



# Detailed Project Report

## Mat Weaving



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:**



**Mat weaving is a traditional handicraft that involves creating woven mats from various natural materials, such as reeds, grasses, and straw. The process of mat weaving typically involves preparing the materials, such as drying and cutting them to size, and then weaving them together using a loom or other weaving tools. The resulting mats can be used for a variety of purposes, such as flooring, seating, or even as wall decorations. Mat weaving has a long history and can be found in many cultures around the world, and it continues to be an important form of artistic expression and a source of income for many communities.**

## **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.

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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**

##### **Mat Weaving Unit**

A historic craft, mat weaving entails weaving mats from a variety of organic materials, including reeds, grasses, and straw. The preparation of the materials, such as drying and cutting them to size, is usually followed by the weaving of the materials together using a loom or other weaving tools. The resulting mats can be utilised for a number of things, including seating, flooring, and even wall decorations. In many civilizations around the world, mat weaving has a long history and is still a significant form of artistic expression and a source of money for many localities. Mat weaving technology has evolved over time to include a range of





tools and techniques that can improve the efficiency and quality of the weaving process. Traditional mat weaving tools, such as hand-held looms, continue to be used in many parts of the world, but modern advancements have also led to the development of more automated weaving equipment. These advancements include the use of computer-controlled looms, which can help to speed up the weaving process and ensure consistent quality. Additionally, new materials and weaving techniques have been developed to create mats that are more durable, weather-resistant, and versatile in their uses. Despite these technological advancements, mat weaving remains a labour-intensive craft that requires skill, patience, and attention to detail.

## **5. DELIVERABLES AND MARKET OF THE PRODUCT**

- **Household mats:** These are used in homes as floor coverings, doormats, bathroom mats, and kitchen mats, among other applications.
- **Commercial mats:** These are used in various commercial settings, such as hotels, restaurants, offices, and retail stores, to improve safety, protect floors, and enhance the aesthetic appeal of the space.
- **Automotive mats:** These are used in cars, trucks, and other vehicles to protect the flooring from dirt, mud, and other debris.
- **Yoga and exercise mats:** These are specially designed mats used in yoga studios and fitness centers to provide a non-slip surface for exercise routines.



- **Outdoor and camping mats:** These mats are used for outdoor activities such as camping, hiking, and picnicking, and are designed to be durable and weather-resistant.
- **Artisanal and decorative mats:** These are created by skilled artisans and are used as decorative pieces for homes and businesses.
- **Industrial mats:** These are used in industrial settings such as factories, warehouses, and production facilities, to provide anti-fatigue and anti-slip surfaces, as well as to protect equipment and flooring from damage.

**Project Assumptions:** This model DPR for Mat Weaving 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 mat Making Unit:	50 piece day	
Utilization of capacity:	Year 1	65%
	Year 2	70%
	Year 3	75%
	Year 4	80%
	Year 5	85%
Working days per year:	300 days	
Working hours per day:	8-10 hours	
Average price of raw material:	Rs. 100/Piece	



Average sale price of product

Rs. 250/kg

### Machineries



Mat Weaving Machine
Capacity: 50 piece/day
Automatic grade: Automatic
Voltage: 320V (3 phase)
E- Zone Exports
Aurangabad, Maharashtra

### Market Output:

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

#### Market Linkage

- ❖ Supermarkets
- ❖ Kirana stores
- ❖ Sports stores

- ❖ Hypermarkets
- ❖ Home goods stores
- ❖ Flooring stores



## **6. ROLE OF EACH OF THE JLG MEMBERS**

### **How JLG will participate:**

- 2 persons will be used to procurement
- 2 persons for production
- 2 persons for the logistics & sales
- 2 persons for value addition
- 2 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	2,25,000	90%
2	JLG contribution	22,500	10%
3	<b>Total</b>	<b>2,47,500</b>	<b>100%</b>

Sl. No.	Details	Cost in Rs.
1	Machine Cost	1,82,500
2	Furniture	15,000
3	Working capital (Shed deposit, electric connection deposit, Miscellaneous and preoperative expenses)	50,000
	<b>TOTAL</b>	<b>2,47,500</b>



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 1 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

- A mat weaving machine can produce mats quickly and efficiently, which can save time and labor costs.



- A machine can produce mats with consistent quality and dimensions, which can improve the overall quality of the product.
- Many machines can be adjusted to produce different types and sizes of mats, which can provide greater flexibility in production.

