

PLASTIC FOLDERS

I. INTRODUCTION:

In handling books and records, proper care is required. In the educational institutions, government offices, banks and other organisations where books and records are used in large numbers, usually people prefer to preserve them in plastic folders of different forms and sizes. These plastic folders not only protect the books and other records from dust and rain, but also give them a neat appearance.

II. MARKET POTENTIAL

There is a good demand for plastic folders with the increase of educational institutions, banks, financial institutions and other organisations. Some of the commercial organisations, corporations, public undertakings use plastic folders to capsule their publicity information and other informative material. As a result, special orders are also being placed by commercial and other organisations with the manufacturers for different types and sizes of plastic folders. Consequently, the demand for plastic folders is of high order. The bookshops and fancy stores that are located in urban and semi-urban areas have become potential market outlets for these plastic folders.

III. BASIS AND PRESUMPTIONS:

Working hours per day 8 hours

Working days in a year 300 days

IV. IMPLEMENTATION SCHEDULE:

The unit can be set up in one month

V. TECHNICAL ASPECTS:

1.Process of Manufacturing :

PVC sheets and U shaped profiles are used as raw materials in the manufacture of plastic folders. The PVC sheets of different size and thickness are available in the form of rolls. These rolls are cut into sheets of different sizes as per the requirement with the help of a plastic welding machine. These PVC sheets are then attached with PVC U shaped profiles, as per the requirement of the size and dimensions of the folders.

2. Quality Specification

As per customer's choice

3.Production Capacity per annum

Production capacity 66000 nos.

Capacity utilisation 60%

Annual production 39600 nos.

VI. TOTAL CAPITAL INVESTMENTS

S.No	Description	Value Rs.
1	Fixed Capital	62000
2	Working capital	41483
	Total cost	103483

VII. MEANS OF FINANCE

1.Promoter's Contribution (5% of total cost)	5174
2.PMRY subsidy (15% of total cost or Rs.7500,whichever is less)	7500
3.Bank loan[total cost-(Promoter's Contribution+ PMRY subsidy)	90809

VIII. FINANCIAL ASPECTS

1. FIXED CAPITAL

i) **Land & Buildings** : Rented premises of 500 sft. at rent of Rs.2000 pm.

ii) **Machinery & Equipment**

S.No	Description	Quantity	Value Rs.
1	Plastic welding machine-100 watts	1 no.	50000
2	Screen Printing equipment	1 no.	5000
3	Misc. fixed assets		5000
4	Pre-operative expenses		2000
	Total		62000

2. WORKING CAPITAL

i) Staff & Labour per month

S.No	Designation	No	@ Rs.	Value Rs.
1	Manager	1	4000	4000
2	Skilled worker	1	2100	2100
3	Unskilled worker	3	1600	4800
	Total			10900

ii) Raw Material (p.m.)

S.No	Description	Quantity	Value Rs.
1	PVC sheets: 0.20mm (thickness)	50 meter roll	20313
	0.175mm(thickness)	60 meter roll	
2	PVC Tubes 0.12 mm	8 kg	6770
	0.15 mm	9.5 kg	
	Total		27083

iii. Utilities per month

S.No.	Description	Value Rs.
1	Power	250
2	Water	100
	Total	350

iv. Other expenses per month

S.No	Description	Value Rs.
1	Maintenance	250
2	Transport for goods	400
3	Conveyance, stationery, postage, telephone	500
	Total	1150

v. Total working capital per month

S.No	Description	Value Rs.,
1	Rent	2000
2	Staff and labour	10900
3	Raw materials	27083
4	Utilities	350
5	Other expenses.	1150
	Total	41483

IX. COST OF PRODUCTION PER ANNUM

S.No	Description	Value Rs.
1	Total working capital	497796
2	Depreciation	5500
3	Interest	15522
	Total	518818

X. TURNOVER PER YEAR

S.No	Item	Quantity	Rate Rs.	Value Rs.
1	Plastic Folder	39600 kg.	15	594000
	Total			594000

XI. FIXED COST PER YEAR

S.No	Description	Value Rs.
1	Depreciation	5500
2	Interest	15522
3	Rent	24000
4	40% of salaries & wages	52320
5	40% of other expenses (utilities + OE)	7200
	Total	104542

XII. PROFIT ANALYSIS

Net Profit : sale-total cost=594000-518818 =75182

% of Profit on Sale: Profit / Sale x100=75182/594000]100=12.66%

% of Return on Investment: Profit / (Investment) x 100=75182/103483]100=72.65%

Break-Even Analysis : FC / (FC+Profit) x100=104542/104542+75182]100=58.17%

XIII. MACHINERY SUPPLIERS and RAW MATERIAL SUPPLIERS

Locally available