



## 2. PROJECT PROFILE ON BATTERY SERVICING

Category : Service

Total Cost of Project : Rs. 1,77,000/-

BEP : 40 %

### I. INTRODUCTION OF BUSINESS IDEA:

The battery servicing envisages servicing of lead acid batteries. It is a necessity on regular basis for longer life of batteries.

### II. SERVICING AND ITS APPLICATIONS:

The battery servicing/recharging is required mostly for vehicles. This is a regular affair and hence a continuous requirement.

### III. MARKET POTENTIAL :

The no. of automobiles has been increasing every year. This necessitates the increase of service/charging requirement of batteries. There is scope for battery servicing as there is a massive increase in the number of automobile vehicles.

### IV. CAPACITY / REVENUE & SALES (1<sup>ST</sup> YEAR):

Sl. No.	Item	Qty.	Rate	Sale amount (Rs.)
1	Battery Servicing/charging	3,000 nos.	150	4,50,000
	<b>Total</b>			<b>4,50,000</b>

### V. SERVICE, METHODOLOGY & QUALITY :

The battery is cleaned and the water is replaced with fresh water. The battery is then placed for charging.

### VI. COST OF PROJECT AND MEANS OF FINANCE, INCLUDING WORKING CAPITAL REQUIREMENTS:

#### A. Cost of Project:

Sl. No.	Particulars	Amount (Rs.)
1	Equipments	95,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Deposits	50,000
5	Working Capital	12,000
	<b>Total</b>	<b>1,77,000</b>



**B. Means of Finance:**

Sl. No.	Particulars	Amount (Rs.)
1	Loan @75%	1,33,000
2	Equity	44,000
	<b>Total</b>	<b>1,77,000</b>

**C. Working Capital Requirement :**

Sl. No.	Particulars	Basis	Duration	Amount (Rs.)
1	Raw material	24,000/12 x 1	1 month	2,000
2	Working expenses		1 month	10,000
	<b>Total</b>			<b>12,000</b>

**VII. MAIN INPUTS REQUIREMENT :**

**A. Machinery :**

Sl. No.	Particulars	Total Cost (Rs.)
1.	Battery charger	45,000
2.	Multi meters	10,000
3.	Testing equipments	10,000
4.	Soldering Iron & Tools	10,000
5.	Electrification and installation	20,000
	<b>Total</b>	<b>95,000</b>

**B. Raw-materials :**

Raw material is not required.

Sl. No.	Particulars	Monthly	Annually
1	Consumables like distilled water	2,000	24,000
	<b>Total</b>		<b>24,000</b>

**C. Utilities :**

Sl. No.	Particulars	Total Monthly Charges. (Rs.)	Total Annual Charges. (Rs.)
1	Electricity	2,500	30,000
	<b>Total</b>		<b>30,000</b>



**D. Man-power requirement :**

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
1	Skilled Worker	1	6,000	72,000
2	Unskilled worker	1	4,000	48,000
	<b>Total</b>			<b>1,20,000</b>

**E. MAIN INFRASTRUCTURE REQUIREMENT :**

Building	700 sq.ft rented
Power	3 HP power connections are required.
Water	Water is required for general purposes.

**VIII. PROFITABILITY PROJECTION (Annual) :**

Particulars	Basis	Amount (Rs.)
<b>Sales Revenue</b>	Ref : IV	<b>4,50,000</b>
Raw Materials	Ref : VII B	24,000
Man power expenses	Ref : VII D	1,20,000
Utilities	Ref : VII C	30,000
Interest	@ 12%	16,000
Depreciation	15 % SLM	14,000
Overheads (Rent, repairs and maintenance etc.)		80,000
<b>Total Expenses</b>		<b>2,84,000</b>
<b>Profit</b>		<b>1,66,000</b>

**IX. FINANCIAL INDICATOR :**

<p><b>Break Even Point</b></p> $\frac{FC}{SR - VC} \times 100$	$\frac{1,10,000}{2,76,000} \times 100$	40 %
<p><b>Payback period</b></p> $\frac{COP}{\text{Profit} + \text{Deprn.}}$	$\frac{1,77,000}{1,80,000}$	1 year



**X. ADDRESSES :**

**SUPPLIERS OF MACHINERY / EQUIPMENTS :**

M/s. Universal machine tools,  
J. P. Road, No. 76, 6<sup>th</sup> Block,  
Bangalore.

CEDOK, DHARWAD.