

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.]



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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 odor, and avoiding the spread of dirt and contaminants from the surrounding.

Qualities of good Floor Cleaner

1. Bubbly – this gives the liquid ability to lather
2. Cleansing – the ability of the floor liquid cleaner to trap the dirt on the floor and wash it away

Why Floor Cleaning is important

A clean house is important for the health and well-being of your entire family. Messy house is a bad news, it increases your stress level.

1. A clean home is a healthy home.
2. Less stress & more sleep.
3. Improve social life.
4. Able to find space to sit.

Formulation

Liquid Floor cleaner is the result of a full chemical reaction in which a section of Glycol attaches to a sodium SLES & blending them in the right proportions, it's possible to create the results we want in our Cleaning agents– creamy, fluffy lather that's extra moisturizing in a long-lasting bar.

Floor cleaner are formulated using batch or continuous process of soap making. These cleansing products contain different ingredients that are used to improve their cleaning performance

Ingredients

some of the important ingredients of Floor cleaner include – SLES, Glycol, Colour, perfume & DM water.

Description of Floor cleaner Machine

Machinery for Floor cleaner includes the following:

- Blending Machine
- Packaging machine (Automatic/ Normal)

These Machines are used to produce floor cleaner from different types of raw material. With the help of this machine the work of mixing, formulation & packaging completes in a very short span.

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.

Floor cleaner Manufacturing Process

- Put all the raw material into the batch mixer.
- After that mix the mixture
- Next step is to extrude the material with the help of plodder/ extruder.
- Filling of Floor cleaner into the bottles.
- Packaging of Goods

Machinery & Equipment's required:

Name	Cost
Blending Machine	85000
Packaging machine	45000
Total	1,30,000

- ❖ Cost of the machine is exclusive of GST & value of the machine varies with the change in batch size.

Land & Building required:

Land required 300 Square Feet (approx.)

Approximate construction cost for the same is 200000. (approx.)

Labour Requirement:

3 Manpower is required for the Floor cleaner unit.

Includes:

1 skilled Labour

2 Unskilled Labour

Raw Material Requirement of Floor cleaner

- ❖ **Glycol**
- ❖ **SLES**
- ❖ **Colour**
- ❖ **Perfume**

Average raw material cost per Litre: Rs. 25-30

Floor Cleaner License & registration

For Proprietor:

- Obtain the GST registration.
- Fire/ Pollution Registration as required.
- Choice of a Brand Name of the product and secure the name with Trademark if required.

Implementation Schedule

S.N.	Activity	Time Required (in Months)
1	Acquisition Of premises	1
2	Construction (if Applicable)	1- 2 Months
3	Procurement & installation of Plant & Machinery	1
4	Arrangement of Finance	1
5	Requirement of required Manpower	1
	Total time Required (some activities shall run concurrently)	2-3 Months

Conclusion:

After completion of manufacturing process, product is ready to sell in the market. This machine can be installed with low investment & one can earn a good Margin of profit by doing this business.

PROJECT AT A GLANCE

- 1** Name of the Entrepreneur **XX**
Constitution (legal Status)
- 2** : : XX
- 3** Father's/Spouce's Name **XX**
- 4** Unit Address :
Taluk/Block: **XX**
District : **XX**
Pin:
E-Mail : **XX**
Mobile **XX**
- 5** Product and By Product : Floor cleaner
Name of the project / business activity
- 6** proposed :
- 7** Cost of Project : **Rs.** 4.53
- 8 Means of Finance**
- Term Loan **Rs.** 4.08 Lacs
25% of 4.53 Lacs
- KVIC Margin Money **Rs.** (1.13 Lacs)
- Own Capital **Rs.** 0.95 Lacs
- 9** Debt Service Coverage Ratio :
4 years 8
month
- 10** Pay Back Period :
6 months
- 11** Project Implementation Period :
2 KW
connection
- 12** Employment :
SLES, Glycol, Colour
66 Lacs (at 50%
capacity)
- 13** Power Requirement :
66 Lacs (at 50%
capacity)
- 14** Major Raw materials :
66 Lacs (at 50%
capacity)
- 15** Estimated Annual Sales Turnover :
66 Lacs (at 50%
capacity)
- 16** Detailed Cost of Project & Means of Finance

COST OF PROJECT

(Rs. In Lacs)

Particulars	Amount
Land	
Building & Civil Work	2.00
Plant & Machinery	1.53

MEANS OF FINANCE

Furniture & Fixtures	1.00
Pre-operative Expenses	
Contingencies	
Working Capital Requirement	5.00
Total	9.53

