

PROJECT REPORT

OF

DOORSTEP CAR WASHING & DETAILING

BUSINESS UNIT

(LARGE SCALE UNIT)

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding Doorstep Car Washing & Detailing Business 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.]



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1. INTRODUCTION



A car wash or auto wash is a facility used to clean the exterior and, in some cases, the interior of motor vehicles. Car washes can be self-service (DIY), full-service (with attendants who wash the vehicle), or completely automated (possibly connected to a gas station). Car washes may also be events where individuals pay to have their cars washed by volunteers, regularly utilizing less specific equipment, as a strategy to fund-raise for some reason. Mobile car washes, frequently additionally serving as portable detailing systems, convey plastic water tanks and use pressure washers. These systems are often mounted on trailers, on trucks, or in vans. Generally, operators additionally have a generator to run a shop vac., buffers, and different apparatuses. The doorstep car washing service will need 4 liters of water to wash one car. Touch-free (or touchless) car washing technology is the cutting edge vehicle system reducing consumption of water, chemical solutions, and time. Washing hardware utilizes high-pressure jets that measure the length and width of the vehicle. A car detailing service focuses around profound cleaning, yet in addition on light cosmetic paint reclamation and innovative defensive coatings. Professional car detailing is the craftsmanship and the specialty of cleaning and re-establishing a vehicle to like-new condition. Car detailing services are much more precise and labor-intensive than getting a car wash. A car wash is normally an automated system that a car passes through to clean the exterior. Professional auto detailing is always done by hand and includes exterior and interior car detailing services.

2. MARKET POTENTIAL:

The global carwash service market size is expected to reach USD 41.1 billion by 2025 registering a 3.2% CAGR over the forecast period. India comes at fourth in the automobile market. As per one survey, India will become a number one position in coming years. Presently, 7 cr. cars are present in India. And per year approximately 33 lakhs new cars are sold. In the coming year, these numbers will increase by 50 lakhs per annum. Flexibility on the usage of cleaning supplies and pay only for the conveniences utilized are some of the variables driving the prominence of this service. Demand for car wash services has been ascending throughout the past decade due to their increased convenience and a greater array of budget and luxury options. Expanding ecological regulations prohibiting private vehicle washing practices are expected to grow the client base for proficient vehicle washes, in this way driving the interest for auxiliary items. The market development is essentially ascribed to the rising focus of consumers on vehicle maintenance and rising spending power. Busy schedules and time constraints have also prompted consumers to give their vehicles to professional car washes instead of cleaning them at home. There has additionally been a rising tendency of individuals to select proficient vehicle washes rather than DIY or at-home washes, which is supporting the development of ancillary products among car wash operators. Growing consumer discretionary optional spending in specific nations is additionally expected to help market development, and expanding mindfulness concerning wastage of water by washing vehicles at home is giving the market a significant lift. With a restriction on washing vehicles in public spaces in several countries in the region, there is more extension for proficient carwashes, and shortage of water in the locale has likewise constrained administrators to present creative eco-productive carwash procedures. While touch-free car wash services have been gaining the trust of consumers, there has been a rising focus on the utilization of only water pressure and chemicals instead of cleaning brushes and cloths. This is driving the reception of RO systems and water conditioners to furnish unblemished outcomes with no scaling because of hard water. Moreover, with growing consciousness regarding the environment, there has been a rising preference for eco-friendly car washes and service centers that use minimum water. This is driving the demand for ancillary equipment that can ensure minimum impact on the environment. In

general, an automated car wash uses 10-60 gallons of water per car, whereas a home car wash uses more than 60 gallons of water.

3. INDUSTRIAL SCENARIO:

The doorstep car washing and detailing business might not sound new business idea but it has changed a lot with time and the latest sensors and technologies. The market is characterized by the presence of several well-established players. These players account for a considerable market share and have a strong presence across the globe. Moreover, the market comprises small to mid-sized players, which offer a selected range of car wash ancillary products. The effect of laid out players available is very high as most of them have tremendous dispersion networks across the globe to contact their huge client base. Most vehicle wash specialist co-ops like to purchase auxiliary items through disconnected channels because of the simple accessibility of the scope of items, the capacity to demand customization, and the fantastic client care presented by them. Furthermore, product guidance and assistance, in-house and on-site training, establishment, 24/7 technical support, and repair services presented by this deal channel drive clients' inclination. Various car wash operators and proprietors acquire equipment from producers and merchants as there is a variety in evaluating when procured in bulk. Additionally, the developing interest in customized car wash ancillary equipment is supporting sales via offline mode. A van is the most ideal choice for a doorstep car wash business. Functionally, a van will offer you the ability to bring the best equipment and cleaning tools possible to each job. The power equipment, the cleaning chemicals, and the tools to do a thorough job can be effortlessly housed and accessed by you and your crew. Having everything organized and ready to go can help achieve the dependable service customers expect. You will easily see when the product is getting low so everyone can go to the job prepared. In a door-to-door car wash facility, you will offer your services at your customer's house. It is a good business opportunity for those with a small budget to grow their brand. You only need a little investment and can have a smaller office to store your equipment. Key players operating in the market are focusing on strategic initiatives, such as collaborations, participation in events, and expansions, to drive revenue growth and reinforce their position in the global market. Some of the prominent players in the car wash ancillary products market include Mister Car Wash, Zips Car Wash, International Car Wash Group (ICWG), Autobell Car Wash, Quick Quack Car Wash, Super

