

**DETAILED PROJECT REPORT**

**FOR**

**Proposed Beverage Can Manufacturing Plant  
OF  
Ceylon Beverage Can Private Limited**

**Proposed Unit: MIDC, SUPA PARNER  
AHILYANAGAR (FORMERLY KNOWN AS  
AHMEDNAGAR), MAHARASHTRA**

*Shankar*

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## Project Report for New Unit at Supa MIDC

### 1. Executive Summary

Sr. No.	Particulars	Details	
1.	Name	Ceylon Beverage Can Private Limited	
2.	Constitution	Private Limited Company	
3.	Registered Address	28, 5th Main Road, RA Puram, Chennai, Tamil Nadu 600028 <b>Proposed New Unit Address:</b> Supa Industrial Park, Taluka Parner, District Ahmednagar – 414301	
4.	Date of Incorporation	11 January 2023	
5.	Company Identification Number	U15549TN2023PTC158199	
4.	Shareholders and Executive Directors	<b>Shareholders</b>	
		<b>Shareholding Pattern</b>	
		Mr. Muthiah Sasidaran	1%
		Mr. Muthiah Muralitharan	1%
		Mr. Sathiyamurthy Chandramohan	15%
		Ceylon Beverage Can L.L.C. – FZ	83%
	Total	100%	
5.	Industry	Beverage Can and End manufacturing	
6.	Proposed Set up	Proposed land area: 1,40,000 square meters (Approximately)	
7.	Proposed employment	The project is expected to provide employment to about 1060 people as per below: Skilled : 350 Unskilled : 50	

		Supervisory : 50	
8.	Products Manufactured	1. Beverage Cans 2. Ends	
9.	Cost of Project	<b>Particulars</b>	<b>INR in Crores</b>
		Land & Land Development	33.76
		Building	149.77
		Plant and Machinery	1,346.62
		Other Assets	105.91
		<b>Total</b>	<b>1,636.05</b>

## 2. Introduction

Ceylon Beverage Can (CBG) is part of a 25-year-old group of companies involved in the manufacturing of empty cans & ends, PET preforms, PET bottles, biscuits, drinks, snacks etc. Within the group, CBC-SL manufactures empty aluminium cans & ends, PET preforms and bottles in Sri Lanka and has 10 years of expertise in the industry. Ceylon Beverage International - SL is a sister company of CBC. They are present in the allied business of beverage filling. Both the entities have marquee global customers such as Coca Cola, Pepsi, Carlsberg etc. and are led by promoters who are business veterans and well regarded in the industry.

Ceylon Beverage Can (Pvt) Ltd – Sri Lanka was incorporated in 2014 and specializes in manufacturing 2-piece aluminium cans & ends for the local & international markets. It is also the largest PET preforms and bottles manufacturer in Sri Lanka and achieved revenues of USD 71.8 Mn in FY23. With a wide product range, the company serves the beverage filling industry for Carbonated Soft Drinks, alcoholic beverages, dairy products, fruit juices, carbonated water and non-alcoholic malt beverages. The plant in Sri Lanka is equipped with the latest machinery & quality gauges and has the capacity of producing 800 million cans and 2 billion ends per year.

Ceylon Beverage International is another group entity which focuses on the beverage filling business. They were incorporated in 2016 in Colombo, Sri Lanka and have reached revenues of USD 23.2 Mn in FY23.