## II. Weaknesses

- The cost of a mat weaving machine can be high, which may be a barrier to entry for small businesses or individuals.
- Like any mechanical device, a mat weaving machine requires regular maintenance and repair, which can be costly and time-consuming.
- While machines can produce consistent and efficient results, they may not be able to produce highly customized or unique mats.

## III. Opportunities

- With the growing interest in eco-friendly and sustainable products, there may be an increased demand for handmade mats produced with the help of a machine.
- A mat weaving machine can be used to produce a variety of mats, from bath mats to outdoor mats to yoga mats, which can provide opportunities for diversification and growth.
- Mats are in demand in many countries around the world, and a mat weaving machine can help businesses expand their reach and export their products.





#### IV. Threats

- With the availability of both handmade and machine-made mats, there may be significant competition in the market.
- Economic downturns or fluctuations can impact demand for non-essential items like mats, which could negatively impact sales and revenue.
- Newer and more advanced mat weaving machines or technologies could emerge, making older machines obsolete or less competitive.

### **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**



- **Sustainable sourcing of ingredients:** Mat weaving promotes the sustainable use of natural resources, as it relies on materials that can be grown, harvested, and regrown in a renewable cycle.
- **Waste reduction:** Mat weaving utilizes materials that would otherwise go to waste, such as grasses and leaves that fall from trees. This helps reduce waste and keeps the environment clean.
- **Energy efficiency:** Plants that are used for mat weaving can help to sequester carbon from the atmosphere, helping to mitigate the effects of climate change.
- **Supporting local communities:** Mat weaving is often a traditional craft that has been passed down through generations. By preserving this knowledge and continuing to practice the craft, communities can maintain their cultural heritage and promote traditional ways of life.

## **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
<b><u>REVENUE FROM SALE OF MAT WEAVING</u></b>					
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 Piece per day	50	50	50	50	50
Production in Pieces	95%	95%	95%	95%	95%
Utilisation of the Capacity (%)	65%	70%	75%	80%	85%
Production during the year (in Pieces)	9,263	9,975	10,688	11,400	12,113
Rate per Piece	250	275	303	333	366
<b>Gross Revenue earned per annum - A</b>	<b>23,15,625</b>	<b>27,43,125</b>	<b>32,32,969</b>	<b>37,93,350</b>	<b>44,33,478</b>
<b><u>COST OF RAW MATERIALS</u></b>					
Consumption of Raw Materials	9,750	10,500	11,250	12,000	12,750
Rate per Piece	100	110	121	133	146

