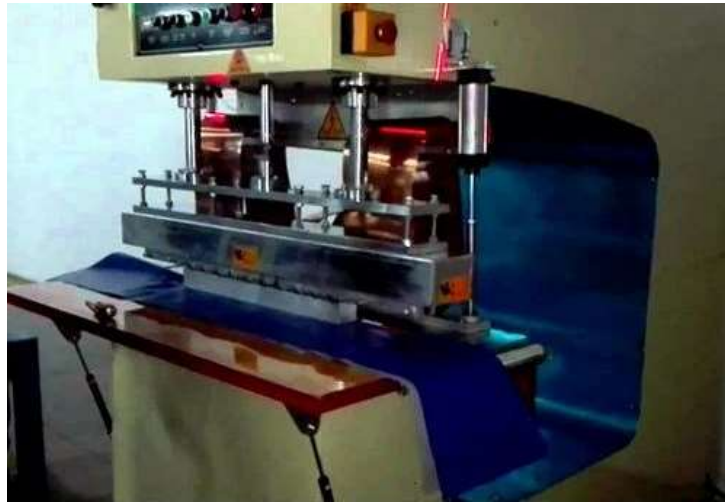




DETAILED PROJECT REPORT

TOY MANUFACTURING



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:



Toy manufacturing is a growing industry in India, with a wide range of companies manufacturing toys for both domestic and export markets. India has a significant advantage in the toy manufacturing sector due to the availability of cheap labor, a large pool of skilled and semi-skilled labor, and a large domestic market

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

Toy Manufacturing

Toy manufacturing is the process of designing and producing items such as bounce houses, water slides, pool toys, rafts, and others. The industry involves using materials such as vinyl or PVC to create durable, lightweight, and portable items that are easy to store and transport.

5. DELIVERABLES AND MARKET OF THE PRODUCT

The deliverables of the toys manufacturing industry include a wide range of products such as bounce houses, water slides, pool toys, rafts, castles, obstacle courses, sports equipment, and many others. These products are designed to provide entertainment and recreation for people of all ages and are often used for indoor and outdoor events such as birthday parties, family gatherings, and community festivals.



The market for toys is vast and has seen significant growth in recent years. The global toys market was valued at over \$11 billion in 2020 and is expected to grow at a steady rate in the coming years. This growth can be attributed to the increasing demand for indoor and outdoor recreational activities, as well as the rise in disposable income and urbanization.

The market for toys is segmented into various categories such as retail, rental, and commercial. Retail sales refer to the sale of toys to individuals for personal use, while rental sales refer to the rental of toys for events and parties. Commercial sales refer to the sale of toys for commercial purposes, such as parks, amusement centers, and water parks. Toys manufacturers cater to different regions and countries, with the largest market being North America, followed by Europe and Asia. In the coming years, the market is expected to grow significantly in the Asia Pacific region, driven by the increasing population and growing middle class.

The market for toys is highly competitive, with both large multinational corporations and small local businesses operating in the market. Companies are focused on providing high-quality products and innovative designs to stay ahead of the competition and meet the needs of consumers. Quality, safety, and innovation are key factors in the success of toys manufacturers.

Project Assumptions:

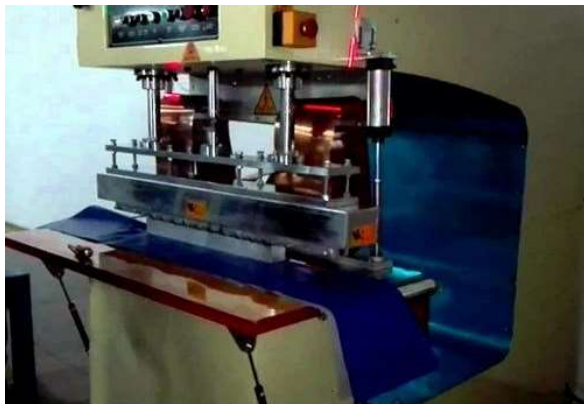
This model DPR for Toy Manufacturing Unit is basically on certain assumptions that may vary with capacity, location, raw materials availability etc. An entrepreneur can use this model DPR format and modify as per requirement and suitability. The



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 Soap Manufacturing Unit:	150 articles per Day	
Utilization of capacity:	Year 1	70%
	Year 2	75%
	Year 3	80%
	Year 4	85%
	Year 5	90%
Working days per year:	300 days	
Working hours per day:	8-10 hours	
Average price of raw material:	Rs. 150/ kg	
Average sale price of product	Rs. 300/ kg	

Machinery



Toy making machine
Capacity: 50 kg per day
Shivam Weldtronics
Vikhroli West, Mumbai, Maharashtra

Machine is also available in Bengaluru and Coimbatore.



