

BUSINESS PLAN

1.0

Name of the Firm	M/s Petals Fabricare
Name of business/project	Washing & Laundry Services
Location	Ooty
Type of Organisation	Proprietorship
Address (with Phone, e-mail)	Shed No.2, SIDCO Industrial Estate, Indu Nagar (PO), Udhagamandalam -643001 Ph: 7373095000 mail to thelaundrybagindia@gmail.com
Name of the Chief Promoter	D Nithya
Date of Birth	22-05-1982
Names of Partners	NA

1.1 EDUCATIONAL QUALIFICATION

Course (from SSLC/Diploma)	School/University/Institute	Major Subject	Yr. of passing
SSLC	Sri Shanthi Vijay Girls School, Ooty		1997
HSC	Sri Shanthi Vijay Girls School, Ooty	Science	1999
B.Sc	Govt. Arts College, Ooty	Botany	2002
B.Ed	Tamilnadu Teachers Edu. University		2010

1.2 SPECIAL TRAINING:

Training in	Institute	Duration	Achievement/Remarks

1.3 WORK EXPERIENCE (PAST & PRESENT):

Organisation	Position	Nature of work	Duration
Lena School	Teacher	Teaching	2010 - 2013

1.4

Promoter's Annual Income (Last year)	1,20,000
Assets owned by the promoter	
Movable	6,25,000
Immovable	15,00,000

1.5 COMPANY'S MAIN OBJECTIVE (Why does the company exist?):

To address the immense market need for quality laundry services in both the commercial hotel and retail market segments in Ooty. In the process the company intends to create a reliable brand.

1.6 FINANCIAL GOALS:

a. To have a sales revenue amounting to	Rs.3,50,000 per month within 6 months
b. To obtain a profit margin of	20% to 25%
c. To obtain a profit per business partner of	NA

1.7 DESCRIPTION OF THE PRODUCT OR SERVICE

Wet laundering services offered to Hotels for their linen and laundry services to the retail household segment.

1.8 IDENTIFICATION OF CUSTOMERS:

Three segments of customer will be targeted: Hotels, Hostels and Households. Several hotels have already been prospected and short-listed. A retail brand has been finalised and distribution channels identified.

1.9 IDENTIFICATION OF THE COMPETITION

There are only two commercial laundries operating in Ooty. Both of them are operated by hotels. They cater to customers only after their own processing needs are met. Moreover their capacities are limited to serve only a few hotels. They do not have door delivery of services. Also both the operators do not do retail laundry.

Strengths/Weakness of competition	
Strength	Weakness
Existing player	Limited Capacity
Own linen processing needs	No retail presence

1.10 ADVANTAGES AND DISADVANTAGES OF THE PRODUCT AND YOUR COMPANY

Price – Advantage – as advantage in logistics can be percolated to pricing
Quality – Advantage because of adopting best practices of the trade
Terms of Delivery- Advantage at being the only service provider to give door delivery
Payment Methods – Disadvantage in bulk business due to credit exposure; advantage in retail business as it is cash & carry
Customer Service – Advantage – by adopting the best practices in customer service management
Others: Advantage in being the first entrant in the retail segment and only commercial laundry in Ooty

1.11 MESSAGE TO BE COMMUNICATED TO THE CUSTOMERS

1. Quality laundry services delivered at your door step
2. Quality Iron & fold services delivered at your door step

1.12 MARKETING AND MEANS OF COMMERCIALISATION

Present demand & Supply	Significantly higher demand than supply
Competition	Significantly less in terms of supply capacity and number of players
Target clients	Hotels, Hostels & Households
Marketing USP	World-class laundry services delivered at your door-step

1.13 MANUFACTURING PROCESS

Technical know-how availability	Available at close proximity
Step by step description of the process	Collection of linen/clothes – sorting of clothes – washing – drying – ironing – packing – delivering

1.14 PRODUCTION PROGRAMME:

No. Of working days/annum	-	300
No. Of shifts/day (8hrs)	-	1
Installed capacity (annual)	-	1,20,000 kgs
Utilised capacity (%)		
Year 1	-	80%
Year 2	-	80%
Year 3	-	80%

2.0 DETAILS OF THE Proposed Project

2.1 LAND & BUILDING:

S No	Particulars	Area required	Total value	Remarks
1	Land			
2	Building	1000		Rented
	Total			