Star Car Wash, True Blue Car Wash, Magic Hand Car Wash, Hoffman Car Wash, and Wash Depot Holdings Inc.

4. SERVICE DESCRIPTION

4.1 SERVICE USES

Car washing and detailing service is used by almost all car holders.

4.2 SERVICE RAW MATERIAL

- **Cleaning & Polishing chemicals:** Green apple foam, Engine Lacquer, Foxy clean, Ravish clean, Tyre tonic, Glass gloss, etc.



- **Other:** Chemical Spry bottles-multi color, and Microfiber cloths-multi color, rubbing gloves, etc.

4.3 MANUFACTURING PROCESS

This process can be broken down into the following steps-

- **Raw material procurement**
- **Car Washing and Detailing Process**

Raw Material Procurement

The raw materials will be procured and installed in a mobile van. Materials are checked strictly as per established quality standards and requirements. Individual supplier assessment and supplier rating are done depending upon the rejection levels at the incoming quality control stage. Sorting of raw material will be done as per material type or specifications.

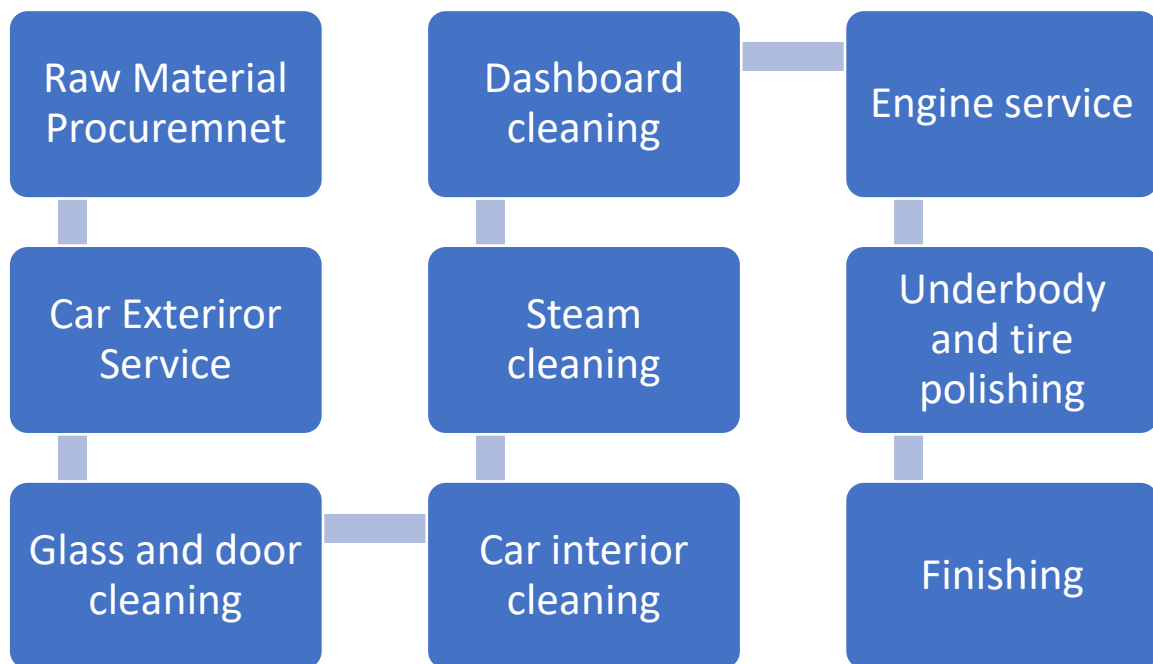
Car Washing & Detailing Process

In this service, according to customer calls, you can provide the best service to them.

