



# PROJECT PROFILE ON PLASTIC REPROCESSING

Category : Manufacturing

Total Cost of Project : Rs. 3,49,000/-

BEP : 43 %

## I. INTRODUCTION OF BUSINESS IDEA :

In this plastic age literally all our packaging is being taken over by plastics. Procuring virgin plastic granules is not easy and also it is costly. Hence reprocessed granules assume an important role in meeting the demand for plastic products. Lot of waste plastic from milk sachets, liquor covers, tobacco covers, packaging covers, broken buckets, tubs, mugs, etc is available in large quantities.

## II. PRODUCT AND ITS APPLICATIONS :

Reprocessed plastic granules are used to produce packaging covers, carry bags, buckets, water pots and mugs etc. the product of the proposed unit goes as a raw material to other plastic industries. Hence there is a good scope to recycle waste plastic scrap to produce plastic granules.

## III. MARKET POTENTIAL :

Granules are in demand by various industrial units manufacturing plastic products. There is good scope for such units in locations where there are plastic products manufacturing units. In Hubli, there are such units. The raw material for these units must be coming from outside the district One or two units in every district using the plastic scrap of the district can have good scope.

## IV. CAPACITY-INSTALLED, UTILIZED & SALES :

Sl. No.	Product	Qty.	Rate in Rs. Average	Sales Amount
01.	Plastic granules	42,000 Kg.	32	13,44,000
	<b>TOTAL</b>			<b>13,44,000</b>

## V. MANUFACTURING PROCESS & QUALITY :

Waste plastic materials are collected from various sources and segregated as per grade, color and quality. The waste plastic materials are cleaned and washed with water before further processing. The cleaned plastic materials are put in a cutting machine and converted into small pieces. The cut pieces are put in an extruder where it is melted to give granulated lumps. These lumps are put in a grinding machine to obtain granules of required size and packed in 50 Kgs and 100 Kgs bags for dispatch to plastic processing units.



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

### A. COST OF PROJECT :

Sl. No.	Particulars	Amount (Rs).
1	Equipments	2,28,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Deposits	10,000
5	Working Capital Requirements	91,000
	<b>Total</b>	<b>3,49,000</b>

### B. MEANS OF FINANCE:

Sl. No.	Particulars	Amount (Rs).
1	Loan @ 75%	2,62,000
2	Equity	87,000
	<b>Total</b>	<b>3,49,000</b>

### C. WORKING CAPITAL REQUIREMENT

Sl.No.	Particulars	Basis	Period	Amount
1	Raw-materials	$5,90,000/12 \times \frac{1}{2}$	$\frac{1}{2}$ m	25,000
2	Bills receivable	$13,44,000/12 \times \frac{1}{2}$	1/2m	56,000
4	Working exp		1m	10,000
	<b>Total</b>			<b>91,000</b>

## VII. MAIN INPUTS REQUIREMENT :

### A. MACHINERY :

Sl.No.	Particulars	Qty.	Total Cost
01.	Extruder	01	1,50,000
02.	Grinder	01	20,000
03.	Exhaust fans	01	6000
04.	Dies	Lump sum	12,000
05.	Water pipeline	Lump sum	10,000
06.	M. S. Tubes	02	10,000
07.	Electrification & installation	Lump sum	20,000
	<b>Total</b>		<b>2,28,000</b>

### B. RAW-MATERIALS ( PER ANNUM):

Sl. No.	Particulars	Qty In Kg.	Rate (Rs.)	Total Cost (Rs.)
1	Scrap	45,000	12	5,40,000
2	Consumables	Lump sum		50,000
	<b>Total</b>			<b>5,90,000</b>



**C. UTILITIES :**

Sl. No.	Particulars	Monthly Charges (Rs.)	Annual Charges (Rs.)
1	Electricity & water	5,000	60,000

**D. MAN-POWER REQUIREMENT :**

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
01	Skilled workers	2	7,000	1,68,000
02	Helper	2	5,000	1,20,000
<b>Total</b>				<b>2,88,000</b>

**E. MAIN INFRASTRUCTURE REQUIREMENT :**

Building	Rented building is required @ 20' x 25'
Power	10 Hp power connections are required.
Water	5000 ltrs/day water is required

**VIII. PROFITABILITY PROJECTION (ANNUAL) :**

Particulars	Basis	Amount (Rs.)
Sales Revenue (Projected)	Ref : IV	13,44,000
Raw Materials	Ref : VII B	5,90,000
Man power expenses	Ref : VII D	2,88,000
Utilities	Ref : VII C	60,000
Interest	@ 12%	31,000
Depreciation	@ 20% SLM	45,000
Overheads	Rent, maintenance etc.	1,00,000
<b>Total Expenses</b>		<b>11,14,000</b>
<b>Profit</b>		<b>2,30,000</b>

**IX. FINANCIAL INDICATOR :**

Break Even Point $\frac{FC}{SR-VC} \times 100$	$\frac{1,76,000}{4,06,000} \times 100$	43 %
Payback period $\frac{COP}{\text{Profit} + \text{Deprn.}}$	$\frac{3,49,000}{2,75,000}$	1 years 3 months



**ADDRESSES :**

**X. SUPPLIERS OF MACHINERY / EQUIPMENTS :**

A to Z Plastic Extusion,  
130, Aziz Industrial Town,  
Mysore road, Bangalore-39  
Ph-080-23392268

**SUPPLIERS OF RAW MATERIAL :**

Entrepreneurs have to organize collecting centers for plastic scrap in all taluks

**XI. SPECIAL NOTE :**

In plant training is required.