# *PROJECT PROFILE ON TISSUE PAPER*

| Sl No | Description | |
|---|---|---|
| 1 | Product | **Tissue Papers (Conversion)** |
| 2 | Quality Standards | ISISO 12625-1:2019(en) 12625-1 Tissue paper and tissue paper products |
| 3 | Production Capacity per annum | 42 Mt |
| 4 | Value | Rs. 43,51,200 |
| 5 | Month & Year | June 2020 |
| 6 | Prepared by | **MSME DEVELOPMENT INSTITUTE GOVT. OF INDIA, MINISTRY OF MSME, 65/1, G S T ROAD, GUINDY CHENNAI -600032, TAMILNADU Website: www.msmedi-chennai.gov.in Email: dcdi-chennai@dcmsme.gov.in** |

## 1.0. Introduction

Tissue paper is a lightweight paper or, light crepe paper. Tissue can be made both from virgin and recycled paper pulp. Key properties are strength, absorbency, basis weight, thickness, brightness, stretch, appearance and comfort.

### 1.1 Types of Tissue papers

Toilet paper, Wipes, Kitchen towels, Handkerchiefs, Facial tissue, House hold towels, Napkins.

Tissue papers are made of- one or several plies, each ply of one or several layers, manufactured as sheets or rolls, folded or unfolded, embossed or un embossed with or without lamination, printed or unprinted.

### 1.3. Raw Material specification:

| Sl no | Products | Specification |
|---|---|---|
| 1 | Facial tissue | 12.5 to 13 & 14 GSM |
| 2 | Toilet Tissue | 14 to 22 GSM |
| 3 | Napkin | 15 to 24 GSM |
| 4 | Towel Grade | 19 to 42 GSM |

## 2.1. Manufacturing Method

Tissue paper are manufactured by using automatic conversion machine. Paper rolls are obtained from the paper mill feed into the machine to get required sizes .The Standard sizes are 9X9, 11X11and 12X12.And one machine only one sizes may be possible to manufacture/convert. And online printing also be done by using flexo printing device.

## 2.2. Flow chart for the Manufacture of Tissue Paper

**Raw material slitting**

**Printing**

**Embossing**,

**Folding**,

**Counting**

**Packing**

***3. Energy Conservation:***

General precautions for saving electricity are followed by the unit by providing energy meter. These products are low energy consumption. Thus considerable energy could be saved during manufacturing activities.

**4. Electrical HP Details**:

| Sl.NoNo | Name of the Machine | No: of m/s | H.P Connected |
|---|---|---|---|
| 1 | Automatic Tissue paper making Machine | 1 | 5 |
| | Total H.P Connected | | 5 |

**5. Basis and presumption of the project:**

i. The process of manufacture is on the basis of Double shift eight hours per shift with three hundred working days in a year.
ii. To achieve full plant capacity it requires three month trial production
iii. Labor and wages mentioned in profile are as per prevailing local rates.
iv. Interest rate at 12.5% considered in the project
v. However the rate of interest may be varying while implementing project.
vi. Working capital requirements taken only one month recurring expenditure, however it may be taken up to 3 month recurring expenditure
vii. The Promoter contribution will be **5**% of the total project cost applicable under the PMEGP Schemes. (Special category)

**6. Fixed Capital:**

**6.1 Land & Building:** Rented: 1,000.Sq.ft

**6.2. Machinery and Equipment:** **Rs**

| S.no | Descriptions | Nos | Value |
|---|---|---|---|
| 1 | Automatic Tissue Paper converting machine : | 1 | 6,10,000 |
| 2 | Weighing machine | 1 | 12,000 |
| | Total | | 6,22,000 |
| | GET IN 18% | | 1,11,960 |
| | Total | | **7,33,960** |

**6.3. Total plant & machineries Rs. 7,33,960**

**7. Recurring expenditure (Per Month)**

**7.1. Raw Material per Month:** **Rs.**

| **S.n** | **Description** | **Qty** | **Rate** | **Amount** |
|---|---|---|---|---|
| 1 | Tissue Paper Roll including GST @ 18 % | 3.50 MT | 60,000/ | 2,10,000 |
| 2 | **Packing materials**:<br>a)Corrugated boxes<br>b) P.P. Covers | <br>150 Nos<br>50,000 Nos | <br>60 /<br>0.20/ | <br>9,000<br>10,000 |
| | | | **Total** | **2,29,000** |

7.2. **Salaries & Wages Per Month:** Rs.

