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PROJECT REPORT

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PROJECT:

Wheel Alignment & Wheel Balancing Unit

PROJECT REPORT

Of

WHEEL ALIGNMENT & WHEEL BALANCING UNIT

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **Wheel Alignment & Wheel Balancing 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.]



Introduction

It is very essential that all the Wheels of a Vehicle are completely balanced otherwise there will be bubbling of wheel and this will affect the steering control. Similarly, if the wheel alignment of a vehicle is out of order, the rubbing of tyres will be more and free movement of wheels also gets affected. This result into rapid wear of tyre treads. To overcome these problems, computerised Wheel Balancing and Wheel Alignment machines are used. These machines are fully automatic, very accurate, quick and precise in their work.

Market Potential

There is a very good market potential for the computerized wheel balancing and wheel alignment workshop. Now days, these workshops are very common in urban areas, and suitable for all passenger cars, light trucks and motorcycles (with special flange in case of wheel balancing). With the decline in passenger car prices and availability of easy finance for passenger and commercial vehicles, the demand for such computerized workshops is rapidly increasing coinciding with increase in number of vehicles.

PROJECTED BALANCE SHEET

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<u>SOURCES OF FUND</u>					
Capital Account	1.17	1.17	1.17	1.17	1.17
Retained Profit	3.98	8.59	14.60	21.91	30.40
Term Loan	8.01	6.01	4.01	2.01	-
Cash Credit	2.00	2.00	2.00	2.00	2.00
Provisions & Other Liab	2.00	2.20	2.42	2.66	2.93
TOTAL :	17.17	19.97	24.21	29.75	36.50
<u>APPLICATION OF FUND</u>					
Fixed Assets (Gross)	9.46	9.46	9.46	9.46	9.46
Gross Dep.	1.17	2.23	3.15	3.95	4.64
Net Fixed Assets	8.29	7.23	6.31	5.51	4.82
Current Assets					
Sundry Debtors	0.73	0.80	0.90	1.00	1.10
Cash and Bank	6.15	9.74	14.58	20.58	27.66
Other Current Assets	2.00	2.20	2.42	2.66	2.93
TOTAL :	17.17	19.97	24.21	29.75	36.50
	-	-	-	-	-

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
Capacity Utilisation %					
<u>A) SALES</u>					
Gross Sale	14.50	15.95	18.00	20.00	22.00
Total (A)	14.50	15.95	18.00	20.00	22.00
B) COST OF SALES					
Electricity Expenses	3.00	3.30	3.63	3.99	4.39
Repair & Maintenance	0.73	0.80	0.90	1.00	1.10
Labour & Wages	2.50	2.75	3.03	3.33	3.66
Depreciation	1.17	1.06	0.92	0.80	0.69
Other Direct Expenses	0.75	0.83	0.91	1.00	1.10
Cost of Production	8.14	8.73	9.38	10.12	10.94
C) GROSS PROFIT (A-B)	6.36	7.22	8.62	9.88	11.06
	44%	45%	48%	49%	50%
D) Bank Interest (Term Loan)	0.70	0.80	0.58	0.36	0.14
Bank Interest (C.C. Limit)	0.22	0.22	0.22	0.22	0.22
E) Other Adm Expenses Exp.	1.45	1.60	1.80	2.00	2.20
TOTAL (D+E)	2.37	2.61	2.60	2.58	2.56
H) NET PROFIT	3.98	4.60	6.02	7.30	8.50
K) DEPRECIATION	1.17	1.06	0.92	0.80	0.69
L) CASH ACCRUAL	5.15	5.66	6.94	8.10	9.19

PROJECTED CASH FLOW STATEMENT

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<u>SOURCES OF FUND</u>					
Share Capital	1.17	-			
Reserve & Surplus	3.98	4.60	6.02	7.30	8.50
Depriciation & Exp. W/off	1.17	1.06	0.92	0.80	0.69
Increase in Cash Credit	2.00	-	-	-	-
Increase In Term Loan	8.51	-	-	-	-
Increase in Provisions	2.00	0.20	0.22	0.24	0.27
TOTAL :	18.83	5.86	7.16	8.34	9.46
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	9.46	-	-	-	-
Increase in Debtors	0.73	0.07	0.10	0.10	0.10
Increase in Other Current Assets	2.00	0.20	0.22	0.24	0.27
Repayment of Term Loan	0.50	2.00	2.00	2.00	2.01
TOTAL :	12.69	2.27	2.32	2.34	2.38
Opening Cash & Bank Balance	-	6.15	9.74	14.58	20.58
Add : Surplus	6.15	3.59	4.84	6.00	7.08
Closing Cash & Bank Balance	6.15	9.74	14.58	20.58	27.66

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