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PROJECT REPORT

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PROJECT:

CARBONATED SOFT DRINK UNIT

PROJECT REPORT

Of

CARBONATED SOFT DRINK

PURPOSE OF THE DOCUMENT

This particular pre-feasibility is regarding **CARBONATED SOFT DRINK Unit**.

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.]

PROJECT REPORT ON CARBONATED SOFT DRINK



INTRODUCTION:

Carbonated soft drinks constitute the major category in “Aerated Soft Drinks”, the other two categories being juice based soft drinks and squash, sharbat and syrup. Various types of soft drinks including orange, lime and lemon based drinks as well as soda water fall in the category of aerated soft drinks. These water drinks consist of water, carbon-di-oxide, colour, additives and preservative. In a tropical country like India, which has oppressive summers, there is substantial market for aerated soft drinks.

MARKET POTENTIAL:

The Indian soft drink market might continue its "robust growth trajectory" as annual per capita bottle consumption is expected to reach around 84 by 2021, according to a report by PepsiCo India's bottling partner Varun Beverages Ltd. The industry would have a broad-based growth across categories, especially helped by juices and bottled water, . It will be helped by key growth drivers such as under-penetration of the segment, growing middle class, rising affordability and urbanization, and rural electrification besides continued innovations towards product packaging and sizing.

"Within carbonates, non-cola carbonates, especially lemon-based ones, are expected to grow faster," said VBL. Carbonated beverages account for 51 per cent of PepsiCo's sales volumes in India. It further said: "The bottled water category is expected to see a robust volume growth with increasing awareness among consumers about water-borne diseases and shortages in drinking water in the urban areas." Moreover, rising health awareness is also driving juice consumption and it is increasingly becoming part of the regular breakfasts and social gatherings.

PROJECTED BALANCE SHEET

PARTICULARS	IST YEAR	IIND YEAR	IIRD YEAR	IVTH YEAR	VTH YEAR
<u>SOURCES OF FUND</u>					
Capital Account	2.50	2.50	2.50	2.50	2.50
Retained Profit	22.37	50.08	80.18	115.49	155.70
Term Loan	11.79	8.84	5.90	2.95	0.37
Cash Credit	10.71	10.71	10.71	10.71	10.71
Sundry Creditors	0.32	0.37	0.42	0.47	0.53
Provisions & Other Liab	0.36	0.40	0.44	0.48	0.53
TOTAL :	48.04	72.90	100.15	132.60	170.34
<u>APPLICATION OF FUND</u>					
Fixed Assets (Gross)	12.50	12.50	12.50	12.50	12.50
Gross Dep.	1.83	3.40	4.75	5.89	6.86
Net Fixed Assets	10.68	9.10	7.75	6.61	5.64
Current Assets					
Sundry Debtors	2.59	3.31	3.79	4.27	4.75
Stock in Hand	9.62	11.23	12.83	14.44	16.04
Cash and Bank	22.65	46.51	72.74	103.95	140.25
Deposits & Advances	2.50	2.75	3.03	3.33	3.66
TOTAL :	48.04	72.90	100.15	132.60	170.34
	-	-	-	-	-

PROJECTED CASH FLOW STATEMENT

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<u>SOURCES OF FUND</u>					
Share Capital	2.50	-			
Reserve & Surplus	24.85	30.79	37.63	44.13	50.27
Depriciation & Exp. W/off	1.83	1.58	1.34	1.14	0.97
Increase in Cash Credit	10.71	-	-	-	-
Increase In Term Loan	11.79	-	-	-	-
Increase in Creditors	0.32	0.05	0.05	0.05	0.05
Increase in Provisions	0.36	0.04	0.04	0.04	0.05
TOTAL :	52.35	32.46	39.06	45.37	51.34
<u>APPLICATION OF FUND</u>					
Increase in Fixed Assets	12.50	-	-	-	-
Increase in Stock	9.62	1.60	1.60	1.60	1.60
Increase in Debtors	2.59	0.72	0.48	0.48	0.48
Increase in Deposits & Adv	2.50	0.25	0.28	0.30	0.33
Repayment of Term Loan	-	2.95	2.95	2.95	2.57
Taxation	2.49	3.08	7.53	8.83	10.05
TOTAL :	29.70	8.60	12.83	14.16	15.04
Opening Cash & Bank Balance	-	22.65	46.51	72.74	103.95
Add : Surplus	22.65	23.86	26.23	31.21	36.30
Closing Cash & Bank Balance	22.65	46.51	72.74	103.95	140.25

PROJECTED PROFITABILITY STATEMENT

PARTICULARS	IST YEAR	IIND YEAR	IIIRD YEAR	IVTH YEAR	VTH YEAR
<u>A) SALES</u>					
Gross Sale	77.76	99.36	113.76	128.16	142.56
Total (A)	77.76	99.36	113.76	128.16	142.56
<u>B) COST OF SALES</u>					
Raw Mateiral Consumed	13.56	15.82	18.08	20.34	22.60
Electricity Expenses	1.72	2.01	2.29	2.58	2.86
Repair & Maintenance	-	0.99	1.14	1.28	1.43
Labour & Wages	5.54	6.10	6.71	7.38	8.12
Depreciation	1.83	1.58	1.34	1.14	0.97
Commissions	7.78	9.94	11.38	12.82	14.26
Consumables and Other Expenses	3.89	4.97	5.69	6.41	7.13
Cost of Production	34.31	41.40	46.63	51.95	57.37
Add: Opening Stock /WIP	-	6.91	8.06	9.22	10.37
Less: Closing Stock /WIP	6.91	8.06	9.22	10.37	11.52
Cost of Sales (B)	27.40	40.25	45.48	50.80	56.22
C) GROSS PROFIT (A-B)	50.36	59.11	68.28	77.36	86.34
	65%	59%	60%	60%	61%
D) Bank Interest (Term Loan)	1.02	1.23	0.89	0.55	0.22
Bank Interest (C.C. Limit)	1.23	1.23	1.23	1.23	1.23
E) Salary to Staff	21.70	23.87	26.26	28.88	31.77
F) Selling & Adm Expenses Exp.	1.56	1.99	2.28	2.56	2.85
TOTAL (D+E)	25.51	28.32	30.66	33.23	36.07
H) NET PROFIT	24.85	30.79	37.63	44.13	50.27
I) Taxation	2.49	3.08	7.53	8.83	10.05
J) PROFIT (After Tax)	22.37	27.71	30.10	35.31	40.22

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