Detailed Project Report

Camphor Making Unit

By

2023

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1. OVERVIEW OF THE JLG MEMBERS

Name of the JLG:

Number of the members.

Name of Gram Panchayat/Taluk:

Name of the District:

Account details of JLG:

Details of JLG members with Hierarchy;

1.

2.

3.

4.

5.

6.

KYC:

Aadhar/PAN/Photo:

Camphor is a waxy, white or transparent crystalline solid that has a strong and distinctive odor. It is a terpenoid compound that is extracted from the wood of camphor trees, which are native to Asia and are also found in parts of South America and Africa. Camphor has been used for centuries in traditional medicine and is still widely used in various applications today. It is a key ingredient in the production of celluloid, a type of plastic that was once used in film and photographic materials. Camphor is also used in the manufacture of explosives, as well as in the production of flavors and fragrances.

2. OBJECTIVES OF SVSY

Under Yuva Niti 2022, the new Swami Vivekananda Yuva Shakti Yojana is proposed on the following grounds to achieve holistic development of 2.1 crore youth of the state and to bring about constructive social change by the youth in keeping with the India@2047 vision of the Hon'ble Prime Minister.

The current scenario of the state on various parameters is as follows:

i. **Political Representation:** Out of total 1,01,308 members in rural local bodies, 12,411 (12.25 per cent) youths and 360 youths (5.36 per cent) out of 6713 municipal councillors are political representatives.
ii. **Education:** Out of a total of 2.1 crore youth, 21.55 lakh (10.37 per cent) students are in high school, 11.75 lakh (5.65 per cent), 6.45 lakh (3.10 per cent) in general degree colleges, 1.51 lakh (2.72 per cent), 1.11 lakh in polytechnics. (0.53 per cent), 0.74 lakh (0.36 per cent) The total number of students studying in medical

courses is 43.12 lakh, which is per cent of the total youth. 21 percent will be. Remaining 157.88 lakh youth have below 10th standard education.

iii. **Employment:** According to the National Skill Development Corporation report, out of the total 2.1 crore youth in the state, 82 lakh (41 per cent) youth are in the labour force. As the remaining 119 lakh youth (59 per cent) are not in the professional labour force, they need to be given skill training to make them self-reliant.

iv. **Skill Development:** Out of the total 82 lakh youth in the workforce, 16 lakh youth (20 per cent) have received skill vocational training. The remaining 66 lakh (80 percent) youth need to be given skill development training. Out of this, only one lakh youth are being trained by the NLRM department every year. Therefore 65 lakh untrained rural youth need skill training. To achieve this every school needs to provide vocational education from class 6 onwards.

v. **Internship:** According to the 6th Economic Census, there are a total of 28.80 lakh enterprises in the state, out of which 78,022 enterprises employ more than 8 people. About 30 lakh youths can be trained in skills by undertaking the internship program for a period of three months in local industries related to agriculture and agri-based/MSME/self-employment/service sector.

vi. **Migration Control:** Rural people have migrated from various districts to urban areas for job opportunities, of which 40 lakh (20 percent) youth are in Bangalore city. Therefore, there is a need to provide more employment opportunities at the village level.

vii. **Consolidation of programs for rural employment:** In total there are 27,395 revenue villages in the state and it is proposed to form Swami Vivekananda Self Help Groups, one in each village, on the model of Women's Self-Help Groups to provide self-employment to the unorganized workers in these. There are about 15 to 20 youth in each group, and 5.50 lakh youth in 27,395 self-help groups have received Rs. 1.5 lakh to provide margin money estimated at Rs. 410 crores will be required.

viii. **Bank Linked Schemes:** Coordination and inclusion of Yuva Shakti schemes with schemes linked to 25 banks. There are 35000 shelves of projects under the Mudra loan scheme, and steps will be taken to select the financial activities of the self-help societies based on these models.

ix. **Training:** Skill development training will be imparted to the youth under the National Entrepreneurship Mission under the 18 programs being implemented by various departments under this scheme. Training for agriculture and other activities will be provided through the Rural Development Self Employment Training Institute (RUDSETI).

