



Detailed Project Report

Pavement Block 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:



A paver block is a versatile and durable building material that can be used for various outdoor applications, including walkways, patios, driveways, and more. A Paver Block Making Unit is a machine used for producing interlocking concrete or cement blocks used for paving outdoor surfaces. It typically involves mixing cement, sand, and other materials, then compressing and shaping them into uniform blocks using hydraulic pressure. These blocks are then cured and can be used to create attractive and long-lasting outdoor surfaces.

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

Paver Block Making Unit

A Paver Block Making Unit is a facility equipped with machines and equipment for producing interlocking concrete or cement blocks used for paving outdoor surfaces. The unit typically includes a mixer for preparing the raw materials, a block-making machine for shaping the blocks, and a curing chamber for allowing the blocks to set and harden. Paver block making units can be small-scale or large-scale, depending on the production capacity and market demand. The final products are durable, versatile, and aesthetically pleasing, making them ideal for various outdoor applications such as walkways, driveways, patios, and more.



5. DELIVERABLES AND MARKET OF THE PRODUCT

The deliverables of a Paver Block Making Unit include high-quality interlocking concrete or cement blocks used for paving outdoor surfaces.

These blocks come in various shapes, sizes, and colors, allowing for endless design possibilities. The market for paver blocks is significant, with demand coming from both residential and commercial sectors. Paver blocks are used for a wide range of outdoor applications, including walkways, driveways, patios, parking areas, and more.

They offer several advantages over traditional paving materials such as asphalt and concrete, including durability, low maintenance, ease of installation, and an attractive appearance. The demand for paver blocks is expected to grow in the coming years, driven by increasing urbanization, infrastructure development, and a growing trend towards sustainable and eco-friendly building materials. Paver Block Making Units can cater to this demand by producing high-quality blocks efficiently and cost-effectively, making it a potentially profitable business opportunity.

Project Assumptions:

This model DPR for Pave Block Making 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 Paver Block Manufacturing Unit:	100 kg per day	
Utilization of capacity:	Year 1	60%
	Year 2	65%
	Year 3	70%
	Year 4	75%
	Year 5 ONWARDS	80%
Working days per year:	300 days	
Working hours per day:	8-10 hours	
Average price of raw material:	Rs. 120/ kg	
Average sale price of product	Rs. 200/ kg	

Machineries





King Tiles Paver Block Making Machine Manufacturer

Automation Grade: Manual

King Tiles Paver Block Making Machine Uttar Pradesh
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Machinery is also available in Bengaluru.

Market Output:

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

<p><u>Market Linkage</u></p> <ul style="list-style-type: none"> ❖ <u>Grocery Stores</u> ❖ <u>Hotels</u> ❖ <u>Corporate/Government Institutions</u> 	<ul style="list-style-type: none"> ❖ <u>Supermarkets and Departmental Stores</u> ❖ <u>E-commerce</u> ❖ <u>Quick Commerce</u>
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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	Percentage
		Rs.	



1	Bank Loan	4,32,000	90%
2	JLG contribution	43,200	10%
3	Total	4,75,200	100%

Sl. No.	Details	Cost in Rs.
1	Machine Cost	3,00,000
2	Furniture	45,200
3	Working capital (Shed deposit, electric connection deposit, Miscellaneous and preoperative expenses)	1,30,000
	TOTAL	4,75,200

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

- Versatile product with multiple applications in outdoor paving
- Growing demand for sustainable building materials
- Ability to customize blocks based on customer needs and preferences
- High durability and low maintenance, making it an attractive option for customers

II. Weaknesses

- Requires significant investment in machinery and equipment
- Limited product differentiation compared to competitors
- Dependent on the construction and real estate industry, which can be cyclical



III. Opportunities

- Increasing demand for eco-friendly and sustainable building materials
- Expansion into new markets and geographical regions
- Diversification of product line to include other building materials
- Collaboration with construction and engineering firms to offer end-to-end.

IV. Threats

- Main attributed to less profitability to this industry is due to lower price at the beginning and JLG members need to work hard.
- Intense competition from existing paver block manufacturers
- Fluctuations in raw material prices
- Changes in building codes and regulations affecting the use of paver blocks.
- Economic downturns affecting the construction industry and demand for paver blocks.



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.

