



Detailed Project Report

Paper Egg Tray Manufacturing



By



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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:



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

Paper Egg Tray Manufacturing Unit:

A paper egg tray manufacturing machine is a type of equipment that is used to produce paper egg trays in large quantities. The machine can make egg trays of different sizes and shapes by molding and drying a mixture of recycled paper and water. Egg trays are typically designed to hold a dozen eggs, though some are also made to hold 18 or 24 eggs. They are usually moulded into a series of small, individual pockets, each of which is designed to hold one egg. The pockets help keep the eggs in place and prevent them from rolling around and potentially cracking during transport.

5. DELIVERABLES AND MARKET OF THE PRODUCT

- **Protection:** Egg trays are designed to protect eggs from damage during transport, by preventing them from rolling around and colliding with each other or with other surfaces. The individual pockets of an egg tray help cushion the eggs and prevent them from breaking.



- **Convenience:** Egg trays are convenient to use, as they are easy to stack and transport, whether you are transporting a small or large number of eggs. They can also be easily disposed of or recycled after use.
- **Durability:** Egg trays are designed to be strong and durable, to ensure that they can withstand the rigors of transport and protect the eggs inside.
- **Sustainability:** Egg trays made from paper pulp are often made from recycled materials, making them an eco-friendly option. They are also biodegradable and can be easily disposed of or recycled after use.
- **Cost-effectiveness:** Egg trays are a cost-effective way to transport eggs, as they are typically made from inexpensive materials and can be reused multiple times (in the case of plastic trays). This makes them an affordable option for egg producers and retailers.

Project Assumptions: This model DPR for Egg Tray Manufacturing 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 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 Paper Egg Tray Manufacturing Unit:	100 kgs per day	
Utilization of capacity:	Year 1	70%
	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. 40/ kg	
Average sale price of product	Rs. 90/ kg	

Machineries



Three Phase Paper Automatic Egg Tray Machine
Capacity: 100 kg per day
Voltage: 320V
Material: Mild Steel
Panchal Engine Works Kurukshetra, Haryana

Machinery is also available in Bengaluru and Coimbatore.

Market Output:

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



Market Linkage

- | | |
|----------------------------------|---|
| ❖ <u>Grocery Stores</u> | ❖ <u>Supermarkets and Departmental Stores</u> |
| ❖ <u>Poultry Farms</u> | ❖ <u>E-commerce</u> |
| ❖ <u>Egg Distributors</u> | ❖ <u>Wholesalers</u> |
| ❖ <u>Packaging Manufacturers</u> | |

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
- 2 persons for the logistics & sales
- 2 persons for sieving
- 2 persons for maintenance of machines

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	4,50,000	90%
2	JLG contribution	45,000	10%
3	Total	4,95,000	100%

Sl. No.	Details	Cost in Rs.
1	Machine Cost	3,15,000
2	Furniture	50,000



3	Working capital (Shed deposit, electric connection deposit, Miscellaneous and preoperative expenses)	1,30,000
	TOTAL	4,95,000

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. Strength

- Growing awareness among entrepreneurs about the need for modernization, managerial and technical skill.
- Egg trays provide a safe and convenient way to transport eggs, protecting them from damage during transport and preventing them from rolling around and breaking.
- They are available in a range of sizes and configurations to accommodate different quantities of eggs.
- Egg trays made from paper pulp are an eco-friendly option, as they are made from recycled materials and are biodegradable.
- The cluster members are having good coordination among themselves and are serious about resolving cluster problems.

II. Weakness

- Quality control issues, as some manufacturers may use low-quality ingredients, which can lead to a decrease in the quality of the final product.
- They may not provide as much protection for eggs as other packaging options, such as foam or molded plastic trays.
- Some egg trays may not be as durable as other packaging options and may not hold up as well during transport or when exposed to moisture.



III. Opportunities

- There is an increasing demand for eco-friendly and sustainable packaging options, which could benefit paper pulp egg trays.
- Expansion of market reach by utilizing e-commerce platforms and marketing through social media.
- Egg trays could be marketed to a wider range of customers, including small-scale egg producers and backyard chicken keepers.