x. **Formation of State Level Committee:** It is proposed to constitute a committee under the chairmanship of the Minister of Youth Empowerment and Sports at the State level for implementation and monitoring of the programme. RDPR, Commerce and Industry, Labour, Skill Development and Bank representatives will be members of this committee.

xi. **District Level Committee:** It is proposed to constitute a District Level Committee under the Chairmanship of the Chief Executive Officer of the Zilla Panchayat for

the implementation and supervision of the program at the district level. The members of this committee are the officers of Rural Development and Panchayat Raj, Commerce and Industry, Labour, Skill Development Departments and District Lead Bank Managers.

xii. **Village level stewardship:** The village level stewardship of this program will be handled by Rural Development and Panchayat Raj Departments and Youth Empowerment and Sports Departments.

3. ABOUT VKF

VKF is a Think Tank of Community Change Champions who are from various walks of Social Spaces with diverse backgrounds and specialists from their domains.

VKF is a platform that enables as a think tank to evolve an aggregation of the social impact service providers and entrepreneurs for bringing about a transformational movement of social Change that is measurable on the lines of the Strategic Sustainable Development Goals (SSDG) of United Nation (UN).

VKF's is primarily focused on the development of Karnataka state in collaboration and co-creation initiatives.

VKF is a platform that enables as a think tank to evolve an aggregation of the social impact service providers and entrepreneurs for bringing about a transformational movement of Social Change that is measurable on the lines of the Strategic Development Goal of UN.

VKF's strong focus is on enhancing the rural mass entrepreneurship development clubbed with rural livelihood options. In this direction, VKF team is

working with the rural livelihood SHGs members and handholding them to elevate themselves to newer socio-economic status and uplifting the whole geography of the cluster by setting up of CFCs.

VKF's experience spans across conceptualizing cluster mapping, conducting baseline surveys, awareness creation, trust building activities, capacity building, design thinking activities etc., to enhance capabilities of the artisans and livelihood SHGs in the clusters.

VKF also indulges in facilitating Common Facility Centres, Preparation of DPR, Govt. liaising, market linkage activities, brand awareness, branding initiatives, value addition of the products produced by clusters etc. In this, regards we have collaborated and working with MSME, ESTC, IDEMI, Tribes India, NRLM and WCD to support rural masses in terms upgrading their livelihood opportunities.

4. NAME OF PRODUCT AND TECHNOLOGY

Camphor Making Unit

Camphor making machines are specialized equipment used in the production of camphor crystals from the wood of camphor trees. These machines automate the various steps involved in the process, making it more efficient and less labor-intensive. The design of camphor making machines can vary depending on the specific process being used.

When using a camphor making machine, it's important to follow the manufacturer's instructions and take appropriate safety precautions to prevent injury.

5. DELIVERABLES AND MARKET OF THE PRODUCT

- **Pharmaceutical industry:** Camphor is used in the production of various pharmaceutical products, such as ointments, creams, and inhalers, due to its analgesic, anti-inflammatory, and antispasmodic properties.
- **Personal care industry:** Camphor is used in various personal care products, such as lotions, soaps, and shampoos, due to its cooling and refreshing properties. It is also used in perfumes and fragrances for its strong, pungent aroma.
- **Insecticides industry:** Camphor is a natural insecticide that repels moths, ants, and other insects, and is commonly used in the production of insect repellents, such as mothballs.
- **Cleaning products industry:** Camphor is used in the production of various cleaning products, such as detergents and disinfectants, due to its antiseptic and disinfectant properties.
- **Industrial applications:** Camphor is used in various industrial applications, such as the production of plastics, resins, and rubber products, due to its ability to improve the flow and properties of these materials.

Project Assumptions: This model DPR for Chilli Powder Unit is basically on certain assumptions that may vary with capacity, location, raw materials availability etc. An entrepreneur can use this model DPR format and modify as per requirement and suitability. The assumptions made in preparation of this particular DPR are given in Table. Therefore, land and civil infrastructures are assumed as already available with the entrepreneur.