Particulars	Amount
Own Contribution	0.95
Bank Finance	4.08
working capital from bank	4.50
Total	9.53
KVIC Margin Monery	66 Lacs (at 50% capacity)

FINANCIAL ASSISTANCE REQUIRED

Term Loan of Rs. 4.08 Lacs and Working Capital limit of Rs. 4.5 Lacs

COST OF PROJECT

PARTICULARS	AMOUNT	AMOUNT	AMOUNT
		10.00%	90.00%
Building Civil Work	2.00	0.20	1.80
Plant & Machinery Furniture & Fixtures and Other Assets	1.53	0.15	1.38
Working capital	5.00	0.50	4.50
Total	9.53	0.95	8.58

MEANS OF FINANCE

PARTICULARS	AMOUNT
Own Contribution	0.95
Bank Loan	4.08
Working capital Limit	4.50
Total	9.53

COMPUTATION OF PRODUCTION OF Floor cleaner**Items to be Manufactured**

Floor cleaner

machine capacity per day 500 litre

machine capacity per annum 120000 litre

1 bottle of floor cleaner Consists 250.00 ML

Total Bottles 480,000 Litre

Production of Floor cleaner		
Production	Capacity	Bottle
1st year	50%	240,000
2nd year	53%	254,400
3rd year	55%	264,000
4th year	58%	278,400
5th year	60%	288,000

Raw Material Cost			
Year	Capacity Utilisation	Litre	Amount (Rs. in lacs)
1st year	50%	30.00	18.00
2nd year	53%	31.00	19.72
3rd year	55%	32.00	21.12
4th year	58%	33.00	22.97
5th year	60%	34.00	24.48

Packaging Charges			
year	bottle	Rate per piece	Amount (Rs. in lacs)
1st year	240,000	6.00	14.40
2nd year	254,400	6.50	16.54
3rd year	264,000	7.00	18.48
4th year	278,400	7.50	20.88
5th year	288,000	8.00	23.04

COMPUTATION OF SALE

Particulars	1st year	2nd year	3rd year	4th year	5th year
Op Stock	-	20,000	21,200	22,000	23,200
Production	240,000	254,400	264,000	278,400	288,000
Less : Closing Stock	20,000	21,200	22,000	23,200	24,000
Net Sale	220,000	253,200	263,200	277,200	287,200
sale price per piece	30.00	30.50	31.00	31.50	32.00
Sales (in Lacs)	66.00	77.23	81.59	87.32	91.90

BREAK UP OF LABOUR CHARGES

Particulars	Wages	No of	Total
	Per Month	Employees	Salary
Skilled	20000	1	20000
Unskilled	15000	2	30000
Total Salary Per Month			50000
Total Annual Labour Charges	(in Lacs)		6.00

BREAK UP OF STAFF Charges			
Particulars	Wages Per Month	No of Employees	Total Salary
Chemical Engineer	25000	2	50000
Helper	8000	1	8000
Total Salary Per Month			58000
Total Annual Labour Charges	(in Lacs)		6.96

Utility Charges at 100% capacity (per month)		
Particulars	value	Description
Power connection required	2	KWH
consumption per day	20	units
Consumption per month	400	units
Rate per Unit	7	Rs.
power Bill per month	2800	Rs.

PROJECTED PROFITABILITY STATEMENT					
	-	-	-	-	-
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
Capacity Utilisation %	50%	53%	55%	58%	60%
<u>SALES</u>					
Gross Sale					
Floor cleaner	66.00	77.23	81.59	87.32	91.90
Total	66.00	77.23	81.59	87.32	91.90
<u>COST OF SALES</u>					
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 & maintenace	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
Cost of Production	47.52	53.34	57.87	63.56	68.60
Add: Opening Stock /WIP	-	3.96	4.45	4.82	5.30
Less: Closing Stock /WIP	3.96	4.45	4.82	5.30	5.72
Cost of Sales	43.56	52.86	57.50	63.08	68.18
GROSS PROFIT	22.44	24.37	24.10	24.24	23.72
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

TOTAL	14.46	16.25	15.90	15.82	15.29
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

