



BUSINESS PLAN · INDIA

Appliance-Repair Service

The part that was never replaced

HOME SERVICES

AISEVAK.IN · BY ABL DIGITAL TECHNOLOGIES

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This document is confidential and prepared for planning purposes. All financial figures are illustrative model assumptions for an Indian MSME context and must be validated against live quotes, local rates and professional advice before any investment or borrowing decision.

1. Executive Summary

This plan sets out an **Appliance-Repair Service** in India — a multi-brand operator repairing air conditioners, refrigerators, washing machines and kitchen appliances in one city, working both as an authorised service partner for selected brands and independently, with an employed technician workforce, a genuine-spares supply chain and annual maintenance contracts.

The vertical's structural facts are set out in the home-cleaning plan and are not re-derived here: **the worker enters the home alone and the risk runs both ways; route density rather than price decides the margin; classification is the legal fault line and this plan employs its technicians; the allegation is a when rather than an if; and the rating system is a pay system.** What is different here is that the pest-control asymmetry acquires a second layer. There, the customer could not verify whether the chemical was applied at dose. Here, the technician chooses the diagnosis AND the remedy AND is paid more for the expensive one. Alone with an opened machine, he can report a failed compressor, charge for it and fit nothing; or diagnose a ₹9,000 control board when a ₹400 capacitor was the fault; and in both cases the customer's appliance works afterwards, which is the only evidence she has. She cannot open the machine, cannot evaluate the diagnosis, and will never know.

The controls are specific and the first is the strongest thing available in this trade — which is why almost nobody does it. **THE OLD PART IS RETURNED TO THE CUSTOMER AS STANDARD**, from nothing to 100% of jobs. A technician who must hand back the compressor he says he replaced cannot say he replaced it and not replace it, and the control costs nothing but a policy. Alongside: **part and serial numbers photographed before and after; spares consumption reconciled monthly against jobs, the pest-control control transplanted; and an independent second diagnosis on every job above ₹4,000, by someone not paid on that job** — which changed the diagnosis 31 times in Year 1 and 11 by Year 3, the fall being the first diagnosis improving rather than the check relaxing. And the structural fix that makes the rest work: **technician earnings linked to the value of parts fitted falls from 22% to nil, on this library's rule that nobody paid per unit of a remedy should decide how much of it is needed.**

The productivity metric that matters is not jobs per day, and getting this wrong is the commonest operating error in appliance repair. A second visit destroys a worker-day, and it is almost always a parts-availability failure rather than a skill failure — the technician diagnosed correctly and did not have the component on the van. First-visit resolution rises here from 54% to 78% and van-stock hit rate from 61% to 84%, taking average days-to-close from 3.4 to 1.6. The trap is that an operator pushing jobs per day makes this worse: a technician measured on volume stops carrying stock he might not need that morning, and every avoided kilo of van inventory returns as a second visit next week. Inventory carried on a van looks like idle working capital and is the cheapest productivity this business can buy.

Two further facts shape the model. Leakage to direct hire runs at about 9% — between the cleaning plan's 14% and pest control's 6% — and what bounds it is neither loyalty nor licensing but **PARTS ACCESS**: a technician who leaves cannot obtain genuine spares or warranty authorisation. That moat has a mirror, and it is the risk a promoter must hold in view: the brand can terminate the partnership, so the largest brand's share of revenue is driven down from 47% to 29% — because an operator earning most of his living from one manufacturer's warranty work has a customer, not a business. And seasonality here is extreme: air-conditioning work concentrates in March to June while the payroll is annual, so peak-to-trough monthly revenue runs at 3.1× narrowing to 2.2×, with trough-month technician utilisation taken from 38% to 64% through AMC visits deliberately scheduled into the off-season, refrigeration and laundry mix, and pre-season

overhaul campaigns — rather than by hiring seasonally, which would destroy the certified skill base the whole moat depends on.

This plan models an operator requiring **₹6.00 crore** (₹2.80 crore promoter + ₹1.70 crore term loan + ₹1.00 crore working-capital facility + ₹50 lakh investor), moving from **₹5.95 crore revenue and a ₹39 lakh loss** to **₹18.43 crore revenue and ₹1.81 crore profit** by Year 3, with return on capital employed reaching 29.2% across a workforce growing from 46 to 108 technicians. (Appliance repair and maintenance — figures illustrative.)

2. Business Description, Vision & Legal Structure

Concept: A repair business that hands the customer back the part it says it replaced.

Vision: To be the operator whose diagnosis a customer does not have to take on trust.

Mission: Return the old part on every job; pay nobody a commission on the parts he specifies; get a second opinion on the expensive diagnoses; carry the stock so the customer does not need a second visit; buy genuine spares and say what that costs; and recover refrigerant instead of venting it.

Legal structure

- **Private Limited** — recommended. Brand authorisation agreements, spares credit lines, inventory financing and outside capital all point the same way.
- **LLP** — workable for a small independent workshop, weaker for obtaining authorised-partner status.
- **Employed technicians** — the vertical's classification rule, and here also operationally necessary: **a contractor cannot be held to a spares reconciliation or barred from earning on parts.**

Regulatory anchor: lighter than pest control but with two obligations this trade routinely ignores. **Refrigerant handling:** the Ozone Depleting Substances Rules and India's HFC phase-down commitments require recovery rather than venting, and venting is free, instantaneous and invisible while recovery costs a machine, a cylinder, several minutes and a disposal route — which is why the default across the industry is to open the valve. An operator who recovers is paying for a compliance nobody is checking, and this plan takes it from 24% of relevant jobs to 96%. **E-Waste Management Rules** apply to replaced boards, compressors and components, which cannot lawfully go into general waste or to an informal recycler. Then: **consumer-protection exposure on repair warranties and on diagnosis representations, since telling a customer her compressor has failed is a statement she relies on to spend money;** product liability where a fitted component causes damage; GST on services and on parts, which are taxed differently and must be invoiced separately; **brand authorisation agreements governing parts, pricing, warranty claims and termination;** and the vertical's shared obligations — employment classification with EPF/ESI, POSH extending to the customer's premises, and DPDP over household data.

3. Promoter & Ownership

Led by a promoter with appliance service, electrical/refrigeration or after-sales background. Three competences decide outcomes. *Inventory judgement*, because the difference between a good and a poor operator in this trade is which two hundred parts sit on the vans, and it is learned from failure data rather than from a catalogue. *The willingness to break the parts commission*, since paying technicians on parts value is the industry's default incentive scheme and removing it costs earnings the best technicians will notice immediately. And *discipline about brand concentration*, which means declining volume from a manufacturer offering more work on worse terms. Ownership, equity & investor terms are editable inputs; **spares purchasing and consumption reconciliation report to finance, not to service operations.**

4. Market Analysis — India

Indian appliance-repair demand is driven by a large and ageing installed base, rising air-conditioner penetration, and manufacturers steadily outsourcing after-sales service to partners.

Demand drivers

- **Rapid growth in the installed base of air conditioners**, which need annual servicing as well as repair.
- **An ageing stock of refrigerators and washing machines** past warranty and worth repairing rather than replacing.
- **Manufacturers outsourcing after-sales** to authorised partners rather than running their own field forces.
- **Apartment density**, which concentrates both the installed base and the routing advantage.
- **Repair-over-replace economics** in most Indian households, unlike in markets where appliances are discarded.
- **AMC demand** from housing societies, offices and small commercial premises with multiple units.

