

# PROJECT REPORT FOR SOFT DRINK SHOP



PREPARED FOR

ROMOTOR

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

PROJECT LOCATION

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

PREPARED BY:

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Project For:  
**Soft Drink Shop**

## I. PROJECT AT A GLANCE

1. About the Promoter : xxxxxxxxxxxxxxxxxxxxxxxxx  
Project Location: xxxxxxxxxx
2. Project Cost : Rs. 2.60 Lakhs
3. Mean of Finance  
A) T. L. facility from Bank : Rs. 0.65 Lakhs  
B) Beneficiary contribution : Rs. 1.95 Lakhs
5. Rate of Interest : 8.35.00% Per Annum
6. Repayment : 84 monthly instalments, EMI @ 0.03 Lakhs
7. Nature of Project : Soft Drink Shop
8. Employment Potential : 1 Nos
9. Nature of the Firm : Proprietary Firm
10. Average Debt Coverage ratios : **3.34**

<i>Project For:</i> <b><i>Soft Drink Shop</i></b>
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## II. ABOUT THE PROJECT

Soft drink, any of a class of nonalcoholic beverages, usually but not necessarily carbonated, normally containing a natural or artificial sweetening agent, edible acids, natural or artificial flavours, and sometimes juice. Natural flavours are derived from fruits, nuts, berries, roots, herbs, and other plant sources. Coffee, tea, milk, cocoa, and undiluted fruit and vegetable juices are not considered soft drinks.

The term soft drink was originated to distinguish the flavoured drinks from hard liquor, or distilled spirits. Soft drinks were recommended as a substitute in the effort to change the hard-drinking habits of early Americans. Indeed, health concerns of modern consumers led to new categories of soft drinks emphasizing low calorie count, low sodium content, no caffeine, and “all natural” ingredients.

Project For :  
**Minchi Enterprises**

## II. ECONOMICS OF THE PROJECT

### A. COST OF PROJECT

(Rs. Lacs)

S.No.	Particulars	Total	Spent	Bal. To be spent
1	Building (Shop)	-	-	-
2	Furniture & Electrical	0.50	-	0.50
3	Working Capital	2.10	-	2.10
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		2.60	-	2.60
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#### Means of Finance :

a) Own Contribution (25%)	0.65
b) T L facility from Bank (75%)	1.95
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	<b>2.60</b>

Project For :  
**Minchi Enterprises**

**B. PROFITABILITY STATEMENT**

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
1	Sales	8.00	10.00	11.00	12.10	13.31	14.64	16.11
	Add : Increase in Cl.Stock	1.25	0.31	0.16	0.17	0.19	0.21	0.23
	Total Turnover	9.25	10.31	11.16	12.27	13.50	14.85	16.33
2	Material Purchase	5.00	6.25	6.88	7.56	8.32	9.15	10.07
3	Overheads							
	a) Direct	1.46	1.61	1.67	1.70	1.84	1.93	2.03
	b) Indirect	1.40	1.54	1.69	1.78	1.87	1.96	2.06
4	Balance	1.39	0.92	0.92	1.23	1.47	1.80	2.18
5	Interest on TL & CC	0.15	0.14	0.12	0.09	0.07	0.04	0.02
6	Depreciation	0.08	0.06	0.05	0.05	0.04	0.03	0.03
7	Preliminary expenses W/off	-	-	-	-	-	-	-
8	Profit after Interest & Dep.	1.16	0.72	0.75	1.09	1.36	1.73	2.13
9	Income Tax	-	-	-	-	-	-	-
10	<b>Profit after Tax</b>	1.16	0.72	0.75	1.09	1.36	1.73	2.13
11	Add: Depreciation & Pre Exp.	0.08	0.06	0.05	0.05	0.04	0.03	0.03
12	Add : Interest on TL & CC	0.15	0.14	0.12	0.09	0.07	0.04	0.02
13	Cash Accruals	1.39	0.92	0.92	1.23	1.47	1.80	2.18
14	Instalments of TL & Interest	0.37	0.37	0.37	0.37	0.37	0.37	0.37
15	DSCR	3.27	1.99	2.00	2.83	3.49	4.39	5.41
16	Average DSCR	3.34						
17	N.P. to Total receipts	14.50	7.17	6.82	8.99	10.23	11.79	13.25

