



# DETAILED PROJECT REPORT

## Coconut De-husking Unit



Coconut Dehusker



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:**





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**

##### **Coconut De-husker Unit**

A coconut de-husker is a machine or tool that removes the husk (the outer layer) from a coconut. The husk of a coconut is tough and fibrous, so it can be difficult to remove





manually. A coconut de-husker makes the process of removing the husk much easier and more efficient. Some common types of coconut de-huskers include mechanical de-huskers, which use a rotating blade to cut off the husk, and hand-crank de-huskers, which allow the user to manually turn a crank to remove the husk. The specific design and operation of a coconut de-husker will vary depending on the type and model, but the goal is generally the same: to make the process of removing the husk from a coconut as easy and efficient as possible.

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

### **De-Husked Coconut**

A coconut de-husker produces de-husked coconuts, which are coconuts with the outer husk removed. The industrial de-husking machine can de-husk up to 1000 coconuts per hour as manual labour could do the same for one – two days which is very time consuming by manual method. The de-husker removes the husk effectively and easily, to increase productivity, to reduce manual power, to reduce risks and accidents, to reduce labour cost and time consumption and it peels off the coconut husk to obtain a de-husked coconut via mechanically controlled de-husking devices called as spiked rollers. The specific end-product of a coconut de-husker will depend on the intended use of the de-husked coconut and the method used to process it further.





## **Project Assumptions:**

This model DPR for Coconut De-husker 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.

<b>Table: Detailed Project Assumptions</b>		
<b>Parameter</b>	<b>Value</b>	
Assumed Capacity of the Coconut De-husker	80,000 nuts/ Hour	
Utilization of capacity:	Year 1	35%
	Year 2	40%
	Year 3	45%
	Year 4	50%
	Year 5	55%
Working days per year:	175 days	
Working hours per day:	8-10 hours	
Average price of raw material (Coconut):	Rs. 15/nut	



## Details of Machinery



<b>Pro B Coconut De-Husking Machine</b>
<b>Capacity: 300-1000 nuts/ hr.</b>
<b>Material: MS</b>
<b>Supplier: Pro B Products</b>
<b>Location: Peenya, Bengaluru</b>

## Market Output:

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

### Market Linkage

- ❖ Star Hotels
- ❖ Super Markets
- ❖ Coconut processing industries

- ❖ Retailers
- ❖ Temples
- ❖ Bakeries



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

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

- 2 persons will be used to procurement
- 1 person for production
- 1 person for the logistics
- 1 person for branding and sales
- 1 person for waste management like selling the 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. ESTIMATED COST OF THE PROJECT AND THE IMPLEMENTATION SCHEDULE

The proposed cost of the project is as follows:

Sl. No.	Details	Cost in Rs.
1	Bank Loan	3,60,000
2	JLG contribution	40,000
3	<b>Total</b>	<b>4,00,000</b>

Sl. No.	Details	Cost in Rs
1.	Machine cost	2,60,000
2.	Furniture	30,000
3.	Working capital (Shed deposit, electric connection deposit, Miscellaneous and preoperative expenses)	1,10,000
	<b>Total</b>	<b>4,00,000</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 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

- JLG members are very young and aware of demand of coconuts in the local as well as the national market.
- Karnataka is one of the largest producers of coconuts in India, which provides the company with a reliable source of raw materials.
- Higher export potential.

### II. Weakness

- While the market for coconut De husking machines is growing, it may still be limited in size, which can limit the potential for growth.
- There may be other companies offering similar products, which can increase competition and reduce the company's market share.



- The JLG members lack insufficient place for working/processing in their units. All the process was being carried at one small area.
- The JLG members are unable to purchase modern machineries due to financial limitations.
- The JLG members have poor access to national and international markets. This will affect initially the profitability of the JLG members.

### III. Opportunities

- It has been realized that by organizing coconut De husk unit on a systematic and scientific basis a good deal of national wealth could be saved from being lost and ameliorate the conditions of Indian micro units.
- Modern process machinery that can give better productivity and quality as well as special features for the final products are available globally.
- 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 product.

