

# **Nicotine Extraction From Tobacco Waste**

**Waste Utilization, Products from Waste,  
Nicotiana Tabacum, Duboisia Hopwoodii  
and Asclepiassyriaca**

**Manufacturing Plant, Detailed Project Report, Profile, Business Plan,  
Industry Trends, Market Research, Survey, Manufacturing Process,  
Machinery, Raw Materials, Feasibility Study, Investment  
Opportunities, Cost and Revenue, Plant Economics, Production  
Schedule, Working Capital Requirement, Plant Layout, Process Flow  
Sheet, Cost of Project, Projected Balance Sheets,  
Profitability Ratios, Break Even Analysis**

# Introduction

**Tobacco is grown with assistance of man as a leaf as the most valuable part of the plant. Tobacco is primarily used for cigarette, Cigars, chewing tobacco and snuff. Other products from tobacco include Beedi and Hookah and are typically Indian products with 90% of production coming from India. Nicotine is a hygroscopic, oily liquid that is miscible with water in its base form. Nicotine is a volatile alkaloid. Nicotine is by far the most important by-product derived from tobacco waste.**

**The applications and uses of nicotine are: agricultural insecticide, manufacture of nicotine acid and nicotinamide, used in medicines, tanning industry. The most important among the alternate applications for tobacco at present is for the manufacture of Nicotine for use in the preparation of Smoking cessation products.**

**India has conquered her own place in the world, with an annual production of about 725 million kgs. of tobacco.**

**India enjoys an edge over the leading tobacco producing countries in terms of low production cost, average farm and export prices. India is one of the leading exporters of tobacco and occupies second place after Brazil. Tobacco Waste based industries in India started with the manufacture of Nicotine and 40% aqueous solution of Nicotine sulphate. Since tobacco waste is a major cost component with 51.5% share in sale price any increase in nicotine content or reduction in price of tobacco waste will improve the economics of the project.**

# Project at a Glance

PROJECT AT A GLANCE				(Rs. in lacs)			
COST OF PROJECT				MEANS OF FINANCE			
Particulars	Existing	Proposed	Total	Particulars	Existing	Proposed	Total
Land & Site Development Exp.	0.00	47.50	47.50	Capital	0.00	99.89	99.89
Buildings	0.00	48.50	48.50	Share Premium	0.00	0.00	0.00
Plant & Machineries	0.00	186.98	186.98	Other Type Share Capital	0.00	0.00	0.00
Motor Vehicles	0.00	6.00	6.00	Reserves & Surplus	0.00	0.00	0.00
Office Automation Equipments	0.00	35.00	35.00	Cash Subsidy	0.00	0.00	0.00
Technical Knowhow Fees & Exp.	0.00	15.00	15.00	Internal Cash Accruals	0.00	0.00	0.00
Franchise & Other Deposits	0.00	0.00	0.00	Long/Medium Term Borrowings	0.00	299.66	299.66
Preliminary & Pre-operative Exp	0.00	2.00	2.00	Debentures / Bonds	0.00	0.00	0.00
Provision for Contingencies	0.00	20.00	20.00	Unsecured Loans/Deposits	0.00	0.00	0.00
Margin Money - Working Capital	0.00	38.57	38.57				
<b>TOTAL</b>	<b>0.00</b>	<b>399.55</b>	<b>399.55</b>	<b>TOTAL</b>	<b>0.00</b>	<b>399.55</b>	<b>399.55</b>



# Project at a Glance

Year	Annualised		Book Value	Debt	Dividend	Retained Earnings		Payout	Probable Market Price	P/E Ratio	Yield Price/ Book Value
	EPS	CEPS	Per Share		Per Share	Per Share				No.of Times	
	Rs	Rs	Rs	Rs	Rs	%	Rs	%	Rs		%
1-2	4.83	9.00	14.83	24.00	0.00	100.00	4.83	0.00	4.83	1.00	0.00
2-3	7.70	11.30	22.53	18.00	0.00	100.00	7.70	0.00	7.70	1.00	0.00
3-4	10.57	13.69	33.11	12.00	0.00	100.00	10.57	0.00	10.57	1.00	0.00
4-5	13.37	16.07	46.47	6.00	0.00	100.00	13.37	0.00	13.37	1.00	0.00
5-6	16.06	18.41	62.53	0.00	0.00	100.00	16.06	0.00	16.06	1.00	0.00

