



DETAILED PROJECT REPORT

Sanitary Napkin Making Unit



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 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 Common Facility Centres.

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 working with MSME, ESTC, IDEMI, Tribes India, NRLM and WCD to support rural masses in terms upgrading their livelihood opportunities. It also facilitates in preparation of DPR, Govt. liaising, market linkage activities, brand awareness, branding initiatives, value addition of the products produced by clusters etc.



4. NAME OF PRODUCT AND TECHNOLOGY

Sanitary Napkin Making Unit -

A sanitary napkin making unit is a facility that produces disposable menstrual pads for women. The production process involves the use of raw materials such as wood pulp, non-woven fabric, adhesive, and release paper. The end product is a hygienic, comfortable and absorbent sanitary napkin that is designed to provide women with protection during their menstrual cycle.

Sanitary napkin making machines can range from small, manually operated machines for low-volume production to fully automated, high-speed machines that can produce large quantities of pads. The cost of the machine will depend on the type, size, and level of automation, and can range from a few thousand to several hundred thousand dollars.

5. DELIVERABLES AND MARKET OF THE PRODUCT

Sanitary Napkin Making Unit

The Sanitary Napkin Project aims to address the lack of access to affordable and hygienic menstrual products for women and girls in underserved communities. The project seeks to produce and distribute high-quality sanitary napkins that are affordable and accessible to women in these areas.



- **Production of affordable and high-quality sanitary napkins:** The Sanitary Napkin Project aims to produce sanitary napkins that are both affordable and of high quality.
- **Distribution of sanitary napkins to underserved communities:** The project aims to distribute the sanitary napkins to underserved communities where women and girls have limited access to menstrual products.
- **Education and awareness-raising on menstrual hygiene:** In addition to providing sanitary napkins, the project will also aim to raise awareness about menstrual hygiene and the importance of using hygienic menstrual products..
- **Market for the Sanitary Napkin Project:** The market for the Sanitary Napkin Project will primarily be women and girls in underserved communities who have limited access to menstrual products.

Project Assumptions:

This model DPR for Sanitary Napkin 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 particular DPR are given in Table below. Therefore, land and civil infrastructures are assumed as already available with the entrepreneur.



Table: Detailed Project Assumptions

Parameter	Value	
Average Output Capacity of the Sanitary Making Unit	1000piece/day	
Utilization of capacity:	Year 1	60%
	Year 2	65%
	Year 3	70%
	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. 5/piece	
Average sale price of Finished product	Rs. 15/piece	

Details of Machinery



Sanitary Pads Making Machine

Power: 220

Supplier: S.L. Machinery

Location: Mundka, New Delhi

Machinery is also available in Bengaluru.



Market Output:

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

Market Linkage

- | | |
|--|----------------------------|
| ❖ <u>Pharmaceutical Store</u> | ❖ <u>E-commerce</u> |
| ❖ <u>SuperMarkets/Hyper Markets</u> | ❖ <u>Hospitals</u> |
| ❖ <u>Convenience Stores</u> | |

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

3 persons for value addition

1 person for waste management like selling the waste to end users

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. BREAK UP COST AND MARGIN 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	3,15,000	90%
2.	JLG contribution	31,500	10%
3.	Total	3,46,500	100%

Sl. No.	Details	Cost in Rs
1.	Machine cost	1,96,500
2.	Furniture	40,000
3.	Working capital (Shed deposit, electric connection deposit, Miscellaneous and preoperative expenses)	1,10,000
	Total	3,46,500



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

- With the increasing awareness of menstrual hygiene and a rise in the number of working women, the demand for sanitary napkins is on the rise.
- The market for sanitary napkins is not yet saturated, which creates opportunities for new entrants.
- The manufacturing process of sanitary napkins is relatively simple and can be done using low-cost machinery and raw materials.



II. Weakness

- The JLG members lack insufficient place for working/processing in their units. All the process was being carried at one small area.
- Sanitary napkins are largely a commodity product, which makes it difficult to differentiate your product from competitors.
- The JLG members are unable to purchase modern machineries due to financial limitations.
- Marketing and advertising costs can be high, especially for new entrants, due to the need to build brand recognition and trust.
- The JLG members have poor access to national and international markets. This will affect initially the profitability of the JLG members.
- The demand for sanitary napkins can vary seasonally, which can create supply and demand imbalances.

