

# How To Start Paper Bag Business In India | Best Business Plan For Making Paper Bags in 2022



How To Start A Paper Bag Business In India

## Paper Bag Business In India in 2022

I think paper bag production will be the best business in India in 2022 to start. Plastic Bags ruled over us before we got to know the issues that they created in the environment. As we move into the future, plastic bags are getting banned in every part of the world. Plastic related items like plastic bags don't degrade even if it has been left for 50+ years.

Therefore causing a rise in the levels of toxicity and pollution all over the globe. Keeping this in mind the Government of India is also discouraging the use of plastic bags as far as possible. So the demand for Paper Bags and Cloth Bags is increasing exponentially as they have to take place of the cheap plastic bags that are readily available in

the market. So, in this article, we are going to have an in-depth discussion about the paper bag business plan.

## **Demand For Paper Bag Business In India**

Paper Bags have gained popularity recently and paper bag business plan can run easily for the next 10-20 Years. As these paper bags will be made with recycled paper, they will be eco-friendly and would not produce any toxicity towards nature. The demand for the paper bag manufacturing business in India will surely boom due to India's increasing population and the opening of new ventures like Local Stores, Online E-Shopping portals, etc.

Some of the areas where paper bags can be easily used are as follows:

- Food and Gift Packaging
- Basic Grocery Shopping
- Basic Shopping like Medical, Cloths, Jewellery, etc.
- Paper Bags can be even used for Advertising and Marketing purposes.

The best real-life example that I have seen and I can give is of Amazon and Flipkart. These E-com ventures are the leading names when we talk about online shopping in India. Amazon and Flipkart have started using paper bags as in the packaging process of their products. Initially, they used plastic bags in packing packages that contained clothing materials. Now they have successfully replaced those plastic bags with Paper Bags. This was just one example there are lots of examples like this in the current market. So it can be definitely said that the paper bag manufacturing business can be the best business to start anytime soon.

# **Types Of Businesses Related To Paper Bag Business In India**

There are many types of businesses that can be related to the Paper Bag Industry. Some of them include:

- Paper Bag Manufacturing Business.
- Importing or Exporting pre made Paper Bags.
- Making a plant to recycle paper which can be used in the production of Paper Bags, etc.

Here we will discuss the paper bag manufacturing or production process on a large scale and even on a small scale. This is a type of Business Idea that can be easily practiced on a large scale (Paper Bag Manufacturing Plants) as well as a small scale (from home).

## **Benefits Of Paper Bag Business In India**

There are many benefits of Paper Bag Business some of them are explained below.

- This business has emerged recently so the competition is quite less in this business.
- The demand of this business is increasing day by day. So its never late to start and work on this business idea.
- This business model can be done on both small scale and on large scale. We can even start Paper Bag business at home itself.
- Paper bag business is an evergreen business as this business idea will not meet saturation that early when we compare it with other business ideas, etc.

# Competition In Paper Bag Manufacturing Business In India

The competition in this business is quite less when compared with other business models. I always mention in my articles that we should always look for local opportunities where we can easily market our products. In this case, we can easily find lots of Shops and Businesses where people are still using plastic bags. We can easily come to an agreement with the shop or business owner and we can manufacture the paper bags according to their need. In this way, we will not face any problem in selling our final product that is Paper Bags in this case.

I have also seen that many business models get failed when the business owner doesn't look towards the quality of the products that are being manufactured. So it's a very important step to see the usage of the bags first. It can be done by asking the shop owners about the products which they regularly sell. When we know about the usage, then we can properly design the bags so that they can easily lift the required weight and hence don't get torn.



How To Start A Paper Bag Business In India

# Raw Materials Required For Starting Paper Bag Manufacturing Business In India

To start Paper Bag Manufacturing Business In India the things required are mentioned below.

- Paper Rolls – Whether we buy from the market or we recycle on our own Paper Rolls are thus needed to make Paper Bags.
- Paper Sheets
- Printing Materials – Ink, Colors, etc.
- Logo or design stickers
- Laces or Tags
- Stickables like Gum, Cello Tapes, Resins, etc
- Grommet – Holes that are made on materials so that laces can pass through it

## Machines Required To Increase The Production Of Paper Bags

Though this business plan can be started with manual workers and from the home itself. If someone wants to make a small-scale factory or a large-scale factory then there are many machines that increase the production rate of Paper Bags and can help in increasing the profit in the Paper Bag Manufacturing Business.

