

29 HERBAL SHAMPOO MANUFACTURING



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1. INTRODUCTION

Uttarakhand's herbal shampoo and conditioner and manufacturing enterprise can aim to harness the region's abundant natural resources and rich biodiversity to produce high-quality, eco-friendly personal care products. The abundant natural herbs available in the hills of Uttarakhand can meet the growing demand for herbal and chemical-free products nationally. The demand for herbal shampoo and conditioners in India has grown significantly in recent years, driven by increasing consumer awareness about the harmful effects of chemical-based personal care products. With a rising preference for natural and organic ingredients, herbal shampoos and conditioners, often free from harsh chemicals, have gained popularity among health-conscious consumers. This trend fuels the growing inclination towards wellness, environmental sustainability, and eco-friendly products. Additionally, the expanding middle-class population and rising disposable incomes have increased spending on premium and natural personal care items. The demand is particularly high in urban areas, with consumers opting for products that offer benefits such as skin nourishment, hair care, and therapeutic properties.

This venture can focus on manufacturing shampoo and conditioners enriched with natural ingredients like essential oils, herbs, and plant extracts sourced sustainably from the local region of Uttarakhand. Utilizing advanced production techniques and adhering to strict quality standards, the unit will cater to health-conscious consumers in domestic and international markets. This initiative promotes the use of natural, skin-friendly products. It supports local farmers and communities by responsibly sourcing raw materials, fostering employment opportunities, and contributing to the region's economic development.

2. MARKET DEMAND AND TRENDS

The market for herbal shampoo and conditioner and conditioners and shampoo and conditioner and conditioners is witnessing significant growth globally and domestically, driven by increasing consumer preference for natural, chemical-free, and eco-friendly personal care products. This shift is fuelled by rising awareness of the adverse effects of synthetic ingredients and the growing emphasis on health, wellness, and sustainability. The major market trends are focussing on:

- **Rising Demand for Natural Products:** Consumers increasingly choose herbal and organic products over synthetic alternatives.
- **Growing Health and Wellness Consciousness:** With the rise in skin and hair-related concerns like allergies, hair fall, and sensitivity, there is a growing demand for herbal products that utilize ingredients such as aloe vera, neem, Tulsi, and essential oils, which offer therapeutic benefits.
- **Government Support and Initiatives:** The Indian government's push for herbal and Ayurvedic industries, including schemes like *Make in India* and support for MSMEs, provides a conducive environment for growth in this sector. Uttarakhand, a hub of herbs and natural resources, is an ideal location for such ventures.

- **Market Segmentation Growth:** The herbal shampoo and conditioner and conditioner market is experiencing diversification, with a focus on niche products such as anti-hair fall shampoo and conditioner and conditioners, anti-bacterial shampoo and conditioner and conditioners, skin-brightening shampoo and conditioner and conditioners, and products catering to specific skin or hair types.

3. DESIRED QUALIFICATION FOR PROMOTER

The success of an herbal shampoo and conditioner and conditioner manufacturing unit depends significantly on the capabilities and qualifications of its promoter(s). The following desired qualifications will help ensure effective management, growth, and sustainability of the business:

1. **Educational Background:**

- A degree in **Pharmaceutical Sciences, Biotechnology, Chemistry, or Cosmetic Technology, with an** understanding of product formulation, quality standards, and regulatory requirements.
- An MBA or Diploma in **Business Management**
- Knowledge of Ayurveda and Herbal Products
- Industry Experience

By possessing a combination of technical expertise, business management skills, and industry knowledge, the promoter can successfully establish and grow a competitive herbal shampoo and conditioner manufacturing unit, tapping into the ever-expanding natural personal care market.

4. BUSINESS OUTLOOK AND OPPORTUNITIES

The herbal shampoo and conditioner manufacturing business has a bright future as more people choose natural and chemical-free personal care products. This growing demand is driven by rising awareness about health, wellness, and the benefits of herbal ingredients like neem, aloe vera, and Tulsi.

Increasing Demand:

People today prefer herbal products because they are safe, skin-friendly, and better for health. This trend is growing in cities and even in rural areas.

