

Khadi and Village Industries Commission Mumbai

Model Project Profile on Plastic Bottels (PCBI)

Introduction

Since the aerated water (cold drink) and mineral water Industries have increased many fold. The demand for the plastic bottles have increased considerably. A simple blow mould machine which can be easily aerated, covered generate sufficient profit. Not only cold drink mineral water, but oil fruit syrups and variety of industries are using Bottles as packing material. The demand for the bottled are increasing day by day.

1 Name of the Product : Plastic Bottels

2 Project Cost :

a Capital Expenditure

Land

Workshed in sq.mts 600 Own Rs. 300,000.00

Equipment : Rs. 400,000.00

(Moulding mc, Handling tool, Furnace, etc.)

Total Capital Expenditure Rs. 700,000.00

b Working Capital Rs. 180,500.00

**TOTAL PROJECT COST : Rs. 880,500.00**

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in No	Rate	Total Value
1	Plastic Bottels	250000	4.50	1106.00
<b>TOTAL</b>		<b>250000</b>	<b>4.50</b>	<b>1106.00</b>

4 Raw Material : Rs. 500,000.00

5 Labels and Packing Material : Rs. 5,000.00

6 Wages (Skilled & Unskilled) : Rs. 200,000.00

7 Salaries Rs. 120,000.00

8	Administrative Expenses	:	Rs.	50,000.00
9	Overheads	:	Rs.	100,000.00
10	Miscellaneous Expenses	:	Rs.	10,000.00
11	Depreciation	:	Rs.	55,000.00
12	Insurance	:	Rs.	7,000.00
13	Interest (As per the PLR)			
	a. C.E.Loan		Rs.	91,000.00
	b. W.C.Loan		Rs.	23,465.00
	Total Interest		Rs.	114,465.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	278,000.00
	Variable Cost		Rs.	828,465.00
	Requirement of WC per Cycle		Rs.	184,411.00

#### 15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	278.00	166.80	194.60	222.40
2	Variable Cost	828.00	496.80	579.60	662.40
3	Cost of Production	1106.00	663.60	774.20	802.00
4	Projected Sales	1382.00	829.20	967.40	1105.60
5	Gross Surplus	276.00	165.60	193.20	220.80
6	Expected Net Surplus	221.00	111.00	138.00	166.00

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