| S.no | Designation | No | Salary | Amount |
|---|---|---|---|---|
| 1 | Production Manager | 1 | 15,000 | 15,000 |
| 2 | Skilled worker | 1 | 10,000 | 10,000 |
| 3 | Un skilled workers | 1 | 7,500 | 7,500 |
| | **Total** | **4** | | **32,500** |

**7.3. Utilities per Month:** **Rs**.

| S.n | Description | Amount |
|---|---|---|
| 1 | Power 5HP 2,238 Units@ Rs.6.80 per Unit | 15,218 |
| | **Total** | **15,218** |

**7.4. Other Expenses Per Month:** **Rs.**

| S.n | Description | Amount |
|---|---|---|
| **1** | Rent | 10,000 |
| 1 | Postage and stationery | 1,000 |
| 2 | Repairs and maintenance | 2,000 |
| 3 | Traveling and transportation | 10,000 |
| 4 | Insurance | 500 |
| | **Total** | **23,500** |

**7.5** Recurring expenditure per month:

a + b + c + d = Rs: 3,00,218/-

**7.6**. Recurring expenditure per year: Rs.36,02,616/

**7.6. Working Capital Requirements:**

Recurring Expenditure for one month Rs . 3,00,218/

| **8.1 Total Project Cost** | **Rs.** |
|---|---|
| b. Plant & Machinery | 7,33,960 |
| c. Working capital | 3,00,218 |
| **Total** | **10,34,178** |

**8.2 Means of Finance**

| | | |
|---|---|---|
| Total Project cost | | 10,34,178 |
| Promoter contribution 5 %(-) | | 51,709 |
| | **Total** | **9,82,469** |

**8.3. Cost of Production Per Annum :** **Rs**.

| S.n | Description | Amount |
|---|---|---|
| 1 | Total recurring cost | 36,02,616 |
| 2 | Interest on total investment @12..5 % | 1,29,272 |
| 3 | Total Depreciation on Machinery @10 % | 73,396 |
| | **TOTAL** | **38,05,284** |

**8.4. Turnover Per Annum: Total production 42 MT**

One year production: 42 MT
And total 5.88 pockets, selling price @ Rs. 7.40 / per pocket
**Total Selling value: Rs.43,51,200/.**

**8.5. Profit Per Annum** : Rs

Turnover - Cost of Production

= 43,51,200 - 38,05,284

= **5,45,916**

**8.6 % of profit on sales** = $\frac{\text{Profit/annum X 100}}{\text{Turnover}}$

= $\frac{5,45,916 \text{ X } 100}{43,51,200}$

= **12.54%**

**8.7 Rate of Return** = Profit/annum X 100

Total Capital investment

= 5,45,916 X 100

10,34,178

= **52.78 %**

## 8.8. Break Even Analysis

(1)Fixed Expenditure per annum : Rs

| | | |
|---|---|---|
| a | Total Deprecation | 36,698 |
| b | Interest on Investment | 1,25,000 |
| c | Insurance | 2,400 |
| d | 40%of Salary | 1,56,000 |
| e | 40% of other Expenditure and Utilities excluding Insurance | 1,83,446 |
| | Total | **5,03,544** |

2.Profit per annum = **5,45,916**

**3.Break even Point:**

Fixed Exp /annum X 100

---

Fixed Exp /annum + Profit /per annum

5,03,544 X100

10,49,460 = **47.98.%**

## 9. Raw materials Suppliers

| Sl No | Name and Address |
|---|---|
| 1 | M/s. Tamilnadu News Print and Paper Ltd<br>Kagithapuram,<br>Karur Dt: 639136 |
| 2 | M/s. The West Coast PaperMill<br>23/1, Kanakasri Nagar,Catedral Road, Teynampet-<br>Chennai- 600086 |
| 3 | M/s. Amaravathi Sri Venkatesa Ppaer Mills Ltd<br>Palani Road, Swaminathapuram<br>Udumalaipet<br>Tripur Dt: 624113 |

## 10 .Plant and Machinery Suppliers

| Sl No | Name and Address |
|---|---|
| 1 | M/s. Bharath Machine<br>No.688, Sangam Marble Compound<br>SIDCO Industrial Estate , Puddukottalmi<br>Tamilnadu: 622004 |
| 2 | M/s Upliftoo Green Caaar Products<br>No: : 212/3 ,Gerugambakkam,<br>Chennai 600122 |
| 3 | M/s. Universal Machine<br>No. 6, DSIDC Complex, Okhla Industrial Area<br>Phase 1, New Delhi-110020, Delhi, India |
| 4 | M/s. Hi-Tech Machinery<br>Site 2/187, Vikaspuri, Near Main Market,<br>Delhi-110018, India |