

KVIC- REGP-Gramodyog Rojgar Yojana

Project Profile on Wax Coated Paper

Introduction

Wax coated papers are widely employed as wrapping material for a number of products such as bread, biscuits, butter, cigarettes, bidis etc. Wax paper is also used for water proofing of tools and bits and several other items. Wax paper can be printed attractively in any colour of choice, offer an excellent advertising value, identification and individuality. **Raw Material Required** : Paper, white kraft etc, paraffin wax and miscellaneous items. The demand of wax coated paper is increasing with the increasing production of bread, biscuits, butter etc. industries. So there is ample scope for wax coated paper industry in India.

Process of Manufacture: Paper rolls are first printed on flexo printing machine. This is then waxed in a waxing machine. The waxed paper roll is fed to a slitting machine which slits it according to the size. This is further cut and made according to the sizes on a shearing machine.

1 **Name of the Product :** Wax Coated Paper

2 **Project Cost :**

a Capital Expenditure

Land : Own

Workshet sq.mtrs : Rs.

Equipment : Rs. 250,000.00

Two color flexo printing machine, Waxing machine, Testing equipments etc.

Total Capital Expenditure Rs. 250,000.00

b Working Capital Rs. 696,000.00

TOTAL PROJECT COST : Rs. 946,000.00

3 **Estimated Annual Production Capacity:**

(Rs. in 000)

Sr.No.	Particulars	Capacity in tons	Rate	Total Value
1	Wax Coated Paper			2899.00
TOTAL		0.00	0.00	2899.00

4 **Raw Material** : Rs. 2,400,000.00

5 **Labels and Packing Material** : Rs. 35,000.00

6 **Wages (Skilled & Unskilled)** : Rs. 200,000.00

7 **Salaries** : Rs. 64,000.00

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8	Administrative Expenses	:	Rs.	25,000.00
9	Overheads	:	Rs.	25,000.00
10	Miscellaneous Expenses	:	Rs.	25,000.00
11	Depreciation	:	Rs.	25,000.00
12	Insurance	:	Rs.	2,500.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	32,500.00
	b. W.C.Loan	:	Rs.	90,480.00
	Total Interest		Rs.	122,980.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	149,000.00
	Variable Cost		Rs.	2,750,480.00
	Requirement of WC per Cycle		Rs.	483,247.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	149.00	89.40	104.30	119.20
2	Variable Cost	2750.00	1650.00	1925.00	2200.00
3	Cost of Production	2899.00	1739.40	2029.30	2044.20
4	Projected Sales	3250.00	1950.00	2275.00	2600.00
5	Gross Surplus	351.00	210.60	245.70	280.80
6	Expected Net Surplus	326.00	186.00	221.00	256.00

- Note :
1. All figures mentioned above are only indicative.
 2. If the investment on Building is replaced by Rental then
 - a. Total Cost of Project will be reduced.
 - b. Profitability will be increased.
 - c. Interest on C.E.will be reduced.