Online Sales and Marketing:

E-commerce platforms and social media have made selling products across India and globally easier. Businesses can use digital marketing and online platforms to reach more customers.

Benefits to Farmers and Employment:

The business can help local farmers by buying herbs and plants from them, creating a steady income. It will also generate jobs for local people in production and marketing.

The herbal shampoo and conditioner and conditioner business is full of opportunities. With growing demand, government support, and the rise of online sales, it can become a successful

and profitable venture. By offering quality products and focusing on eco-friendly practices, this business has a strong chance to grow in both Indian and international markets.

5. MARKET POTENTIAL AND MARKETING ISSUES

Market Potential:

The market for herbal shampoo and conditioner and conditioners and shampoo and conditioner and conditioners is growing rapidly, both in India and globally, due to the increasing demand for natural and chemical-free personal care products.

1. **Rising Demand:**
People are becoming more health-conscious and prefer herbal products made with ingredients like neem, aloe vera, and Tulsi.
2. **Growing Urban and Rural Markets:**
In cities, people are willing to pay more for herbal and eco-friendly products.
3. **E-commerce Growth:**
Online platforms like Amazon, Flipkart, and herbal specialty stores make it easier for businesses to reach a larger audience without investing heavily in physical stores.
4. **Tourism and Local Sales:**
Uttarakhand, being a popular tourist destination, has the potential to attract tourists interested in purchasing locally-made herbal products as gifts or souvenirs.

Marketing Issues:

While the market potential is strong, there are some challenges businesses might face when selling herbal shampoo and conditioner and conditioners and shampoo and conditioner and conditioners:

1. **Competition:**
The market already has many well-known herbal and natural brands. New businesses must work hard to stand out and build customer trust.
2. **Awareness:**
Some people are still unaware of the benefits of herbal shampoo and conditioner and conditioners and shampoo and conditioner and conditioners. Effective marketing and education about the advantages of herbal products are needed to increase demand.

5. BUSINESS INPUTS AND MATERIAL REQUIREMENTS

To start an herbal shampoo and conditioner manufacturing unit, you need specific inputs and materials to ensure smooth production and high-quality products. Below is a simple breakdown of what is required:

- **Herbs and Plant Extracts:** Neem, Aloe Vera, Tulsi, Shikakai, Hibiscus, and Amla for their natural benefits.

- **Essential Oils:** Lavender, Sandalwood, Tea Tree, Eucalyptus, and Lemon oils for fragrance and therapeutic properties.
- **Natural Oils and Fats:** Coconut oil, olive oil, palm oil, and castor oil are used for shampoo and conditioner and conditioner base and hair nourishment.
- **Natural Additives:** Glycerin for moisturizing, clays, SLES, TA, DM Water, Aloe Gel, and honey for hair care.

Packaging Materials

Attractive and eco-friendly packaging helps build a strong brand image. Materials include:

- Bottles and Containers**
- Labels and Tags**
- Cartons and Boxes**

6. OPERATIONS AND EXECUTION PROCESS

The operations and execution process for manufacturing herbal shampoo and conditioner and conditioners and shampoo and conditioner and conditioners involves several key steps, from sourcing raw materials to delivering the final product. Here's a simple breakdown of the entire process:

- **Sourcing Raw Materials:** The first step is sourcing high-quality herbal ingredients such as aloe vera, neem, Tulsi, hibiscus, and other natural plant extracts, which can be sourced locally within Uttarakhand's rich flora. Other materials like essential oils, coconut oil, olive oil, and herbal powders are sourced from certified suppliers.
- **Formulation and Research:** The next step is to create product formulations, ensuring the right combination of herbs, oils, and other ingredients for different skin and hair care benefits. Research and testing are conducted to ensure that the products meet quality standards and provide the desired therapeutic effects.

Formulation Shampoo is generally made by combining a surfactant, most often sodium lauryl sulphate or sodium Lauretha sulphate, with a co-surfactant, most often coca mi do properly betaine, in water. The sulphate ingredient acts as a surfactant, essentially heavy-duty soap, that makes it easier to trap oil and grease.

