

## CORRUGATED BOXES

### 1. INTRODUCTION

Corrugated paper board containers are extensively used in the packaging of industrial as well as consumer goods. Major products like crockery, automobile components, glassware, pharmaceuticals, soaps and cosmetics, biscuits etc require proper packing and with the growth of these industries, demand for corrugated boxes is encouraging.

### 2. MARKET

Due to the advantages like light weight, ease in fabrication and good preferability as per the requirement of end users, the demand of corrugated boxes is encouraging. The demand for corrugated boxes is growing mainly where there is scope for packing tamarind cakes and other processed products.

### 3. MANUFACTURING PROCESS

The process of manufacture of boxes is 1) Longitudinal cutting 2) Greasing and 3) Slotting and stitching

### 4. PRODUCTION CAPACITY PER ANNUM

Capacity

240000 Nos per annum

Selling Price

Rs. 7 per  
number

### 5. PROJECT COST/CAPITAL INVESTMENT

S.No	Description	Amount Rs.
1	Preliminary & Preoperative Expns	25000
2	Fixed Capital	510000
3	Working Capital for 2 month(s)	217600
	Total Project Cost	752600

### 6. MEANS OF FINANCE

S.No	Description	%age	Amount Rs.
1	Promoter Contribution	15%	112890
2	Subsidy	20%	150520
3	Term Loan	65%	489190
	Total		752600

## 7. FINANCIAL ASPECTS

## A. FIXED CAPITAL

i. Land and Buildings Rented 2500 per month

## ii. Machinery and Equipment

S.No	Description	Qty.	Rate	Amount Rs.
1	Corrugated machine	1	270000	270000
2	Cutting machine	1	240000	240000
	Total			510000

## B. WORKING CAPITAL

## i. Salaries &amp; Wages (per month)

S.No	Description	Nos.	Sal/mon.	Amount Rs.
1	Manager/Entrepreneur	1	3000	3000
2	Skilled Labour	2	2000	4000
3	Helpers	3	1500	4500
4	Clerks	1	2000	2000
	Total			13500

## ii. Raw Material (per month)

S.No	Description	Unit	Qty.	Rate	Amount Rs.
1	Kraft paper	Kgs	20000	4.25	85000
					0
	Total				85000

## iii. Utilities (per month)

S.No	Description	Unit	Amount Rs.
1	Power	LS	1000
2	Water	LS	300
	Total		1300

## iv. Other Expenses (per month)

S.No	Description	Amount Rs.
1	Postate & Stationery Expenses	1000
2	Transportation Expenses	1000
3	Advertisement Expenses	1000
4	Consumable Stores	2000
5	Repairs and maintenance	500
6	Miscellaneous Expenses	1000
	Total	6500

## v. Total Working Capital (per month)

S.No	Description	Amount Rs.
1	Rent	2500
2	Salaries and Wages	13500
3	Raw Material	85000
4	Utilities	1300
5	Other Expenses	6500
	Total	108800

## 8. COST OF PRODUCTION (PER ANNUM)

S.No	Description	Amount Rs.
1	Total Working Capital	1305600
2	Depreciation @ 15%	76500
3	Interest @ 12%	58703
	Total	1440803

## 9. TURNOVER (PER YEAR)

S.No	Description	Unit	Qty.	Rate Rs.	Amount Rs.
1		Nos per annu	240000	7	1680000
	Total				1680000

## 10. FIXED COST (PER YEAR)

S.No	Description	Amount Rs.
1	Depreciation	76500
2	Interest	58703
3	Rent	30000
4	Salaries & Wages @ 40%	64800
5	Other Expenses incl. Utilities @ 40%	37440
	Total	267443

## 11. PROFIT ANALYSIS &amp; RATIOS

1	Net Profit	Rs.	239197
2	Percentage of Profit on Sales		14%
3	Percentage of Return on Investment		32%
4	Break Even Point		53%