

**Commissioner of Industries  
Hyderabad  
Andhra Pradesh**

**Corrugated PP(Polypropylene) Boxes**

**1. Nature Of The Product & Its Applications**

Reusing the packaging material wherever possible and for long cycles of repetition, using recyclable packaging and using bio-degradable packaging has become the needs of the day as a measure of energy saving methods. Of the total production of plastics in India, 15% is being used for packaging. Areas like breweries, glassware, pharmaceuticals, ophthalmic lenses, etc use corrugated PP boxes for reusability.

**2. Market Potential**

Advent of technology has widened the scope of service for PP boxes. In addition to the areas mentioned above, confectionery, photography, electronic goods, etc too are switching for these comparatively sturdier PP boxes for packing of their products.

**3. Installed Capacity**

Installed Capacity	:	700 TPA
No. of working days	:	300 per annum
Optimal Capacity Utilisation	:	80%

**4. Availability Of Raw Materials**

Polypropylene granules, glue, stitching wire/staple, etc are the major raw materials required. All are available indigenously.

**5. Technology/Manufacturing Process**

Longitudinal cutting, greasing, slotting and corner cutting and stitching operations are the major steps involved. Indigenous technology is available.

**6. Plant & Machinery**

Five of the major machinery required are :

Rotary cutting machine  
Greasing machine  
Eccentric slotter machine  
Stitching machine  
Stapler  
All machines can be fabricated/procured indigenously.

**7. Location**

Unit should be located near raw material producing area.  
A plastic processing zone in any industrial area is suitable for the same.

**8. Infrastructure**

Manpower : 28  
 Power : 150 HP  
 Water : 5 KL/day

#### 9. Cost of The Project & Means of Finance

Rs. in lakhs	
Land & Buildings	17.75
Plant & Machinery	269.50
Other Fixed Assets	30.00
Testing Equipments	2.00
POP Expenses	9.25
Working Capital Margin	11.09
Deposits	0.25
<b>Total</b>	<b>339.84</b>
Promoters' Equity	126.15
Term loans	213.69

#### 10. Annual Operating Expenses (At 80% capacity utilisation)

Rs. in lakhs	
Raw materials	159.38
Consumables	8.40
Utilities	14.70
Packing material	4.94
Repairs, etc	5.41
Wages	4.68
Working Capital interest	7.62
<b>The total variable expenses</b>	<b>14.32</b>
Depreciation	1.12
Admn. Salaries	15.84
Admn. Expenss	29.65
Interest	29.65
POP Expenses	0.93

Sales Revenue = Rs-329.28 lakhs  
 BEP at 80% Capacity Utilisation = 49.82%  
 BEP at Installed Capacity = 39.86%  
 Profit after tax = Rs.50.11 lakhs (3rd year)

#### 11. Machinery Manufacturers

1. M/s. Vulcan Laval Ltd.,  
 7A, Sir P.M. Road,  
 Mumbai - 1.

2. M/s. Printpack Machinery Ltd.,  
Link Road, Faridabad

3. M/s. G.R. Polypapers P. Ltd.  
2E, Miniland Tank Road,  
Mumbai - 78