- **Shampoo and conditioner Production:** Natural surfactants and herbal extracts are blended with water and oils for shampoo and conditioner. The mixture is emulsified, heated, and mixed to form a consistent shampoo and conditioner base, which is then cooled, scented, and packaged.
- **Quality Control:** Throughout the production process, quality checks are conducted to ensure the consistency, texture, fragrance, and safety of the herbal shampoo and conditioner. Testing for skin and hair compatibility, pH balance, and microbial contamination is also performed.

- **Packaging:** After the products are manufactured, they are packaged in eco-friendly, attractive packaging that reflects the natural and organic qualities of the products. The packaging is designed to preserve the freshness of the herbal ingredients while being sustainable and appealing to consumers.

Raw materials should be sourced from reliable suppliers who can ensure quality and consistency. This step may involve building relationships with local farmers or trusted suppliers.

8. MANPOWER REQUIREMENT

Sr. No	Particulars	No.	No of month in year	Wages/Salaries per month (Rs. In Lakhs)	Annual Expense (Rs. In Lakhs)
1	Self-employed (Owner and Manager)	1	-	-	-
2	Un-Skilled Labour	2	12	0.08	1.92
3	Helper	1	12	0.06	0.72
4	Sales and Marketing Person	1	12	0.12	1.44
Total					4.08

9. IMPLEMENTATION SCHEDULE

Sr. No.	Activity	Time Required (in months)
1	Acquisition Of premises	1
2	Construction (if applicable)	1.5
3	Procurement & installation of Plant & Machinery	2.5
4	Arrangement of Finance	1
5	Recruitment of required manpower	1
Total time required (some activities shall run concurrently)		3

10. COST OF PROJECT

Sr. No	Particulars	Annual Expenses (Rs. in lakhs)
1	Land	-
2	Building (Rented)	0.12
3	Plant & Machinery	0.00
4	Equipment and Furniture Exp.	0.14
5	Misc. Fixed Asset	0.02

6	Preoperative & Preliminary Exp.	0.05
7	Working Capital	235.68
Total Project Cost		236.01

11. MEANS OF FINANCE

Sr. No.	Particulars	Annual Expenses (Rs. in lakhs)
1	Promoter's contribution	94.40
2	Bank Finance	141.60
Total		236.01

12. LIST OF MACHINERY AND EQUIPMENT

A. MACHINERY

Sr. No	Particulars	Unit	Price per Unit(Rs. in lakhs)	Total Amount (Rs. in lakhs)
1	Mixer Tank	1	1.50	1.50
2	Packaging Machine	1	0.30	0.30
Total Amount				1.80

B. FURNITURE & EQUIPMENT

Sr. No	Particulars	Unit	Price per Unit(Rs. in lakhs)	Total Amount (Rs. in lakhs)
1	Tools (Roasting Pan, Gas Stove, Induction, measuring spoon, pot etc.)	0	0.05	0.05
2	Furniture and Set Up (Work Table, Storage shelves, Packaging Station etc.)	0	0.00	0.06
3	Fixture (Light, Fan, Cabinets etc.)	-	0.00	0.01
4	Others (Labelling Equipment, Gloves, Masks, etc.)			0.02
Total Rs.				0.14

The availability of raw materials and equipment from local manufacturers is a promising advantage for the entrepreneur. It is essential to choose the right mix of products and suitable machinery and tooling to facilitate modern and flexible processes. Here are some of the suppliers of business equipment and raw materials an entrepreneur can consider:

1. Micro tech Engineering

Snap Story, Block V, Krishan Vihar, Delhi, 110083

2. M/s Sara Udyog

Sector 10, Noida, Uttar Pradesh

3. Aroma Herbals: A well-known supplier in Dehradun that provides a wide range of herbal plants, essential oils, and Ayurvedic herbs. They cater to businesses involved in the herbal shampoo and conditioner industry.

4. Himalayan Herbals Nursery: This nursery specializes in growing and supplying medicinal and aromatic plants that can be used in manufacturing herbal products like shampoo, conditioner, and oils.

Address: Sangam Vihar, Chitahuri, Saharanpur, Dehradun, Uttarakhand 24800

5. Dehradun Herbals: Known for offering various medicinal and cosmetic-grade herbs and flowers, which can be used in natural skincare and haircare products. Address: Anurag Chowk, Kanwali Rd, Vasant Vihar, Balli Wala, Dehradun, Uttarakhand 248001

Besides these, online platforms such as India Mart, Trade Mart, Amazon, Flipkart, etc., can also be explored for online ordering.