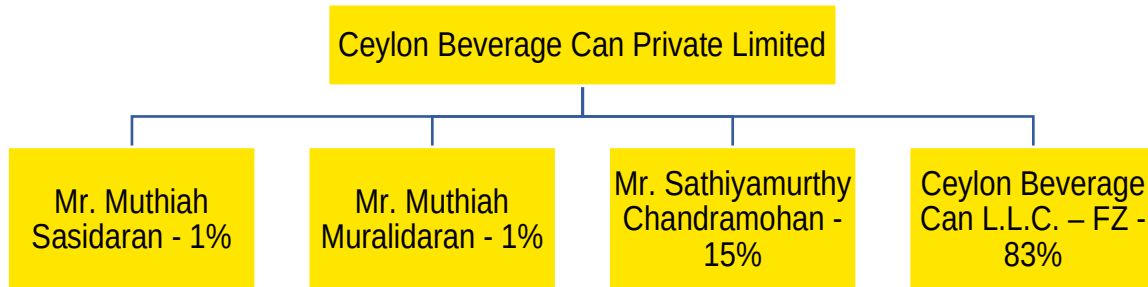
### 3. Promoter's Profile

#### A. Promoter background

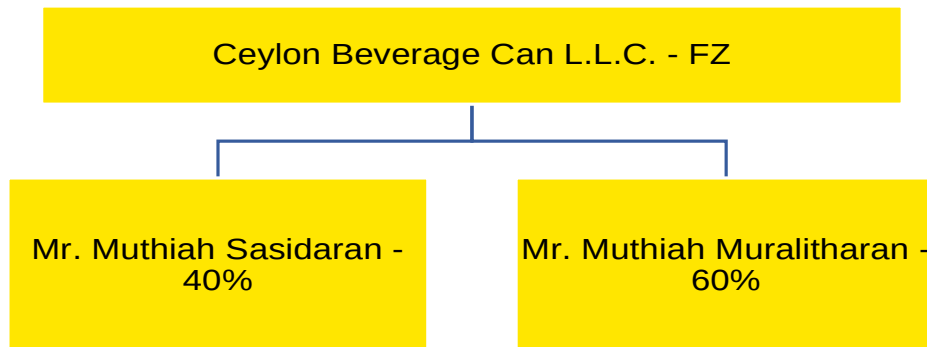
Sr. No	Name of the Promoter	Brief description
1	Mr. Muthiah Sasidaran	<ul style="list-style-type: none"> <li>- MD of Ceylon Beverage International and M Line International, which are sister companies of CBC</li> <li>- Director and shareholder of other group companies, Snackings Pvt Ltd. and Sunrich Biscuits</li> <li>- Foremost in initiating, steer-heading and setting up of Ceylon Beverage International</li> <li>- Highly knowledgeable in this subject and involves himself in the day-to-day operations of the facility and production process</li> <li>- Also has over a decade of experience in the import/export and trading businesses in Sri Lanka</li> </ul>
2	Mr. Muthiah Muralitharan	<ul style="list-style-type: none"> <li>- World-renowned international cricketer by profession. He is a Sri Lankan cricket coach, businessman and a member of the ICC Cricket Hall of Fame</li> <li>- Director and shareholder of CBC, Ceylon Beverage International, Snackings Pvt Ltd., Sunrich Biscuits and M Line International</li> <li>- Directly involved in setting up of CBC-SL from its inception in 2014</li> <li>- Continues his direct involvement by overseeing day-to-day operations of all group companies</li> <li>- Extremely proficient and knowledgeable in the entire production process and manufacturing of empty cans &amp; ends, can / PET bottle filling process</li> </ul>
3	Mr. Sathiyamurthy Chandramohan	<ul style="list-style-type: none"> <li>- Sathiyamurthy Chandramohan is the director, 10% owner, chairman of the board and CEO of ARC Document Solutions Inc.</li> <li>- ARC Document Solutions, Inc. is a publicly traded company in the US that provides specialized document solutions, with focus on the non-residential segment of the construction industry.</li> </ul>

**B. Shareholding Pattern:**

i. **Applicant Company:** Ceylon Beverage Can Private Limited



ii. **Holding Company:** Ceylon Beverage Can L.L.C. – FZ



**4. Company Details**

a. **Registration details:**

Sr. No.	Particulars	Description
1	Name	Ceylon Beverage Can Private Limited
2	Registered Address	28, 5 <sup>th</sup> Main Road, RA Puram, Chennai, Tamil Nadu 600028
3	CIN	U15549TN2023PTC158199
4	Incorporation Date	11 January 2023
5	PAN Number	AAKCC8332J

**b. Brief background of operations in other locations:**

Muthiah Beverage and Confectionary Pvt Ltd is a well-established beverage manufacturing company located in Kellampilli Industrial Area, Chamarajanagar Taluk & District, Karnataka. The company has been in commercial operation for [Number] years, specializing in the production of a wide range of beverages and confectionery products.

