

Khadi and Village Industries Commission Mumbai

PROJECT PROFILE ON SHAVING CREAM

Introduction :

This project profile envisages the production of Shaving Cream in a small scale sector with a production capacity of 1000 tubes containing 100gms each. Shaving is an essential activity by the gents to maintain face by removing beards regularly using razor. The skin needs to be soaked well, softened for smooth shaving for which shaving cream is used. Shaving cream should have the properties of soaking, lather forming, preservation with a pleasant fragrance. The demand of shave cream is seen everywhere in the market. Besides the individual customers, the saloons in different locations use a huge amount of shaving reams. This product being an essential commodity is having enormous demand in the country as well as abroad.

1 Name of the Product : SHAVING CREAM

2 Project Cost :

a Capital Expenditure

Land	:			Own
Work shed in sq.ft rented	:	0	Rs.	-
Equipment	:		Rs.	500,000.00

S.S. Kettle 50 kg Cap., S.S. Mfg Tank with jacket, Tube filling machine hand operated, storage tank, tube sealing machine, electrification and erection, office equipment & furniture

Total Capital Expenditure		Rs.	500,000.00
b Working Capital		Rs.	1,290,000.00
TOTAL PROJECT COST :		Rs.	1,790,000.00

3 Estimated Annual Production Capacity: (Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	SHAVING CREAM	300000 Nos.TUBES	18.00	5278.00
TOTAL		0.00	18.00	5278.00

4 Raw Material	:	Rs.	4,320,000.00
5 Labels and Packing Material	:	Rs.	75,000.00
6 Wages (2-Skilled & 2- Unskilled)		Rs.	260,000.00
7 Salaries (1-Manager)		Rs.	120,000.00

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8	Administrative Expenses	:	Rs.	120,000.00
9	Overheads	:	Rs.	120,000.00
10	Miscellaneous Expenses	:	Rs.	25,000.00
11	Depreciation	:	Rs.	50,000.00
12	Insurance	:	Rs.	5,000.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	65,000.00
	b. W.C.Loan	:	Rs.	167,700.00
	Total Interest		Rs.	232,700.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	335,000.00
	Variable Cost		Rs.	4,942,700.00
	Requirement of WC per Cycle		Rs.	1,319,425.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	335.00	201.00	234.50	268.00
2	Variable Cost	4943.00	2965.80	3460.10	3954.40
3	Cost of Production	5278.00	3166.80	3694.60	3728.10
4	Projected Sales	6200.00	3720.00	4340.00	4960.00
5	Gross Surplus	922.00	553.20	645.40	737.60
6	Expected Net Surplus	872.00	503.00	595.00	688.00

- Note :
- 1.All figures mentioned above are only indicative.
 - 2.This is model project profile for guidance
 - 3.Cost of Project, and its prioiflity will be changed depends on the area, availability of raw Material, man power, power requirement and various other factors etc..