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## PROJECT REPORT

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**PROJECT:**

Plastic recycling unit(PET Bottle Unit)

**PROJECT REPORT**

**Of**

**PET BOTTLE RECYCLING**

**PURPOSE OF THE DOCUMENT**

This particular pre-feasibility is regarding Plastic recycling unit(PET Bottle Unit)

The objective of the pre-feasibility report is primarily to facilitate potential entrepreneurs in project identification for investment and in order to serve his objective; the document covers various aspects of the project concept development, start-up, marketing, finance and management.

[We can modify the project capacity and project cost as per your requirement. We can also prepare project report on any subject as per your requirement.]



## **‘Plastic Recycling Unit(rPET Bottle)’**

### **Executive Summary**

PET-bottles more and more replace glass bottles in the beverage and food sector. The success of PET in comparison to glass is based on several economic (and environmental) advantages. On the one hand, the production of PET is less expensive and energy consuming than the production of glass. Secondly, the light weight of the PET-bottle makes it easier for merchants and consumers to handle the bottles and crates. It saves energy during transport, particularly on long distance haulage. Finally, PET offers more or less the same material properties as glass regarding hygiene, taste and gas impermeability. The consumption of bottled water has been increased very much in the past few years. Plastics are significant and make a positive contribution with regards to packaging in various ways. By sorting and processing plastic packaging that is found in predominantly homogeneous streams, the value and market availability is maximized for the collected plastic packaging industry. Plastic bottles, plastic tubs, and plastic bags all have the potential to be recycled. One of the fastest growing types of collected plastic materials for recycling is polyethylene terephthalate ("PET") from post-consumer beverage and water bottles. For beverages and other juices, plastic bottles

are used more preferably. The growing utilization of plastics in industrial and consumer applications, combined with increased consumer awareness surrounding solid waste recycling, has led to an increased demand for recycled plastic resins and products. One of the fastest growing types of collected plastic materials for recycling is polyethylene terephthalate ("PET") from post-consumer beverage and water bottles. Replay Plastics will capitalize on the opportunities in the recycled resin.

### **Market Potential**

Polyethylene terephthalate or PET (also known as PETE) is one of the most common types of plastic. Most single-serve plastic bottles, including those for water, soft drinks and juices, are made with PET. PET recycling is the process of reprocessing plastic that already has been used before and giving it some new reusable form. For instance, this could mean melting down soft drink bottles and then casting them as plastic chairs and tables.

Recycling of PET bottles has grown to become an Rs 3,500-crore industry and nearly 70 per cent of PET waste is reprocessed in the country and growing at an annual growth rate of 29.9%. Nearly 70% of polyethylene terephthalate bottles are recycled in India, and the market is worth an estimated to be Rs. 3,000- 4,000 crore per year. India is expected to grow at a CAGR of 10.19% during the period 2018-2022. Entrepreneurs who invest in this project will be successful.

**PROJECTED BALANCE SHEET**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>SOURCES OF FUND</u></b>					
Capital Account	3.66	3.66	3.66	3.66	3.66
Retained Profit	4.44	10.39	21.52	39.42	64.11
Term Loan	20.41	15.33	10.25	5.17	-
Cash Credit	10.00	10.00	10.00	10.00	10.00
Sundry Creditors	3.93	6.09	7.83	9.85	12.20
Provisions & Other Liab	0.50	0.60	0.66	0.73	0.80
<b>TOTAL :</b>	<b>42.94</b>	<b>46.07</b>	<b>53.92</b>	<b>68.83</b>	<b>90.77</b>
<b><u>APPLICATION OF FUND</u></b>					
<b>Fixed Assets ( Gross)</b>	25.50	25.50	25.50	25.50	25.50
Gross Dep.	3.53	6.62	9.26	11.53	13.48
Net Fixed Assets	21.98	18.89	16.24	13.97	12.02
<b>Current Assets</b>					
Sundry Debtors	10.21	12.06	16.15	20.32	25.16
Stock in Hand	8.68	11.45	14.70	18.48	22.86
Cash and Bank	0.08	1.47	4.42	13.40	27.80
Other Current Assets	2.00	2.20	2.42	2.66	2.93
<b>TOTAL :</b>	<b>42.94</b>	<b>46.07</b>	<b>53.92</b>	<b>68.83</b>	<b>90.77</b>