13. SALES REALIZATION

Sr. No	Product	Sales in Percentage	INR
1	Aromatic Candle	25.0%	28350000
2	Herbal Conditioner	25.0%	-
Total		100.00%	28350000

14. PROFITABILITY CALCULATIONS

Sr. No	Particulars	Annual Expenses (Rs. in lakhs)
A.	Sales realisation	486.00
B.	Cost of production	
i)	Raw materials	400.00
ii)	Utilities	0.10
iii)	Manpower Cost (Salaries/wages)	8.28
iv)	Administrative expenses	0.18
v)	Packaging Cost	0.50
vi)	Material Lost Cost	0.10
vii)	Selling & distribution expenses	0.66
viii)	Repairs & maintenance	0.00
ix)	Rent	0.36

x)	Interest	17.92
xi)	Misc. expenses	0.00
	Total (B)	428.10
	Gross profit/loss (A – B)	57.90
	Less: Depreciation	0.20
C.	PBIT	57.70
D	Income-tax	-
E	Net profit/loss	57.70
F.	Repayment (Annual)	-17.50
G	Retained surplus (E-F)	75.19

15. BREAK-EVEN ANALYSIS

Fixed cost	
Land & Building Rent	0.36
Depriciation	0.20
Interest	17.92
Manpower	2.48
Total Fixed cost	20.97
Variable cost	
Raw materials	400.00
Utilities	0.10
ManPower	5.80
Administrative expenses	0.18
Selling & distribution expenses	0.66
Total Variable cost	406.74
Contribution margin	16%
Break-Even Point in Value	131.04

15. STATUTORY APPROVALS

1. **Factory License (Factories Act, 1948)**-This license is mandatory for any manufacturing facility with more than 10 workers using power or more than 20 workers without power. The application must be submitted to the **Labour Department** of Uttarakhand. It ensures the factory meets safety, health, and labor standards.
2. **Uttarakhand Pollution Control Board (UKPCB) Approval**- Before starting operations, the unit must obtain **Consent to Establish (CTE)** and **Consent to Operate (CTO)** from the Uttarakhand Pollution Control Board. This ensures the factory complies with environmental regulations, including waste management and emissions control.

3. **FSSAI Manufacturing License (Food Safety and Standards Authority of India)-** Since the herbal shampoo and conditioner and conditioners are considered cosmetic products, the **FSSAI license** is required for manufacturing personal care products in India. This approval ensures that the products meet health and safety standards.
4. **Cosmetic Manufacturing License (Drugs and Cosmetics Act, 1940)-**The herbal shampoo and conditioner is classified as a cosmetic under the **Drugs and Cosmetics Act**. A manufacturing license from the **Central Drugs Standard Control Organization (CDSCO)** is necessary for the legal production of the product.
5. **GST Registration:** your turnover exceeds ₹40 lakh; you must obtain **GST registration** to legally manufacture and sell your herbal shampoo, conditioner, and conditioners. This registration is necessary to collect and remit Goods and Services Tax (GST) on sales and ensure compliance with tax laws.

These approvals are fundamental for legally establishing and operating a Uttarakhand herbal shampoo and conditioner manufacturing unit.

16. TRAINING CENTERS AND COURSES

NATIONAL INSTITUTE OF AYURVEDA

National Institute of Ayurveda Jorawar Singh Gate, Amer Road
JAIPUR - 302002 (RAJ.) INDIA
Telephone: 91-141-2635816

ALL INDIA INSTITUTE OF AYURVEDA All India institute of ayurveda Mathura Road, Gautam puri Sarita Vihar, Delhi -110076 Phone no: 011-26950402/402

The Swayam portal (link: <https://swayam.gov.in/>) can also be accessed for enhanced learning on business commerce, accounting, production, marketing, and areas of entrepreneurship.

Entrepreneurship programs that help run businesses successfully are also available from institutes like the Entrepreneurship Development Institute of India (EDII) and its affiliates all over India.

Disclaimer

Only a 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.