

PROJECT REPORT FOR
PETROL PUMP



Prepared for

Promoter:

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

Project Location:

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

PREPARED BY:

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Project For:
PETROL PUMP

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Project For:
PETROL PUMP

I. PROJECT AT A GLANCE

1. Name and address of the unit : XXXXXXXXXXXXXXXXXXXXXXXX
ADD.XXXXXXXXXXXXXXXXXXXXXX
2. About Promoter : XXXXXXXXXXXXXXXXXXXXXXXX
3. Project Cost : Rs. 122.50 Lakhs
4. Mean of Finance
- A) Cash Credit Loan from Bank : Rs. 20.00 Lakhs
- B) Promoter's contribution : Rs. 102..50 Lakhs
5. Rate of Interest : 10.5 % Per Annum
7. Nature of Project : Petrol Pump (Petrol, Diesel)
8. Employment Potential : 10 Nos
9. Nature of the Firm : Proprietary Firm
10. Average Debt Coverage ratios : **7.90**

Introduction

Petrol Pump operation is considered one of the most lucrative businesses in India. India is the 2nd largest populated country in the world with more than 135 crore people. The total number of registered vehicles in India is more than 25 crore and every year more than 1 crore vehicles were coming to the roads. India imports 82% of its oil needs and aims to bring that down to 67% by 2022 by replacing it with local exploration, renewable energy, and indigenous ethanol fuel. India was the third top net crude oil (including crude oil products) importer of 205.3 Mt in 2018. India has more than 70 thousand petrol pumps. India is the third-largest consumer of crude oil in the world, after the United States and China. The country accounted for 4.81% of total world oil consumption in 2016-17. The estimated total consumption of crude oil in India rose from 160.77 MMT in 2008-09 to 251.93 MMT in 2017-18 with a CAGR of 4.59%. High-speed diesel oil accounted for 39.3% of total consumption of all types of petroleum products in 2017-18, followed by petrol .1.6 million barrels of Diesel is used per day in India. 4 million barrels of petrol per day. One barrel equals 159 liters, now you can imagine the quench of the Indian automobile sector for fuel.

Project For :
PETROL PUMP

II. ECONOMICS OF THE PROJECT

A. COST OF PROJECT

(Rs. Lacs)

S.No.	Particulars	Total	Spent	Bal. To be spent
1	Land (Free hold)	-	-	-
2	Buildings			
a.	Civil Construction	0.00	74.00	74.00
b.	Other works (Glass Work, Iron Pipes, Nayara Branding etc.)	0.00	9.50	9.50
3	Plant & machinery (Electrical Equipment, Street Light, Hoarding Board Light, Oil Tanker, Guns, Water Tank, Motor, Plumbing Etc.)	0.00	16.00	16.00
5	Preliminary and pre operative expenses. (Nayara licence Fees etc)	0.00	3.00	3.00
	Total	0.00	102.50	102.50
6	Working Capital	20.00	-	20.00
	Sub Total	-		122.50

Means of Finance :

a) Own Contribution	102.50
b) Cash Credit facility from Bank	20.00
	<u>122.50</u>

Project For :
PETROL PUMP

B. PROFITABILITY STATEMENT

(Rs. Lacs)

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Sales	293.83	341.91	376.11	413.72	455.09	500.60
	Add : Increase in Cl.Stock	14.37	2.35	1.67	1.84	2.02	2.23
	Total Turnover	308.20	344.27	377.78	415.55	457.11	502.82
2	Material Purchase	262.22	305.14	335.65	369.22	406.14	446.76
3	Overheads						
	a) Direct	19.60	20.58	21.61	22.69	23.82	25.02
	b) Indirect	4.00	4.40	4.84	5.08	5.34	5.60
4	Balance	22.38	14.15	15.67	18.56	21.81	25.45
5	Interest on TL & CC	2.10	2.10	2.10	2.10	2.10	2.10
6	Depreciation	10.75	9.56	8.50	7.56	6.73	6.00
7	Preliminary expenses W/off	-	-	-	-	-	-
8	Profit after Interest & Dep.	9.53	2.49	5.08	8.90	12.98	17.35
9	Income Tax	1.11	-	0.22	0.98	2.09	3.41
10	Profit after Tax	8.42	2.49	4.86	7.92	10.88	13.95
11	Add: Depreciation & Pre Exp.	10.75	9.56	8.50	7.56	6.73	6.00
12	Add : Interest on TL & CC	2.10	2.10	2.10	2.10	2.10	2.10
13	Cash Accruals	21.27	14.15	15.46	17.58	19.72	22.04
14	Instalments of TL & Interest	2.10	2.10	2.10	2.10	2.10	2.10
15	DSCR	9.63	6.24	6.86	7.87	8.89	10.00
16	Average DSCR	7.90					