2.2 MACHINERIES/EQUIPMENTS:

S No	Description	No.s required	Rate (Rs)	Total value (Rs)
1	Washer Extractor 25kgs	2	4,29,000	8,58,000
2	Tumble drier	1	3,53,000	3,53,000
3	Calendaring Machine	1	7,81,000	7,81,000
4	Ironing Tables	4	51,000	2,04,000
5	Taxes (VAT 14.5%)			3,17,985
6	Boiler (Incl. Of tax 5%)	1	4,09,500	4,09,500
	TOTAL	9		29,23,920

2.3 MISC. FIXED ASSETS: NA

2.4 PRELIMINARY AND PRE-OPERATIVE EXPENSES:

S No	Particulars	Amount (Rs)	Remarks
1	Building Civil work and interiors	2,62,000	
2	Rental Advance	1,65,000	
3	Transport and Installation	0,90,000	
	Total	5,17,000	

2.5 WORKING CAPITAL:

S No	Item	Duration	Total Value				
			1 st yr	2 nd Yr	3 rd Yr	4 th Yr	5 th Yr
1	Raw Material stock	1 month	30000				
2	Spares	Contingency	60000				
3	Debtors	1 months	100000				
4	Working expenses	1 months	100000				
5							

2.6 TOTAL COST OF THE PROJECT

S No	Particulars	Total value (Rs)
1	Fixed Capital (sum of 2.1+2.2+2.3)	29,23,920
2	Working capital (sum of 2.5)	3,00,000
3	Preliminary & Preoperative Expenses (sum of 2.4)	5,17,000
	Total	37,40,920

2.7 MEANS OF FINANCE

S No	Particulars	Amount	Remarks
1	Own Investment	1,88,000	
2	Term loan	26,06,409	
3	Working Capital	3,00,000	
4	Subsidy under NEEDS (@25%)	6,46,500	
	Total	37,40,909	

3.1 SALES REVENUE: (Please refer item No.5.1 (Pricing))

S No	Items	Quantity Sold/Yr	Rate/Unit (rs)	Sales Realisation (Rs)
1	Hotel linen (in kgs)	72000 kgs	24	17,28,000
2	Retail Clothes	24000 kgs	40	9,60,000
3	Retail Ironing (no. of pieces)	180000	8	14,40,000
	Total			41,28,000

4.1 RAW MATERIALS (ANNUAL) REQUIREMENT:

S No	Items	Quantity (Kgs)	Rate(Rs)	Total Value
1	Detergents/Chemicals (3kgs/day)	900	150	1,35,000
2				
3				
	Total			1,35,000

4.2 Utilities:

S No	Particulars	Annual Expenditure	Remarks
1	Electricity	1,43,000	@3000units bymonthly
2	Water	15,000	Contingency ;as borewell is available
3	Firewood	3,60,000	(120 tons @ Rs.3000/ton)
4	Transport	3,00,000	@1000/day, 300 days annual
5			
	Total	8,18,000	

4.3 Manpower (Salaries/Wages)

S No	Particulars	Nos	Wages/Salary p.m (Rs)	Annual Expenses (Rs)
1	Skilled	5	30000 (@ Rs6000)	3,60,000
2	Semi-Skilled	3	12,000 (@Rs4000)	1,44,000
3	Unskilled			
4	Office staff	2	20,000 (@Rs10,000)	2,40,000
5	Delivery Drivers	1	7,000	84,000
	Total	11	59,000	8,28,000

4.4 Repairs & Maintenance

S No	Particulars	Amount (Rs, annual)
1	Daily Maintenance (@ Rs500/day)	1,50,000

4.5 Selling and Distribution Expenses: Not applicable initially.

4.6 Administrative Expenses

S No	Particulars	Amount (Rs) annual	Remarks
1	Stationery & printing	30,000	Letter heads, Visiting cards, Office consumables
2	Post/telephone	15,000	
3	Entertainment	60,0000	Employee welfare
4	Miscellaneous	30,0000	@Rs.100/day

4.7 Interest : Please refer to the detailed project report by Chartered Accountant.

4.8 Depreciation: Please refer to the detailed project report by Chartered Accountant.

5.1 Pricing:

Head	Hotel Linen	Retail Wash & Fold (per Kg)	Retail Ironing (per unit)
Total cost per KG	14	30	6
Desired profit	10	10	2
Sale Price	27	35	9

For further details please refer to the Market Survey Report and the detailed project report submitted by the Chartered Accountant.