Project For :  
**Minchi Enterprises**

**C. CASH FLOW STATEMENT**

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
<b>A</b>	<b>CASH INFLOW :</b>							
1	Collection from Debtors	7.67	9.58	10.54	11.60	12.76	14.03	15.43
2	T.L. from Bank	1.95						
3	CC from bank	-						
4	Capital	0.65						
5	Subsidy	-						
	<b>TOTAL (A)</b>	<b>10.27</b>	<b>9.58</b>	<b>10.54</b>	<b>11.60</b>	<b>12.76</b>	<b>14.03</b>	<b>15.43</b>
<b>B</b>	<b>CASH OUTFLOW :</b>							
1	Fixed Assets	0.50	-	-	-	-	-	-
2	Payment to creditors	4.18	6.04	6.77	7.45	8.19	9.01	9.92
3	Direct overheads	1.46	1.61	1.67	1.70	1.84	1.93	2.03
4	Indirect Overheads	1.40	1.54	1.69	1.78	1.87	1.96	2.06
5	Interest on Bank Loan	0.15	0.14	0.12	0.09	0.07	0.04	0.02
6	Income Tax	-	-	-	-	-	-	-
7	Term Loan Repayment	0.21	0.23	0.25	0.27	0.30	0.32	0.35
8	Drawings	-	-	-	-	-	-	-
	<b>TOTAL (B)</b>	<b>7.91</b>	<b>9.56</b>	<b>10.50</b>	<b>11.30</b>	<b>12.27</b>	<b>13.28</b>	<b>14.37</b>
	<b>SUMMARY:</b>							
	Op. Cash & Bank Balance.	-	2.36	2.38	2.42	2.72	3.20	3.96
	Add : Surplus / (Deficit)	2.36	0.02	0.04	0.30	0.48	0.75	1.06
	Cl. Cash & Bank Balance.	2.36	2.38	2.42	2.72	3.20	3.96	5.02

Project For :  
**Minchi Enterprises**

**D. BALANCE SHEET**

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
<b>A</b>	<b>ASSETS :</b>							
1	Fixed Assets	0.43	0.36	0.31	0.26	0.22	0.19	0.16
2	Investments	-	-	-	-	-	-	-
3	Current Assets	3.94	4.70	5.35	6.32	7.55	9.12	11.08
4	Loans & Advances	-	-	-	-	-	-	-
	<b>TOTAL (A)</b>	<b>4.37</b>	<b>5.06</b>	<b>5.66</b>	<b>6.58</b>	<b>7.77</b>	<b>9.31</b>	<b>11.24</b>
<b>B</b>	<b>LIABILITIES:</b>							
1	Capital	1.81	2.53	3.28	4.36	5.73	7.45	9.59
2	Secured loans Term Loan	1.74	1.50	1.25	0.98	0.68	0.35	-
3	Sundry Creditors	0.82	1.03	1.13	1.24	1.37	1.50	1.65
4	Current Liabilities Cash Credit	-	-	-	-	-	-	-
	<b>TOTAL (B)</b>	<b>4.37</b>	<b>5.06</b>	<b>5.66</b>	<b>6.58</b>	<b>7.77</b>	<b>9.31</b>	<b>11.24</b>



Project For :  
**Minchi Enterprises**

(Rs. Lacs)

**E. CAPITAL ACCOUNT**

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
1	Op. Balance	-	1.81	2.53	3.28	4.36	5.73	7.45
2	Additions	0.65						
3	Net Profit for the year.	1.16	0.72	0.75	1.09	1.36	1.73	2.13
	Sub Total	1.81	2.53	3.28	4.36	5.73	7.45	9.59
4	Less : Drawings	-	-	-	-	-	-	-
5	Cl. Balance	1.81	2.53	3.28	4.36	5.73	7.45	9.59

Project For :  
**Minchi Enterprises**

(Rs. Lacs)

**F. SALES**

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
1	Sales per annum Soft Drink	8.00	10.00	11.00	12.10	13.31	14.64	16.11
2	Total Sale	8.00	10.00	11.00	12.10	13.31	14.64	16.11
3	Sundry Debtors (Credit period allowed 15 days)	0.33	0.42	0.46	0.50	0.55	0.61	0.67
4	Collection from Debtors	7.67	9.58	10.54	11.60	12.76	14.03	15.43

Project For :  
**Minchi Enterprises**

(Rs. Lacs)