Market sizing (illustrative framing)

Layer	Definition	Indicative scale
TAM	Installed appliance base in the served city	Large and growing with AC penetration
SAM	Units inside served clusters, in brands whose parts we can obtain	Bounded by PARTS ACCESS and density
SOM (Yr 1-3)	Jobs delivered and AMC units under contract	49,700 → 149,000 jobs; AMC 9% → 11% of revenue

The serviceable market here is bounded by something the cleaning plan did not face: a brand and model whose parts cannot be obtained is not addressable at any price. A technician can diagnose a failed inverter board perfectly and be unable to buy one, because the manufacturer supplies only its own authorised network, the part is discontinued, or the only available equivalent is a grey-market copy the operator will not fit. This changes what "market share" means — an operator's reach is the intersection of the clusters he can route profitably and the brands he can actually source for, and the second constraint is invisible in every market-size estimate this industry produces. Three consequences shape the plan. **Brand authorisation is pursued deliberately and early**, because it converts a large slice of the installed base from unserviceable to serviceable and simultaneously bounds leakage. The parts catalogue is treated as a strategic asset: which two hundred components sit on the vans is decided from the operator's own failure data, not from a supplier's recommendation. And jobs on brands the operator cannot source for are declined honestly at the call stage — rather than attended, diagnosed, charged a visit fee and left unrepaired, which is how a great deal of this industry's reputation was earned.

5. Competition & Position

Landscape: manufacturers' own service arms and their authorised partners; **a very large independent sector of individual technicians working from a phone number, with grey-market parts and no warranty**; home-services marketplaces listing those same technicians with a booking layer on top; electrical retailers offering service alongside sales; and, for a large part of the installed base, nobody at all. **Because the customer cannot evaluate a diagnosis, price comparison in this trade rewards whoever quotes lowest at the door and recovers it in parts she cannot assess — which is why the independent technician is often cheaper on the callout and dearer on the job.**

The operator's position

- The old part returned on every job.
- No technician earnings linked to the value of parts fitted.
- An independent second diagnosis above ₹4,000.
- Genuine parts with traceable invoices, and the cost of that stated.
- First-visit resolution treated as the productivity measure, not jobs per day.
- Refrigerant recovered rather than vented.

The competitive difficulty is that the honest operator's price is visibly higher at the only moment the customer compares, and invisibly lower over the job. An independent quotes a smaller visit charge, diagnoses at the machine, and prices the repair once the customer is committed and the appliance is in pieces — a position of considerable strength, since she is not going to call somebody else to reassemble it. The organised operator quoting a fixed diagnostic fee and a genuine-parts price looks dearer on the phone and is frequently cheaper in total, and there is no way to demonstrate that before the work. Two answers work. Give her something checkable: the returned part, the photographed serial numbers and the itemised invoice separating labour from parts are artefacts the cheaper option does not produce, and a customer who has received them once understands what their absence means — the pest-control lesson applied. And compete hardest where evaluation is possible: housing societies, offices and small commercial premises buy on AMC, compare year on year, and can tell the difference between an operator whose units keep running and one whose units keep needing parts.

6. The Diagnosis, the Part & the First Visit

Element	Character	Economics
Old part returned to the customer	The strongest control in the trade; costs a policy	0% → 100% of jobs
Technician earnings linked to parts value	The industry's default incentive, removed	22% → 8% → nil
Independent second diagnosis above ₹4,000	By someone not paid on that job	0% → 100%; 31 → 11 changed
First-visit resolution	The real productivity metric	54% → 78%
Van-stock hit rate	What actually drives first-visit resolution	61% → 84%
Genuine parts with traceable invoices	Cost stated, not implied	68% → 100%; ₹31L a year more
Largest brand's share of revenue	Concentration reduced deliberately	47% → 29%
Estimated leakage · peak-to-trough revenue · trough utilisation	Bounded by PARTS ACCESS, not licence or loyalty	~9% · 3.1× → 2.2× · 38% → 64%

Returning the old part deserves its own paragraph because it is close to a free control and its absence is close to universal. A technician who must hand back the compressor, the board or the motor he says he replaced cannot claim to have replaced it and not do so. He also cannot fit a used component and charge for a new one, because a customer holding two parts can see which looks like it came out of a machine. The policy costs a

bag, a line on the invoice and thirty seconds — and every operator in this industry has heard the objection that customers do not want a dead compressor, which is true and irrelevant: most decline it, and the control works on the ones who do not, because the technician cannot know in advance which customer that will be. Three refinements make it real. The offer is made and recorded on every job rather than when the customer asks, since a control that depends on the customer knowing to ask protects only the informed. Serial and part numbers are photographed in and out, so a job where the part was declined still carries evidence. And the reconciliation runs behind it — spares issued against parts invoiced, monthly, reporting to finance — because the returned part proves something came out and the reconciliation proves something equivalent went in.

7. Seasonality, Refrigerant & the Second Visit

The four-month year

- **Air-conditioning work concentrates in March to June**; the payroll is annual and the skill base is certified.
- **AMC visits scheduled deliberately into the trough**, not when the customer asks.
- **Refrigeration and laundry mix** carried specifically because they are counter-seasonal.
- **Pre-season overhaul campaigns** in January and February, sold as preparation rather than repair.

What a second visit really is

- **Almost always a parts-availability failure**, not a diagnostic one.
- **Van stock decided from the operator's own failure data**, refreshed quarterly.
- **Measured as days-to-close**, which is what the customer experiences.

Refrigerant recovery is the clearest case in this library of a compliance that costs money, produces no visible benefit, and will never be detected if ignored — which makes it a straightforward test of whether an operator's stated standards mean anything. Opening a valve and letting refrigerant into the atmosphere takes four seconds, costs nothing and leaves no trace. Recovering it requires a recovery machine on the van, a storage cylinder, several minutes of a technician's time on a peak-season day when three more jobs are waiting, and a route to a licensed reclaiming or disposer. No customer asks, no inspector arrives, and the difference is invisible in the invoice — so the industry default is to vent, and the Ozone Depleting Substances Rules and India's HFC phase-down commitments are honoured mainly on paper. Three things make recovery actually happen here. Equipment is capitalised at the outset rather than bought when convenient, so a technician is never in the position of choosing between compliance and a machine he does not have. Recovery is recorded per job as a field rather than assumed, taking measured compliance from 24% to 96% — and the residual 4% is reported rather than rounded away. And the time it costs is built into the job standard — because a technician measured on jobs per day, holding a recovery machine, on the busiest afternoon of June, will vent, and no policy statement changes that arithmetic.

8. Operations Plan (diagnose, verify, stock, fix, recover)

- **Diagnosis integrity**: no technician earnings linked to parts value (22% → nil); independent second diagnosis on every job above ₹4,000 by someone not paid on that job (0% → 100%).
- **The old part**: returned or formally offered on every job (0% → 100%), with the offer recorded rather than made on request, and serial/part numbers photographed in and out.
- **Spares integrity**: OEM or authorised distributors only with traceable invoices (68% → 100%); monthly reconciliation of spares issued against parts invoiced, reporting to finance.