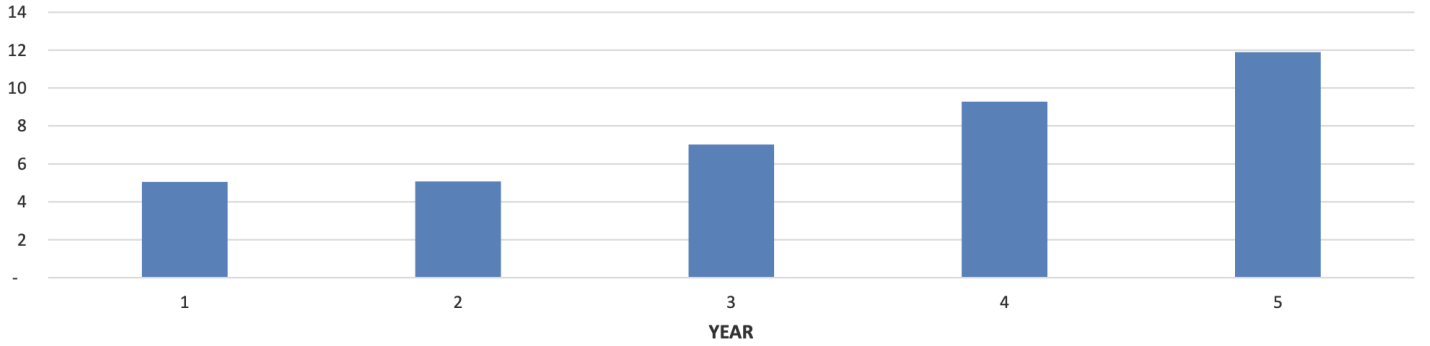


<b>Total Cost of Raw Material per annum - B</b>	<b>9,75,000</b>	<b>11,55,000</b>	<b>13,61,250</b>	<b>15,97,200</b>	<b>18,66,728</b>
<b><u>EXPENDITURE</u></b>					
Salaries and Wages	6,24,000	7,17,600	8,25,240	9,49,026	10,91,380
Electricity Charges	1,44,000	1,58,400	1,74,240	1,91,664	2,10,830
Rent	1,32,000	1,45,200	1,59,720	1,75,692	1,93,261
Transportation and Travelling	96,000	1,05,600	1,16,160	1,27,776	1,40,554
Packaging and Promotion Expenses	72,000	79,200	87,120	95,832	1,05,415
Miscellaneous Expense	63,000	69,300	76,230	83,853	92,238
<b>Total Expenditure - C</b>	<b>11,31,000</b>	<b>12,75,300</b>	<b>14,38,710</b>	<b>16,23,843</b>	<b>18,33,679</b>
<b>Net Profit before Interest /Cash Flow (A-B-C)</b>	<b>2,09,625</b>	<b>3,12,825</b>	<b>4,33,009</b>	<b>5,72,307</b>	<b>7,33,072</b>

## PROJECTED TERM LOAN DSCR STATEMENT

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
Profit available to service the debt	<b>2,09,625</b>	<b>3,12,825</b>	<b>4,33,009</b>	<b>5,72,307</b>	<b>7,33,072</b>
Loan Repayment	20,536	44,105	48,482	53,294	58,583
Interest on Term Loan	20,972	17,536	13,159	8,347	3,058
<b>Debt to be Served</b>	<b>41,508</b>	<b>61,641</b>	<b>61,641</b>	<b>61,641</b>	<b>61,641</b>
Debt Service Coverage Ratio	5	5	7	9	12
<b>AVERAGE DSCR</b>			<b>8</b>		

## DEBT SERVICE CEVORAGE RATIO



## BREAKEVEN ANALYSIS

### Investment Value Including Margin Rs. 250000

Year ended	Year 1 Projected	Year 2 Projected	Year 3 Projected	Year 4 Projected	Year 5 Projected
Cash Flow as per Statement of Income	2,09,625	3,12,825	4,33,009	5,72,307	7,33,072
Less : Interest on Loan	20,972	17,536	13,159	8,347	3,058
Less : Estimated Drawings/Personal Expenses	1,04,813	1,56,413	2,16,504	2,86,154	3,66,536
<b>Net Cash Flow</b>	<b>83,840</b>	<b>1,38,876</b>	<b>2,03,345</b>	<b>2,77,806</b>	<b>3,63,478</b>
<b>Cumulative Cash Flow</b>	<b>83,840</b>	<b>2,22,716</b>	<b>4,26,061</b>	<b>7,03,867</b>	<b>10,67,345</b>
<b>Break Even Investment (in years)</b>			<b>2 Year and 1.6 Months</b>		



## DETAIL REPAYMENT SCHEDULE

Year	Quarter	Loan Installment	Principal Payment	Loan Outstanding	Interest at 9.5%	Cumulative Interest
1	1	5,344	-	2,25,000	5,344	20,972
	2	5,344	-	2,25,000	5,344	
	3	15,410	10,146	2,14,854	5,264	
	4	15,410	10,389	2,04,464	5,021	
2	1	15,410	10,638	1,93,826	4,772	17,536
	2	15,410	10,893	1,82,933	4,518	
	3	15,410	11,154	1,71,780	4,257	
	4	15,410	11,421	1,60,359	3,990	
3	1	15,410	11,694	1,48,665	3,716	13,159
	2	15,410	11,974	1,36,692	3,437	
	3	15,410	12,260	1,24,431	3,150	
	4	15,410	12,554	1,11,877	2,856	
4	1	15,410	12,854	99,023	2,556	8,347
	2	15,410	13,162	85,860	2,248	
	3	15,410	13,477	72,383	1,933	
	4	15,410	13,800	58,583	1,610	
5	1	15,410	14,130	44,453	1,280	3,058
	2	15,410	14,469	29,984	942	
	3	15,410	14,815	15,170	595	
	4	15,410	15,170	0	241	
<b>Total</b>		<b>2,88,074</b>	<b>2,25,000</b>		<b>63,074</b>	<b>63,074</b>



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