PROJECTED BALANCE SHEET

PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>Liabilities</u>					
Capital					
opening balance		3.32	5.69	8.02	10.42
<i>Add:- Own Capital</i>	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
TOTAL :	13.72	15.54	17.36	17.45	19.40
<u>Assets</u>					
Fixed Assets (Gross)	4.53	4.53	4.53	4.53	4.53
Gross Dep.	0.53	1.00	1.40	1.76	2.08
Net Fixed Assets	4.00	3.54	3.13	2.77	2.45
FD of Subsidy	1.13	1.13	1.13		
Current Assets					
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
TOTAL :	13.72	15.54	17.36	17.45	19.40

PROJECTED CASH FLOW STATEMENT

PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>SOURCES OF FUND</u>					
Own Margin	0.95				
Net Profit	7.99	8.12	8.19	8.41	8.43
Depriciation & 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				
TOTAL :	20.23	8.76	8.81	9.44	8.91
<u>APPLICATION OF FUND</u>					
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
TOTAL :	18.18	9.62	8.96	9.58	8.67
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	2.05	1.19	1.04	0.90	1.15

COMPUTATION OF CLOSING STOCK & WORKING CAPITAL					
PARTICULARS	1st year	2nd year	3rd year	4th year	5th year
<u>Finished Goods</u>					
	3.96	4.45	4.82	5.30	5.72
<u>Raw Material</u>					
	0.38	0.41	0.44	0.48	0.51
Closing Stock	4.33	4.86	5.26	5.77	6.23

COMPUTATION OF WORKING CAPITAL REQUIREMENT					
TRADITIONAL METHOD					
Particulars	Amount	Own Margin		Bank Finance	
Finished Goods & Raw Material	4.33				
Less : Creditors	0.75				
Paid stock	3.58	10%	0.36	90%	3.23
Sundry Debtors	2.20	10%	0.22	90%	1.98
	5.78		0.58		5.21
WORKING CAPITAL LIMIT DEMAND (from Bank)					
				4.50	

2nd Method		
PARTICULARS	1st year	2nd year
Total Current Assets	8.58	10.88
Other Current Liabilities	1.05	1.22
Working Capital Gap	7.53	9.65
Min Working Capital		
25% of WCG	1.88	2.41
Actual NWC	3.03	5.15
item III - IV	5.65	7.24
item III - V	4.50	4.50
MPBF (Lower of VI & VII)	4.50	4.50

3rd Method		
PARTICULARS	1st year	2nd year
Total Current Assets	8.58	10.88
Other Current Liabilities	1.05	1.22
Working Capital Gap	7.53	9.65
Min Working Capital		
25% of Current Assets	2.15	2.72
Actual NWC	3.03	5.15
item III - IV	5.39	6.94
item III - V	4.50	4.50
MPBF (Lower of VI & VII)	4.50	4.50

COMPUTATION OF DEPRECIATION

Description	Building	Plant & Machinery	Furniture	TOTAL
Rate of Depreciation	10.00%	15.00%	10.00%	
Opening Balance	-	-	-	-
Addition	2.00	1.53	1.00	4.53
Total	2.00	1.53	1.00	4.53
Less : Depreciation	0.20	0.23	0.10	0.53
WDV at end of Year	1.80	1.30	0.90	4.00
Additions During The Year	-	-	-	-
Total	1.80	1.30	0.90	4.00
Less : Depreciation	0.18	0.20	0.09	0.47
WDV at end of Year	1.62	1.11	0.81	3.54
Additions During The Year	-	-	-	-
Total	1.62	1.11	0.81	3.54
Less : Depreciation	0.16	0.17	0.08	0.41
WDV at end of Year	1.46	0.94	0.73	3.13
Additions During The Year	-	-	-	-
Total	1.46	0.94	0.73	3.13
Less : Depreciation	0.15	0.14	0.07	0.36
WDV at end of Year	1.31	0.80	0.66	2.77
Additions During The Year	-	-	-	-
Total	1.31	0.80	0.66	2.77
Less : Depreciation	0.13	0.12	0.07	0.32
WDV at end of Year	1.18	0.68	0.59	2.45
Additions During The Year	-	-	-	-

Total	1.18	0.68	0.59	2.45
Less : Depreciation	0.12	0.10	0.06	0.28
WDV at end of Year	1.06	0.58	0.53	2.17
Less : Depreciation	0.11	0.09	0.05	0.25
WDV at end of Year	0.96	0.49	0.48	1.93
Less : Depreciation	0.10	0.07	0.05	0.22
WDV at end of Year	0.86	0.42	0.43	1.71

