

KVIC- PMEGP-(Gramodyog Rojgar Yojana)"

BUBBLE PACKING PAPER

Introduction

Bubblepacking papers are specially moulded industrial papers used as packaging and transportation media for food consumables and fruits like eggs, oranges, apples, grapes and leechies. This highly versatile packing is tailor made to suit any product and is used extensively in export packing. It is also required as essential packaging and transportation media for domestic consumption items like eggs and grapes.

Manufacturing Process & Sources of Technology

The scrap corrugated papers are fed to a hydro pulper to obtain required consistency of pulp which is then further mixed, homogenised with long fibre pulp procured directly from large scale paper manufacturers. The high consistency pulp thus obtained is fed to a bubble paper moulding press. The moulded paper is then dried in a drier.

1 Name of the Product : **BUBBLE PACKING PAPER**

2 Project Cost :

a Capital Expenditure

Land	:			Own
Workshed in sq.ft	:	800	Rs.	160,000.00
Equipment	:		Rs.	645,000.00
Hydro pulper			110000	
Conical refiner & Pulp thickner			90000	
Moulding press			425000	
Trimming machine			20000	
Total Capital Expenditure			Rs.	805,000.00
b Working Capital			Rs.	700,000.00
TOTAL PROJECT COST :			Rs.	1,505,000.00

3 Estimated Annual Production Capacity:

(Rs. in 000)

Sr.No.	Particulars	Capacity in Quintals	Rate	Total Value
1	Bubble Packing Paper	1280000.00		4685.70
TOTAL		1280000.00	0.00	4685.70

4	Raw Material	:	Rs.	3,300,000.00
5	Lables and Packing Material	:	Rs.	
6	Wages (Skilled & Unskilled)	:	Rs.	831,000.00
7	Salaries	:	Rs.	277,000.00

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8	Administrative Expenses	:	Rs.	30,000.00
9	Overheads	:	Rs.	20,000.00
10	Miscellaneous Expenses	:	Rs.	24,000.00
11	Depreciation	:	Rs.	72,500.00
12	Insurance	:	Rs.	8,050.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	104,650.00
	b. W.C.Loan	:	Rs.	91,000.00
	Total Interest		Rs.	195,650.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	443,700.00
	Variable Cost		Rs.	4,242,000.00
	Requirement of WC per Cycle		Rs.	780,950.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	443.70	266.22	310.59	354.96
2	Variable Cost	4242.00	2545.20	2969.40	3393.60
3	Cost of Production	4685.70	2811.42	3279.99	3324.36
4	Projected Sales	5900.00	3540.00	4130.00	4720.00
5	Gross Surplus	1214.30	728.58	850.01	971.44
6	Expected Net Surplus	1142.00	656.00	778.00	899.00

- 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.