IV. Threats

- Due to poor market access the profitability of the JLG members may fall bit low level. This may discourage initially to JLG members.
- The increasing use of plastic packaging in general may reduce demand for eco-friendly packaging options, such as paper pulp egg trays.

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

- **Reducing Waste:** Paper egg trays are made from recycled paper, which reduces the amount of waste that would otherwise end up in landfills or oceans. By reusing paper that has already been produced, this process helps reduce the need for additional raw materials and conserves resources.
- **Biodegradable:** Unlike plastic or Styrofoam egg trays, paper egg trays are biodegradable and can be easily decomposed in a short period of time. This helps to reduce the amount of non-biodegradable waste in the environment.
- **Carbon Footprint Reduction:** The production of paper egg trays typically requires less energy and emits less greenhouse gas than the production of plastic or Styrofoam egg trays. This can help to reduce the overall carbon footprint of the business.

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
<u>REVENUE FROM SALE OF PAPER EGG TRAY</u>					
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	100	100	100	100	100
Production in KGs	100%	100%	100%	100%	100%
Utilisation of the Capacity (%)	70%	70%	75%	80%	85%
Production during the year (in KGs)	21,000	21,000	22,500	24,000	25,500
Rate per KG	90	99	109	120	132
Gross Revenue earned per annum - A	18,90,000	20,79,000	24,50,250	28,74,960	33,60,110
<u>COST OF RAW MATERIALS</u>					
Consumption of Raw Materials	21,000	21,000	22,500	24,000	25,500
Rate per KG	40	44	48	53	59
Total Cost of Raw Material per annum - B	8,40,000	9,24,000	10,89,000	12,77,760	14,93,382
<u>EXPENDITURE</u>					
Salaries and Wages	3,60,000	3,96,000	4,35,600	4,79,160	5,27,076
Electricity Charges	1,08,000	1,18,800	1,30,680	1,43,748	1,58,123
Transportation and Travelling	25,000	27,500	30,250	33,275	36,603
Rent	1,14,000	1,25,400	1,37,940	1,51,734	1,66,907
Packaging and Promotion Expenses	36,000	39,600	43,560	47,916	52,708
Miscellaneous Expense	25,000	27,500	30,250	33,275	36,603
Total Expenditure - C	6,68,000	7,34,800	8,08,280	8,89,108	9,78,019
Net Profit before Interest /Cash Flow (A-B-C)	3,82,000	4,20,200	5,52,970	7,08,092	8,88,709