# Project at a Glance

Year	D. S. C. R.			Debt / - Deposits Debt	Equity as- Equity	Total Net Worth	Return on Net Worth	Profitability Ratio					Assets Turnover Ratio	Current Ratio
	Individual	Cumulative	Overall					GPM	PBT	PAT	Net Contribution	P/V Ratio		
	(Number of times)			(Number of times)	%	%	%	%	%	%	%			
Initial				3.00	3.00									
1-2	1.32	1.32		1.62	1.62	3.13	8.18%	3.70%	2.77%	382.59	21.99%	2.91	1.03	
2-3	1.62	1.46		0.80	0.80	1.94	9.43%	5.64%	3.79%	446.07	21.97%	3.12	1.19	
3-4	1.97	1.62	1.97	0.36	0.36	1.25	10.28%	7.03%	4.55%	509.79	21.97%	3.16	1.39	
4-5	2.40	1.79		0.13	0.13	0.84	10.86%	8.03%	5.12%	573.50	21.97%	3.09	1.61	
5-6	2.92	1.97		0.00	0.00	0.59	11.25%	8.74%	5.53%	637.22	21.97%	2.95	2.15	



# Project at a Glance

## **BEP**

BEP - Maximum Utilisation Year	5
Cash BEP (% of Installed Capacity)	56.52%
Total BEP (% of Installed Capacity)	60.21%

## **IRR, PAYBACK and FACR**

Internal Rate of Return .. ( In %age )	26.36%
Payback Period of the Project is ( In Years )	2 Years 6 Months
Fixed Assets Coverage Ratio ( No. of times )	14.123



# Major Queries/Questions Answered in the Report?

- 1. What is Nicotine industry ?**
- 2. How has the Nicotine industry performed so far and how will it perform in the coming years ?**
- 3. What is the Project Feasibility of a Nicotine Extraction from Tobacco Waste Plant ?**
- 4. What are the requirements of Working Capital for setting up a Nicotine Extraction from Tobacco Waste plant ?**

- 5. What is the structure of the Nicotine Business and who are the key/major players ?**
- 6. What is the total project cost for setting up Nicotine Extraction from Tobacco Waste plant ?**
- 7. What are the operating costs for setting up a Nicotine Extraction from Tobacco Waste plant ?**
- 8. What are the machinery and equipment requirements for setting up a Nicotine Extraction from Tobacco Waste plant ?**

- 9. Who are the Suppliers and Manufacturers of Plant & Machinery for setting up a Nicotine plant ?**
- 10. What are the requirements of raw material for setting up a Nicotine Extraction plant ?**
- 11. Who are the Suppliers and Manufacturers of Raw materials for setting up a Nicotine Extraction plant ?**
- 12. What is the Manufacturing Process and Formulations of a Nicotine Extraction from Tobacco Waste plant ?**

- 13. What is the total size of land required for setting up a Nicotine Extraction from Tobacco Waste plant ?**
- 14. What will be the income and expenditures for a Nicotine project?**
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- 17. What is the Built up Area Requirement and cost for setting up a Nicotine Business?**

**18. What are the Personnel (Manpower) Requirements for setting up a Nicotine Extraction from Tobacco Waste Business?**

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**22. What are the Project financials of a Nicotine plant?**

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**An ISO 9001:2008 Company**



# Who are we?

- *One of the leading reliable names in industrial world for providing the most comprehensive technical consulting services*
- *We adopt a systematic approach to provide the strong fundamental support needed for the effective delivery of services to our Clients' in India & abroad*





# What do we offer?

- *Project Identification*
- *Detailed Project Reports/Pre-feasibility Reports*
- *Market Research Reports*
- *Technology Books and Directory*
- *Databases on CD-ROM*
- *Laboratory Testing Services*
- *Turnkey Project Consultancy/Solutions*
- *Entrepreneur India (An Industrial Monthly Journal)*