With a current production capacity of 179 million carbonated beverage bottles, 136 million juice bottles, and 175 million water bottles per year, Muthiah Beverage and Confectionary Pvt Ltd is a significant player in the beverage industry. The company's state-of-the-art manufacturing facilities and experienced team enable us to consistently produce high-quality products that meet the diverse needs of our customers.

Muthiah Beverage and Confectionary Pvt Ltd is committed to delivering exceptional value to our customers through innovative product offerings, superior taste, and reliable service. Our company has a strong track record of profitability and growth, and we are well-positioned to continue our success in the years to come.

- c. Brief background of proposed project:** The project entails the establishment of a state-of-the-art aluminium beverage can manufacturing plant in Supa Parner, Ahilya Nagar Maharashtra, India. Creating over 1060+ jobs, this project will result in a substantial transfer of skills. It is anticipated that the project will introduce further competition into drinks industry and will enable Indian beverage companies to expand their market reach by providing a new packaging form.

## **5. Location and its Selection**

The company proposes a greenfield manufacturing facility in Supa MIDC mainly on account of below:

- a) To service expanding export demand
- b) To service food industry in Maharashtra
- c) To achieve economies of Scale

### **Reasons for new facility in Supa MIDC**

- a) Availability of large contiguous parcel of land.
- b) Required raw material is abundantly available in the nearby area.
- c) Raw material can also be easily procured from surplus grain available in nearby states thus saving the transportation cost.
- d) Good availability of ground water.
- e) Well connected by road/rail network.

f) Accessibility to markets within and nearby states for the final product.

## 6. Project cost

Particulars	Amount (INR in Crores)
Land & Land Development	33.76
Building	149.77
Plant and Machinery	1,346.62
Other Assets	105.91
<b>Total Project Cost</b>	<b>1636.05</b>

## 7. Means of finance

Particulars	Total (INR in Crores)
Equity / Internal Accrual	<b>409.01</b>
Debt: Proposed term loan from Financial institutions	<b>1227.03</b>
<b>Total</b>	<b>1636.05</b>

### a. Land and its development requirement –

The new project is expected to be built on approximately 35 acres land parcel (1,40,000 square meters) at an approximate cost ranging between INR 40 Crores to INR 44 Crores including finance cost and land development charges.

Land	Details
(a) Plot / Land Type	Industrial Plot at Supa Parner
(b) Plot Area	In square meters
(c) Location of Land	Supa Parner
(d) Expected possession of Land	15 December 2024

## 8. Production Capacity

Below are the company's proposed production capacities in Maharashtra on an annual basis:

Sr. No.	Location	Particulars	New Capacity	TOTAL
1	Supa Parner	Aluminium Can	3.3 Billions	<b>3.3 Billions</b>
2	Supa Parner	Can Ends	5.5 Billions	<b>5.5 Billions</b>

## 9. Details of Raw Materials

Key raw materials will be procured from CBC's existing suppliers to their Sri Lanka plant with whom the group has developed strong relationships over the years.

Below raw materials are expected to be required :

### 1. Aluminium Cans

Sr. No.	Major Raw Material	Preferred Vendor	Alternate Vendor
1	Aluminium can body	Novelis MEA / Hindalco	Sumitomo Corp.
2	Lacquer	Akzonobel India	Valspar Coatings
3	Over print varnish	PPG Industries (Singapore)	M-Dec Enterprise PTE / AkzoNobel India
4	Water based varnish	M-Dec Enterprise PTE	PPG Industries/Valspar Coatings
5	Ink	Inx International UK Ltd	M-Dec Enterprise PTE
6	Lubricant	Rushserve Ltd	Poly Enviro

### 2. Ends

Sr. No.	Major Raw Material	Preferred Vendor	Alternate Vendor
1	Aluminium shell stock coil	Guangdong Betterlid	Novelis MEA Ltd.
2	Aluminium tab stock coil	Guangdong Betterlid.	Novelis MEA Ltd.
3	Lubricant	Henkel Jebel Ali FZCO	Puyang Xinye Special Lubricant Grease
4	Sealing compound	Actega Artistica S.A.U	Henkel Jebel Ali FZCO
5	Wooden pallets	Snakings Pvt Ltd	Jafferjee Pvt. Ltd.
6	Interleaving paper	Lakro Packaging Industries	Western Paper Industries Pvt Ltd