III. Opportunities

- JLG members are still very young if they start performing well in business and in future modern process machinery with better productivity and quality as well as special features for the final products also can be done within JLG members.
- Sanitary napkins are in demand not just in India, but also in other developing countries, which presents opportunities for export.



- The Indian government is actively promoting the use of sanitary napkins and has launched several initiatives to provide affordable and accessible menstrual hygiene products to women.
- A sanitary napkin making unit can also diversify its product portfolio by producing other hygiene products like panty liners, adult diapers, etc.

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.
- While the market for sanitary napkins is not yet saturated, there are several established players in the market, making it difficult for new entrants to gain market share.
- Fluctuations in the prices of raw materials like wood pulp and cotton can impact the profitability of a sanitary napkin making unit.
- Major player in the industry will sell it for lower price at the beginning and JLG members need to work hard.

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 plastic waste:** Many commercial sanitary napkins are made of non-biodegradable materials like plastic, which can take hundreds of years to decompose. By producing and promoting eco-friendly sanitary napkins, the project can help reduce the amount of plastic waste in landfills and water bodies.
- **Providing employment opportunities:** The project can provide employment opportunities for people in the region. This can be particularly beneficial for women, who often face greater barriers to accessing formal employment opportunities.
- **Encouraging sustainable practices:** By promoting the use of eco-friendly sanitary napkins, the project can encourage consumers to adopt more sustainable practices in their daily lives.
- **Supporting local farmers:** The project can source raw materials from local farmers and encourage the use of natural materials like cotton, which can support sustainable agriculture practices in the region.
- **Improving menstrual health:** Access to safe and affordable sanitary napkins can improve menstrual health for women in the region, which can have a positive impact on their overall well-being.



12. THE END PRODUCTS PRODUCED WITH THE MACHINE





13. FINANCIALS

CASH FLOW STATEMENT

Particulars	Year				
	Year 1	Year 2	Year 3	Year 4	Year 5
<u>REVENUE FROM SALE OF SANITARY NAPKINS</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 Piece per day	1,000	1,000	1,000	1,000	1,000
Production in Piece	100%	100%	100%	100%	100%
Utilisation of the Capacity (%)	60%	65%	70%	75%	80%
Production during the year (in Pieces)	1,80,000	1,95,000	2,10,000	2,25,000	2,40,000
Rate per Piece	15	17	18	20	22
Gross Revenue earned per annum - A	27,00,000	32,17,500	38,11,500	44,92,125	52,70,760
<u>COST OF RAW MATERIALS</u>					
Consumption of Raw Materials	1,80,000	1,95,000	2,10,000	2,25,000	2,40,000
Rate per Piece	5	6	6	7	7
Total Cost of Raw Material per annum - B	9,00,000	10,72,500	12,70,500	14,97,375	17,56,920
<u>EXPENDITURE</u>					
Salaries and Wages	10,08,000	11,59,200	13,33,080	15,33,042	17,62,998
Electricity Charges	1,56,000	1,71,600	1,88,760	2,07,636	2,28,400
Rent	1,68,000	1,84,800	2,03,280	2,23,608	2,45,969
Transportation and Travelling	60,000	66,000	72,600	79,860	87,846
Packaging and Promotion Expenses	48,000	52,800	58,080	63,888	70,277
Miscellaneous Expense	25,000	27,500	30,250	33,275	36,603
Total Expenditure - C	14,65,000	16,61,900	18,86,050	21,41,309	24,32,092
Net Profit before Interest /Cash Flow (A-B-C)	3,35,000	4,83,100	6,54,950	8,53,441	10,81,748