- **Van stock:** composition set from the operator's own failure data and refreshed quarterly — van-stock hit rate 61% → 84%, which is what first-visit resolution actually depends on.
- **Scope honesty:** jobs on brands whose parts cannot be sourced declined at the call stage rather than attended, diagnosed, charged a visit fee and left unrepaired.
- **Refrigerant:** recovery equipment capitalised at the outset, recovery recorded per job (24% → 96%), and the recovery time built into the job standard.
- **Seasonality:** AMC visits scheduled into the trough, counter-seasonal categories carried deliberately, pre-season overhaul campaigns — **not seasonal hiring, which would destroy the certified base the moat depends on.**
- **Concentration:** largest brand's revenue share driven down 47% → 29%, because an operator earning most of his living from one manufacturer's warranty work has a customer rather than a business.
- **Warranty on repairs:** provided for on the balance sheet; callbacks within the warranty period free and unarguing.
- **Waste:** replaced boards, compressors and components routed under E-Waste Rules, never to general waste or an informal recycler.

Control points

Area	Activity	Control point
□ The part that was never replaced	Old part returned or formally offered / serial numbers photographed in and out	0% → 100% / 0% → 100%
□ The fault that was never there	Independent second diagnosis above ₹4,000 / diagnoses changed on review	0% → 100% / 31 → 11
Nobody paid on parts decides the parts	Technician earnings linked to parts value	22% → 8% → nil
Something equivalent went in	Spares issued reconciled to parts invoiced (monthly, to finance)	0% → 100%
The real productivity metric	First-visit resolution / van-stock hit rate / days to close	54% → 78% / 61% → 84% / 3.4 → 1.6
Safety, not quality	Genuine parts with traceable invoices / stated annual cost of the position	68% → 100% / ₹31,00,000
The compliance nobody checks	Refrigerant recovered rather than vented	24% → 96%
Concentration & seasonality	Largest brand share · peak-to-trough revenue · trough utilisation	47% → 29% · 3.1× → 2.2× · 38% → 64%

Genuine versus grey-market spares is presented in this trade as a quality question and it is frequently a safety one, which changes how the decision should be taken. A counterfeit capacitor in a wall-mounted air conditioner, an uncertified compressor in a kitchen refrigerator or a copied control board in a washing machine sit inside an occupied home, energised, unattended, for years. The failure mode is not that the appliance stops working — it is that something overheats at three in the morning. The grey market in Indian appliance spares is large, cheap and often visually indistinguishable, and a technician fitting one is making a decision the customer cannot see, cannot evaluate and will carry the consequences of. Three positions follow. Parts are sourced from manufacturers or authorised distributors with traceable invoices only, moving from 68% to 100%, with no exception for a part that is merely difficult to obtain — because "difficult to obtain" is precisely when a grey substitute appears. The cost is stated rather than absorbed: roughly ₹31 lakh a year

more than grey-market equivalents by Year 3, against a ₹1.81 crore profit — so a competitor buying the other way has a materially different cost base at the same customer price. And where a genuine part genuinely cannot be sourced, the honest answer is that the appliance cannot be repaired by this operator — which loses the job and is the whole of the position.

9. Refrigerant, E-Waste & Operating Compliance (India)

- **Ozone Depleting Substances Rules and India's HFC phase-down commitments** require **RECOVERY** rather than venting — and venting is free, instantaneous and invisible while recovery costs a machine, a cylinder, several minutes and a disposal route, which is why the industry default is to open the valve.
- **E-Waste Management Rules** on replaced boards, compressors and components, **which cannot lawfully go to general waste or an informal recycler.**
- **Consumer protection on repair warranties AND on diagnosis representations** — **telling a customer her compressor has failed is a statement she relies on to spend money.**
- **Product liability** where a fitted component causes damage or injury, which is the sharp end of the genuine-parts position.
- **Brand authorisation agreements** governing parts supply, pricing, warranty claim procedure and termination — **read as concentration risk, not only as a commercial contract.**
- GST on services and on parts, which are taxed differently and must be invoiced separately; electrical safety and work-at-height requirements for outdoor AC units.
- **Vertical-shared (see the home-cleaning plan):** employment classification with EPF/ESI; POSH extending to the customer's premises; DPDP over household data; shops and establishment registration.

10. Organisation & Manpower Plan

Role	Yr 1	Yr 2	Yr 3
Technicians (EMPLOYED, certified by category)	46	74	108
Contact centre, scheduling & AMC servicing	8	13	19
Supervisors & area managers	6	10	15
Spares warehouse & inventory control	5	8	12
Sales, AMC & business development	4	7	10
Training, certification & quality (incl. SECOND DIAGNOSES)	3	5	8
Finance & accounts (incl. spares reconciliation)	3	5	7
Technology (dispatch, job records, parts traceability)	2	4	6
Leadership	2	3	4
Total	79	129	189

Two features carry the plan's argument. A quality function that performs second diagnoses exists from Year 1 and is paid on neither the job nor the parts — the control-independence rule this library applies throughout, and here the constrained party is the technician whose earnings once rose with the size of the repair. **Spares warehouse and inventory control is staffed at twelve people by Year 3**, heavier than an outsider would expect, because van-stock

composition is the single largest determinant of first-visit resolution and therefore of the worker-day. **Spares purchasing and the monthly reconciliation report to finance rather than to service operations**, since the manager whose completion numbers improve when a part is found quickly is not the person to audit where parts went.

11. Implementation Timeline & Milestones

Phase	Timeline	Milestone
Setup	Month 0-5	Brand authorisations secured before scale, spares supply lines and traceable-invoice policy established, technician pay structure built WITHOUT parts linkage from the first contract, old-part-return policy and second-diagnosis threshold live at launch, refrigerant recovery equipment capitalised, van-stock v1 set from category failure data
Year 1	Year 1	46 technicians, 49,700 jobs; ₹5.95cr revenue, ₹39L loss; first-visit resolution 54% and van-stock hit 61%; genuine parts 68%; refrigerant recovered on 24%; parts-linked earnings still 22% — the baseline this plan exists to end; 31 diagnoses changed on second opinion
Year 2	Year 2	74 technicians, 91,000 jobs; ₹11.11cr revenue, ₹56L profit; old part returned on 100%; parts-linked earnings down to 8%; first-visit resolution 68%; genuine parts 91%; recovery 71%; largest brand share down to 38%; ROCE 10.0%
Year 3	Year 3	108 technicians, 149,000 jobs; ₹18.43cr revenue, ₹1.81cr profit; ROCE 29.2%; parts-linked earnings NIL; second diagnosis on 100% of jobs above ₹4,000 with changes down to 11; first-visit resolution 78% and days-to-close 1.6; genuine parts 100% at a stated ₹31L a year; refrigerant recovered on 96%; largest brand 29%; trough utilisation 64%

12. Financial Plan (Illustrative)

*All figures are illustrative model assumptions for an Indian context, shown so the promoter can replace them with live rates. **First-visit resolution and revenue per technician-day are the levers. Parts revenue is not one — a business that grows its parts line faster than its job count is telling on itself.***

12.1 Project cost & means of finance

Capital requirement	₹
Spares inventory (opening stock + van stock)	1,32,00,000
Vehicles & field logistics	86,00,000
Launch & initial operating losses	74,00,000
Working capital (parts cycle, AMC servicing, payroll)	68,00,000
Tools, diagnostics & REFRIGERANT RECOVERY equipment	62,00,000
Technology (dispatch, job records, parts traceability, AMC)	52,00,000
Customer acquisition & market entry	44,00,000
Hub, workshop & spares warehouse fit-out	40,00,000
Training, certification & brand authorisation	26,00,000
Deposits, insurance, legal & registrations	16,00,000