## 10. Implementation Schedule

Below is a high-level plan for the expected time involved in the above referred major activities:

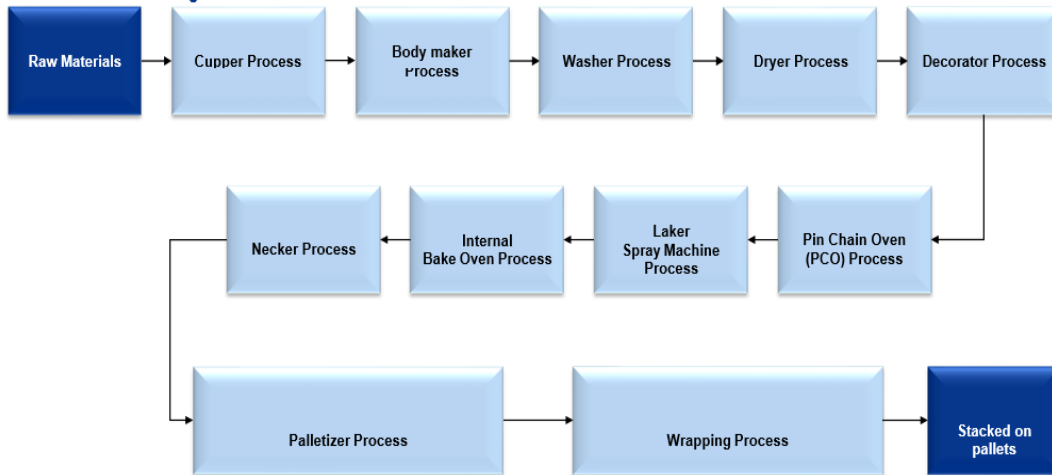
Activity	Expected timeline
Land Acquisition	15 December 2024
Date of Commencement of commercial operation	01 January 2026

## 11. Manufacturing Process Flow

i. Process flow chart:

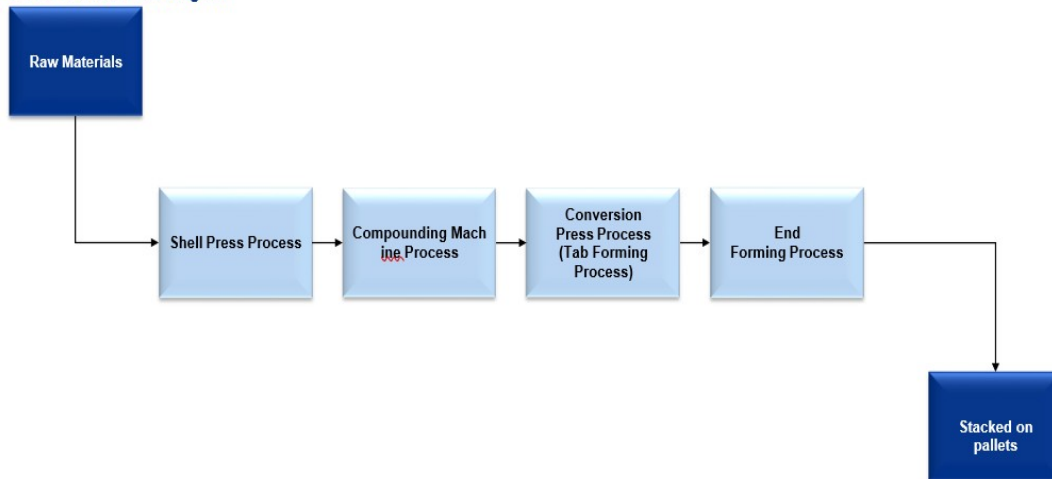
### A. Cans

Cans Process – Flow Diagram<sup>1</sup>



### B. Ends

Ends Process – Flow Diagram<sup>1</sup>



## 12. Infrastructure requirement and sources

### a. Water Requirements:

Particulars	Proposed Requirement
Source	Requested from local government
Supply	Industrial: 2.5 m <sup>3</sup> per day Domestic: 0.1 m <sup>3</sup> per day

## b. Power requirements

Description	Details
Source	Maharashtra State Electricity Distribution Company Limited (MSEDCL)
Supply	12000 KW

## c. Import /Export

**Import** - Availability of the most important RM, aluminum, is not a constraint in India. India is the 2nd largest aluminum producing country in the world after China.

