

# UP MSME 1-Connect

## PROJECT REPORT

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PROJECT:

Floor Cleaner

# **PROJECT REPORT**

## **Of**

# **FLOOR CLEANER**

### **PURPOSE OF THE DOCUMENT**

This particular pre-feasibility is regarding **Floor Cleaner**.

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.]

# **FLOOR CLEANER**

## **Introduction**

Floor Cleaning agents are substances (usually liquids, powders, sprays, or granules) used to remove dirt, including dust, stains, bad smells, and clutter on surfaces. Purposes of cleaning agents include health, beauty, removing offensive odors, and avoiding the spread of dirt and contaminants from the surrounding.

## **Floor cleaner Market Analysis**

India cleaning chemicals market stood at \$ 2,388 million in 2016, and is projected to grow at a CAGR of 15% in value terms to reach \$ 9,655 million by the end of 2026, on the account of increasing incidence of various infections, rapid urbanization, coupled with growing number of new commercial setups and increasingly stringent safety standards. Additionally, setting up of new healthcare setups, rising disposable income and launch of new and innovative cleaning chemicals are propelling the market for cleaning chemicals in India.

<b>PROJECTED PROFITABILITY STATEMENT</b>					
<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>
Capacity Utilisation %	<b>50%</b>	<b>53%</b>	<b>55%</b>	<b>58%</b>	<b>60%</b>
<b><u>SALES</u></b>					
<b>Gross Sale</b>					
Floor cleaner	66.00	77.23	81.59	87.32	91.90
<b>Total</b>	<b>66.00</b>	<b>77.23</b>	<b>81.59</b>	<b>87.32</b>	<b>91.90</b>
<b>COST OF SALES</b>					
Raw Mateiral Consumed	18.00	19.72	21.12	22.97	24.48
Elecricity Expenses	0.34	0.37	0.41	0.45	0.49
Depriciation	0.53	0.47	0.41	0.36	0.32
Consumables	3.30	3.86	4.08	4.37	4.60
Repair & maintennace	2.64	3.09	3.26	3.49	3.68
other direct expenses	2.31	2.70	2.86	3.06	3.22
Bottle charges	14.40	16.54	18.48	20.88	23.04
Labour	6.00	6.60	7.26	7.99	8.78
<b>Cost of Production</b>	<b>47.52</b>	<b>53.34</b>	<b>57.87</b>	<b>63.56</b>	<b>68.60</b>
<b>Add: Opening Stock /WIP</b>	<b>-</b>	<b>3.96</b>	<b>4.45</b>	<b>4.82</b>	<b>5.30</b>
<b>Less: Closing Stock /WIP</b>	<b>3.96</b>	<b>4.45</b>	<b>4.82</b>	<b>5.30</b>	<b>5.72</b>
Cost of Sales	43.56	52.86	57.50	63.08	68.18
<b>GROSS PROFIT</b>	<b>22.44</b>	<b>24.37</b>	<b>24.10</b>	<b>24.24</b>	<b>23.72</b>
salary to staff	6.96	7.66	8.42	9.26	9.73
Interest on Term Loan	0.40	0.37	0.29	0.21	0.01
Interest on working Capital	0.50	0.50	0.50	0.50	0.50
Selling & adm Exp	6.60	7.72	6.69	5.85	5.05

<b>TOTAL</b>	<b>14.46</b>	<b>16.25</b>	<b>15.90</b>	<b>15.82</b>	<b>15.29</b>
NET PROFIT	7.99	8.12	8.19	8.41	8.43
Taxation	0.62	0.65	0.66	0.71	0.71
PROFIT (After Tax)	7.36	7.47	7.53	7.70	7.72

<b>PROJECTED BALANCE SHEET</b>					
<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>
<b><u>Liabilities</u></b>					
Capital					
opening balance		3.32	5.69	8.02	10.42
Add:- Own Capital	0.95				
Add:- Retained Profit	7.36	7.47	7.53	7.70	7.72
Less:- Drawings	5.00	5.10	5.20	5.30	5.50
Closing Blance	3.32	5.69	8.02	10.42	12.64
Subsidy Reserve	1.13	1.13	1.13	-	-
Term Loan	3.72	3.00	2.28	0.43	-
Working Capital Limit	4.50	4.50	4.50	4.50	4.50
Sundry Creditors	0.75	0.82	0.88	1.44	1.43
Provisions & Other Liab	0.30	0.40	0.55	0.66	0.83
<b>TOTAL :</b>	<b>13.72</b>	<b>15.54</b>	<b>17.36</b>	<b>17.45</b>	<b>19.40</b>
<b><u>Assets</u></b>					
<b>Fixed Assets ( Gross)</b>	4.53	4.53	4.53	4.53	4.53
Gross Dep.	0.53	1.00	1.40	1.76	2.08
<b>Net Fixed Assets</b>	<b>4.00</b>	<b>3.54</b>	<b>3.13</b>	<b>2.77</b>	<b>2.45</b>
FD of Subsidy	1.13	1.13	1.13		
<b>Current Assets</b>					
Sundry Debtors	2.20	4.83	6.80	8.00	9.57
Stock in Hand	4.33	4.86	5.26	5.77	6.23
Cash and Bank	2.05	1.19	1.04	0.90	1.15
<b>TOTAL :</b>	<b>13.72</b>	<b>15.54</b>	<b>17.36</b>	<b>17.45</b>	<b>19.40</b>

**PROJECTED CASH FLOW STATEMENT**

<b>PARTICULARS</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>
<b><u>SOURCES OF FUND</u></b>					
Own Margin	0.95				
Net Profit	7.99	8.12	8.19	8.41	8.43
Depreciation & Exp. W/off	0.53	0.47	0.41	0.36	0.32
Increase in Cash Credit	4.50	-	-	-	-
Increase In Term Loan	4.08	-	-	-	-
Increase in Creditors	0.75	0.07	0.06	0.56	0.01
Increase in Provisions & Oth lib	0.30	0.10	0.15	0.11	0.17
increase in subsidy	1.13				
<b>TOTAL :</b>	<b>20.23</b>	<b>8.76</b>	<b>8.81</b>	<b>9.44</b>	<b>8.91</b>
<b><u>APPLICATION OF FUND</u></b>					
Increase in Fixed Assets	4.53				
Increase in Stock	4.33	0.52	0.41	0.51	0.45
Increase in Debtors	2.20	2.63	1.97	1.20	1.57
Repayment of Term Loan	0.36	0.72	0.72	1.85	0.43
Increase in FD	1.13	-	-		
Drawings	5.00	5.10	5.20	5.30	5.50
Taxation	0.62	0.65	0.66	0.71	0.71
<b>TOTAL :</b>	<b>18.18</b>	<b>9.62</b>	<b>8.96</b>	<b>9.58</b>	<b>8.67</b>
Opening Cash & Bank Balance	-	2.05	1.19	1.04	0.90
Add : Surplus	2.05	0.86	0.15	0.14	0.24
Closing Cash & Bank Balance	<b>2.05</b>	<b>1.19</b>	<b>1.04</b>	<b>0.90</b>	<b>1.15</b>

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