PROJECT PROFILE ON CARD BOARD BOXES MANUFACTURING UNIT

1. INTRODUCTION

The packing material of the items depends on the products nature and its usage. Number of sectors in a box are totally depends upon the nature of that particular product, purpose of the packing, probable expenditure of the packing material etc. In this respect card board boxes are most suitable for various things, like medicines and herbs, cosmetics, shoes, electrical items, glass ware ,sweets, jewellery, chalk boxes, hosiery items and many other daily use products. These boxes are generally made of duplex board ,mill board, grey board, etc. All most all every town /district level there is a requirement for such boxes.

2. MARKET DEMAND

There is good demand of card board boxes in the country. Each and every town in the state requires lakhs of card board boxes for packing of different materials like glass ware, garments, artificial items. Toys , furniture etc. Demand of these boxes at particular place is totally depends upon the activities running in the area. But each and every area has one or other activity, hence demand exist in almost all the places.

3. PRODUCTION TARGETS

Basis of estimation: 300 Working Days in a Year
Single Shift basis
8 hours per shift

	Card Board Boxes
Quantity (Nos)	120000
Value (Rs)	1200000

4. MANUFACTURING PROCESS

The first step in making such boxes is the cutting of cardboard as per the required shape & size and then they are creased as per the design with the help of creasing machine. Then the creased sides/edges are pasted or stapled. After that white paper or coloured paper or a printed label, if there is any ,is glued and then laminated if required.

5. QUALITY CONTROL STANDARDS

Quality of the product must be as per customers demand and provide safety to goods to be pack in it during handling and transit.

6. LAND & BUILDING

1.	Covered area	Sq. Ft.	1000
2.	Uncovered area	Sq. Ft.	500
3.	Total area	Sq. Ft.	1500
4.	Whether constructed or Rented		Rented
5.	If constructed, constructed value	Rs	N.A.
6.	If Rented, Rental value (per month)	Rs	2000

7. MACHINERY AND EQUIPMENT

S.N.	Description	Qty.	Value (Rs.)
1.	Rotary Creasing Machine	1	100000
2.	Paper Cutting Machine	L.S.	
3.	Wire Stitching Machine	L.S.	
4.	Dies & Hand Tools	L.S.	
5.	Sales Tax, Freight & Insurance etc.		10000
	Total		110000

8. RAW MATERIAL (PER MONTH)

S.N.	Particulars	Quantity (Kg)	Value (Rs)
1.	Yellow straw board	2500	30000
2.	White or coloured or printed labels	L.S.	5000
3.	Glue, staple & Other Consumables	L.S.	3000
		Total	38000

9. STAFF & LABOUR (PER MONTH)

S.N.	Particulars	Qty	Rate	Value (Rs)
A	Administrative and Supervisory			
(i)	Manager	1	3000	3000
(ii)	Peon/ Chowkidar	1	2000	2000
B	Technical (Skilled-Unskilled)			
(i)	Skilled Worker	1	3000	3000
(ii)	Unskilled Worker	6	2000	12000
	Sub-Total			20000
	Plus perquisites @ 30% of salaries			6000
	TOTAL			26000

9. OTHER EXPENSES (PER MONTH)

1.	Rent of Land & Building	2000
2.	Electricity Charges	1000
3.	Fuel Exp.	0
4.	Advertisement & Travelling	1000
5.	Transport	2000
6.	Consumable & stores etc.	1000
7.	Potage expenses/ telephones	1000
8.	Stationery	1000
9.	Repairs & Maintenance’s	1000
	Total	10000

10. WORKING CAPITAL (FOR ONE MONTH)

SL.NO.	DESCRIPTION	AMOUNT(RS)
1	Raw material	38000
2	Salaries & Wages	26000
3	Other Expenses	10000
	Total	74000

11. TOTAL CAPITAL INVESTMENT

Building & Other Civil Works	-
Machinery & Equipment	110000
Working capital for one month	74000
Total	184000

12. COST OF PRODUCTION (PER ANNUM)

Total recurring cost per year	888000
Depreciation on machinery & equipment	11000
Interest on total investment @ 10%	18000
Total	917000

13. SALES PROCEEDS (PER ANNUM)

S.N.	Item	Qty (Kg)	Value (Rs.)
1.	Card Board Boxes	120000	1200000
	Total		1200000

14. PROFITABILITY (BEFORE INCOME TAX)

1.	Annual Gross Profit	283000
2.	% of Profit on Sales	23.58%
3.	Break Even Analysis	
3.1	Annual Fixed Cost	432000
3.2	Annual Sales	1200000
3.3	Annual Variable Cost	456000
3.4	Break Even Point	58.06%

Break-Even Analysis

(% of Total Production envisaged)

$$\frac{\text{Annual fixed cost} \times 100}{\text{Annual sales} - \text{Annual variable costs}} = \quad \%$$

15. Manufactures/ Suppliers of Machinery

1	Bombay Machinery & Tools Syndicate 79, Siyaganj, Indore -452 007. Ph.- 536431,542067.
2.	Jitendra Agencies 5, shivsadan, sardar patel marg, Indore.
3.	Indore machinery stores 40, siyaganj, main road, Indore 452 007 Ph. 534339
4.	Huma Traders Infront of shajanabad thana, Shajanabad, Satna(m.p.)
5.	Maruti Sales Corporation Badshah Chamber, 45, Jawahar Marg, Indore (M.P.) 452 004

16. Suppliers of Raw Materials

From Local paper market of the area.

17. IMPLEMENTATION PERIOD

Proposed Project can commence production with in 6-8 weeks after sanction and first disbursement of term loan.

18. ASSUMPTION FOR GENERATING PROJECT PROFITABILITY

1	Number of Working Days in a year	300 Days
2	Number of Shifts in a day	1 One
3	Hours in a Shift	8 hours
4	Plant Capacity	Consider on Average production capacities of plant.
5	Raw material Estimates	Based upon product Mix
6	Raw Material Availability	All districts of MP
7	Depreciation	Straight Line Method
8	Manpower	According to project Requirement
9	Rent estimate	On the basis of current market prize of the area.
10	Potential Area of Marketing the products	Local Industries / Enterprises demand of the area.
11	If project is funded, term loan would be	60-80% of Total investment
12	Moratorium Period	6- 12 months
13	Repayment Period	5-7 years
14	Project may be established under	PMEGP (GOI) / Tribal Self Employment Scheme (NSTFDC) or Rani Durgawati Scheme of MP