Total aluminum smelting capacity in India is 4,129 kiloton per annum. India contributes to 6% of the global aluminum production. 56% of aluminum produced in India is exported

**Export** - In the first few years of operations, CBC will prioritize meeting the substantial growth in domestic demand. After 5-10 years, management has plans to consider venturing into newer geographies through exports while continuing to meet the domestic demand

## d. Maharashtra Pollution Control Board (MPCB) – Consent to Establish certificate.

The Company is in process to apply for the MPCB Consent to Establish certificate.

## 13. Direct and Indirect Employment

Sr. No.	Direct employment	Total Manpower
1	Skilled	350
2	Un-skilled	50
3	Supervisory	50
	<b>Total</b>	450

## 14. Market and its Analysis

### INDUSRIAL SCENARIO

#### A. Growth drivers:

- Significantly lower penetration of aluminium cans in India compared to other developed / developing countries
- Rapidly growing demand for beers, which constitute a major share of aluminium can usage

- Growing popularity of energy and sports drinks in India. Entry of global players like Hell's energy, Monster energy in 2018, Predator in 2022
- Application of aluminium cans in new segments such as sparkling water, wines and hard spirits. Brands such as Responsible what, Fratelli wines have started using cans for their products.
- Increased usage of packaged foods and beverages in India due to higher convenience and easier storage

**B. Marketing Strategy, Network:**

<b>STRENGTHS</b>	<ul style="list-style-type: none"> <li>• Partnership with Reliance, which has the ability to compete with Coca Cola and Pepsi</li> <li>• Assurance of minimum offtake volumes by Reliance</li> </ul>
<b>WEAKNESSES</b>	<ul style="list-style-type: none"> <li>• Low entry barriers since business model can be imitated easily</li> <li>• Geographic concentration of manufacturing plants</li> </ul>
<b>OPPORTUNITIES</b>	<ul style="list-style-type: none"> <li>• Potential to ride on growth of RCPL and grow partnership to new products</li> <li>• Consistent equipment for high-growth products such as energy drinks</li> </ul>
<b>THREATS</b>	<ul style="list-style-type: none"> <li>• Growing options for consumer with introduction of multiple entrants with local-flavoured drinks</li> </ul>