Project For :

PETROL PUMP**C. CASH FLOW STATEMENT**

(Rs. Lacs)

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
A CASH INFLOW :							
1	Collection from Debtors	281.59	327.67	360.43	396.48	436.13	479.74
2	T.L. from Bank	-					
3	CC from bank	20.00					
4	Capital	-					
	TOTAL (A)	301.59	327.67	360.43	396.48	436.13	479.74
B CASH OUTFLOW :							
1	Cost of Project	-			-		
2	Payment to creditors	251.29	292.43	321.67	353.84	389.22	428.14
3	Direct overheads	19.60	20.58	21.61	22.69	23.82	25.02
4	Indirect Overheads	4.00	4.40	4.84	5.08	5.34	5.60
5	Interest on Bank Loan	2.10	2.10	2.10	2.10	2.10	2.10
6	Income Tax	1.11	-	0.22	0.98	2.09	3.41
7	Term Loan Repayment	-	-	-	-	-	-
8	Drawings	1.50	1.65	1.82	2.00	2.20	2.42
	TOTAL (B)	279.60	321.16	352.25	386.68	424.77	466.68
SUMMERY:							
	Op. Cash & Bank Balance.	-	21.99	28.50	36.69	46.48	57.84
	Add : Surplus / (Deficit)	21.99	6.51	8.19	9.79	11.36	13.06
	Cl. Cash & Bank Balance.	21.99	28.50	36.69	46.48	57.84	70.90

Project For :

PETROL PUMP

D. BALANCE SHEET

(Rs. Lacs)

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
A	ASSETS :						
1	Fixed Assets	88.75	79.20	70.70	63.14	56.41	50.41
2	Investments	-	-	-	-	-	-
3	Current Assets	48.60	71.71	97.24	126.11	158.45	194.59
4	Loans & Advances	-	-	-	-	-	-
5	Pre Exp. Not written off	3.00	3.00	3.00	3.00	3.00	3.00
	TOTAL (A)	140.35	153.91	170.94	192.25	217.86	248.00
B	LIABILITIES:						
1	Capital	109.42	110.27	113.31	119.24	127.93	139.46
2	Secured loans Term Loan	-	-	-	-	-	-
3	Sundry Creditors	10.93	23.64	37.63	53.01	69.93	88.55
4	Current Liabilities Cash Credit	20.00	20.00	20.00	20.00	20.00	20.00
	TOTAL (B)	140.35	153.91	170.94	192.25	217.86	248.00
		-	-	-	-	-	-

Project For :

PETROL PUMP

(Rs. Lacs)

E. CAPITAL ACCOUNT

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Op. Balance	-	109.42	110.27	113.31	119.24	127.93
2	Additions	102.50	-	-	-	-	-
3	Net Profit for the year.	8.42	2.49	4.86	7.92	10.88	13.95
	Sub Total	110.92	111.92	115.13	121.23	130.12	141.87
4	Less : Drawings	1.50	1.65	1.82	2.00	2.20	2.42
5	Cl. Balance	109.42	110.27	113.31	119.24	127.93	139.46

Project For :

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(Rs. Lacs)

F. SALES

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	Sales per annum						
1	Petrol						
a	Sales per day (litrs)	380	450	495	545	599	659
b	Total sale per annum (litrs)	138,700	164,250	180,675	198,743	218,617	240,478
c	Income (@ Rs. 96.00 per Litrs purchase price + Rs. 2.35 per Litrs commission)	136.41	161.54	177.69	195.46	215.01	236.51
2	Diesel						
a	Sales per day (litrs)	480	550	605	666	732	805
b	Total sale per annum (litrs)	175,200	200,750	220,825	242,908	267,198	293,918
c	Income (@ Rs. 88.00 per Litrs purchase price + Rs. 1.85 per Litrs commission)	157.42	180.37	198.41	218.25	240.08	264.09
	Total Sale	293.83	341.91	376.11	413.72	455.09	500.60
4	Sundry Debtors (Credit period allowed 15 days)	12.24	14.25	15.67	17.24	18.96	20.86
5	Collection from Debtors	281.59	327.67	360.43	396.48	436.13	479.74

Project For :

PETROL PUMP

(Rs. Lacs)