Total project cost	6,00,00,000
Promoter contribution	2,80,00,000
Term loan (vehicles, tools, workshop & technology)	1,70,00,000
Working-capital facility (spares cycle)	1,00,00,000
Investor / angel contribution	50,00,000

12.2 Projected Profit & Loss (3 years)

Particulars	Year 1	Year 2	Year 3
TECHNICIANS / TECHNICIAN-DAYS / JOBS DELIVERED	46 / 13,800 / 49,700	74 / 22,200 / 91,000	108 / 32,400 / 149,000
Labour & service charges	3,59,00,000	6,55,00,000	10,69,00,000
Spares & components supplied (genuine, invoiced separately)	1,84,00,000	3,42,00,000	5,66,00,000
Annual maintenance contracts	52,00,000	1,14,00,000	2,08,00,000
TOTAL REVENUE	5,95,00,000	11,11,00,000	18,43,00,000
Technician wages, EPF/ESI, floor & leave (EMPLOYED, no parts linkage)	1,50,00,000	2,63,00,000	4,32,00,000
Cost of spares (OEM / authorised distributors only)	1,26,00,000	2,34,00,000	4,00,00,000
Customer acquisition & marketing	56,00,000	84,00,000	1,26,00,000
Travel, vehicles & field logistics	48,00,000	74,00,000	1,06,00,000
Head-office salaries (finance, HR, operations, leadership)	36,00,000	54,00,000	78,00,000
Supervisors & area managers	34,00,000	56,00,000	82,00,000
Contact centre, scheduling & AMC servicing	28,00,000	46,00,000	66,00,000
Spares warehouse, van stock & inventory carrying	26,00,000	44,00,000	68,00,000
Technology (dispatch, job records, parts traceability)	20,00,000	30,00,000	44,00,000
Training, certification, tooling & refrigerant recovery	18,00,000	30,00,000	44,00,000
Hub, workshop & rent	18,00,000	26,00,000	36,00,000
Free callbacks, rework & SECOND-VISIT cost	16,00,000	24,00,000	44,00,000
Depreciation (vehicles, tools, workshop, IT)	12,00,000	18,00,000	28,00,000
Finance cost	12,00,000	14,00,000	14,00,000
Bad debt, refunds & inventory obsolescence	10,00,000	18,00,000	30,00,000
Warranty provision on repairs	8,00,000	14,00,000	24,00,000
Insurance (public liability, product, workmen's compensation)	8,00,000	14,00,000	22,00,000

Legal, statutory, audit & compliance	8,00,000	12,00,000	18,00,000
Total expenses	6,34,00,000	10,55,00,000	16,62,00,000
Net profit / (loss) before tax	(39,00,000)	56,00,000	1,81,00,000
Net margin	(6.6%)	5.0%	9.8%
AVERAGE CAPITAL EMPLOYED / RETURN ON CAPITAL EMPLOYED	₹5.20cr / (7.5%)	₹5.60cr / 10.0%	₹6.20cr / 29.2%
OLD PART RETURNED OR FORMALLY OFFERED / serial numbers photographed in and out	0% / 0%	100% / 100%	100% / 100%
TECHNICIAN EARNINGS LINKED TO PARTS VALUE	22%	8%	NIL
INDEPENDENT SECOND DIAGNOSIS ABOVE ₹4,000 / diagnoses changed on review	0% / n.a.	100% / 19	100% / 11
FIRST-VISIT RESOLUTION / van-stock hit rate / average days to close	54% / 61% / 3.4	68% / 74% / 2.3	78% / 84% / 1.6
GENUINE PARTS WITH TRACEABLE INVOICES / stated annual cost of the position	68% / n.a.	91% / ₹19,00,000	100% / ₹31,00,000
REFRIGERANT RECOVERED RATHER THAN VENTED	24%	71%	96%
Largest brand's share of revenue / estimated leakage (bounded by PARTS ACCESS)	47% / ~9%	38% / ~9%	29% / ~9%
Revenue per technician-day · peak-to-trough revenue · trough-month utilisation · median tenure	₹2,600 · 3.1x · 38% · 11.2 mo	₹2,950 · 2.6x · 51% · 15.4 mo	₹3,300 · 2.2x · 64% · 19.8 mo

12.3 Unit economics & break-even

- Labour revenue per technician-day reaches ₹3,300 against a loaded technician cost of about ₹1,330 a day. Parts sit alongside at roughly a 41% gross margin — which is why this business earns 9.8% where cleaning earns 2.9%, and any plan claiming this margin on labour alone is misrepresenting its rate card.
- First-visit resolution is worth more than any price increase. Moving from 54% to 78% removes roughly one return trip in four — travel, a diagnostic slot and a customer appointment — and it is bought almost entirely with van inventory, which looks like idle working capital and is the cheapest productivity available.
- The genuine-parts position costs ₹31 lakh a year against a ₹1.81 crore profit. A competitor sourcing grey-market has a materially different cost base at the same customer price, and the difference sits energised inside somebody's kitchen.
- Seasonality is the structural constraint. A 3.1x peak-to-trough swing against an annual payroll means paying full wages for four months of half-work; narrowing it to 2.2x and lifting trough utilisation to 64% is worth more than the entire Year-2 profit.
- Break-even: Year 2. The Year-1 loss is a certified technician base, a spares inventory and recovery equipment all built before the job volume exists — capacity ahead of demand, as everywhere in this vertical.

12.4 Projected Cash Flow — Year 1 (quarterly, illustrative)

Particulars (₹)	Q1	Q2 (peak)	Q3	Q4
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Opening balance	1,00,00,000	76,00,000	88,00,000	70,00,000
Collections (jobs, parts, AMC; commercial on terms)	1,08,00,000	2,12,00,000	1,42,00,000	1,26,00,000
Wages, spares purchases, travel, marketing, interest & overheads	1,32,00,000	2,00,00,000	1,60,00,000	1,42,00,000
Closing balance	76,00,000	88,00,000	70,00,000	54,00,000

This business has two cash problems at once, and they peak at opposite ends of the year, which is why the facility here is larger relative to revenue than elsewhere in the vertical. The first is inventory: spares must be bought and positioned on vans and in the warehouse before the season, so the largest single cash outflow of the year happens in February, when the previous quarter was the trough and revenue has not yet arrived. An operator who under-buys in February to protect cash spends the peak season losing first-visit resolutions he cannot recover, which is the most expensive false economy in the trade. The second is the trough itself: from July, a fully staffed, certified, annual payroll runs against half the revenue, and the certified people cannot be released because they will not come back. Three disciplines follow. The facility is sized against the pre-season inventory build rather than against average working capital — ₹1.00 crore on ₹5.95 crore of Year-1 revenue. AMC billing is deliberately timed into the trough quarters, which is also where the visits are scheduled, so the annuity does two jobs at once. And inventory obsolescence is provided for rather than discovered — a spares holding built for last year's failure pattern becomes dead stock quietly, and it is the one balance-sheet item in this business that can be materially wrong without anybody noticing.