**G. MATERIAL CONSUMPTION AND INVENTORY**

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
1	Sale of material	8.00	10.00	11.00	12.10	13.31	14.64	16.11
2	Purchases of Material Soft Drink	5.00	6.25	6.88	7.56	8.32	9.15	10.07
3	Sundry Creditors ( Assume 60 day Cedit Period allowed)	0.82	1.03	1.13	1.24	1.37	1.50	1.65
4	Payment to creditors	4.18	6.04	6.77	7.45	8.19	9.01	9.92
5	Stock of Material	1.25	1.56	1.72	1.89	2.08	2.29	2.52

Project For :  
**Minchi Enterprises**

(Rs. Lacs)

**H. DIRECT OVERHEADS**

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
1	Staff Salary (Monthly salary- Rs. 10,000/- per staff) (No. of staff- 1)	0.96	1.06	1.06	1.07	1.17	1.23	1.29
2	Other Overheads	0.50	0.55	0.61	0.64	0.67	0.70	0.74
	Total	1.46	1.61	1.67	1.70	1.84	1.93	2.03

Project For :  
**Minchi Enterprises**

(Rs. Lacs)

**I. INDIRECT OVERHEADS**

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
1	Travelling & Conveyance	0.30	0.33	0.36	0.38	0.40	0.42	0.44
2	Repairs & Maint.	0.25	0.28	0.30	0.32	0.33	0.35	0.37
3	Electricity Expenses (Off.)	0.36	0.40	0.44	0.46	0.48	0.50	0.53
4	Telephone Expenses	0.24	0.26	0.29	0.30	0.32	0.34	0.35
5	Misc. Expenses	0.25	0.28	0.30	0.32	0.33	0.35	0.37
		1.40	1.54	1.69	1.78	1.87	1.96	2.06

Project For :  
**Minchi Enterprises**

**J. TERM LOAN REPAYMENT AND INTEREST THEREON**

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
1	TL / Op. Bal.	1.95	1.74	1.50	1.25	0.98	0.68	0.35
2	Repayment during the year	0.21	0.23	0.25	0.27	0.30	0.32	0.35
3	Cl. Balance	1.74	1.50	1.25	0.98	0.68	0.35	-
4	Interest at 8.35 per cent p.a.	0.15	0.14	0.12	0.09	0.07	0.04	0.02
5	Total repayment with Interest	0.37	0.37	0.37	0.37	0.37	0.37	0.37
	Total Interest	0.15	0.14	0.12	0.09	0.07	0.04	0.02

**Term Loan Repayment Schedule**

MONTHS	EMI	INTEREST	PRINCIPAL REPAYMENT	OST PRINCIPAL
0				1.95
1	0.03	0.01	0.02	1.93
2	0.03	0.01	0.02	1.92
3	0.03	0.01	0.02	1.90
4	0.03	0.01	0.02	1.88
5	0.03	0.01	0.02	1.86
6	0.03	0.01	0.02	1.85
7	0.03	0.01	0.02	1.83
8	0.03	0.01	0.02	1.81
9	0.03	0.01	0.02	1.79
10	0.03	0.01	0.02	1.77
11	0.03	0.01	0.02	1.75
12	0.03	0.01	0.02	1.74
<b>First Year</b>	<b>0.37</b>	<b>0.15</b>	<b>0.21</b>	
13	0.03	0.01	0.02	1.72
14	0.03	0.01	0.02	1.70
15	0.03	0.01	0.02	1.68
16	0.03	0.01	0.02	1.66
17	0.03	0.01	0.02	1.64
18	0.03	0.01	0.02	1.62
19	0.03	0.01	0.02	1.60
20	0.03	0.01	0.02	1.58
21	0.03	0.01	0.02	1.56
22	0.03	0.01	0.02	1.54
23	0.03	0.01	0.02	1.52

