

PROJECT PROFILE ON NAPHTHALENE BALLS

Introduction :

Naphthalene balls have been used for decades as household preservative of clothes and as deodorant tables for toilets, urinals etc. They are manufactured from naphthalene flakes by a tablet making machine having a ball shaped die. The product has wide market and the investment cost is low. The raw material is required for manufacturing Naphthalene Balls are Naphthalene flakes, camphor, phenol etc.

Market Potential : The demand of Naphthalene balls is increasing gradually with the increase of population and urbanisation and improving living conditions. In view of this there seems good scope of the product.

1 Name of the Product : NANTHALENE BALLS

2 Project Cost :

a Capital Expenditure

Land	:			Own
Workshed in sq.ft		200	Rs.	40,000.00
Equipment	:		Rs.	25,000.00

Steam jacketed M.S. Kettle, Steam distillation kettle, Sulphuric acid storage tanks, Delivery pump, Edge runner, Tablet making machine rotary type, Miscellaneous tools and equipment.

Total Capital Expenditure			Rs.	65,000.00
b Working Capital			Rs.	65,610.00
TOTAL PROJECT COST :			Rs.	130,610.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in No./Q.	Rate	Total Value
1	Nanthalene Balls			334.10
TOTAL		0.00	0.00	334.10

4 Raw Material : Rs. 130,440.00

5 Labels and Packing Material : Rs. 5,000.00

6 Wages (Skilled & Unskilled) : Rs. 36,000.00

7 Salaries Manager-1 : Rs. 120,000.00

PAGE (2)

8	Administrative Expenses	:	Rs.	10,000.00
9	Overheads	:	Rs.	10,000.00
10	Miscellaneous Expenses	:	Rs.	5,000.00
11	Depreciation	:	Rs.	4,500.00
12	Insurance	:	Rs.	650.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	8,450.00
	b. W.C.Loan	:	Rs.	8,529.00
	Total Interest		Rs.	16,979.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	144,100.00
	Variable Cost		Rs.	189,969.00
	Requirement of WC per Cycle		Rs.	55,678.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	144.10	86.46	100.87	115.28
2	Variable Cost	190.00	114.00	133.00	152.00
3	Cost of Production	334.10	200.46	233.87	248.28
4	Projected Sales	500.00	300.00	350.00	400.00
5	Gross Surplus	165.90	99.54	116.13	132.72
6	Expected Net Surplus	161.00	95.00	112.00	128.00

- Note :
1. All figures mentioned above are only indicative.
 2. If the investment on Building is replaced by Rental then
 - a. Total Cost of Project will be reduced.
 - b. Profitability will be increased.
 - c. Interest on C.E.will be reduced.