- 1) **Car exterior cleaning:** Firstly, the car exterior is cleaned using apple foam, water, and a high-pressure washer machine. This washing and drying process is done by hand. The detailer will spray and wipe down the body of the car with specialized products. This includes hand washing the rims, door handles, and glass.
- 2) **Glass and door cleaning:** To clean car glass and doors glass cleaner solution and glass vac machine can be used.
- 3) **Car interior cleaning:** After glass and door cleaning, the car interior is cleaned. To clean the car interior vacuum clear is used. Seats, carpets and mats, headliner, rear cargo area, and trunk are vacuumed to clean debris.
- 4) **Steam cleaning:** Steam cleaning is a more effective method of removing tough stains in carpets and seats.

- 5) Dashboard cleaning: After that side door and dashboard are cleaned and polished using cleaning foams, sprays, and a polishing machine.
- 6) Engine service: The car engine surface is cleaned with steam wash. The car bottom portion is cleaned using an underbody lens.
- 7) Underbody and tire polishing: To improve tire surface finish tire polish can be used.
- 8) Finishing: After drying the car exterior surface, polishing can be done. To give the car a glossy shine and to add a protective layer to the car's paint, a sealant is applied. In some cases, wax can be used. Many detailers spray a deodorant into the interior of a car to leave the car smelling clean and new.

FLOW CHART OF THE PROCESS



5. PROJECT COMPONENTS

5.1 Land & Building

This business does not need any area or civil work. It does require one mobile van which can store all required instruments

5.2 Plant & Machinery

- **Steam Car Washer:** This machine is an electrical-powered steam cleaner. This machine has features such as High- pressure steam using only 400 cc (130 z) water per minute, generating no wastewater, No sewage, System consumes less than 200-watt power and minimum fuel, Commercial grade equipment that runs all day non-stop, CPU controlled with 8 different phases of automatic safety features, 28 levels of steam moisture control in a well-modulated system, etc. This also comes with a single and double hose.



- **High Pressure Washer:** A high-pressure washer is a high-pressure reciprocating plunger pump that uses a high-pressure water jet to remove grime, dust, mud, and dirt from surfaces and vehicles.



- **Professional Vacuum Cleaner:** The vacuum cleaner is an electrical apparatus that using suction collects dust and small particles from the mat and other surfaces.



- **Car Buffing Machine:** Buffing machines are widely used to enhance the metal surface. A buffing machine is used to remove the dull outlook of the metal surfaces and give them a refined new look.



- **Glass Vac Machine:** It is designed for cleaning car windows, mirrors, etc.



Equipment

- **Under Body Lance:** Under Body Lance is used for effective and easy underbody and wheel arch cleaning without a high-pressure nozzle.



- **Foam Lance:** It is an apparatus that attaches to a pressure washer to produce suds from soap or detergent to help wash the vehicle's exterior.



- **Hose Pipes And Fittings:** Hose fittings are parts used to connect hoses to equipment, among the fittings used to connect piping.



- **Interior Nebulizer:** The Interior nebulizer works using a small air pump that blows air across a small tube creating a powerful vacuum that pulls the essential oil from the bottom of the tube to the top in a fine spray. It atomizes mist aroma into the air without water added as an ultrasonic diffuser.



- **Dual Action Polisher:** A Dual Action polisher is a polishing machine that uses a circular motion combined with a spinning motion to create a rational double action. This motion is useful when polishing a surface by machine. The Dual Action polisher is famed for being easy to work with, making it ideal for beginners.



- **Pencil Polisher:** Pencil Grinder Tools are ideal for light deburring, deflashing, surface preparation, cleaning, and finishing using the proper abrasive stones, abrasive mounted wheels and points, molded abrasives, and carbide burrs.



Additional assets

- **Specialized Vehicle:** To carry machine set and having arranged for the water tank.



- **Mini DG set:** A diesel generator is used to generate electric energy by using a diesel engine along with an electric generator. A diesel generator can be used as an emergency power supply in case of power cuts or in places where there is no connection with the power grid.



- **Other:** Pipe Fittings, Electrical Plug-in, Wiper, Water tank, etc.

Machine	Quantity	Price
Steam Car Washer	1	4,00,000
High Pressure Washer	1	1,50,000
Professional Vacuum Cleaner	1	2,00,000
Car Buffing Machine	1	35,000
Glass Vac Machine	1	55,000
Equipment's		2,50,000
Additional assets		4,00,000
TOTAL		14,90,000

Note: Total Machinery cost shall be Rs. 14.90 lakhs (Approx.) excluding GST and Transportation Cost.

5.3 Power Requirement

The borrower shall require power load of 25 KW which shall be applied with Power Corporation. However, for standby power arrangement the borrower shall also purchase DG Set.