24	0.03	0.01	0.02	1.50
<b>Second Year</b>	<b>0.37</b>	<b>0.14</b>	<b>0.23</b>	
25	0.03	0.01	0.02	1.48
26	0.03	0.01	0.02	1.46
27	0.03	0.01	0.02	1.44
28	0.03	0.01	0.02	1.42
29	0.03	0.01	0.02	1.40
30	0.03	0.01	0.02	1.38
31	0.03	0.01	0.02	1.36
32	0.03	0.01	0.02	1.34
33	0.03	0.01	0.02	1.32
34	0.03	0.01	0.02	1.29
35	0.03	0.01	0.02	1.27
36	0.03	0.01	0.02	1.25
<b>Third Year</b>	<b>0.37</b>	<b>0.12</b>	<b>0.25</b>	
37	0.03	0.01	0.02	1.23
38	0.03	0.01	0.02	1.21
39	0.03	0.01	0.02	1.18
40	0.03	0.01	0.02	1.16
41	0.03	0.01	0.02	1.14
42	0.03	0.01	0.02	1.12
43	0.03	0.01	0.02	1.09
44	0.03	0.01	0.02	1.07
45	0.03	0.01	0.02	1.05
46	0.03	0.01	0.02	1.02
47	0.03	0.01	0.02	1.00
48	0.03	0.01	0.02	0.98
<b>Fourth Year</b>	<b>0.37</b>	<b>0.09</b>	<b>0.27</b>	
49	0.03	0.01	0.02	0.95
50	0.03	0.01	0.02	0.93
51	0.03	0.01	0.02	0.90
52	0.03	0.01	0.02	0.88
53	0.03	0.01	0.02	0.85
54	0.03	0.01	0.02	0.83
55	0.03	0.01	0.02	0.80
56	0.03	0.01	0.03	0.78
57	0.03	0.01	0.03	0.75
58	0.03	0.01	0.03	0.73
59	0.03	0.01	0.03	0.70
60	0.03	0.00	0.03	0.68
<b>Fifth Year</b>	<b>0.37</b>	<b>0.07</b>	<b>0.30</b>	

61	0.03	0.00	0.03	0.65
62	0.03	0.00	0.03	0.62
63	0.03	0.00	0.03	0.60
64	0.03	0.00	0.03	0.57
65	0.03	0.00	0.03	0.55
66	0.03	0.00	0.03	0.52
67	0.03	0.00	0.03	0.49
68	0.03	0.00	0.03	0.46
69	0.03	0.00	0.03	0.44
70	0.03	0.00	0.03	0.41
71	0.03	0.00	0.03	0.38
72	0.03	0.00	0.03	0.35
<b>Six Year</b>	<b>0.37</b>	<b>0.04</b>	<b>0.32</b>	
73	0.03	0.00	0.03	0.32
74	0.03	0.00	0.03	0.30
75	0.03	0.00	0.03	0.27
76	0.03	0.00	0.03	0.24
77	0.03	0.00	0.03	0.21
78	0.03	0.00	0.03	0.18
79	0.03	0.00	0.03	0.15
80	0.03	0.00	0.03	0.12
81	0.03	0.00	0.03	0.09
82	0.03	0.00	0.03	0.06
83	0.03	0.00	0.03	0.03
84	0.03	0.00	0.03	0.00
<b>Seven Year</b>	<b>0.37</b>	<b>0.02</b>	<b>0.35</b>	



Project For :  
**Minchi Enterprises**

**K. CURRENT ASSETS**

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
1	Cl. Stock of Materials	1.25	1.56	1.72	1.89	2.08	2.29	2.52
	Total Inventory	1.25	1.56	1.72	1.89	2.08	2.29	2.52
2	Cash and bank Balance	2.36	2.38	2.42	2.72	3.20	3.96	5.02
3	Sundry Debtors	0.33	0.75	1.21	1.71	2.27	2.88	3.55
	Total	3.94	4.70	5.35	6.32	7.55	9.12	11.08

Project For :  
**Minchi Enterprises**

**L. FIXED ASSETS AND DEPRECIATION**

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
1	Furniture & Electrical							
	Op. Balance	-	0.43	0.36	0.31	0.26	0.22	0.19
	Additions	0.50	-		-			
	Total	0.50	0.43	0.36	0.31	0.26	0.22	0.19
	Less : Depreciation	0.08	0.06	0.05	0.05	0.04	0.03	0.03
	Cl. WDV	0.43	0.36	0.31	0.26	0.22	0.19	0.16
	Total Depreciation	0.08	0.06	0.05	0.05	0.04	0.03	0.03
	Cl. WDV	0.43	0.36	0.31	0.26	0.22	0.19	0.16

Project For :  
**Minchi Enterprises**

**M. WORKING CAPITAL**

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
1	Total Current Assets	3.94	4.70	5.35	6.32	7.55	9.12	11.08
2	Total Current Liabilities	0.82	1.03	1.13	1.24	1.37	1.50	1.65
3	Working Capital	3.12	3.67	4.22	5.08	6.18	7.62	9.43