12.5 Key Performance Indicators to Monitor

- **Diagnosis integrity:** parts-linked earnings (must reach nil); second diagnoses performed and changed; old part returned or offered; serial-number capture; spares issued reconciled to parts invoiced.
- **Productivity:** first-visit resolution; van-stock hit rate; days to close; revenue per technician-day; travel as a share of paid hours; second-visit cost.
- **Safety & compliance:** genuine parts with traceable invoices and the stated cost; refrigerant recovered; e-waste routed lawfully; repair-warranty provision and callback rate.
- **Concentration & seasonality:** largest brand's revenue share; authorisation renewal dates; peak-to-trough revenue ratio; trough-month utilisation; AMC visits scheduled into the trough.
- **Vertical basics (see the home-cleaning anchor):** two-way verification, withdrawal right, worker concerns raised, allegation process, rating appeals, tenure and cost to replace.

13. Funding Requirement & Bankability

Total ask: **₹1.70 crore term loan plus a ₹1.00 crore working-capital facility** against ₹2.80 crore promoter contribution and ₹50 lakh of investor money. Four points. **First, this is the most securable business in its vertical — spares inventory, tools and vehicles are real, valuable and stock-financeable, unlike the cleaning operator's mops and software. Second, the facility must be sized against the pre-season inventory build rather than average working capital: the year's largest outflow happens in February, before the season's revenue arrives, and an operator who under-buys then loses the peak he was protecting. Third, the diagnostic is first-visit resolution and the parts-to-labour ratio, not revenue growth. A parts line growing faster than job count is the single clearest sign that diagnoses are drifting upward, and a promoter who cannot produce a monthly spares reconciliation cannot tell a lender — or himself — whether the parts he invoiced were fitted. Fourth, ask about brand concentration and the authorisation agreements behind it. Parts access is what bounds leakage to 9% and supports the margin; it is granted by manufacturers who can withdraw it, and an operator at 47% of revenue from one brand is one contract renewal away from a different business.**

13.1 Funding utilisation

Use of funds	₹	% of total
Spares inventory (opening stock + van stock)	1,32,00,000	22.0%
Vehicles & field logistics	86,00,000	14.3%
Launch & initial operating losses	74,00,000	12.3%
Working capital (parts cycle, AMC servicing, payroll)	68,00,000	11.3%
Tools, diagnostics & refrigerant recovery equipment	62,00,000	10.3%
Technology (dispatch, job records, parts traceability, AMC)	52,00,000	8.7%
Customer acquisition & market entry	44,00,000	7.3%
Hub, workshop & spares warehouse fit-out	40,00,000	6.7%
Training, certification & brand authorisation	26,00,000	4.3%
Deposits, insurance, legal & registrations	16,00,000	2.8%
Total	6,00,00,000	100%

14. Risk Analysis & Mitigation

Risk	Mitigation
☐ THE PART THAT WAS NEVER REPLACED, AND THE FAULT THAT WAS NEVER THERE	THE PEST-CONTROL ASYMMETRY WITH A SECOND LAYER: THERE THE CUSTOMER COULD NOT VERIFY WHETHER THE CHEMICAL WAS APPLIED AT DOSE; HERE THE TECHNICIAN CHOOSES THE DIAGNOSIS AND THE REMEDY AND IS PAID MORE FOR THE EXPENSIVE ONE. ALONE WITH AN OPENED MACHINE HE CAN REPORT A FAILED COMPRESSOR, CHARGE FOR IT AND FIT NOTHING; OR DIAGNOSE A ₹9,000 CONTROL BOARD WHEN A ₹400 CAPACITOR WAS THE FAULT — AND IN BOTH CASES THE APPLIANCE WORKS AFTERWARDS, WHICH IS THE ONLY EVIDENCE SHE HAS. SHE CANNOT OPEN THE MACHINE, CANNOT EVALUATE THE DIAGNOSIS, AND WILL NEVER KNOW → THE OLD PART RETURNED OR FORMALLY OFFERED ON EVERY JOB (0%→100%) — THE STRONGEST CONTROL AVAILABLE IN THIS TRADE AND CLOSE TO FREE, BECAUSE A TECHNICIAN WHO MUST HAND BACK THE COMPRESSOR HE SAYS HE REPLACED CANNOT SAY HE REPLACED IT AND NOT DO SO, NOR FIT A USED COMPONENT AND CHARGE FOR A NEW ONE. THE OBJECTION THAT CUSTOMERS DO NOT WANT A DEAD COMPRESSOR IS TRUE AND IRRELEVANT: MOST DECLINE IT, AND THE CONTROL WORKS ON THE ONES WHO DO NOT, BECAUSE THE TECHNICIAN CANNOT KNOW IN ADVANCE WHICH CUSTOMER THAT WILL BE — SO THE OFFER IS MADE AND RECORDED ON EVERY JOB RATHER THAN WHEN ASKED, SINCE A CONTROL THAT DEPENDS ON THE CUSTOMER KNOWING TO ASK PROTECTS ONLY THE INFORMED ; serial and part numbers photographed IN AND OUT; MONTHLY spares reconciliation to FINANCE, BECAUSE THE RETURNED PART PROVES SOMETHING CAME OUT AND THE RECONCILIATION PROVES SOMETHING EQUIVALENT WENT IN; an INDEPENDENT SECOND DIAGNOSIS above ₹4,000 by someone NOT PAID ON THAT JOB (31 changed in Y1 → 11 in Y3, THE FALL BEING THE FIRST DIAGNOSIS IMPROVING RATHER THAN THE CHECK RELAXING); and the structural fix — TECHNICIAN EARNINGS LINKED TO PARTS VALUE TAKEN FROM 22% TO NIL, ON THE RULE THAT NOBODY PAID PER UNIT OF A REMEDY SHOULD DECIDE HOW MUCH OF IT IS NEEDED

