



MODEL PROJECT REPORT



PROJECT REPORT ON COFFEE SCRUB

SWAVALAMBI BHARAT ABHIYAN

PROJECT AT GLANCE

1 Name of Proprietor/Director	XXXXXXXXXX
2 Firm Name	XXXXXXXXXX
3 Registered Address	XXXXXXXXXX
4 Nature of Activity	XXXXXXXXXX
5 Category of Applicant	XXXXXXXXXX
6 Location of Unit	XXXXXXXXXX
7 Cost of Project	23.00 Rs. In Lakhs
8 Means of Finance	
i) Own Contribution	2.30 Rs. In Lakhs
ii) Term Loan	16.20 Rs. In Lakhs
iii) Working Capital	4.50 Rs. In Lakhs
9 Debt Service Coverage Ratio	3.31
10 Break Even Point	0.19
11 Power Requirement	25 KW
12 Employment	9 Persons
13 Major Raw Materials	Coffee, coconut oil and small amount of sugar.

14 Details of Cost of Project & Means of Finance

Cost of Project

Particulars	Amount in Lacs
Land	Owned/Leased
Building & Civil Work	Owned/Leased
Plant & Machinery	17.00
Furniture & Fixture	-
Other Misc Assets	1.00
Working Capital Requirement	5.00
Total	23.00

Means of Finance

Particulars	Amount in Lacs
Own Contribution	2.30
Term Loan	16.20
Working capital Loan	4.50
Total	23.00

1. INTRODUCTION



Coffee scrub is an outstanding way to improve the health and appearance of your skin, not only of the face, but of the body as well. Coffee scrub contains coarse coffee grounds, which slough away dead skin cells and dirt while unclogging the pores. The caffeine present in coffee beans stimulates blood flow to the skin. Increased blood flow to the skin helps to speed up the skin's natural process of renewal, allowing for quicker delivery of nutrients to the cells. Coffee Scrub can slow the ageing process of your skin and this is extremely useful especially for the body, which tends to be overlooked in our skincare routines. Coffee scrubs exfoliate the skin, remove dead skin cells, and may even help reduce cellulite. Caffeine may help reduce cellulite and dimples on the skin. Another benefit of using coffee on your skin is that coffee is high in antioxidants, which are amazing for your skin. Scrubbing the face with coffee grounds can help to clear away dead skin cells and unclog the pores. The chlorogenic acids in coffee may also reduce inflammation and protect against some strains of bacteria. The sand-like texture of coffee grounds makes a great exfoliant in homemade scrubs. The grounds work to gently remove dead skin cells, which helps to rejuvenate and boost circulation.

2. PRODUCT DESCRIPTION

2.1 PRODUCT USES

- The caffeine present in it acts as a stimulant which improves the circulation of blood that moves through your veins
- Coffee scrub is good for the skin & glowing, fresh and youthful skin.
- coffee scrub helps in getting rid of sun spots, freckles, fine lines and wrinkles that is due to the anti-oxidant properties of coffee help to generate new skin cells.
- Coffee Scrub helps in getting rid of the dead skin cells and achieving glowing skin as coffee is a powerhouse of anti-oxidant properties.

2.2 PRODUCT RAW MATERIAL

The composition of coffee scrub consists of coffee, coconut oil and small amounts of sugar. Sugar is a popular exfoliate. The small crystals gently scrub away dead skin and leave you feeling smoother. Micro dermabrasion performed by a dermatologist is one of the few clinically proven methods to make stretch marks fade. Coconut oil helps bolster your skin's protective barrier layer, trapping moisture inside and keeping skin supple and hydrated. Coconut oil has anti-inflammatory properties, making it beneficial for irritated, chafed skin. increases collagen production.

2.3 MANUFACTURING PROCESS

This process can be broken down into the following steps-

- **Raw material procurement**
- **Production Process**

Raw Material Procurement: Procurement is the connection process of purchasing and arranging in bound movement of all items, supplies, materials, parts, finished inventory and

general support services from the suppliers into manufacturing process or assembly plants or warehouses.