5.4 Manpower Requirement

Manpower required for this manufacturing unit is depend on the land, type of manufacturing unit etc. For this unit around 15 people will be required which includes:

- 4 Skilled Labour
- 4 Unskilled Labour
- 4 Helper
- 2 Administrative Staff
- 1 Manger

6. FINANCIALS

6.1 Cost of Project

COST OF PROJECT	
	(in Lacs)
PARTICULARS	Amount
Land & Building	Owned/Rented
Plant & Machinery	14.90
Miscellaneous Assets	1.50
Working capital Required	6.81
Total	23.21

6.2 Means of Finance

MEANS OF FINANCE	
PARTICULARS	Amount
Own Contribution @ 25%	5.80
Term Loan @ 75%	12.30
Working Capital (Bank Finance)	5.11
Total	23.21

6.3 Projected Profitability

<u>PROJECTED PROFITABILITY STATEMENT</u>					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
Capacity Utilisation %	40%	45%	50%	55%	60%
<u>SALES</u>					
Gross Sale					
Door Step Car Washing & Detailing	96.00	113.40	132.30	152.79	175.03
Total	96.00	113.40	132.30	152.79	175.03
<u>COST OF SALES</u>					
Raw Material Consumed	40.80	48.22	56.28	65.01	74.45
Electricity Expenses	1.92	2.16	2.40	2.64	2.88
Depreciation	2.46	2.09	1.78	1.51	1.28
Wages & labour	20.16	24.19	28.55	32.54	37.42
Repair & maintenance	2.40	2.84	3.31	3.82	4.38
Consumables	0.48	0.57	0.66	0.76	0.88
Cost of Production	68.22	80.07	92.97	106.29	121.29
Add: Opening Stock	-	-	-	-	-
Less: Closing Stock	-	-	-	-	-
Cost of Sales	68.22	80.07	92.97	106.29	121.29
GROSS PROFIT	27.78	33.33	39.33	46.50	53.74
	28.94%	29.39%	29.73%	30.44%	30.71%
Salary to Staff	9.60	10.94	13.13	15.10	16.92
Interest on Term Loan	1.21	1.45	0.76	0.46	0.16
Interest on working Capital	0.56	0.56	0.56	0.56	0.56
Selling & Administrative Exp.	9.89	11.34	13.23	15.28	17.50
TOTAL	21.26	24.30	27.69	31.41	35.14
NET PROFIT	6.52	9.04	11.64	15.10	18.60
	6.79%	7.97%	8.80%	9.88%	10.63%
Taxation	0.32	0.84	1.51	1.90	3.00
PROFIT (After Tax)	6.20	8.20	10.13	13.19	15.61

6.4 Projected Balance Sheet

<u>PROJECTED BALANCE SHEET</u>					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>Liabilities</u>					
Capital					
Opening balance		7.01	9.20	11.93	14.92
Add:- Own Capital	5.80				
Add:- Retained Profit	6.20	8.20	10.13	13.19	15.61
Less:- Drawings	5.00	6.00	7.40	10.20	12.70
Closing Balance	7.01	9.20	11.93	14.92	17.83
Term Loan	10.93	8.20	5.47	2.73	-
Working Capital Limit	5.11	5.11	5.11	5.11	5.11
Sundry Creditors	0.95	1.13	1.31	1.52	1.74
Provisions & Other Liability	0.40	0.48	0.58	0.80	0.96
TOTAL :	24.40	24.12	24.39	25.08	25.63
<u>Assets</u>					
Fixed Assets (Gross)	16.40	16.40	16.40	16.40	16.40
Gross Dep.	2.46	4.55	6.33	7.84	9.12
Net Fixed Assets	13.94	11.85	10.07	8.56	7.28
Current Assets					
Sundry Debtors	6.40	7.56	8.82	10.19	11.67
Stock in Hand	1.36	1.61	1.88	2.17	2.48
Cash and Bank	0.20	0.10	0.13	0.17	0.11
Loans & Advances /Other Current Assets	2.50	3.00	3.50	4.00	4.10
TOTAL :	24.40	24.12	24.39	25.08	25.63