REPAYMENT SCHEDULE OF TERM LOAN

Interest 11.00%

Year	Particulars	Amount	Addition	Total	Interest	Repayment	Closing Balance
1st	Opening Balance						
	1st month	-	4.08	4.08	-	-	4.08
	2nd month	4.08	-	4.08	0.04	-	4.08
	3rd month	4.08	-	4.08	0.04	-	4.08
	4th month	4.08	-	4.08	0.04		4.08
	5th month	4.08	-	4.08	0.04		4.08
	6th month	4.08	-	4.08	0.04		4.08
	7th month	4.08	-	4.08	0.04	0.060	4.02
	8th month	4.02	-	4.02	0.04	0.060	3.96
	9th month	3.96	-	3.96	0.04	0.060	3.90
	10th month	3.90	-	3.90	0.04	0.060	3.84
	11th month	3.84	-	3.84	0.04	0.060	3.78
	12th month	3.78	-	3.78	0.03	0.060	3.72
					0.40	0.360	
2nd	Opening Balance						
	1st month	3.72	-	3.72	0.03	0.060	3.66
	2nd month	3.66	-	3.66	0.03	0.060	3.60
	3rd month	3.60	-	3.60	0.03	0.060	3.54
	4th month	3.54	-	3.54	0.03	0.060	3.48
	5th month	3.48	-	3.48	0.03	0.060	3.42
	6th month	3.42	-	3.42	0.03	0.060	3.36
	7th month	3.36	-	3.36	0.03	0.060	3.30
	8th month	3.30	-	3.30	0.03	0.060	3.24
	9th month	3.24	-	3.24	0.03	0.060	3.18
	10th month	3.18	-	3.18	0.03	0.060	3.12
	11th month	3.12	-	3.12	0.03	0.060	3.06
	12th month	3.06	-	3.06	0.03	0.060	3.00

					0.37	0.720	
3rd	Opening Balance						
	1st month	3.00	-	3.00	0.03	0.060	2.94
	2nd month	2.94	-	2.94	0.03	0.060	2.88
	3rd month	2.88	-	2.88	0.03	0.060	2.82
	4th month	2.82	-	2.82	0.03	0.060	2.76
	5th month	2.76	-	2.76	0.03	0.060	2.70
	6th month	2.70	-	2.70	0.02	0.060	2.64
	7th month	2.64	-	2.64	0.02	0.060	2.58
	8th month	2.58	-	2.58	0.02	0.060	2.52
	9th month	2.52	-	2.52	0.02	0.060	2.46
	10th month	2.46	-	2.46	0.02	0.060	2.40
	11th month	2.40	-	2.40	0.02	0.060	2.34
	12th month	2.34	-	2.34	0.02	0.060	2.28
					0.29	0.720	
4th	Opening Balance						
	1st month	2.28	-	2.28	0.02	0.060	2.22
	2nd month	2.22	-	2.22	0.02	0.060	2.16
	3rd month	2.16	-	2.16	0.02	0.060	2.10
	4th month	2.10	-	2.10	0.02	0.060	2.04
	5th month	2.04	-	2.04	0.02	0.060	1.98
	6th month	1.98	-	1.98	0.02	0.060	1.92
	7th month	1.92	-	1.92	0.02	0.060	1.86
	8th month	1.86	-	1.86	0.02	0.060	1.80
	9th month	1.80	-	1.80	0.02	0.060	1.74
	10th month	1.74	-	1.74	0.02	0.060	1.68
	11th month	1.68	-	1.68	0.02	0.060	1.62
	12th month(Subsidy adjusted)	1.62	-	1.62	0.01	1.190	0.43
					0.21	1.850	
5th	Opening Balance						
	1st month	0.43	-	0.43	0.00	0.060	0.37

2nd month	0.37	-	0.37	0.00	0.060	0.31
3rd month	0.31	-	0.31	0.00	0.060	0.25
4th month	0.25	-	0.25	0.00	0.060	0.19
5th month	0.19	-	0.19	0.00	0.060	0.13
6th month	0.13	-	0.13	0.00	0.060	0.07
7th month	0.07	-	0.07	0.00	0.060	0.01
8th month	0.01	-	0.01	0.00	0.010	0.00

0.01 0.43

DOOR TO DOOR	56 MONTHS
MORATORIUM PERIOD	6 MONTHS
REPAYMENT PERIOD	50 MONTHS

Supplier Details:

S L Machinery	Address: Plot No. 930, Tyre Wall Gali, Mundka, Delhi.
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