➤ **Production Process**

Steps involved in the manufacturing of Coffee scrub

- ✓ **Grinding of Coffee ingredient:** The proper grinding of the coffee needed to obtained the required input scrub unit. Small changes in grind size can drastically affect the smoothness of the final product.



- ✓ **Mixing of coffee scrub with coconut oil:** The coffee fine grain and coconut should be mixing and ramming properly so that the property of scrub can be achieved.
- ✓ **Mixing of sugar with coffee compound:** When sugar is added to coffee, the distribution of the caffeine molecules change. The sugar molecules bind to the water molecules. The caffeine molecules react by clustering together and prepare a scrub component. The sugar becomes evenly distributed throughout the solution, so that one portion is not sweeter than another. The dissolved portion of the solution is called the solute (sugar) and the dissolving portion is the solvent.

3. PROJECT COMPONENTS

3.1 Land & Building

The land required for this manufacturing unit will be approx. around 3000 square feet. Land Purchase and Building Civil Work Cost have not been considered as part of the cost of project. It is expected that the premises will be on rental and approximate rentals assumed of the same will be Rs.30,000 to 40,000 per month.

Land and building requirement may vary depending on the size of project.

3.2 Plant & Machinery

This is a semi-automatic type of plant and the production capacity is set to be 80 Kg Coffee Scrub per day.

Machines-

- ✓ **Coffee Grinder:** This machine is a grinder machine by using coffee partially coffee grain can be formed. The size of the coffee grain can be partially moderate so that a good coffee material is obtained after Grinder Machine.



- ✓ **Mixing Jar (Coffee grain, Coconut oil & Sugar):** The three-ingredients, used in making of coffee scrub pour in the mixing jar for proper mixing. The ratio can partially change according to the manufacturer as per the prescribed standards. The coconut oil is used as per its fatty acids profile. Uniform mixing of the three ingredients increases the product quality.



- ✓ **Automatic packaging machine:** Packaging machines are used to package the coffee scrub. This product area includes equipment that forms, fills, seals, wraps, cleans, and packages at different levels of automation. Packaging machines also include related machinery for sorting, counting, and accumulating.



4 LICENSE & APPROVALS

Basic registration required in this project:

- Company registration
- GST registration
- Trade license
- Factory license.
- MSME Udyam registration
- BIS certification
- NOC from the Pollution Department

PROJECTED BALANCE SHEET					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>Liabilities</u>					
Capital					
Opening balance		3.91	6.01	9.42	13.47
Add:- Own Capital	2.30				
Add:- Retained Profit	4.36	7.60	10.91	14.55	17.31
Less:- Drawings	2.75	5.50	7.50	10.50	14.00
Closing Balance	3.91	6.01	9.42	13.47	16.78
Term Loan	14.40	10.80	7.20	3.60	-
Working Capital Limit	4.50	4.50	4.50	4.50	4.50
Sundry Creditors	1.48	1.86	2.28	2.74	3.24
Provisions & Other Liability	0.40	0.48	0.58	0.69	0.83
TOTAL :	24.69	23.66	23.98	25.01	25.35
<u>Assets</u>					
Fixed Assets (Gross)	18.00	18.00	18.00	18.00	18.00
Gross Dep.	2.70	5.00	6.95	8.60	10.01
Net Fixed Assets	15.30	13.01	11.05	9.40	7.99
Current Assets					
Sundry Debtors	3.16	4.07	4.99	5.99	7.09
Stock in Hand	3.40	4.24	5.15	6.13	7.21
Cash and Bank	0.83	1.09	0.78	1.24	1.06
Loans & Advances /Other Current Assets	2.00	1.25	2.00	2.25	2.00
TOTAL :	24.69	23.66	23.98	25.01	25.35