## 15. Financial Viability, Cash flows, Profitability etc. for proposed Unit

### 1. Projected statement of Profit and loss for 10 Years

<b>Cans project - P&amp;L</b>										<b>INR Crores</b>	
	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36	
<b>Particulars</b>	<b>Y1</b>	<b>Y2</b>	<b>Y3</b>	<b>Y4</b>	<b>Y5</b>	<b>Y6</b>	<b>Y7</b>	<b>Y8</b>	<b>Y9</b>	<b>Y10</b>	
<b>Revenues</b>											
Product revenue	1276.12	1339.92	1406.92	1477.26	1551.13	1628.68	1710.12	1795.62	1885.40	1979.67	
Scrap revenue	49.08	49.08	55.05	56.49	58.45	61.13	64.46	68.46	73.16	78.57	
<b>Total revenues</b>	<b>1325.20</b>	<b>1389.00</b>	<b>1461.97</b>	<b>1533.75</b>	<b>1609.57</b>	<b>1689.82</b>	<b>1774.58</b>	<b>1864.09</b>	<b>1958.56</b>	<b>2058.24</b>	
<b>COGS</b>											
Raw material	715.61	750.06	789.46	828.23	869.17	912.50	958.27	1006.61	1057.62	1111.45	
<b>Material margins</b>	<b>609.59</b>	<b>638.94</b>	<b>672.51</b>	<b>705.53</b>	<b>740.40</b>	<b>777.32</b>	<b>816.31</b>	<b>857.48</b>	<b>900.94</b>	<b>946.79</b>	
Material margins	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	
<b>Material margins</b>	<b>609.59</b>	<b>638.94</b>	<b>672.51</b>	<b>705.53</b>	<b>740.40</b>	<b>777.32</b>	<b>816.31</b>	<b>857.48</b>	<b>900.94</b>	<b>946.79</b>	
Material margins	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	
Rental to filling project	59.86	62.74	66.04	69.28	72.70	76.33	80.16	84.20	88.47	92.97	
Electricity	23.85	25.00	26.31	27.61	28.97	30.41	31.94	33.55	35.25	37.05	
Gas	11.40	11.95	12.58	13.19	13.85	14.54	15.27	16.04	16.85	17.71	
Water	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.04	0.04	0.04	
Freight	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Loading & unloading	0.99	1.03	1.09	1.14	1.20	1.26	1.32	1.39	1.46	1.53	
Manpower	52.78	55.32	58.22	61.08	64.10	67.30	70.67	74.24	78.00	81.97	
Lease rental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Repairs	31.98	33.52	35.28	37.01	38.84	40.77	42.82	44.98	47.26	49.66	
Insurance	3.17	3.32	3.49	3.66	3.85	4.04	4.24	4.45	4.68	4.92	
Administrative	6.33	6.64	6.99	7.33	7.69	8.08	8.48	8.91	9.36	9.84	
Factory overheads	25.05	26.26	27.64	28.99	30.43	31.94	33.55	35.24	37.02	38.91	
<b>Total expenses</b>	<b>215.43</b>	<b>225.80</b>	<b>237.66</b>	<b>249.33</b>	<b>261.66</b>	<b>274.70</b>	<b>288.48</b>	<b>303.03</b>	<b>318.39</b>	<b>334.59</b>	
<b>EBITDA</b>	<b>394.16</b>	<b>413.14</b>	<b>434.85</b>	<b>456.20</b>	<b>478.75</b>	<b>502.62</b>	<b>527.83</b>	<b>554.45</b>	<b>582.55</b>	<b>612.20</b>	
EBITDA	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	
Depreciation	85.89	90.19	94.70	99.43	104.40	109.62	115.10	120.86	126.90	133.25	
<b>EBIT</b>	<b>308.27</b>	<b>322.96</b>	<b>340.15</b>	<b>356.76</b>	<b>374.35</b>	<b>392.99</b>	<b>412.72</b>	<b>433.59</b>	<b>455.65</b>	<b>478.95</b>	
EBIT	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	
Interest	109.21	98.29	87.36	76.44	65.52	54.60	43.68	32.76	21.84	10.92	
<b>PBT</b>	<b>199.07</b>	<b>224.67</b>	<b>252.78</b>	<b>280.32</b>	<b>308.82</b>	<b>338.39</b>	<b>369.04</b>	<b>400.83</b>	<b>433.81</b>	<b>468.03</b>	
Accumulated losses											
Tax	50.10	56.55	63.63	70.56	77.73	85.17	92.89	100.89	109.19	117.80	
<b>PAT</b>	<b>148.96</b>	<b>168.12</b>	<b>189.16</b>	<b>209.76</b>	<b>231.09</b>	<b>253.22</b>	<b>276.15</b>	<b>299.94</b>	<b>324.62</b>	<b>350.23</b>	
PAT	11.2%	12.1%	12.9%	13.7%	14.4%	15.0%	15.6%	16.1%	16.6%	17.0%	