Table: Detailed Project Assumptions		
Parameter	Value	
Assumed Capacity of the Camphor Making Unit:	25 kg per day	
Utilization of capacity :	Year 1	65%
	Year 2	70%
	Year 3	75%
	Year 4	80%
	Year 5 ONWARDS	85%
Working days per year:	300 days	
Working hours per day:	8-10 hours	
Average price of raw material:	Rs. 300/kg	
Average sale price of product	Rs. 450/kg	

Machineries

High Speed 20 Tablet Camphor Making Machine
Capacity: 25 kg per day
Voltage: 220V
Material: Stainless Steel
AR Machine Khanpur, Delhi

Machinery is also available in Bengaluru and Coimbatore.

Market Output:

VKF will hand hold them to facilitating better packing and market linkage.

Market Linkage	
❖ Supermarkets	❖ Temples
❖ E commerce	❖ Quick commerce

6. ROLE OF EACH OF THE JLG MEMBERS

How JLG will participate:

- 2 persons will be used to procurement of raw materials
- 2 persons for production
- 1 person for the logistics & sales
- 1 person for value addition
- 1 person for waste management

7. SOFT INTERVENTION

The following are the soft interventions to be arranged:

- Awareness on financial inclusion will help in getting the assistance from Government and other sources
- Export promotional orientation for the JLG members.
- Awareness/ training programme on product quality, handling practices.
- Capacity Building activity
- Trust Building activities
- Programmes on technical skill enhancement to unit owners.
- Programmes on Business and entrepreneurship skill enhancement to unit owners
- Mass entrepreneurship development program in the JLG eco system.

8. ESTIMATED COST OF THE PROJECT AND THE IMPLEMENTATION SCHEDULE

The proposed cost of the project is as follows:

Sl. No.	Details	Cost in Rs.	Percentage
1	Bank Loan	2,02,500	90%
2	JLG contribution	20,250	10%
3	**Total**	**2,22,750**	**100%**

Sl. No.	Details	Cost in Rs.
1	Machine Cost	1,42,750
2	Furniture	20,000
3	Working capital (Shed deposit, electric connection deposit, Miscellaneous and preoperative expenses)	60,000
	TOTAL	**2,22,750**

The proposed project implementation schedule is as follows:

Sl. No.	Project Component	Schedule
1	Shed for the project on rental basis	Identified
2	Electricity and Water facility Installation	Present
3	Arrival of Machinery	Within 1 months of Order
4	Erection of Machinery	Within 5 days of arrival
5	Commissioning	Within 2-4 days of erection
6	Commercial Usage	Within 2 months from approval

9. LAND/SHED STATUS:

The JLG has already identified the shed required for the project within the project area.

10. SWOT ANALYSIS OF THE PROJECT

I. Strengths

- Growing awareness among entrepreneurs about the need for modernization, managerial and technical skill.
- Camphor is a versatile substance that has various applications in different industries, which makes it a highly valuable and in-demand product.

- Camphor can be derived from natural sources such as camphor trees or synthesized from turpentine oil, which provides flexibility in the sourcing of the raw material.
- Camphor has strong antiseptic, analgesic, and insect repellent properties, which make it highly effective in various applications.
- The cluster members are having good coordination among themselves and are serious about resolving cluster problems.

II. Weaknesses

- Camphor is a toxic substance that can cause skin irritation and respiratory problems, which may limit its use in certain applications.
- Camphor is highly flammable and can pose a fire hazard if not handled properly which requires strict safety measures in the production and storage of camphor.

III. Opportunities

- The increasing demand for natural and organic products in various industries, including personal care and pharmaceuticals, presents an opportunity for the use of camphor as a natural ingredient.
- The growing trend towards eco-friendliness and sustainability in the manufacturing sector may create an opportunity for the production of bio-based camphor from renewable sources.

- Modern process machinery that can give better productivity and quality as well as special features for the final products are available globally.