# How are we different ?

- *We have two decades long experience in project consultancy and market research field*
- *We empower our customers with the prerequisite know-how to take sound business decisions*
- *We help catalyze business growth by providing distinctive and profound market analysis*
- *We serve a wide array of customers , from individual entrepreneurs to Corporations and Foreign Investors*
- *We use authentic & reliable sources to ensure business precision*



# Our Approach

**Requirement collection**

**Thorough analysis of the project**

**Economic feasibility study of the Project**

**Market potential survey/research**

**Report Compilation**



# Who do we serve?

- *Public-sector Companies*
- *Corporates*
- *Government Undertakings*
- *Individual Entrepreneurs*
- *NRI's*
- *Foreign Investors*
- *Non-profit Organizations, NBFC's*
- *Educational Institutions*
- *Embassies & Consulates*
- *Consultancies*
- *Industry / trade associations*



# Sectors We Cover

- *Ayurvedic And Herbal Medicines, Herbal Cosmetics*
- *Alcoholic And Non Alcoholic Beverages, Drinks*
- *Adhesives, Industrial Adhesive, Sealants, Glues, Gum & Resin*
- *Activated Carbon & Activated Charcoal*
- *Aluminium And Aluminium Extrusion Profiles & Sections,*
- *Bio-fertilizers And Biotechnology*
- *Breakfast Snacks And Cereal Food*
- *Bicycle Tyres & Tubes, Bicycle Parts, Bicycle Assembling*



- *Bamboo And Cane Based Projects*
- *Building Materials And Construction Projects*
- *Biodegradable & Bioplastic Based Projects*
- *Chemicals (Organic And Inorganic)*
- *Confectionery, Bakery/Baking And Other Food*
- *Cereal Processing*
- *Coconut And Coconut Based Products*
- *Cold Storage For Fruits & Vegetables*
- *Coal & Coal Byproduct*

- *Copper & Copper Based Projects*
- *Dairy/Milk Processing*
- *Disinfectants, Pesticides, Insecticides, Mosquito Repellents,*
- *Electrical, Electronic And Computer based Projects*
- *Essential Oils, Oils & Fats And Allied*
- *Engineering Goods*
- *Fibre Glass & Float Glass*
- *Fast Moving Consumer Goods*
- *Food, Bakery, Agro Processing*

- *Fruits & Vegetables Processing*
- *Ferro Alloys Based Projects*
- *Fertilizers & Biofertilizers*
- *Ginger & Ginger Based Projects*
- *Herbs And Medicinal Cultivation And Jatropha (Biofuel)*
- *Hotel & Hospitality Projects*
- *Hospital Based Projects*
- *Herbal Based Projects*
- *Inks, Stationery And Export Industries*



- *Infrastructure Projects*
- *Jute & Jute Based Products*
- *Leather And Leather Based Projects*
- *Leisure & Entertainment Based Projects*
- *Livestock Farming Of Birds & Animals*
- *Minerals And Minerals*
- *Maize Processing(Wet Milling) & Maize Based Projects*
- *Medical Plastics, Disposables Plastic Syringe, Blood Bags*
- *Organic Farming, Neem Products Etc.*

- *Paints, Pigments, Varnish & Lacquer*
- *Paper And Paper Board, Paper Recycling Projects*
- *Printing Inks*
- *Packaging Based Projects*
- *Perfumes, Cosmetics And Flavours*
- *Power Generation Based Projects & Renewable Energy Based Projects*
- *Pharmaceuticals And Drugs*
- *Plantations, Farming And Cultivations*
- *Plastic Film, Plastic Waste And Plastic Compounds*
- *Plastic, PVC, PET, HDPE, LDPE Etc.*

- *Potato And Potato Based Projects*
- *Printing And Packaging*
- *Real Estate, Leisure And Hospitality*
- *Rubber And Rubber Products*
- *Soaps And Detergents*
- *Stationary Products*
- *Spices And Snacks Food*
- *Steel & Steel Products*
- *Textile Auxiliary And Chemicals*

- *Township & Residential Complex*
- *Textiles And Readymade Garments*
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