Market Output:

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

Market Linkage

- ❖ Schools and Community organizations
- ❖ Parks and recreation centers
- ❖ Retailers
- ❖ Event rental companies

❖ Commercial Sellers

- ❖ Amusement parks and water parks
- ❖ Households
- ❖ Gift shops
- ❖ Street Vendors

6. ROLE OF EACH OF THE JLG MEMBERS

How JLG will participate:

- 2 persons will be used to procurement
- 2 persons for production
- 1 person for marketing
- 2 persons for logistics & sales

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

Sl. No.	Details	Cost in Rs.
1	Machine Cost	2,85,200
2	Furniture	60,000
3	Working capital (Shed deposit, electric connection deposit, Miscellaneous and preoperative expenses)	1,30,000
A	TOTAL	Rs.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 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

SWOT Analysis is a strategic planning tool used to evaluate the strengths, weaknesses, opportunities, and threats involved in a project or business. Here's a SWOT analysis of the toy manufacturing industry:

I. Strengths:

- toys are relatively inexpensive to produce, which can lead to high profit margins.
- toys are versatile and can be used for a variety of purposes, such as recreation, decoration, and advertising.



- The toy industry is well-established, with many companies producing a wide range of products.
- toys are durable and can withstand outdoor environments, making them ideal for use at events and parties.

II). Weaknesses:

- Competition in the toy industry is intense, with many companies producing similar products.
- toys can be punctured or damaged, which can lead to repair costs or the need to replace the toy.
- The design and production process for toys can be complex, which can increase costs and lead to production delays.
- toys are often considered to be seasonal products, with sales typically peaking during the summer months.

III). Opportunities:

- The popularity of toys is growing, particularly in developing countries, creating new markets for manufacturers.
- toys can be customized with logos or branding, making them ideal for corporate events and promotions.
- New materials and production techniques are being developed, which can reduce costs and improve the quality of toys.
- The growth of e-commerce has made it easier for toy manufacturers to reach customers around the world.



IV). Threats:

- Changes in consumer preferences and tastes can reduce demand for toys.
- The increasing popularity of digital entertainment, such as video games, may reduce demand for traditional toys like s.
- The price of raw materials, such as plastic, can fluctuate, which can increase costs for manufacturers.
- Stringent regulations and safety standards can increase production costs and limit the types of products that can be manufactured.