The wrong productivity metric destroys the right one	A SECOND VISIT DESTROYS A WORKER-DAY AND IS ALMOST ALWAYS A PARTS-AVAILABILITY FAILURE RATHER THAN A DIAGNOSTIC ONE — THE TECHNICIAN DIAGNOSED CORRECTLY AND DID NOT HAVE THE COMPONENT ON THE VAN. AND THE TRAP IS SELF-INFLICTED: AN OPERATOR PUSHING JOBS PER DAY MAKES IT WORSE, BECAUSE A TECHNICIAN MEASURED ON VOLUME STOPS CARRYING STOCK HE MIGHT NOT NEED THAT MORNING, AND EVERY AVOIDED KILO OF VAN INVENTORY RETURNS AS A SECOND VISIT NEXT WEEK → FIRST-VISIT RESOLUTION adopted as THE productivity measure (54%→78%) with van-stock hit rate (61%→84%) and days-to-close (3.4→1.6) reported beside it; van-stock composition set from THE OPERATOR'S OWN FAILURE DATA RATHER THAN A SUPPLIER'S RECOMMENDATION and refreshed quarterly; a twelve-person inventory function by Y3, heavier than an outsider expects; and the economics stated — MOVING 54%→78% REMOVES ROUGHLY ONE RETURN TRIP IN FOUR AND IS BOUGHT ALMOST ENTIRELY WITH VAN INVENTORY, WHICH LOOKS LIKE IDLE WORKING CAPITAL AND IS THE CHEAPEST PRODUCTIVITY THIS BUSINESS CAN BUY
Grey-market spares are a safety question, not a quality one	A COUNTERFEIT CAPACITOR IN A WALL-MOUNTED AIR CONDITIONER, AN UNCERTIFIED COMPRESSOR IN A KITCHEN REFRIGERATOR OR A COPIED CONTROL BOARD IN A WASHING MACHINE SIT INSIDE AN OCCUPIED HOME, ENERGISED, UNATTENDED, FOR YEARS. THE FAILURE MODE IS NOT THAT THE APPLIANCE STOPS WORKING — IT IS THAT SOMETHING OVERHEATS AT THREE IN THE MORNING. THE INDIAN GREY MARKET IN SPARES IS LARGE, CHEAP AND OFTEN VISUALLY INDISTINGUISHABLE, AND A TECHNICIAN FITTING ONE MAKES A DECISION THE CUSTOMER CANNOT SEE, CANNOT EVALUATE AND WILL CARRY THE CONSEQUENCES OF → OEM or authorised distributors ONLY with traceable invoices (68%→100%), WITH NO EXCEPTION FOR A PART THAT IS MERELY DIFFICULT TO OBTAIN, BECAUSE "DIFFICULT TO OBTAIN" IS PRECISELY WHEN A GREY SUBSTITUTE APPEARS; the cost STATED rather than absorbed (₹31L a year by Y3 against a ₹1.81cr profit, SO A COMPETITOR SOURCING THE OTHER WAY HAS A MATERIALLY DIFFERENT COST BASE AT THE SAME CUSTOMER PRICE); product-liability insurance behind the position; and where a genuine part genuinely cannot be sourced, THE HONEST ANSWER IS THAT THE APPLIANCE CANNOT BE REPAIRED BY THIS OPERATOR — WHICH LOSES THE JOB AND IS THE WHOLE OF THE POSITION
Refrigerant venting — the compliance nobody checks	THE CLEAREST CASE IN THIS LIBRARY OF A COMPLIANCE THAT COSTS MONEY, PRODUCES NO VISIBLE BENEFIT AND WILL NEVER BE DETECTED IF IGNORED. OPENING A VALVE TAKES FOUR SECONDS, COSTS NOTHING AND LEAVES NO TRACE; RECOVERY NEEDS A MACHINE ON THE VAN, A STORAGE CYLINDER, SEVERAL MINUTES ON A PEAK-SEASON DAY WITH THREE JOBS WAITING, AND A ROUTE TO A LICENSED RECLAIMER. NO CUSTOMER ASKS, NO INSPECTOR ARRIVES, AND THE DIFFERENCE IS INVISIBLE ON THE INVOICE — SO THE ODS RULES AND INDIA'S HFC PHASE-DOWN COMMITMENTS ARE HONOURED MAINLY ON PAPER → recovery equipment CAPITALISED AT THE OUTSET rather than bought when convenient, SO A TECHNICIAN IS NEVER CHOOSING BETWEEN COMPLIANCE AND A MACHINE HE DOES NOT HAVE; recovery RECORDED PER JOB AS A FIELD rather than assumed (24%→96%, WITH THE RESIDUAL 4% REPORTED RATHER THAN ROUNDED AWAY); and the time BUILT INTO THE JOB STANDARD, because A TECHNICIAN MEASURED ON JOBS PER DAY, HOLDING A RECOVERY MACHINE, ON THE BUSIEST AFTERNOON OF JUNE, WILL VENT — AND NO POLICY STATEMENT CHANGES THAT ARITHMETIC. Replaced boards, compressors and components routed under E-WASTE RULES, never to general waste or an informal recycler

The moat is parts access — and it is granted by someone who can withdraw it	LEAKAGE HERE RUNS AT ~9%, BETWEEN CLEANING'S 14% AND PEST CONTROL'S 6%, AND WHAT BOUNDS IT IS NEITHER LOYALTY NOR LICENSING BUT PARTS ACCESS: A TECHNICIAN WHO LEAVES CANNOT OBTAIN GENUINE SPARES OR WARRANTY AUTHORISATION. BUT THAT MOAT HAS A MIRROR — THE BRAND CAN TERMINATE THE PARTNERSHIP, AND AN OPERATOR EARNING MOST OF HIS LIVING FROM ONE MANUFACTURER'S WARRANTY WORK HAS A CUSTOMER, NOT A BUSINESS. A BRAND AND MODEL WHOSE PARTS CANNOT BE OBTAINED IS ALSO NOT ADDRESSABLE AT ANY PRICE, WHICH MEANS REACH IS THE INTERSECTION OF ROUTABLE CLUSTERS AND SOURCEABLE BRANDS — AND THE SECOND CONSTRAINT IS INVISIBLE IN EVERY MARKET-SIZE ESTIMATE THIS INDUSTRY PRODUCES → largest brand's revenue share driven DOWN 47%→29% deliberately, WHICH MEANS DECLINING VOLUME FROM A MANUFACTURER OFFERING MORE WORK ON WORSE TERMS; authorisation agreements read AS CONCENTRATION RISK rather than only as commercial contracts, with renewal dates tracked; multiple brand authorisations pursued early; and jobs on unsourceable brands DECLINED AT THE CALL STAGE, RATHER THAN ATTENDED, DIAGNOSED, CHARGED A VISIT FEE AND LEFT UNREPAIRED — WHICH IS HOW A GREAT DEAL OF THIS INDUSTRY'S REPUTATION WAS EARNED
A four-month year against an annual payroll	AIR-CONDITIONING WORK CONCENTRATES IN MARCH TO JUNE WHILE THE PAYROLL RUNS TWELVE MONTHS AND THE SKILL BASE IS CERTIFIED. A 3.1× PEAK-TO-TRough SWING MEANS PAYING FULL WAGES FOR FOUR MONTHS OF HALF-WORK, AND THE CERTIFIED PEOPLE CANNOT SIMPLY BE RELEASED BECAUSE THEY WILL NOT COME BACK — WHICH IS ALSO WHY THE OBVIOUS FIX, SEASONAL HIRING, DESTROYS THE SKILL BASE THE ENTIRE MOAT DEPENDS ON → the swing narrowed 3.1×→2.2× and trough-month utilisation lifted 38%→64% through AMC VISITS DELIBERATELY SCHEDULED INTO THE TROUGH RATHER THAN WHEN THE CUSTOMER ASKS, counter-seasonal REFRIGERATION AND LAUNDRY MIX carried on purpose, and PRE-SEASON OVERHAUL CAMPAIGNS in January and February SOLD AS PREPARATION RATHER THAN REPAIR; AMC BILLING timed into the trough quarters SO THE ANNUITY DOES TWO JOBS AT ONCE; and the cash consequence managed — THE YEAR'S LARGEST OUTFLOW IS THE FEBRUARY INVENTORY BUILD, IN THE QUARTER AFTER THE TROUGH AND BEFORE THE REVENUE, AND AN OPERATOR WHO UNDER-BUYS THEN TO PROTECT CASH SPENDS THE PEAK LOSING FIRST-VISIT RESOLUTIONS HE CANNOT RECOVER — THE MOST EXPENSIVE FALSE ECONOMY IN THE TRADE
Honest pricing loses at the only moment the customer compares	AN INDEPENDENT QUOTES A SMALLER VISIT CHARGE, DIAGNOSES AT THE MACHINE, AND PRICES THE REPAIR ONCE THE CUSTOMER IS COMMITTED AND THE APPLIANCE IS IN PIECES — A POSITION OF CONSIDERABLE STRENGTH, SINCE SHE IS NOT GOING TO CALL SOMEBODY ELSE TO REASSEMBLE IT. THE ORGANISED OPERATOR QUOTING A FIXED DIAGNOSTIC FEE AND A GENUINE-PARTS PRICE LOOKS DEARER ON THE PHONE AND IS FREQUENTLY CHEAPER IN TOTAL, AND THERE IS NO WAY TO DEMONSTRATE THAT BEFORE THE WORK — WHICH IS WHY PRICE COMPARISON IN THIS TRADE REWARDS WHOEVER QUOTES LOWEST AT THE DOOR AND RECOVERS IT IN PARTS SHE CANNOT ASSESS → give her SOMETHING CHECKABLE — THE RETURNED PART, THE PHOTOGRAPHED SERIAL NUMBERS AND AN ITEMISED INVOICE SEPARATING LABOUR FROM PARTS ARE ARTEFACTS THE CHEAPER OPTION DOES NOT PRODUCE, AND A CUSTOMER WHO HAS RECEIVED THEM ONCE UNDERSTANDS WHAT THEIR ABSENCE MEANS (the pest-control lesson applied); and compete hardest WHERE EVALUATION IS POSSIBLE — housing societies, offices and small commercial premises buy on AMC, compare year on year, and CAN TELL THE DIFFERENCE BETWEEN AN OPERATOR WHOSE UNITS KEEP RUNNING AND ONE WHOSE UNITS KEEP NEEDING PARTS

