

PP DISPOSABLES THERMOFORMING PROJECT

ASSUMPTIONS

- # Sheet line installed capacity is considered 60.00 TPM
- # Scrap generation is considered @ 48% 28.80 TPM
- # Net output can be 31.20 TPM
- # Thermoforming capacity is considered 32.00 TPM
- # This means that there will be slight spare capacity on sheet line
- # Monthly profitability is calculated at full capacity utilization
- # Process loss is considered @ 1% although it will be far less
- # Wastages have not been separately considered, as the same is entirely recycled.
- # Cost of raw material and selling price needs critical evaluation and ELPIE owns no responsibility on this account.
- # Power consumption and other expenditure have been calculated on the basis of industry experience and can not be considered binding or obligatory on ELPIE.

PROJECT PROFITABILITY SUMMARY

Product Disposable Cups & Glasses made of PP

Installed capacity 8 lacs cups / day

Infrastructure required

Built-up area	5000 sq.ft.	Rental	35000
Storage space	10000 sq.ft.	Rental	30000

Plant & machineries	<u>Qty.</u>	<u>Output kg/hr</u>	<u>Installed load kW</u>	<u>Operating load kW</u>	<u>Value Rs.in lacs</u>
1. Sheet line model LPS - 65	1	120	60.00	30.00	33.75
2. Thermoforming machine Model LPT- 670	1	N.A.	63.00	25.20	27.51
3. Thermoforming moulds	2	N.A.	N.A.	N.A.	12.00
4. Air compressor (GA-18) *	1	N.A.	22.00	11.00	3.00
5. Chilling plant (10 Ton) *	1	N.A.	7.50	5.50	3.50
6. Cooling tower for sheet line*	1	N.A.	2.20	1.10	0.50
7. Scrap grinder *	1	150	11.00	5.50	4.50
8. Tools & tackles *	1 Set	N.A.	5.00	2.50	3.00
Total			170.7	80.80	87.76
9. Electrification at Rs.5000 / kW					8.54
10. Margin for working capital					27.33
Total cost of project					123.63

Working capital requirement

Rs.in lacs

Raw material	10	days	21.42
Stock in process	7	days	14.99
Finished goods	10	days	13.57
Receivables	30	days	45.24
Total			91.11
Marging for working capital	30%		27.33

Manpower requirement

Manager	1	15000	0.15
Sheet line operator (1 + 1)	2	8000	0.16
Thermoformer operator (1 + 1)	2	7000	0.14
Helpers for packing	15	2500	0.38
Total			0.825

* Items are not of ELPIE supply hence prices and installed load are only indicative.

MONTHLY PROFITABILITY STATEMENT

			Rs. in lacs
A. Income			
Sale proceeds for container	31.20 MT @ Rs.	160000	49.92
B. Expenditure			43.88
1. Raw material consumption	31.51 MT @ Rs.	105000	33.08
2. Manufacturing expenditure			7.69
- Power cost			2.02
- Manpower			0.825
- Packing cost	8.50 Rs./kg	0.5	1.06
- Premise rental			0.65
- Depreciation			0.93
- Insurance			0.02
- Repairs & maintenance			0.19
- Other Miscellaneous			2.00
3. Selling & Admn. Expenses			1.81
- Manpower			0.90
- Advertising			0.45
- Communication			0.45
4. Finance costs			1.30
- Interest @ 13% p.a. on bank borrowing (75%) towards capital expenditure			0.61
- Interest on bank borrowing towards working capital			0.69
Net monthly profit			6.04

FINANCIAL INDICATORS - Payback period

20 Months