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 WITH MACHINE





13. FINANCIALS

CASH FLOW STATEMENT

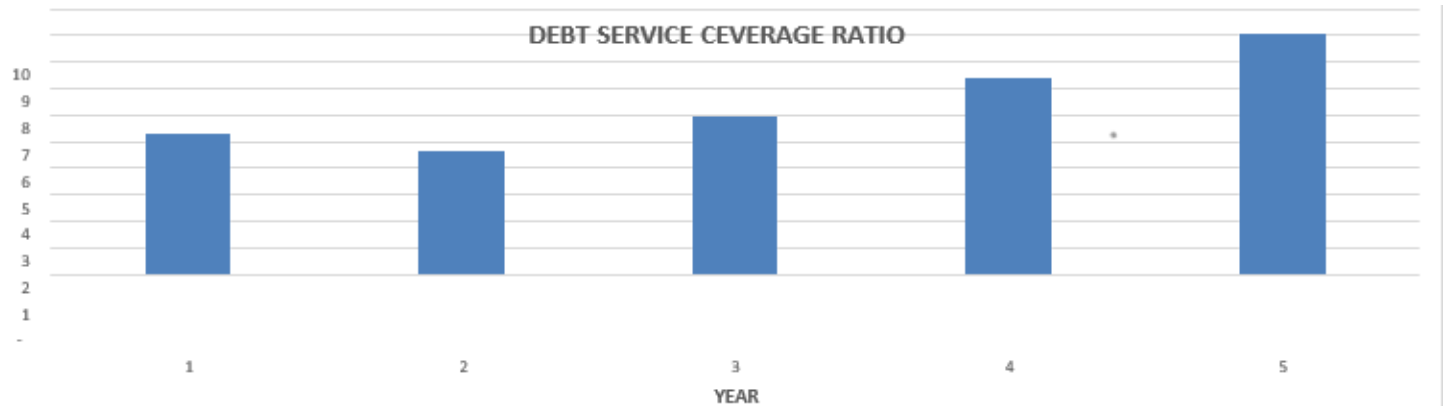
Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
REVENUE FROM SALE OF TOYS					
No. of working days in a Year	300	300	300	300	300
Less : Days for off Season	-	-	-	-	-
No. of Machine Running days in a Year	300	300	300	300	300
Capacity of the machine in Article per day	50	50	50	50	50
Production in Article	100%	100%	100%	100%	100%
Utilisation of the Capacity (%)	70%	75%	80%	85%	90%
Production during the year (in Articles)	10,500	11,250	12,000	12,750	13,500
Rate per Article	300	330	363	399	439
Gross Revenue earned per annum - A	31,50,000	37,12,500	43,56,000	50,91,075	59,29,605
COST OF RAW MATERIALS					
Consumption of Raw Materials	10,500	11,250	12,000	12,750	13,500
Rate per Article	150	165	182	200	220
Total Cost of Raw Material per annum - B	15,75,000	18,56,250	21,78,000	25,45,538	29,64,803
EXPENDITURE					
Salaries and Wages	7,20,000	8,28,000	9,52,200	10,95,030	12,59,285
Electricity Charges	1,44,000	1,58,400	1,74,240	1,91,664	2,10,830
Rent	1,56,000	1,71,600	1,88,760	2,07,636	2,28,400
Transportation and Travelling	48,000	52,800	58,080	63,888	70,277
Packaging and Promotion Expenses	60,000	66,000	72,600	79,860	87,846
Miscellaneous Expense	25,000	27,500	30,250	33,275	36,603
Total Expenditure - C	11,53,000	13,04,300	14,76,130	16,71,353	18,93,240
Net Profit before Interest /Cash Flow (A-B-C)	4,22,000	5,51,950	7,01,870	8,74,185	10,71,563



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	4,22,000	5,51,950	7,01,870	8,74,185	10,71,563
Loan Repayment	39,429	84,681	93,086	1,02,324	1,12,480
Interest on Term Loan	40,267	33,670	25,266	16,027	5,872
Debt to be Served	79,696	1,18,351	1,18,351	1,18,351	1,18,351
Debt Service Coverage Ratio	5	5	6	7	9
AVERAGE DSCR	6				





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	4,22,000	5,51,950	7,01,870	8,74,185	10,71,563
Less : Interest on Loan	40,267	33,670	25,266	16,027	5,872
Less : Estimated Drawings/Personal Expenses	2,11,000	2,75,975	3,50,935	4,37,092	5,35,781
Net Cash Flow	1,70,733	2,42,305	3,25,669	4,21,065	5,29,910
Cumulative Cash Flow	1,70,733	4,13,038	7,38,707	11,59,773	16,89,682
Break Even Investment (in years) 2 Year and 2.5 Months					

REPAYMENT

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	40,267
	2	10,260	-	4,32,000	10,260	
	3	29,588	19,481	4,12,519	10,107	
	4	29,588	19,948	3,92,571	9,640	
2	1	29,588	20,425	3,72,146	9,163	33,670
	2	29,588	20,914	3,51,232	8,674	
	3	29,588	21,415	3,29,817	8,173	
	4	29,588	21,927	3,07,890	7,660	
3	1	29,588	22,452	2,85,437	7,136	25,266
	2	29,588	22,990	2,62,448	6,598	
	3	29,588	23,540	2,38,908	6,048	
	4	29,588	24,104	2,14,804	5,484	
4	1	29,588	24,681	1,90,123	4,907	16,027
	2	29,588	25,271	1,64,852	4,316	
	3	29,588	25,876	1,38,976	3,711	
	4	29,588	26,496	1,12,480	3,092	
5	1	29,588	27,130	85,350	2,458	5,872
	2	29,588	27,780	57,570	1,808	
	3	29,588	28,445	29,125	1,143	
	4	29,588	29,125	-	462	
Total		5,53,101	4,32,000		1,21,101	1,21,101



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