of major accident, dissemination of information etc. These rules are notified by the Ministry of Environment and Forests (MOEF) but enforced by the Inspectorates of Factories of respective States / UTs in the manufacturing sector.

The Factories Act, 1948 and State Factories Rules

The Factories Act, 1948 is very comprehensive legislation dealing with the matters of safety, health and welfare of workers in factories. The Act places duties on the occupier to ensure safety, health and welfare of workers at work. Some of the salient provisions of the Act include:

- Guarding of machinery
- Hoists and Lifts; Lifting Machines and Appliances
- Revolving Machinery
- Pressure Plant
- Excessive Weight
- Protection of Eyes
- Precautions against dangerous fumes, gases etc.
- Explosive or inflammable dust, gas etc.
- Precautions in case of fire
- Safety of buildings and machinery

- Permissible limits of exposure of chemical and toxic substances
- Entrepreneur may contact State Pollution Control Board where ever it is applicable.

17. BACKWARD AND FORWARD INTEGRATIONS

Chemical companies often become integrated and undergo other activities outside the chemical industry. Increased competition prompts many companies to reduce supply chain costs by looking outside the chemical sector at suppliers and customers. While most companies within the chemicals sector primarily produce chemicals, some companies also conduct other manufacturing activities. The exact proportion of chemicals sector companies that are integrated with other sector activities is unknown, but many companies actively seek vertical integration. Many manufacturers pursue vertical integration to secure suppliers and customers for their products.

Mergers and acquisitions are a common way for companies to undertake new chemical ventures. By purchasing their chemical suppliers, some manufacturers secure future chemical feedstock for their products or other chemicals that they use in manufacturing. The company making the purchase obtains valuable expertise and equipment. Some mining and petrochemical production is more cost-effective when integrated within a chemical company.

Energy and feedstock costs are often a significant expense for chemical companies. Integrating chemical production with activities that secure supplies of chemical feedstock and energy is relatively common as chemical companies grow. Chemical companies are located near mines, oil fields, ammonia factories and water supplies. This reduces transportation costs and increases the reliability of supplies by reducing the distance between feedstock and the factory.

Some companies, such as Sino-Coking Coal and Coke Chemical Industries Incorporated, own their mines. BHP Billiton operates a broad range of mines and is primarily a mining company. It does, however, also produce petrochemical feedstock for the chemical industry and therefore operates within the chemical industry as well. These companies technically operate within both the chemical and mining industries in their normal business operations.

Integrating a chemical company with other activities provides several direct benefits for the company and is becoming increasingly common. High energy costs necessitate greater control of energy resources and minimal reliance on expensive transportation. Chemical companies experience volatile profitability due to fluctuations in feedstock and energy expenses. Some companies control this volatility through careful supply chain management and by charging supply surcharges. Actively researching and developing alternative feedstock and energy supplies helps the company reduce costs.

Vertical integration supports these activities by eliminating redundant activities at multiple companies and increasing efficiency. By consolidating activity among multiple, similar operations, chemical companies achieve cost savings that contribute to higher profitability. End products are often very profitable, and some chemical companies purchase their former customers to take advantage of the marked-up prices of products further along in the supply chain.

Integration may become more common for many chemical companies as competition strengthens and traditional feedstock becomes more expensive. Market demand for chemical feedstock increases as emerging market economies grow and result in increased consumer spending around the world.

18. TRAINING CENTERS AND COURSES

There is no such training required to start this business but, basic chemical bachelor's degree is plus point for enterpriser. Promoter may train their employees in such specialized institutions to grow up the business. There are few specialised Institutes provide degree certification in chemical Technology, few most famous and authenticate Institutions are as follows:

1. Department of chemical LD college of engineering
No.120, Circular Road, University Area, Navrangpura,
Opposite Gujarat University, Ahmedabad, Gujarat 380015
2. MIT College of chemical Engineering, Pune
Gate.No.140, Raj Baugh Educational Complex,

Pune Solapur Highway,
Loni Kalbhor, Pune – 412201
Maharashtra, India

Udyamimitra portal (link : www.udyamimitra.in) can also be accessed for handholding services viz. application filling / project report preparation, EDP, financial Training, Skill Development, mentoring etc.

Entrepreneurship program helps to run business successfully is also available from Institutes like Entrepreneurship Development Institute of India (EDII) and its affiliates all over India.

Disclaimer:

Only few machine manufacturers are mentioned in the profile, although many machine manufacturers are available in the market. The addresses given for machinery manufacturers have been taken from reliable sources, to the best of knowledge and contacts. However, no responsibility is admitted, in case any inadvertent error or incorrectness is noticed therein. Further the same have been given by way of information only and do not carry any recommendation.