## 2. Projected Balance Sheet for 10 years

<b>Cans project - BS</b>												
	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36
<b>Particulars</b>	<b>Pre-op 1</b>	<b>Pre-op 2</b>	<b>Y1</b>	<b>Y2</b>	<b>Y3</b>	<b>Y4</b>	<b>Y5</b>	<b>Y6</b>	<b>Y7</b>	<b>Y8</b>	<b>Y9</b>	<b>Y10</b>
<b>Shareholder's Equity &amp; Liabilities</b>												
Equity Capital	409.01	409.01	409.01	409.01	409.01	409.01	409.01	409.01	409.01	409.01	409.01	409.01
Reserves & Surplus	0.00	0.00	148.96	317.08	506.24	716.00	947.10	1200.31	1476.47	1776.41	2101.03	2451.26
<b>Shareholders Funds</b>	<b>409.01</b>	<b>409.01</b>	<b>557.97</b>	<b>726.09</b>	<b>915.25</b>	<b>1125.02</b>	<b>1356.11</b>	<b>1609.32</b>	<b>1885.48</b>	<b>2185.42</b>	<b>2510.04</b>	<b>2860.27</b>
Term Loan	1227.03	1227.03	1227.03	1104.33	981.62	858.92	736.22	613.51	490.81	368.11	245.40	122.70
<b>Non current Liabilities</b>	<b>1227.03</b>	<b>1227.03</b>	<b>1227.03</b>	<b>1104.33</b>	<b>981.62</b>	<b>858.92</b>	<b>736.22</b>	<b>613.51</b>	<b>490.81</b>	<b>368.11</b>	<b>245.40</b>	<b>122.70</b>
Trade Payables	0.00	0.00	50.09	52.50	51.32	53.83	56.50	59.31	62.29	65.43	68.75	72.24
<b>Current Liabilities</b>	<b>0.00</b>	<b>0.00</b>	<b>50.09</b>	<b>52.50</b>	<b>51.32</b>	<b>53.83</b>	<b>56.50</b>	<b>59.31</b>	<b>62.29</b>	<b>65.43</b>	<b>68.75</b>	<b>72.24</b>
<b>Total Liabilities</b>	<b>1636.05</b>	<b>1636.05</b>	<b>1835.09</b>	<b>1882.92</b>	<b>1948.19</b>	<b>2037.77</b>	<b>2148.82</b>	<b>2282.15</b>	<b>2438.58</b>	<b>2618.95</b>	<b>2824.19</b>	<b>3055.21</b>
<b>Assets</b>												
Gross Block	1636.05	1636.05	1717.85	1803.74	1893.93	1988.62	2088.05	2192.46	2302.08	2417.18	2538.04	2664.95
Acc. Depreciation	0.00	0.00	85.89	176.08	270.78	370.21	474.61	584.23	699.34	820.20	947.10	1080.35
<b>Net Block</b>	<b>1636.05</b>	<b>1636.05</b>	<b>1631.96</b>	<b>1627.66</b>	<b>1623.15</b>	<b>1618.42</b>	<b>1613.45</b>	<b>1608.23</b>	<b>1602.74</b>	<b>1596.99</b>	<b>1590.95</b>	<b>1584.60</b>
Trade Receivables	0.00	0.00	51.04	53.60	70.35	73.86	77.56	81.43	85.51	89.78	94.27	98.98
Inventory	0.00	0.00	63.81	80.40	112.55	118.18	124.09	130.29	136.81	143.65	150.83	158.37
Cash	0.00	0.00	88.29	93.79	126.62	132.95	131.82	146.58	153.91	161.61	169.69	178.17
Other Assets	0.00	0.00	0.00	27.48	15.52	94.36	201.91	315.61	459.61	626.93	818.45	1035.08
<b>Current Assets</b>	<b>0.00</b>	<b>0.00</b>	<b>203.14</b>	<b>255.26</b>	<b>325.04</b>	<b>419.35</b>	<b>535.37</b>	<b>673.92</b>	<b>835.83</b>	<b>1021.97</b>	<b>1233.24</b>	<b>1470.61</b>
<b>Total Assets</b>	<b>1636.05</b>	<b>1636.05</b>	<b>1835.09</b>	<b>1882.92</b>	<b>1948.19</b>	<b>2037.77</b>	<b>2148.82</b>	<b>2282.15</b>	<b>2438.58</b>	<b>2618.95</b>	<b>2824.19</b>	<b>3055.21</b>
Check	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Working Capital	0.00	0.00	64.76	81.49	131.58	138.21	145.15	152.42	160.03	168.00	176.36	185.11