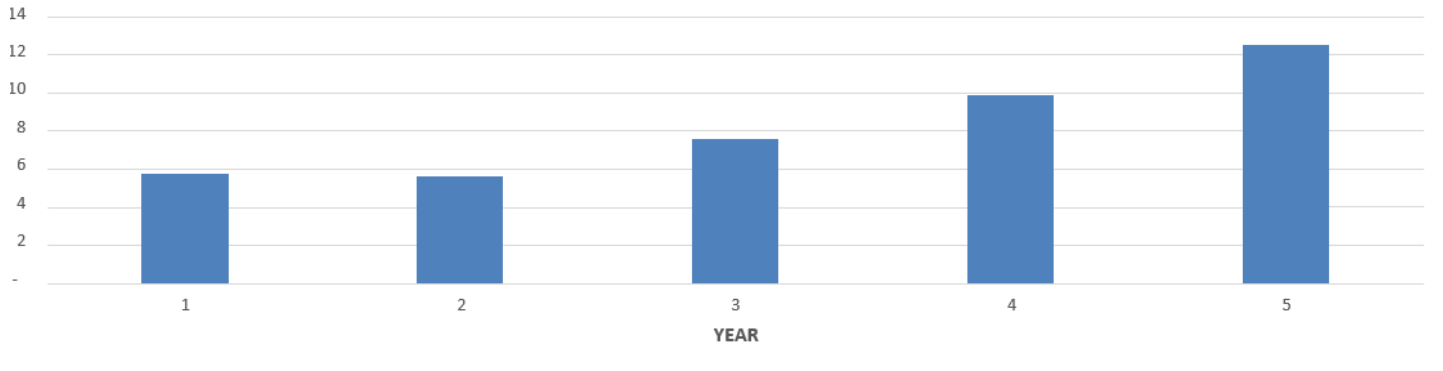


DSCR STATEMENT

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	3,35,000	4,83,100	6,54,950	8,53,441	10,81,748
Loan Repayment	28,750	61,747	67,875	74,611	82,016
Interest on Term Loan	29,361	24,551	18,423	11,686	4,281
Debt to be Served	58,111	86,298	86,298	86,298	86,298
Debt Service Coverage Ratio	6	6	8	10	13
AVERAGE DSCR	8				

DEBT SERVICE COVERAGE RATIO



BREAKEVEN ANALYSIS

Investment Value Including Margin Rs. 350000

Year ended	Year 1 Projected	Year 2 Projected	Year 3 Projected	Year 4 Projected	Year 5 Projected
Cash Flow as per Statement of Income	3,35,000	4,83,100	6,54,950	8,53,441	10,81,748
Less : Interest on Loan	29,361	24,551	18,423	11,686	4,281
Less : Estimated Drawings/Personal Expenses	1,67,500	2,41,550	3,27,475	4,26,721	5,40,874
Net Cash Flow	1,38,139	2,16,999	3,09,052	4,15,034	5,36,593
Cumulative Cash Flow	1,38,139	3,55,138	6,64,190	10,79,224	16,15,816
Break Even Investment (in years)	1 Year and 11.7 Months				



DETAIL REPAYMENT SCHEDULE

Year	Quarter	Loan Installment	Principal Payment	Loan Outstanding	Interest at 9.5%	Cumulative Interest
1	1	7,481	-	3,15,000	7,481	29,361
	2	7,481	-	3,15,000	7,481	
	3	21,574	14,205	3,00,795	7,369	
	4	21,574	14,545	2,86,250	7,029	
2	1	21,574	14,893	2,71,356	6,681	24,551
	2	21,574	15,250	2,56,107	6,325	
	3	21,574	15,615	2,40,492	5,960	
	4	21,574	15,989	2,24,503	5,586	
3	1	21,574	16,371	2,08,132	5,203	18,423
	2	21,574	16,763	1,91,368	4,811	
	3	21,574	17,165	1,74,203	4,410	
	4	21,574	17,576	1,56,628	3,999	
4	1	21,574	17,996	1,38,632	3,578	11,686
	2	21,574	18,427	1,20,205	3,147	
	3	21,574	18,868	1,01,336	2,706	
	4	21,574	19,320	82,016	2,255	
5	1	21,574	19,782	62,234	1,792	4,281
	2	21,574	20,256	41,978	1,319	
	3	21,574	20,741	21,237	834	
	4	21,574	21,237	-	337	
Total		4,03,303	3,15,000		88,303	88,303



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