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**PROJECTED PROFITABILITY STATEMENT**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>A) SALES</u></b>					
Gross Sale	109.44	150.80	193.75	243.80	301.91
<b>Total (A)</b>	<b>109.44</b>	<b>150.80</b>	<b>193.75</b>	<b>243.80</b>	<b>301.91</b>
<b><u>B) COST OF SALES</u></b>					
Raw Material Consumed	73.72	101.58	130.52	164.22	203.37
Electricity Expenses	7.39	8.86	10.34	11.82	13.29
Repair & Maintenance	2.19	3.02	3.88	4.88	6.04
Labour & Wages	5.76	6.34	6.97	7.67	8.43
Depreciation	3.53	3.09	2.65	2.27	1.95
Other Direct Expenses	1.97	2.71	3.49	4.39	5.43
<b>Cost of Production</b>	<b>94.55</b>	<b>125.60</b>	<b>157.83</b>	<b>195.24</b>	<b>238.51</b>
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>5.18</b>	<b>6.84</b>	<b>8.78</b>	<b>11.04</b>
<b>Less: Closing Stock /WIP</b>	<b>5.18</b>	<b>6.84</b>	<b>8.78</b>	<b>11.04</b>	<b>13.66</b>
<b>Cost of Sales (B)</b>	<b>89.37</b>	<b>123.94</b>	<b>155.90</b>	<b>192.98</b>	<b>235.89</b>
<b>C) GROSS PROFIT (A-B)</b>	<b>20.07</b>	<b>26.86</b>	<b>37.86</b>	<b>50.81</b>	<b>66.02</b>
	<b>18%</b>	<b>18%</b>	<b>20%</b>	<b>21%</b>	<b>22%</b>
D) Bank Interest (Term Loan )	1.86	2.04	1.48	0.92	0.36
Bank Interest ( C.C. Limit )	1.10	1.10	1.10	1.10	1.10
E) Salary to Staff	4.08	4.49	4.94	5.43	5.97
F) Selling & Adm Expenses Exp.	7.11	11.31	15.50	19.50	25.66
<b>TOTAL (D+E)</b>	<b>14.15</b>	<b>18.93</b>	<b>23.01</b>	<b>26.95</b>	<b>33.10</b>
<b>H) NET PROFIT</b>	<b>5.92</b>	<b>7.93</b>	<b>14.85</b>	<b>23.86</b>	<b>32.92</b>
I) Taxation	1.48	1.98	3.71	5.97	8.23
<b>J) PROFIT (After Tax)</b>	<b>4.44</b>	<b>5.94</b>	<b>11.13</b>	<b>17.90</b>	<b>24.69</b>
<b>K) DEPRECIATION</b>	<b>3.53</b>	<b>3.09</b>	<b>2.65</b>	<b>2.27</b>	<b>1.95</b>
<b>L) CASH ACCRUAL</b>	<b>7.97</b>	<b>9.03</b>	<b>13.78</b>	<b>20.17</b>	<b>26.64</b>

**PROJECTED CASH FLOW STATEMENT**

<b>PARTICULARS</b>	<b>IST YEAR</b>	<b>IIND YEAR</b>	<b>IIIRD YEAR</b>	<b>IVTH YEAR</b>	<b>VTH YEAR</b>
<b><u>SOURCES OF FUND</u></b>					
Share Capital	3.66	-			
Reserve & Surplus	5.92	7.93	14.85	23.86	32.92
Depriciation & Exp. W/off	3.53	3.09	2.65	2.27	1.95
Increase in Cash Credit	10.00	-	-	-	-
Increase In Term Loan	22.95	-	-	-	-
Increase in Creditors	3.93	2.16	1.74	2.02	2.35
Increase in Provisions	0.50	0.10	0.06	0.07	0.07
<b>TOTAL :</b>	<b>50.49</b>	<b>13.28</b>	<b>19.29</b>	<b>28.22</b>	<b>37.29</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	25.50	-	-	-	-
Increase in Stock	8.68	2.78	3.24	3.78	4.39
Increase in Debtors	10.21	1.85	4.08	4.17	4.84
Increase in Other Current Assets	2.00	0.20	0.22	0.24	0.27
Repayment of Term Loan	2.54	5.08	5.08	5.08	5.17
Taxation	1.48	1.98	3.71	5.97	8.23
<b>TOTAL :</b>	<b>50.41</b>	<b>11.89</b>	<b>16.34</b>	<b>19.24</b>	<b>22.90</b>
Opening Cash & Bank Balance	-	0.08	1.47	4.42	13.40
Add : Surplus	0.08	1.39	2.95	8.98	14.39
<b>Closing Cash &amp; Bank Balance</b>	<b>0.08</b>	<b>1.47</b>	<b>4.42</b>	<b>13.40</b>	<b>27.80</b>

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