The Basic Cost of these types of Machines usually lies between 3 Lakhs to 25 Lakhs. Some of the points on which the prices of these machines may differ are:

- The price is dependant upon the rate of production (motor speed) and the technology the machine is using.
- The price also depends greatly upon the Brand which has manufactured the machine.

- The prices may also depend upon the machines if they are automatic or they are semi-automatic.

The requirements of these machines also depend on various factors. So it will be a good practice to do a good amount of research on the technical specifications of the machine before buying it. Some of the basic features that one should look at before buying these machines are mentioned below.

- Roller Design
- Die Type
- Motor Horsepower
- No of Colour that the machine can print
- Production Rate
- Automatic or Semi Automatic
- Power Requirements

## **Machines That Are Widely Used In Paper Bag Business Plan**

For Paper Bag Manufacturing Business the machines that are widely used are as follows

- Testing Machine
- Creasing Machine
- Bag Cutting Machine
- Stereo – Press and Stereo Grinder
- Lace Fitting Machines
- Grommet Fitting Machines
- Punching Machines

Make sure to check out this [link](#) if you want to learn more about the Paper Bag Manufacturing Machines.

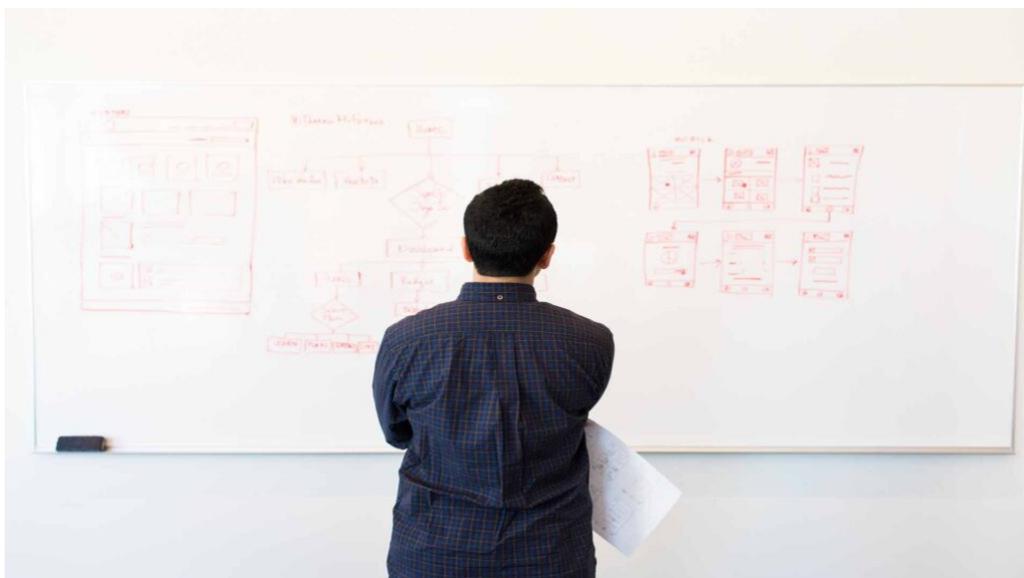
## **Workflow Of Paper Bag Machines In The Production Of Paper Bags**

When we use machines for the production of paper bags the

machine usually follows the steps that are mentioned below

- Paper cutting
- Putting requires stickable and then Pressing it
- Printing the design or logo or image whichever is required
- Punching for holes
- Attaching laces to the holes

## Planning Needed To Setup Paper Bag Business In India in 2022



Planning Needed To Setup Paper Bag Business In India

### Basic Planning For Paper Bag Business Plan

If you want to start this Paper Bag business in India, you have to make various plans upon the things like area required for the production or the manufacturing plant to the number of workers either they be skilled or unskilled. Let us break down all of this in the upcoming paragraphs.

# **Area And Location Requirements For Paper Bag Production Business**

We should always choose the most appropriate location where we can reduce our manufacturing and transportation costs. This simply means that we have to find a place where we will have fewer charges for electricity, labor, land, and other such facilities.

