



PROJECT PROFILE ON PACKAGING INDUSTRY (SWEET BOX PACKAGING)

Category : Manufacturing

Total Cost of Project : Rs. 1,99,000/-

BEP : 44 %

I. INTRODUCTION OF BUSINESS IDEA :

Packaging of food products like sweet, numkins, food grains, bakery products etc, plays in important role in keeping the products safe and durable. Boxes are ideal for packing the food items.

II. PRODUCT AND ITS APPLICATIONS:

The packaging products are packaging boxes which are used in packing of eatables like sweets and numkins, bakery products etc. The boxes are of different sizes required by sweet manufacturers/sellers.

III. MARKET POTENTIAL:

Food items are daily consumable ones which need proper storage to ensure the long life for the product. Card board boxes are suitable for sweets etc. The boxes are bulk in nature and hence can not be brought from far off places due to the transportation cost. Hence, wherever there is concentration of sweet manufacturers, the need for boxes in the nearby region is there. As Belgaum district is famous for certain sweets like Kunda and Karadantu, there is good potential for the proposed unit.

IV. CAPACITY REVENUE AND SALES:

Sl. No.	Product	Qty	Rate	Sales Amount
01	Sweet Boxes	1,00,000 boxes	Rs.5/box	5,00,000

V. MANUFACTURING PROCESS AND QUALITY:

The paper boards are cut into the different required sizes through paper cutting machine. The corner cutting is done as per the requirement of the box. The cut pieces are joined by gum and a thin cover paper in case of thick boards. In case of thin boards with strength, the box design itself is such that gumming is not required. The printing can also be carried out as required.



VI. COST OF PROJECT AND MEANS OF FINANCE, INCLUDING WORKING CAPITAL REQUIREMENTS:

A. COST OF PROJECT:

Sl. No.	Particulars	Amount (Rs).
1	Equipments	1,00,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Deposits	40,000
5	Working Capital Requirements	39,000
	Total	1,99,000

B. MEANS OF FINANCE:

Sl. No.	Particulars	Amount (Rs).
1	Loan @ 75%	1,50,000
2	Equity	49,000
	Total	1,99,000

C. WORKING CAPITAL REQUIREMENT:

Sl. No.	Particulars	Basis	Period	Amount (Rs).
1	Raw-materials	-	1 m	8,000
2	Bills Receivable	-	½ m	21,000
3	Working exp	-	1 m	10,000
	Total	-		39,000

VII. Main Inputs Requirements

A. Machinery:

Sl. No.	Particulars	Qty	Amount (Rs).
1	Paper Board Cutting Machine	1	50,000
2	Creasing machine	1	30,000
3	Tools and accessories		20,000
	Total		1,00,000



B. Raw-materials (p.m.):

Sl.No.	Particulars	Qty	Rate	Total cost(Rs)
1	Paper Boards	25 bundles	Rs.200/-	5,000
2	Paper	-	-	2,000
3	Colour paper	-	-	1,000
	Total			8,000

C. Utilities:

Sl. No.	Particulars	Monthly Charges (Rs)	Annually Charges (Rs)
1	Electricity and water	2,000	24,000

D. Man-power requirement:

Sl. No.	Workers	No.	Monthly Salary (Rs)	Annual Salary (Rs)
01	Skilled workers	1	7,000	84,000
02	Helper	1	6,000	72,000
	Total		4,500	1,56,000

E. Infrastructure Requirement:

Building	Built up space of 200 sq.ft is required
Power	3 HP power connection is required
Water	Water is required.

VIII. Profitability Projection (Annual):

Particulars	Basis	Amount (Rs).
Sales Revenue (Projected)	Ref: IV	5,00,000
Raw Materials	Ref: VII B	96,000
Man Power Expenses	Ref: VII D	1,56,000
Utilities	Ref: VIIC	24,000
Interest	@12%	19,000
Depreciation	@15%	15,000
Overheads	Rent, maintenance etc	60,000
Total Expenses		3,70,000
Profit		1,30,000



IX. FINANCIAL INDICATOR:

$\frac{\text{Break Even Point FC}}{\text{SR-VC}} * 100$	$\frac{94,000}{2,14,000} * 100$	44%
$\frac{\text{Payback period Cost of project}}{\text{Profit+ Depn.}}$	$\frac{1,99,000}{1,45,000}$	1 year 5 months

ADDRESS:

X. SUPPLIERS OF MACHINERY / EQUIPMENTS:

Hindustan Machinery Corporation
Unity Building,
Near Town hall,
Bangalore.

Suppliers of raw material:

Shiv Paper & Boards
119, Sultan pet,
Bangalore-53
Ph 080-41223474.