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PROJECT REPORT

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PROJECT:

Battery Water Unit

PROJECT REPORT

Of

BATTERY WATER

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **Battery Water Unit**.

The objective of the pre-feasibility report is primarily to facilitate potential entrepreneurs in project identification for investment and in order to serve his objective; the document covers various aspects of the project concept development, start-up, marketing, finance and management.

[We can modify the project capacity and project cost as per your requirement. We can also prepare project report on any subject as per your requirement.]

PROJECT REPORT ON BATTERY WATER



INTRODUCTION

Water used in Batteries (mainly vehicles) should be free from salts, Chlorine and Iron. These impurities spoil the electrodes and reduces the battery and hence special water with minimum impurities are required for the purpose, known as Battery water. Now a days D.M. Water is being used in the Batteries. Raw water from Open well/Bore well or Corporation can be used for the purpose.

The demand for distilled water required for battery charging is of considerable value. Preparation of distilled water for battery charging seems to be one of the most prospective venture in small cities.

MARKET POTENTIAL

This unit can cover about 30 km radius in semi-urban area which has around 2000 four wheelers and it can also cater to the need of small laboratories. Considering the above consumers, the capacity is fixed at 6.0 lakh litres per year

PROJECTED CASH FLOW STATEMENT

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<u>SOURCES OF FUND</u>					
Share Capital	1.35	-			
Reserve & Surplus	9.21	9.78	12.47	14.66	16.79
Depriciation & Exp. W/off	0.91	0.82	0.71	0.62	0.54
Increase in Cash Credit	5.18	-	-	-	-
Increase In Term Loan	6.97	-	-	-	-
Increase in Creditors	1.68	0.28	0.28	0.28	0.28
Increase in Provisions	0.36	0.04	0.04	0.04	0.05
TOTAL :	25.66	10.92	13.50	15.60	17.66
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	7.46	-	-	-	-
Increase in Stock	4.35	4.22	1.22	1.22	1.22
Increase in Debtors	3.09	0.40	0.64	0.52	0.52
Increase in Deposits & Adv	2.50	0.25	0.28	0.30	0.33
Repayment of Term Loan	-	1.74	1.74	1.74	1.97
Taxation	-	0.98	2.49	2.93	3.36
TOTAL :	17.40	7.59	6.38	6.72	7.41
Opening Cash & Bank Balance	-	8.26	11.59	18.71	27.59
Add : Surplus	8.26	3.33	7.12	8.88	10.25
Closing Cash & Bank Balance	8.26	11.59	18.71	27.59	37.84

PROJECTED BALANCE SHEET

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
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SOURCES OF FUND

Capital Account	1.35	1.35	1.35	1.35	1.35
Retained Profit	9.21	18.01	27.99	39.71	53.15
Term Loan	6.97	5.22	3.48	1.74 -	0.23
Cash Credit	5.18	5.18	5.18	5.18	5.18
Sundry Creditors	1.68	1.96	2.24	2.52	2.80
Provisions & Other Liab	0.36	0.40	0.44	0.48	0.53
TOTAL :	24.75	32.13	40.68	50.99	62.78

APPLICATION OF FUND

Fixed Assets (Gross)	7.46	7.46	7.46	7.46	7.46
Gross Dep.	0.91	1.73	2.44	3.06	3.60
Net Fixed Assets	6.55	5.73	5.02	4.40	3.86
Current Assets					
Sundry Debtors	3.09	3.49	4.13	4.65	5.17
Stock in Hand	4.35	8.57	9.79	11.02	12.24
Cash and Bank	8.26	11.59	18.71	27.59	37.84
Deposits & Advances	2.50	2.75	3.03	3.33	3.66
TOTAL :	24.75	32.13	40.68	50.99	62.78

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PROJECTED PROFITABILITY STATEMENT

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<u>A) SALES</u>					
Gross Sale	92.66	104.68	124.02	139.62	155.22
Total (A)	92.66	104.68	124.02	139.62	155.22
<u>B) COST OF SALES</u>					
Raw Mateiral Consumed	72.00	84.00	96.00	108.00	120.00
Elecricity Expenses	0.26	0.30	0.34	0.39	0.43
Repair & Maintenance	-	1.05	1.24	1.40	1.55
Labour & Wages	2.38	2.61	2.87	3.16	3.48
Depriciation	0.91	0.82	0.71	0.62	0.54
Consumables and Other Expense	1.85	2.09	2.48	2.79	3.10
Cost of Production	77.40	90.87	103.65	116.36	129.11
Add: Opening Stock /WIP	-	0.75	4.37	4.99	5.62
Less: Closing Stock /WIP	0.75	4.37	4.99	5.62	6.24
Cost of Sales (B)	76.65	87.25	103.03	115.73	128.48
C) GROSS PROFIT (A-B)	16.02	17.42	20.99	23.89	26.74
	17%	17%	17%	17%	17%
D) Bank Interest (Term Loan)	0.60	0.73	0.53	0.33	0.12
Bank Interest (C.C. Limit)	0.52	0.52	0.52	0.52	0.52
E) Salary to Staff	1.06	1.16	1.28	1.41	1.55
F) Selling & Adm Expenses Exp.	4.63	5.23	6.20	6.98	7.76
TOTAL (D+E)	6.81	7.64	8.52	9.23	9.95
H) NET PROFIT	9.21	9.78	12.47	14.66	16.79
I) Taxation	-	0.98	2.49	2.93	3.36
J) PROFIT (After Tax)	9.21	8.80	9.98	11.72	13.43

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