### 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.
- Main attributed to less profitability to this industry is due to lower price at the beginning and JLG members need to work hard.
- The price of coconuts can be subject to fluctuations, which can impact the company's profitability.



## **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-**

As the demand for coconut continues to grow, processors stand to profit from the “Tree of Life” if they can find ways to crush this nut more efficiently and economically.

The youth service program will empower coconut farmers model in sense of concern that many coconuts farmer who have difficulty in processing their coconut fruit because the price of coconut is very cheap which causes losses to farmers.

Youth’s while experiencing the business will help spread the value of Kalpavruksha (coconut tree).

By coconut processing business will give better revenue to the JLG.





## 12. THE END PRODUCTS PRODUCED WITH THE MACHINE



Fig: De-husked Coconuts, and Coir Husk

## 13. FINANCIALS

### CASH FLOW STATEMENT

#### CASH FLOW STATEMENT

Particulars	Year				
	Year 1	Year 2	Year 3	Year 4	Year 5
<b><u>REVENUE FROM SERVICE</u></b>					
No. of working days in a Year	300	300	300	300	300
Less : Days for off Season	125	125	125	125	125
No. of Machine Running days in a Year	175	175	175	175	175
Capacity of the machine in units	80,000	80,000	80,000	80,000	80,000
Utilisation of the Capacity (%)	35%	40%	45%	50%	55%
No of units Processed in a year	49,00,000	56,00,000	63,00,000	70,00,000	77,00,000
Rate per unit	0.50	0.53	0.55	0.58	0.61
<b>Gross Revenue earned per annum - A</b>	<b>24,50,000</b>	<b>29,40,000</b>	<b>34,72,875</b>	<b>40,51,688</b>	<b>46,79,699</b>
<b><u>EXPENDITURE</u></b>					
Salaries and Wages	10,08,000	11,59,200	13,33,080	15,33,042	17,62,998
Power and Fuel Expenses	9,80,000	10,78,000	11,85,800	13,04,380	14,34,818
Repairs and Maintenance	72,000	79,200	87,120	95,832	1,05,415
Miscellaneous Expenses	36,000	39,600	43,560	47,916	52,708
<b>Total Expenditure - B</b>	<b>20,96,000</b>	<b>23,56,000</b>	<b>26,49,560</b>	<b>29,81,170</b>	<b>33,55,939</b>
<b>Net Profit before Interest /Cash Flow (A-B)</b>	<b>3,54,000</b>	<b>5,84,000</b>	<b>8,23,315</b>	<b>10,70,518</b>	<b>13,23,760</b>

