

PROJECT PROFILE ON GARBAGE BAGS AND DUST BINS

Sl No	Description	
1	Product	GARBAGE BAGS AND DUST BINS
2	Quality Standards	Bio degradable Plastic Garbage Bags IS/ISO: 17088:2008 And Plastic Dust Bins with lid IS:ISO:17088-2008
3	Production Capacity per annum	Bio degradable Plastic Garbage Bags : 90,000 Kg Plastic Dust Bins with lid : 1,59,000 pcs/ 10 lit capacity
4	Value	Bio degradable Plastic Garbage's Bags Rs.2,52,00,000
		Plastic Dust Bins with lid Rs.3,18,00,000
		Total Rs. 5,70,00,000
5	Month & Year	June 2020
6	Prepared by	MSME DEVELOPMENT INSTITUTE GOVT. OF INDIA, MINISTRY OF MSME, 65/1, G S T ROAD, GUINDY CHENNAI -600032, TAMILNADU Website: www.msmedi-chennai.gov.in Email: dcdi-chennai@dcmsme.gov.in

1. Introduction

The rise in domestic & international trade and various favorable initiatives by the Indian government have led to the extensive industrialization and growth of several industries, in respect of preventive of COVID-19 For instance, initiatives such as **Make in India** and industry-specific incentives are promoting the growth of various manufacturing companies in the country. In addition, the rapidly expanding middle-class population, rise in disposable incomes, and changing consumer lifestyles have led to a steady rise in the demand for several products including **Garbage bags and dust bins** in the health care industry and domestic fields. And in order to safe disposable of solid waste generated from the hospital and housing sectors these products are most essential and unavoidable.

2. Manufacturing Method :

2.1 . Garbage bags.

Bio Degradable Plastic roll bags are made by heat sealing and cutting rolls of film. Rolls of tubing or sheeting are fed through a machine that draws material out to the proper length. The machine then cycles to place a seal on the material and then cut it off to make an individual bag. In some cases, with small bags, machine cycle speeds may produce up to 70,000 bags per hour. In other instances, a large bag may run as slowly as 2,000 bags per hour.

2.2 . Dust boxes

Plastic dust boxes are manufactured by injection molding methods, , where plastic raw materials melted in the plastic injection moulding machine and then injected into a mold under high pressure. There, the material is cooled, solidified and afterwards released by opening to get final products

3. Energy conservation:

General precautions for saving electricity are followed by the unit by providing energy meter. These products are low energy consumption. Thus considerable energy could be saved during manufacturing activities.

4. Electrical HP Details:

Sl.No	Name of the Machine	No: of M/s	Total HP
1	Plastic injection and blow mould machine	2	15
Total H.P Connected			15

5. Basis and presumption of the project:

- i. The process of manufacture is on the basis of Double shift eight hours per shift with three hundred working days in a year.
- ii. To achieve full plant capacity it requires three month trial production
- iii. Labor and wages mentioned in profile are as per prevailing local rates.
- iv. Interest rate at 12.% considered in the project
- v. Working capital requirements taken only one month recurring expenditure, however it may be taken up to 3 month recurring expenditure
- vi. However the rate of interest may be varying while implementing project.
- vii. The Promoter contribution will be **5%** of the total project cost applicable under the PMEGP Schemes.

6. Fixed Capital:

6.1. Land/Building : 2,000 sq.ft , Rented: Rs. 20,000/ PM

6.2. Machinery and Equipment:

S.no	Descriptions	Nos	Value (Rs)
1	Automatic C Fold Garbage bag making machine capacity to make 70- 140 pcs per minute with two fold	1	9,00,000
2	Semi automatic Injection moulding machine capable of produce	1	15,00,000
3	Semi Automatic Injection moulding machine capable of produce plastic les led	1	7,50,000
4	Air compressor	1	95,000
5	Weighing machine	1	18,000
6	Office furniture's and Computers with printer etc	Ls	2,00,000
	Total		34,45,000
	GET IN 18%		6,20,100
	Total		40,65,100

Total plant & machineries' **Rs. 40,65,100**

7. Recurring expenditure (Per Month):

7.1. Raw Material per Month:

Rs.