6.5 Projected Cash Flow Statement

<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	5.80				
Net Profit	6.52	9.04	11.64	15.10	18.60
Depreciation & Exp. W/off	2.46	2.09	1.78	1.51	1.28
Increase in Cash Credit	5.11	-	-	-	-
Increase In Term Loan	12.30	-	-	-	-
Increase in Creditors	0.95	0.17	0.19	0.20	0.22
Increase in Provisions & Oth liabilities	0.40	0.08	0.10	0.22	0.16
	-				
TOTAL :	33.54	11.38	13.70	17.03	20.27
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	16.40				
Increase in Stock	1.36	0.25	0.27	0.29	0.31
Increase in Debtors	6.40	1.16	1.26	1.37	1.48
Repayment of Term Loan	1.37	2.73	2.73	2.73	2.73
Loans & Advances /Other Current Assets	2.50	0.50	0.50	0.50	0.10
Drawings	5.00	6.00	7.40	10.20	12.70
Taxation	0.32	0.84	1.51	1.90	3.00
TOTAL :	33.34	11.48	13.67	16.99	20.33
Opening Cash & Bank Balance	-	0.20	0.10	0.13	0.17
Add : Surplus	0.20	(0.10)	0.03	0.04	(0.06)
Closing Cash & Bank Balance	0.20	0.10	0.13	0.17	0.11

6.6 DSCR

<u>CALCULATION OF D.S.C.R</u>					
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
CASH ACCRUALS	8.66	10.29	11.90	14.70	16.89
Interest on Term Loan	1.21	1.45	0.76	0.46	0.16
Total	9.87	11.74	12.67	15.17	17.05
<u>REPAYMENT</u>					
Instalment of Term Loan	1.37	2.73	2.73	2.73	2.73
Interest on Term Loan	1.21	1.45	0.76	0.46	0.16
Total	2.58	4.18	3.50	3.20	2.90
DEBT SERVICE COVERAGE RATIO	3.83	2.81	3.62	4.74	5.89
AVERAGE D.S.C.R.	4.07				

6.7 Production & Yield

OUTPUT OF DOOR STEP CAR WASHING & DETAILING

Business Model

Door Step Car Washing & Detailing

Capacity Per Hour	5	Pieces
Total Working Hours	8	
Capacity Per Day	40	Pieces
Working days in a month	25	Days
Working days per annum	300	Days
Final Output per annum	12000	Pieces

Output of Door Step Car Washing & Detailing

Production	Capacity	Pieces
1st year	40%	4,800
2nd year	45%	5,400
3rd year	50%	6,000
4th year	55%	6,600
5th year	60%	7,200

Raw Material Cost			
Year	Capacity Utilisation	Rate (Rs. Per Piece)	Amount (Rs. in lacs)
1st year	40%	850.00	40.80
2nd year	45%	893.00	48.22
3rd year	50%	938.00	56.28
4th year	55%	985.00	65.01
5th year	60%	1,034.00	74.45

6.8. Sales Revenue

<u>COMPUTATION OF SALE</u>					
Particulars	1st year	2nd year	3rd year	4th year	5th year
Op Stock	-	-	-	-	-
Production	4,800	5,400	6,000	6,600	7,200
Less : Closing Stock	-	-	-	-	-
Net Sale	4,800	5,400	6,000	6,600	7,200
sale price	2,000.00	2,100.00	2,205.00	2,315.00	2,431.00
Sales (in Lacs)	96.00	113.40	132.30	152.79	175.03

6.9 Salary, Wages & Power requirement

<u>BREAK UP OF LABOUR CHARGES</u>			
Particulars	Wages Rs. per Month	No of Employees	Total Salary
Helper	10,000	4	40,000
Skilled	17,000	4	68,000
Unskilled	15,000	4	60,000
			-
Total salary per month			168,000
Total annual labour charges	(in lacs)		20.16
<u>BREAK UP OF STAFF SALARY CHARGES</u>			
Particulars	Salary Rs. per Month	No of Employees	Total Salary
Administrative Staff	25,000	2	50,000
Manager	30,000	1	30,000
			-
Total salary per month			80,000
Total annual Staff charges	(in lacs)		9.60
Utility Charges (per month)			
Particulars	Value	Description	
Power connection required	25	KWH	
consumption per day	200	units	
Consumption per month	5,000	units	
Rate per Unit	8	Rs.	
power Bill per month	40,000	Rs.	
No of Months	12.00		
Electricity Charger Per Annum	480,000	Rs.	
Year	Capacity	Amount	
		(Rs. in lacs)	
I	40%	1.92	
II	45%	2.16	
III	50%	2.40	
IV	55%	2.64	
V	60%	2.88	

6.10 Working Capital Requirement

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL					(in Lacs)
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>Finished Goods</u>					
<u>Raw Material</u>					
(10 Days)	1.36	1.61	1.88	2.17	2.48
Closing Stock	1.36	1.61	1.88	2.17	2.48

