

FOUR WHEELER SERVICE CENTRE

1. INTRODUCTION

The 4 Wheeler Service Centre in Uttarakhand is strategically positioned to meet the burgeoning demand for automotive services in the region, spurred by the increasing number of registered four-wheelers. According to government data obtained from the Parivahan website, the year 2023 alone witnessed a substantial surge in vehicle registrations. Maxi Cabs recorded 410 registrations, Motor Cabs registered 7,108, and Motor Cars accounted for a notable 45,041 registrations. This significant upswing underscores the consistent need for 4 Wheeler Service Centre to cater to the maintenance and repair requirements of the expanding fleet of vehicles.

2. SERVICE & ITS APPLICATION

The service center will cater to a range of 2-wheeler maintenance and repair services, including regular servicing, oil changes, brake repairs, tire replacements, and other mechanical and electrical repairs. Additionally, the center can offer customization services to meet the varied preferences of the customers.

3. DESIRED QUALIFICATION FOR PROMOTER

The promoter should have a strong background in automotive mechanics, potentially an academic degree in engineering, with knowledge of 2-wheeler technology and a keen understanding of customer service. Business management skills, marketing acumen, and an understanding of local regulations will be essential for success.

4. BUSINESS OUTLOOK AND TRENDS

Uttarakhand's stature as a major hub for auto components manufacturing, responsible for 10% of India's total production, adds a layer of significance to the business outlook. This indicates a robust supply chain and ecosystem, providing the service center with a reliable source of quality spare parts and components. The surge in the demand for 2-wheelers within Uttarakhand is a pivotal factor driving the business potential. The 2-wheeler market in Uttarakhand is expected to grow due to increased urbanization, improved road infrastructure, and rising disposable incomes. Trends in the industry include a shift towards electric two-wheelers, creating opportunities for servicing and maintenance of electric bikes. As the state witnesses an increasing number of individuals embracing 2-wheelers for their commuting needs, the need for professional and reliable service centers becomes paramount. This surge in demand aligns perfectly with the establishment of a service center, positioning it as a crucial player in meeting the growing maintenance and repair needs of 2-wheeler owners.

5. KEY BUSINESS ELEMENTS

1. **Strategic Location:** Selecting a convenient and accessible location, preferably near major roads or populated areas, is essential to attract a steady flow of customers to the four-wheeler service centre in Uttarakhand.
2. **Certified and Skilled Workforce:** Employing qualified and experienced technicians who are certified to work on four-wheelers ensures the delivery of high-quality service.
3. **Comprehensive Service Offerings:** Providing a wide range of services, including routine maintenance, engine diagnostics, brake repairs, electrical system checks, tire services, and more, caters to the diverse needs of four-wheeler owners and establishes the service centre as a one-stop solution.

4. **Affordable and Transparent Pricing:** Establishing a competitive yet transparent pricing structure ensures customer satisfaction and encourages repeat business. Providing value for money is the key to building trust with customers.
5. **Warranty and Guarantees:** Offering warranties or guarantees for services and parts instills confidence in customers and sets the service centre apart from competitors.

6. MARKET POTENTIAL AND MARKETING ISSUES; IF ANY

With Uttarakhand being a popular tourist destination, the demand for timely and reliable services for both local and tourist vehicles presents a substantial market opportunity. However, the presence of numerous local competitors in the automotive service industry poses a challenge in terms of market share and differentiation. Additionally, established service showrooms operated by vehicle manufacturers attract customers due to brand loyalty and perceived reliability. The service centre can counteract this challenge by emphasizing personalized services, competitive pricing, and a focus on customer satisfaction. Building a strong reputation through positive customer reviews will also sway customers away from the perceived safety of company service showrooms.

7. SUPPLY OF RAW MATERIAL

Ensuring a seamless supply of raw materials is crucial for the effective operation of a 4 Wheeler Service Centre in Uttarakhand. Key considerations include partnering with local suppliers for routine spare parts, collaborating with authorized distributors for genuine and high-quality components, and sourcing diagnostic tools and equipment from specialized suppliers. Additionally, maintaining a diverse network of suppliers for tires and batteries, purchasing consumables in bulk for cost savings, and establishing connections with manufacturers for specialized tools contribute to an efficient supply chain.

8. BUSINESS MODEL

A spacious store layout involves an entrance space for customer interaction. The store should also include product displays, including eye-level and feature displays that enhances visibility and attracts customer interest. Integration of a dedicated employee workspaces and technology contributes to a well-functioning store.

9. BUSINESS PROCESS

- **Customer Appointment:** The process begins by scheduling an online or in-person meeting for services.
- **Vehicle Inspection:** The next step is to conduct a thorough examination to identify issues and recommend necessary services.
- **Service Execution:** After that, the trained technicians perform maintenance or repairs using advanced equipment.
- **Quality Check:** A key stage is ensuring the highest standards before returning the vehicle to the customer.
- **Customer Feedback:** The last step is encouraging feedback to improve services and maintain customer satisfaction.

