

**Govt. of India
Ministry of MSME
MSME- Development Institute Gangtok**

PROJECT PROFILE

NAME OF THE PRODUCT : HAND SANITIZER (ALCOHOL BASED)

MONTH & YEAR OF PREPARATION

September– 2020

PREPARED BY

**MSME- DEVELOPMNT INSTITUTE
GOVT. OF INDIA, MINISTRY OF
MSME, Tadong Bazar, Gangtok**

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.

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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 rid 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)
1	Scheme preparation & approval	0-1
2	Registration under MSME Act 2006 and sanction of loan	1-3
3	License from FDA	2-3
4	Placement of Orders for Machines	2-3
5	Power Connection	1-2
6	Installation of Machines	3-4
7	Recruitment of Staff & Trial run	4-5
8	Commercial Production	5th 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.

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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."

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7. FINANCIAL ASPECTS:

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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	55000	35000
2	Storage tank (HDPE) 200 lit. cap.	5	2000	5000
3	Weighing scale (platform type)	1	10000	10000
4	Buckets, ladles, laboratory equipmets	LS	--	5000
5	Electrification, installation charges	LS	--	5000
6	R.O system water purification	1 set	--	10000
	with capacity 50litrs/hours			
Total				70000

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

Preparation of project profile	2000
Packaging material preparation	15000
Travel and transport	6000
Drug license	5000
Misc. expenditure	2000

Total (Rs.) 30000

Fixed capital Investment in Rs

100000

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WORKING CAPITAL ANALYSIS: MSME- Development Institute Gangtok

i) Staff and labour payment (Per month):

Sl.No	Designation	No.	Salary	Total amount
1	Manager		Self	
2	Marketing supervisor	1	15000	15000
3	Skilled labour	1	10000	10000
4	Un-skilled labour	3	8000	24000
5	Accountant	1	12000	12000
6	Watchman cum peon	1	6000	6000
			Total	67000

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

SL. No	Materials	Quantity (Ltr)	Rate (Rs.)	Total (Rs.)
1	Isopropyl alcohol (Ethanol)	350	150	52500
2	Glycerine	50	180	9000
3	Hydrogen peroxide (3%)	25	30	750
4	R.O water	65		10000
5	Fragrance	10	800	8000
6	Bottle (50 ml.cap.) Cartoons, labels (Nos.)	10000	4	40000
			Total	120250

ii) Utility:

Sl. No	Description	Rate (Rs.)	Quantity	Total
1	Power (Units)	7	300	2100
2	Water (LS)			2000
			Total	4100

iii) Other Expenses (Per Month):

Sl. No	Description	Unit	Quantity	Value
1	Rent		LS	10000
2	Postage and stationery		LS	2000
3	Telephone		LS	1500
4	Repair & Maintenance		LS	5000
5	Insurance @ 2% machinery & equipment cost		LS	500
6	Marketing & Travelling expenses		LS	12000
7	Other misc. expenses		LS	2000
			Total	33000

WORKING CAPITAL (PER MONTH):

Rs: 224350

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TOTAL CAPITAL INVESTMENT: MSME- Development Institute Gangtok

Fixed capital Rs.	100000
Working capital (3 month) Rs.	673050
Total = Rs.	773050

Means of finance:

Promoter contribution @ 25% Rs.	193262.5
Bank finance @ 75% Rs.	579787.5

FINANCIAL ANALYSIS

(a) COST OF PRODUCTION (PER ANNUM):

Sl. No	Description	Value (Rs.)
1	Raw material & packaging material	1443000
2	Salary & Wages	804000
3	Utilities	49200
4	Other expenses	396000
5	Depreciation on machinery and equipments @ 10% p.a	7000
6	Interest on borrowed capital @ 12% p.a	69574.5
	Total	2768774.5

(b) TURNOVER (PER ANNUM):

Total Sale Value of 6000 liter @ Rs.530/Litr. = Rs. 3180000

(C) NET PROFIT PER YEAR:

Net Profit = Total turnover - Total cost of production
= 411225.5

(D) Profit Ration on Sales :

Profit ratio on Sale: = (Profit x 100)/Turnover

12.93 %

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

ROR= (Net profit per annum/Total capital investment)* 100

ROR= 53.19520083

(f) Break Even Analysis:

(i) Fixed Cost

SL. No	Description	Amount
1	Depreciation on Machinery & Equipments @ 10% p.a.	7000
2	Interest on Total Capital Investment @ 12 % p.a.	69574.5
3	40 % of Salary & Wages	321600
4	40 % of Other Expenses	158400
	Total	556574.5

BEP= (Fixed cost/(Fixed cost + Profit))*100

57.50924778

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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
{Dealls 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

Reference: Website of MSME-DI Kolkata