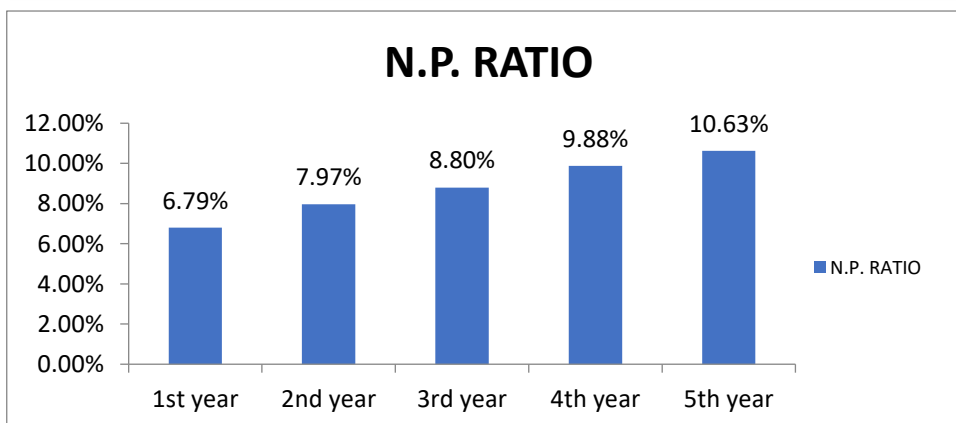
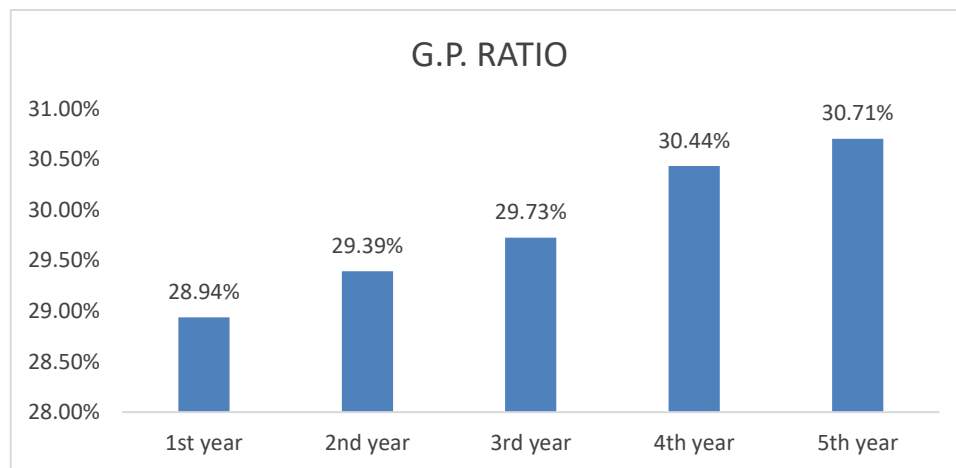
COMPUTATION OF WORKING CAPITAL REQUIREMENT					
TRADITIONAL METHOD					(in Lacs)
Particulars	Amount	Own Margin		Bank Finance	
Finished Goods & Raw Material	1.36				
Less : Creditors	0.95				
Paid stock	0.41	25%	0.10	75%	0.31
Sundry Debtors	6.40	25%	1.60	75%	4.80
	6.81		1.70		5.11
MPBF					5.11
WORKING CAPITAL LIMIT DEMAND (from Bank)					5.11
Working Capital Margin					1.70

6.11 Depreciation

COMPUTATION OF DEPRECIATION			(in Lacs)
Description	Plant & Machinery	Miss. Assets	TOTAL
Rate of Depreciation	15.00%	15.00%	
Opening Balance	-	-	-
Addition	14.90	1.50	16.40
Total	14.90	1.50	16.40
Less : Depreciation	2.24	0.23	2.46
WDV at end of Year	12.67	1.28	13.94
Additions During The Year	-	-	-
Total	12.67	1.28	13.94
Less : Depreciation	1.90	0.19	2.09
WDV at end of Year	10.77	1.08	11.85
Additions During The Year	-	-	-
Total	10.77	1.08	11.85
Less : Depreciation	1.61	0.16	1.78
WDV at end of Year	9.15	0.92	10.07
Additions During The Year	-	-	-
Total	9.15	0.92	10.07
Less : Depreciation	1.37	0.14	1.51
WDV at end of Year	7.78	0.78	8.56
Additions During The Year	-	-	-
Total	7.78	0.78	8.56
Less : Depreciation	1.17	0.12	1.28
WDV at end of Year	6.61	0.67	7.28