PROJECTED PROFITABILITY STATEMENT					
(in Lacs)					
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
Capacity Utilisation %	25%	30%	35%	40%	45%
<u>SALES</u>					
Gross Sale					
COFFEE SCRUB MANUFACTURING U	94.93	122.21	149.69	179.76	212.64
Total	94.93	122.21	149.69	179.76	212.64
<u>COST OF SALES</u>					
Raw Material Consumed	63.36	79.92	97.78	117.50	138.67
Electricity Expenses	1.50	1.80	2.10	2.40	2.70
Depreciation	2.70	2.30	1.95	1.66	1.41
Wages & labour	9.12	10.49	12.06	13.87	15.95
Repair & maintenance	1.90	2.44	2.99	2.70	3.19
Packaging	3.80	4.89	5.99	7.19	8.51
Cost of Production	82.38	101.84	122.87	145.32	170.43
Add: Opening Stock	-	1.92	2.38	2.87	3.39
Less: Closing Stock	1.92	2.38	2.87	3.39	3.98
Cost of Sales	80.45	101.38	122.38	144.80	169.84
GROSS PROFIT	14.48	20.83	27.31	34.97	42.80
	15.25%	17.04%	18.25%	19.45%	20.13%
Salary to Staff	3.24	3.89	4.86	6.08	7.59
Interest on Term Loan	1.59	1.40	1.01	0.61	0.21
Interest on working Capital	0.50	0.50	0.50	0.50	0.50
Rent	3.60	4.32	5.18	6.22	7.46
Selling & Administrative Exp.	1.19	2.44	2.99	4.49	5.95
TOTAL	10.11	12.55	14.54	17.90	21.72
NET PROFIT	4.36	8.28	12.77	17.07	21.08
Taxation	-	0.68	1.87	2.52	3.77
PROFIT (After Tax)	4.36	7.60	10.91	14.55	17.31
NET PROFIT RATIO	4.60%	6.22%	7.29%	8.10%	8.14%

<u>PROJECTED CASH FLOW STATEMENT</u>					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>SOURCES OF FUND</u>					
Own Margin	2.30				
Net Profit	4.36	8.28	12.77	17.07	21.08
Depreciation & Exp. W/off	2.70	2.30	1.95	1.66	1.41
Increase in Cash Credit	4.50	-	-	-	-
Increase In Term Loan	16.20	-	-	-	-
Increase in Creditors	1.48	0.39	0.42	0.46	0.49
Increase in Provisions & Oth labilities	0.40	0.08	0.10	0.12	0.14
	-				
TOTAL :	31.94	11.04	15.24	19.30	23.12
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	18.00				
Increase in Stock	3.40	0.84	0.91	0.98	1.08
Increase in Debtors	3.16	0.91	0.92	1.00	1.10
Repayment of Term Loan	1.80	3.60	3.60	3.60	3.60
Loans & Advances /Other Current Assets	2.00	- 0.75	0.75	0.25	- 0.25
Drawings	2.75	5.50	7.50	10.50	14.00
Taxation	-	0.68	1.87	2.52	3.77
TOTAL :	31.11	10.78	15.54	18.85	23.29
Opening Cash & Bank Balance	-	0.83	1.09	0.78	1.24
Add : Surplus	0.83	0.26	-0.30	0.45	-0.18
Closing Cash & Bank Balance	0.83	1.09	0.78	1.24	1.06

<u>CALCULATION OF D.S.C.R</u>					
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
CASH ACCRUALS	7.06	9.89	12.86	16.21	18.72
Interest on Term Loan	1.59	1.40	1.01	0.61	0.21
Total	8.66	11.29	13.87	16.82	18.93
<u>REPAYMENT</u>					
Instalment of Term Loan	1.80	3.60	3.60	3.60	3.60
Interest on Term Loan	1.59	1.40	1.01	0.61	0.21
Total	3.39	5.00	4.61	4.21	3.81
DEBT SERVICE COVERAGE RATIO	2.55	2.26	3.01	4.00	4.96
AVERAGE D.S.C.R.	3.31				

