

Statement of investment & return/projected profitability of distributorship

Security deposit

Rs. 1,00,000 /- (Rupees one lac only) : It will earn 5% simple interest P.A.
by RTGS/DD (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>Regular</u>	<u>Mini</u>	<u>Comm</u>
15kg.	1500	150	150	980	100	= 2880	X 100	= 2,88,000	Doc. charges	: 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. 130 connections								: Rs. 3,49,650/-	Gas	: <u>Rs. 90</u>	<u>28</u>	<u>90</u>
2. Publicity Expenses								: Rs. <u>55,000/-</u>		Rs. 480	318	240
								Rs. 4,04,650/-				
								Security Deposit				
								<u>1,00,000/-</u>				
								Total				
								5,04,650/-				
								Say Rs. 5,00,000/-				

A. Operational Expenses Under Interim Arrangement

A Office

<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/ Godown/Cash Transit)				15,000
9	Professional charges				25,000
10	Discount on Commercial Refills 50X50 = 2500			75,000	9, 00,000
					14,32,000/-

B. Local 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 25.0 ltr. @ Rs.63/- 250km. average 10km. p. ltr			47250	5,67,000	
3 Helper	1	8000	8000	96,000	
4 Installment of Four Wheeler			20800	2,49,600	
5 Police Challan etc.			3000	36,000	
6 Repair/Maintenance/Service			5000	60,000	
7 Permit				24,000	
8 Insurance				36,000	12,12,600/-
Operational Expenses :				c/o 1 st page	14,32,000/-
Total Expenses (A+B):					26,44,600/-

1st year Projection for profit

A. Margin on sale of connections

	<u>Direct Connections</u>				<u>Through other Customer Representative(2)</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	10	120	20400
Mini Cylinder	05	60	318	19080	Mini Cylinder	10	120	17760
Commercial		300	240	<u>72000</u>	Commercial		300	<u>15000</u>
					Total			1,73,040/-

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	100	90.00	9000	2,70,000	
Onward			1,35,000 x 6 =	16,20,000	
Income on sale of refill					23,76,000
Refill margin of Customer Representative (Refer CR Projection) x 2					9,00,000
Income on sale of connection					1,73,040
Total Income					34,49,040
Operational Expenses					26,44,600
					Yearly Net Income : 8,04,440
					Monthly Net Income : 67,036

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 300 Cylinders @Rs.1600	: Rs. 8,03,184/-
4. Publicity Expenses	: Rs. 5,000/-
	Rs. 13,58,184/-

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: 14, 32,000 X 2	: 28,64,000
Godown Expenses	: 3,36,000
Local Transport	: <u>12,12,600</u>
Total	: <u>44,12,600</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)	500	64.00	32,000	9,60,000	1,15,20,000/-
Refill Margin @ Rs.16.00/-Per Refill (Retailer)	100	16.00	1600	48,000	<u>5,76,000/-</u>
					1,20,96,000/-
				Expenses	: 44,12,600/-
				Yearly Net Income	: 76,83,400/-
				Monthly Net Income	: 6,40,283/-

Distributor will/can also earn extra income on Sale of

- i) Connections after Ist 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.