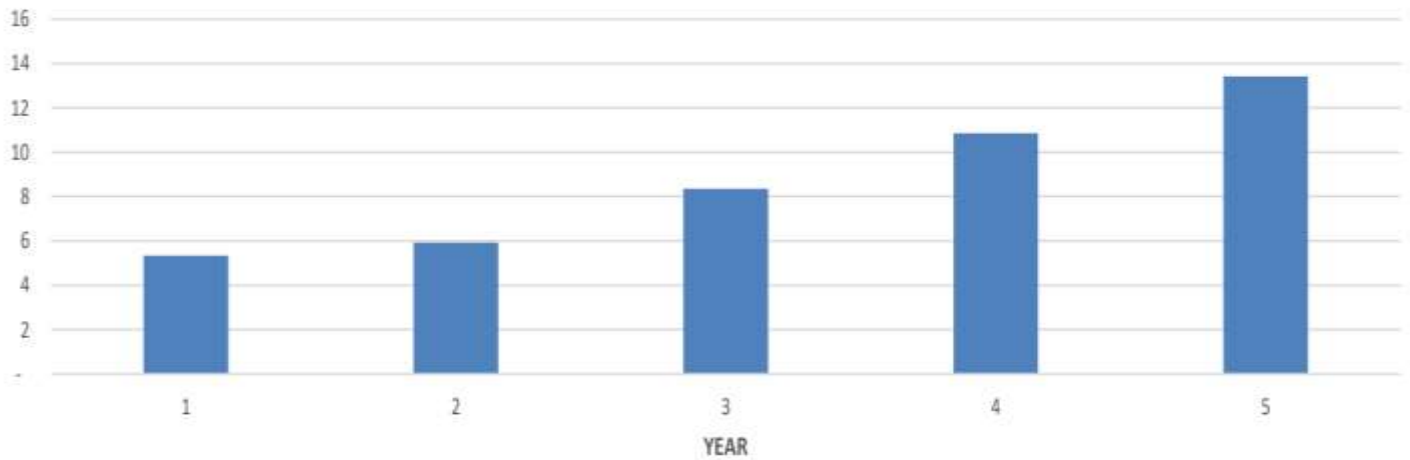


## **DSCR STATEMENT**

### **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	3,54,000	5,84,000	8,23,315	10,70,518	13,23,760
Loan Repayment	32,857	70,568	77,571	85,270	93,733
Interest on Term Loan	33,556	28,058	21,055	13,356	4,893
<b>Debt to be Served</b>	<b>66,413</b>	<b>98,626</b>	<b>98,626</b>	<b>98,626</b>	<b>98,626</b>
Debt Service Coverage Ratio	5	6	8	11	13
<b>AVERAGE DSCR</b>	<b>9</b>				

**DEBT SERVICE CEVERAGE RATIO**





## REPAYMENT SCHEDULE

### DETAIL REPAYMENT SCHEDULE

Year	Quarter	Loan Installment	Principal Payment	Loan Outstanding	Interest at 9.5%	Cumulative Interest
1	1	8,550	-	3,60,000	8,550	33,556
	2	8,550	-	3,60,000	8,550	
	3	24,657	16,234	3,43,766	8,422	
	4	24,657	16,623	3,27,143	8,034	
2	1	24,657	17,021	3,10,122	7,636	28,058
	2	24,657	17,428	2,92,693	7,228	
	3	24,657	17,846	2,74,848	6,811	
	4	24,657	18,273	2,56,575	6,384	
3	1	24,657	18,710	2,37,865	5,946	21,055
	2	24,657	19,158	2,18,706	5,498	
	3	24,657	19,617	1,99,090	5,040	
	4	24,657	20,086	1,79,003	4,570	
4	1	24,657	20,567	1,58,436	4,089	13,356
	2	24,657	21,060	1,37,377	3,597	
	3	24,657	21,564	1,15,813	3,093	
	4	24,657	22,080	93,733	2,577	
5	1	24,657	22,608	71,125	2,048	4,893
	2	24,657	23,150	47,975	1,507	
	3	24,657	23,704	24,271	953	
	4	24,657	24,271	-	385	
<b>Total</b>		<b>4,60,918</b>	<b>3,60,000</b>		<b>1,00,918</b>	<b>1,00,918</b>

### BREAKEVEN ANALYSIS

Investment Value Including Margin Rs. 400000

Year ended	Year 1 Projected	Year 2 Projected	Year 3 Projected	Year 4 Projected	Year 5 Projected
Cash Flow as per Statement of Income	3,54,000	5,84,000	8,23,315	10,70,518	13,23,760
Less : Interest on Loan	33,556	28,058	21,055	13,356	4,893
Less : Estimated Drawings/Personal Expenses	1,77,000	2,92,000	4,11,658	5,35,259	6,61,880
<b>Net Cash Flow</b>	<b>1,43,444</b>	<b>2,63,942</b>	<b>3,90,603</b>	<b>5,21,903</b>	<b>6,56,987</b>
<b>Cumulative Cash Flow</b>	<b>1,43,444</b>	<b>4,07,386</b>	<b>7,97,989</b>	<b>13,19,892</b>	<b>19,76,878</b>
<b>Break Even Investment (in years)</b>	<b>1 Year and 11.7 Months</b>				





**Designated Contact Details for this project**

Email ID : [contact@vkfoundations.org](mailto:contact@vkfoundations.org)  
Mobile : 9845938269 / 9986024478 / 9902256304  
Website: [vkfoundations.org](http://vkfoundations.org)

