

PROJECT PROFILE ON MEHANDI MANUFACTURING UNIT

1. INTRODUCTION

Mehandi is the product used for beautifying the hands, legs and for blacking the hair as well. Earlier the product was demanded by the hindu families during the festivals or marriages. But now, due to its coolness and other advantages the peoples round the year demand mehandi.

2. MARKET DEMAND

Mehandi is the cheapest herbal product, which is used by families during festivals and other social functions. Beside this, mehandi also used for dieing the hair and give cooling effects to the body through foots. Thus, the demand of the mehandi always exists and it will further increase with the increase in the population.

Average annual demand of mehandi of the district would be around 50 MT and the same is exported as well. This shows that if unit sells its product in and around the district than it will get the requisite demand.

PRODUCTION TARGETS

Basis of estimation: 300 Working Days in a Year
 Single Shift basis
 8 hours per shift

	Mehandi Powder
Quantity (Kg)	30000
Value (Rs)	2100000

3. MANUFACTURING PROCESS

The manufacturing process of mehandi is very simple and starts from collection of, segregation of leafs according to the quality than if required drying followed by grinding and sieving as per local demand.

4. QUALITY CONTROL STANDARDS

Quality of the product must be as per customers demand and product may not contain any impurity or unwanted elements in it.

5. LAND & BUILDING

1.	Covered area	Sq. Ft.	500
2.	Uncovered area	Sq. Ft.	1000
3.	Total area	Sq. Ft.	1500
4.	Whether constructed or Rented		Rented
5.	If constructed, constructed value	Rs	N.A.
6.	If Rented, Rental value (per month)	Rs	2000

6. MACHINERY AND EQUIPMENT

S.N	Description	Qty.	Value (Rs.)
1.	Pulverizer \ Grinder with accessories	1	75000
2.	Packaging Machine	1	
3.	Utencils	1	
4.	Weighing Balance	1	
5.	Furniture	1	
6.	Sales Tax, Freight & Insurance etc.		8000
	Total		83000

7. RAW MATERIAL (PER MONTH)

S.N	Particulars	Quantity (Kg)	Value (Rs)
1.	Mehandi Leafs	3000	90000
	Other Herbs & Sugar	L.S.	5000
2.	Packaging Material		2000
	Total		97000

8. STAFF & LABOUR (PER MONTH)

S.N	Particulars	Qty	Rate	Value (Rs)
A	Administrative and Supervisory			
(i)	Manager	1	3000	3000
(ii)	Peon/ Chowkidar	2	2000	4000
B	Technical (Skilled-Unskilled)			
(i)	Skilled Worker	1	3000	3000
(ii)	Unskilled Worker	4	2000	8000
	Sub-Total			18000
	Plus perquisites @ 30% of salaries			5400
	TOTAL			23400

9. OTHER EXPENSES (PER MONTH)

1.	Rent of Land & Building	2000
2.	Electricity Charges	5000
3.	Fuel Exp.	0
4.	Advertisement & Travelling	2000
5.	Transport	3000
6.	Consumable & stores etc.	1000
7.	Potage expenses/ telephones	1000
8.	Stationery	1000
9.	Repairs & Maintenance's	1000
	Total	16000

10. WORKING CAPITAL (FOR ONE MONTH)

SL.NO.	DESCRIPTION	AMOUNT(RS)
1	Raw material	97000
2	Salaries & Wages	23400
3	Other Expenses	16000
	Total	136400

11. TOTAL CAPITAL INVESTMENT

Building & Other Civil Works	-
Machinery & Equipment	83000
Working capital for one month	136400
Total	219400

12. COST OF PRODUCTION (PER ANNUM)

Total recurring cost per year	1636800
Depreciation on machinery & equipment	8000
Interest on total investment @ 10%	22000
Total	1666800

13. SALES PROCEEDS (PER ANNUM)

S.N.	Item	Qty (Kg)	Value (Rs.)
1.	Mehandi	30000	2100000
	Total		2100000

14. PROFITABILITY (BEFORE INCOME TAX)

1.	Annual Gross Profit	433200
2.	% of Profit on Sales	20.63%
3.	Break Even Analysis	
3.1	Annual Fixed Cost	472800
3.2	Annual Sales	2100000
3.3	Annual Variable Cost	1164000
3.4	Break Even Point	50.51%

Break-Even Analysis

(% of Total Production envisaged)

$$\frac{\text{Annual fixed cost} \times 100}{\text{Annual sales} - \text{Annual variable costs}} = \%$$

15. Manufactures/ Suppliers of Machinery

1	M-Tech Engineers H.No.33, Gali No.1, Seva Sada Block, Fazalpur, Mandwali, Delhi Ph. 011-2232356
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2.	Sara Udyog C-167, Sector 10, Noida (U.P.) Ph.- 0118-4521878
3.	Indore machinery stores 40, siyaganj, main road, Indore 452 007 Ph. 534339
4.	Huma traders Infront of shajanabad thana, Shajanabad, rajgarh(m.p.)
5.	Shri Jitendra agencies Shiv sadan, sardar patel marg, Indore Ph.- 466676

16. Suppliers of Raw Materials

From Local forest depot / local traders of the area.

17. IMPLEMENTATION PERIOD

Proposed Project can commence production with in 6-8 weeks after sanction and first disbursement of term loan.

18. ASSUMPTION FOR GENERATING PROJECT PROFITABILITY

1	Number of Working Days in a year	300 Days
2	Number of Shifts in a day	1 One
3	Hours in a Shift	8 hours
4	Plant Capacity	Consider on Average production capacities of plant.
5	Raw material Estimates	Based upon product Mix
6	Raw Material Availability	Forest districts of MP
7	Depreciation	Straight Line Method
8	Manpower	According to project Requirement

9	Rent estimate	On the basis of current market prize of the area.
10	Potential Area of Marketing the products	Households & related industries of the area.
11	If project is funded, term loan would be	60-80% of Total investment
12	Moratorium Period	6- 12 months
13	Repayment Period	5-7 years
14	Project may be established under	PMEGP (GOI) / Tribal Self Employment Scheme (NSTFDC) or Rani Durgawati Scheme of MP