



## 7. PROJECT PROFILE ON COMMERCIAL / DRINKING WATER SUPPLY

Category : Service

Total Cost of Project : Rs. 3,70,000/-

BEP : 53 %

### I. INTRODUCTION OF BUSINESS IDEA :

Now a days due to increase in pollution the need for drinking water is increased, however, the Municipality or Gram Panchayath are not in position to supply adequate water for drinking and general purposes. Hence there is need for supply of water in tankers.

### II. SERVICE AND ITS APPLICATIONS :

The water supply is required for Hotels, Hostels, Hospitals in districts and even house holds.

### III. MARKET POTENTIAL:

In the district majority of places there is water problem. The concerned authority are not in a position to supply of adequate water to all and hence there is very good scope for a bore well with sufficient water source. The promoter can tie up with Hotels, Hospital, Industry, etc. for a regular supply of water

### IV. CAPACITY-REVENUE & SALES :

Sl. No.	Service	Qty.	Rate per day	Sales Amount
01.	Supply of drinking/ commercial water (300 working days)	3,000 Ltrs. Per day	1,800 per day	5,40,000
	<b>Total</b>			<b>5,40,000</b>

### V. SERVICE METHODOLOGY AND QUALITY :

The bore well is set up with the motor and a long pipe for drawing the water through the tractors is arranged. fix timings are informed to the customers so that as and when required the water is drawn and supplied to the customers.



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

**A. Cost of Project :**

Sl. No.	Particulars	Amount(Rs).
1	Equipments (Rig. Bore with motor, tractor)	3,50,000
2	Other fixed assets	10,000
3	Preliminary and preoperative expenses	10,000
4	Working Capital Requirements	-
	<b>Total</b>	<b>3,70,000</b>

**B. Means of Finance:**

Sl. No.	Particulars	Amount(Rs).
1	Loan @ 75%	2,78,000
2	Equity	98,000
	<b>Total</b>	<b>3,70,000</b>

**C. Working Capital Requirement:**

- Nil -

**VII. MAIN INPUTS REQUIREMENT :**

**A. Equipments :**

Sl. No.	Particulars	Total Cost
01.	Rigging bore	80,000
02.	Other Accessories	10,000
03	Installation, Electrification, etc.	10,000
04	Tractor with water tank	2,50,000
	<b>Total</b>	<b>3,50,000</b>

**B. Raw-materials/Consumables : (Per Annum)**

- Nil -

**C. Utilities : (Per annum)**

Sl. No.	Particulars	Monthly Requirement	Annual Charges (Rs.)
1	Electricity for office/ motor	3,000	36,000
2	Fuel for tractor		24,000
	<b>Total</b>		<b>60,000</b>



**D. Man-power requirement :**

Sl. No.	Workers	No.	Monthly Salary (Rs.)	Annual Salary (Rs.)
01	Skill worker cum driver	1	8,000	96,000
	<b>Total</b>			<b>96,000</b>

**E. MAIN INFRASTRUCTURE REQUIREMENT :**

Building	100 sft built up space is required
Power	Commercial power connection is required
Water	Water is required for general purposes.

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

Particulars	Basis	Amount (Rs.)
<b>Sales / income (Projected)</b>	Ref : IV	<b>5,40,000</b>
Raw Materials/Consumables	Ref : VII B	-
Man power expenses	Ref : VII D	96,000
Utilities	Ref : VII C	60,000
Interest	@ 12%	33,000
Depreciation	20% SLM	70,000
Overheads	Repair, Maintenance etc.	1,00,000
<b>Total Expenses</b>		<b>3,59,000</b>
<b>Profit</b>		<b>1,81,000</b>

**IX. FINANCIAL INDICATOR :**

Break Even Point $\frac{FC}{SR-VC} \times 100$	$\frac{2,03,000}{3,84,000} \times 100$	53%
Payback period $\frac{COP}{\text{Profit} + \text{Deprn.}}$	$\frac{3,70,000}{2,51,000}$	1 Year 5Months



**ADDRESSES :**

**X. SUPPLIERS OF MACHINERY / EQUIPMENTS :**

M/s. Suguna Agency,  
Koppikar Road,  
Hubli.

**XI. Special note**

Own agriculture / non agriculture land is required.