IV. Threats

- Camphor faces competition from synthetic alternatives that can mimic its properties and are often less expensive.
- Stringent regulations on the use of camphor, especially in pharmaceuticals, may limit its market potential in some regions.
- The availability and cost of raw materials used in the production of camphor, such as camphor trees, may affect the supply and pricing of camphor.

11. YOUTH EMPOWERMENT IMPACT OF THE PROJECT ON ECOSYSTEM

We have surplus youths in the state, graduate, undergraduate etc. supporting them to create self-employment will motivate to become entrepreneurs, they will live independent life**.**

Entrepreneurship will greatly impact the lifestyle of the youths, if businesses work along with their involvement of all the members towards creating awareness and promoting positive impacts on others.

Ecosystem Support from Project

- **Preservation of camphor trees:** Camphor is obtained from the wood of camphor trees. Camphor making business can encourage the planting and preservation of camphor trees, which can contribute to the preservation of local ecosystems and help combat deforestation.
- **Sustainable harvesting:** Camphor trees can take decades to grow and mature, and overharvesting can lead to the depletion of the species. Sustainable harvesting practices can help ensure the long-term viability of the camphor industry while protecting the environment.
- **Waste reduction**: Camphor making businesses can implement waste reduction measures, such as recycling and reusing materials used in the production process. This can reduce the amount of waste that is produced and minimize the impact of the business on the environment.