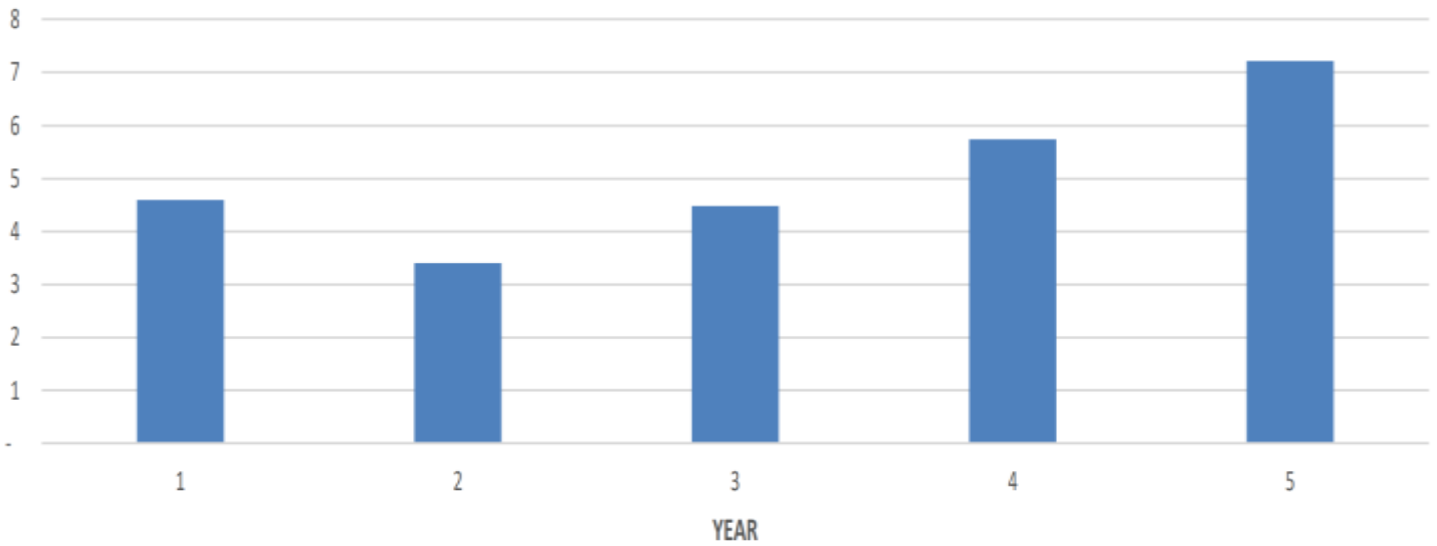


DSCR STATEMENT

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	3,82,000	4,20,200	5,52,970	7,08,092	8,88,709
Loan Repayment	41,072	88,210	96,964	1,06,588	1,17,166
Interest on Term Loan	41,945	35,073	26,318	16,695	6,116
Debt to be Served	83,016	1,23,283	1,23,283	1,23,283	1,23,283
Debt Service Coverage Ratio	5	3	4	6	7
AVERAGE DSCR	5				

DEBT SERVICE COVERAGE RATIO





BREAKEVEN ANALYSIS

Investment Value Including Margin Rs. 500000

Year ended	Year 1 Projected	Year 2 Projected	Year 3 Projected	Year 4 Projected	Year 5 Projected
Cash Flow as per Statement of Income	3,82,000	4,20,200	5,52,970	7,08,092	8,88,709
Less : Interest on Loan	41,945	35,073	26,318	16,695	6,116
Less : Estimated Drawings/Personal Expenses	1,91,000	2,10,100	2,76,485	3,54,046	4,44,354
Net Cash Flow	1,49,055	1,75,027	2,50,167	3,37,351	4,38,238
Cumulative Cash Flow	1,49,055	3,24,082	5,74,249	9,11,600	13,49,838
Break Even Investment (in years)		2 Year and 8.4 Months			

REPAYMENT

DETAIL REPAYMENT SCHEDULE

Year	Quarter	Loan Installment	Principal Payment	Loan Outstanding	Interest at 9.5%	Cumulative Interest
1	1	10,688	-	4,50,000	10,688	41,945
	2	10,688	-	4,50,000	10,688	
	3	30,821	20,293	4,29,707	10,528	
	4	30,821	20,779	4,08,928	10,042	
2	1	30,821	21,276	3,87,652	9,544	35,073
	2	30,821	21,786	3,65,867	9,035	
	3	30,821	22,307	3,43,560	8,514	
	4	30,821	22,841	3,20,719	7,980	
3	1	30,821	23,388	2,97,331	7,433	26,318
	2	30,821	23,948	2,73,383	6,873	
	3	30,821	24,521	2,48,862	6,300	
	4	30,821	25,108	2,23,754	5,713	
4	1	30,821	25,709	1,98,045	5,112	16,695
	2	30,821	26,324	1,71,721	4,496	
	3	30,821	26,955	1,44,766	3,866	
	4	30,821	27,600	1,17,166	3,221	
5	1	30,821	28,261	88,906	2,560	6,116
	2	30,821	28,937	59,969	1,884	
	3	30,821	29,630	30,339	1,191	
	4	30,821	30,339	0	482	
Total		5,76,147	4,50,000		1,26,147	1,26,147



Designated Contact Details for this project

Email ID : contact@vkfoundations.org
Mobile : 9845938269 / 9986024478 / 9902256304
Website: vkfoundations.org