G. MATERIAL CONSUMPTION AND INVENTORY

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Purchases of Material						
a	Petrol (litres)	138700	164250	180675	198743	218617	240478
	Purchase of petrol (@ Rs. 88.00 per litres)	122.06	144.54	158.99	174.89	192.38	211.62
b	Diesel (litrs)	175,200	200,750	220,825	242,908	267,198	293,918
	Purchase of Diesel (@ Rs. 80.00 per litres)	140.16	160.60	176.66	194.33	213.76	235.13
	Total purchase of material	262.22	305.14	335.65	369.22	406.14	446.76
3	Sundry Creditors (Assume 15 day Credit Period allowed)	10.93	12.71	13.99	15.38	16.92	18.61
4	Payment to creditors	251.29	292.43	321.67	353.84	389.22	428.14
5	Stock of Material (Stock for 20 days)	14.37	16.72	18.39	20.23	22.25	24.48

Project For :

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(Rs. Lacs)

H. DIRECT OVERHEADS

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Salary & Wages						
a	Skilled Worker (@ Rs.12,000 per month* 10 workers)	14.40	15.12	15.88	16.67	17.50	18.38
b	Accountant (@ Rs.15,000 per month* 1 nos.)	1.80	1.89	1.98	2.08	2.19	2.30
c	Manager (@ Rs.20000 per month* 1 nos.)	2.40	2.52	2.65	2.78	2.92	3.06
	Total Salary & Wages	18.60	19.53	20.51	21.53	22.61	23.74
2	Other Overheads	1.00	1.05	1.10	1.16	1.22	1.28
	Total	19.60	20.58	21.61	22.69	23.82	25.02

Project For :

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(Rs. Lacs)

I. INDIRECT OVERHEADS

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Travelling & Conveyance	0.50	0.55	0.61	0.64	0.67	0.70
2	Advertisement & Marketing	0.50	0.55	0.61	0.64	0.67	0.70
3	Electricity Expenses	1.50	1.65	1.82	1.91	2.00	2.10
4	Telephone Expenses	0.50	0.55	0.61	0.64	0.67	0.70
5	Misc. Expenses	1.00	1.10	1.21	1.27	1.33	1.40
		4.00	4.40	4.84	5.08	5.34	5.60

Project For :

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J. CASH CREDIT AND INTEREST THEREON

(Rs. Lacs)

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Total repayment with Interest	2.10	2.10	2.10	2.10	2.10	2.10
2	Interest on CC (at 10.5 per cent p.a.)	2.10	2.10	2.10	2.10	2.10	2.10
	Total Interest	2.10	2.10	2.10	2.10	2.10	2.10

Project For :

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K. CURRENT ASSETS

(Rs. Lacs)

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Cl. Stock of Materials	14.37	16.72	18.39	20.23	22.25	24.48
	Total Inventory	14.37	16.72	18.39	20.23	22.25	24.48
2	Cash and bank Balance	21.99	28.50	36.69	46.48	57.84	70.90
3	Sundry Debtors	12.24	26.49	42.16	59.40	78.36	99.22
	Total	48.60	71.71	97.24	126.11	158.45	194.59

Project For :

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L. FIXED ASSETS AND DEPRECIATION

(Rs. Lacs)

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Buildings						
	Op. Balance	83.50	75.15	67.64	60.87	54.78	49.31
	Additions	-	-	-	-	-	-
	Total	83.50	75.15	67.64	60.87	54.78	49.31
	Less : Depreciation	8.35	7.52	6.76	6.09	5.48	4.93
	Cl. WDV	75.15	67.64	60.87	54.78	49.31	44.38
2	Plant & machinery						
	Op. Balance	16.00	13.60	11.56	9.83	8.35	7.10
	Additions	-	-	-	-	-	-
	Total	16.00	13.60	11.56	9.83	8.35	7.10
	Less : Depreciation	2.40	2.04	1.73	1.47	1.25	1.06
	Cl. WDV	13.60	11.56	9.83	8.35	7.10	6.03
	Total Depreciation	10.75	9.56	8.50	7.56	6.73	6.00
	Cl. WDV	88.75	79.20	70.70	63.14	56.41	50.41

Project For :

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M. WORKING CAPITAL

(Rs. Lacs)

S.No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1	Total Current Assets	48.60	71.71	97.24	126.11	158.45	194.59
2	Total Current Liabilities	10.93	12.71	13.99	15.38	16.92	18.61
3	Working Capital	37.67	59.00	83.25	110.73	141.53	175.98