12. THE END PRODUCTS PRODUCED FROM THE MACHINE

13. FINANCIALS

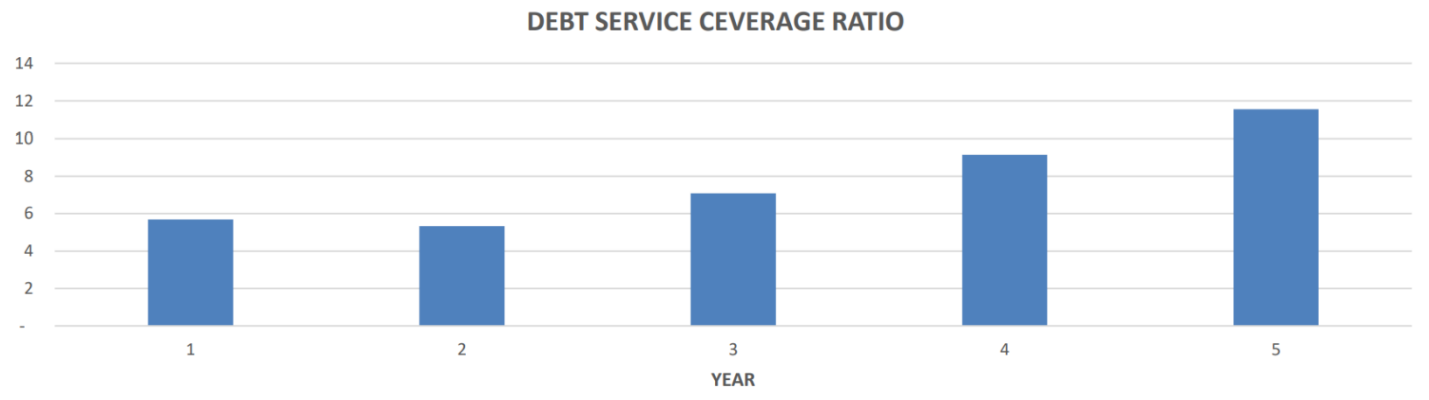
CASH FLOW STATEMENT

Particulars \ Year	Year 1	Year 2	Year 3	Year 4	Year 5
REVENUE FROM SALE OF CAMPHOR					
No. of working days in a Year	300	300	300	300	300
Less : Days for off Season	-	-	-	-	-
No. of Machine Running days in a Year	300	300	300	300	300
Capacity of the machine in kgs per day	25	25	25	25	25
Production in KGs	100%	100%	100%	100%	100%
Utilisation of the Capacity (%)	65%	70%	75%	80%	85%
Production during the year (in KGs)	4,875	5,250	5,625	6,000	6,375
Rate per KG	450	495	545	599	659
Gross Revenue earned per annum - A	**21,93,750**	**25,98,750**	**30,62,813**	**35,93,700**	**42,00,137**
COST OF RAW MATERIALS					
Consumption of Raw Materials	4,875	5,250	5,625	6,000	6,375
Rate per KG	300	330	363	399	439
Total Cost of Raw Material per annum - B	**14,62,500**	**17,32,500**	**20,41,875**	**23,95,800**	**28,00,091**
EXPENDITURE					
Salaries and Wages	2,88,000	3,16,800	3,48,480	3,83,328	4,21,661
Electricity Charges	48,000	52,800	58,080	63,888	70,277
Rent	96,000	1,05,600	1,16,160	1,27,776	1,40,554
Transportation and Travelling	36,000	39,600	43,560	47,916	52,708
Packaging and Promotion Expenses	36,000	39,600	43,560	47,916	52,708
Miscellaneous Expense	15,000	16,500	18,150	19,965	21,962
Total Expenditure - C	**5,19,000**	**5,70,900**	**6,27,990**	**6,90,789**	**7,59,868**
Net Profit before Interest /Cash Flow (A-B-C)	**2,12,250**	**2,95,350**	**3,92,948**	**5,07,111**	**6,40,178**

DSCR STATEMENT

PROJECTED TERM LOAN DSCR STATEMENT

	Year 1	Year 2	Year 3	Year 4	Year 5
	Projected	Projected	Projected	Projected	Projected
Profit available to service the debt	**2,12,250**	**2,95,350**	**3,92,948**	**5,07,111**	**6,40,178**
Loan Repayment	18,482	39,694	43,634	47,965	52,725
Interest on Term Loan	18,875	15,783	11,843	7,513	2,752
Debt to be Served	**37,357**	**55,477**	**55,477**	**55,477**	**55,477**
Debt Service Coverage Ratio	6	5	7	9	12
AVERAGE DSCR	**8**				



BREAKEVEN ANALYSIS
Investment Value Including Margin Rs. 225000

Year ended	Year 1 Projected	Year 2 Projected	Year 3 Projected	Year 4 Projected	Year 5 Projected
Cash Flow as per Statement of Income	2,12,250	2,95,350	3,92,948	5,07,111	6,40,178
Less : Interest on Loan	18,875	15,783	11,843	7,513	2,752
Less : Estimated Drawings/Personal Expenses	1,06,125	1,47,675	1,96,474	2,53,556	3,20,089
Net Cash Flow	**87,250**	**1,31,892**	**1,84,630**	**2,46,043**	**3,17,337**
Cumulative Cash Flow	**87,250**	**2,19,142**	**4,03,773**	**6,49,815**	**9,67,152**
Break Even Investment (in years)		**2 Year and 0.4 Months**			

REPAYMENT REPAYMENT

DETAIL REPAYMENT SCHEDULE

Year	Quarter	Loan Installment	Principal Payment	Loan Outstanding	Interest at 9.5%	Cumulative Interest
1	1	4,809	-	2,02,500	4,809	
	2	4,809	-	2,02,500	4,809	
	3	13,869	9,132	1,93,368	4,737	18,875
	4	13,869	9,350	1,84,018	4,519	
2	1	13,869	9,574	1,74,443	4,295	
	2	13,869	9,803	1,64,640	4,066	
	3	13,869	10,038	1,54,602	3,831	15,783
	4	13,869	10,278	1,44,323	3,591	
3	1	13,869	10,525	1,33,799	3,345	
	2	13,869	10,776	1,23,022	3,093	
	3	13,869	11,034	1,11,988	2,835	11,843
	4	13,869	11,299	1,00,689	2,571	
4	1	13,869	11,569	89,120	2,300	
	2	13,869	11,846	77,274	2,023	
	3	13,869	12,130	65,145	1,740	7,513
	4	13,869	12,420	52,725	1,449	
5	1	13,869	12,717	40,008	1,152	
	2	13,869	13,022	26,986	848	
	3	13,869	13,333	13,653	536	2,752
	4	13,869	13,653	(0)	217	
Total		**2,59,266**	**2,02,500**		**56,766**	**56,766**

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