6.12 Financial Indicators

FINANCIAL INDICATORS					
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
TURNOVER	96.00	113.40	132.30	152.79	175.03
GROSS PROFIT	27.78	33.33	39.33	46.50	53.74
G.P. RATIO	28.94%	29.39%	29.73%	30.44%	30.71%
NET PROFIT	6.52	9.04	11.64	15.10	18.60
N.P. RATIO	6.79%	7.97%	8.80%	9.88%	10.63%
CURRENT ASSETS	10.46	12.27	14.32	16.52	18.36
CURRENT LIABILITIES	6.46	6.71	7.00	7.42	7.80
CURRENT RATIO	1.62	1.83	2.05	2.23	2.35



6.13 Repayment schedule

REPAYMENT SCHEDULE OF TERM LOAN								
							Interest	11.00%
Year	Particulars	Amount	Addition	Total	Interest	Repayment	Closing Balance	
1st	Opening Balance							
	1st month	-	12.30	12.30	-	-	12.30	
	2nd month	12.30	-	12.30	0.11	-	12.30	
	3rd month	12.30	-	12.30	0.11	-	12.30	
	4th month	12.30	-	12.30	0.11		12.30	
	5th month	12.30	-	12.30	0.11		12.30	
	6th month	12.30	-	12.30	0.11		12.30	
	7th month	12.30	-	12.30	0.11	0.23	12.07	
	8th month	12.07	-	12.07	0.11	0.23	11.84	
	9th month	11.84	-	11.84	0.11	0.23	11.62	
	10th month	11.62	-	11.62	0.11	0.23	11.39	
	11th month	11.39	-	11.39	0.10	0.23	11.16	
	12th month	11.16	-	11.16	0.10	0.23	10.93	
					1.21	1.37		
2nd	Opening Balance							
	1st month	10.93	-	10.93	0.10	0.23	10.71	
	2nd month	10.71	-	10.71	0.10	0.23	10.48	
	3rd month	10.48	-	10.48	0.10	0.23	10.25	
	4th month	10.25	-	10.25	0.09	0.23	10.02	
	5th month	10.02	-	10.02	0.09	0.23	9.79	
	6th month	9.79	-	9.79	0.09	0.23	9.57	

	7th month	9.57	-	9.57	0.09	0.23	9.34
	8th month	9.34	-	9.34	0.09	0.23	9.11
	9th month	9.11	-	9.11	0.08	0.23	8.88
	10th month	8.88	-	8.88	0.08	0.23	8.66
	11th month	8.66	-	8.66	0.08	0.23	8.43
	12th month	8.43	-	8.43	0.08	0.23	8.20
					1.06	2.73	
3rd	Opening Balance						
	1st month	8.20	-	8.20	0.08	0.23	7.97
	2nd month	7.97	-	7.97	0.07	0.23	7.74
	3rd month	7.74	-	7.74	0.07	0.23	7.52
	4th month	7.52	-	7.52	0.07	0.23	7.29
	5th month	7.29	-	7.29	0.07	0.23	7.06
	6th month	7.06	-	7.06	0.06	0.23	6.83
	7th month	6.83	-	6.83	0.06	0.23	6.61
	8th month	6.61	-	6.61	0.06	0.23	6.38
	9th month	6.38	-	6.38	0.06	0.23	6.15
	10th month	6.15	-	6.15	0.06	0.23	5.92
	11th month	5.92	-	5.92	0.05	0.23	5.69
	12th month	5.69	-	5.69	0.05	0.23	5.47
					0.76	2.73	
4th	Opening Balance						
	1st month	5.47	-	5.47	0.05	0.23	5.24
	2nd month	5.24	-	5.24	0.05	0.23	5.01
	3rd month	5.01	-	5.01	0.05	0.23	4.78

	4th month	4.78	-	4.78	0.04	0.23	4.56
	5th month	4.56	-	4.56	0.04	0.23	4.33
	6th month	4.33	-	4.33	0.04	0.23	4.10
	7th month	4.10	-	4.10	0.04	0.23	3.87
	8th month	3.87	-	3.87	0.04	0.23	3.64
	9th month	3.64	-	3.64	0.03	0.23	3.42
	10th month	3.42	-	3.42	0.03	0.23	3.19
	11th month	3.19	-	3.19	0.03	0.23	2.96
	12th month	2.96	-	2.96	0.03	0.23	2.73
					0.46	2.73	
5th	Opening Balance						
	1st month	2.73	-	2.73	0.03	0.23	2.51
	2nd month	2.51	-	2.51	0.02	0.23	2.28
	3rd month	2.28	-	2.28	0.02	0.23	2.05
	4th month	2.05	-	2.05	0.02	0.23	1.82
	5th month	1.82	-	1.82	0.02	0.23	1.59
	6th month	1.59	-	1.59	0.01	0.23	1.37
	7th month	1.37	-	1.37	0.01	0.23	1.14
	8th month	1.14	-	1.14	0.01	0.23	0.91
	9th month	0.91	-	0.91	0.01	0.23	0.68
	10th month	0.68	-	0.68	0.01	0.23	0.46
	11th month	0.46	-	0.46	0.00	0.23	0.23
	12th month	0.23	-	0.23	0.00	0.23	-
					0.16	2.73	
	DOOR TO DOOR MORATORIUM PERIOD	60		MONTHS			
	REPAYMENT PERIOD	6		MONTHS			
		54		MONTHS			