12. THE END PRODUCTS PRODUCED FROM THE MACHINE





13. FINANCIALS

CASH FLOW STATEMENT

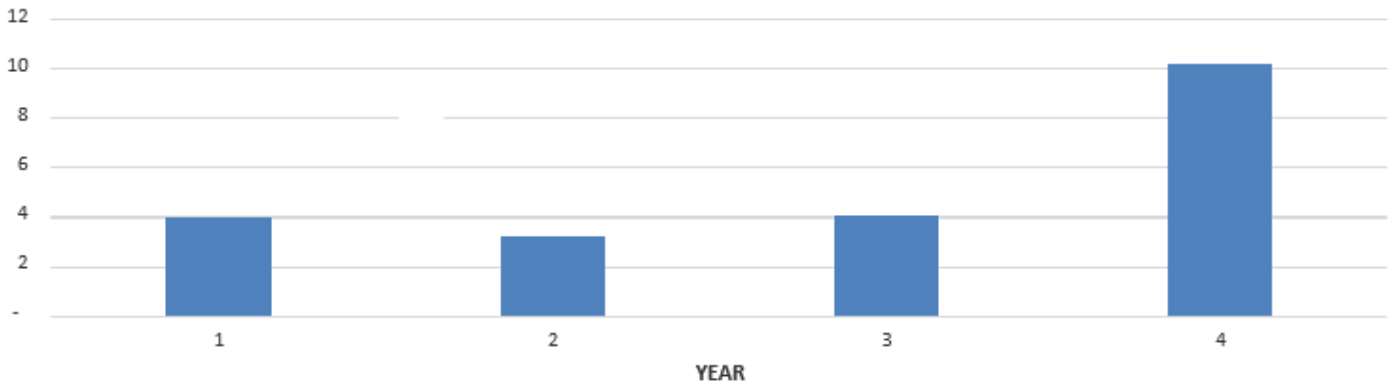
Particulars	Year				
	Year 1	Year 2	Year 3	Year 4	Year 5
<u>REVENUE FROM SALE PAVEMENT OF BLOCKS</u>					
No. of working days in a Year	300	300	300	300	300
Less : Days for Curing	100	100	100	100	100
No. of Machine Running days in a Year	200	200	200	200	200
Capacity of the machine in Blocks	500	500	500	500	500
Production in Block	100%	100%	100%	100%	100%
Utilisation of the Capacity (%)	65%	70%	75%	80%	85%
Production of Blocks during the year	65,000	70,000	75,000	80,000	85,000
Rate per Block	50	55	61	67	73
Gross Revenue earned per annum - A	32,50,000	38,50,000	45,37,500	53,24,000	62,22,425
<u>COST OF RAW MATERIALS</u>					
Production of Block	65,000	70,000	75,000	80,000	85,000
Rate per Consumption of Raw Material	30	33	36	40	44
Total Cost of Raw Material per annum - B	19,50,000	23,10,000	27,22,500	31,94,400	37,33,455
<u>EXPENDITURE</u>					
Salaries and Wages	5,28,000	6,07,200	6,98,280	8,03,022	9,23,475
Electricity Charges	96,000	1,05,600	1,16,160	1,27,776	1,40,554
Rent	1,20,000	1,32,000	1,45,200	1,59,720	1,75,692
Transportation and Travelling	90,000	99,000	1,08,900	1,19,790	1,31,769
Promotion Expenses	30,000	33,000	36,300	39,930	43,923
Miscellaneous Expense	24,000	26,400	29,040	31,944	35,138
Total Expenditure - C	8,88,000	10,03,200	11,33,880	12,82,182	14,50,551
Net Profit before Interest /Cash Flow (A-B-C)	4,12,000	5,36,800	6,81,120	8,47,418	10,38,419



PROJECTED TERM LOAN DSCR STATEMENT

	Year 1	Year 2	Year 3	Year 4
	Projected	Projected	Projected	Projected
Profit available to service the debt	4,12,000	5,36,800	6,81,120	8,47,418
Loan Repayment	63,760	1,36,937	1,50,527	80,777
Interest on Term Loan	39,790	29,122	15,532	2,253
Debt to be Served	1,03,549	1,66,059	1,66,059	83,029
Debt Service Coverage Ratio	4	3	4	10
AVERAGE DSCR	5			

DEBT SERVICE CEVERAGE RATIO



BREAKEVEN ANALYSIS

Investment Value Including Margin Rs. 480000

Year ended	Year 1 Projected	Year 2 Projected	Year 3 Projected	Year 4 Projected	Year 5 Projected
Cash Flow as per Statement of Income	4,12,000	5,36,800	6,81,120	8,47,418	10,38,419
Less : Interest on Loan	39,790	29,122	15,532	2,253	-
Less : Estimated Drawings/Personal Expenses	2,06,000	2,68,400	3,40,560	4,23,709	5,19,209
Net Cash Flow	1,66,210	2,39,278	3,25,028	4,21,456	5,19,209
Cumulative Cash Flow	1,66,210	4,05,488	7,30,516	11,51,973	16,71,182
Break Even Investment (in years)	2 Year and 2.8 Months				



DETAIL REPAYMENT SCHEDULE

Year	Quarter	Loan Installment	Principal Payment	Loan Outstanding	Interest at 9.5%	Cumulative Interest
1	1	10,260	-	4,32,000	10,260	39,790
	2	10,260	-	4,32,000	10,260	
	3	41,515	31,503	4,00,497	10,012	
	4	41,515	32,257	3,68,240	9,258	
2	1	41,515	33,029	3,35,211	8,486	29,122
	2	41,515	33,820	3,01,391	7,695	
	3	41,515	34,629	2,66,762	6,885	
	4	41,515	35,458	2,31,304	6,056	
3	1	41,515	36,307	1,94,997	5,208	15,532
	2	41,515	37,176	1,57,820	4,338	
	3	41,515	38,066	1,19,754	3,448	
	4	41,515	38,977	80,777	2,537	
4	1	41,515	39,911	40,866	1,604	2,253
	2	41,515	40,866	0	649	
Total		5,18,696	4,32,000		86,696	86,696



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