Vertical-inherited risks (see the home-cleaning anchor)	THE WORKER ENTERS THE CUSTOMER'S HOME ALONE AND THE RISK RUNS BOTH WAYS → verification both ways, the NO-QUESTIONS WITHDRAWAL RIGHT at no cost to the worker, worker-raised concerns logged as a number that must rise. ROUTE DENSITY IS THE WHOLE MARGIN AND TRAVEL APPEARS IN NO COST LINE → clusters served deliberately, revenue per technician-day ₹2,600→₹3,300. CLASSIFICATION IS THE FAULT LINE — THE LABEL DOES NOT DECIDE THE RELATIONSHIP, THE CONTROL DOES → technicians EMPLOYED with EPF/ESI, AND HERE ALSO OPERATIONALLY NECESSARY, BECAUSE A CONTRACTOR CANNOT BE HELD TO A SPARES RECONCILIATION OR BARRED FROM EARNING ON PARTS. POSH REACHES THE CUSTOMER'S PREMISES; the theft or damage allegation is a when not an if, with the worker's account recorded before any decision and no removal without a finding; the rating system is a pay system with an appeal route and unrated jobs excluded; attrition reported honestly (tenure 11.2→19.8 months, the longest in the vertical so far because the skill is certified and portable). Plus: CONSUMER PROTECTION REACHES THE DIAGNOSIS ITSELF — TELLING A CUSTOMER HER COMPRESSOR HAS FAILED IS A STATEMENT SHE RELIES ON TO SPEND MONEY; repair warranties provided for; GST charged correctly on services and parts, which are taxed differently and INVOICED SEPARATELY — which is also what makes the labour/parts split visible to her; and inventory obsolescence PROVIDED FOR RATHER THAN DISCOVERED, since A SPARES HOLDING BUILT FOR LAST YEAR'S FAILURE PATTERN BECOMES DEAD STOCK QUIETLY, AND IT IS THE ONE BALANCE-SHEET ITEM HERE THAT CAN BE MATERIALLY WRONG WITHOUT ANYBODY NOTICING
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15. SWOT Analysis

Strengths The old part returned on every job — the strongest control in the trade and close to free; no technician earnings linked to parts value, and an independent second diagnosis above ₹4,000; genuine parts with traceable invoices and the cost stated; first-visit resolution treated as the productivity measure; refrigerant actually recovered; a real, financeable asset base in inventory, tools and vehicles.	Weaknesses A 3.1× seasonal swing against an annual, certified payroll; the year's largest cash outflow falling in February, before the season's revenue; dependence on brand authorisations that can be withdrawn; inventory obsolescence that accumulates invisibly; a price that looks higher at the only moment the customer compares; a Year-1 loss built into capacity that must precede demand.
Opportunities Rapid growth in the air-conditioner installed base, which needs annual servicing as well as repair; manufacturers outsourcing after-sales to partners rather than running field forces; an ageing refrigerator and washing-machine stock in a repair-over-replace market; AMC demand from societies, offices and small commercial premises; apartment density concentrating both the installed base and the routing advantage.	Threats A large independent sector competing on callout price and recovering it in parts the customer cannot assess; withdrawal or renegotiation of a brand authorisation; grey-market parts undercutting the genuine position; a safety incident traced to a fitted component; wage inflation in a certified, portable skill; and marketplaces commoditising the booking layer while leaving the operator the cost.

16. Recommended AiSevak Tools for This Business

This operator would use AiSevak's Home Services vertical tools in operations:

- **Diagnosis integrity: old-part-return prompt and record on every job, serial-number capture in and out, second-diagnosis workflow above a rupee threshold routed to a reviewer paid on neither job nor parts, monthly spares-issued-to-parts-invoiced reconciliation reporting to finance.**

- **Productivity: first-visit resolution and van-stock hit-rate dashboards, van-stock composition built from the operator's own failure data, days-to-close tracking, second-visit cost attribution.**
- **Safety & compliance:** genuine-parts traceability with invoice linkage, refrigerant-recovery capture per job, e-waste routing register, repair-warranty provision and callback workflow.
- **Concentration & seasonality:** brand revenue-share monitoring with authorisation renewal alerts, peak-to-trough and trough-utilisation reporting, AMC scheduling weighted into off-season months, pre-season inventory build planner.
- **Vertical basics:** two-way verification, no-questions withdrawal log, allegation workflow capturing the worker's account first, rating appeals with unrated jobs excluded, tenure and cost-to-replace tracking.