S.no	Description	Qty	Rate	Amount
1	Bio Degradable Plastic roll	10.00 MT	300 /Per kg	30,00,000
2	HDPE/ PP	15.00 MT	60/ per kg	9,00,000
	Total Including 18% GST			39,00,000

7.2. Salaries & Wages Per Month:**Rs.**

S.no	Designation	No	Salary	Amount
1	Production Manager	1	15,000	15,000
2	Skilled worker	3	12,000	36,000
3	Un skilled workers	3	8000	24000
	Total	4		75,000

7.3. Utilities per Month:**Rs.**

S.n	Description	Amount
1	Power 15 HP 1958 Units@ Rs7. 00 per Unit	13,707
	Total	13,707

7.4. Other Expenses Per Month:**Rs.**

S.n	Description	Amount
1	Rent	20,000
2	Postage and stationery	1,000
3	Repairs and maintenance	2,000
4	Traveling and transportation	20,000
5	Marketing expenses	6,000
6	Insurance	1,000
	Total	50,000

7.5 Recurring Expenditure Per Month:

$$a + b + c + d = \text{Rs: } 40,38,707/-$$

Recurring expenditure per year: Rs. 4,84,64,484**7.6. Working Capital Assessment**One month recurring expenditure **Rs.40,38,707/-**

8.0. Total Project Cost**Rs**

A.. Plant & Machinery	40,65,100
B. Working capital (Taken for one month Recurring cost)	40,38,707
Total	81,03,807

8.2. Means of Finance

Total Project cost	81,03,807
Promoter contribution 5 %(-)	<u>4,05,190</u>
Total	79,98,617

8.3. Cost of Production Per Annum :**Rs.**

S.n	Description	Amount
1	Total recurring cost	4,84,64,484
2	Interest on total investment @12 %	9,72,456
3	Total Depreciation on Machinery @10 %	4,06,510
	Total	4,98,43,450

8.4. Turnover per annum:

Sl No	Description	Quantity	Value Rs	Total Value Rs
1	Bio degradable Plastic Garbage's Bags	90,000 Kg	280 per kg	2,52,00,000
2	Plastic Dust Bins	1,59,000 pcs	200 per pc	3,18,00,000
Total				5,70,00,000

8.5. Profit Per Annum :

$$\begin{array}{rcl} \text{Turnover} & - & \text{Cost of Production} \\ 5,70,00,000 & - & 4,98,43,450 \\ & = & \mathbf{71,56,550} \end{array}$$

$$\mathbf{8.6 . \% \text{ of profit on sales}} = \frac{\text{Profit/annum X 100}}{\text{Turnover}}$$

$$= \frac{71,56,550 \text{ X } 100}{5,70,00,000}$$

$$= \mathbf{12.55\%}$$

$$\mathbf{8.7 . Rate of Return} = \frac{\text{Profit/annum X 100}}{\text{Total Capital investment}}$$

$$= \frac{71,56,550 \text{ X } 100}{81,03,807}$$

$$= \mathbf{88.31 \%}$$

8.8. Break Even Analysis

(1) Fixed Expenditure per annum: Rs

a	Total Deprecation	4,06,510
b	Interest on Investment	9,72,456
c	Insurance and rent	21,000
d	40%of Salary	3,60,000
e	40% of other Expenditure and Utilities excluding Insurance	2,04,993
	Total	19,64,959

2. Profit per annum = 71,56,550

3. Breakeven Point:

$$\frac{\text{Fixed Exp / annum X 100}}{\text{Fixed Exp / annum + Profit /per annum}}$$

$$\frac{19,64,959 \times 100}{91,21,509} = \mathbf{21.54\%}$$

9. Raw materials Suppliers

Sl No	Name and Address
1	M/s. Airsoft Paper & Hygiene Products No: 13/3, East Street, Neelasandra, Bengaluru -560047
2	M/s. Biogreen Biotech Number 18/2, 7th Main, Kanakapura Main Road, Next To Athithi Grand Hotel, Konakutay Cross, Bengaluru-560062, Karnataka, India
3	M/s. PearlPoly Film Manufacture Dillp Bhansali No.89, First Main Road, Chamraipet, Bengaluru -560018

10 Plant and Machinery Suppliers

Sl No	Name and Address
1	M/s. Krishna Foundry, No: 443, Palakkad Main Road, Kuniyamuthur, Coimbatore-641008,
2	M/s. Vikarant Industries, P.S.Chauhan Plot No: 48, Behind Ramachandran Iol Mill, I.D.A.Kattedan, Katedan Indusial Area , Hyderabad -500077.
3	M/s. Durgalakshmi Impex, Sakkimangalam Road, Andarkottaram, Madurai 625020
4	M/s. Neelam Engineering Works 47, Pushpak Industrial Estate, G.I.D.C., Phase 1, Near Nika Tube Compound, GIDC Vatwa, Ahmedabad-382445,
5	M/s. Neelam Engineering Works 47, Pushpak Industrial Estate, G.I.D.C., Phase 1, Near Nika Tube Compound, GIDC Vatwa, Ahmedabad-382445,
6	M/s. Krishna Foundry, Number- 443, Palakkad Main Road, Kuniyamuthur, Coimbatore-641008