REPAYMENT SCHEDULE OF TERM LOAN							
						Interest	11.00%
Year	Particulars	Amount	Addition	Total	Interest	Repayment	Closing Balance
1st	Opening Balance						
	1st month	-	16.20	16.20	-	-	16.20
	2nd month	16.20	-	16.20	0.15	-	16.20
	3rd month	16.20	-	16.20	0.15	-	16.20
	4th month	16.20	-	16.20	0.15		16.20
	5th month	16.20	-	16.20	0.15		16.20
	6th month	16.20	-	16.20	0.15		16.20
	7th month	16.20	-	16.20	0.15	0.30	15.90
	8th month	15.90	-	15.90	0.15	0.30	15.60
	9th month	15.60	-	15.60	0.14	0.30	15.30
	10th month	15.30	-	15.30	0.14	0.30	15.00
	11th month	15.00	-	15.00	0.14	0.30	14.70
	12th month	14.70	-	14.70	0.13	0.30	14.40
					1.59	1.80	
2nd	Opening Balance						
	1st month	14.40	-	14.40	0.13	0.30	14.10
	2nd month	14.10	-	14.10	0.13	0.30	13.80
	3rd month	13.80	-	13.80	0.13	0.30	13.50
	4th month	13.50	-	13.50	0.12	0.30	13.20
	5th month	13.20	-	13.20	0.12	0.30	12.90
	6th month	12.90	-	12.90	0.12	0.30	12.60
	7th month	12.60	-	12.60	0.12	0.30	12.30
	8th month	12.30	-	12.30	0.11	0.30	12.00
	9th month	12.00	-	12.00	0.11	0.30	11.70
	10th month	11.70	-	11.70	0.11	0.30	11.40
	11th month	11.40	-	11.40	0.10	0.30	11.10
	12th month	11.10	-	11.10	0.10	0.30	10.80
					1.40	3.60	
3rd	Opening Balance						
	1st month	10.80	-	10.80	0.10	0.30	10.50
	2nd month	10.50	-	10.50	0.10	0.30	10.20
	3rd month	10.20	-	10.20	0.09	0.30	9.90
	4th month	9.90	-	9.90	0.09	0.30	9.60
	5th month	9.60	-	9.60	0.09	0.30	9.30
	6th month	9.30	-	9.30	0.09	0.30	9.00
	7th month	9.00	-	9.00	0.08	0.30	8.70
	8th month	8.70	-	8.70	0.08	0.30	8.40
	9th month	8.40	-	8.40	0.08	0.30	8.10
	10th month	8.10	-	8.10	0.07	0.30	7.80
	11th month	7.80	-	7.80	0.07	0.30	7.50
	12th month	7.50	-	7.50	0.07	0.30	7.20
					1.01	3.60	

4th	Opening Balance						
	1st month	7.20	-	7.20	0.07	0.30	6.90
	2nd month	6.90	-	6.90	0.06	0.30	6.60
	3rd month	6.60	-	6.60	0.06	0.30	6.30
	4th month	6.30	-	6.30	0.06	0.30	6.00
	5th month	6.00	-	6.00	0.05	0.30	5.70
	6th month	5.70	-	5.70	0.05	0.30	5.40
	7th month	5.40	-	5.40	0.05	0.30	5.10
	8th month	5.10	-	5.10	0.05	0.30	4.80
	9th month	4.80	-	4.80	0.04	0.30	4.50
	10th month	4.50	-	4.50	0.04	0.30	4.20
	11th month	4.20	-	4.20	0.04	0.30	3.90
	12th month	3.90	-	3.90	0.04	0.30	3.60
					0.61	3.60	
5th	Opening Balance						
	1st month	3.60	-	3.60	0.03	0.30	3.30
	2nd month	3.30	-	3.30	0.03	0.30	3.00
	3rd month	3.00	-	3.00	0.03	0.30	2.70
	4th month	2.70	-	2.70	0.02	0.30	2.40
	5th month	2.40	-	2.40	0.02	0.30	2.10
	6th month	2.10	-	2.10	0.02	0.30	1.80
	7th month	1.80	-	1.80	0.02	0.30	1.50
	8th month	1.50	-	1.50	0.01	0.30	1.20
	9th month	1.20	-	1.20	0.01	0.30	0.90
	10th month	0.90	-	0.90	0.01	0.30	0.60
	11th month	0.60	-	0.60	0.01	0.30	0.30
	12th month	0.30	-	0.30	0.00	0.30	-
					0.21	3.60	
DOOR TO DOOR		60	MONTHS				
MORATORIUM PERIOD		6	MONTHS				
REPAYMENT PERIOD		54	MONTHS				