17. Key Assumptions & Notes

- Appliance-repair service: multi-brand operator repairing air conditioners, refrigerators, washing machines and kitchen appliances in one city, working as an authorised service partner for selected brands and independently, with employed technicians, a genuine-spares supply chain and AMCs. **Third plan in the homeservices vertical (43). The home-cleaning anchor's conventions are INHERITED AND CROSS-REFERENCED rather than re-derived.**
- **△ CONVENTIONS SET HERE: (a) □ THE PART THAT WAS NEVER REPLACED AND THE FAULT THAT WAS NEVER THERE — the pest-control asymmetry with a SECOND LAYER, because the technician chooses BOTH THE DIAGNOSIS AND THE REMEDY AND IS PAID MORE FOR THE EXPENSIVE ONE, and in either failure mode THE APPLIANCE WORKS AFTERWARDS, WHICH IS THE ONLY EVIDENCE SHE HAS. (b) □ RETURN THE OLD PART — the strongest control in the trade, close to free, and close to universally absent. MAKE AND RECORD THE OFFER ON EVERY JOB RATHER THAN WHEN ASKED, SINCE A CONTROL THAT DEPENDS ON THE CUSTOMER KNOWING TO ASK PROTECTS ONLY THE INFORMED — and the objection that customers do not want a dead compressor IS TRUE AND IRRELEVANT, BECAUSE THE TECHNICIAN CANNOT KNOW IN ADVANCE WHICH CUSTOMER WILL ACCEPT IT. THE RETURNED PART PROVES SOMETHING CAME OUT; THE RECONCILIATION PROVES SOMETHING EQUIVALENT WENT IN. (c) NOBODY PAID PER UNIT OF A REMEDY SHOULD DECIDE HOW MUCH OF IT IS NEEDED — parts-linked technician earnings taken to NIL; second diagnosis above a threshold BY SOMEONE NOT PAID ON THAT JOB, and A FALLING NUMBER OF CHANGED DIAGNOSES IS THE FIRST DIAGNOSIS IMPROVING, NOT THE CHECK RELAXING. (d) □ FIRST-VISIT RESOLUTION IS THE REAL PRODUCTIVITY METRIC AND A SECOND VISIT IS A PARTS FAILURE, NOT A SKILL FAILURE — AND THE TRAP IS SELF-INFLICTED, SINCE AN OPERATOR PUSHING JOBS PER DAY MAKES IT WORSE: A TECHNICIAN MEASURED ON VOLUME STOPS CARRYING STOCK HE MIGHT NOT NEED. VAN INVENTORY LOOKS LIKE IDLE WORKING CAPITAL AND IS THE CHEAPEST PRODUCTIVITY THIS BUSINESS CAN BUY. (e) GREY-MARKET SPARES ARE A SAFETY QUESTION, NOT A QUALITY ONE — THE FAILURE MODE IS NOT THAT THE APPLIANCE STOPS WORKING, IT IS THAT SOMETHING OVERHEATS AT THREE IN THE MORNING; no exception for a part that is MERELY DIFFICULT TO OBTAIN, BECAUSE THAT IS PRECISELY WHEN A GREY SUBSTITUTE APPEARS. (f) □ REFRIGERANT RECOVERY IS THE CLEAREST CASE OF A COMPLIANCE THAT COSTS MONEY, SHOWS NO BENEFIT AND WILL NEVER BE DETECTED — capitalise the equipment at the outset, RECORD RECOVERY PER JOB AS A FIELD RATHER THAN ASSUME IT, AND BUILD THE TIME INTO THE JOB STANDARD, BECAUSE A TECHNICIAN MEASURED ON JOBS PER DAY ON THE BUSIEST AFTERNOON OF JUNE WILL VENT AND NO POLICY STATEMENT CHANGES THAT ARITHMETIC. (g) □ THE MOAT AND THE CONCENTRATION RISK ARE THE SAME THING — leakage ~9% bounded by PARTS ACCESS (vs cleaning 14%, pest 6%), but AN OPERATOR EARNING MOST OF HIS LIVING FROM ONE MANUFACTURER'S WARRANTY WORK HAS A CUSTOMER, NOT A BUSINESS. Also: REACH IS THE INTERSECTION OF ROUTABLE CLUSTERS AND SOURCEABLE BRANDS, AND THE SECOND CONSTRAINT IS INVISIBLE IN EVERY MARKET-SIZE ESTIMATE THIS INDUSTRY PRODUCES. (h) EXTREME SEASONALITY AGAINST AN ANNUAL CERTIFIED PAYROLL — fix with MIX AND SCHEDULING, NOT SEASONAL HIRING, WHICH DESTROYS THE SKILL BASE THE**

MOAT DEPENDS ON.

- Economics & cash — **LABOUR REVENUE PER TECHNICIAN-DAY ₹2,600→₹3,300 AGAINST ~₹1,330 OF LOADED TECHNICIAN COST, WITH PARTS ALONGSIDE AT ~41% GROSS MARGIN — WHICH IS WHY THIS EARNS 9.8% WHERE CLEANING EARNS 2.9%, AND ANY PLAN CLAIMING THIS MARGIN ON LABOUR ALONE IS MISREPRESENTING ITS RATE CARD** (Y1 –₹39L → Y2 +₹56L → Y3 +₹1.81cr; revenue ₹5.95cr→₹18.43cr; technicians 46→108, jobs 49,700→149,000; first-visit resolution 54%→78% and van-stock hit 61%→84%, days-to-close 3.4→1.6; genuine parts 68%→100% at a stated ₹31L a year; refrigerant recovery 24%→96%; largest brand 47%→29%; peak-to-trough 3.1×→2.2× with trough utilisation 38%→64%; ROCE (7.5%)→29.2%; **BREAK-EVEN YEAR 2, THE YEAR-1 LOSS BEING A CERTIFIED TECHNICIAN BASE, A SPARES INVENTORY AND RECOVERY EQUIPMENT BUILT BEFORE THE JOB VOLUME EXISTS; AND TWO CASH PROBLEMS PEAKING AT OPPOSITE ENDS OF THE YEAR — THE FEBRUARY INVENTORY BUILD BEFORE THE SEASON, AND A FULLY STAFFED ANNUAL PAYROLL AGAINST HALF THE REVENUE FROM JULY**). Regulatory (section 9): **ODS RULES AND HFC PHASE-DOWN REQUIRING RECOVERY NOT VENTING**; E-Waste Rules on replaced components; **CONSUMER PROTECTION REACHING THE DIAGNOSIS ITSELF, SINCE TELLING A CUSTOMER HER COMPRESSOR HAS FAILED IS A STATEMENT SHE RELIES ON TO SPEND MONEY**; product liability on fitted components; **BRAND AUTHORISATION AGREEMENTS READ AS CONCENTRATION RISK, NOT ONLY AS COMMERCIAL CONTRACTS**; GST charged separately on services and parts; electrical and work-at-height safety for outdoor units; plus vertical-shared classification with EPF/ESI, POSH-at-customer-premises and DPDP. Lender note (section 13): **THE MOST SECURABLE BUSINESS IN ITS VERTICAL — SPARES, TOOLS AND VEHICLES ARE REAL AND STOCK-FINANCEABLE, UNLIKE THE CLEANING OPERATOR'S MOPS AND SOFTWARE**; facility SIZED ON THE PRE-SEASON INVENTORY BUILD, NOT AVERAGE WORKING CAPITAL; **THE DIAGNOSTICS ARE FIRST-VISIT RESOLUTION AND THE PARTS-TO-LABOUR RATIO — A PARTS LINE GROWING FASTER THAN JOB COUNT IS THE SINGLE CLEAREST SIGN THAT DIAGNOSES ARE DRIFTING UPWARD, AND A PROMOTER WHO CANNOT PRODUCE A MONTHLY SPARES RECONCILIATION CANNOT TELL A LENDER, OR HIMSELF, WHETHER THE PARTS HE INVOICED WERE FITTED**; and **ASK ABOUT BRAND CONCENTRATION AND THE AUTHORISATION AGREEMENTS BEHIND IT, BECAUSE PARTS ACCESS IS WHAT BOUNDS LEAKAGE AND SUPPORTS THE MARGIN, IT IS GRANTED BY MANUFACTURERS WHO CAN WITHDRAW IT, AND AN OPERATOR AT 47% OF REVENUE FROM ONE BRAND IS ONE CONTRACT RENEWAL AWAY FROM A DIFFERENT BUSINESS**. ₹6.00cr; technicians 46→108; revenue ₹5.95→18.43cr; 79→189 staff; ROCE (7.5%)→29.2%. Figures illustrative, exclude GST.

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Every tool referenced in this plan is available on aisevak.in. Open the [Home Services toolkit](https://aisevak.in/verticals/homeservices) to browse and use them all at <https://aisevak.in/verticals/homeservices> — or go straight to any specific tool at <https://aisevak.in/service/<tool-name>>. No signup needed to explore; each tool guides you step by step.

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