10. MANPOWER REQUIREMENT

Sr. No	Particulars	No.	No of month in year	Wages/Salaries per month (Rs. In Lakhs)	Annual Expense (Rs. In Lakhs)
1	Self-employed	1	-	-	-
2	Service Technician	4	12	0.35	16.8
3	Helper	4	12	0.25	12
	Total				28.80

11. IMPLEMENTATION SCHEDULE

Sr. No.	Activity	Time Required (in months)
1	Acquisition of premises	1
2	Construction (if applicable)	1.5
3	Procurement & installation of Plant & Machinery	2.5
4	Arrangement of Finance	1
5	Recruitment of required manpower	1
6	Total time required (some activities shall run concurrently)	3

12. COST OF PROJECT

Sr. No.	Particulars	Annual Expenses (Rs. in lakhs)
1	Pre-operative and preliminary Exp.	0.12
2	Equipment and Furniture Exp.	8.50
3	Working Capital	4.73
	Total Project Cost	13.35

13. MEANS OF FINANCE

Bank-term loans are assumed @ 60%

Sr. No.	Particulars	Annual Expenses (Rs. in lakhs)
1	Promoter's contribution	5.34
2	Bank Finance	8.01
	Total	13.35

14. FURNITURES AND FIXTURES

Sr. No.	Particulars	Unit	Price per Unit (Rs. in lakhs)	Total Amount (Rs. in lakhs)
1	Tools (Wrenches and socket sets, Screwdrivers, Pliers, Diagnostic tools, Jack Stands and Hydraulic Jacks, Battery tester, Tire Pressure Gauge, Oil Filter Wrench, Brake Bleeder Kit, etc.)	-	1.50	1.50

2	Equipment (Car Lift, Tire Changer and Wheel Balancer, Battery Charger and Jump Starter, Alignment Machine, Diagnostic Software, Engine Hoist and Stand, Air Compressor, etc.)	-	2.50	2.50
3	Lighting fixtures	5	0.25	1.25
4	Workbenches	5	0.15	0.75
5	Waiting Area	-	0.60	0.60
6	Safety Fixtures (Fire extinguisher, first aid kits, etc.)	2	0.05	0.10
7	Storage	5	0.06	0.30
8	Cabinets	5	0.20	1.00
	Total			8.00

Tools & Equipment must be bought from authorized dealers and suppliers in Uttarakhand. The entrepreneur can avail required tools after thorough research and analysis. Below is the tentative list of suppliers in India. Besides these, online platforms such as India Mart can also be explored for ordering machinery online.

1. New Pioneer Industries

Plot No.6, New Shakti Nagar Colony,
Pathri Power House, Sultanpur Mazri,
Post Bahadrabad Plot No. 185,
Haridwar-249402,
Uttarakhand, India

2. A. A. Tools & Equipment

No. 3501/3, 1st Floor, Near Metro Gate No.-3,
Chawri Bazaar, OPP. Shakahari Restaurant,
New Delhi-110006,
Delhi, India

3. Snap-on Tools Pvt. Ltd.

Plot No. 6/2, Begumpur,
NH-8, Delhi-Jaipur Highway,
Behind Toyota Showroom,
Gurgaon, Gurugram-122004,
Haryana, India

15. SALES REALISATION

Sr. No.	Product	Sales in Percentage
1	Four Wheeler Services (Routine maintenance, engine diagnostic service, brake system service, electrical system service, suspension and steering, tire service, fluid leak repair, A/C service, emergency services, etc.)	100.0%

16. PROFITABILITY CALCULATIONS

The basis of profit calculation is:

Sr. No	Particulars	Annual Expenses (Rs. in lakhs)
A.	Sales realization	81.00
B.	Cost of production	
i)	Raw materials	40.50
ii)	Utilities	1.00
iii)	Manpower Cost (Salaries/wages)	28.80
iv)	Administrative expenses	0.28
v)	Selling & distribution expenses	1.80
vi)	Rent	1.51
vii)	Interest	0.91
	Total (B)	74.79
	Gross profit/loss (A – B)	6.21
	Less: Depreciation	1.35
C.	PBIT	4.86
D.	Income-tax	0.95
E.	Net profit/loss	3.89
F.	Repayment (Annual)	0.77
G.	Retained surplus (E-F)	3.12

17. BREAKEVEN ANALYSIS

(Rs. in lakhs)

Fixed cost	
Land & Building Rent	1.50
Depreciation	1.35
Interest	0.91
Manpower	8.64
Total Fixed cost	12.40
Variable cost	
Raw materials	40.50
Utilities	1.00
Man Power	20.16
Administrative expenses	0.28
Selling & distribution expenses	1.80
Total Variable cost	63.74
Contribution margin	20%
Break-Even Point in Value	41.34

18. STATUTORY/GOVERNMENT APPROVALS

Setting up a four-wheeler service center in Uttarakhand would require several statutory and government approvals to ensure compliance with regulations.

1. Fire Safety Approvals: The promoter must comply with fire safety regulations and obtain approval from the fire department.
2. Health and Safety Compliance: There must also be adherence with health and safety standards and obtain necessary approvals, especially if you are dealing with hazardous materials.

19. TRAINING CENTERS AND COURSES

Training centers that offer professional training and certification in entrepreneurship and business management are as follows:

1. National Institute for Entrepreneurship and Small Business Development (NIESBUD)
Regional Centre, Dehradun
NSTI Campus, Green Park, Dehradun-248001,
Uttarakhand, India
2. Indian Institute of Entrepreneurship (IIE)
NH-37 Bypass, Near Game Village,
Lalmati Guwahati- 781029,
Assam, India
3. Institute of Entrepreneurship Development (IEDUP)
A - 1 & 2, Industrial Area, Sarojini Nagar,
Kanpur Road, Lucknow-226008,
Uttar Pradesh, India

Disclaimer

Only few machine manufacturers are mentioned in the profile, although many machine manufacturers are available in the market. The addresses given for machinery manufacturers have been taken from reliable sources, to the best of knowledge and contacts. However, no responsibility is admitted, in case any inadvertent error or incorrectness is noticed therein. Further the same have been given by way of information only and do not carry any recommendation.