

Statement of investment & return/ projected profitability of dealership

Security deposit

Rs.50,000 /- by RTGS/DD : It will earn 5% simple interest P.A.
(Amount refundable) which is Payable on maturity.

Under Interim Arrangement

<u>Investment on 1st order</u>							<u>Profit on Premier connection</u>						
Size	Security	Regulator	Pipe	Gas	D.Ch.	Each	Qty.	Amount	<u>Items</u>	<u>Regular</u>	<u>Mini</u>	<u>Comm.</u>	
15kg.	1500	150	150	980	100	= 2880	X 40	= 1,15,200	Doc charge	: Rs. 300	200	100	
12kg.	1200	200	150	778	100	= 2428	X 20	= 48,560	Regulator	: Rs. 50	50	50	
4kg.	700	200	150	259	000	= 1309	X 10	= <u>13,090</u>	Pipe	: Rs. 40	40	00	
1. 70 connections								: Rs. 1,76,850/-	Gas	: <u>Rs. 90</u>	<u>28</u>	<u>90</u>	
2. Publicity Expenses								: Rs. <u>25,000/-</u>			Rs. 480	318	240
								Rs. 2,01,850/-					
							Security Deposit	<u>50,000/-</u>					
							Total	2,51,850/-					
							Say Rs.	2,50,000/-					

A. Operational Expenses Under Interim Arrangement

<u>A Office</u>					
<u>S. No.</u>	<u>Designation</u>	<u>Nos.</u>	<u>Each</u>	<u>Monthly</u>	<u>Yearly</u>
1	Receptionist/Computer Operator	1	10000	10000	1,20,000
2	Sales Executive	1	10000	10000	1,20,000
3	Office Boy	1	7000	7000	84,000
4	Conveyance			6000	72,000
5	Phone/Internet			2000	24,000
6	Electricity+water			3000	36,000
7	Misc/Refreshment			3000	36,000
8	Insurance (Public Liability/ Stock at Godown/Cash Transit)				15,000
9	Professional charges				25,000
10	Discount on Commercial Refills 25X50 = 1250			37500	4, 50,000
					9,82,000/-

B. Transportation Expenses of Tempo (Four wheeler)

	<u>Nos.</u>	<u>Each</u>	<u>Monthly</u>	<u>Yearly</u>	
1 Driver	1	12000	12000	1,44,000	
2 Diesel 12.5 Ltr. @ Rs.63/- 150km. average 12km. p. ltr.			23625	2,83,500	
3 Helper	1	8000	8000	96,000	
4 Installment of Four Wheeler			15000	1,80,000	
5 Police Challan etc.			3000	36,000	
6 Repair/Maintenance/Service			5000	60,000	
7 Permit				20,000	
8 Insurance				20,000	8,39,500/-
Operational Expenses :				c/o 1 st page	<u>9,82,000/-</u>
Total Expenses (A+B):					18,21,500/-

1st year Projection for profit

A. Margin on sale of connections

<u>Direct Connections</u>					<u>Through other Customer Representative(1)</u>				
	<u>Monthly</u>	<u>Yearly</u>	<u>Margin</u> (Each)	<u>Total</u> <u>Amount</u>		<u>Monthly</u>	<u>Yearly</u>	<u>Margin</u> (Each)	<u>Total</u> <u>Amount</u>
Domestic	05	60	480	28800	Domestic	05	60	170	10200
Mini Cylinder	05	60	318	19080	Mini Cylinder	05	60	148	8880
Commercial		150	240	<u>36000</u>	Commercial		150	50	<u>7500</u>
				83880					26580
									Total : 1,10,460

B. Margin on sale of Refill

<u>Refill Margin</u>	<u>Nos.</u>	<u>Each</u>	<u>Daily</u>	<u>Monthly</u>	<u>Yearly</u>
1 st month	10	90.00	900	27,000	
2 nd month	20	90.00	1800	54,000	
3 rd month	30	90.00	2700	81,000	
4 th month	50	90.00	4500	1,35,000	
5 th month	70	90.00	6300	1,89,000	
6 th month	70	90.00	6300	1,89,000	
Onward			1,89,000 x 6 =	11,34,000	
Income on sale of refill					18,09,000
Refill margin of Customer Representative (13,50,000 – 9,00,000)					4,50,000
Income on sale of connection					1,10,460
Total Income					23,69,460
Operational Expenses					18,21,500
					Yearly Net Income : 5,47,960
					Monthly Net Income : 45,663

Investment on Construction of Godown after Approval

Investment

1. Investment on construction of godown	: Rs. 5,00,000/-
2. Issue of license from Explosive Deptt.	: Rs. 50,000/-
3. Investment on 125 Cylinders @Rs.2677	: Rs. 3,34,625/-
4. Publicity Expenses	: Rs. <u>25,000/-</u>
	Rs. 9,09,625/-

Godown Expenses

<u>Designation</u>	<u>Nos.</u>	<u>Each</u>	<u>Monthly</u>	<u>Yearly</u>
1. Security Guard	2	16000	16000	2,40,000
2. Sales Clerk	1	8000	8000	<u>96,000</u>
			Total	3,36,000

Operational Expenses:

Office: 9, 82,000 X 2	: 19, 64,000
Godown Expenses	: 3, 36,000
Local Transport	: <u>8, 39,500</u>
Total	: <u>31,39,500</u>

Regular Income On Full Operation

	<u>Nos.</u>	<u>Each</u>	<u>Daily</u>	<u>Monthly</u>	<u>Yearly</u>
Refill Margin @ Rs.64.00/-Per Refill (Self)	250	64.00	16,000	4, 80,000	57, 60,000/-
Refill Margin @ Rs.16.00/-Per Refill (CR/Retailer)	50	16.00	800	24,000	<u>2, 88,000/-</u>
					60, 48,000/-
					Expenses : 31, 39,500/-
					Yearly Net Income : 29, 08,500/-
					Monthly Net Income : 2, 42,375/-

Dealer will/can also earn extra income on Sale of

- i) Connections after 1st year
- ii) Material supplied to Mini Retailer
- iii) Refill of 12kg and 4kg cylinders
- iv) Mini Cylinder Attachments
- v) Gas Stove
- vi) Gas product/Geyser/Generator etc

Disclaimer:-

1. The figures of wages in the table are illustrative only and may differ as per minimum wages act as applicable within the respective State.
2. The information provided above is in good faith and our understanding of the current business data available with us, it is also subject to change and clients must verify the same at their end. Premier absolves itself of any responsibility and claims on account of the same.