A Semi-Urban area will be the right choice for this business. This is because we can enjoy the benefits of urban areas as well as Rural areas. If we are delivering our manufactured paper bags to our clients, then the transportation cost should be planned. To make it minimum, we can fix the location near the market.

## **Basic Cost To Start A Paper Bag Business In India**

For setting up a Paper Bag Manufacturing Business in India the basic investment greatly depends upon

- Area and Location – The rent greatly depends upon the location so its really not possible for us to discuss the exact amount of money that is needed.
- Machine – We can find many options when we look towards buying machines for our business. The price of Automatic machines may be greater than the price of semi-automatic or manual machines.
- Bills – Electricity Bills, Water Bills and all those necessary bills are required to be paid.
- Type of Workers – As we are using machines in the manufacturing of Paper Bags therefore the workers should be more skilled then only they will be able to handle those machines and get the most profit out of it.
- Transportation Cost – This cost is generally ignored by

many new business owners. We should take account of these costs and then decide the location and hence all the things for which investment may go up or down.

Taking all of these expenses in mind we can summarize the expenses as 1 Lakh Rupees to 2 Lakh Rupees for the basic raw materials and for the machines 3 Lakh Rupees to 10 Lakh Rupees are needed. For a start, one can invest 4 Lakh Rupees to 5 Lakh Rupees and can get a decent amount of profit in the Paper Bag Business using machines. In this summary, we have not counted the money that will be needed in setting up the location as it will greatly vary from place to place.

Though if we try to start Paper Bag Business from our home (without machines) itself we can start it with a potential investment of 50 Thousand to 1 Lakh Rupees.

## **Things To Keep In Mind Before Starting A Paper Bag Business In India**

For setting up any kind of business in India, we have to take various permissions and licenses from the Government. These documents help us to practice our business legally and to get all the benefits provided by the Government.

Some of them are mentioned below.

- Trade Licence
- [UDYOG Aadhar Registration](#) (MSME Registration)
- NOC by the Local Government and from the Pollution Board
- [BIS Registration](#)
- GST Registration, etc.

# Risks And Problems That We Might Face While Setting A Paper Bag Business In India

When we make any business plan we have to think both about its pros and its cons before taking any action. As there are many risks that are related to businesses that people don't consider from the start. Though we have talked about so many pros of the Paper Bags Business. So now let's dive deep and discuss some of the risks or the cons of the Paper Bags Business in India.

- Storage of Paper Bags in Damp Conditions – During rainy season it is quite possible that the bags which are stored gets exposed to the humid weather and may get moist and hence they can get wasted and hence will cause a loss in the business.
- Power outages can cause problems in our production and that may lead in getting the raw material wasted.

## Profits In Paper Bag Business In India

When we talk about the profits for Paper Bag Business using machines in India we can say that the profits depend totally on the number of bags that are produced per hour. The number of bags also depends upon the different types of machines that are currently available in the market. Some of the machines produce about 5000 to 10000 pieces per hour and they are expensive obviously.

Generally, the profit in this business idea is about 10 to 20 Paise per paper bag and if our machine produces 5000 paper bags per hour then we can get 500 Rupees per hour. If that machine works for 8 hours a day then we can get a profit of

Rupees 4000 per day.

Make sure to read: [Top 10 New Business Ideas in India | New Business Ideas 2021](#)

**Ans: The basic raw materials that are required to start Paper Bag production are- Paper Rolls, Paper Sheets, Stickers, Laces, Grommet, Gum, CelloTape, Cutting Tools (Scissors), Ink, Color Die, etc.**

**Ans: The types of machines that are used in manufacturing Paper Bags in India are – Testing Machine, Creezing Machine, Bag Cutting Machine, Stereo – Press and Stereo Grinder, Lace Fitting Machines, Grommet Fitting Machines, Punching Machines.**

**Ans: The profit in manufacturing paper bags is like 10 to 20 Paise per bag and if with the help of machines, 5000 paper bags are made in 1 hour then we can get 500 Rupees per hour as the profit. If that machine works for 8 hours a day then we can get a profit of Rupees 4000 per day.**