6.14 Break Even Point Analysis

BREAK EVEN POINT ANALYSIS					
Year	I	II	III	IV	V
Net Sales & Other Income	96.00	113.40	132.30	152.79	175.03
Less : Op. WIP Goods	-	-	-	-	-
Add : Cl. WIP Goods	-	-	-	-	-
Total Sales	96.00	113.40	132.30	152.79	175.03
Variable & Semi Variable Exp.					
Raw Material Consumed	40.80	48.22	56.28	65.01	74.45
Electricity Exp/Coal Consumption at 85%	1.63	1.84	2.04	2.24	2.45
Wages & Salary at 60%	17.86	21.08	25.01	28.59	32.60
Selling & administrative Expenses 80%	-	-	-	-	-
Interest on working Capital	0.56	0.56	0.56	0.56	0.56
Repair & maintenance	2.40	2.84	3.31	3.82	4.38
Packaging	0.48	0.57	0.66	0.76	0.88
Total Variable & Semi Variable Exp	63.73	75.10	87.86	100.99	115.31
Contribution	32.27	38.30	44.44	51.80	59.72
Fixed & Semi Fixed Expenses					
Electricity Exp/Coal Consumption at 15%	0.29	0.32	0.36	0.40	0.43
Wages & Salary at 40%	11.90	14.05	16.67	19.06	21.74
Interest on Term Loan	1.21	1.45	0.76	0.46	0.16
Depreciation	2.46	2.09	1.78	1.51	1.28
Selling & administrative Expenses 20%	0.00	0.00	0.00	0.00	0.00
Selling & Administrative Exp.	9.89	11.34	13.23	15.28	17.50
Total Fixed Expenses	25.75	29.26	32.80	36.71	41.12
Capacity Utilization	40%	45%	50%	55%	60%
OPERATING PROFIT	6.52	9.04	11.64	15.10	18.60
BREAK EVEN POINT	32%	34%	37%	39%	41%
BREAK EVEN SALES	76.60	86.64	97.65	108.27	120.51

7 LICENSE & APPROVALS

Basic registration required in this project:

- MSME Udyam registration
- GST registration
- NOC for fire safety board and from Pollution Control Board
- Trade License
- Choice of a Brand Name of the service and secure the name with Trademark if required.

8. SWOT ANALYSIS

Strengths – Profit margin will be high.

Weakness- Maintenance of machinery will be required. Local service providers are currently exposed to intense competition from organized players providing economical and low-quality service.

Opportunities- Can provide doorstep washing and detailing service to other vehicles.

Threats- Uncertainty in raw material costs; Complexity in supply chain and easy availability of counterfeit services, competitors can be threats for this business.

10. ASSUMPTIONS

- Service Capacity of Doorstep Car Washing & Detailing taken is 5 Pieces per hour. First year, Capacity has been taken @ 40%.
- Working shift of 8 hours per day has been considered.
- Raw Material stock is for 10 days.
- Credit period to Sundry Debtors has been given for 20 days.
- Credit period by the Sundry Creditors has been provided for 7 days.
- Depreciation and Income tax has been taken as per the Income tax Act, 1961.
- Interest on working Capital Loan and Term loan has been taken at 11%.
- Arrangement for labour wages has been made as per the prevailing market rates, which may vary from place to place and the minimum wages fixed by the concerned authorized from time to time.
- Selling Prices & Raw material costing has been increased by 5% & 5% respectively in the subsequent years.
- The rental value of the factory and other built up/covered areas has been taken as per the prevailing market rates, which may vary from place to place and time to time.
- The rates quoted in respect of machines, equipment and raw materials are those prevailing at the time of preparation of this project profile, and are likely to vary from supplier to supplier and place to place.
- This project profile is prepared for guidance; hence, entrepreneurs are advised to check all the parameters while intending to put up such unit.

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